



Sustainability Report

2023 | Executive Summary



ICONIC

About us

ICONIC Lubrificantes S.A. is a joint venture created in 2017 from a partnership between Chevron and Ipiranga.

We are a private equity firm established as a corporation, headquartered in Rio de Janeiro, with a shareholding structure divided between Ipiranga Produtos de Petróleo (56%) and Chevron (44%).

In addition to lubricating oils, greases and coolants, we also sell base oils and offer our customers oil analysis, support and specialized consultancy services.

ICONIC has three operational units located in the cities of Osasco (SP), Duque de Caxias (RJ) and Rio de Janeiro (RJ).

Our purpose

Create solutions for the world to flow better



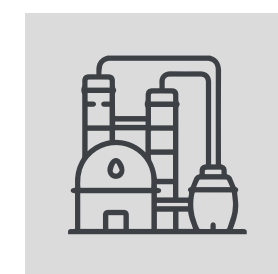
Our structure



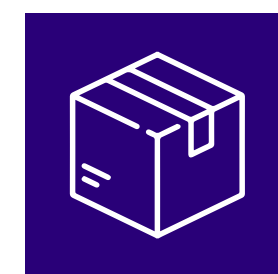
01 Lubricant manufacturing plant



01 Grease and coolant manufacturing plant



01 Base oil terminal



15+ Distribution centers



18 Authorized distributors



500+ Employees



ICONIC in numbers:

304.5 million

liters of lubricants sold,
7.4% more
than the previous year

**R\$ 3.5
billion**

net revenue

**BRL 244.9
million**

EBITDA

100,000+

customers served

**BRL 5.4
million***

invested in Sustainability
and Innovation projects

*With 46% of this investment
directed towards the construction of
the new ICONIC Technology Center.

**BRL 170
million**

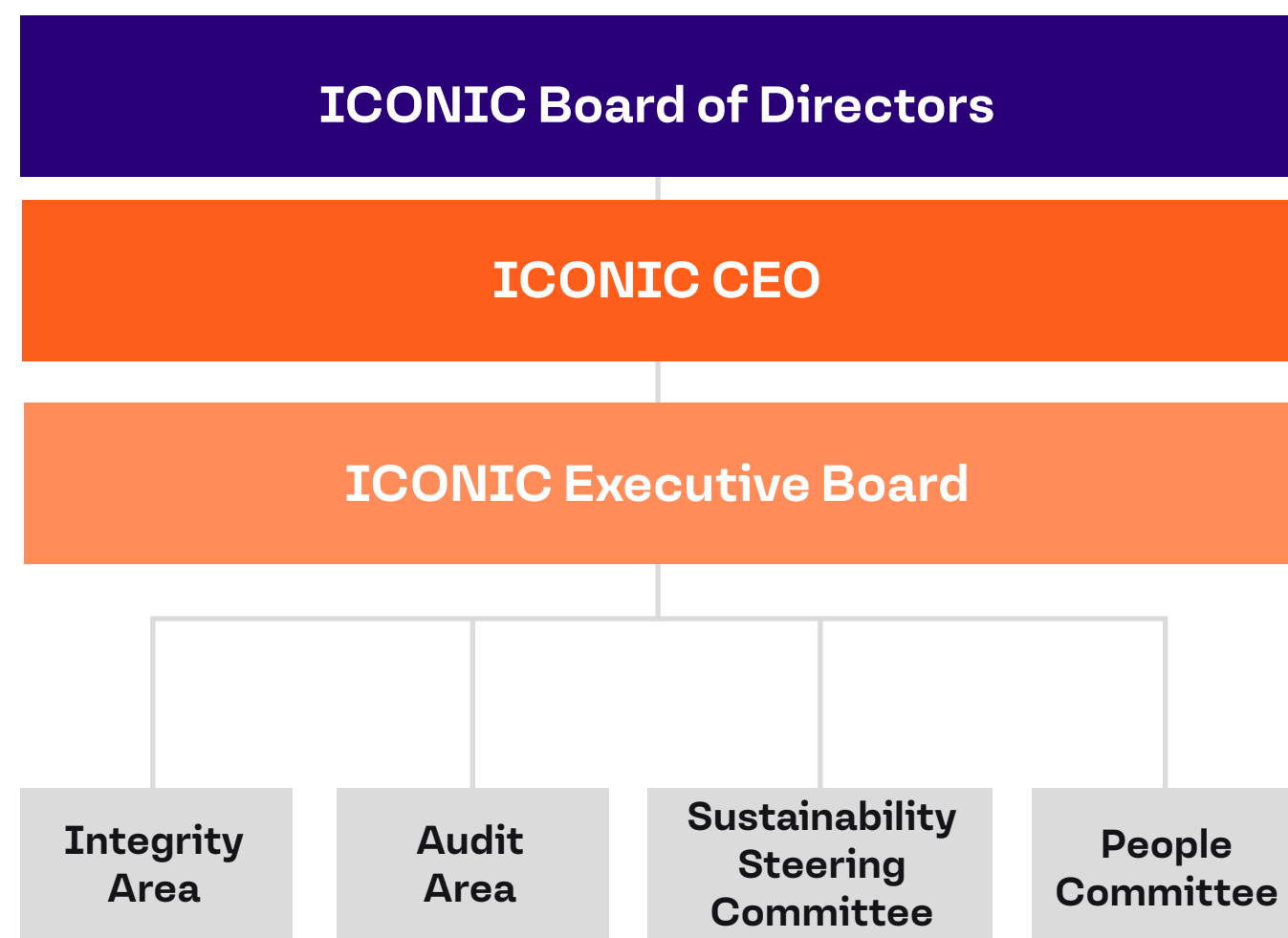
net profit

Corporate governance

ICONIC's governance is structured with transparency, agility and assertiveness in decision-making about our business. The Board of Directors is our highest governance body, and its composition reflects the Company's corporate structure.

The Company has goals that are divided into Company goals and individual goals relating to their respective areas. The executives, including the CEO, also respond to a shared target of reducing GHG emissions by 43% in scopes 1 and 2 by 2030, taking 2020 as the baseline year, which is linked to variable remuneration.

Organizational chart



Reduce GHG emissions by
43%
by 2030, baseline year 2020. This goal of reducing GHG emissions is within the criteria that make up the executive bonus.

Sustainability at ICONIC

There are many factors related to ICONIC's recent success story and one of them certainly concerns the Company's understanding that sustainable businesses yield prosperity to companies and the society. This is why, three years ago, we began building a robust and consistent sustainability strategy.

"Sustainable thinking is intrinsically connected to innovation. We believe that investing in sustainable technologies and innovative solutions is key to society and to thriving long-lasting companies."

Roberta Teixeira
Director of Technology and Sustainability at ICONIC

Timeline

2020 Creation of an internal committee to plan the identification of the most relevant socio-environmental topics for our business and society.

2021 Diagnosis made to build our materiality strategy, based on consultation with all stakeholders in our production chain and study of the sector. Creation of a sustainability program – the ICONIC Sustainable Future – consisting of seven priority macrotopics.

2022 Creation of an area dedicated to the development of our sustainability strategy. Formation of interdisciplinary working groups to speed up the implementation of planned initiatives, seeking to permeate the entire organization with a culture capable of promoting innovative and sustainable solutions.

2023 Formalization of challenging public commitments that demonstrate our belief in the importance of sustainability for business and society.



Ethics and Integrity



Health, Safety and Well-being



Management of Raw Materials, Products and Waste



Socio-Economic Development



People Management, Diversity and Inclusion



Energy Transition



Innovative Solutions

Having only been on the market for six years, we are leaders in the lubricant segment in Brazil, applying technology and innovation to create sustainable solutions. In 2023, we invested in the expansion and modernization of the ICONIC Technology Center, transforming it into one of the largest and most advanced private laboratories in Latin America. A space for innovation, research and development based on talents and global connections, which consolidates us as a reference.

Our public commitments until 2030

Reduce

43%

of GHG emissions across our operations, using 2020 as a baseline year

Reduce

50%

of plastic consumption in our packaging, using 2023 as a baseline year

Diversity and Inclusion:

48%

of women at ICONIC (27% at the end of 2023)

50%

of women in leadership positions (32% at the end of 2023)

30%

of black and brown individuals in leadership positions (13% at the end of 2023)

Materiality 2023

[GRI 3-1 e 3-2]

In 2023, we reviewed our materiality considering the GRI 11 Sector Standard for Oil and Gas. In line with the GRI 3-3 – 2021 standard, we carried out this process in four stages, including the identification of positive and negative, actual and potential impacts, consultation with stakeholders, prioritization of impacts by significance and validation of prioritized topics.

At the end of the process, the seven macro topics of our sustainability strategy, were confirmed eighteen material topics and one relevant topic (closure and rehabilitation) were confirmed, as shown forward.

Macrotopic: Management of Raw Materials, Products and Waste

Material topic: Waste

We are committed to reducing materials in the packaging of our products and promoting a circular economy.

In 2023, 83% of ICONIC's waste was recycled and/or reused.

We entered into a partnership to produce 20L packaging with 40% recycled resin.

We reduced the consumption of plastic film used to wrap pallets that protect product packaging by 33%.

Material topic: Water and effluents

46.9 million liters of water were captured in 2023, with insignificant impacts on the consumption of this resource, given that water consumption in our units occurs mainly for firefighting systems, industrial cleaning, steam generation and cooling systems.

Material topic: Biodiversity

We are committed to preserving the environment and biodiversity in all our activities.

We have an emergency team in place for any and all maritime operations, which aims to minimize any potential impact.

In 2023, there were four spills in the area of operations considered minor, none of them outside the containment area.

Innovation to promote circular economy and reduce the use of raw materials

Macrotopic: Energy Transition

Material topic: GHG emissions

Understanding that the energy transition is one of the greatest challenges of the contemporary world and aware of our role, we are heading towards a significant reduction in GHG emissions.

Our goal is to reduce GHG emissions by 43% by 2030, using 2020 as a baseline year. This goal is part of the criteria that make up the executive bonus.

In order for us to achieve the above goal, we have defined the following short-term objectives for 2024:

- Expansion of the electric forklift fleet to 80%.
- Start of the movement to replace 100% of natural gas with biomethane to supply energy to the boilers at the Duque de Caxias plant.

Reduction of GHG Emissions – 2023

[GRI 305-5]

	Baseline (2020)	Result (2023)
Gross emissions	5,329 (0)	4,258 [-20,1%]
Relative emissions	0.018 (0)	0.013 [-26.2%]

% reduced in relation to the 2020 target (baseline)*

*Reduction in emissions and emission intensity compared to the 2020 baseline (gases included in the calculation: CH₄, CO₂, HFCs, N₂O; Methodologies used: GHG Protocol Corporate Accounting and Reporting Standard ISO 14064-1).

Material topic: Climate adaptation, resilience, and transition

We face the challenge of evolving management on this topic, from a specific perspective on the operation at ICONIC, ensuring monitoring and predictive analysis of possible financial impacts arising from climate change and demands from governments, consumers and markets to coping with these impacts.

Macrotopic: Socio-Economic Development

Material topic: Local communities

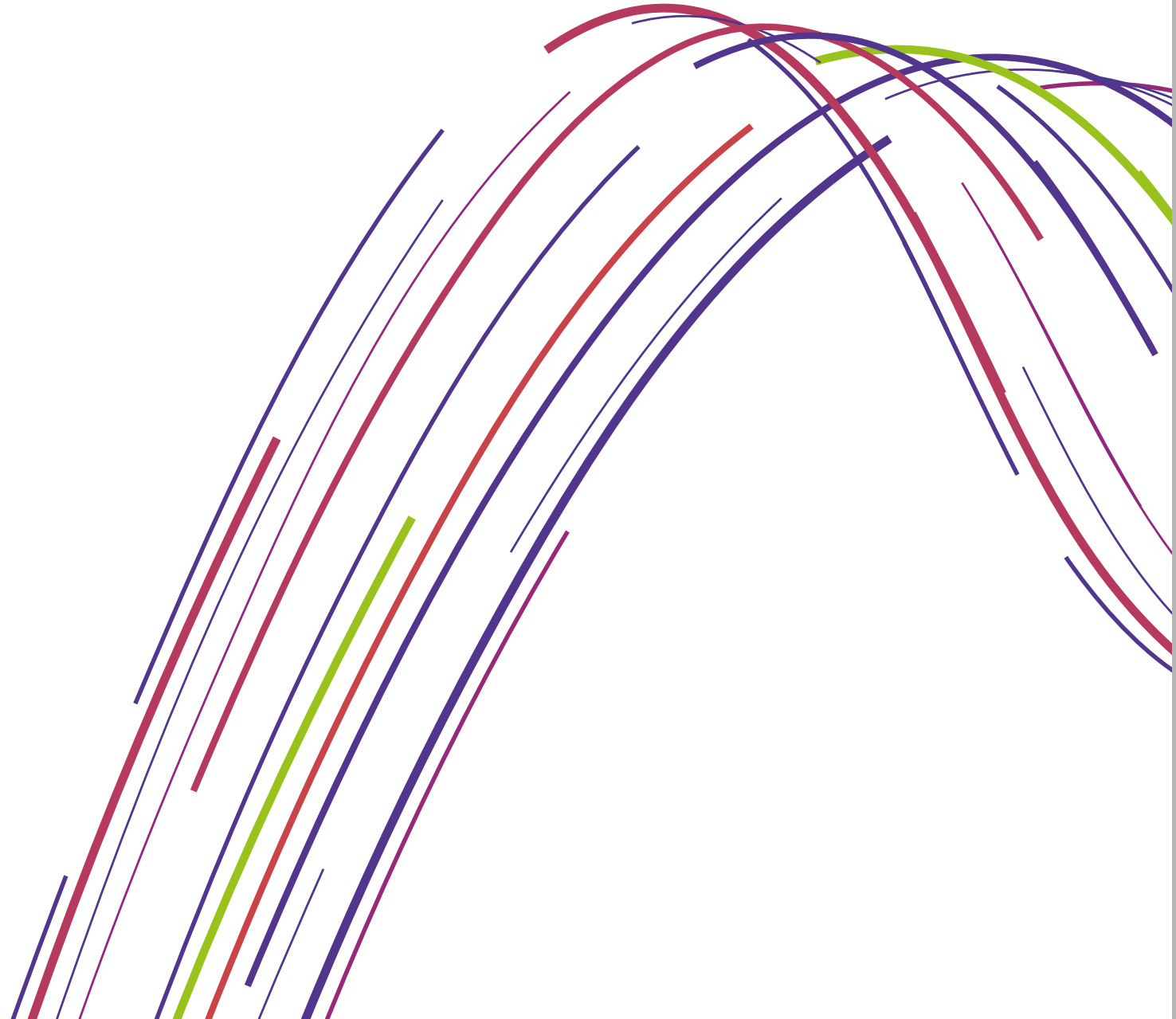
Seeking to support development through education, we invest in projects through incentive laws that boost literature, art and well-being.

In all, around 25,400 people will benefit from socio-environmental projects supported by ICONIC between 2023 and 2024.

Our volunteer program in 2023 included a mentoring project for 76 high school students from the State Education Network, in partnership with Junior Achievement.

Material topic: Economic impact

In addition to generating employment, paying taxes, corporate volunteering and supporting infrastructure projects, we highlight our rock blasting work in Guanabara Bay (RJ) with an investment of BRL 15 million to expand the draft of the port of Rio de Janeiro by 50%, benefiting the companies that operate there.



Macrotopic: People Management, Diversity and Inclusion

Material topic:
Diversity and inclusion

Diversity targets for 2030:	50% of women in leadership positions (32% at the end of 2023)
48% of women at ICONIC (27% at the end of 2023)	30% of black and brown individuals in leadership positions (13% at the end of 2023)

Material topic:
Employment practices: training, job creation and income generation

In 2023, we launched the Leadership School to share knowledge and address the main concepts about leadership.

We offer training programs to 100% of our employees through the ICONIC Academy.

There were, on average, 8.5 hours of training per employee.

Material topic:
Freedom of association and collective bargaining

At ICONIC, the right to freedom of association and collective bargaining is guaranteed to all employees, and this is also a commitment required from all suppliers at the time of hiring.

Macrotopic: Health, Safety and Well-being

Material topic:
Occupational health and safety

We work with an integrated process optimization system through which it is possible to monitor any security deviations and follow-up on incidents.

In 2023, the On the Safety Route Program, whose objective is to continually reduce the rates of road accidents, received an award from SENATRAM (National Traffic Department).

Material topic:
Asset integrity and process safety accident management

Through the Viver Program, we guarantee the integrity of assets, prevention and mitigation of process safety accidents, involving a responsibility shared by all our employees, safeguarding the limits and obligations of each hierarchical level.



Macrotopic: Innovative Solutions

A BRL 7.5 million investment to consolidate the ICONIC Technology Center, one of the largest private laboratories in Latin America, with works scheduled to be completed in October 2024.

Innovative action with our customers in the after-sales stage using the LubeWatch® Program, which provides an accurate diagnosis of the oil used in the equipment, optimizing its use.

Implementation of the Ideas Workshop, seeking to bring together employees from different areas to deliberate on innovative solutions for products, services and processes.

The Innovation Day, held to foster open innovation with the aim of solving sector challenges on an Open Innovation event, with 150 startups signed up for the 2023 edition.



Macrotopic: Ethics and Integrity

The ICONIC Integrity program consists of six pillars:

Tone at the top Commitment and support from senior leadership	Guidelines Policies and procedures
Training and communication Guidance and dissemination of the culture of integrity	Internal controls Control environment management
Monitoring and auditing Mechanisms for evaluating and monitoring response plans	Investigation Report data treatment and consequences

In 2023, actions were promoted to disseminate the Integrity Program guidelines, such as round-table discussions with the operational teams.

Learn more about ICONIC's Integrity Policies at: <https://iconic.com.br/integridade>

Material topic: Anti-competitive behavior

Adoption of a Competition Policy, part of the ICONIC Integrity Program, in which the guidelines, behaviors and practices referenced to promote an ethical and healthy competitive environment are clearly communicated to our employees, suppliers and partners.

Material topic: Anti-corruption

A Corporate Anti-Corruption Policy and various communications on the subject are tools to manage risks related to corruption.

In all, 100% of our employees were informed about combating corruption.

Between 98% and 100% of employees undergo periodic training on the topic.

All operations involving business partners, suppliers and service providers were subject to corruption-related risk assessment.

Material topic: Payments to governments

ICONIC manages its practices related to payments to governments in an ethical and transparent manner, in accordance with the guidelines of the Code of Ethics and Anti-Corruption Policy.

Material topic: Public policies

Participation in meetings and initiatives of ABD (Brazilian Downstream Association), IBP (Brazilian Petroleum, Gas and Biofuels Institute), AEA (Brazilian Automotive Engineering Association) and Sindicom (National Union of Fuel and Lubricant Distributing Companies), and ICL (Legal Fuel Institute).

We do not make political, financial or other contributions to these or any other associations or representative committees linked to our sector.

Material topic: Forced labor and modern slavery

We strongly condemn the practices of human trafficking, child labor, forced labor and modern slavery practices and, therefore, we have adopted preventive measures to avoid this risk in our supply chain.

In 2023, 300 new suppliers were evaluated and no potential risk of forced or slavery-like labor was found.

We carry out annual monitoring of the labor practices of suppliers already approved by the Mais Program, through the application of a questionnaire.

General coordination: [Chief Technology & Sustainability Office](#)

Report development, production and design: [Oitto Impacto](#)

Photos: [ICONIC](#)

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[Bridge3 \(Governance & ESG - GRI Training Center in Brazil, 2024\)](#)
em partnership with [Oitto Impacto](#)

The logo for ICONIC, featuring the word "ICONIC" in a bold, sans-serif font. The "I" and "O" are in orange, while the "N", "I", "C", and "I" are in dark blue. The "C" is stylized with a gap in the middle.