

SUSTAINABILITY REPORT 2023



MINASLIGAS

Commitment | Efficiency | Quality

Introduction

GRI 2-2 | 2-3 | 2-14

Minasligas' Commitment to Sustainable Metallurgy

Minasligas is proud to present its first Annual Sustainability Report, prepared in accordance with the Global Reporting Initiative (GRI) guidelines, which establish a comprehensive and internationally recognized standard for sustainability reporting.

This report underscores Minasligas' dedication to the sustainable development of our organization, the ferroalloy sector, the entire production chain, the regions in which we operate, and society at large. It reflects our commitment to social and environmental responsibility, a responsible operating model, and our focus on a distinctive, green, and sustainable production process.

This document outlines the achievements and performance of Minasligas from January 1 to December 31, 2023, in the context of sustainable development, **particularly regarding Material Topics (presented in Chapter 1 🌱)**, which guide our strategies for maximizing positive impacts for stakeholders. Management, strategy, projects, metrics, and indicators related to the organization's most critical topics are detailed in

Chapter 2 – Governance 🌱, Chapter 3 – Social 🌱, Chapter 4 – Environmental 🌱, and Chapter 5 – Economic Performance 🌱.

Chapter 6 – A Sustainable Future 🌱 outlines the next steps for Minasligas in advancing its ESG Agenda, detailing the company's projects, strategies, and vision for upholding its values and purpose, realizing the concept of Sustainable Metallurgy, and addressing the key challenges in shaping the world of tomorrow.

We invite you to join us on this journey, exploring both the paths we have traveled and those yet to come. Happy reading!

This report has been formally approved by the Minasligas Executive Board. At the document's conclusion is the GRI Content Summary, containing information compliant with GRI guidelines, arranged according to the methodology's numbering system.

For further inquiries or information regarding the report's content, please contact comunicacao@minasligas.com.br 🌱



Message from Leadership

GRI 2-22

We are committed to Sustainable Metallurgy

We are proud to present the MINASLIGAS Sustainability Report, a document that embodies our commitment to social and environmental responsibility throughout all our operations and governance, which ultimately drives value creation for our stakeholders. This report highlights the actions and initiatives we have undertaken to promote sustainable development and contribute to a fairer, more balanced world.

In today's landscape, sustainability has become a critical issue for organizations, as society and the market increasingly demand responsible business practices. In this context, our company distinguishes itself by adopting a holistic approach that considers environmental, social, and economic factors.

One of the pillars of our work is environmental preservation, supported by a production system rooted in **sustainable metallurgy**. Although we are an electro-intensive industry, the majority of our energy is sourced from renewables, including hydro, wind, and solar power. The carbon source we use for ore reduction (quartz), bio-reducer charcoal, is

derived from the carbonization of wood from sustainably planted forests. We have implemented strategic measures to maximize the operational efficiency of raw materials and inputs, emphasizing renewable resources and minimizing waste generation. Additionally, we invest in clean and responsible technologies to mitigate the environmental impacts of our operations.

MINASLIGAS is at the forefront of market innovation, introducing products like Eco Silicon Metal, Eco Ferro Silicon, and Eco Microsilica.

We are also deeply concerned about the impact of our operations on climate change. Since 2020, we have been tracking our greenhouse gas emissions using the GHG Protocol and ISO 14064 methodologies. These inventories have confirmed that, over the past four years, **MINASLIGAS has captured more greenhouse gases than it has emitted**. This achievement is possible due to our investments in forest massifs, compliance with current legislation, environmental preservation, and biodiversity protection.



Henrique Simões Zica

On the social front, we develop projects and partnerships that foster inclusion and development in the communities where we operate. We prioritize hiring local workers and invest in training and education programs to create job and income opportunities for the local population.

Finally, in the economic sphere, we strive to balance sustainable growth with value creation for our shareholders and stakeholders. We adhere to transparent and ethical practices in all our business relationships, which strengthens market confidence in our brand and products.

We believe that sustainability is a fundamental pillar for the success and longevity of our company. This commitment is so integral to us that we have recently joined the UN Global Compact, aiming to align our operations

and strategies with principles of human rights, labor, environmental responsibility, and anti-corruption. This step further reinforces our path toward developing innovative actions and solutions to address today's challenges.

We extend our gratitude to everyone who contributed to the preparation of this report and invite you to join us on this journey toward a more sustainable future for all.

Henrique Simões Zica
CEO



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1. About Minasligas

With 44 years of experience in both national and international markets, MINASLIGAS stands as one of Brazil's leading producers of ECO Ferro Silicon, ECO Silicon Metal, and ECO Microsilica.

Our products carry the ECO mark due to their exceptionally low carbon intensity on the global market, achieved through a sustainable production process that predominantly utilizes renewable energy and charcoal derived from reforested sources as a bioreducer.



Who We Are

GRI 2-1

Since 1980, Minasligas has operated in the ferroalloys sector with a **deep commitment to social and environmental responsibility**, consistently pursuing **operational efficiency** and **safety**. Our operations include eight furnaces at the Pirapora plant, reforestation units in the regions of Buritizeiro, Grão Mogol, Jequitaiá, João Pinheiro, and Três Marias, as well as our corporate office in Belo Horizonte, all located in the state of Minas Gerais.

In 2023, we acquired a new industrial unit in Simões Filho, Bahia, which will undergo refurbishment to commence operations in 2026, further expanding our industrial capabilities.

By continuously enhancing the quality of our processes and products, Minasligas reaffirms **its commitment to people, the environment, the development of the value chain, the region, the country, and the future of our planet**.

Aligned with this commitment, we are advancing the concept of sustainable metallurgy – a process of ongoing evolution towards a more eco-efficient, safe, and carbon-neutral operation, grounded in a clean and renewable energy matrix.

CARBON NEUTRALITY

Minasligas' carbon balance – conducted in line with ISO 14064 standards – demonstrates that, considering all industrial operations and forested areas, the company **REMOVES MORE GREENHOUSE GASES (GHGs) FROM THE ATMOSPHERE THAN IT EMITS**. Consequently, we have adopted the concept of **CARBON NEUTRALITY**.



MINASLIGAS' DNA

In the 1970s, three entrepreneurs united their efforts to establish a company that, through dedication and hard work, evolved into far more than just a family business.

The blend of the founders' and successors' management expertise, the technical proficiency of our teams, and the professionalism and passion of the entire Minasligas workforce form the core of the

alloy that preserves our essence and upholds our values. This foundation enables us to continually enhance our service to customers and fulfill our societal role with unwavering commitment, efficiency, and quality.

PURPOSE

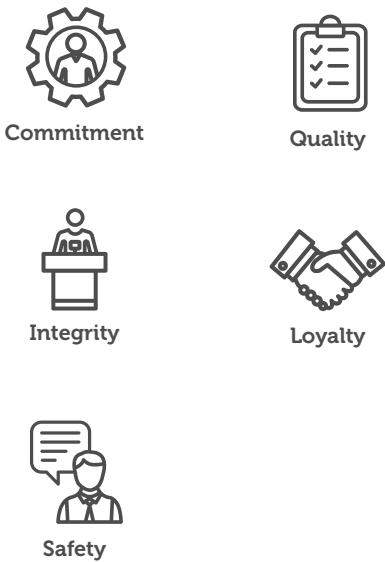
Producing and selling Silicon and its alloys with quality, meeting the needs of its customers, shareholders and employees with socio-environmental responsibility.

VISION

Remaining a leading global competitor of excellence with an engaged team, maximizing financial results as measured by the following indicators:



VALUES



By anticipating trends and staying attuned to emerging opportunities, our leadership remains committed to building a future rooted in pioneering spirit, innovation, and market vision.

Minasligas' management continuously strives to optimize efficiency and performance metrics, focusing on the constant improvement of both process control and customer service. We achieve all of this while fostering strong relationships and teamwork, always keeping the safety of our people as our top priority. After all, it is through personal example that our leadership instills confidence and motivates the team to achieve both individual and collective goals. Every day, we inspire, engage, and develop our people.

Timeline

1
1980

Launch of Ferro Silicon Operations – 1st Furnace

2
1985

Expansion of Ferro Silicon Production Capacity

3
1988

Diversification into Silicon Metal Production

4
1990

Installation of Filter System / Microsilica Production

5
1996

Commissioning of the 6th Furnace (Silicon Metal)

10
2022

Start of Operations da nova balança

9
2018

Microsilica Densification

8
2012

OHSAS 45001 Certification

7
2011

Commissioning of the 7th and 8th Furnaces (Silicon Metal)

6
1999

ISO 9001 Certification

11
2022

Certification: ISO 14001
ISO 14064
Acquisition of the Simões Filho Plant (BA)

12
2023

Renewal of Environmental License for Pirapora Plant

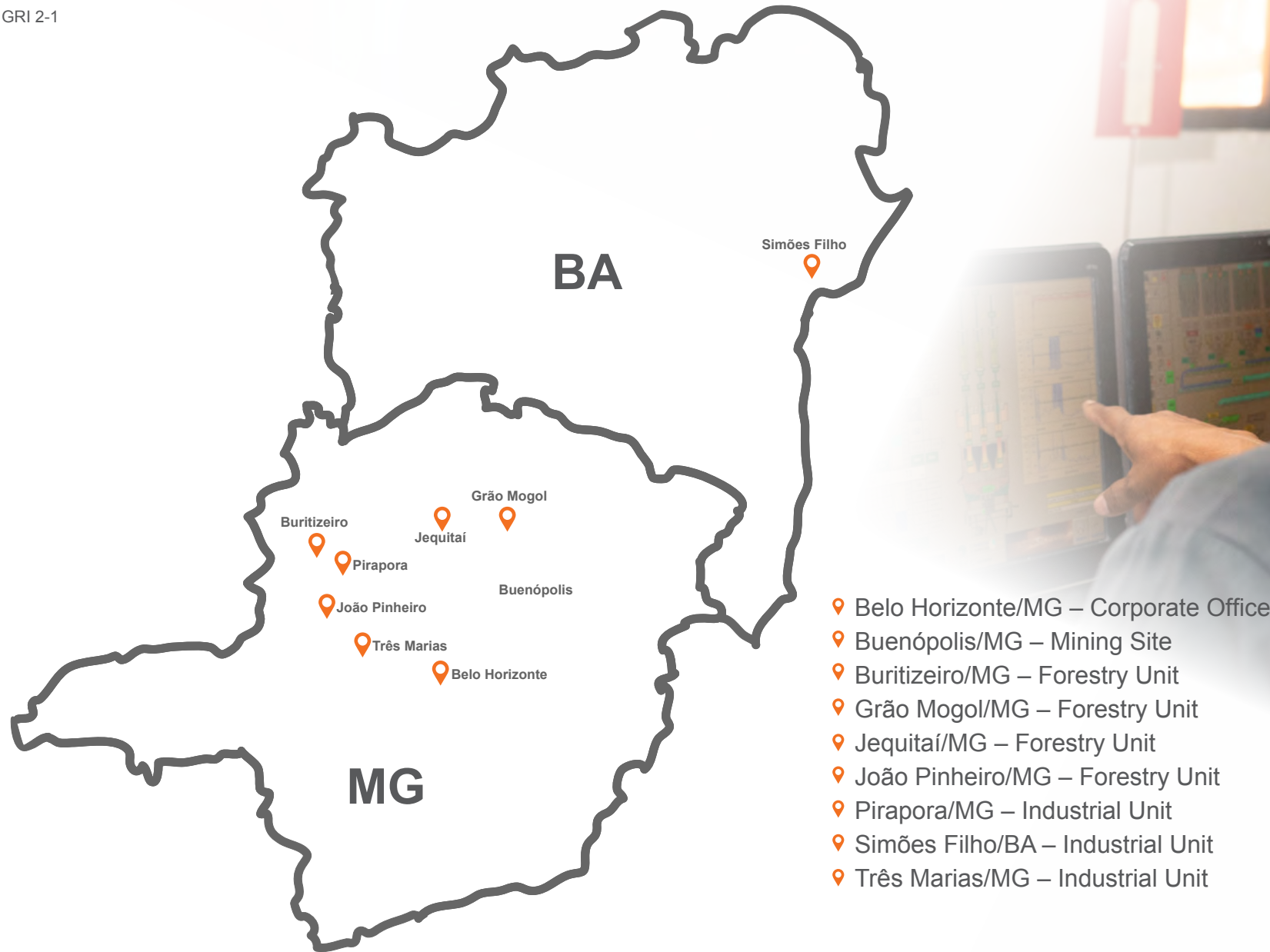


MINASLIGAS

Commitment | Efficiency | Quality

Our Locations

GRI 2-1



Awards and Recognitions 2023



MARTAGÃO GESTEIRA HOSPITAL – “HEART OF GOODNESS TROPHY”

At an event hosted by the Federation of Industries of the State of Bahia (FIEB), Minasligas received the “Heart of Goodness Trophy,” awarded to companies that have significantly contributed to Martagão Gesteira Hospital, playing a vital role in enhancing the health and quality of life for over 80,000 children served by the institution.

MERCADO COMUM MAGAZINE – 25TH MINAS BUSINESS PERFORMANCE AWARD

This recognition is presented to organizations that excelled in Minas Gerais during 2023, based on their operational activities, economic performance, and overall results.

MANO DOWN – COMMUNITY PARTNER SEAL

The Mano Down Institute’s Community Partner Seal acknowledges and honors companies and individuals who stand out for their support of social inclusion, actively engaging in the institute’s initiatives and projects.

THE DISCOVER PROGRAM – PROGRAM PARTNER CERTIFICATE

Awarded by the Discover Program’s inter-institutional committee, this certificate recognizes Minasligas for its pioneering spirit and dedication in fostering partnerships and initiatives that positively impact the lives of young people and adolescents in the Pirapora region.



Value Creation

Products and Markets

GRI 2-6

Minasligas produces Eco Ferro Silicon, Eco Silicon Metal, and Eco Microsilica—essential materials that are integral to various products in our daily lives. These materials are found in everything from car engines and alloy wheels to medical silicones and prosthetics, as well as in cell phone and computer chips, and large structures such as solar panels, satellites, bridges, and dams.



Silicon metal is produced through the carbothermic reduction of silicon sources (quartz) in submerged arc electric furnaces.

Supplied to the chemical, aluminum, and steel industries, Silicon Metal is used in the production of industrial and medical silicones, as well as in computer chips, smartphones, and products developed with aluminum alloys.



Ferro Silicon is composed of iron, silicon, and trace elements.

Supplied to the steel industry and foundries, it is used as an alloying element in the production of carbon steel, special steels, and cast iron products that are prevalent in our everyday lives, including cars, rebar, steel pipes, electric motors, general metal structures, transformers, and power generators.

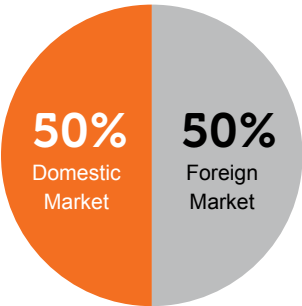
Minasligas produces two grades of Ferro Silicon:

- * **Standard:** An alloy containing 75% silicon and approximately 24% iron.
- * **High Purity:** An alloy also containing 75% silicon and approximately 24% iron, but with lower concentrations of Al, Ca, Ti, and C compared to the Standard grade.



Microsilica is an amorphous form of silica created during the production of Ferro Silicon and Silicon Metal. A portion of the gas rises to the top of the electric furnace, reacts with atmospheric oxygen, and forms microsilica, which is then captured by the furnace’s gas treatment filters.

Microsilica is a valuable raw material for the concrete, Portland cement, ceramic, and refractory industries, enhancing the physical properties of these products.



MARKET DYNAMICS

Minasligas products cater to companies both in Brazil and internationally, reaching countries such as South Africa, Germany, Argentina, Canada, South Korea, the USA, Japan, the Netherlands, the United Kingdom, Mexico, Thailand, and more.

Sustainable Metallurgy Cycle

GRI 2-6

In its commitment to environmental stewardship, Minasligas offers eco-products, distinguished by the prefix “ECO” due to their status as the lowest carbon-intensity products on the global market. This achievement is the result of a sustainable, carbon-neutral production process that predominantly utilizes clean, renewable energy from hydroelectric, solar, and wind power sources.

Minasligas also manages reforestation areas that produce the bioreducer used in its furnaces, while preserving large expanses of native forests, footpaths, and water springs. These areas are regularly monitored for local fauna and flora, with proactive measures taken to preserve biodiversity.

What does the prefix “ECO” mean?


E – Environmentally friendly

C – Carbon Sustainable (in terms of carbon emissions)

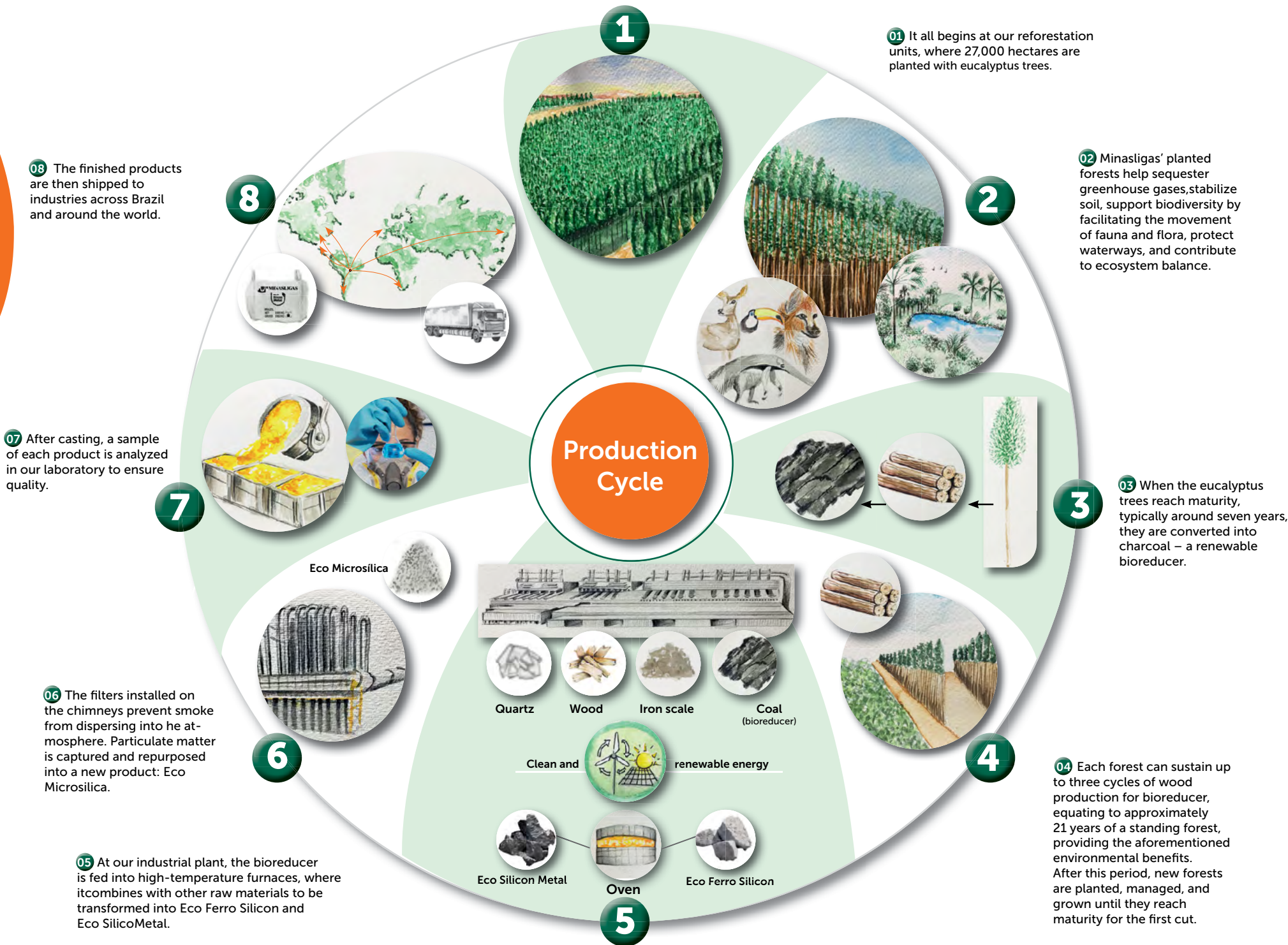
O – *Optimized production with renewable energy and raw materials (produção otimizada com energia e matérias-primas renováveis)*



Minasligas uses charcoal and wood chips as **bioreducers** – essential raw materials in the production of Ferro Silicon and Silicon Metal, the company’s primary products.

Since these materials are bio-based, they represent a sustainable choice in our production process. The biogenic carbon dioxide emissions they generate are neutralized by the photosynthesis of growing forests, thus completing a biogenic cycle of emission and absorption.
Learn more 

Our “green production” yields differentiated products that are globally recognized for their high quality and our commitment to sustainability.



Sustainability Management

In pursuit of an increasingly sustainable future, Minasligas has strengthened its commitment to advancing the organization, the ferroalloys sector, the value chain, the region, and society, all in alignment with ESG principles: **environmental stewardship**, promotion of **social development** and the best **governance** practices.

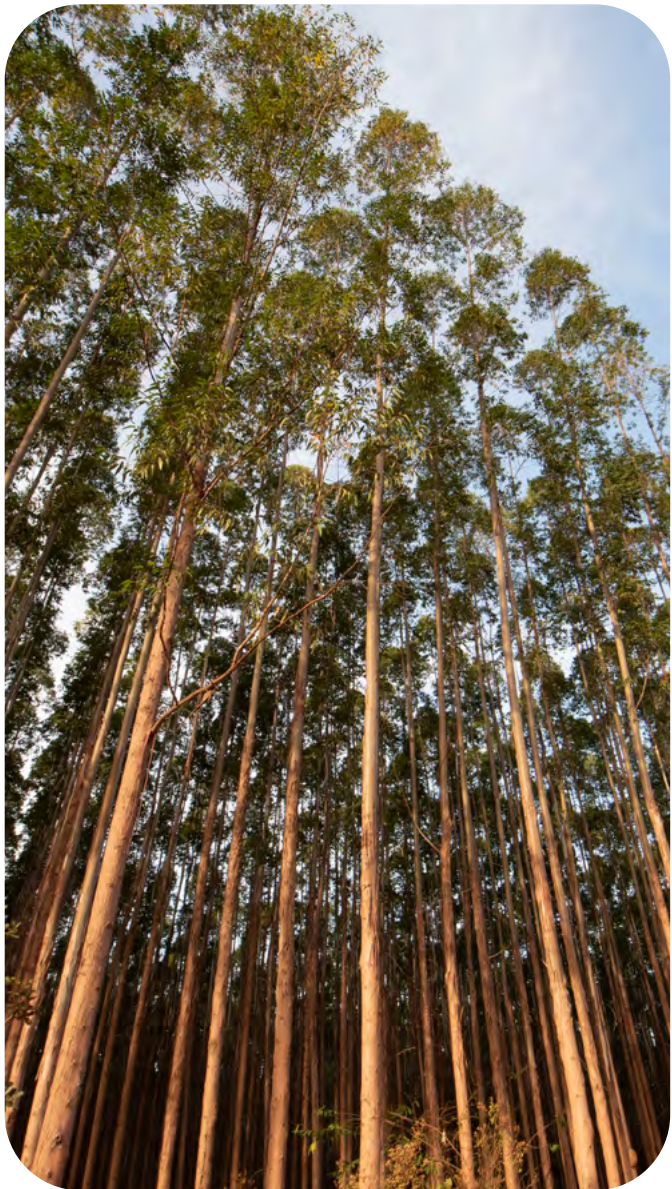
These three pillars have been central to Minasligas throughout our history, even before ESG guidelines became recognized as a crucial framework for sustainable development worldwide.

Our management approach, which has consistently prioritized quality, productivity, operational efficiency, competitive costs, and the health and safety of our workforce, is firmly rooted in the company’s core values – commitment, loyalty, integrity, quality, and safety. This foundation naturally led to the development of our ESG strategy, centered on the concept of **sustainable metallurgy**.

ESG Strategy

GRI 2-13 | 2-23

Since 2021, Minasligas has been committed to establishing a robust ESG agenda. The first step involved forming an internal Working Group (WG) composed of representatives from various departments within the company. This group was tasked with developing the action plan to guide the organization’s ESG strategy



Following a thorough analysis of sector benchmarks and an assessment of the organization’s ESG maturity level, and after identifying Minasligas’ key stakeholders, the next phase in crafting the ESG strategy was to determine which **Sustainable Development Goals (SDGs) should be prioritized in our efforts**.

PRIORITY STAKEHOLDERS

- Clients
- Employees
- Community
- Government
- Shareholders/Investors
- Banks/Creditors
- Suppliers

UN Agenda 2030

The 17 Sustainable Development Goals (SDGs) were established by the UN in 2015 to guide countries, organizations, and society in taking actions and making commitments by 2030 to create a better and more sustainable world.

Minasligas is fully committed to the challenge posed by the SDGs. We have assessed our capacity to contribute to each of the 17 goals. While none of the goals are excluded from our focus, we prioritize those that have a direct connection to our business.

Minasligas contributes on three levels:



LEVEL 1 – SIGNIFICANT POTENTIAL FOR DIRECT CONTRIBUTION

SDG 7: Affordable and Clean Energy

SDG 9: Industry, Innovation and Infrastructure;

SDG 12: Responsible Consumption and Production;

Minasligas’ strategic focus is closely aligned with responsible industrial production, consistently striving for product quality, operational efficiency, and employee safety. As an electro-intensive industry, the availability of accessible, clean, and renewable electricity is directly linked to our operational efficiency, which distinguishes us in the “green” production market.



**LEVEL 2 – POTENTIAL FOR
FOR DIRECT CONTRIBUTION**

SDG 8: Decent Work and Economic Growth

SDG 13: Climate Action;

SDG 15: Life on Land;

Minasligas is committed to the global imperative for access to clean and renewable energy, particularly to mitigate the emissions that contribute to climate change. The company uses charcoal from sustainably managed forests, whether on its own land or from third-party sources, as a key raw material. These forests form a mosaic with the native vegetation of the Minas Gerais *cerrado*, offering environmental benefits such as the preservation of diverse natural resources.

Minasligas’ energy matrix is predominantly hydraulic and renewable, reinforcing our status as a carbon-neutral organization. Furthermore, the company has consistently prioritized the dignity of its employee’ work, safeguarding health and safety in all roles, while promoting economic development and growth in the regions where we operate. These principles form the foundation of Minasligas’ business growth and sustainability.

**LEVEL 3 – POTENTIAL FOR
INDIRECT CONTRIBUTION**

SDG 1: No Poverty;

SDG 3: Good Health and Well-being;

SDG 4: Quality Education;

SDG 5: Gender Equality;

SDG 6: Clean Water and Sanitation;

SDG 10: Reduced Inequalities;

SDG 16: Peace, Justice, and Strong Institutions;

SDG 17: Partnerships for the Goals;

For the other SDGs identified as relevant, we believe we can also generate meaningful impacts and contributions through an indirect approach, with the potential to expand our actions in the future.



Commitment to Sustainability

GRI 2-23 | 2-24

Beyond our contributions to achieving the SDGs, Minasligas’ ESG Agenda strengthens our commitment to sustainability, whether through certifications and seals or by joining key global movements and sustainability platforms, such as the UN Global Compact, EcoVadis, and the CDP (Carbon Disclosure Project).

CERTIFICATIONS

Minasligas has a long-standing and robust history of certifications, beginning in 1999 with ISO 9001, which ensures the quality of our products and production processes. Our Safety Management was certified under OHSAS in 2012 and transitioned to ISO 45001 in 2018 to align with the ISO series of standards. In 2022, we obtained ISO 14001 certification, which addresses environmental management.

Recently, we began conducting an inventory of greenhouse gas emissions in accordance with ISO 14064, to identify opportunities for emission reductions. Since 2020, Minasligas has maintained a negative Carbon Balance, meaning we sequester more greenhouse gases than we emit, thanks to our eucalyptus forests. This achievement is highly significant in the context of climate change initiatives and our commitment to differentiating ourselves through green production.



HEALTH AND
SAFETY



ENVIRONMENTAL
STEWARDSHIP



QUALITY



GHG QUANTIFICATION
AND CARBON BALANCE



Minasligas annually participates in the EcoVadis assessment, a platform that guides companies toward a sustainable future by evaluating them on ethics, environmental impact, labor laws, human rights, and sustainable procurement.



Network Brazil
WE SUPPORT

As part of our dedication to becoming an increasingly responsible company, we have joined the UN Global Compact. This commitment means we operate in alignment with universal sustainability principles, take actions to support society, and report on our ongoing efforts.



We report to the CDP (Carbon Disclosure Project) on our progress, initiatives, and efforts related to climate action. Our comprehensive approach to environmental management includes greenhouse gas reduction, risk and opportunity management, as well as the maintenance of permanent preservation areas, planted forests, and carbon balance.

ESG Governance

GRI 2-12 | 2-13 | 2-16 | 2-23 | 2-24

Minasligas’ ESG Agenda is driven by the **Sustainability Management Department**, established by the Executive Board to create a strategy that fully integrates environmental, social, and governance pillars across all organizational processes and systems. This department also plays a pivotal role in advising the Board of Directors’ decision-making. Directly connected to the company’s top management, Sustainability Management reports to the CEO and provides weekly updates on sustainability indicators to the board.

The Sustainability Management Department is operationally supported by the **ESG Working Group (GT ESG)**, a multidisciplinary team comprised of representatives from key areas

aligned with the ESG Agenda. These areas cover environmental aspects (such as reforestation, biodiversity, and greenhouse gas inventories), social aspects (people management, diversity, health and safety, and social responsibility), production (operational efficiency and a differentiation through green production), and communication.

Over time, the ESG Agenda has grown in strength and significance within the organization, becoming a core component of the **Integrated Management System (IMS)**. All material topics are now addressed through technical standards and procedures, which are implemented across all sectors and areas of the organizational structure.



GT ESG Minasligas

Materiality

GRI 3-1 | 3-2

Minasligas’ Materiality encompasses the topics that are strategically most significant for the organization, relevant to all stakeholders, and therefore prioritized to maximize performance, positively impacting the organization’s results and creating a sustainable value cycle for a diverse range of stakeholders.

The development of Minasligas’ Materiality involved a structured process that helped identify, in collaboration with our stakeholders, the priorities in environmental, social, and governance matters and their impact on our business decisions, ultimately contributing to value generation for these same stakeholders.



To define these key topics, extensive research was conducted within the company’s sector. Stakeholders consulted included employees, strategic partners (customers, suppliers, investors, communities, governments), and the company’s shareholders. This process not only helped to identify the material themes but also informed the development of guidelines and action plans for each theme to be addressed within Minasligas’ ESG Agenda.



Throughout this report, material topics are outlined, offering insights into management and governance, actions and projects, as well as metrics and Indicators.

Sections related to Material Topics are identified with the following icon:



Material Topic	Related SDGs	Actions Taken and Results Achieved	Learn More
Energy 	 	<ul style="list-style-type: none"> * Predominant use of renewable energy sources * Waste reuse for energy generation 	Chapter 4 Environmental 
People Management 	   	<ul style="list-style-type: none"> * Approximately 1,500 employees * Corporate Benefits * Development, Qualification, and Training * R\$ 9 million invested in 50 social projects * Innovation and Improvement Projects 	Chapter 3 Social 
Governance and Compliance 		<ul style="list-style-type: none"> * A robust organizational structure ensuring the company's sustainability * Board of Directors with both independent and shareholder-appointed members * ISO 9001, ISO 14001, ISO 14064, and ISO 45001 certifications * Commitment to integrity through adherence to legislation, ethics, anti-corruption policies, and compliance * Dedication to human rights: promoting equality and non-discrimination 	Chapter 2 Governance 
Efficient and Safe Production 	  	<ul style="list-style-type: none"> * 100% filter coverage on chimneys, crushing units, and bioreducer (charcoal) discharge systems * Comprehensive quality management and traceability across the production chain * Exclusive access routes for heavy vehicles * Water reuse initiatives 	Chapter 4 Environmental 
Health and Safety 	  	<ul style="list-style-type: none"> * Internal safety programs * Well-being and quality of life initiatives * Training and development programs 	Chapter 3 Social 
Differentiation through Green Production 	   	<ul style="list-style-type: none"> * R\$ 37 million invested in environmental initiatives * Ecoproducts: differentiated by green production – Use of bioreducers – * Preservation of vast native vegetation areas * Waste management * Capturing more greenhouse gases than we emit * Monitoring local fauna and flora 	Chapter 4 Environmental 

2. Governance

GRI 2-1

The strong connection between our company's history and sound corporate governance practices forms the foundation that preserves Minasligas' essence and long-term continuity.

We are a privately held corporation controlled by multiple families.

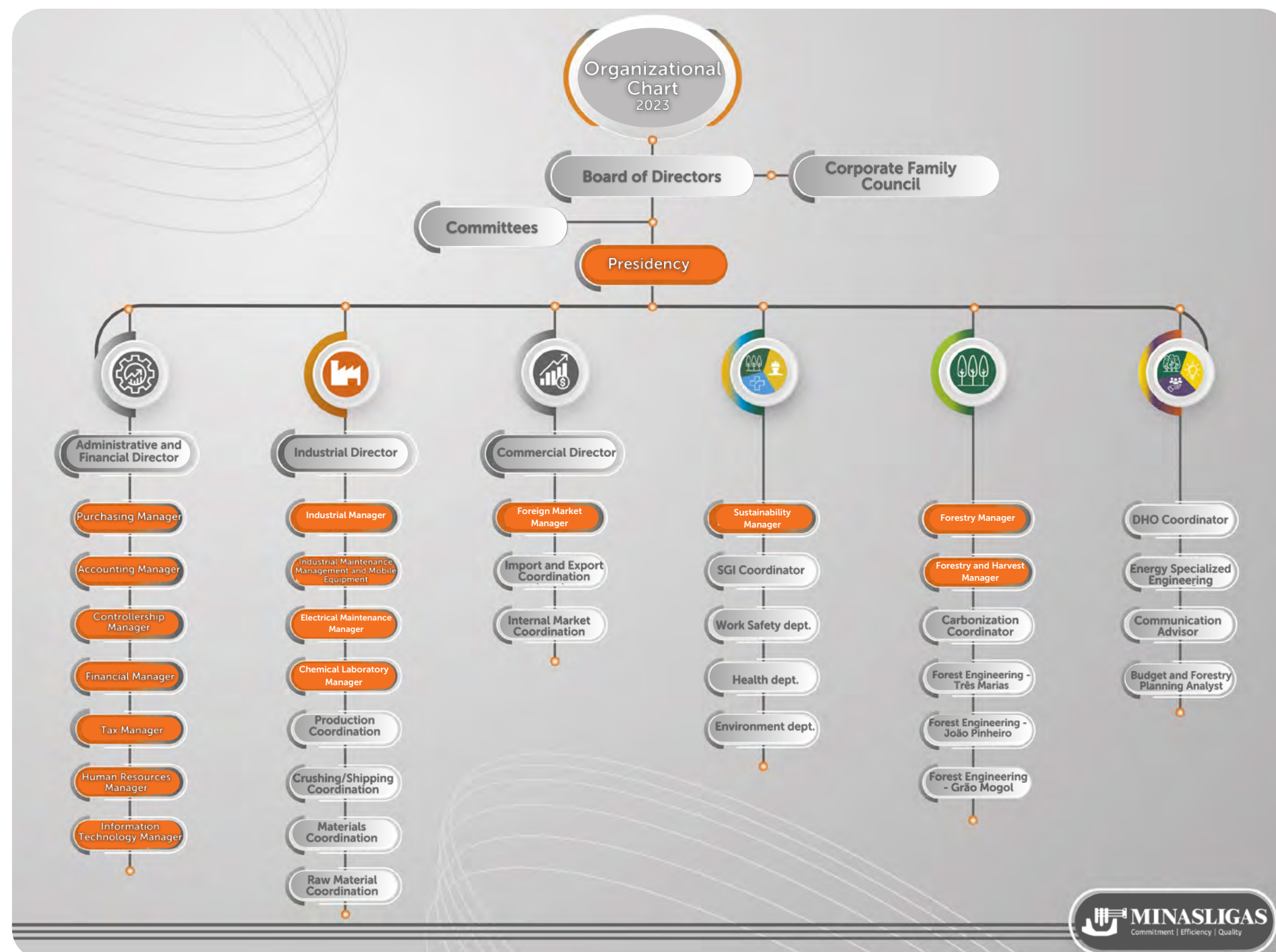
José Rodrigo Machado Zica, Paulo Cezar Fialho, and Tadeu Machado Zica founded Minasligas and led the business until the second generation – now the current leadership – took over. This transition has ensured the continuation of the founders' organizational culture, values, professionalism, and expertise while maintaining the technical quality of our products and the team's passion for their work.



Organizational Structure

GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 | 2-15 | 2-16 | 2-17 | 2-18

Minasligas' organizational structure comprises both tactical and strategic levels, featuring the Board of Directors (CA) and the Family Shareholder Council, which govern activities and define the organization's direction. These are supported by Committees that provide guidance to the Boards and the Presidency, as well as the Executive Board, tasked with executing operational functions.





Board of Directors

The Board of Directors (BoD) is Minasligas’ highest governing body. It is composed of two independent members and four representatives from the Family Shareholders’ Council. The current board was formed in April 2024 and serves a two-year term.

Both the Board of Directors and the Family Shareholders’ Council oversee the company’s activities, define its strategic direction, and act as custodians responsible for preserving

and periodically updating Minasligas’ strategy, purpose, values, mission, and vision. The Board of Directors also deliberates on strategies related to community and social interests while balancing the organization’s goals with the interests of the family’s assets.

Independent directors are selected by the Family Shareholders’ Council. Candidates are evaluated based on their qualifications and knowledge of Minasligas’ operations, with a focus on strategic issues related to environmental, social, and governance (ESG) matters. Each controlling family group has at least one representative on the Board.

Composition of the Board of Directors

CRISTIANA SIMÕES ZICA GÉO	Chair
ALESSANDRA COSTA ZICA MASCARENHAS	Director
GILBERTO ZICA FIALHO	Director
HAROLDO MOURA VALE MOTA	Independent Director
HENRIQUE SIMÕES ZICA	Director
MAURICIO BICALHO DE MELO	Independent Director





Minasligas' Executive and Board Members From left to right:
Átila Benito, Felipe Simões Zica, Henrique Simões Zica, and Marcelo Farnezi.

PERFORMANCE OF THE BOARD
OF DIRECTORS

The performance of the Board of Directors, particularly concerning economic, environmental, and social aspects, is evaluated based on the annual budget, comparing budgeted figures with actual outcomes. This evaluation occurs during regular monthly meetings. In addition, a broader assessment of the Board's composition is conducted, ensuring that its members' profiles align with the company's strategic objectives. The results are shared with the controlling shareholders, and if necessary, adjustments are made to enhance the Board's skills and expertise, ensuring the success of Minasligas' long-term goals.

Periodic self-assessments of the Board's performance are also conducted, addressing issues such as potential conflicts of interest. The

Board is committed to maintaining transparency and fostering mutual respect among its members to openly identify and discuss any potential conflicts of interest.

Executive Board

The Executive Board is divided into the Presidency (held by a director who also sits on the Board of Directors) and three strategic areas: Administrative/Financial, Commercial, and Industrial. Each area has defined responsibilities, and its directors discuss strategy and ESG (Environmental, Social, and Governance) matters during weekly board meetings. These discussions include sustainability issues, the development of action plans, and ensuring that decisions are effectively communicated to all stakeholders.

Executive Board Composition

HENRIQUE SIMÕES ZICA
ÁTILA BENITO PIMENTA RODRIGUES
FELIPE SIMÕES ZICA
MARCELO FARNEZI VELLOSO

CEO
Chief Industrial Officer
Chief Commercial Officer
Chief Financial Officer

Sustainability Department

GRI 2-24

Minasligas’ ESG Agenda falls under the responsibility of the Sustainability Department, which was created following the work of the initial Working Group (WG) that spearheaded the first advancements in this area. The department comprises multidisciplinary professionals who address the organization’s key material topics.

This department reports directly to the CEO in weekly meetings with senior management, during which sustainability indicators are presented and reviewed. This group is responsible for analyzing and approving the information and indicators presented, with final approval from the CEO.

The Annual Sustainability Report is one of the key documents reviewed during this process, after a thorough review by the Sustainability Department, followed by validation by the CEO and approval by the Board of Directors.



Rogério Acayaba – Sustainability Manager

Committees

The committees are responsible for conducting analyses during key decision-making processes within the organization, such as the acquisition of new assets. They bring together different departments to ensure a comprehensive and systematic evaluation of specific issues, providing well-informed and robust foundations for decisions.

While not permanent structures, these committees are activated whenever an issue requires thorough and collaborative decision-making.

Composition of the Sustainability Working Group

ROGÉRIO ACAYABA VIEIRA	Sustainability Manager
JULIANA FONSECA	Forestry Engineer (Biodiversity)
JOSÉ DOS SANTOS ABREU JÚNIOR	HR/People Management Manager
BOULANGER LOPES DE SOUZA CAMPOS	Communications Advisor
NOEMI DOS SANTOS SILVA VASQUES	Environmental Engineer

COMMITTEES

Risk Management Committee
Health and Safety Committee
Ethics Conduct Committee

COMPOSITION

CEO, one Board member, and two managers
Board of Directors, Sustainability Manager, HR, and SESMT Team
Three permanent members and one rotating representative



Management

GRI 3-3 | 2-12 | 2-13 | 2-16 | 2-17 | 2-24 | 2-25

At Minasligas, we address current market challenges through careful risk management, strategic planning, and integrated systems.

The Board of Directors meets weekly to discuss strategic and operational issues in a collaborative setting, where ideas are shared and problems are collectively debated to find the most effective solutions for the company.

Additionally, the Board of Directors convenes monthly to monitor and review Minasligas’ financial, operational, and strategic performance, carefully evaluating the risks involved in operations. Periodically, key concepts, studies, and reports related to sustainability are presented to the Board, ensuring these topics are fully integrated into our corporate strategy and decision-making processes. Senior management plays a critical role in overseeing impact management through the following actions:

- Approving the company’s Mission, Vision, and Values statements;
- Annually reviewing and approving Minasligas’ Strategic Plan;
- Approving policies related to sustainable development;
- Engaging with key stakeholders, such as banks for future economic insights, legal firms for strategic advice, and the external audit team to discuss financial reports and balance sheets.

The Risk Management Committee is activated to manage identified impacts and risks. This body reports on impact management during specific monthly meetings with senior management.

In 2023, two critical issues were escalated to the Board for resolution and guidance: These include geopolitical challenges, such as the war between Russia and Ukraine and ongoing conflicts in the Middle East.

Stakeholder Engagement

GRI 2-28 | 2-29

As society evolves, it becomes increasingly participatory, demanding greater transparency, dialogue, and corporate accountability. Minasligas is actively aligning with this shift by continuously enhancing its engagement with stakeholders and involving them at various levels of governance participation.

COMMUNICATION AND ENGAGEMENT

We maintain active, permanent communication channels to facilitate ongoing dialogue with Minasligas’ key stakeholder groups, ensuring that relevant issues are communicated effectively to both internal and external audiences. When necessary, certain strategic stakeholder groups are invited to extraordinary meetings to address issues that require their participation and collaboration.



Communication Channels



INTERNAL STAKEHOLDERS	Emails, bulletin boards, newsletters, WhatsApp, corporate TV, and social media platforms.
EXTERNAL STAKEHOLDERS	Social media platforms such as LinkedIn, Facebook, and Instagram; announcements and campaigns on regional radio stations; and community events.

Engagement with Industry Associations

Our strategic engagement with external groups, such as industry associations, plays a crucial role in defining and evaluating technologies, processes, and practices at Minasligas. We actively participate in committees and working groups with entities like the Brazilian Association of Ferroalloy and Silicon Metal Producers (ABRAFE), the Minas Gerais Forestry Industry Association (AMIF), and the American Chamber



Federação das Indústrias do Estado de Minas Gerais
PELO FUTURO DA INDÚSTRIA

of Commerce (AMCHAM). These forums address strategic issues such as legislation, regulations, new technologies, sustainability, and safety and involve representatives from relevant associations and entities in the field. These platforms are vital for discussing and understanding the implications of new laws and regulations while aligning with industry best practices.

Additionally, we participate in initiatives led by associations, such as the Tax Working Group of the Federation of Industries of the State of Minas Gerais (FIEMG), where we gain valuable insights into changes in tax legislation and share experiences with other companies in the sector. At Minasligas, we believe that benchmarking and adapting company policies to meet market demands are fundamental to good governance.

Supplier Relations

GRI 407-1 | 408-1 | 409-1

To ensure alignment throughout our entire supply chain with Minasligas' values, we place a strong emphasis on our relationships with suppliers. We conduct ongoing document reviews and on-site inspections to verify legal compliance and adherence to human rights standards. Our supplier contracts include specific clauses on the prevention of child labor, forced and compulsory labor, compliance with legislation, and health and safety requirements.

In 2023, there were no instances of non-compliance or risks related to freedom of association, collective bargaining, forced labor, or child labor among our suppliers.



Governance and Compliance

GRI 3-3

At Minasligas, governance encompasses the company's structure and culture, ensuring the effectiveness and transparency of corporate decision-making. Compliance brings a comprehensive legal framework to management, ensuring adherence to laws, regulations, standards, and internal policies while upholding ethical conduct in all our relationships.

Governance and compliance are integral to our approach to corporate sustainability and serve as key pillars for aligning all operations with Minasligas' values, mission, and strategy. They also play a critical role in building stakeholder trust and paving the way for long-term success, making them one of our **Material Topics**.

MINASLIGAS GOVERNANCE 2023 HIGHLIGHTS

* **Updated the Code of Ethics**, particularly regarding data privacy, in line with new regulations such as Brazil's General Data Protection Law (LGPD) and European legislation. Learn more in the Ethics and Integrity section;

* Implemented **data protection and anti-corruption policies**, ensuring compliance by all parties, including employees, customers, and suppliers.

* Expanded the **Whistleblowing Channel** to include customers, suppliers, and other stakeholders in addition to employees.

* Introduced **software to manage internal documentation** and ensure compliance with standards, streamlining and improving the process.

* Conducted internal and external audits to maintain ISO 14001, 45001, and 9001 certifications.

* Renewed the operating license for our industrial plant.

* Established a **sustainable purchasing policy**.

* **Evaluated suppliers** using ESG (Environmental, Social, and Governance) criteria.

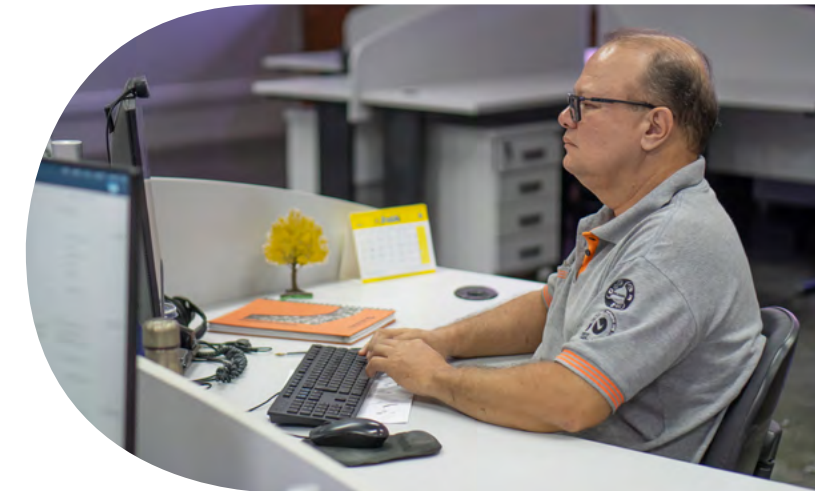
* Carried out an annual leadership assessment, incorporating sustainability competencies.

* Oversaw all **strategic purchases and acquisitions** through the Board of Directors, implementing various levels of authorization to mitigate the risk of corruption

Compliance Program

Minasligas' Compliance Program promotes transparency and mitigates risks across all business activities. It involves structured assessments to ensure adherence to legal and regulatory standards, as well as the company's policies and guidelines. The program is designed to prevent, detect, and address any deviations or non-compliance.

Assessments are carried out through internal and external audits to verify compliance with legal requirements (laws and regulations) and ensure full adherence to standards such as ISO 9001 (Quality), ISO 14001 (Environmental



Management), ISO 45001 (Health and Safety), and ISO 14064 (Greenhouse Gas Inventory and Asset Management). To support compliance, we use a management platform and consulting services for any legal queries.

We also employ a platform for contractor management (third-party and service providers) and a structured supply chain audit program.

Ethics and Integrity

GRI 2-23 | 2-26

Ethics and integrity are core priorities at every level of Minasligas. These principles serve as the foundation for all our decisions, ensuring not only adherence to high standards but also fostering sustainability and strengthening stakeholder trust.

To establish and reinforce the principles of business ethics that guide all our internal and external business relationships, we introduced the **Minasligas Code of Ethics and Conduct** in 2020. In response to evolving global market demands, we revised the Code in 2022, incorporating the latest trends and provisions.

The Code outlines clear guidelines on penalties and consequences for anyone who violates its provisions or any related policies. The Conduct and Ethics Committee reviews reported cases and ensures the proper application of measures.

To ensure alignment with the Code, we provide annual training to employees, emphasizing their commitment to ethical standards. Additionally, we share the its principles with business partners through contracts and other engagement methods.


The Code of Ethics and Conduct is available to all stakeholders on our website. **Click here.**



Policies and Commitments

GRI 2-15 | 2-23

In addition to the Code of Ethics and Conduct, we have established various policies, commitments, and administrative manuals that reflect our well-defined organizational structure, promoting transparency, open communication, and clear rules for all stakeholders – employees, shareholders, customers, and communities. These policies also help anticipate and mitigate potential conflicts of interest.

INTEGRATED POLICY	Outlines commitments and guides actions to improve product and process quality, manage occupational health and safety risks, protect the environment, and ensure compliance with legislation. Access the full document here 
LABOR AND HUMAN RIGHTS POLICY	Ensures respect for human rights, prohibits child labor and forced and compulsory labor, supports indigenous peoples' rights, creates safe working conditions, and prevents discrimination, harassment, and prejudice. Associated with the Code of Ethics and Conduct
ANTI-CORRUPTION POLICY	Requires all Minasligas employees and representatives, including third-party contractors, to comply with the Brazilian Anti-Corruption Law (Federal Law No. 12,846).
DATA PRIVACY POLICY	Governs the management of personal data provided by individuals (data subjects) with whom Minasligas maintains professional and commercial relationships.
ENVIRONMENTAL SUSTAINABILITY POLICY	Describes methods of environmental control to minimize impacts, in line with the concept of "Sustainable Metallurgy."
SUSTAINABLE PROCUREMENT POLICY	Details Minasligas' expectations from suppliers regarding legal compliance, labor practices, ESG performance standards, anti-corruption and anti-fraud practices, conflict of interest prevention, and compliance with the LGPD (General Data Protection Law).

Many of these policies reflect commitments we have made to internationally recognized frameworks, such as **ISO 45001 (Health and Safety Management)**, **ISO 14001 (Environmental Management)**, **ISO 14064 (Greenhouse Gas Inventory)**, and the **Global Compact**.

Human Rights

At Minasligas, we are deeply committed to promoting and protecting human rights, recognizing them as a fundamental pillar of our sustainability strategy. As a sector that interacts closely with local communities and the environment, we are accountable for ensuring that our operations respect the fundamental rights of all individuals we engage with. This commitment fosters a safe, fair, and inclusive work environment.

Our policies, practices, and initiatives are designed to safeguard human rights and demonstrate how we translate our values into concrete actions. We believe that transparency and continuous dialogue with stakeholders are essential to fostering respect for all individuals in our operations.

The **Code of Ethics and Conduct** guides us to:

- ▶ Respect diversity without any form of discrimination (including race, gender, religion, age, social class, sexual orientation, physical disabilities, and nationality, among others);
- ▶ Provide equal job opportunities for all;
- ▶ Prohibit the use of child labor or forced labor;
- ▶ Refuse to tolerate abusive or humiliating behavior, including gestures, words, or actions that harm an individual’s physical or mental well-being, constituting moral harassment;
- ▶ Strictly prohibit any form of sexual harassment;
- ▶ Not engage in or support work for individuals under the age of 16 in accordance with children’s rights;
- ▶ Commit to respecting the rights of Indigenous peoples;
- ▶ Uphold the highest human rights standards (when national laws differ from international human rights standards);
- ▶ Promote responsible purchasing, ensuring that suppliers and subcontractors follow Minasligas’ policies, prioritize human rights, oppose slave and child labor, respect diversity, and foster inclusion while continuously seeking improvement.

Our Labor and Human Rights Policy, aligned with the Code of Ethics and Conduct, ensures:

- * Respect for human rights;
- * The prohibition of child labor;
- * The prohibition of forced and compulsory labor;
- * Respect for Indigenous peoples;
- * Adequate working conditions;
- * The prevention of discrimination and prejudice;
- * The prevention of workplace and sexual harassment.





WHISTLEBLOWING CHANNEL

GRI 2-16 | 2-26

To simplify communication and facilitate reporting of any violations of the Code of Ethics and Conduct, we have established a **Whistleblowing Channel** accessible on our website to all interested parties. Since 2023, this channel has been open not only to employees but also to customers, suppliers, the community, and the general public.

The **Ethical Conduct Committee**, composed of three permanent members (one appointed by the Board of Directors, one from HR, and a legal advisor), along with a temporary representative if needed, is responsible for receiving complaints, determining if they indicate violations of the Code, and applying the appropriate measures. Decisions are made based on current legislation and company policies with respect to due process and the right to a full defense.

Access the Whistleblowing Channel.



Anti-Corruption

GRI 205-2 | 205-3

Minasligas' Anti-Corruption Policy is fully aligned with the Brazilian Anti-Corruption Law and applies to all employees, including outsourced workers, service providers, suppliers, business partners, and anyone acting on behalf of Minasligas.

Access the full policy here.



- * **100% of our employees have been trained in the Anti-Corruption Policy.**
- * **90% of critical suppliers** have been informed and trained on anti-corruption policies and procedures and have signed contracts with anti-corruption clauses.

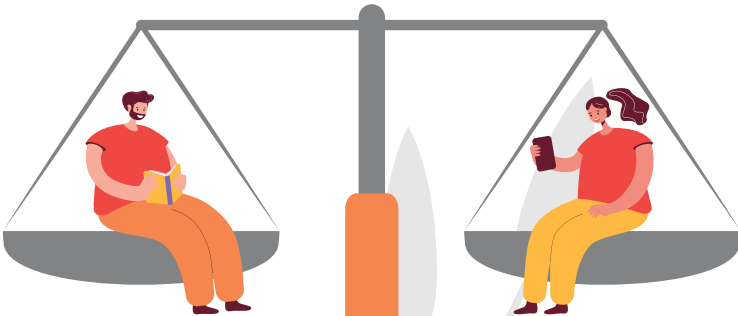
New employees participate in an onboarding program on their first day, during which the Code of Ethics is presented and discussed as a mandatory document. Senior management, including directors and Board members, undergo annual training on the subject.

One of the key mechanisms for preventing corruption is the Board's oversight of all strategic purchases and acquisitions, with various levels of authorization. Additionally, internal procedures such as mandatory multiple quotations and auditing ensure control and transparency in our operations.

Reports of corruption are handled by the **Conduct and Ethics Committee**, which investigates each case, identifies root causes, and implements corrective actions when necessary.



In 2023, a suspected case of corruption involving a service provider for a social responsibility project was identified. Upon detection, we promptly terminated the contract and ceased support for the project. A specialized legal firm was engaged to address the necessary extrajudicial measures, while existing procedures were reinforced in collaboration with an independent third-party company to ensure the efficient and transparent management and oversight of social projects.



Risk Management



At Minasligas, risk management aims to uphold the highest standards of good governance. It is addressed comprehensively across the organization, encompassing climate, financial, social, and environmental risks.

Our goal is to make risk management more strategic and deeply integrated into day-to-day operations. By embedding risk management into strategic and operational planning, we aim to prevent failures that could undermine sustainability and market success. This comprehensive approach, which crosses departmental boundaries, is actively supported by the Board of Directors, who work closely with the Executive Board to assess and address risks before delegating them to the responsible managers.

The risk management function was established alongside ISO certification and includes an internal audit department focused on accounting, financial, fiscal, and operational risks. This approach enables us to assess the impact of risks on our results effectively.

We are currently expanding our risk management framework by incorporating new categories, such as **market** and **marketing risks**, based on benchmarking with other companies and the support of specialized consultants. We are continuously evolving to adopt best sustainable practices more effectively, mitigate potential market risks, seize growth opportunities, and enhance our competitive positioning.

Dynamic risk management is critical not only for identifying and controlling operational and financial risks but also for capitalizing on the opportunities these risks may present.

Risk Matrix

As an industrial company, Minasligas faces both organization-specific and industry-wide risks. These risks are mapped in a Risk Matrix, which includes the following categories:

Financial/ Accounting	<ul style="list-style-type: none">• High electricity costs, driving up our production expenses.• High electricity costs, driving up our production expenses; exposure to U.S. dollar fluctuations and European taxes that impact business performance.
Operational risks	<ul style="list-style-type: none">• Inadequate electricity supply to meet production demands.• Limited availability of raw materials.• Low performance in managing environmental protection equipment.
Climate-Related Risks	<ul style="list-style-type: none">• Climate change disrupting eucalyptus production cycles.• Regulatory non-compliance.
Market and Marketing Risks	<ul style="list-style-type: none">• Inadequate risk management processes may expose the company to risks such as global commodity price fluctuations, regulatory changes, shifts in global demand, competition, and other factors.
Governance Risks	<ul style="list-style-type: none">• Inadequate or outdated internal controls.• Lack of a formalized risk management process with a robust governance structure, hindering the ability to demonstrate compliance to regulators and business partners.
Business Model Risks	<ul style="list-style-type: none">• Substitution of silicon alloys with alternative products.
Regulatory Risks	<ul style="list-style-type: none">• Carbon taxes in Europe and Brazil and frequent changes in Brazilian legislation.



Risk Management Tools

To manage identified risks, Minasligas employs a variety of tools and procedures:

- **Development of Minasligas' Materiality**, which defines the Material Topics requiring the most attention and management;
- **Risk mapping questionnaire** involving the board, management, and selected employees to identify, define, and manage risks, integrating them into the audit routine to minimize their occurrence;
- **Internal audit**: While independent of the management system, it focuses on analyzing financial and operational processes to identify and manage risks;
- **Annual internal audit plan**, reviewed and adapted for the following year, integrating risk management as a core component;
- **Active contract management**, especially in critical areas such as electricity supply;
- **Selection and approval of suppliers** based on compliance with laws and regulations and their operational relevance, prioritizing vertical integration to mitigate risks, particularly those related to wood;
- **Corporate budgeting**, considering legality, sustainability, profitability, and social responsibility;
- **Monthly risk monitoring and evaluation** of mitigation measures;
- Engagement with **platforms like CDP** to assess and report on climate-related financial risks;



- **Annual Greenhouse Gas (GHG) Inventory**, a voluntary practice to identify major emissions sources and target improvement efforts to reduce climate impact;
- Adoption of **renewable energy strategies**, including solar and wind power, with the potential to become a self-producer of energy;
- Establishment of a **Sustainability Department**, responsible for driving sustainable concepts and practices across the company and among stakeholders, cultivating a culture of knowledge and enhancing employee engagement.
- **Ongoing enhancement of risk management processes** through the adoption of methodologies like ISO 31,000 to structure and formalize corporate risk procedures.

To ensure the effectiveness of these measures, **we implement a feedback loop** between departments and the Board of Directors, facilitating the identification, mitigation, and reporting of risks. This approach emphasizes the need for an organizational structure that promotes clear communication and coordinated action across all levels, ensuring that risk management is integrated into the company's strategic core.

A practical example of effective risk management is the **development of the corporate budget**, which incorporates various factors such as legality, sustainability, profitability, and social responsibility. Beyond financial planning, it serves as a strategic tool that addresses compliance, occupational safety, and environmental impact, reinforcing the role of risk management as essential to business operations and strategy.





**CHALLENGES IDENTIFIED IN
RISK MANAGEMENT**

We recognize that effective risk management is crucial for the sustainability and healthy growth of our business. One of the primary challenges we face is the need for formal documentation of our risk management processes. While functional and active, with monthly risk monitoring and mitigation measures in place, the lack of structural formalization limits the overall effectiveness of our actions. It can also hinder our ability to quickly adapt to new threats or seize emerging opportunities, as well as make it difficult to demonstrate our risk management practices to external parties such as regulators or business partners.

To address this challenge, we are developing a **formalized risk management policy** that includes a clearly defined process, evaluation and monitoring criteria, and well-established lines of defense.

Regular internal audits and the promotion of a risk management culture at all levels –from the Board to the operational teams – are key elements of our strategy. The integration of technological tools has also enhanced our ability to monitor risks continuously and make data-driven decisions.

This formalization will boost our efficiency in mitigating risks and improve the transparency of our practices for external stakeholders.



Information Security

GRI 418-1

Since 2012, Minasligas has recognized the importance of identifying risks associated with technological infrastructure. Over the past decade, this topic has gained significant attention both in Brazil and globally. Although discussions on the subject were temporarily paused due to strategic business decisions, our focus on information security has been steadily increasing since 2018, leading to the adoption of new measures and policies to enhance data security.

Today, Information Security is a priority, with dedicated efforts aimed at delivering tangible results to our stakeholders. While we have established a strong culture of process security, especially in our internal operations, we place particular emphasis on managing and safeguarding personal data, including that of customers and suppliers.

Information Security Management

The current information security team comprises seven members, utilizing resources such as updated firewalls, antivirus software, and the creation of internal policies and specific documentation. Their focus is on continually advancing Minasligas' information security measures.

LGPD COMPLIANCE ACTIONS

Minasligas has adopted practices to ensure data management and awareness in compliance with Brazil's General Data Protection Law (LGPD). These include document digitization and the implementation of tools to streamline process flow. We aim to establish effective data management through retention schedules and inventories, with a focus on centralizing and controlling the storage of essential information. We view compliance with the LGPD and information security as ongoing processes of continuous improvement. While we have already implemented various policies and practices, we recognize that there will always be opportunities for further enhancement. Minasligas remains committed to the constant evolution of these areas.



KEY ADVANCES IN INFORMATION SECURITY MANAGEMENT

- Implementation of tools such as VPN;
- Use of encryption and multi-factor authentication to strengthen data protection and ensure privacy;
- Implementation of a privacy policy;
- Desk management (“clean desk” practices);
- Training sessions;
- Audits;
- Maintenance of an up-to-date and redundant IT infrastructure;
- Use of well-distributed physical and virtual servers;
- Regular operating system updates;
- Acquisition of modern equipment to support security initiatives;
- Data is managed on a need-to-know basis, minimizing the need for stricter controls due to a well-defined restricted access policy, especially in systems such as SAP;
- Automation and enhanced safety in operational processes, particularly in furnace control, which is critical for continuous production.

DATA PRIVACY POLICY

To ensure compliance with information security guidelines, particularly in response to Brazil’s General Data Protection Law (LGPD), we have developed a Data Privacy Policy. This policy provides clear information to our stakeholders regarding how their data may be used, to whom it may be disclosed, and the measures we take to ensure it is always protected.

The policy encompasses several key areas, including access management (both physical and digital), data inventory policies, backup management, encryption, and other security protocols.

Our Privacy Policy is publicly available on our website. [Access it here.](#)



Upgrading the Machine Fleet

Significant investments have been made to modernize our machine fleet, with a focus on enhancing information security. Over the past few years, almost all outdated equipment – some as old as ten years – has been replaced, and now the fleet consists mainly of machines that are no older than three to four years.

Digital HR System

We have introduced a Digital HR System to improve document management and the traceability of employee information, including document validity, payments, work health status, and contributions to Brazil’s social security system (INSS). This system optimizes previously manual processes, facilitating better monitoring and ensuring more efficient operational management and enhanced information security at Minasligas.

Cyber Incident

In 2023, Minasligas experienced a cyberattack that encrypted our servers. Despite this, no damage or data breaches were identified, and we received no complaints from external parties regarding privacy violations. The incident was immediately detected, and our team acted swiftly. Due to our effective response, the servers were quickly restored, and no exposure of sensitive information was found.



3. SOCIAL

Minasligas' social initiatives extend to all our *stakeholders*, with a particular focus on our people – our most valuable asset – who are key to delivering our best results. Our team of skilled professionals drives our operations with excellence and a strong commitment to continuous improvement.

To ensure that our team is fully equipped to maximize their potential, we continuously enhance our People Management practices, focusing on their personal and professional development and emphasizing the pillars of health, safety, well-being, and quality of life.

Our social efforts also encompass a long-standing and important relationship with the community through social responsibility initiatives, programs, and projects. These initiatives yield results that go beyond our operational successes, creating a positive impact on society at large.



Organizational Profile

Team Composition

GRI 2-7 | 2-8 | 2-30

The Minasligas team comprises

1,018 employees²

A 9% increase compared to the total in 2022.

965 employees on permanent contracts.

- 100% governed by the CLT framework.³
- 100% working full-time
- 100% covered by collective bargaining agreements

53 temporary employees⁴

- 43 apprentices
- 10 interns

Assigned to administration, engineering, and administrative support roles.

Own employees | 1,018



Outsourced employees⁵ | 494



2 – Data compiled by calculating the average monthly payroll of employees from January to December 2023. During this period, there were no significant fluctuations in the number of employees or non-employee workers.

3 – CLT stands for Consolidation of Labor Laws.

4 – Part-time participants in specific scholarship programs.

5 – Workers involved in the initial level of the production chain. This excludes, for example, truck fleet operators and dock workers.

Turnover

GRI 401-1

In 2023, Minasligas hired **150 employees**, achieving an **average monthly hiring rate of 1.2%**.

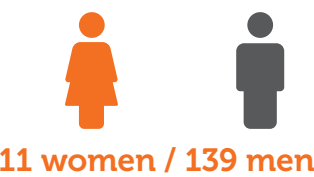
This resulted in an overall average monthly turnover rate of 1.0%.

Meanwhile, **99 employees** left the company during the year, reflecting an **average monthly termination rate of 0.8%**

This resulted in an overall average monthly *turnover rate*⁶ of 1.0%.



HIRES



Hires by gender



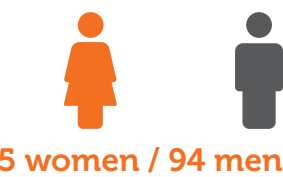
Hires by age group



Hires by location



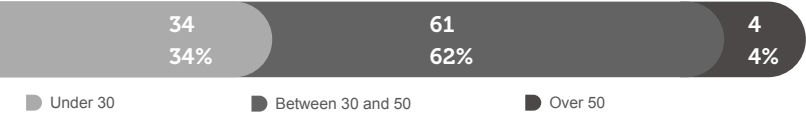
DEPARTURES



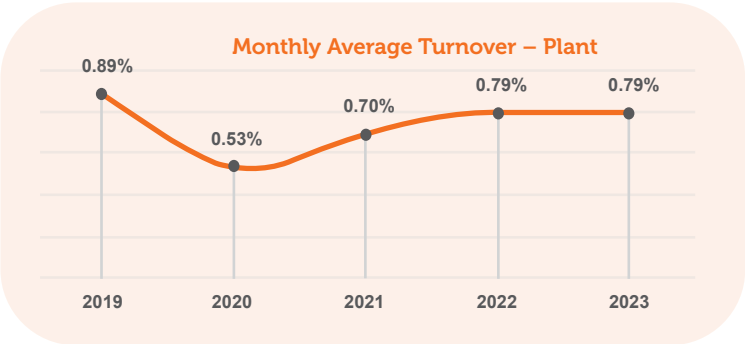
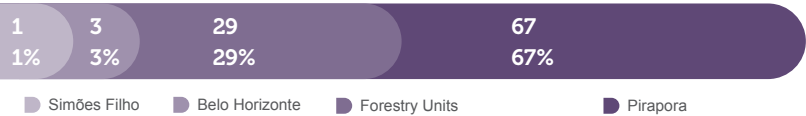
Departures by gender



Departures by age group



Departures by location



6 – The turnover rate was calculated using the formula: [(Total Hires + Total Terminations) ÷ 2] ÷ Total Employees x 100.



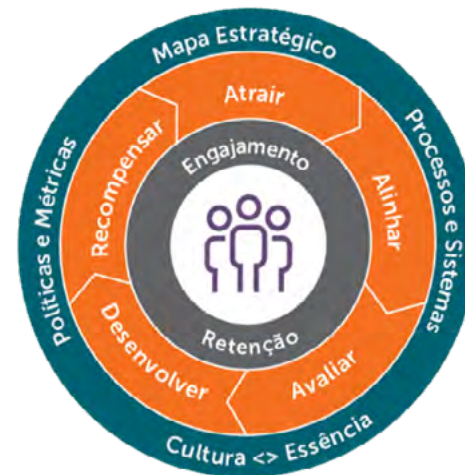
People Management

GRI 3-3

A People Management strategy that fosters and maximizes the potential of our human capital is one of Minasligas' key approaches to building a competitive advantage and distinguishing ourselves in the market.

To this end, we have organized our initiatives into five pillars, each aligned with the company's core values. By structuring our efforts around five core pillars, we aim to build a team that is engaged, committed to our mission, and ready to face challenges and seize opportunities that drive Minasligas' growth.

FIVE CORE PILLARS OF PEOPLE MANAGEMENT AT MINASLIGAS



1. ATTRACT: We seek professionals who demonstrate a balance of skills, performance, and attitudes, with potential for future growth, aiming for high organizational performance and long-term business success.

2. ALIGN: Through various actions and programs, we engage employees with the company's culture, purpose, vision, values, and code of ethics, reinforcing team cohesion and pride in being part of Minasligas.

3. EVALUATE: We monitor employee performance through a structured evaluation system that aligns desired behaviors with outcomes. This open-dialog approach helps foster a high-performance culture and continuous development.

4. DEVELOP: We believe in the growth of every employee who contributes to Minasligas' success. We offer technical, behavioral, safety, and quality training, fostering both individual and team development.

5. REWARD: We recognize and reward our employees, providing opportunities for growth based on results, with a focus on transparency and meritocracy.



Governance and Management Development

GRI 402-1

The evolution of People Management at Minasligas has been strengthened by the implementation of various initiatives aimed at employee engagement and development, yielding positive impacts on both productivity and the organizational climate. These initiatives include:

- Capacity building and training;
- Formation of an Internal Committee;
- Audits and monitoring;
- Participation in Social Responsibility Projects.

People, their growth, and development are central to the company’s strategy.

As members of the UN Global Compact, we reaffirm our commitment to sustainable and ethical people management practices that align with human and labor rights.

People management is overseen by the **Human Resources (HR) Department**, which has recently undergone a significant transformation, shifting from an operational to a more strategic approach. This change was made possible by the introduction of **Digital HR**, which has automated routine processes, allowing the HR team to focus on more strategic analysis and decision-making.



DIGITAL HR

With Digital HR, employees have access to information on salaries, benefits, clock-in/out times, earnings reports, vacation scheduling, and accrual and concession tracking through an app. They can also apply for internal and external job vacancies and access training through the Minasligas Academy, along with other features.

The platform also allows managers to monitor team engagement and communicate directly with HR.

The People Management Committee which includes representatives from various departments in addition to HR, meets monthly to address and manage people-related issues, health, and safety. The committee places special emphasis on human development, which is considered essential to our processes.

HUMAN DEVELOPMENT TOOLS

- Performance appraisals and feedback: conducted throughout the year for different employee groups, from analysts to operational staff
- Annual formal evaluation cycle
- Organizational climate surveys to guide future actions
- Development and assistance programs

KEY PERFORMANCE INDICATORS (KPIs) FOR PEOPLE MANAGEMENT

- Organizational climate
- Absenteeism
- Turnover rate
- Satisfaction with training
- Vacancy fill time

We recognize the importance of effectively communicating any operational changes that impact our employees. For this reason, we have implemented a standardized Change Management procedure. It is the responsibility of the manager or supervisor to inform their teams and involved parties in advance. Although our Collective Bargaining Agreement does not mandate a minimum notice period, the timing of such notifications depends on the complexity of the situation.

PERFORMANCE APPRAISALS

GRI 404-3

To continuously enhance People Management, we analyze the organization’s strategic goals and design new Business Competencies – the behaviors expected from Minasligas professionals – ensuring that both the company and its employees evolve together.

For analyst-level positions and above, we use a platform that facilitates Feedback, Self-Assessment, Manager Assessment, Calibration, Nine-Box analysis, and Individual Development Plans (IDPs). For operational roles, individual performance appraisals are conducted based on Minasligas’ Competencies.

100% OF OUR EMPLOYEES RECEIVED A PERFORMANCE APPRAISAL IN 2023.



Training and Capacity Building

GRI 404-1 | 404-2 | 410-1

All training and qualification data, including development hours, scholarships awarded, and courses offered, are carefully tracked and analyzed, providing valuable insights to refine and improve our personnel development programs.

In 2023, we provided a total of **22,168** training hours.

1.25% Training Hours / Total Hours Worked

Average training hours per employee: **23.23h**

In addition to traditional and sector-specific training, 100% of Minasligas’ personnel, as well as outsourced workers, receive specialized training on human rights policies and procedures. Furthermore, multidisciplinary internal audits are conducted to monitor working conditions involving HR, Health and Safety, Controllership, and Environmental departments.

Employees have access to manuals via the Intranet, which provides clarity on training, policies, and the Code of Ethics and Conduct.

MINASLIGAS ACADEMY

A key milestone in the evolution of our HR strategy, the Minasligas Academy is a training and development initiative that replaces the former Corporate University. The academy serves as a hub for continuous learning, development, and training across various fields for all hierarchical levels.

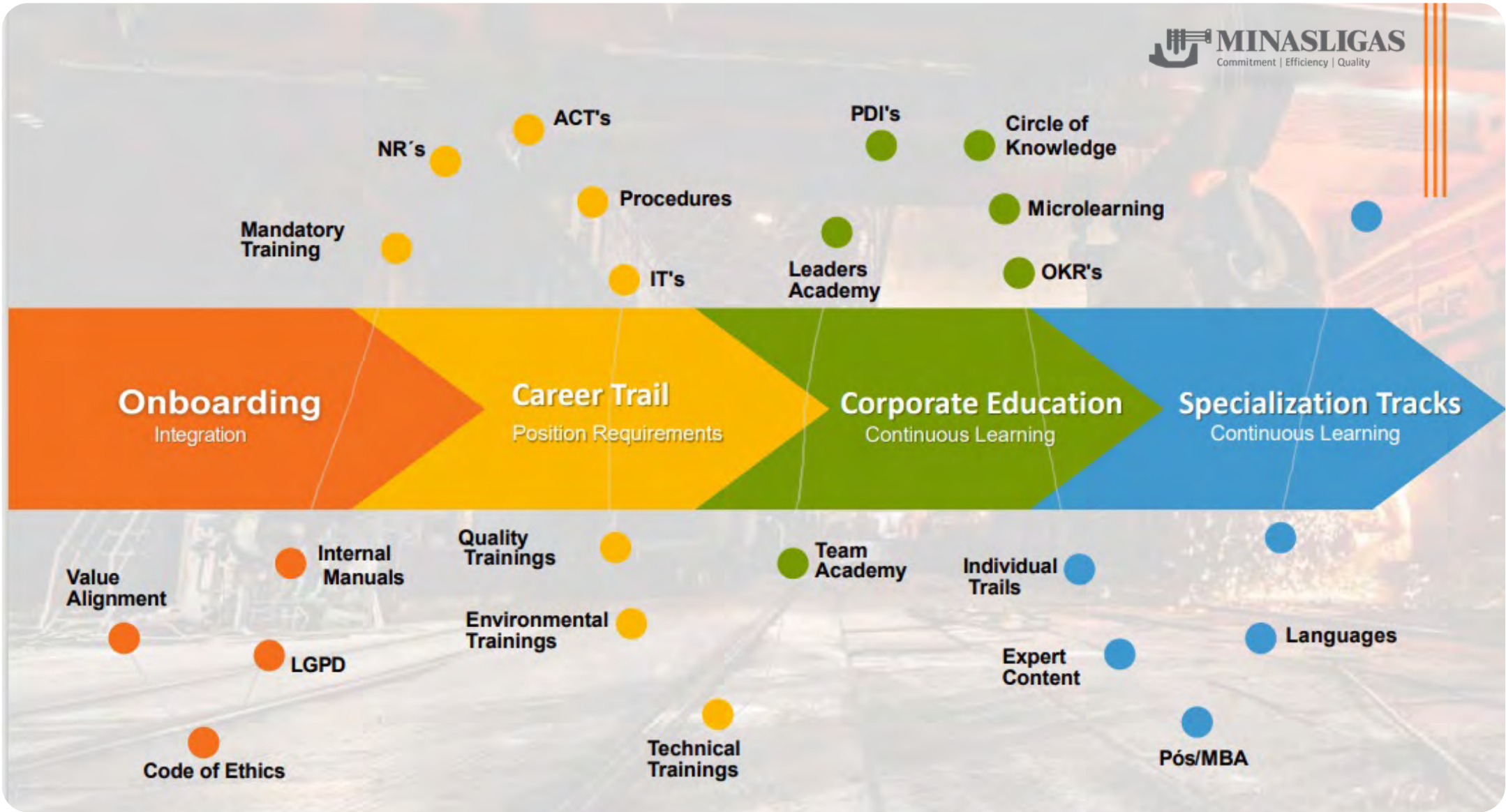
Launched in 2023 and currently in progress, the academy centralizes all training and qualification management, with a focus on career development paths and scholarship programs. It offers a broad range of training, including operational training, job-specific performance training, SGI, Health and Safety, skills development, and behavioral training.



LEARNING JOURNEY

The Jornada de Aprendizado (“Learning Journey”) program was designed to foster personal and professional growth, enhance skills, promote career development, and increase employability while supporting career transitions.

Although the program does not specifically focus on retirement or termination, its scope includes career development tracks with a focus on the concept of Continuous Learning.



RECOGNITION + IDEAS

The program encourages employees to contribute ideas that support the company's growth. In 2023, more than 70 ideas were submitted, with six selected by the Committee as the best proposals. The authors were recognized by Minasligas' Directors at an exclusive event.



Remuneration Policies

GRI 2-19 | 2-20 | 401-2

The development of remuneration policies, whether for senior management or other employees, involves independent members of Minasligas' Board of Directors and the People Management Committee – which includes directors, shareholders, and HR representatives – who guide and oversee decisions on compensation and benefits. Independent directors and consultants are also brought in as needed.

In 2023, the People Management Committee led a project to examine the present and future of Minasligas, with a particular focus on human capital. Remuneration and benefits were key topics of discussion as part of a process of continuous development.

Senior management remuneration consists of both fixed and variable components, with the variable part tied to target policies linked to financial performance, certifications, sustainability, people management, production, sales, and specific project outcomes. This structure ensures that variable compensation is directly connected to the achievement of the company's strategic goals and associated targets.

For other levels within the organization, the internal policy on positions and salaries is guided by collective bargaining agreements, market research, and a commitment to fair compensation for employees. This policy aims to balance industry standards with the company's existing practices.

Salary adjustments and/or corrections are implemented in accordance with the Collective Labor Agreement, other agreements made with the Union, and, occasionally, based on specific analyses (internal job and salary procedures).

BENEFITS

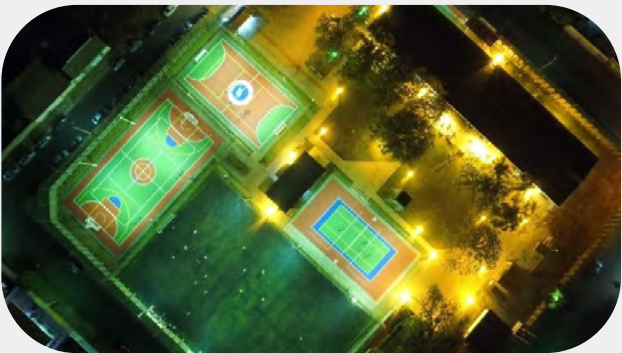
In line with our commitment to promoting health, safety, and well-being in the workplace, we offer a range of benefits that go beyond legal obligations:

- Life insurance for all employees
- Health insurance for all employees
- Disability allowance
- Dental insurance
- Food and meal vouchers
- Transport vouchers
- Profit-sharing
- Vacation allowance
- Snacks
- Sports and leisure activities through GREMIL (Minasligas’ sports club)
- Education incentive program
- Christmas gifts
- Quality of life and well-being program
- Gympass
- Partnership Club: a network of partners offering special discounts to Minasligas employees and their dependents

Gremil

The Minasligas Recreational and Sports Guild (GREMIL) is a non-profit organization sponsored by Minasligas and its employees. It promotes sports, recreation, and healthy activities for employees, their dependents, and the broader community.

The club offers activities for both adults and children, including soccer, futsal, step aerobics, circuit training, basketball, volleyball, badminton, card games (truco), snooker, foosball, dominoes, table tennis, and a children’s playground, among other recreational options.



Parental Leave

GRI 401-3

In 2023, **39 Minasligas employees** utilized their right to **Parental Leave**:

Three (3) women were granted **maternity leave**

Thirty-six (36) men were granted **paternity leave**

100% returned to work after their leave ended.

97% remained employed e12 months after returning – one employee voluntarily left sometime after the end of his paternity leave.

Diversity and Inclusion

GRI 405-1 | 406-1

Our workforce is composed of diverse groups, and we believe that recognizing and valuing individual characteristics – while promoting fairness and providing opportunities for those who need them most – enhances innovation and performance. This makes our work environment healthier and establishes Minasligas as a company that embraces diversity and inclusion.

To continuously increase diversity at Minasligas, we are actively pursuing strategies and projects aimed at deepening the conversation and expanding minority representation within our teams. In the next phase, we plan to establish specific targets to increase diversity within the company.

One of the initiatives in this area is Minasligas' participation in a study group organized by Gerdaul for its suppliers. The program engages over 200 companies aiming to advance diversity

7 – The quota calculation base considers the total workforce, excluding apprentices, employees retired on health grounds, and the quota itself.


policies by increasing minority representation within their workforces and fostering dialogue across the value chain. Minasligas' HR manager serves as the company's representative in the program, integrating these discussions into our agenda and reinforcing the strategies we are developing to promote diversity and inclusion within the organization.

DIVERSITY IN TEAM COMPOSITION

Among Minasligas' **1,018** own employees:

 **Gender**
Female 9%
Male 91%

 **Age group**
Under 30 – 23%
30 to 50 years – 67%
Over 50 – 10%

 **40 have disabilities, surpassing the required legal quota⁷ of 4%.**



DIVERSITY IN BOARD COMPOSITION

 **Gender**
Female 2 33%
Male 4 67%

 **Age group**
Under 30 0 0%
30 to 50 years 1 16.6%
Over 50 5 83.4%

In 2023, we received no reports of discrimination.



Occupational Health and Safety

GRI 3-3

The health and safety of our employees and third-party workers is a top priority and a key material topic. To ensure the smooth operation of all areas and departments, we must guarantee safety in every task and protect the physical and mental well-being of our people.

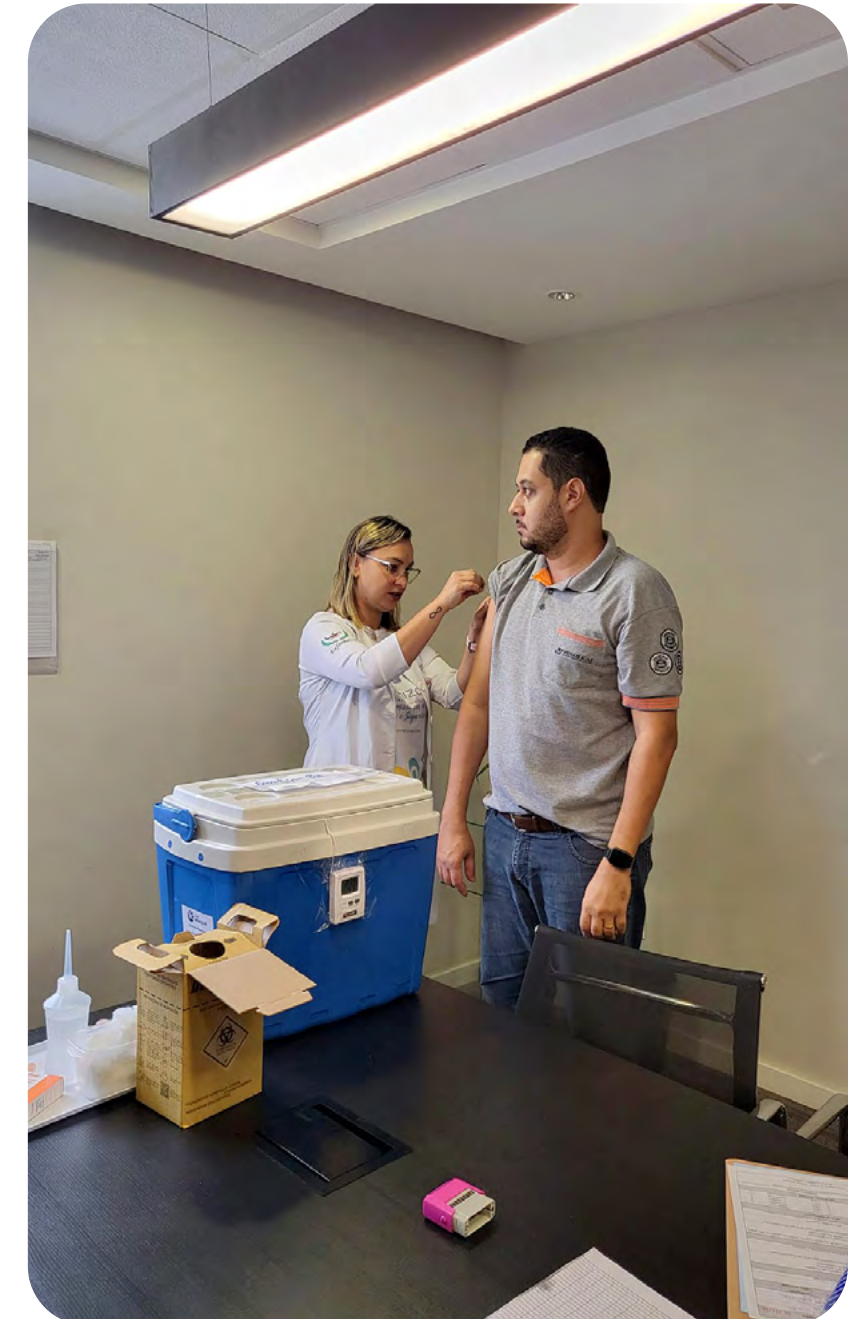
To this end, Minasligas implements initiatives that go beyond legal requirements, aiming to prevent risks and foster a healthy work environment where everyone feels safe and supported in carrying out their duties effectively.

100% of employees are covered by the OHS management system.

OHS Governance and Management

GRI 403-8

Minasligas' **Occupational Health and Safety (OHS) Management System** is aligned with OHSAS and ISO 45001 standards, as well as our Risk Management Program and Code of Ethics and Conduct. This system includes Critical Task Analyses (ACT) and Hazard and Damage Surveys (LPD), which are interlinked and regularly assessed.



Managing OHS is particularly challenging due to the geographical dispersion of our operations, especially in the reforestation units. While these locations have robust health and safety programs, they are not yet certified. We are evaluating the legal requirements and aligning systems to achieve certification.

The **Sustainability Department** leads these efforts, performing maturity assessments and developing certification plans, ensuring health and safety in all operations. The objective is to ensure safety and health throughout all operations, proactively addressing challenges. Progress is monitored through accident indicators, health reports, and specialized management software.

QUALITY OF LIFE COMMITTEE

This strategic committee meets monthly to address OHS issues and promote awareness campaigns, such as those for **Blue November** and **Pink October**. Health and safety are regular topics at the weekly Sustainability meetings attended by the Board of Directors, which demonstrate senior management's commitment.

Investing in safety training for managers has led to a **reduction in absenteeism and turnover, highlighting the positive impact of a safer work environment**. The participation of the health and safety team in the Quality of Life Committee reflects a strategic approach to the topic, resulting in positive impacts on several key company performance indicators.

RISK BEHAVIOR OBSERVATION (RBO)

The Risk Behavior Observation (RBO) program is a key component of Minasligas' occupational health and safety policies. Its purpose is to identify potential risk situations before incidents occur. Employees can report such behaviors or situations through a form, which is then submitted to management for evaluation and appropriate action. The program also focuses on identifying mental health issues.



Quality of Life and Well-being Program

The post-pandemic period highlighted the strategic importance of establishing a well-being program for our employees, addressing key areas such as **workplace quality of life, safety, health, and diversity**.

The program aims to implement initiatives that support both physical and mental health, fostering a healthy, balanced, and positive work environment where everyone can reach their full potential. It encourages improvements in employees' daily lives and promotes healthier habits, based on the results of recent employee surveys as well as studies and assessments. The program is multidisciplinary, involving occupational health, safety, psychology, and people management, all led by Minasligas' HR department.

Expected results:

- Increased employee motivation and satisfaction
- Adoption of healthier lifestyle habits
- Improved work-life balance
- Reduced turnover and enhanced talent retention
- Lower absenteeism, illness rates, and labor liabilities
- Early detection of fatigue and stress to prevent occupational illnesses
- Improved organizational climate and productivity
- Strengthened internal and external company image
- Contributing to happier, more productive employees



Workplace Accidents

GRI 403-10



A Hazard and Damage Survey (HDS) identified potential risks in Minasligas’ operations, including physical, ergonomic, chemical, biological, psychosocial, and organizational hazards.

The three serious accidents involving employees in 2023 were attributed to organizational or behavioral factors stemming from communication failures, lack of attention, and non-compliance with internal safety procedures.

OCCUPATIONAL DISEASES

The Technical Report on Environmental Working Conditions (LTCAT) identified two main occupational hazards: ergonomic strain and noise exposure. To mitigate these risks, we follow the Risk Management Program (PGR) and the Hearing Conservation Program (PCA), and we maintain an Ergonomic Report. Additionally, we monitor chronic conditions such as diabetes and hypertension and conduct specific tests to assess occupational risks.

NO CASES OF OCCUPATIONAL DISEASES OR FATALITIES RELATED TO OCCUPATIONAL ILLNESSES WERE REPORTED AMONG EMPLOYEES OR CONTRACTORS IN 2023.

Social Balance Sheet

GRI 2-16 | 2-25 | 2-26 | 203-1 | 203-2 | 413-1 | 413-2

For over 40 years, social development in the regions where we operate has been a fundamental part of Minasligas' values and organizational culture. We have provided financial support for numerous social projects, investing in infrastructure and services. Additionally, we invest in areas that directly benefit various stakeholder groups, such as education, health, culture, sports, and programs for the elderly. Our integrated management approach links social actions to environmental programs.

ENGAGEMENT WITH LOCAL COMMUNITIES

Our social responsibility program has a significant positive impact on community engagement, enhancing quality of life in areas such as culture, health, and education. It also helps mitigate any negative effects of our industrial activities on local communities.

We begin by mapping out potential scenarios and bring this information to senior management for discussion. Through strategic communication, training, and community engagement, we work to effectively address these challenges, ensuring continuous improvement in our relationships with communities.

Managing community relations is a key part of our strategy. The HR department maintains close contact with major community representatives and institutions, ensuring clear and collaborative communication.

In 2023, we further enhanced this work by creating a communications advisory department to plan and implement strategies for engaging the community and the broader public.

Environmental impact assessments and ongoing monitoring: We focus on measurements, investments, and awareness. In Pirapora, MG, we maintain air quality monitoring stations at key points outside the company, conduct noise level assessments in surrounding areas, and monitor fauna and flora on our forestry units.

Environmental Education Program (PEA) The program was developed through a participatory socio-environmental diagnosis that actively listened to the needs and concerns of employees and local communities within the Environmental Education Coverage Area (ABEA) and the project's Direct Area of Influence (AID). The assessment revealed that the community is concerned with and seeks more information on practical matters such as odors, smoke, dust, water resources, among others. As a result, an Environmental Education Program was launched to engage the community in protecting the environment and ensuring a high quality of life in areas where Minasligas operates.

More information about the program can be found in Chapter 4 – Differentiation through “Green Production.”

Public disclosure of environmental and social impact assessment results: We publish our Social Report annually, and since 2022, our ESG Report. In 2023, we presented the ESG Report to the community at in-person events, fostering engagement and active listening.

Committees and processes for broad consultation with the local community, including vulnerable groups: Our Health, Safety, and Well-being Committee maintains a direct relationship with employees and the community, discussing actions and strategies for improvement that impact both internal and external stakeholders.



COMMUNITY ENGAGEMENT INITIATIVES

- **Collaborating with NGOs and municipal councils** to identify and support community-relevant projects;
- Presenting the company at **local events**;
- **Open Doors Program:** A factory visit program allowing employees' families to visit their loved ones' workplaces.



- **Geloteca:** A project in partnership with the Tamboril Club Library, providing free books for reading at Gremil and the forestry units.



- **Discover Program:** A Public Prosecutor's Office initiative creating a support network for citizenship through professional apprenticeships. This project offers young people in social vulnerability their first formal job market experience, contributing to their social and educational integration. Minasligas is proud to partner with this initiative in the Pirapora region. Minasligas partners with the project in the Pirapora region and recognizes the importance of this initiative in fostering relationships with various sectors and institutions, while encouraging actions that positively impact the lives of young people and adolescents in our region.



- **Pirapora Literary Festival (FLIP):**

For the third year, Minasligas sponsored the Pirapora Literary Festival (FLIPI). The event, now in its third edition, attracted over three thousand students from various educational institutions. The festival featured storytelling, workshops, lectures, writers, publishers, musical performances, theater, dance, and a book fair offering a diverse selection of titles, all free of charge. Beyond promoting literacy, the festival brought culture and education beyond the classroom, fostering a sense of belonging in the community. Minasligas hosted an educational stand at the event, where visitors could learn about the company's production processes and product applications, with guidance and explanations provided by our employees.



Social programs and projects supported

We carefully select and support projects in our areas of operation that generate both social benefits and direct and indirect economic impacts. For instance, by supporting APAE workshops, we contribute to job creation and income generation, delivering a meaningful transformation for the community.

MANO DOWN INSTITUTE

Minasligas is proud to support the Avante Mano Down project, which aims to establish a more modern, accessible, and efficient headquarters for the Institute while also expanding its service capacity. This partnership reaffirms our commitment to social initiatives, contributing directly to the creation of a more humane, equitable, and inclusive society.



APAE PIRAPORA

Minasligas sponsored the construction of a new 1,000 m² facility for the Association of Parents and Friends of the Exceptional (APAE) in Pirapora. The new headquarters includes classrooms, bathrooms, an industrial kitchen, physiotherapy and dentistry rooms, and spaces for vocational workshops, among other amenities. One wing of the building honors Minasligas' founder, José Rodrigo Machado Zica.

In addition, Minasligas funds projects such as the development of orthoses and prostheses for patients, and we have invested in solar panels to provide clean, renewable energy for the facility. In partnership with APAE's sewing workshop, Minasligas repurposes uniforms that would otherwise be discarded, turning them into new garments for local children. Furthermore, Gremil collaborates with APAE, using their laundry services to clean sports uniforms.



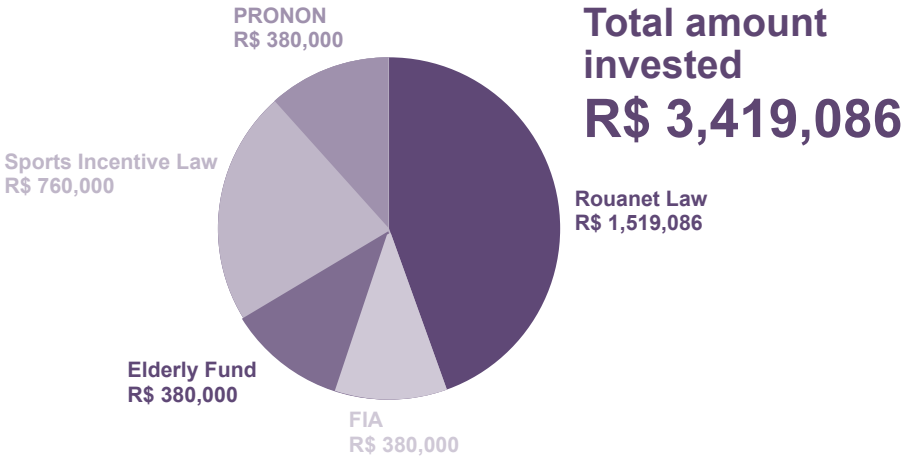
HEALTH INVESTMENTS


Our support for health institutions during the COVID-19 pandemic was crucial during the emergency phase. Post-pandemic, we continue to invest in hospitals in the regions where we operate, such as Martagão Gesteira Hospital in Salvador, BA, to ensure ongoing community health improvements.



Projects supported through tax incentives

In 2023, **21 projects** were supported, benefiting over **70,000 people**.



Learn more in the 2023 Tax Incentive Laws Report. 

On the Road to Sport

Institution: Vila Nova Esporte Clube

The On the Road to Sport program (No Caminho do Esporte, in Portuguese) supports the construction of a training center, enabling the expansion of the project to other sports while prioritizing the development and training of participants.

Impact: 200 children and teenagers



A Friendly Hand

Institution: Councilman Arnaldo Passos Nacife Reference Center

Acquisition of a vehicle to meet the needs of beneficiaries in health, education, leisure, home visits, and family and community life.

Impact: 15 children and teenagers



Health, Well-being, and Rehabilitation

Institution: Association of Parents and Friends of Disabled People (APAE)

Acquisition of a vehicle to support health, education, leisure, home visits, and family and community life needs.

Impact: 320 children and teenagers



Better Childhood Program – PROMINF

Institution: Society of Friends of the Navy

Through sport, this program promotes social integration, health, and the prevention of marginalization and violence among children and youth.

Impact: 100 children and teenagers



Bola para Frente (“Ball Forward”)

Institution: Municipal Council for the Rights of Children and Adolescents of Ibiaí

The Bola pra Frente program (Ball Forward, in english) protects children and teenagers by providing socio-educational activities during non-school hours.

Impact: 400 children and teenagers



Social Media and Smart-phone Use for the Elderly

Institution: Pirapora Senior Citizens Association

A project teaching elderly individuals to use social media platforms and apps through basic IT courses.

Impact: 60 elderly individuals





Fire and Panic Safety
Project for Pirapora
Home for the Elderly

Institution: São Vicente de Paulo
Home for the Elderly (Pirapora)

Installation of fire hydrants at the facility.

Impact: 40 elderly individuals

The Art of Caring at the Pi-
rapora Home for the Elderly

Institution: São Vicente de Paulo
Home for the Elderly (Pirapora)

Enhancement of projects to create a more welcoming environment,
including the creation of a Senior Toy project featuring
a playroom to improve residents' well-being.

Impact: 40 elderly individuals



Industrial
laundry machinery

Institution: São Vicente de Paulo
Home for the Elderly (Buritizeiro)

A project teaching elderly individuals to use social media platforms
and apps through basic IT courses.

Impact: 60 elderly individuals



Sustainable energy for the elderly and improved quality of life

Institution: São Vicente de Paulo Home for the Elderly (Buritizeiro)

Installation of a solar power system to provide clean energy for the facility, enhancing residents’ quality of life.

Impact: 28 elderly individuals

More Judo II

Institution: Ajudou

Expanding access to judo as an educational tool for children and teenagers in social vulnerability who are enrolled in the local school district.

Impact: 7,000 children and teenage athletes



Athlete training and development through the integration of sports sciences

Institution: Minas Tênis Clube

Promotes athlete development through standardized, science-based methodologies across multiple sports, including basketball, futsal, gymnastics, judo, swimming, tennis, and volleyball.

Impact: 820 people, including children, teenagers, adults, the elderly, and people with disabilities



interAÇÃO

Institution: Incluir Institute

Offers theoretical and practical courses to professionals, promoting excellent care for people with disabilities (PwD), using sport as a tool for empowerment.

Impact: 1,000 children, teenagers, and adults



Get in Tune with the Planet

Institution: Pontapé

A series of 15 performances and five workshops in ten (10) cities focused on themes related to planet preservation, using theater to promote human development.

Impact: 20,000 people



Magic Show

Institution: VK Produções
(Tito Trupe Show)

Get in Tune with the Planet (Se Liga no Planeta, in Portuguese) is a magic show with an environmental theme, using recyclable materials as props.

Impact: 12,000 children and teenagers



Embroidering Stories

Institution: Maria Soter Vargas

An itinerant event offering creative meetings, exhibitions, and storytelling workshops using hand embroidery techniques in public schools.

Impact: 5,000 children and teenagers



Super Mosquito 2's Foolproof Plan

Institution: IOS Empreendimentos Culturais Ltda/Komedi

A children's play addressing ethics, health, and the environment, focusing on mosquito-borne diseases.

Impact: 12,000 children and teenagers



Mano Convida II Project

Institution: Mano Down Institute

Musical performances featuring instrumentalist Dudu do Cavaco, guest musicians, and a nationally renowned performer.

Impact: 290 children and teenagers



Reading Is Living

Institution: Gil Nogueira Institute

IGN aims to foster a love of reading, inspiring imagination, developing creativity, enhancing language skills, addressing emotions, and improving children's communication in the school setting.

Impact: 4,000 students from 1st to 5th grade in public schools



Cultural Center – Tamboril Community Library – Biennial Activities Plan

Institution: Tamboril Literary Club
Association

Provides free cultural programming to the community, including arts and cultural workshops, activities that promote reading and literary creation, cultural events, community-building activities (such as book clubs and film discussions), book lending, and reading facilitation.

Impact: 1,800 children and teenagers



Diagnosing – Bioimaging to Improve Childhood Cancer Diagnosis

Supports the Martagão Gesteira Hospital's oncology services by improving diagnostic access with the acquisition of a CT scanner and hiring specialized staff.

Impact: 3,000 children and teenagers



4. Environmental

Minasligas' Environmental Management encompasses some of the organization's most strategic areas for market positioning: **Efficient and Safe Production, Energy, and Differentiation through Green Production.** The management of these topics also includes aspects such as water and effluents, waste, raw materials, forests, and emissions.

Environmental concerns, both strategic and operational, are integrated into our Quality, Health, Safety, and Environmental Management Policy, which aligns with ISO 9001, 45001, and 14001 certifications. These certifications reinforce our commitment to excellence, safety, and sustainability and reflect the importance of continuous improvement using the most appropriate tools to enhance our performance.

Risk and opportunity management are vital to our operations. Our commitment to the UN Global Compact in 2024 highlights our responsibility to address critical societal challenges, such as protecting biodiversity and combating climate change.





Efficient and Safe Production

GRI 3-3

Efficient and safe production has been a cornerstone of Minasligas’ operations since its inception. This concept drives our management of natural resources, raw materials, and processes, guiding investments with an emphasis on environmental and operational efficiency while positively influencing economic and financial outcomes.

A transparent analysis of our processes, investments, and management of natural resources highlights the importance of **controlling variable, fixed, and logistics costs** to maximize operational efficiency, particularly in energy and bioreducer consumption.

MINASLIGAS BIOREDUCER

Reducers play a crucial role in separating silicon from oxygen in quartz, releasing silicon to form ferro silicon and metallic silicon, two key products in our portfolio.

Minasligas uses charcoal and wood chips as bioreducers, which generate **biogenic emissions**⁹ of carbon dioxide. As bio-based materials, their combustion does not increase greenhouse gas levels because the CO2 captured during photosynthesis in growing forests neutralizes these emissions, completing a biogenic cycle.

While other materials can act as silicon reducers, they are not classified as “BIO” materials.

Aligned with our focus on Sustainable Metallurgy, Minasligas invests in planted forests for bioreducer production, capturing more greenhouse gases than are emitted and making a positive contribution to mitigating climate change.

⁹ Biogenic CO2 emissions: Certain human activities release CO2 through the transformation of biological carbon stocks (such as plants, animals, and algae). The carbon in these stocks was originally captured from the atmosphere through photosynthesis, meaning these emissions do not contribute to an additional increase in atmospheric greenhouse gas concentrations. (Source: GHG Protocol)

The management of water, waste, energy, and raw materials is guided by targets and indicators that assess the efficient use of resources. This includes consumption controls and mechanisms to detect variations and inform corrective actions.

Our budgeting process involves all company areas, resulting in defined targets and performance indicators at both sector and global levels, which are regularly reviewed and communicated to employees through the data control platform.

Beyond efficiency, we prioritize other factors such as the safety and sustainability of production materials, continuously aiming to minimize environmental impacts and operational risks.

Our commitment to sustainability also extends to our supply chain, ensuring the best practices among suppliers.

Employee Engagement in Operational Efficiency

Our employees play a direct role in meeting production efficiency targets. To ensure their alignment and effectiveness, we implement rigorous training programs and well-documented procedures that form the foundation of operational excellence. Another key motivator for improving performance and productivity is the profit-sharing program, which is directly linked to the achievement of established goals.

Our low turnover rate helps maintain a well-trained workforce that is aligned with Minasligas' values. Therefore, engaging, integrating, and retaining new generations of employees is critical for sustaining our high standards of excellence, a key factor for the company's future success.

Continuous dialog with employees, along with listening to their feedback on production processes, contributes to ongoing improvement and decision-making that impacts performance. Quarterly reports to managers and monthly

updates to all employees ensure that everyone is informed and aligned with the company's performance objectives.



Efficient and Safe Production at the Plant

- Integrated policy covering Quality, Occupational Health and Safety (OHS), and Environmental Management;
- ISO 9001, 14001, and 45001 certifications;
- Commitment to continuous process improvement, utilizing tools such as non-conformity recording, incident analysis, internal and external audits, and the implementation of preventive actions;
- Comprehensive risk management, including the identification and management of opportunities for continuous improvement;
- Adherence to the UN Global Compact, reinforcing our commitment to social and environmental responsibility.

Efficient and Safe Production at Forestry Units

- Strong commitment to environmental protection and excellence in forest management operations;
- Forests dedicated to bioreducer production play a key role in reducing greenhouse gas emissions;
- Research projects focused on eucalyptus development and optimizing the efficiency of planted areas;
- Application of the “mosaic” forest management technique, which combines preserved native forests with planted forests, ensuring responsible wood harvesting;
- Forest management operating procedures aligned with the parameters established for the plant.

For further details, please refer to the “Differentiation through Green Production” section.



Water Management

GRI 303-3 | 303-4 | 303-5



Minasligas closely monitors water usage on a monthly basis to ensure resource efficiency. Mechanisms are in place to detect variations, and corrective measures are implemented as needed. Two key monitoring indicators are used:

- Daily water consumption readings;
- Consumption targets per kiln (measured in m³).

The water used for both human and industrial purposes at the Minasligas plant is supplied by the local water authority, the Autonomous Water and Sewage Service of Pirapora (SAAE). In our forest areas, water is sourced from underground and surface points.

WATER MANAGEMENT AT THE PLANT

Water consumption at the plant is tracked through water meter readings and the invoices provided by SAAE. There are three intake points at the plant – two for industrial processes and one for human consumption.

The largest portion of water is used to replenish evaporated losses during the cooling of furnace equipment, which operates within a closed-circuit system. This system allows water to be recirculated back into cooling tanks for reuse.

Effluents

Effluent generation at the plant is minimal, mainly coming from sanitary and cafeteria sources. These effluents are discharged into the municipal sewage network managed by SAAE, which also handles their treatment.

Annually, we generate and discharge 6,083 megaliters of sanitary effluent, representing 50% of the potable water allocated for human consumption at the plant.

Effluents from the Oil and Water Separator System (OWSS), primarily produced in the maintenance workshops for vehicles, machinery, and equipment, are treated in full compliance with legal requirements.



Cooling tower

WATER MANAGEMENT
AT FORESTRY UNITS

Water abstraction at forestry units is primarily from underground sources, with ten abstraction permits granted for this purpose, in addition to a surface abstraction permit at one location. We ensure water abstraction does not exceed the capacity of the aquifers, strictly adhering to the permitted flow rates. Additionally, during forest planting, we build small containment basins lined with tarpaulins to store rainwater, which is used to irrigate seedlings.

Water consumption for bio reducer production is also monitored. Water is stored in Australian-type tanks, strategically located to minimize pressure on aquifers, as the wells are only activated to refill these tanks. Consumption is tracked using daily water and hour meter readings. Additionally, the static water level is measured twice a year – once during the dry season and once during the rainy season.

Effluents

Sanitary effluent on the reforestation units is treated with a pit, filter, and drain system, which is inspected every six months. Biodegradable cleaning products are used in offices and cafeterias, and a microbiota-activating product called “Biorooter” is added to the system every 30 days to enhance filter performance. Cesspits are cleaned regularly as per the system’s requirements, with the effluent discharged into the Pirapora sewage treatment system (SAAE).



Water Consumption (in Megaliters, ML) – Plant⁸

	Annual Consumption (ML)
Ferro Silicon Production	164.4
Silicon Metal Production	141.4
Human Consumption	12.2
TOTAL	318.0

Water Consumption (in Megaliters) – Forestry Units

	Annual Consumption (ML)
Underground Abstraction	115.5
Surface Abstraction	292.2
TOTAL	407.7

TOTAL WATER CONSUMPTION IN 2023:
725.7 ML

8 – Total of eight (8) furnaces accounted for in 2023.

Raw Materials Management

GRI 301-1 | 301-2

Minasligas prioritizes the use of raw materials that minimize environmental impact, sourcing part of these inputs from renewable sources, such as bioreducers and firewood, while also utilizing recycled raw materials, including mill scale, a by-product of the steel industry.

Mill scale is a layer of iron oxide that forms on the surface of hot-rolled steel as a result of oxidation at high temperatures. In ferro-silicon production, mill scale serves as an important source of iron, partially replacing the need for iron ore. Its use offers both economic and environmental benefits by reducing waste generated by steel mills and decreasing the demand for virgin natural resources.

Materials used in 2023

NON-RENEWABLE SOURCES (in tons)	
Electrode paste	2,516.17
Pre-cooked electrode	2,992.64
Quartz	212,184.17
Scale	17,966.21
Iron ore – hematite	368.28
TOTAL	236,027.47

RENEWABLE SOURCES (in tons)	
Bioreducer	142,914.86
Firewood	39,905.23
TOTAL	182,820.09

Total raw materials used in 2023:
418,479.28 tons
Total recycled raw materials (mill scale) used:
17,966.21 tons (4.29%)



Waste Management

GRI 306-1 | 306-2 | 306-3 | 306-4 | 306-5



Minasligas aims to minimize waste generation while maximizing the efficient reuse of by-products like microsilica and coal fines. These by-products are sold as raw materials for other industrial processes, reducing costs, maximizing efficiency, and supporting the circular economy.

Both industrial and domestic (at forestry units) waste management focuses on reducing landfill use. The 3Rs Program (Reduce, Reuse, Recycle), along with Selective Collection and the 5S Program, helps organize and optimize waste management, ensuring that materials are properly recycled or reused.

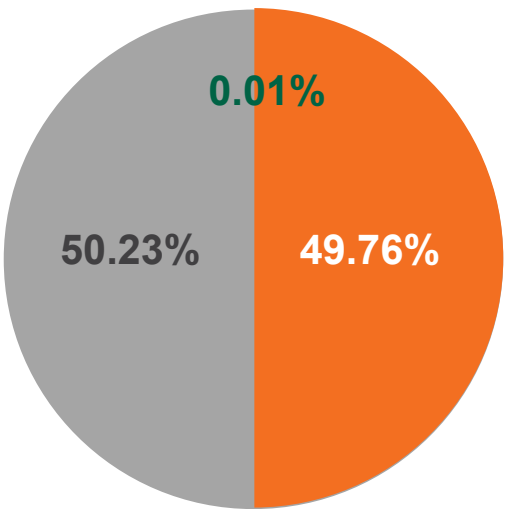
In 2023, only 0.01% of Minasligas’ waste was directed to landfill.

Waste management awareness and responsibility should be embraced by everyone, including our supply chain. To support this, we offer training and guidance to stakeholders, especially employees, to ensure efficient waste management and proper disposal practices.

Total Waste Generated in 2023

- Waste generated at the plant: **70,657.60 tons**
- Waste generated at forestry units: **44.62 tons**
- TOTAL waste generated at Minasligas: **70,702.20 tons**

Coprocessing: 35,184.75 tons
Recycling: 35,512.24 tons
Landfill: 5.23 tons



WASTE MANAGEMENT AT THE PLANT

The plant’s waste management system is built on the 3Rs Program: **Reduce, Reuse, Recycle**.

A dedicated manager ensures the proper disposal of all waste, particularly materials sent to environmentally responsible companies licensed by regulatory agencies.

Best Practices and Initiatives

- Use of a **platform connecting waste generators with buyers**, to support waste management and logistics.
- **Environmental Aspects and Impacts Survey (LAIA)** – to identify waste generated at the plant and evaluate environmental impacts, leading to risk mitigation measures.
- **The Solid Waste Management Plan (PGRS)** which classifies and guides the appropriate disposal of waste.

- **Employee training** in selective waste collection.
- **Donating waste** to the recycling association in Pirapora.
- **Internal campaigns** promoting awareness of the 3Rs Program.

Class II (non-hazardous) waste is generated during processes such as raw material screening, machinery and equipment maintenance, dedusting system operation, civil maintenance, and the cleaning of operational areas, circulation zones, gardens, canteens, and locker rooms.

The non-recyclable portion of Class II waste (e.g., refractory materials, batteries, tires, bricks, concrete) is sent for co-processing.

3R's

DA SUSTENTABILIDADE

REDUZA

É essencial reduzir a quantidade de lixo produzido, como por exemplo, optar por produtos mais duráveis, além de evitar trocá-los por qualquer novidade no mercado.



REUTILIZE

Quando possível, opte por embalagens que possam ser utilizadas mais de uma vez, como garrafas retornáveis de vidro ou mesmo, criar novas utilidades para estes itens.



RECICLE

O mais conhecido dos 3R's consiste em reaproveitar um produto resíduo para transformá-lo em um produto novo, reduzindo assim a necessidade de extração de matéria-prima.

Você sabe quanto tempo os materiais levam para se decompor na natureza?

 Papel: 3 a 6 meses	 Plástico: 450 anos
 Pano: 6 a 12 meses	 Fralda descartável: 500 anos
 Filtro de Cigarro: 5 anos	 Vidro: 1 milhão de anos



Comprometimento | Eficiência | Qualidade

In **2023** Minasligas generated **70,657.60 tons** of waste at its plant.

Out of this total, **50.21%** was recycled, and **49.79%** was sent for co-processing.

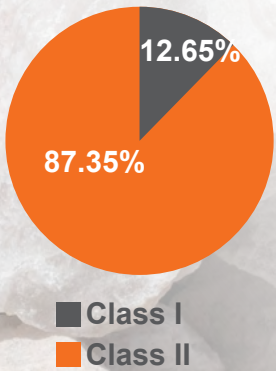
No waste generated at the plant was directed to landfills.

No significant incidents involving hazardous materials or waste management occurred in 2023.

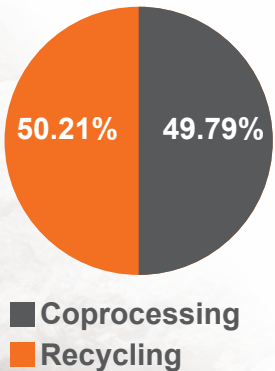
WASTE GENERATED IN 2023 – PLANT

CLASS I (Hazardous)	Waste Generated (in tons)		
	Coprocessing	Recycling	Total
Petroleum products, solvents, plastics	8,935.46		8,935.46
CLASS II (Non-Hazardous)			
Rubber and leather		12.51	12.51
Wood		56.72	56.72
Metal		323.61	323.61
Other aggregates	24,844.24	34,954.45	59,798.69
Paper/Cardboard		14.96	14.96
Plastic		32.79	32.79
Construction & demolition waste	1,403.63	64.8	1,468.43
Garden and park waste		14.32	14.32
Glass		0.11	0.11
Sub-total Class II	26,247.87	35,474.27	61,722.14
TOTAL	35,183.33	35,474.27	70,657.60

Waste classification – PLANT



Waste disposal – PLANT



WASTE MANAGEMENT AT FORESTRY UNITS

Our forestry units have a comprehensive waste management program that ensures proper classification and disposal of all waste. Most waste generated is recycled and donated to a local waste pickers’ association in Pirapora. Hazardous waste and oil-contaminated materials are sent to specialized, environmentally certified companies for co-processing and/or incineration.

Best Practices and Initiatives

- Tree waste (bark, branches) and charcoal fines are repurposed for soil recovery in degraded areas and for the **Technical Flora Reconstitution Project (PTRF)**.
- **Strict control and classification** of waste generated, including domestic waste and waste from bioreducer production and harvest activities.
- **Implementation of a specific Solid Waste Management Plan (PGRS)** for forestry unit operations.
- **Training on selective waste collection** for all employees.
- **85% of the waste generated is recycled** through an association in Pirapora.
- Only **12% of the waste generated at forestry units** was directed to landfills in 2023.
- 3% of the waste generated in 2023 was processed through **co-processing and/or incineration**.





Energy

GRI 3-3 | 302-1

As an energy-intensive industry, electricity is a critical resource for our operations, particularly in the production of Ferro Silicon and Silicon Metal. Energy is not only a material topic but a key pillar of our strategy, driving both socio-environmental sustainability and economic performance.

Energy supply and consumption directly affect our operational efficiency, product differentiation (our products bear the ECO seal due to sustainable energy management), greenhouse gas emissions, and our efforts in combating climate change.

To address these challenges, we are investing in renewable energy sources such as hydropower, solar, and wind, as well as conducting ongoing research to improve energy efficiency and optimize consumption through continuous learning and innovation.

We strive to align Minasligas’ growth with the sustainable use of energy,

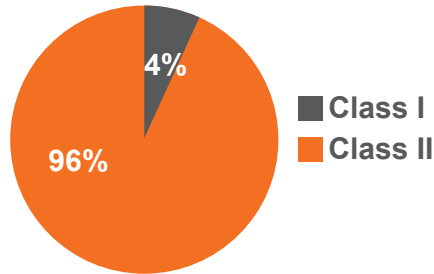
reflecting our commitment to sustainability through low carbon intensity (significantly below the global average), effective forest management (including bioreducer production and native vegetation conservation), and process improvements to enhance efficiency.

Minasligas’ energy management utilizes a range of internal indicators to monitor consumption, prevent equipment failures, and implement risk management programs.

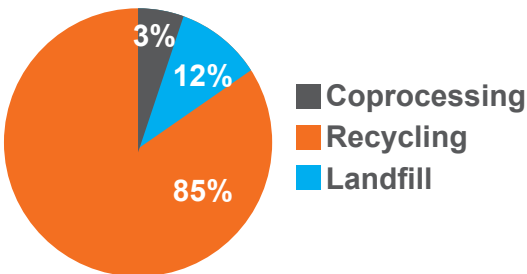
WASTE GENERATED IN 2023 – PLANTS

	Waste Generated (in tons)			
	Landfill	Coprocessing	Recycling	Total
CLASS I (Hazardous)				
Petroleum products, solvents, plastics		1.16	0.63	1.79
CLASS II (Non-Hazardous)				
Metal			6.67	6.67
Paper/Cardboard			4.37	4.37
Plastic		0.26	26.30	26.56
Non-recyclable	5.23			5.23
Sub-total Class II	5.23	0.26	37.34	42.83
TOTAL	5.23	1.42	37.97	44.62

Waste classification
– FORESTRY UNITS



Waste disposal
– FORESTRY UNITS



• **Energy supply diversification**

Given our energy dependence, maintaining a diversified energy matrix helps mitigate the risk of resource shortages. Minasligas sources energy from a range of suppliers, with contracts varying by price and delivery method, according to our strategic approach.

• **Monitoring indicators:**

To ensure both safety and efficiency in energy-dependent processes, we monitor indicators and set targets, such as **specific consumption** tied to production and the **energy utilization factor**, which gauges how effectively the available energy is used. Unplanned stoppages have been identified as one of the primary drivers of inefficiency in this area.

• **Risk Management Program**

This program is designed to identify and mitigate equipment failures, prioritizing employee safety. We have trained personnel, equipment with outstanding thermal and metallurgical capacity, automated and mechanized processes, and a safe, comfortable, and well-equipped work environment.

• **Reduction in energy consumption**

We have installed photovoltaic systems to generate renewable energy for Gremil, the Belo Horizonte office, and our forestry units. Additionally, the plant’s lighting has been upgraded to energy-efficient LED bulbs.

• **Employee access to renewable energy**

This initiative provides employees with the opportunity to purchase clean, renewable energy at a more accessible price. By connecting to CEMIG’s renewable energy system, employees can sustainably power their homes while enjoying a discount on their electricity bills.

• **Cleaner fuels**

We have replaced diesel with LPG (Liquefied Petroleum Gas) for heating industrial refractory pans, which is more efficient and produces fewer greenhouse gases.

• **Stakeholder engagement**

Minasligas actively participates in sector initiatives, collaborates with public authorities to promote a cleaner national energy matrix, and provides employees with training on sustainable and efficient practices.

Energy use at Minasligas

Type of Energy	Source	Origin	Destination	
Electricity	Predominantly Renewable ⁹	• Purchased from the National Interconnected System (SIN) • Self-generated via photovoltaic panels	Pirapora Plant	85% Renewable ¹⁰ 15% SIN
			Gremil at Forestry Units Belo Horizonte Office	100% photovoltaic
Bioreducer	Renewable	Reforestation	Raw materials for production at the plant	
Fuel – Diesel	Non-renewable		Machinery	
Fuel – LPG	Non-renewable		Heating industrial pans	

9 – Brazil’s energy production and transmission system is a large-scale hydro-thermal-wind system, with a predominant reliance on hydroelectric plants. As such, there is no guarantee that all energy supplied to the grid is from renewable sources.

10 – Energy supply is guaranteed through contracts established with suppliers in the Free Energy Market.



Non-renewable fuel consumption in 2023

Diesel	Unit	Liters	GJ
	Pirapora Plant	312,560	≈11,095.15
	Forestry Units	279,000	≈9903.85
	TOTAL	591,560.00	≈20,999.00
LPG	All units combined	kg	GJ
	TOTAL	216,162.46	≈ 10,039

Calculation Basis:

- LHV (Lower Heating Value) of diesel: 10,100 kcal/kg

- LHV of LPG: 11,100 kcal/kg

Where 1kcal = 4,184 J¹¹

Bioreducer consumption in 2023

142,915	tons
3,862,798	GJ

Calculation Basis:

- LHV of Bioreducer: 6,460 kcal/kg

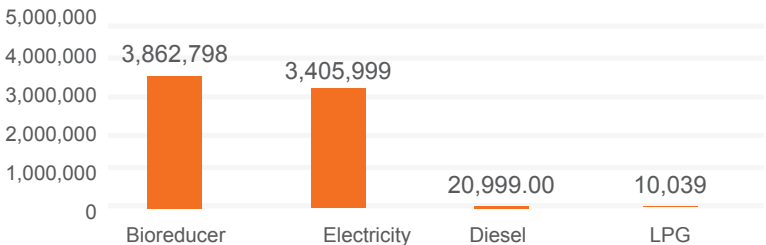
Electricity Consumption in 2023

Unit	MWh	GJ
Pirapora Plant	945,754	3,404,714
Other units (Belo Horizonte, Forestry units, Gremil)	357	1,285

¹¹ Source of conversion factors used: National Energy Balance 2023 (BEN 2023)

ANNEX VIII – Conversion Factors – Table VIII.9 – Densities and Heating Values Accessed June 17, 2024.

TOTAL ENERGY CONSUMPTION IN 2023: 7,299,840 GJ



Differentiation through Green Production

GRI 3-3 | 304-1 | 304-2 | 304-3 | 304-4 | 101-4 | 101-5 | 101-6 | 101-7 | 101-8

By integrating sustainability into its operations and strategies and offering products with a smaller carbon footprint than its global competitors, Minasligas stands out in the market through its concept of Green Production.

Efforts to adopt an ESG agenda grounded in measurable indicators have enabled us to quantify and enhance the sustainability attributes of our products, forming the foundation of **sustainable metallurgy**. Key achievements include **low carbon intensity per ton produced due to the use of biogenic reducing agents** and a predominance of renewable energy throughout our production processes.



Alongside energy efficiency initiatives, our forest management for bioreducer production allows Minasligas to capture more greenhouse gases

than we emit, significantly contributing to the fight against climate change.



Society and the market are increasingly demanding robust sustainability practices that address today’s environmental, social,

and governance (ESG) challenges while maintaining the competitiveness essential to private organizations. For this reason, we have

adopted operational practices and strategies that continue to enhance the value of our products. In the wake of rising global awareness of greenhouse gas emissions and climate change, our products have gained market preference due to their sustainable footprint, reflecting a paradigm shift where environmental awareness shapes purchasing and supply decisions across industries and society at large.

Forest Management

Minasligas operates 21 forestry units located across the northern, northwestern, and central regions of Minas Gerais, in the following municipalities:

- Grão Mogol
- Jequitaiá
- Buritizeiro
- João Pinheiro
- Três Marias

These units focus on eucalyptus cultivation to produce bioreducers and wood chips, which are used at our manufacturing facility in Pirapora, MG.

EUCALYPTUS IRRIGATION RESEARCH PROJECT

Minasligas is spearheading a research initiative to optimize eucalyptus cultivation in the Brazilian cerrado, a region with significant rainfall limitations but promising irrigation potential due to available water resources. The project prioritizes water conservation through an efficient drip irrigation system that minimizes waste.

The total area, covering around 30 hectares, includes four sectors – one with no irrigation and three with varying irrigation treatments.

Early results have been promising, demonstrating up to ten times less water usage compared to other crops.

Now in its second cycle, with harvests at four and a half and five years, the charcoal produced from this younger wood has proven comparable in quality to charcoal from seven-year-old forests.

PRESERVATION AREAS

The forestry units are located next to environmental protection zones, meaning that all of Minasligas’ production activities in these areas have potential biodiversity impacts. This requires substantial effort and careful attention to the challenges of mitigating these effects through careful forest management.

Alongside productive forestry areas, legal reserves, and Permanent Preservation Areas (APPs), Minasligas also preserves several areas of native vegetation, including sections undergoing ecological restoration, which account for 0.45% of the total forest areas.



TOTAL AREA OF FORESTRY UNITS	60,027.65 ha 100% across 21 units	
	OPERATIONAL AREA	33,240.57 ha 55.38%
<div>• Planted forest (eucalyptus forestry)</div> <div>• Fallow areas/areas to be planted</div> <div>• Infrastructure (roads, firebreaks, sheds, support and accommodation buildings, and easements)</div>		
ENVIRONMENTAL PROTECTION AREA	26,787.08 ha 44.62%	
	• Legal Reserve	• 12,826.67 ha • 21%
	• Permanent Preservation Area (APP)	• 4,734.83 ha • 8%
	• Preserved Native Vegetation/Remaining Cerrado	• 9,225.57 ha • 15%

Total standing timber volume¹³ (various ages) in 2023:
1,399,651.71 m³

Total timber harvested in 2023: 502,200.00 m³

Designated for charcoal production: 448,200.00 m³

Designated for wood chip production: 54,000.00 m³

¹³Source: INV GEE – ABA FP_2023



- Sustainable forestry management is based on a **mosaic strategy that combines native vegetation (RL, APP, and remaining cerrado)** with eucalyptus plantations. This approach:
- Preserves biodiversity by creating wildlife corridors and promoting gene flow among plant species.
 - Contributes to climate regulation by capturing greenhouse gases and reducing local temperatures, improving local climate conditions.
 - Maintains the physical, chemical, and biotic structure of the soil, preventing erosion and sedimentation in watercourses, which in turn improves water quality in streams and rivers.



IMPACTS ON BIODIVERSITY

Since the inception of forestry activities in the 1980s and 1990s, the development of this business segment has been driven by land use and occupation strategies that prioritized areas with native vegetation remnants. These initiatives emphasized sustainable management, preservation, and, where necessary, restoration. Twice a year, during the dry and rainy seasons, fauna is monitored to assess the real impact of our activities.

Environmental management at the forestry units utilizes environmental impact assessments and reports as key tools for identifying potential impacts from new projects and ensuring the timely implementation of corrective and preventive actions when needed.

Forest management activities/structures with potential biodiversity impacts

	Impact	Mitigation measures
Carbonization Plants (PLC)/ Coal Production Units (UPC)	Emission of particles into the atmosphere.	Plants are located centrally within the forestry units, surrounded by eucalyptus forests, which reduces atmospheric emissions affecting nearby communities and roads.
Construction of roads and firebreaks in forest areas	Vegetation removal for road construction and gravel extraction; dust dispersion during dry periods.	Roads play a critical role in preventing the spread of forest fires, while also supporting soil and water conservation efforts. Containment basins and ridges are strategically placed along roads to prevent soil particles from being washed into lower areas, thus mitigating erosion risks. During the dry season, rural roads with heavy traffic are regularly watered to minimize dust dispersion.
Pesticide application to control pests and weeds	Agricultural pesticides can harm insects and other organisms vital to processes like pollination, as well as birds, fish, and similar species.	Pesticides are applied only when necessary, using products registered in Brazil and in accordance with agronomic guidelines.
Use of soil amendments and fertilizers	The excessive use of soil amendments and fertilizers may degrade or salinize the soil.	Fertilizers are applied as needed, based on soil analysis to address specific nutritional deficiencies.
Sanitary and oily effluents	Improper effluent disposal can contaminate water bodies, causing biodiversity loss and posing risks to both human and animal health.	Effluents are disposed of responsibly, ensuring they do not reach water bodies or the water table. Sanitary effluents are treated via septic systems (septic tank, filter, and drain field). Oily effluents are directed to oil-water separators for proper handling.

Species¹² found and monitored in Minasligas’ operational areas

Operational Team	Group	Number of Records	Species Richness	CR	EN	VU	NT	LC	DD
João Pinheiro * 3 years of monitoring	Entomofauna	4588	100					100	
	Ichthyofauna	647	32					32	
	Herpetofauna	3506	74					72	2
	Avifauna	7040	275		1	1		273	
	Medium and large Mammals	1046	33			2	2	29	
	Small Mammals	340	28					28	
Buritizeiro * 2 years of monitoring	Entomofauna	4550	83					83	
	Ichthyofauna	572	37		1			36	
	Herpetofauna	945	60					59	1
	Avifauna	4019	293		1	1		291	
	Medium and Large Mammals	554	25			1	2	22	
	Small Mammals	112	13		1			12	
Grão Mogol * 1 year of monitoring	Entomofauna	255	25					25	
	Ichthyofauna	68	10					10	
	Herpetofauna	414	33				1	32	
	Avifauna	929	162				1	161	
	Medium and Large Mammals	72	11				1	10	
	Small Mammals	11	6					6	

Threat Status Key: CR: Critically Endangered; EN: Endangered; VU: Vulnerable; NT: Near Threatened; LC: Least Concern; DD: Data Deficient.

RISKS AND OPPORTUNITIES – FOREST MANAGEMENT

Physical Risks

- Partial suspension of forestry activities due to water resource scarcity during severe droughts;
- Loss of forest assets caused by drought-induced water scarcity, forest fires during dry periods, or an increased prevalence of pests and diseases due to physiological stress from water shortages and rising temperatures;
- Reduced forest productivity as a result of limited water availability or uneven rainfall distribution throughout the year;
- Decreased production capacity for bioreducers or wood chips;
- Disruption of raw material logistics due to storms, limiting the accessibility of secondary roads;
- Rising forestry production costs resulting from extreme weather conditions and/or water shortages (e.g., costs for research projects, higher input usage without guaranteed returns).

Legal Risks

- Regulatory requirements on greenhouse gas emissions and sector-specific reduction targets;
- The impact of carbon pricing and taxes on industrial and agro-industrial emissions;
- Introduction of public policies related to climate change.

Opportunities

- Compensation for environmental services through the conservation and restoration of forest ecosystems and water resources;
- Potential for developing carbon market projects, leveraging the carbon balance between industrial emissions and removals by forestry activities;
- Cost reduction and decreased reliance on water abstraction by implementing more efficient water usage mechanisms;
- Innovation in water collection, storage, and reuse technologies;
- Development of advanced technologies to reduce emissions from bioreducer production.

¹² Included in the 2024 IUCN Red List of Threatened Species.

STAKEHOLDER ENGAGEMENT

Minasligas’ forestry strategy relies on the active involvement of various stakeholder groups, including employees and local communities, to foster collaboration in the preservation of both native and planted forests. Sector associations, universities, and environmental agencies play an essential role in developing projects aimed at improving production efficiency, enhancing forest management, and addressing challenges like climate change. Customers are also engaged, aligning with Minasligas’ concept of sustainable metallurgy, which is presented as a key market differentiator.



ENVIRONMENTAL EDUCATION PROGRAM

Environmental education is a cornerstone of Minasligas’ environmental management policy. We prioritize our role in guiding employees and the communities near our forestry operations (seven communities) and our plant in Pirapora (two communities), helping them reflect on and develop projects that safeguard the environment and promote sustainability.

The Environmental Education Program conducts socio-educational activities to raise awareness and build knowledge, ensuring that participants understand how to avoid, control, or mitigate socio-environmental impacts. The program also educates communities about the project’s environmental control measures and strengthens local capabilities, promoting a balanced relationship with the local environment.

By fostering discussions on pressing environmental issues, both locally and regionally, the program encourages participants to critically assess the environmental conditions around them – both past and present – and to engage with key concerns, such as water resource scarcity and the preservation of native forests.

FOREST GUARDIANS PROJECT

The Forest Guardians Project, dedicated to preventing and combating forest fires, engages employees, local residents, and the broader community through an annual Forest Fire Prevention and Fighting Campaign held during the dry season. The initiative emphasizes the importance of collaboration, reminding participants that fires cross borders and cause significant harm to health, the environment, and property.

A dedicated hotline has been established for Minasligas’ neighbors to report fire outbreaks. This enables the fire brigade to respond swiftly and prevent fires from spreading.

The campaign includes annual refresher training for forestry unit brigade members in collaboration with the Minasligas SESMT, as well as specific training for strategic brigade members in partnership with the local Fire Department.



TECHNICAL AND ACADEMIC PARTNERSHIPS

Minasligas partners with 15 other companies in the forestry sector and the Federal University of Viçosa through the **Drought Tolerance Cooperative Project**. This partnership focuses on developing advanced techniques and silvicultural practices to create eucalyptus clones more resistant to drought, improving both production efficiency and environmental management.

Now in its fifth year of research, the project aims to create genotypes that are tolerant to water deficits while maintaining or exceeding the productivity of current genetic materials used by major players in the Brazilian forestry sector. The ultimate goal is to develop drought-tolerant clones and seedlings for commercial planting.



INDUSTRY ASSOCIATIONS

Minasligas actively participates in several working groups within key industry associations, including the Brazilian Ferroalloys Association (ABRAFE), the Federation of Industries of Minas Gerais (FIEMG), the American Chamber of Commerce (AmCham), and the Minas Gerais Forestry Industry Association (AMIF), among others.

- In collaboration with ABRAFE and FIEMG, Minasligas helped develop a platform to assess the environmental impacts of the ferroalloy industry in Brazil, resulting in a joint GHG emissions inventory.
- Through AMIF, Minasligas contributes to internal technical commissions that address critical issues in the forestry sector, promoting the growth and competitiveness of the planted forestry industry in Minas Gerais.

MARKETING STRATEGY

In 2023, Minasligas introduced the concept of **Sustainable Metallurgy**, to showcase its commitment to sustainability. This strategy emphasized the integration of environmental practices across the production process. To reinforce this message, the company branded its Ferro Silicon, Silicon Metal, and Micro Silica products with the prefix “ECO.” Additional initiatives, such as the inclusion of the “Minasligas Ecoproducts” label on institutional materials, email signatures, websites, product bags, and certificates of analysis, further promoted this concept.

To engage customers and partners in the concept of sustainable metallurgy, we developed institutional kits featuring a mini version of the “bags” used in operations, containing samples of Minasligas products, along with ipê seeds for planting, spreading a piece of the rich cerrado ecosystem – the biome where our operations are based and which we help to preserve.

Focusing on stakeholder engagement in our sustainable practices, Minasligas held in-person events in Pirapora for the first time in its history to present its sustainability strategy. Three meetings were held with strong participation from customers, authorities, suppliers, trade associations, and local community members.

As part of its efforts to engage stakeholders, Minasligas launched the Open Doors project, allowing employees’ families to visit the plant and learn about the company’s production process, health and safety measures, and commitment to Green Production.

Customers were further engaged at industry events such as the CRU conference in Poland, where Minasligas’ sustainable metallurgy was featured as a key theme.



Climate Change

GRI 201-2

Since 2020, Minasligas has conducted an annual Greenhouse Gas (GHG) inventory, following the GHG Protocol methodology. This process has deepened our understanding of the impacts associated with our emissions, enabling us to implement the best practices to mitigate emissions and ensure that climate change remains a key consideration in our decision-making and investment strategies.

Our primary sources of emissions stem from silicon and alloy production, as well as bioreducer production. Additionally, the intensive use of electricity contributes significantly to Scope 2 emissions. Forest fires are also factored into our emissions inventory due to the large volume of carbon released into the environment.

To mitigate these emissions, we have implemented several measures, including the use of bioreducers (whose emissions are biogenic due to their plant-based origin), the adoption of renewable energy sources, self-generation of electricity, and fire prevention campaigns. We also provide regular training for the forestry brigade to ensure prompt and effective action in the event of fire outbreaks.

Minasligas’ extensive reforestation areas, particularly those in the growth phase, are the largest contributors to CO₂, resulting in a negative carbon balance.

RISKS AND OPPORTUNITIES	IMPACTS	MANAGEMENT TOOLS
Regulatory Risk: Implementation of new Greenhouse Gas Emissions legislation	Process modifications	Annual GHG Inventory
Opportunity: Expansion of a Carbon Credits market	Need for CO ₂ reduction/elimination equipment	Carbon Credit Market Study Group
	Raw material changes	



Commitment to decarbonization

MANAGING DECARBONIZATION AND AIR QUALITY AT THE PLANT

- Control and monitoring of atmospheric emissions;
- Preparation of the GHG Inventory, audited by an independent third party;
- Particulate matter monitoring, consistently yielding results below the maximum regulatory limits;
- Regular maintenance of kilns to ensure efficiency and safety;
- Utilization of more efficient technologies to reduce gas emissions;
- Specific procedures for environmental monitoring;

- Ongoing evaluation of implemented measures, supported by internal and external audits, indicator analysis, and senior management review;
- All eight kilns, three crushing plants, and four bio-reducer discharge systems are equipped with dedusting systems;
- Operation of two air quality monitoring stations in Pirapora, maintained in partnership with other local companies, with data made available to the public;
- Use of “sweeper” equipment that captures material for reintegration into the process;
- Monitoring of black smoke emissions from trucks entering the plant;
- Transition from diesel oil to LPG for heating refractory pans, improving efficiency and significantly reducing GHG emissions.

MANAGING DECARBONIZATION AND AIR QUALITY AT FORESTRY UNITS

- Annual forest planting targets, with pre-analysis of hectares to be planted to maximize greenhouse gas capture;
- Control of atmospheric emissions from bio-reducer production through optimized wood drying and cleaning processes to enhance efficiency and reduce emissions;
- Emission reductions through cleaning and maintaining ovens after each production cycle;
- Software-controlled furnace temperature management to improve bio-reducer production efficiency, allowing less wood to be burned while increasing output;

- Dust reduction through regular wetting of dirt roads used by heavy machinery;
- Planting of higher-density eucalyptus clones to improve CO2 absorption efficiency;
- Annual fire prevention campaigns in collaboration with surrounding communities;
- Annual training for the forest fire brigade;
- Meeting annual maintenance targets for roads and firebreaks, which are key to controlling forest fires;
- Monitoring of black smoke emissions from trucks operating at the forestry units.



Emissions Inventory

GRI 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-7

GHG EMISSIONS IN 2023

(in metric tons of CO2 equivalent)

Scope 1	60,049.97
Biogenic emissions (Scope 1)	415,111.91
Scope 2 (Market-Based)	4,997.98
Scope 3	39,145.46
Biogenic emissions (Scope 3)	1,607.66

Base year for emissions: 2023
Gases included in the calculation: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ e NF₃
Emission factors and global warming potential (GWP) indices source: IPCC
Consolidation approach for emissions: Operational control
Standards, methodologies, assumptions, and calculation tools adopted: GHG PROTOCOL
Other indirect (Scope 3) GHG emissions categories and activities included in the calculation: T&D
Downstream/T&D Upstream/Purchased Goods and Services/Employee travel/
Waste and Effluents/Business travel

GHG Emissions Intensity Index for the Organization:

0.6401 tons of CO₂e/ton of product.

Gases included in the calculation: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃
(Scope 1 + Scope 2, market-based)
Calculation Basis: CO₂e tons emitted/tons of production

OTHER EMISSIONS

NOx	0
SOx	0
Persistent Organic Pollutants (POPs)	0
Volatile Organic Compounds (VOCs)	0
Hazardous Air Pollutants (HAP)	0
Particulate Matter (PM) (Maximum permitted volume: 551t)	106.36 tons
Other standard categories of atmospheric emissions identified in relevant laws and regulations	0

Standards and calculation methodologies adopted: ABNT NBR 11966:1989 (Measurement of Gas Velocity and Flow in Stationary Source Chimneys and Ducts); ABNT NBR 11967:1989 (Measurement of Humidity in Stationary Source Chimneys and Ducts); ABNT NBR 12019:1990 (Measurement of Particulate Matter in Stationary Source Chimneys and Ducts); CETESB L9.210:1990 (Combustion Gas Analysis using the Orsat Apparatus: Test Method); CETESB L9.221:1990 (Stationary Source Ducts and Chimneys – Determination of Sampling Points).

CONSOLIDATED EMISSIONS BY GHG AND SCOPE 2 – MARKET-BASED

Metric tons by GHG					Metric tons of CO ₂ equivalent		
		E1	E2	E3	E1	E2	E3
CO ₂		24,484.11	4,997.98	37,391.24	24,484.11	4,997.98	37,391.24
CH ₄		1,236.93	0	46.59	34,510.38	0	1,299.94
N ₂ O		3.52	0	1.66	960.42	0	454.28
HFC	HFC-134a	6.30	0	0	9.64	0	0
HCFC	HCFC-22	24.10	0	0	47.24	0	0
HCFC	HCFC-124	24.00	0	0	14.33	0	0
Compounds	R-410A	12.40	0	0	23.85	0	0
Total					60,049.97	4,997.98	39,145.46

Reduction of GHG emissions in 2023
Reduction due to fuel change for heating refractory pans
300 tons CO₂e/year

5. Economic Performance

The realization of **sustainable metallurgy** has only been possible because Minasligas has spent four decades building a strong foundation—both operationally and financially.

We successfully navigated the challenges and instability of the national and international macroeconomic landscape in 2020/2021 through hard work, commitment, effective risk management, and a forward-thinking approach – focused on the future of our business, industry, market, and the planet, with a particular emphasis on the challenges of sustainable development, especially climate change.

Today, Minasligas is generating positive outcomes for all its stakeholders, from shareholders to employees, while fostering growth for suppliers and offering unique, high-value products to our customers. Increasingly, our clients recognize sustainable metallurgy as a key factor in their purchasing decisions, which opens up promising growth opportunities for both our company and the rising importance of sustainability in the industry.



Economic Value Generated and Distributed

GRI 201-1 | 201-4

Value Generated and Distributed (in R\$ million)

Direct Economic Value Generated / Net Revenue	R\$ 1,045.216
Economic Value Distributed / Expenses	R\$ 889.610
Retained Value (Generated Value – Distributed Value)	R\$ 239.086

Economic value distributed to society, partners, and employees in 2023 (in R\$ million)

Employee salaries and benefits	R\$ 21.024
Employee profit-sharing	R\$ 8.422
Social investments and donations via Incentive Laws	R\$ 3.419
Total	R\$ 32.865

Government Support and Incentives (in R\$ million)

Tax benefits and credits	R\$ 40.082
Subsidies for investments and R&D	R\$ 2.406
Total	R\$ 42.488

Tax Strategy

GRI 207-1 | 207-2 | 207-3

Minasligas adopts a conservative tax policy, maintaining a close and transparent relationship with tax authorities. The company consistently meets its obligations to federal, state, and municipal governments – including taxes, fees, and other levies – on time and in full compliance with current legislation.

GOVERNANCE, CONTROL AND FISCAL RISK MANAGEMENT

Minasligas’ Tax and Accounting Department, overseen by the Administrative and Financial Division, centralizes the entire tax assessment process, with support from the Executive Board and Legal Department to resolve any disputes. Tax compliance is managed by the Controllershship Department, along with both internal and external audits, supported by the Tax Department.

Fiscal and tax risk analysis is conducted daily by a team of analysts under the supervision of managers. Minasligas adopts a conservative risk approach, relying on legal opinions for decision-making in significant cases.

The submission of fiscal documentation (EFD ICMS/IPI) and contributions (PIS/COFINS) is carried out through the Brazilian Federal Revenue Service’s Validation Program (PVA). Additionally, Minasligas conducts independent audits using third-party tools to ensure coverage of areas not addressed by the PVA.

6. A Sustainable Future

Through Sustainable Metallurgy, Minasligas has expanded and positioned itself as a forward-looking company, dedicated to preserving and nurturing its most vital resources – people and the environment – to promote a sustainable future.

Internally, this growth has been driven by the acquisition of an additional plant in Simões Filho, Bahia. The refurbishment of this facility is aimed at creating an environment conducive to adopting best production practices, ensuring operational excellence and sustainable outcomes.

Externally, the increasing demands surrounding sustainability and the ESG Agenda across our value chain emphasize mitigating negative impacts, enhancing positive contributions, managing risks, generating value for all *stakeholders*, and taking decisive action to combat climate change, among other crucial initiatives that are essential for our future and sustainability.



Governance, Risk Management and Sustainability

Minasligas' leadership views governance as a strategic driver for the future, particularly in the context of sustainability and risk management. These topics are regularly addressed in meetings of the executive board and Board of Directors, with a focus on adopting best market practices that elevate governance standards and reinforce efforts across social, environmental, commercial, and operational areas.

To strengthen **Sustainability Management**, Minasligas must continue to develop its ESG Agenda, consolidating existing practices while creating new pathways to amplify our positive impact on the market, society, and the environment. Sustainability must become deeply embedded in the company's culture, clearly demonstrating to stakeholders the initiatives and principles that define the Minasligas model of sustainable metallurgy. Expanding communication around the company's sustainability practices, both internally and externally, is essential to making the company's ESG positioning and results more transparent.

Global movements, including efforts to combat climate change and the introduction of new taxes in international markets – particularly in Europe – necessitate a proactive approach to **Risk Management**.

The comprehensive management system being implemented now includes market and marketing risks and is informed by benchmarking and specialized consultancy services. The adoption of methodologies such as ISO 31,000 helps structure and formalize corporate risk procedures.

Risk mapping involves the active participation of the Board of Directors, the Executive Board, and select employees, who complete a questionnaire to identify risks and determine management strategies. These risks are then integrated into audit routines to minimize their potential impact. The goal is to instill a risk management culture at every level of the company, from leadership to employees, ensuring a more effective and informed approach to monitoring our lines of defense.

Minasligas has invested in enhancing its risk management methods, making them more strategic and integrated into daily operations to prevent situations that could compromise the organization's results, market position, and ultimately, its sustainability and longevity.



Social: Transforming the Work Environment

Minasligas is committed to **transforming the workplace**. While **health and safety** sempre have always been a core priority, the projects currently being implemented go further by aiming to reduce physical strain, better control noise and dust levels, and generally improve working conditions. These initiatives, particularly at the Simões Filho plant in Bahia, focus on increasing mechanization and automation across more stages of the production process.

Beyond ensuring health and reducing the risk of accidents, our aim is to create an increasingly pleasant and supportive work environment for all employees.

On our forestry units, **health and safety programs** have already been implemented. The next step is to align these systems with certification standards and ensure compliance with all requirements.

The **Minasligas Academy**, currently under development in 2024, will play a pivotal role in transforming the work environment and fostering employee development by providing knowledge, training, and capacity-building opportunities.

The focus on **Diversity and Inclusion** is also expanding at Minasligas, accompanied by the creation of affirmative action initiatives and the development of studies to implement relevant indicators and targets.

For the **communities**, several programs are being designed to strengthen engagement, such as expanding factory visits and presenting results and sustainable practices to the public, including environmental studies students. Additionally, a project to promote beekeeping is being considered for the communities surrounding the farms. This initiative would allocate parts of the forested areas for beekeeping, supporting both the local economy and environmental conservation.



Future Strategies for Environmental Management at Minasligas

Minasligas is in the process of maturing and continuously improving its environmental management, increasing the monitoring of indicators and more effectively integrating biodiversity and sustainability considerations into its operations.

Over the coming years, **forest management practices** will be enhanced, and the company's forestry base will be expanded to ensure the long-term supply of raw materials to the new plant in Simões Filho, Bahia.

Currently, Minasligas complies with all legal requirements in its reforestation areas, supported by robust monitoring and control of indicators. However, to achieve ISO 9001, ISO 45001, and ISO 14001 certifications for our forestry activities – certifications we already hold for manufacturing – it is necessary to expand **the management system for forestry indicators**. The diagnostic process to integrate forestry activities into the scope of these standards and improve indicator control is already underway. This will ensure more comprehen-

sive, effective, and sustainable forestry and environmental management.

Energy management is a key component of Minasligas' strategy. To this end, investments are consistently made in research and studies aimed at improving energy efficiency.

A working group has been established to assess the feasibility of obtaining ISO 50001 – Energy Management certification, marking significant progress in this area.

A major focus of this initiative is the diversification of our energy matrix, with an emphasis on increasing the use of renewable sources such as wind, solar, and hydropower, through purchase agreements in the free energy market and our own photovoltaic generation. Advances in photovoltaic panel technology have improved both efficiency and economic viability for large-scale solar park installations, leveraging our locations' high levels of sunlight.



Given this context, internal studies were conducted to evaluate the feasibility of replacing the current diesel truck fleet with electric vehicles. This initiative has the potential to greatly reduce fossil fuel consumption. However, Brazil's infrastructure for supporting large-scale electric vehicle adoption still requires significant investment and maturation.

The conversion from diesel to LPG for heating industrial pans has already been implemented, with the goal of reducing GHG emissions. These actions are informed by the results of Minasligas' GHG inventory, which identifies areas for emission reduction and efficiency improvement.

We have achieved a high technological level in energy efficiency and continue to pursue further improvements through new equipment, automation, and the development of new alloys.

Energy efficiency is critical not only to Minasligas' operational excellence but also to our efforts in combating **climate change**. In recent years, we have made significant progress by conducting GHG inventories, demonstrating that our **carbon balance is negative** – our forests capture more carbon from the atmosphere than we emit during production. This achievement has laid the foundation for the next steps in our decarbonization journey: the development of a comprehensive policy and our **Net Zero Commitment** – which aims to neutralize all emissions, a goal we are currently studying how to reach.

One of our ongoing studies focuses on the implementation of methane (CH₄) burners in bioreducer production facilities, a key part of our strategy to utilize this by-product, optimize the production process, and reduce methane gas emissions – a potent greenhouse gas.

Worldwide, various forms of environmental and GHG emissions controls have been established, whether through legislation, new taxes on the emissions intensity of traded products, or increasing demands from buyers, investors, society, governments, and international organizations.

It is crucial to remain vigilant to both risks and opportunities, to act proactively and responsibly regarding the sustainability of our operations, and to recognize our essential role in building a sustainable future for our company, our stakeholders, and the global community.



GRI Content Index



General Disclosures					
GRI Standards	Content	Location	Omission		
			Omitted Requirement(s)	Reason for Omission	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 7, 10, 22			
	2-2 Entities included in the organization's sustainability report	Page 2			
	2-3 Reporting period, frequency and contact point	Page 2			
	2-4 Restatements of information				No information was modified for the purposes of this report.
	2-5 External assurance				This report has not been externally verified.
	2-6 Activities, value chain and other business relationship	Pages 12, 13			
	2-7 Employees	Page 41			
	2-8 Workers who are not employees	Page 41			
	2-9 Governance structure and composition	Page 23			
	2-10 Nomination and selection of the highest governance body	Page 23			
	2-11 Chair of the highest governance body	Page 23			
	2-12 Role of the highest governance body in overseeing the management	Pages 19, 23, 27			
	2-13 Delegation of responsibility for managing impacts	Pages 15, 19, 23, 27			
	2-14 Role of the highest governance body in sustainability reporting	Pages 2, 23			

GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Pages 23, 31			
	2-16 Communication of critical concerns	Pages 19, 23, 27, 33, 54			
	2-17 Collective knowledge of the highest governance body	Pages 23, 27			
	2-18 Evaluation of the performance of the highest governance body	Page 23			
	2-19 Remuneration policies	Page 48			
	2-20 Process to determine remuneration	Page 48			
	2-21 Annual total compensation ratio		2-21a; 2-21b;	Confidentiality Restrictions	Strategic information. The company has chosen not to disclose it.
	2-22 Statement on sustainable development strategy	Page 3			
	2-23 Policy commitments	Pages 15, 18, 19, 30, 31			
	2-24 Embedding policy commitments	Pages 18, 19, 26, 27			
	2-25 Process to remediate negative impacts	Pages 27, 54			
	2-26 Mechanisms for seeking advice and raising concerns	Pages 30, 33, 54			
	2-27 Compliance with laws and regulations				In 2023, no significant cases of non-compliance with laws and regulations were reported.
	2-28 Membership associations	Page 27			
	2-29 Approach to stakeholder engagement	Page 27			
	2-30 Collective bargaining agreement	Page 41			

Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics			Page 20	
	3-2 List of material topics			Page 20	
GOVERNANCE					
GRI Standards	Content	Location	Omission		
			Omitted Requirement(s)	Reason for Omission	Explanation
Governance and Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics			Page 29	
	205-2 Communication and training about anti-corruption policies and procedures			Page 33	
	205-3 Confirmed incidents of corruption and actions taken			Page 33	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			We were not involved in any legal actions concerning anti-competitive behavior, anti-trust, and monopoly practices in 2023.	
	417-2: Incidents of non-compliance concerning product and service information and labeling			There were no incidents of non-compliance concerning product and service information and labeling in 2023.	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data			Page 38	

SOCIAL					
GRI Standards	Content	Location	Omission		
			Omitted Requirement(s)	Reason for Omission	Explanation
People Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 43			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 42			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 48			
	401-3 Parental leave	Page 49			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Page 44			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 46	404-1-a i. gender; ii. Employee category.	Unavailable/ Incomplete Information	An analysis by gender and functional category was not conducted.
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 46			
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 45			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 50			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 50			

GRI 407: Freedom of Association and Collective Bargaining 2016	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 28			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 28			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 28			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 46			
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 51			
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Page 51			
	403-10 Work-related ill health	Page 53			
ENVIRONMENTAL					
GRI Standards	Content	Location	Omission		
			Omitted Requirement(s)	Reason for Omission	Explanation
Efficient and Safe Production					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 66			
Materials 2016	301-1 Materials used by weight or volume	Page 71			
	301-2 Percentage of recycled input materials used to manufacture the organization's primary products and services.	Page 71			



303 Water and Effluents 2018	303-3 Water withdrawal	Page 69
	303-4 Water discharge	Page 69
	303-5 Water consumption	Page 69
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 72
	306-2 Management of significant waste-related impacts	Page 72
	306-3 Waste generated	Page 72
	306-4 Waste diverted from disposal	Page 72
	306-5 Waste directed to disposal	Page 72



Energy

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 75			
	302-1 Energy consumption within the organization	Page 75	302-1 c (iii e iv); 302-1 d	Not applicable	We do not consume cooling energy or steam;
	302-2 Energy consumption outside of the organization			Not applicable	We do not consume energy from outside the organization
GRI 302: Energy 2016	302-3 Energy intensity			Confidentiality Restrictions	Strategic information of the organization
	302-4 Reduction of energy consumption			Not applicable	Not applicable (Electro-intensive company).
	302-5 Reductions in energy requirements of products and services			Not applicable	Not applicable (Electro-intensive company).

Differentiation through Green Production

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 77
	101-4 Identification of biodiversity impacts	Page 77
	101-5 Locations with biodiversity impacts	Page 77
GRI 101: Biodiversity 2024	101-6 Direct drivers of biodiversity loss	Page 77
	101-7 Changes to the state of biodiversity	Page 77
	101-8 Ecosystem services	Page 77
GRI 304: Biodiversity 2016	304-1 Biodiversity (2016)	Page 77
	304-2 Significant impacts of activities, products, and services	Page 77
	304-3 Habitats Protected or Restored	Page 77
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 77

Non-material Topics					
GRI Standards	Content	Location	Omission		
			Omitted Requirement(s)	Reason for Omission	Explanation
Social Responsibility					
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Page 54			
	203-2 Significant indirect economic impacts	Page 54			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 54	413a i:	Unavailable/Incomplete Information	Unless the project is specifically focused on gender inclusion, we do not yet directly measure this statistic.
	413-2 Operations with significant actual and potential negative impacts on local communities	Page 54			
Climate Change					
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Page 84	201-2 a iii; 201-2 a v	Confidentiality Restrictions	Indicators deemed confidential by the organization
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 86			
	305-2 Energy indirect (Scope 2) GHG emissions	Page 86			
	305-3 Other indirect (Scope 3) GHG emissions	Page 86			
	305-4 GHG emissions intensity	Page 86			
	305-5 Reduction of GHG emissions	Page 86			
	305-6 Emissions of ozone-depleting substances (ODS)			Not applicable	We do not produce, import, or export ODS (Ozone-Depleting Substances).
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Page 86			



Non-material Topics		
Economic Performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 88
	201-4 Financial assistance received from government	Page 88
GRI 207: Tax 2019	207-1 Approach to tax	Page 88
	207-2 Tax governance, control, and risk management	Page 88
	207-3 Stakeholder engagement and management of concerns related to tax	Page 88

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