



NOVONOR

 **ESG Positioning**

Approved by the Board of Directors of Novonor S.A.
10/29/2021

NOVONOR'S ESG POSITIONING

We are a global Brazilian group inspired in the future.

We bring together business investments from many sectors essential for society, such as engineering and construction, infrastructure, real estate development, oil and gas, chemical and petrochemicals.

In managing our businesses, we believe that our role is to contribute to building a sustainable future through the delivery of our products and services. **Our inspiration** is an equitable, inclusive, diverse, and sustainable future. A future with business technologies that improve people's lives and protect the planet.

We are convinced that managing environmental, social and governance (ESG) issues is fundamental to ensuring a long-term success of any business. We know that organizations that are resilient, agile and able to anticipate, manage and integrate ESG factors into their strategies are more likely to create and preserve value for themselves and society. Operating with a focus on ESG benefits all interested parties, from members and shareholders to customers and suppliers, as well as the communities where we operate.

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We recognize our role in the planet and in the communities where we are present, and that is why we have established the following premises to guide our actions:

- Operate with the highest ethical, technical, and governance standards;
- Ensure the integration of ESG aspects in the businesses we invest;
- Show the results of the ESG practice through measurable indicators of our sustainability drivers, defined below;
- Align our actions with the Paris Agreement and the Sustainable Development Goals (SDGs) of the United Nations (UN), supporting initiatives and best practices in the society.

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To preserve our Purpose and promote our 2030 Vision, we have established four long-term goals that reflect **our ambition** to build a sustainable future through our business operations and investment decisions.

- 1.** Direct our businesses to be carbon neutral and support their customers in developing positive climate solutions, achieving carbon neutrality by 2050 *;
- 2.** Contribute to reduce social inequality, through the development and application of social technologies that offer income generation opportunities and professional training, directly benefiting at least 50,000 people by 2030;
- 3.** Increase the proportion of investments in efficient and renewable solutions and engineering and infrastructure projects that directly contribute to achieving the goals established by the UN SDGs;
- 4.** Promote the progressive increase of diversity of our business leaders, encouraging inclusion, respecting and valuing differences in all their dimensions and recognizing human plurality in all its forms, as a factor of innovation and productivity.

* It considers direct emissions arising from their own operations (Scope 1) and indirect emissions arising from the purchase of electricity in the market (Scope 2).

Drivers for the ESG management of our businesses

We believe that sustainability is only transformed into generation of value when translated into material and specific themes for each business. We recognize the autonomy of each business to identify and define strategies to address society's risks, opportunities and expectations. In our role as a best-practice promoter, we expect our businesses to integrate the ESG perspective into their decision-making processes and transparently demonstrate adherence to the following drivers:

- 1.** Maintaining an ethical, honest and transparent culture, based on up-to-date and productive management systems guided by the best governance and compliance practices;
- 2.** Integration of ESG aspects in the business, including the definition of strategies based on material themes and broken down into appropriate goals and governance structures;
- 3.** Structuring an engagement and transparency process, including channels for dialogue with target audience and the dissemination of positive and negative impacts and the results of the ESG agenda in all businesses;

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- 4.** Maintaining a safe, healthy, motivating and discrimination-free work environment, with respect for human rights and the differences between people, including the definition of Health, Safety and Development Programs for Members, as well as the definition of goals and strategies for valuing diversity;
- 5.** Promoting the generation of shared value with the supply chain and the communities surrounding the business, including mapping and managing human rights violation risks, defining a private social investment strategy and encouraging volunteering;
- 6.** Promoting the rational use of natural resources, renewable and non-renewable, including impact monitoring, setting goals, mitigating environmental impacts of operations and protecting ecosystems and biodiversity;
- 7.** Constructing a Research & Development strategy, aimed at creating innovative solutions for current and future challenges for the business and society.



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