



Corporate Policy

# *Sustainability*



## 1 OBJECTIVE

The purpose of the Policy on Sustainability is to establish FORESEA's guidelines and practices concerning Sustainability.

This Policy incorporates ESG (Environmental, Social and Governance) practices as a cross-cutting, strategic topic in decision-making and in practical day-to-day business actions, providing guidance on what is expected to generate positive results for all stakeholders, today and in the future, in line with the company's commitments, addressing the Brazilian NDC (Nationally Determined Contributions), in accordance with the 2015 Paris Agreement, and explaining our contribution to the UN's sustainable development goals.

## 2 APPLICATION

This Policy is applicable to FORESEA, including their subsidiaries that do not have a Board of Directors, to all members, Officers and members of the Board of Directors, in any jurisdiction.

In addition, this Policy serves as a guide for the members of the board of directors appointed by FORESEA, in subsidiaries or affiliates, so that, in line with all other directors, they approve and implement a policy on sustainability containing the principles, concepts and all other guidelines defined and explained in this policy, without neglecting, however, to promote the complements and other guidelines which are necessary for adaptation to the characteristics of their respective businesses and to the contributions of all other directors.

## 3 ACRONYMS AND DEFINITIONS

**Action Program (PA):** a document explaining the responsibilities of members in a given period, whose focus is the expected results of the work of each one and not the tasks that must be performed. It also contains the delegation they receive, the commitments they take on and the reward they will be entitled to.

**Action Program (PA) Cycle:** formed by the stages of planning and pact, follow-up, evaluation and conclusion.

**CA-FORESEA:** Board of Directors of FORESEA. Executive collegiate, deliberative body, responsible for approving the strategic direction and monitoring the company's performance, deliberating on other matters within its competence and exercising the control functions that are relevant to them.

**CEO:** Chief Executive Officer, is responsible for FORESEA's external representation.

**ESG:** acronym for Environmental, Social and Governance. It represents a set of good practices that guide initiatives and practices considered essential for sustainable development within the environmental, social and governance scopes.



**Life Cycle of a Project or Service:** life cycle for which a balance is made of (positive and negative) potential aspects and impacts related to commitments to sustainability, from obtaining raw materials to the production process, or from designing a project or service to implementation, through use/reuse or operation, to final disposal or end of life cycle.

**Materiality:** group of priority topics for which we must demonstrate the ability to identify risks and opportunities, and to act effectively on those that impact the creation of value. Material issues are those that directly or indirectly impact our ability to create, preserve or the risk of destroying value in economic, environmental and social terms, taking as references our vision and that of our stakeholders.

**NDC:** acronym in English corresponding, in Portuguese, to the Nationally Determined Contribution defined by every country that signed the Paris Agreement as their targets for reducing greenhouse gas emissions. The 2015 Brazilian NDC establishes that Brazil must reduce their emissions by 37% by 2025 and 43% by 2030, in relation to 2005 emissions.

**Paris Agreement:** global treaty, adopted in December 2015 by the countries that signed the United Nations Framework Convention on Climate Change (UNFCCC), during the 21<sup>st</sup> Conference of the Parties (COP21).

**Principles of the United Nations Global Compact:** group of Ten universal Principles, derived from the Universal Declaration of Human Rights, from the International Labor Organization Declaration on Fundamental Principles and Rights at Work, from the Rio Declaration on Environment and Development and from the United Nations Convention against Corruption. Organizations that become part of the Global Compact are committed to following these principles in their day-to-day operations.

**Stakeholders:** customers, shareholders, members, users, partners, creditors, suppliers, outside partners, service providers, surrounding communities, authorities, media, opinion makers, business leaders, class entities, NGOs, governments and regulatory agents and funders who may either affect or be affected by FORESEA's activities, goals or policies.

**Sustainability:** is the development that meets the current needs without jeopardizing the ability of future generations to meet their own needs. In this Policy, we will use the terms Sustainability and Sustainable Development equivalently.

**Sustainable Development Goals:** group of 17 goals proposed by the United Nations (UN) as a global call to action to end poverty, protect the environment and the climate, and ensure that people everywhere can enjoy peace and prosperity.

**VP:** Vice President of the company.



## **4 DESCRIPTION**

### **4.1 Basic Concepts**

By undertaking to obtain results within the scope of the businesses ensuring survival, leading to growth and contributing to the perpetuity of the company, we confirm our commitment to the sustainable development of FORESEA.

Our activity for the sustainable development goes beyond the duty to comply with the laws and determinations regulating our activities. We work to understand society's trends and priorities and to comply with the global conventions and commitments which are applicable in each place of operation, such as issues related to the environment, security, health, well-being and human rights based on solid governance, comprising diversity and its values as pillars of support for a collaborative and equitable work environment, free from discrimination, harassment and with equal opportunities for all.

By acting sustainably, we identify and prioritize material issues, we evaluate the risks and opportunities resulting from the practice guided by this Policy, and the effects of our actions extend to the stakeholders.

### **4.2 Our Belief**

At FORESEA, we believe in the importance of being part of the energy transition and we are strongly committed to the sustainability of our planet, for our members, communities, society in general and future generations.

We have a daily commitment to the highest levels of security and operating performance. We care for our operations and make every effort to minimize any environmental impact. We seek to empower our communities and celebrate diversity.

We are transparent and responsible in the way we operate and have a consistent governance structure and practices, focusing on ethics and integrity, which guide our relationships with stakeholders.

We are aware that we need to prepare our business for the future, therefore, we are in constant learning, and genuinely focused on innovation and technology, aiming at reducing and neutralizing our carbon emissions, while actively exploring new market opportunities towards a low carbon economy.

We develop with responsibility and excellence in the pursuit of the best practices that cause positive impacts for society in general and for all stakeholders.



### **4.3 Declaration**

Sustainability is a value that FORESEA relentlessly pursues throughout the lifecycle of their business.

Sustainability is integrated and permeates throughout FORESEA's organizational structure, with the necessary means and resources being provided to meet the expectations of all stakeholders.

We adopt appropriate tools to ensure the commitments of:

- Managing risks and opportunities associated with activities to prevent damage to persons, assets and the environment;
- Systematically assessing and revising the risk management and control system, establishing continuous improvement mechanisms to ensure compliance with the national and international legal requirements which are applicable to the business;
- Having an incident-free work environment, ensuring the safety and health of members, partners and customers;
- Having a positive impact on the climate change and energy transition agenda, reducing and neutralizing our emissions through continuous improvement in asset management, through the adoption of new technologies and the development of new products and services;
- Strengthening the surrounding communities and seeking to expand the socio-environmental investment opportunities beyond the surroundings with structured actions in line with the company's strategy, through our socio-environmental responsibility program, so that they may generate positive results and opportunities for the creation of value, local and human development;
- Working with diversity, in all its forms, in an inclusive and equitable manner to ensure a workplace free of discrimination and with equal opportunities;
- Transferring our sustainability culture to the entire value chain, such as customers, partners, suppliers and other stakeholders, practicing prevention against and fighting corruption;
- Transparently reporting our performance to the stakeholders, using indicators and based on metrics recognized in the industry which are also in line with the targets established in the Sustainable Development Goals and in the Principles of the United Nations Global Compact.

Our sustainability commitments are the benchmarks we use to define priorities and targets in our PAs.

### **4.4 Sustainability Targets & Indicators**

We demonstrate the results of practicing this Policy through indicators that allow measuring the results related to our commitments and targets for achieving the sustainability of the business.

For this, the CEO of FORESEA includes in their PA the indicators and targets for the pact, follow-up and evaluation, according to specific guidance on sustainability indicators to be disclosed.



#### **4.5 General Provisions**

If they have any questions about the content of this Policy, Members must seek clarification from their direct Leader or, if necessary, from the person in charge of Sustainability at FORESEA.

#### **4.6 Awareness and Certification**

All FORESEA members and all other audiences covered by this document must be aware of this Policy on Sustainability within a maximum of 60 days after the date of approval.

### **5 RESPONSIBILITIES**

#### **5.1 CEO of FORESEA**

- Ensure the implementation of this Policy within the scope of FORESEA and, subject to the governance provisions, monitor the evolution of practices and results of the performance of business units concerning sustainability;
- Keep CA-FORESEA informed about our sustainability performance and the evolution of the results measured by the indicators of the group of business units; and
- Propose amendments to this Policy to CA-FORESEA in order to keep it permanently updated regarding the commitments and evolution of the sustainability topic from FORESEA's perspective.

#### **5.2 Sustainability VP**

- Support the CEO of FORESEA in updating and executing this Policy;
- Prepare specific guidance on sustainability performance;
- Propose and monitor the evolution of common indicators to consolidate sustainability results within the scope of FORESEA; and
- Ensure transparent, consistent communication of such results in the Annual Reports.

#### **5.3 Members**

- They are the transformation agents for sustainable development as persons in charge of actions that result from the consequences of the commitments of this Policy and others undertaken as members of FORESEA. They are aware of the need to understand the meaning of sustainability in each environment where we operate, and that the results consolidated in this field contribute to the recognition of our activity by society and for the good performance of the business.



## **6 REFERENCE DOCUMENTS**

- Policy on Compliance System
- Policy on People

## **7 REFERENCE PROCESSES MAPS**

NA

## **8 ANNEXES**

NA