

Sustainability Report 2021

The path
we are
building...

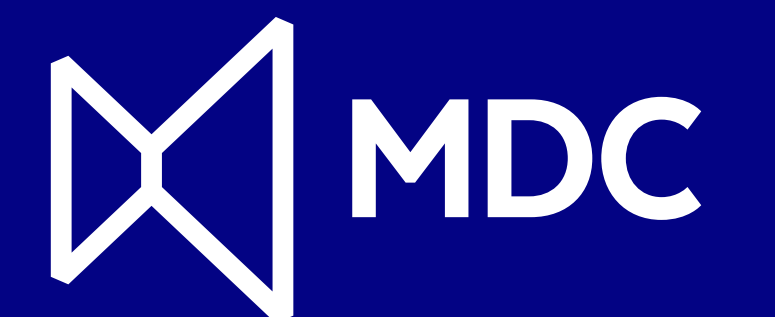


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MESSAGE FROM THE PRESIDENT

It is with immense pleasure and satisfaction that I share with you our 2nd Sustainability Report featuring MDC'S major achievements. The highlight in 2021 was the consolidation of our culture and management after a major reorganization that occurred in the previous year. Our main focus continues to be sustainable growth and, aligned with our Strategic Planning, we have made significant progress in several topics related to growth and the sustainability agenda.

Looking at the business, our subsidiaries CDGN, Ecometano and ERB presented solid results in 2021, reaching the cash generation and profitability targets that were forecast for the year. In general, operations were positively impacted by the higher-than-expected price adjustment due to inflation (IGP-M) and by the significant increase in oil and gas commodity prices, which index some of our contracts, in addition to reaching volumes within expectations. On the other hand, they also suffered due to pressure on wood and diesel costs, particularly affecting our cogeneration plants.

Another highlight of 2021 was the first capital market transaction in the Group, in which the ERB unit in Bahia issued the Agribusiness Receivables Certificate (CRA) in the amount of BRL 25 million. As a result of the sustainable chain of our cogeneration businesses, this certificate also received a Green Label.

Always seeking sustainable growth, we also dedicated an enormous amount of energy to develop a new biomethane project from landfill. In partnership with Solví Essencis, we are in the process of implementing the 3rd MDC biomethane plant, located in the Caieiras landfill (State of São Paulo) and which will have the capacity to produce 60,000 m³ of biomethane per day. We are excited about the prospect of starting this operation in the second half of 2023, being able to offer, for the first time in the State of São Paulo, a fully renewable fuel in the gas pipeline network.

MDC was a pioneer in the market for biomethane, which is the only fuel with a negative carbon footprint and has become particularly visible as the energy transition agenda

advances in Brazil. Innovation in the business model and in the search for technologies is part of our DNA, and, to strengthen this innovative spirit, we launched in 2021 the Inova MDC Program to encourage employees to develop new inhouse solutions, in addition to our partnership with AgTech Garage, a renowned hub for innovation.

Environmental attributes have become increasingly important in the renewable energy business, especially after the advances in the carbon market announced at the United Nations Climate Change Conference, COP-26, last November. Our current operations prevent around 600 thousand tons of CO₂eq from being emitted into the atmosphere annually and, as a result, last year we registered and traded more than 1 million carbon credits, in addition to the CBios within the national program of RenovaBio. We remain attentive to the movements of this market, including the recent announcement by the Federal Government of the National Program for Reduction of Methane Emissions, combined with the National Carbon Market – both of which can further foster the market in which we operate.

On the people front, which is among our main points of attention, we have advanced in several important aspects. In 2021, we conducted a Climate Survey covering all employees of the group, which provided us with an accurate diagnosis of how we are operating in relation to various aspects of our day-to-day work at MDC. Although we have reached 83% of positive responses, which confirms our performance on this front, we are focused over the next cycles on attacking the points for improvement raised in the survey.

We reinforced our commitment to Diversity and Inclusion (D&I), having held several workshops to raise the leadership’s awareness on the topic, in addition to having published a D&I guide, which was shared with everyone. The work related to Mental Health, which was initiated in 2020 as a result of the impacts of Covid-19, continued to be conducted, and a health and wellness program is under development. We also carried out our first Young Talents Program, whereby we hired a group of 15 interns in all units, who are being trained and developed with the full support of the Company’s leaders. We feel an increasing level of engagement from our employees, which is perceived by their actions and testimonials during our 1st Culture Week, which further reinforced MDC’s values within the staff.

Another significant achievement in 2021 was the Social Responsibility agenda, whose main objective is to make a positive impact on the communities surrounding our

operations, with two priority causes: education and income generation. Last year, with the support of specialized partners, we started three sustainable and long-term projects in communities in the States of Bahia and Ceará, which include a tutoring school for 90 children and 2 income generation projects for women. New digital insertion projects and another school are in the implementation phase to start in 2022, which makes us even more satisfied with the impact our operations have on communities. In addition, we continuously engage our employees, who enthusiastically participated throughout the year in six editions of the Caravans of Solidarity, which offers welfare and other support actions to various communities.

The ESG agenda has become so strong and central to all aspects of MDC that we have joined the Conscious Capitalism movement, which brings together companies like ours in Brazil that are committed to the sustainability agenda, and that seek an impact far beyond the financial return of the projects in which we are engaged. We still believe that the only way to operate is through a more conscious business ecosystem that generates value for all stakeholders, and this is how we guide the perspective and future of MDC.

Enjoy reading our Report!



Manuela Kayath
MDC’s Chief Executive Officer

[102-14]

ABOUT THE REPORT

MDC's Sustainability Report reinforces the Company's commitment to transparency with all stakeholders interested in the business. This document is published annually, and covers primarily the period from January 1 to December 31, 2021. [102-52]

The publication follows the Standards of the Global Reporting Initiative (GRI)¹ in its Essential option. The Standards are the latest version of the GRI guidelines used by companies from all over the world for sustainability reports. And also according to the Compass² Notebook, the United Nations (UN) Sustainable Development Goals (SDGs) that best fit the Company's commitments and practices were prioritized.

[102-50] [102-54]

In case of doubts, suggestions or comments on the topics discussed, the MDC team is available at the email comunicacao@mdcenergia.com.br

[102-53]

¹ Learn more about the GRI - Global Reporting Initiative on <https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-portuguese-translations/>

² Learn more about SDG on https://sdgcompass.org/wp-content/uploads/2016/04/SDG_Compass_Portuguese.pdf





Materiality Matrix

The 2021 Materiality Matrix is the same as the one used in 2020. The Company’s management and its founders reassessed the Matrix in 2021 and agreed to keep its items, as they remain aligned with MDC’s strategic positioning. In 2020, materiality was defined in consultation with internal and external stakeholders based on the following processes: [102-40] [102-42]

- Individual interviews were conducted with two directors of the Company, one of its founders and the eight directors of MDC and its subsidiaries.
- Employees, suppliers, customers, partners, community leaders and representatives of regulatory bodies were invited to participate in an online consultation in order to identify the most relevant topics for management.

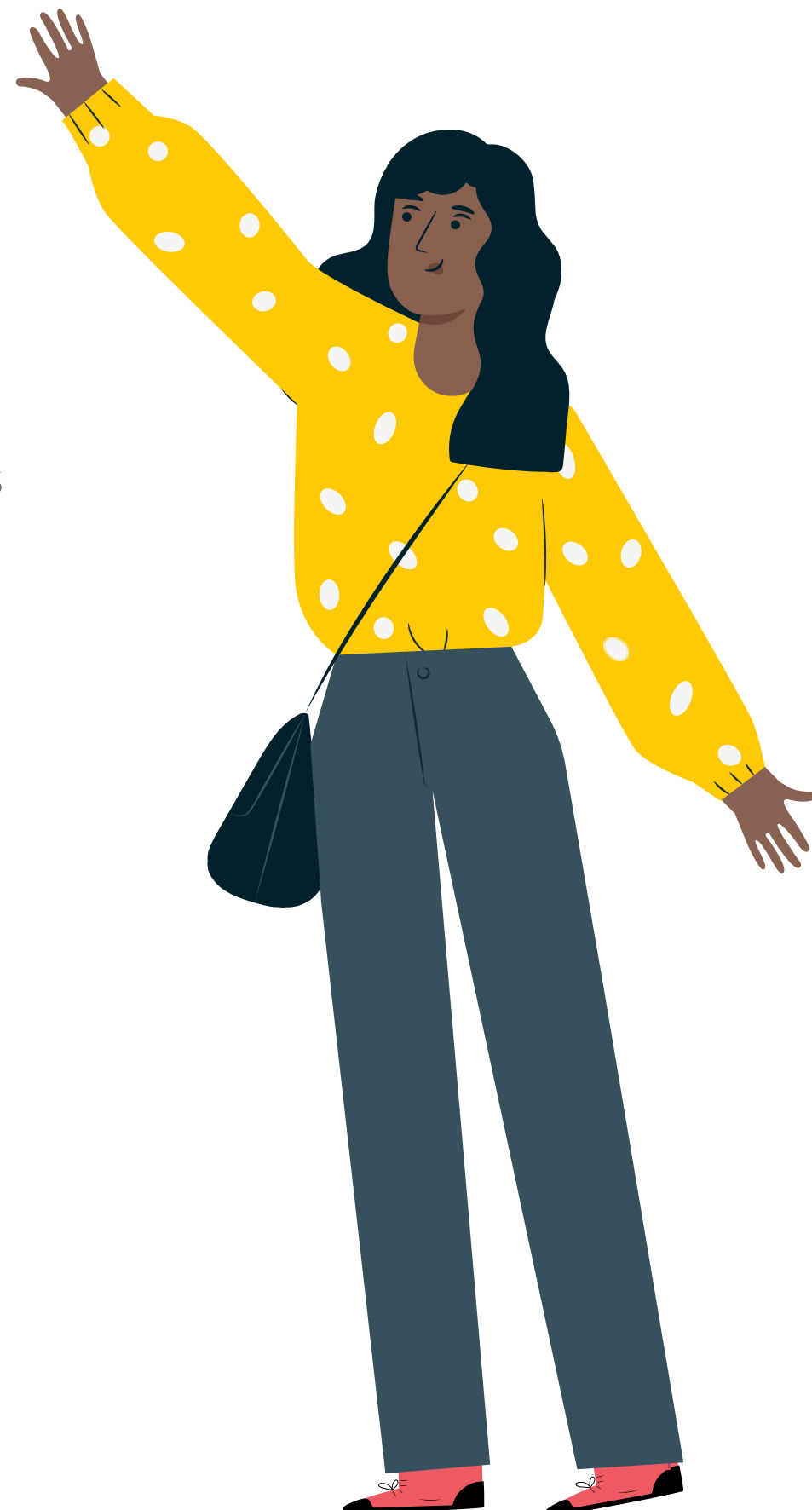
The data collected was reviewed in an unbiased, objective, independent manner, relying on the experience of a specialized consultancy firm (Green Domus Desenvolvimento Sustentável) to ensure individualized interpretation of each component axis of the Materiality Matrix: influence on the decision of interest groups and significance of the impact for the organizational strategy, resulting in the Materiality Matrix of the MDC Group. [102-46]

The prioritization and alignment of topics with the Company’s strategies had the approval of the Board of Executive Officers after several reviews and discussions in meetings, which subsequently resulted in a final list that was revised and unified by the consultancy firm that was engaged.



The content of this Report is aligned with the Environmental, Social and Governance (ESG) strategies adopted by the Group, resulting in a correlation with the GRI Standards, whenever applicable. For this edition, the methodology of the SDG Compass Guide was applied in order to align MDC’s strategies, goals and materiality to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). [102-46]

Therefore, the material topics are shown in the next table in order of prioritization and correlation with the GRI and SDG standards:



Prioritization of Material Topics [102-44] [102-47]

MATERIAL TOPIC	GRI-RELATED TOPICS AND DISCLOSURES	SDG-RELATED TOPICS	CONSULTED GROUPS THAT CONSIDER THE TOPIC MATERIAL
Safety and reliability of operations	Occupational Health and Safety 403-5	-	Management, Employees, Suppliers, Customers, Partners and Regulatory Bodies
Climate Change and the Energy Transition	Issue 305-1, 305-2, 305-3 and 305-4	7, 8 and 12	Management, Suppliers, Customers and Partners
Focus on developing and innovating products and services that meet customer needs	No direct correlation with GRI standards N/A	7, 8 and 12	Management, Employees, Partners and Customers
Economic performance focused on results	Economic performance 201-1	8	Management, Employees, Suppliers, Customers, Partners and Regulatory Bodies
	Employment 401-1	8	
Valuing people and social engagement	Training and education 404-1	4	Management, Employees, Customers, Partners, Community Leaders and Regulatory Bodies
	Diversity and equal opportunity 405-1	5, 8 and 16	
Appropriate Compliance and Governance Mechanisms	Anti-Corruption 205-1, 205-2 and 205-3	16	Management, Suppliers and Customers

MDC 2021 HIGHLIGHTS



GROSS REVENUE OF
BRL 485 MILLION

EBITDA OF
BRL 125 MILLION



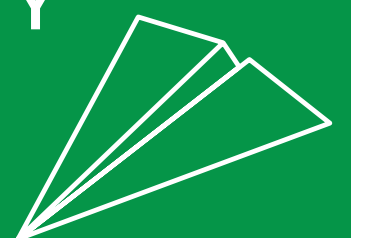
CAPTURE AND PURIFICATION OF
61.5 MILLION
M³ OF BIOGAS

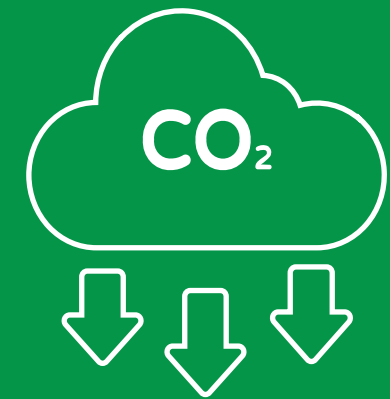
PRODUCTION AND COMMERCIALIZATION OF
27 MILLION
M³ OF BIOMETHANE

MARKETING
34 MILLION
M³ OF NATURAL GAS

TRANSPORT OF
18.3 MILLION
M³ OF NATURAL GAS;
PRODUCTION OF
1,607 THOUSAND
TONS OF STEAM

GENERATION
185 THOUSAND
MWH OF ELECTRICITY





1,135,000
Certificates (CERs)
issued and sold

77,925
Credits (CBios) issued
and sold, corresponding
to revenue of
BRL 7.9 million

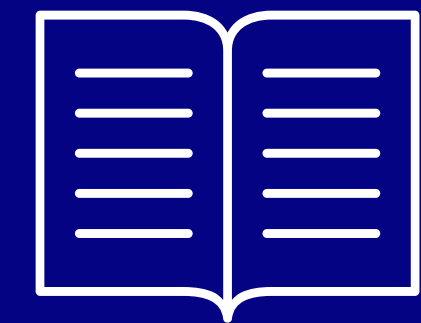
BRL 25 million
in issuance via green
label instruments
(CRA - Certificate of
Agribusiness Receivables)

**BRL 410
thousand**
invested in training
focused on team
development



**Zero
Accidents**
in 2021

Diversity:
50%
of Corporate Staff
are female



3,260
people
impacted by
the Company's
social actions

ABOUT MDC

About Us

For MDC, energy is value. Operating across Brazil, the Company invests in energy assets with a presence throughout the natural gas, biomethane, renewable power and biomass-based steam chain. Founded in 2006, the company is a privately held Brazilian corporation, with administrative offices in Salvador (BA) and Rio de Janeiro (RJ). [102-3] [102-5]

The company operates in **nine Brazilian states**³, and some of its key customers include gas and power distribution companies. The group's work starts at the production and processing of energy fuels and goes through the distribution and sale

to end consumers, supporting them in the decarbonization of their energy matrix.

Innovation and sustainability are at the heart of the Group's business, which makes its portfolio increasingly broad, secure and competitive. Long-term sustainable energy solutions are developed and delivered through operations of the subsidiaries Companhia Distribuidora Gás Natural (CDGN), Ecometano and Energias Renováveis do Brasil (ERB), always aimed at generating value for the three sustainability pillars – economic, social and governance. Still in the line of sustainability, many of the Company's clients are aiming for a transition to a low carbon economy. [102-1]

MDC's businesses are based on an environmental commitment, since the group's core activity is directly aligned with the transition to a low-carbon economy and the production of renewable energy to generate sustainable value for different purposes. This is the Company's purpose and what guides all of our actions.

Thinking of enhancing its characteristics naturally focused on sustainability, MDC has established goals that are related to the United Nations (UN) Sustainable Development Goals (SDGs) and, based on the SDG Compass methodology, has worked hard to achieve the SDGs shown on the side.



3 ERB - MG and BA; Ecometano - RJ and CE; CDGN - MA / PE / BA / SP / RJ / RS / ES

TIMELINE



Our Values

Value generation by purpose

MDC believes that energy generates value, and that through value it is possible to shape a more sustainable, safe and promising future for all.

In 2020, the MDC Group carried out a review of its strategic planning, centralizing in MDC, as a holding, the role of business coordinator. The unfolding of this work redefined the Company's positioning and also the five non-negotiable and essential values to guide the Group's organizational culture: development, safety, connection, innovation and energy. With this, MDC also directly supports SDG 16 in its goal of developing effective, accountable, transparent institutions at all levels.



DEVELOPMENT

PLAN AND DEVELOP OPPORTUNITIES

Ability to articulate commercial, logistical, regulatory and technical aspects. For that, the Company focuses on the development and building of teams capable of opening up opportunities and ensuring delivery to customers.



SAFETY

100% RESPONSIBLE

The search for operational excellence is only possible with safety, which is non-negotiable according to MDC's culture. The Company understands that as important as performing is how to perform. That is the reason why the Company does not negotiate ethics, integrity and transparency in all its actions.



CONNECTION

DEVELOP POSITIVE RELATIONSHIPS

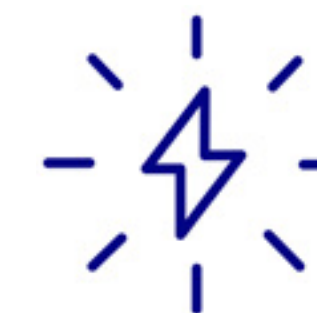
In order to build sustainable businesses and long-term relationships, strong connections and a team of great people committed to the company's goals and values are paramount.



INNOVATION

THINK LIKE AN OWNER AND INNOVATE

MDC understands that innovating is a critical competitive edge for the sustainability of the business. The Company knows that it takes courage to innovate, so it encourages innovation and innovators.



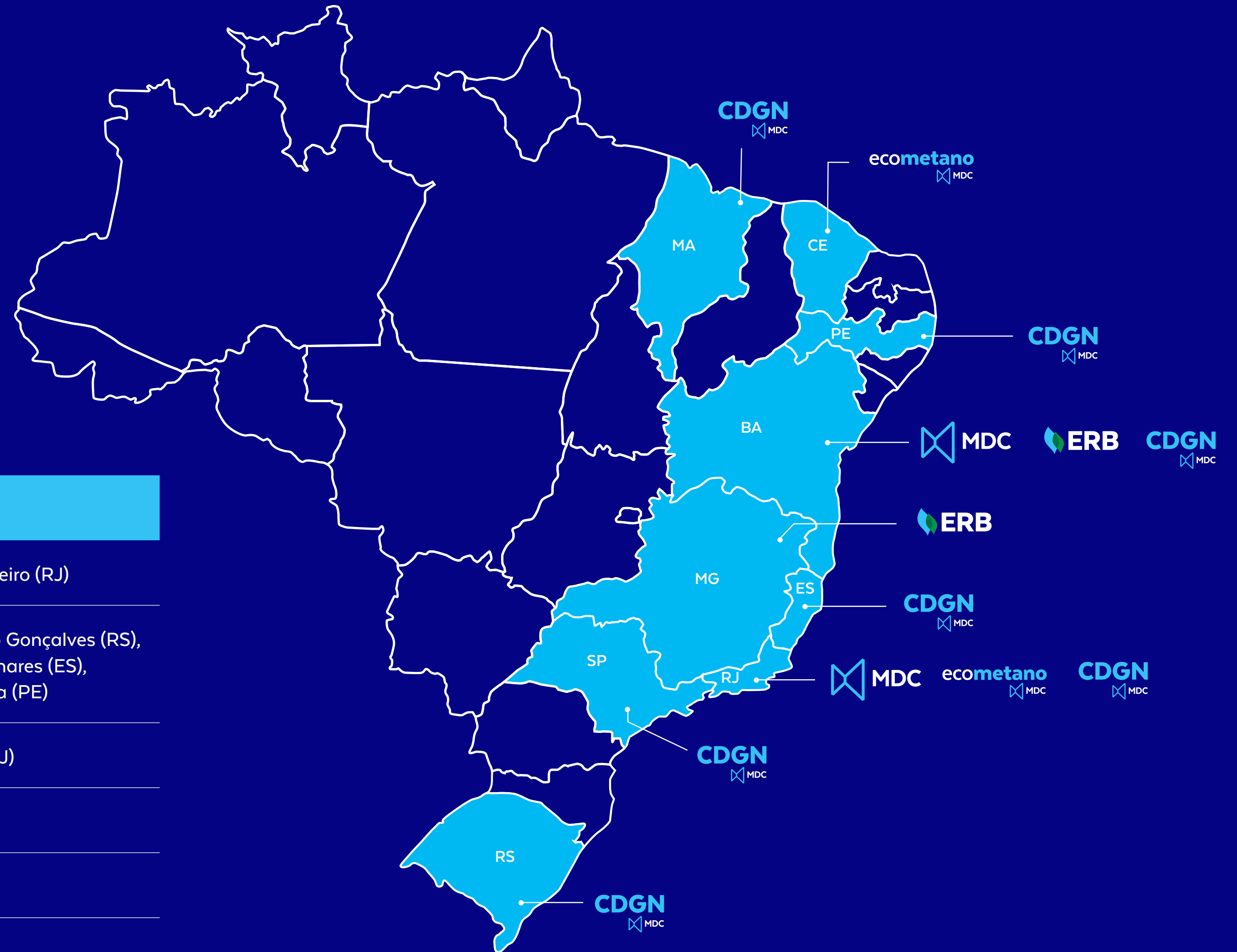
ENERGY

TRANSPIRE ENERGY

It is the strength in every business MDC is engaged. The Company does not give up in the face of challenges, and uses all efforts to achieve the best results.

Our Operations [102-4]

COMPANY	INDUSTRIAL PLANTS	LOCATION
MDC	-	Salvador (BA) and Rio de Janeiro (RJ)
Companhia Distribuidora Gás Natural (CDGN)	-	Ouriçangas (BA), Cubatão (SP), Bento Gonçalves (RS), Cabo Frio (RJ), Pojuca (BA), Linhares (ES), Imperatriz (MA) and Goiana (PE)
Ecometano	GNR Dois Arcos	São Pedro da Aldeia (RJ)
	GNR Fortaleza	Caucaia (CE)
Energias Renováveis do Brasil (ERB)	Aratinga	Candeias (BA)
	Minas Gerais	Santa Vitória (MG)





Our Business

Contributing to the decarbonization of the national energy matrix is part of the Company's business strategy. This is linked to SDG 7 - Clean and Affordable Energy, as the company offers renewable energy to the Brazilian market.

Find more about the lines of business of MDC and its subsidiaries for the production of sustainable energy.

[102-2] [102-4] [102-6]





Primary Segment

Natural Gas

Services

Logistics and commercialization of natural gas through multimodal, developing customized solutions for each client.

Profile

One of the largest players in Brazil in the commercialization of compressed natural gas (CNG); taking, in addition to CNG, vehicular natural gas (CNG) and biomethane to places that previously had no access, in addition to evaluating ways to also transport liquefied natural gas (LNG). Founded in 2006, the company currently operates in seven Brazilian states, serving particularly industrial customers, and directly involved in the treatment, logistics and sale of its products.

Assets

CDGN works with solutions for the entire natural gas chain. The Company accumulates sales experience of raw natural gas, treated and biomethane. With an installed capacity of 200,000 m³/day, CDGN works with a focus on compression, transport, delivery, operation, lease and sale of gas (natural gas and biomethane).

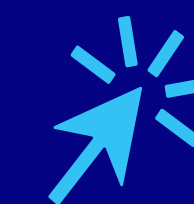
The company has its in-house engineering team, and develops customized solutions using the best technologies available on the market. Among the Company's main clients are Bahiagás, Bracell, Braskem, Comgás, ESGás and Petrobras.

Business Flowchart



CDGN HIGHLIGHTS IN 2021

- New Operations Center opened in Rio de Janeiro, where operations are monitored 24/7
- Transport of **18.3 million m³** of natural gas
- Commercialization of **34 million m³** of fuel
- Off-take contract signed for a new gas source in Nova Soure, Bahia
- In 2021, CDGN reached **BRL 25 million** of EBITDA



To learn more, visit:
www.cdgn.com.br
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Learn more about natural gas, the main operating segment of the subsidiary CDGN

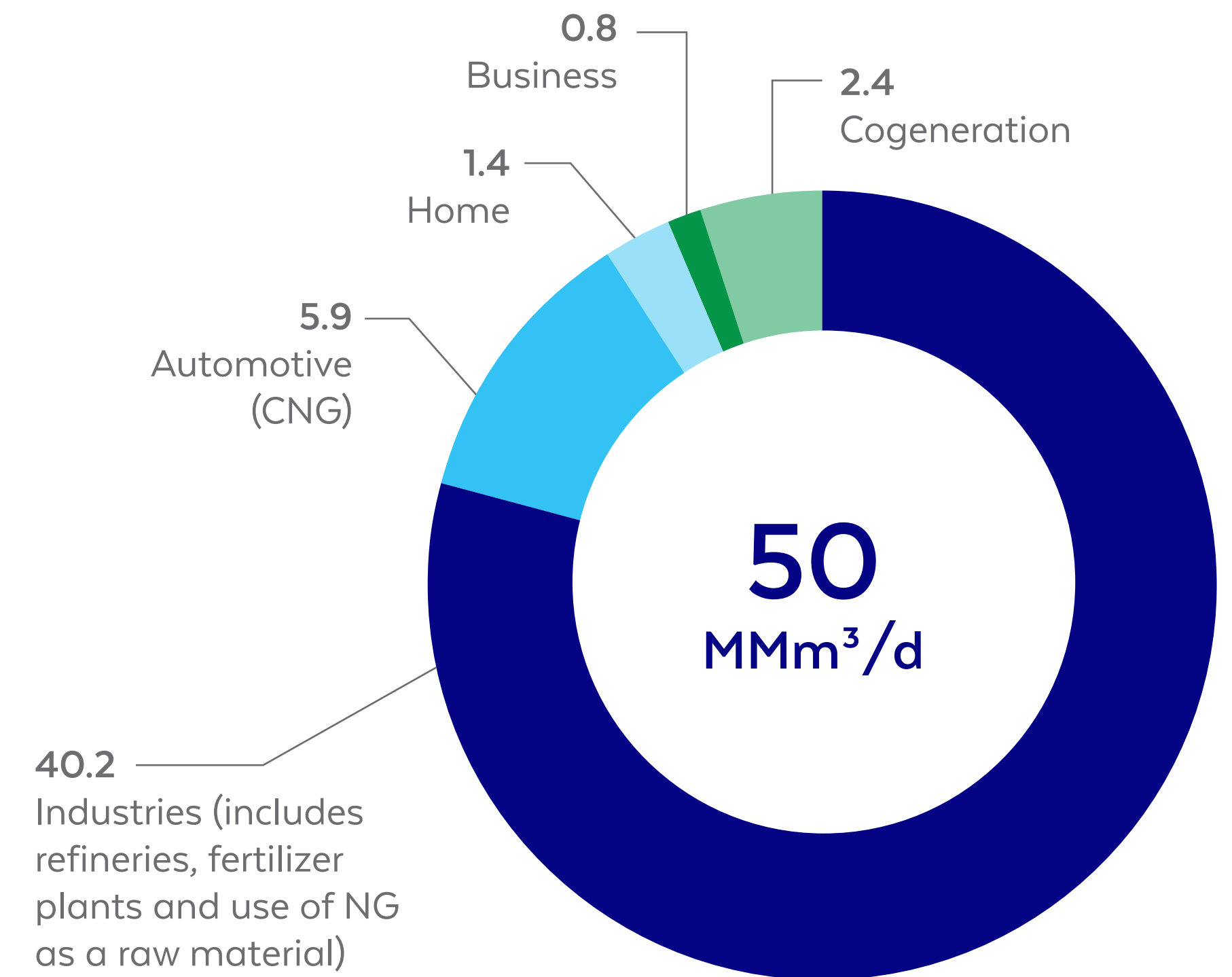
Natural gas is considered a transition fuel for a cleaner, more efficient low-carbon energy source, in addition to being a critical fuel to guarantee the energy security of countries. With the ability to provide energy storage to offset seasonal difficulties and instabilities in the short and medium term, the product has become increasingly more relevant worldwide. In 2021, the New Gas Law⁴ was enacted, changing the market rules for transport, flow, treatment, processing, storage, packaging, liquefaction, regasification and marketing in Brazil.

In practice, the new regulatory framework came to encourage and foster the natural gas industry,

seeking to increase competition in the sector, expand the transport network, reduce prices, disseminate the use of natural gas and attract investment. In addition to advances in the gas regulatory issue, there is a growing concern to monetize national resources.

The average consumption of natural gas in 2021 in Brazil was 50.7 MMm³/d (demand excluding thermoelectric plants). In December 2021, onshore natural gas production represented 15% of national production, with an average of 20,663 MMm³/d, coming mainly from the Solimões basins (13,811 MMm³/d, Parnaíba (3,432 MMm³/d), and Recôncavo (2,156 MMm³/d).

AVERAGE CONSUMPTION OF NATURAL GAS IN 2021 IN BRAZIL (in MMm³/d)



⁴ New Gas Law: <https://www25.senado.leg.br/web/atividade/materias/-/materia/144582>

There is an increase in the low carbon fuel market, fueled mainly by the need and desire of consumers for a fuel with more competitive prices and in line with the energy transition agenda. This transition is accompanied by a series of programs to stimulate the sector that are being developed in the country, such as REATE 2020, Projeto Poço Transparente and Gás para Crescer, in addition to the approval of the New Gas Law.

According to the Ministry of Mines and Energy (MME), studies by the Energy Research Company (EPE) indicate that Brazil should more than double its net production of natural

gas by 2030, with investments of around BRL 74 billion in infrastructure in the next decade and generation of more than 30 thousand jobs.

In addition, during 2021, there were announcements of several projects that address the smaller-scale LNG market, in order to provide the flexibility that the supply of natural gas

needs in the medium term in some situations. In Brazil, the first LNG terminal was opened in 2008, and, since then, three additional terminals have been implemented in Brazil until 2019, most of which are still not operating. In 2020, according to EPE⁵, there were at least 14 projects for the implementation of new LNG terminals under study in the country.

↑ ↑ ↑ ↑

According to the EPE a **21%** increase in natural gas consumption is expected by 2031 in the Brazilian energy matrix.

↑ ↑



5 <https://www.epe.gov.br/pt>



Primary Segment

Biomethane

Services

Production of biomethane (gas from a renewable source) from biogas purification.

Profile

Founded in 2010, the company is a pioneer in capturing and purifying biogas, producing biomethane, the only fuel with a negative carbon footprint, and transforming environmental liabilities into renewable fuel. It offers a full-fledged, innovative solution in the biogas and biomethane industry by combining its production from renewable sources (urban solid waste, vinasse and agriculture residues) with consumer processes and markets. Ecometano also promotes the circular economy, while representing a decentralized production of gas to understand customers in the surroundings of its operational units.

Assets

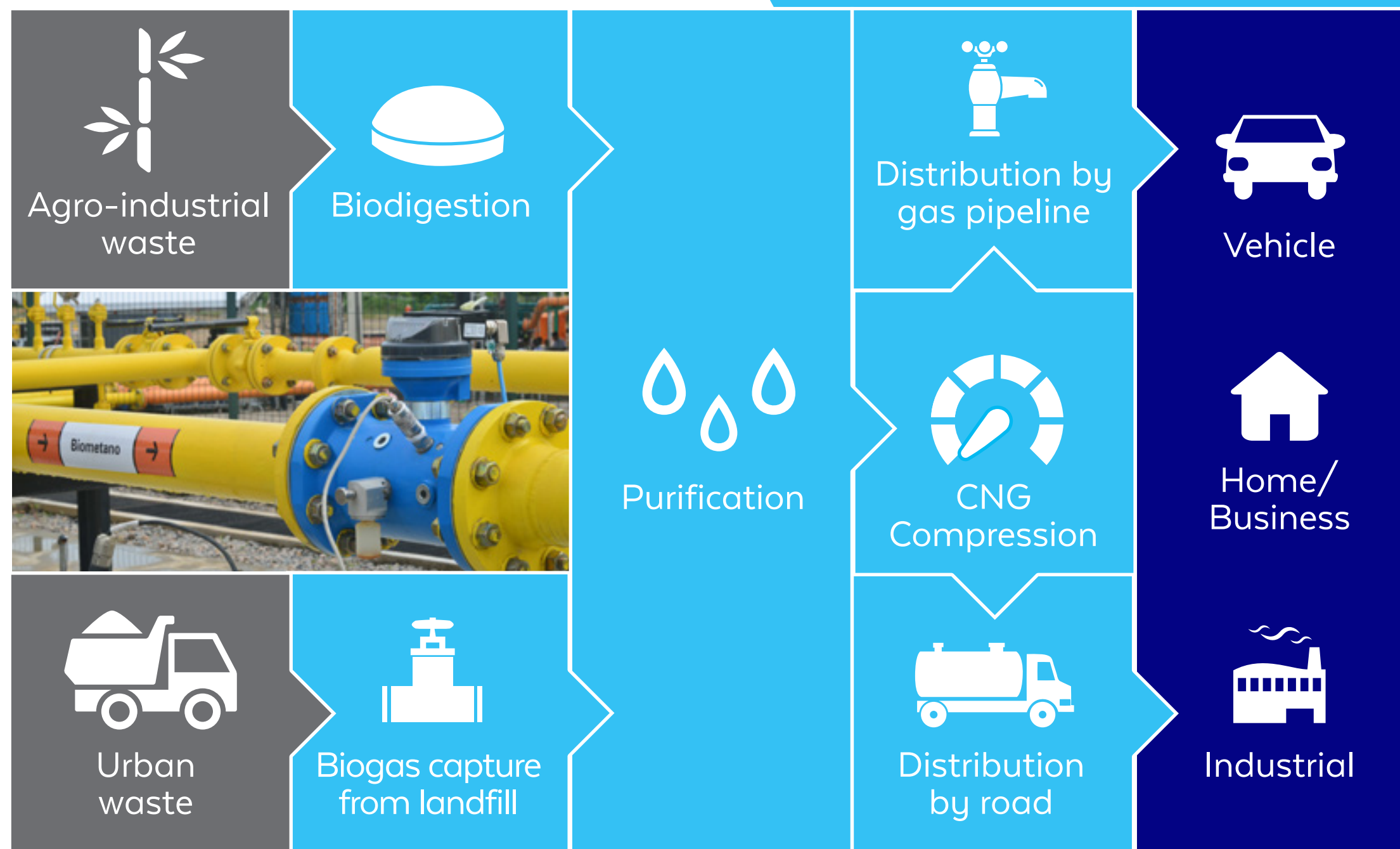
Ecometano is the largest player in Brazil for the production and commercialization of biomethane, delivering biofuel to distributors, gas stations (NGV) and industrial customers. Currently, the subsidiary has two plants in operation, generating biomethane from biogas captured in landfills: the GNR Dois Arcos, in São Pedro da Aldeia (RJ), operated jointly with OSAFI; and GNR Fortaleza, a plant located in Caucaia (CE) and operated in partnership with Marquise Ambiental.

Reference for the regulatory construction of biomethane in Brazil, GNR Dois Arcos produces approximately 15,000 m³ of biomethane per day. Founded in 2014, the unit is a pioneer in capturing and treating biogas generated from renewable sources to produce biomethane. Of gas produced is supplied to several stations in the region.

GNR Fortaleza is the first and only plant in Brazil to inject biomethane into a gas pipeline and At the unit, which started operating in 2017, approximately 100,000 m³ of biomethane are produced per day. The biofuel is injected directly into the Cegás network, being responsible for supplying up to 20% of the gas consumption in the state of Ceará.

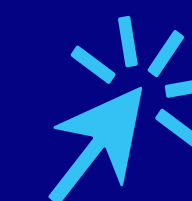
In 2021, MDC, through Ecometano, announced a partnership with Solví Essencis for the construction of its third biomethane purification plant, located in Caieiras (State of São Paulo). With the new unit, MDC will expand its production capacity to up to 175,000 m³ of biomethane per day.

Business Flowchart



ECOMETANO HIGHLIGHTS IN 2021

- Capture and purification of **61.5 million** m³ of biogas
- Generation and sale of **27 million** m³ of biomethane
- **1,135,000** carbon credits (CERs) issued and traded
- Issuance and sale of **77,925** CBios
- Expansion work marks the start of operations for a new collection cell at the Caucaia landfill (CE), which supplies gas to the GNR Fortaleza unit
- Last year, Ecometano's EBITDA was **BRL 34 million**



To learn more, visit:
www.ecometano.com.br
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Understand more about biogas, a raw material used by the subsidiary Ecometano

Biogas is a **source of renewable energy** with great economic, environmental and social potential to contribute towards energy efficiency and sustainability. It is produced from degradation of organic material, such as: urban solid waste (RSU), effluents and other sources of biomass.

Biogas production is encouraged by the National Solid Waste Policy (PNRS) and the New Sanitation Framework, which recommend energy use and establish as a principle an environmentally appropriate final destination for waste that is no longer usable.

According to Panorama do Biogás no Brasil 2021, a survey carried out by the International Center for Renewable Energy (CIBiogás) shows that Brazil currently generates around 2.3 billion Nm³ of biogas per year. Brazil, however, has in theory potential to produce volume significantly higher than that.

According to data from the Brazilian Biogas Association (ABiogás), the theoretical potential for biogas production in Brazil is 84.6 billion m³ per year, a volume that would be sufficient to supply 40% of domestic electricity demand and 70% of consumption of diesel. From the

collection in sanitary landfills, a source that Ecometano uses for its biomethane production, the potential for biogas production would be approximately 3.5 billion m³/year, according to ABiogás⁶.

Thus, taking into consideration 2.3 billion m³ generated in 2021, only 3% of Brazil's potential is being currently exploited.

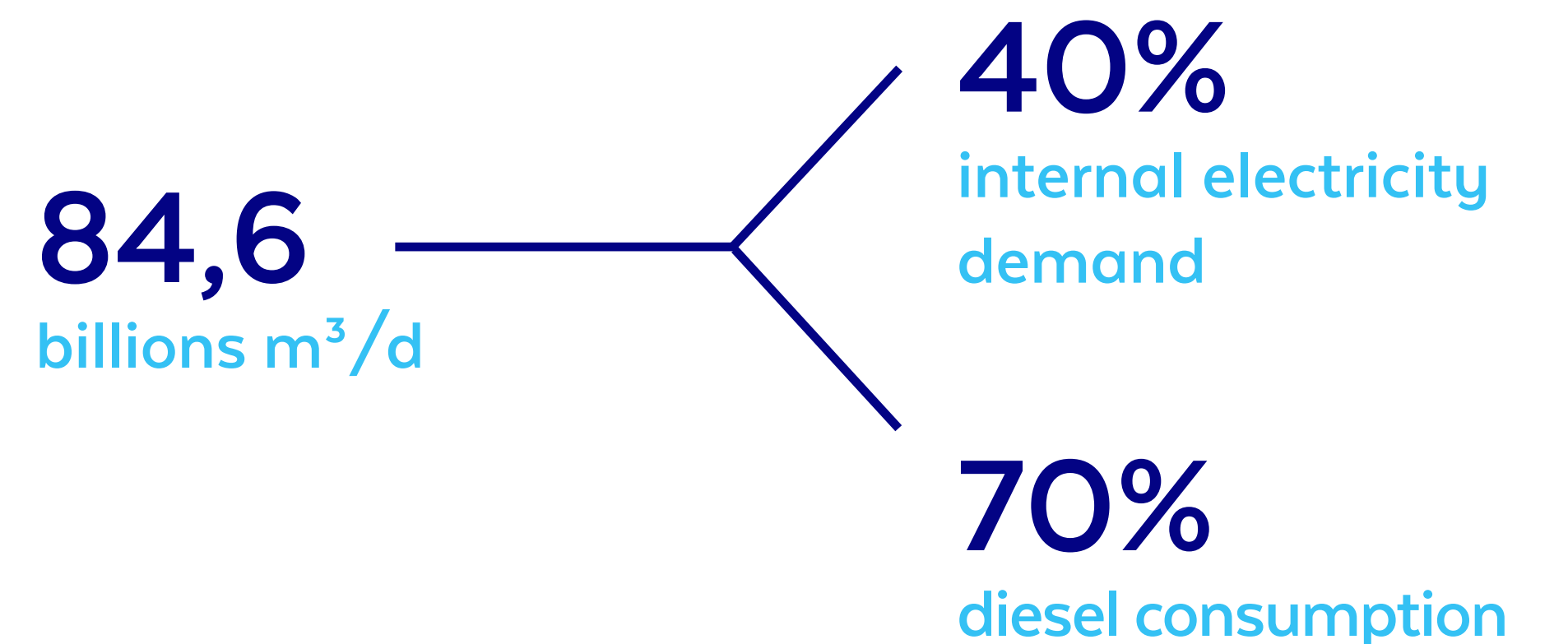
Produced from the purification of biogas, biomethane is defined by the Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (ANP) as a molecule that is absolutely interchangeable with fossil natural gas, and can be used

for all purposes and sold to any customer who receives the natural gas.

In addition, it is worth mentioning that biomethane is part of the biofuels contemplated in the National Biofuels Policy (RenovaBio)⁷ established in 2017 which created a Decarbonization

Credit (CBios) regulated market in Brazil. One of the tools adopted by the RenovaBio program for achievement of annual decarbonization goals for the fuel industry, CBio is a decarbonization credit that represents a ton of CO₂ that is no longer emitted due to the replacement of fossil fuel with biofuel.

THEORETICAL POTENTIAL FOR BIOGAS PRODUCTION IN BRAZIL, WHICH WOULD BE SUFFICIENT TO SUPPLY:



⁶ <https://abiogas.org.br/>

⁷ https://www.planalto.gov.br/ccivil_03/_Ato2015-2018/2017/Lei/L13576.htm



The CBios trading market has grown significantly in recent years. According to a report by Itaú BBA, the volume of decarbonization credits issued by RenovaBio reached 28.33 million titles, exceeding by 13.7% the target established for distributors in 2021. The trading price in the period recorded an annual high of BRL 49.13 per title.

According to the ANP, in 2021, 49.4 million m³ of biomethane were produced, which has been showing the best energy efficiency score in relation to ethanol and biodiesel, with 77.38 gCO₂eq/MJ for an average score of 59.95 gCO₂eq/MJ considering all biofuels. Biomethane, in turn, has a score of 80.9 gCO₂eq/MJ.

In December 2021, four projects were authorized to produce biomethane, of which three are capable of generating CBios. In addition to those, two new plants were undergoing authorization process. From the three projects that were authorized, two plants belong to MDC and are fully operational.

Considering the convenience of having the cost and, therefore, prices indexed to inflation, this fuel enables increased cost predictability to consumers.

In addition, the logistical issue can be mitigated, since biomethane can be produced from organic waste, thus dispensing with the requirement of using gas pipeline networks, thus allowing for decentralized operation.

With the energy transition agenda for a low carbon economy, more and more companies are looking for sustainable solutions in an attempt to achieve zero CO₂ emissions. As a result, the market, which is looking for alternatives to supply fuel with a neutral carbon footprint and less volatility in cost, is seeing biomethane as an interesting alternative for the supply of gas.





Primary Segment

Energy and Steam

Services

Energy and steam production from biomass sources, such as eucalyptus chips from reforestation and sugarcane bagasse.

Profile

A reference in the Brazilian market of electricity and steam production from biomass. Founded in 2008, the Company offers customized solutions within the operations of each partner. Thus, it designs, invests, builds and operates energy cogeneration plants (steam and electricity), offering its industrial customers customized solutions and sustainable technologies.

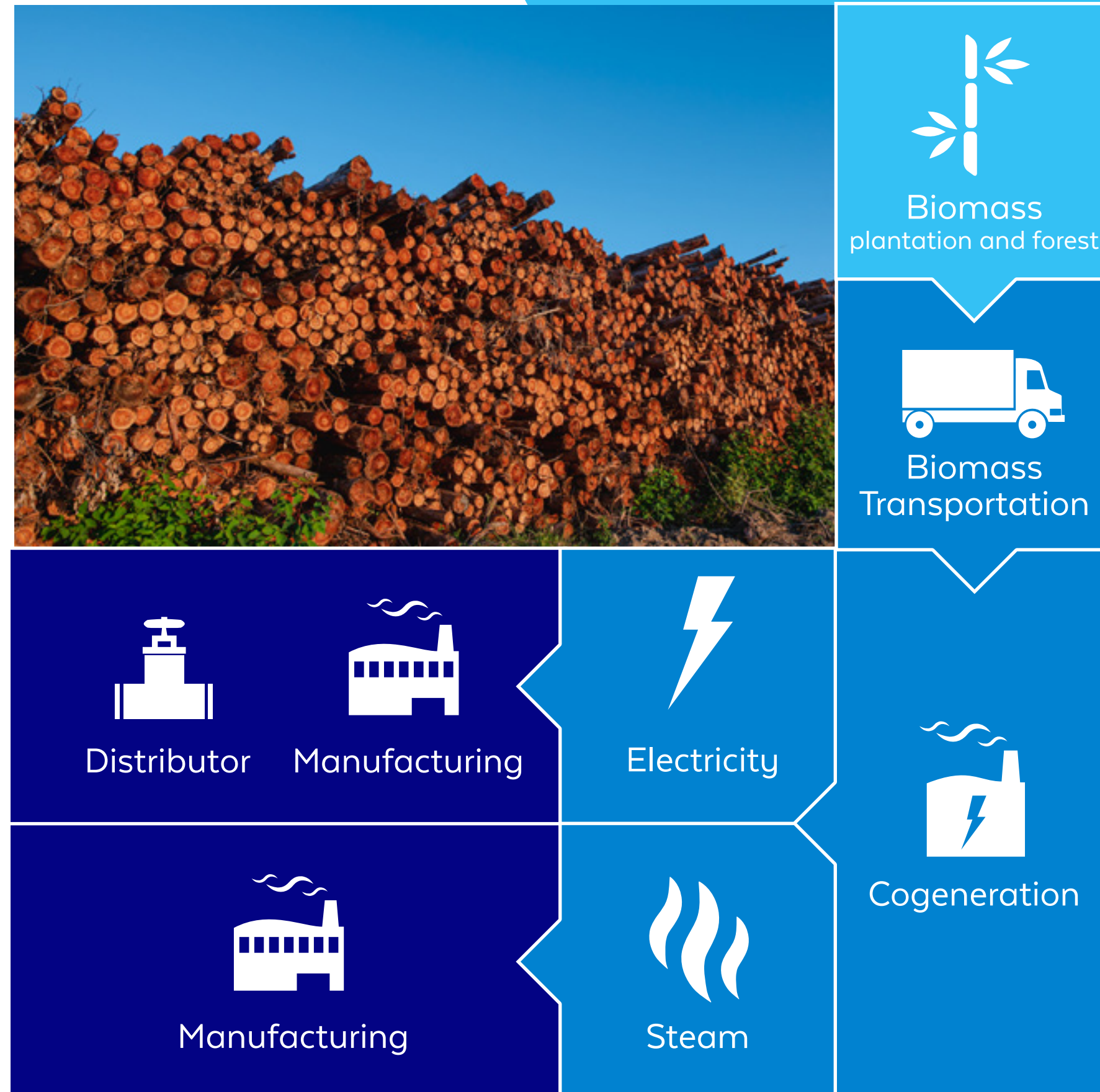
Assets

ERB has two units in operation: ERB Aratinga, located in the City of Candeias (State of Bahia), and ERB Minas Gerais, based in Santa Vitória (Minas Gerais).

At the unit located in Bahia, which started operations in 2014, ERB supplies steam to Dow Química under a long-term contract. ERB invested in and operates a cogeneration plant from reforested eucalyptus that replaces 200,000 m³ of natural gas per day, previously used by Dow. The action reduces the plant's CO₂ emissions by 180,000 tons/year. In this unit, the installed capacity is 150 ton/h of steam and 16.8 MW of energy.

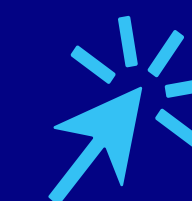
At the Minas Gerais unit, whose activities began in 2015, the operation of cogeneration of electricity and steam from sugarcane bagasse biomass is directed to the Santa Vitória Açúcar e Álcool (SVAA) plant, which has a processing capacity of 2.7 million tons of sugarcane per harvest. The plant has an installed capacity of 250 ton/h of steam, and 41 MW of power.

Business Flowchart



ERB HIGHLIGHTS IN 2021

- Sale of **1,607 thousand** tons of steam
- Sale of **185 thousand** MWh of electricity
- Approximately five thousand hectares of preserved areas, with **2.2 million** trees planted
- It carried out its 19th capital market transaction, with the issuance of an Agribusiness Receivables Certificate (ARC) in the amount of **BRL 25 million**, having also obtained a Green Certificate
- ERB presented an EBITDA of **BRL 71 million** in 2021



To learn more, visit:
www.erbrasil.com.br
 ERB | LinkedIn

Learn more about cogeneration by biomass, a segment in which the subsidiary ERB operates

According to March 2022 data from the Energy Cogeneration Industry Association (Cogen⁸), cogeneration in Brazil reached 19.57 GW of installed capacity in commercial operation, representing 10.7% of the national electricity matrix. From these 19.57 GW, 61% represent energy generation through sugarcane bagasse and 4.3% through wood chips, the two sources that MDC currently uses in its two boilers in Minas Gerais and in Bahia, respectively, through the subsidiary ERB.

According to the annual report New Energy Outlook⁹, published in 2018 by Bloomberg, the energy sector is expected to receive US\$ 150 billion in investments in Brazil by 2040. Along with wind and solar generation, biomass should be one of the energy sources that will develop the most in the coming years.

For being renewable, biomass cogeneration adds positive environmental attributes and, therefore, is a sustainable energy source that plays an important role in the energy transition.

The energy industry is expected to receive US\$ 150 billion in investments in Brazil by 2040

⁸ To learn more, visit: <https://www.cogen.com.br/principais-noticias/cogeracao-ja-tem-19-57-gw-no-pais-diz-associacao>

⁹ To learn more, visit: <https://about.bnef.com/new-energy-outlook/>



SAFETY AND RELIABILITY OF OPERATIONS

Care with health and safety

Care for people is a commitment of our Company – after all, **safety is a non-negotiable value, according to MDC’s culture.** The company meets the highest standards demanded by world class customers. Given its direct operations in some partners’ plants, MDC is always in compliance with the highest safety standards required by major industrial customers.

With regard to operational safety, MDC seeks the continuous improvement of its processes as a way of optimizing its activities and, consequently, reducing the probability of incidents and accidents.

[103 | 403]

Internally, the topic is managed by MDC’s Quality, Safety, Environment and Health (QSMS) area, which has a guiding policy and operates based on Safety, Environment and Health (SMS) procedures and goals of the Integrated management System (SGI). In 2021, with a focus on ensuring health and safety at work, mandatory training on [Regulatory Standards](#) (NR) 06, 10, 12, 13, 20, 23, 33 and 35 was carried out, in addition to various non-mandatory or additional training. [403-5]



MANDATORY TRAINING ON NR IN 2021

- NR-6 Personal protective equipment - PPE
- NR-10 Safety in electrical facilities and services
- NR-12 Occupational safety for machinery and equipment
- NR-13 Boilers, pressure vessels and metallic storage pipes and tanks
- NR-20 Safety and health at work with flammables and fuels
- NR-23 Fire protection
- NR-33 Safety and health at work in confined spaces
- NR-35 Work at heights

As a way of offering supplementary training to the entire team, a corporate university platform was launched in 2021, the **MDC Knowledge Station**. The tool, developed in partnership with Mobiliza, already provided 21 customized training programs involving MDC’s operations. There, the employee has access to the following courses, among others: Knowing Natural Gas and Biomethane; Environment; PPE and CPE; Golden Rules; Risk perception; and 5S. Integrations for new employees, training on the General Data Protection Law (LGPD) and other essential items for the performance of operational activities are also available at the Station.



Zero Accident Program

With the objective of increasing the commitment of stakeholders in relation to behavioral safety, especially at industrial facilities, the Zero Accident Program was implemented in 2021 in connection with MDC's 10 Golden Rules established by the QEHS area.

“Safety is critical to avoid accidents in our routine. Therefore, we always need to leave the doors open for it.”

Reinilson de Araújo, CDGN



Find below the MDC's 10 Golden Rules of Operational Safety which provide guidelines for a safe workplace.

- 1st** Work Permit
- 2nd** Energy Isolation
- 3rd** Work at Heights
- 4th** Confined Space
- 5th** Explosive Atmospheres
- 6th** Safe Positioning
- 7th** Personal Protective Equipment
- 8th** Attention to Changes
- 9th** Traffic Safety
- 10th** Alcohol and Other Drugs

Comprised of the tools Behavioral Observation, I Report and Safety, Environment and Health Inspection (SMS), the Zero Accident Program collected relevant information for the composition of the pyramid of deviations and the continuous improvement process of the PDCA cycle (Plan; Do; Check; and Act).

As part of the Program, the *Eu Registro* (I Report) tool was made available at the operational units for employee to report through an automated system any noncompliance with the standards, and suggest improvements in processes or operating environments.

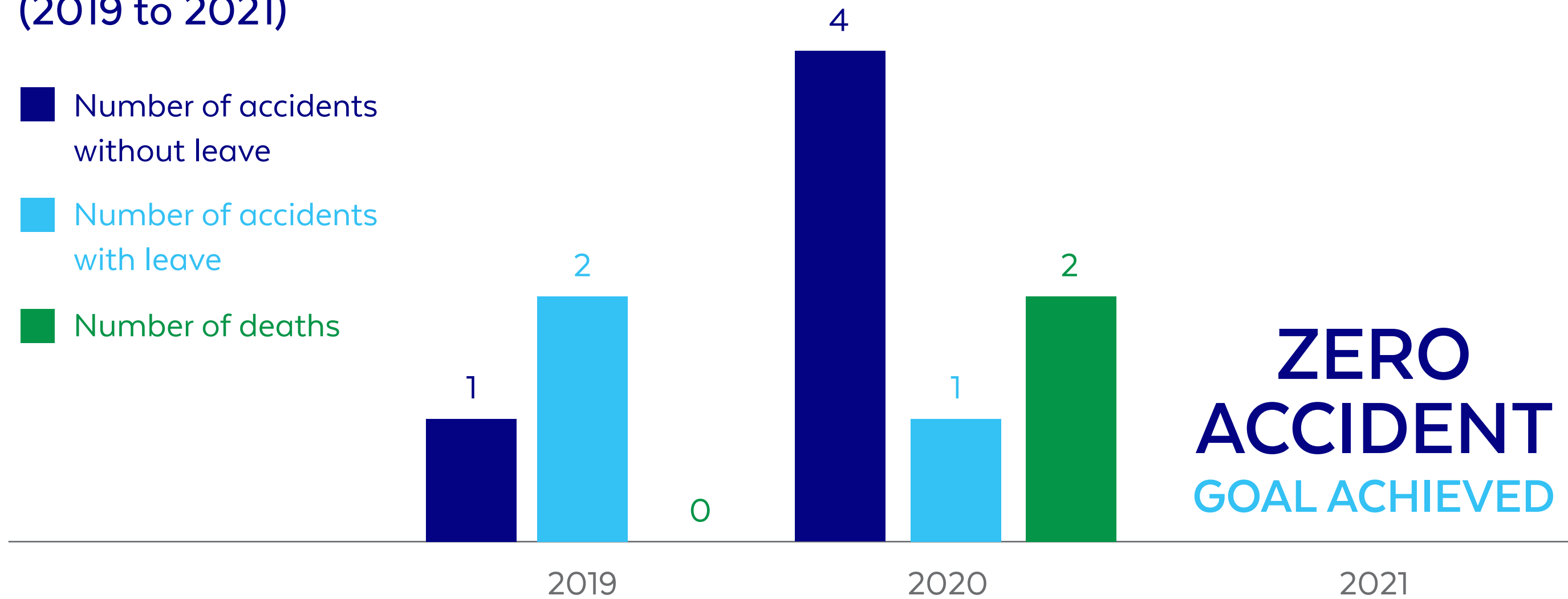
The actions were carried out in a coordinated manner at the operational units through dissemination via the Daily Safety Dialogue (DDS), internal communications, installation of signposts in operational areas and launch of training on the Golden Rules at the Knowledge Station.

In 2021, HSE audits focused on **verifying the compliance** of Safety, Environment and Health management processes. The SMS Audit Program was conducted in 100% of the operational units of

the MDC Group companies using an Audit Checklist (LV) divided into document analysis, assessment of procedures and interviews.

The QHSE programs and actions over the years have strengthened the safety pillar, thus positively impacting the reduction of accidents. For the year 2021, the Recordable Occurrence Rate (ROR) did not record any events for the MDC group, **which means that the goal of zero accidents has been reached, as shown in the chart below:**

OCCUPATION ACCIDENTS (2019 to 2021)



MDC believes that exercising a good management of HSE aspects related to the operation of its assets involves the constant search for the maturation of the safety culture, raising the level of awareness of each individual so that he can contribute to continuous improvement. [MDC15]

In 2021, there were five events that caused property damage, and all of them related to product leak. The measure adopted to solve the problem was to apply corrective maintenance and subsequently increase the number of preventive maintenance. [MDC17]

For the year 2022, the QHSE goals are focused on training employees through supplementary safety training and implementing the Zero Tolerance Program for safety infractions.

Coping with Covid-19

The Covid-19 pandemic generated general impacts on society. From the start of the pandemic, in March 2020, until late 2021, according to data from the National Council of Health Departments (Conass), Brazil recorded 22 million infections by the coronavirus, and almost 620,000 deaths caused by the disease. However, 2021 came as a glimmer of hope: the beginning of the vaccination protocol.

MDC closely followed the impacts of the second year of the Covid-19 pandemic, both on employees and on the market. The acrylic plates between the stalls, installed in 2020, and the gel alcohol totems were maintained as preventive measures against contamination, both in offices

and in operations. Since the Company's activity is classified as an essential service, MDC continued to take extra care with its operational teams, providing more transport schedules, turns in the cafeterias, strict distancing of spaces, among others. With all the care taken, there was never any interruption of operational journeys at MDC, even with the lockdown in Brazilian states.

With the reduction in contamination rates inside and outside the Company, the gradual reopening of the offices began in May, with the adoption of a hybrid mode of work and rotation between areas so that the administrative headquarters had a maximum of 75% of occupancy capacity.

A vaccination campaign was carried out, internally called **Vacina Sim**, with an engagement video, photos and a series of monthly communications encouraging teams to take the vaccine against Covid-19. In December, a survey was also launched to determine the vaccination status of each employee. In all, responses were received from 204 members of the entire [Group](#).

During the pandemic, the Company did not reduce its staff and reinforced actions to prevent and contain Covid-19. Even in the face of some challenges and impacts caused by the pandemic, the certainty that the Group's business is sustainable and less volatile to the pandemic made MDC focus efforts on maintaining jobs.

The activity performed by the Group is classified as an essential service. Therefore, the operations were adapted to the prevention measures since the start of the pandemic, not affecting the provision of services.



The Company understands that the pandemic is difficult for everyone, and that emotional stability is crucial for keeping a good mood and productivity. To this end, several workshops and [Mental Health](#) work were conducted with the consulting company Zero Barreiras, aiming to eliminate prejudice on the subject and prepare leaders and teams to deal with this often sensitive subject, and providing assistance to employees who felt the need.

MENTAL HEALTH
MDC is structuring a health and wellness plan for 2022.



CLIMATE CHANGE AND ENERGY TRANSITION



The Sustainable Value of MDC’s Business

Making energy a generator of sustainable value for different businesses is the Company’s purpose and is what guides all its actions.

MDC has a commitment and responsibility, so all the work performed by the Company begins with understanding the customer’s need for building a sustainable and full energy solution. Therefore, the Company remains at the forefront of trends and discussions related to climate change and the energy industry.

In order to offer customers transitional energy with quantifiable and auditable environmental attributes, the Company invests in Clean Development Mechanism (CDM)¹⁰ projects, one of the flexibility

mechanisms created by the Kyoto Protocol to assist in the process of reducing greenhouse gas emissions (GHG) or carbon capture (carbon sequestration) by the countries, and certifications such as RenovaBio¹¹ and Renewable Energy Certificates (REC).

From Clean Development Mechanism projects, credits are generated in the form of Certificates called Reduced Emission Certificates (RECs), which can be traded on regulated carbon markets.

In 2021 **1,135,000 CERs** were issued and sold by the subsidiary Ecometano



“It is a honor to work for an organization that has the vocation to contribute towards the mitigation of climate change in its DNA. The nicest thing of all is that this is more than work, it is an alignment of purposes”

Felipe Dias, MDC

¹⁰ About MDL: <http://repositorio.ipea.gov.br/bitstream/11058/9474/1/O%20Mecanismo.pdf>

¹¹ About RenovaBio: <https://www.gov.br/anp/pt-br/assuntos/renovabio>

The sale of CBios represented an increase of **BRL 7.9 million** in the Company's gross revenue in 2021



MDC is also authorized to issue decarbonization credits, the CBios¹², which are traded in Brazil's Stock Exchange (B3). Each CBio instrument is equivalent to one ton of carbon avoided in the atmosphere. CBios are the result of an initiative by the Ministry of Mines and Energy (MME) through the RenovaBio program, to increase the relevance of the biofuels market in Brazil.

By means of its biomethane production plants, MDC issued and sold **77,925 CBios** in 2021, **achieving the highest energy efficiency score in the RenovaBio program - 80.9 gCO₂eq/MJ**. Evolving along with the market, MDC has set a goal for 2022 to issue **approximately 100,000 CBios**. In 2021, all CBios issued by MDC through its subsidiary Ecometano were sold.

Renewable Energy Certificates (RECs) guarantee the origin of the energy purchased, so that the buyer can declare the source of their energy during the engaged period with a specific generator. The Company also has **the potential to generate 330,000 thousand I-REC/year and 1.3 million GAS-REC/year**. The GAS-REC certification tracks the entire production of biogas or biomethane from MDC's purification plants in order to prove that the gas consumer appropriates the renewable part of the fuel.

¹² About CBios: https://www.b3.com.br/pt_br/produtos-e-servicos/outros-servicos/servicos-de-natureza-informacional/credito-de-descarbonizacao-cbio/



7
12

Sustainable Value

The Company acknowledges that its business is directly linked to climate changes. According to the Climate Observatory through the Greenhouse Gas Emissions and Removals Estimation System (SEEG), energy is one of the biggest emission offenders, second only to the land use change and forestry and agricultural sectors¹³. Therefore, MDC understands that, as an energy producer, it must actively contribute towards the energy transition to a low-carbon economy, developing technologies and solutions that are capable of minimizing the emissions of its partners and its own business.

As a result of the services provided, MDC supports SDGs 7 and 12, which aim, respectively, to guarantee access to cheap, reliable, sustainable, renewable energy for all, and ensure production and consumption standards. By giving priority to sustainability in all its actions, the Company

also strengthens SDG 8, directly connected with the promotion of inclusive, sustainable economic growth, full and productive employment, and decent work conditions for all. In addition, MDC consciously contributes towards the development and diversification of the domestic energy sources and the commitments undertaken by the Federal Government. The current scenario drives investments and the development of new solutions in the sector, which becomes a great opportunity for MDC to act. [201-2]

Focusing on market needs, MDC presents a diversified portfolio of products and services, investing in sustainable solutions for its customers and looking for increasingly innovative technologies. For that purpose, the Company conducts projects that enable the replacement of fossil fuels and participates in forums to structure programs that foster the renewable energy market.



¹³ Learn more about the topic visiting https://plataforma.seeg.eco.br/total_emission

In order to operate with a target regarding the emission of greenhouse gases, the Company enforces an action plan to manage this subject, and thus prevent physical, regulatory and economic risks, as provided below: [201-2]

ITEM	DETAILS	IMPACT	FINANCIAL IMPLICATIONS	DRIVERS	IMPACT	PROBABILITY	MAGNITUDE
1 Regulatory aspects	Risk: Increase of legal restrictions for commissioning and operation of generation, transport and sale of energy.	Challenge for licensing the Company's activities that involve the use of fossil fuels, such as natural gas or diesel oil.	Increase in licensing costs, with the possibility of new business becoming unfeasible due to legal restrictions.	Goal presented by Brazil at COP 26 to reduce carbon emissions by 50% by 2030 ¹⁴ .	Direct	Midpoint	Midpoint
	Opportunity: Favoring organizations that use fuels from renewable sources, as in the case of MDC, which prioritizes technologies and sources aimed at the development of transitional and renewable energy sources.	With the greater use of renewable sources, it is expected that new technological options will emerge, bringing greater energy efficiency, with a more attractive investment value.	Reduction in OPEX and CAPEX in energy generation business through renewable sources	Decree No. 11003, of March 21, 2022 (Establishes the Federal Strategy to Incentivize the Sustainable Use of Biogas and Biomethane) ¹⁵ .	Direct	High	High
2 Changes in the energy sources	Risk: Decrease in the supply of fossil energy as a result of the migration of the matrix to renewable.	Higher operating costs as a result of higher prices for fuels, such as diesel, natural gas and electricity.	Reduction in profit margins of the business as a whole as a result of higher prices for energy inputs.	Increase in the price of natural gas and oil observed over the last few years ¹⁶ .	Direct	High	High
	Opportunity: As MDC operates units that use transitional and renewable fuels for energy production, business leverage is expected as a result of higher demand.	Increase in revenues as a result of the emergence of new businesses and the use of more efficient technologies, as well as a gain in the Company's image.	Increase in the negotiation of CBios (Decarbonization Credit) and CERs (Certified Emission Reductions).	RenovaBio Program, of the Federal Government (aiming to expand the use of renewable fuels), which can increase the Company's revenues.	Direct	High	High
3 Climate changes	Risk: Extreme weather events that cause the loss of crops and/or plantations to generate energy from biomass.	Increase in the price of inputs such as wood, in addition to the difficulty of closing new contracts due to the greater demand for this type of material or prioritization of planting areas with food crops.	Reduction in margins and profitability of the business as a whole as a result of higher costs of energy inputs.	Extreme weather events that cause loss of crops / plantations for energy generation from biomass.	Direct	High	High
	Opportunity: Search for greater diversification of energy inputs of plant origin and new contract models for the supply of materials, including partnerships with local producers to increase production.	Strengthening the relationship with stakeholders, including the development of new ways of interacting with suppliers and research and development institutions.	Reduction of associated costs and social impacts, with generation of value for stakeholders.	Search for greater diversification of energy inputs of plant origin and new contract models for the supply of materials, including partnerships with local producers to increase production.	Direct	Midpoint	Midpoint

14 To learn more, visit: <https://www1.folha.uol.com.br/ambiente/2021/11/brasil-anuncia-meta-de-reduzir-em-50-a-emissao-de-gases-poluentes-ate-2030.shtml>

15 To learn more, visit: <https://www.in.gov.br/en/web/dou/-/decreto-n-11.003-de-21-de-marco-de-2022-387357085>

16 To learn more, visit: https://plataforma.seeg.eco.br/total_emission

Emission of Greenhouse Gases GHG¹⁷

The **risks and opportunities** of MDC group are managed based on risk analysis during the life cycle of the projects developed; strategic planning of the Company's operations and projects; monitoring of indicators associated with emissions and energy/logistics performance of operations; review of process results to identify improvement opportunities; meetings of the operations committee for monitoring and critical analysis of results associated with the units and monitoring of legal compliance via the LegNet System, which manages legal requirements, survey and analysis of environmental aspects and impacts. [102-11] [102-15]

MDC and other companies of the Group operate in the energy industry, operating in the transport, sale and production of sustainable energy. Due to the nature of this economic segment, intensive in the production of Greenhouse Gases (GHG), it is strategic for senior management and shareholders to **properly manage its carbon footprint**, in order to minimize the impacts linked to its operations. In addition, there is a strong public commitment by the MDC Group with the ESG agenda and its developments, demonstrated through the communication channels of the Group and the Company's daily actions. [103 | 305]

In 2020, MDC started tracking its CO₂ equivalent emissions and energy consumption,

producing its first emissions inventory. In 2021, it performed its second emissions inventory even more carefully.

Also last year, MDC internalized the process of quantifying and monitoring GHG emissions, following the GHG Protocol¹⁸ methodology after publication of its first Emissions Inventory, referring to the base year 2020. Currently, the Company is deepening the data collection process and making it more efficient, training the team involved, refining the measured data and evaluating the possibility of association with the Brazilian GHG Protocol Program initiative, as well as studying the establishment of corporate goals of reduction to be achieved in the coming years.

¹⁷ Some data related to the year 2021 may still be modified until the end of the Sustainability Report publication process.

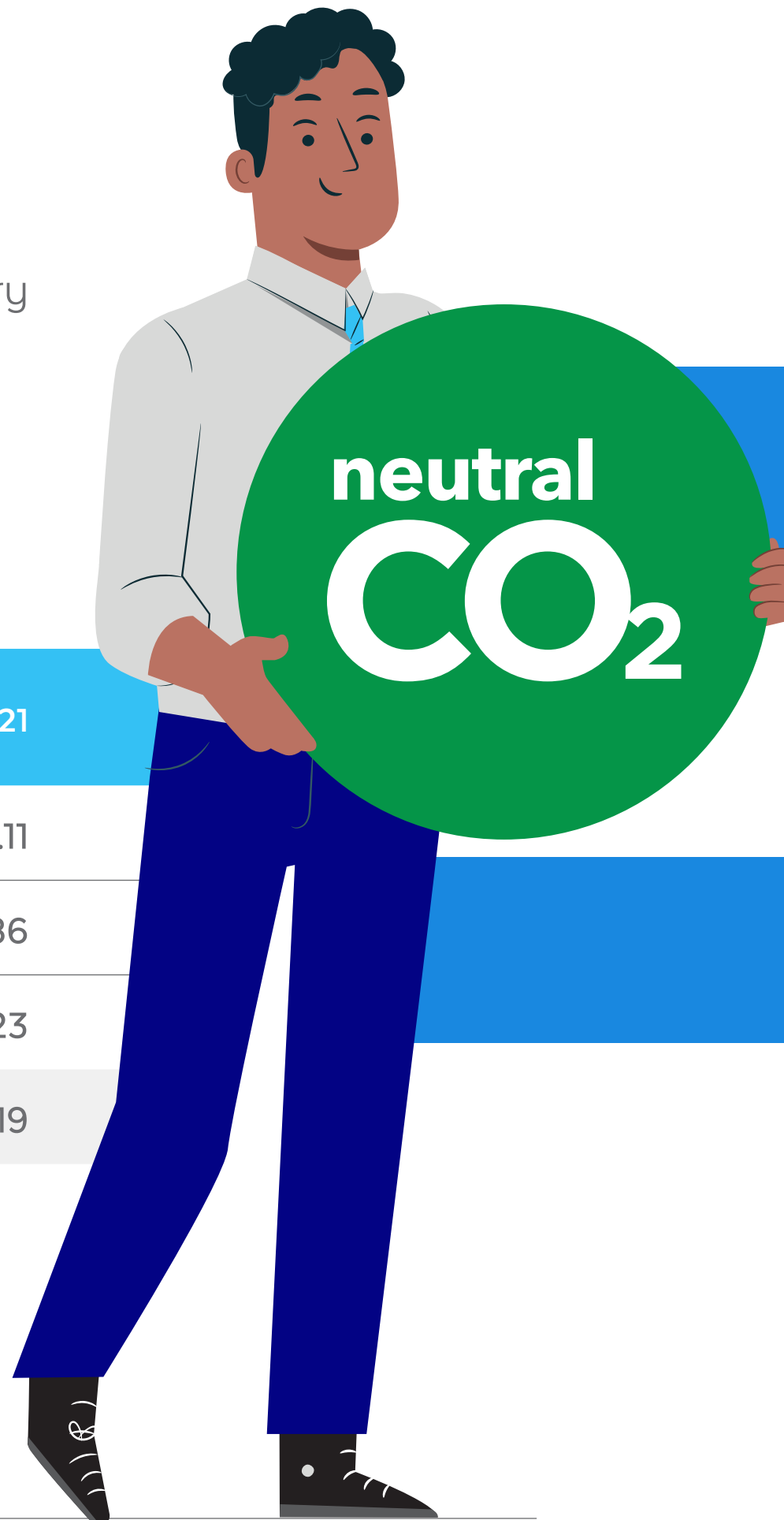
¹⁸ <https://eaesp.fgv.br/centros/centro-estudos-sustentabilidade/projetos/programa-brasileiro-ghg-protocol>

An example of an action carried out in 2021 aimed at reducing greenhouse gas emissions was the decision to shut down the dryer in Ouriçangas (Bahia), a city located 150km away from the capital city of the State of Bahia, avoiding the average monthly burning of 216,000 m³ of natural gas. This equipment was used by the subsidiary CDGN and is intended to remove moisture from the gas stream.

In Scope 1, which includes emissions from MDC's direct operations, in 2021, MDC Group emitted 27,923.19 tCO₂ equivalent:

DIRECT GREENHOUSE GAS ISSUE (TCO ₂ EQUIVALENT)	2020	2021
Stationary combustion	11,413.80	26,049.11
Mobile combustion	1,173.47	1,826.86
Fugitive emissions	0.30	47.23
TOTAL	12,587.57	27,923.19

For these reported data, CO₂, CH₄ and N₂O gases were considered for fixed and mobile sources, and CO₂ (fire extinguishers) and R-401a/R-22 (coolers) for fugitive sources.



In 2021, there was a significant increase in Scope 1 biogenic emissions due to the consumption of diesel in the CDGN's natural gas logistics operations, which are now fully accounted for in Scope 1 and all consumption associated with the ERB's forestry area, which was also computed.

BIOGENIC EMISSIONS (TCO ₂ EQUIVALENT)	2020	2021
	501,902.90	1,047,016.43

Regarding Scope 2 emissions, which considers the electricity purchased for use by the Company, there was also an increase in GHG emissions in 2021:

INDIRECT EMISSIONS FROM THE ACQUISITION OF ENERGY (TCO ₂ EQUIVALENT)	2020	2021
	1,362.21	2,943.11

The emission factor used to calculate the electricity consumption of the National Interconnected System (SIN) is the one provided by the Ministry of Science, Technology and Innovation. (MCTI)¹⁹.

19 To learn more, visit: <https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/cgcl/paginas/fator-medio-inventarios-corporativos>

Scope 3 emissions are considered indirect, as they are not included in Scope 2 and occur in the value chain of the group. Therefore, as shown below, a gradual increase is perceived in emissions in 2020 and 2021, particularly as a result of the inclusion of emissions from transport and distribution (upstream) which were offset by the reduction in road transport (downstream).

INDIRECT EMISSIONS (EXCEPT FROM THE ACQUISITION OF ENERGY) (TCO ₂ EQUIVALENT)	2020	2021
Home-work commuting	1,700.34	27.95
Transport and distribution (upstream)		4,401.02
Business trips		0.54
Road Transport Downstream	2,235.53	50.45
TOTAL	3,935.87	4,479.96



In 2020, biogenic emissions were 224.67 tCO₂e and in 2021 484.07 tCO₂e.

In 2021, there was an increase in the intensity of emissions as a result of the review of the scope of work and the inclusion of new operations in the inventoried data.

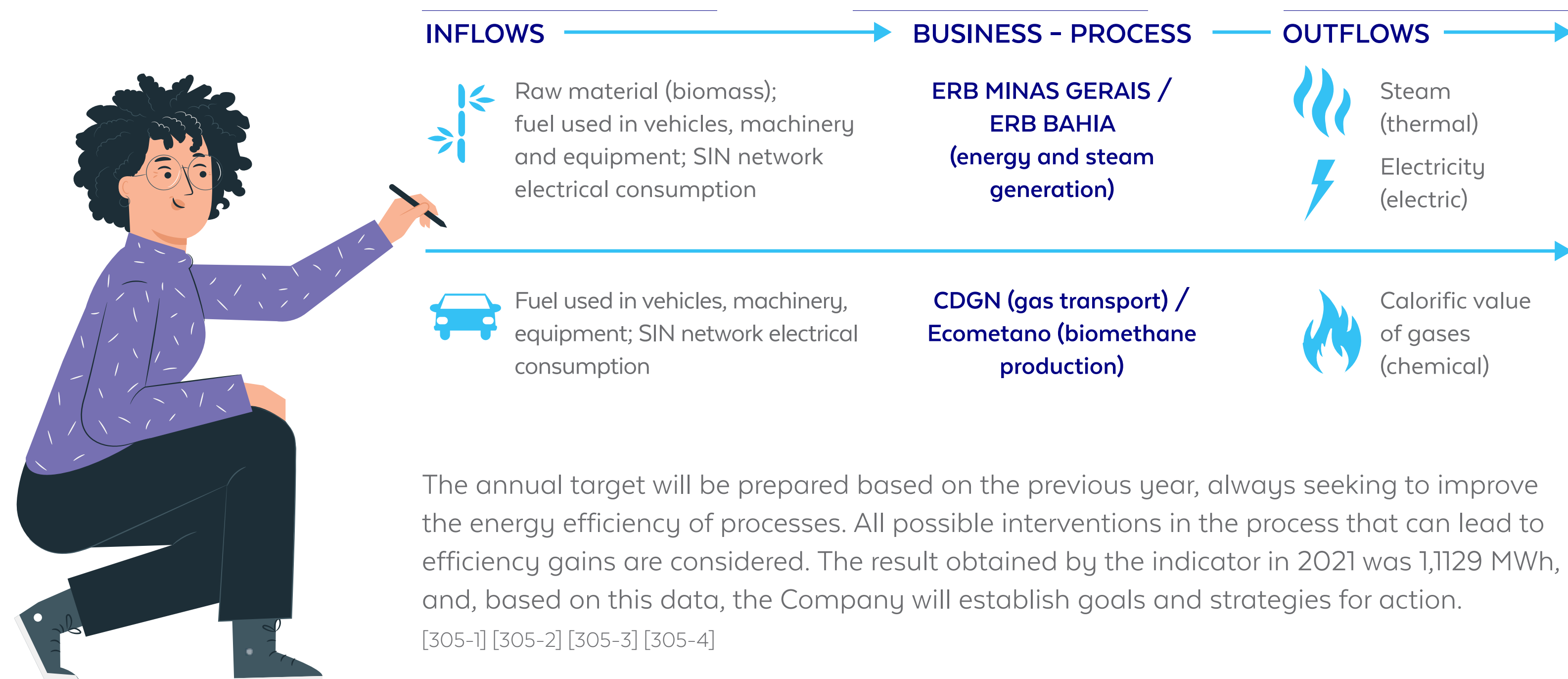
INTENSITY OF GREENHOUSE GAS EMISSIONS	2020	2021
Scope 1 and 2 Emissions	13,949.78	30,866.31
Operated energy (MWh)	2,349,800.88	2,681,316.00
Intensity of greenhouse gas emissions	0.00594	0.01151

Based on the improvement of the collection and analysis methodology in 2022, it will be possible to envision alternatives to reduce the Company's carbon footprint.

Global Efficiency of Processes

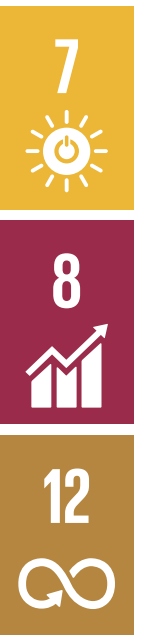
In view of the operations of companies of the MDC group, which use different methods (gas transport, energy generation and biomethane production), an indicator was created that accounts for the energy consumed in the entire operational process (renewable and non-renewable inputs) in relation to the total energy delivered by the Company (chemical, thermal and electric energy). [MDC10]

In 2021, MDC started using an operational efficiency indicator that applies to MDC's industrial areas, and is managed by the Engineering and Operations Officer. Specifically for the indicator, the following inflow and outflow factors are considered:



The annual target will be prepared based on the previous year, always seeking to improve the energy efficiency of processes. All possible interventions in the process that can lead to efficiency gains are considered. The result obtained by the indicator in 2021 was 1,1129 MWh, and, based on this data, the Company will establish goals and strategies for action.

[305-1] [305-2] [305-3] [305-4]



DEVELOPMENT AND INNOVATION OF PRODUCTS AND SERVICES



In 2021, the topic “innovation” was highlighted among the most worked values. The **MDC Inova** program was launched with the objective of encouraging employees to share their proposals for the most diverse areas of operation of the Company. In order to become a project and be executed, the idea must provide MDC Group with financial return (increase in revenue or cost reduction) and mitigation of risks or intangibles that add value to the business.

The program started in 2021, with 70 **ideas submitted** on a wide range of topics, such as the search for productivity and the development of proprietary technologies. In 2022, the proposals will be considered in terms of their technical feasibility and possibility of return to the Company. In the structure of the Inova MDC program, the best evaluated projects are presented by the author to an internal committee, which are also subject to awards, encouraging the entire team around the value of innovation. Of the 70 ideas, 32% are being analyzed by the proponent’s

direct leader, 12% have been approved as a project and are being prepared, and 7% have been approved and sent to the internal committee.

Another action in 2021 **was a partnership with AgTech Garage, the largest innovation hub in Latin America focused on agribusiness**. The contract was executed in late 2021, and the challenges will be presented to the hub during 2022. Thus, with a dynamic proposal focused on the needs of each partner, AgTech connects large companies, startups, producers, investors, research entities, among other actors in the innovation and entrepreneurship ecosystem in agribusiness, developing technological solutions focused on innovation and sustainability.

The objective of this partnership is to gradually foster innovation in the corporate and operational areas. Among the planned activities are meetings to map opportunities; participation in forums; and availability of hub podcasts and newsletters, many of which have already taken place in 2022. [MDC12]

Business Development

Due to the nature of the business, which involves extensive technical and logistical feasibility studies, the process of prospecting and entering into contracts is a medium to long-term strategy. In 2021, MDC, in addition to prospecting new opportunities, was focused on strengthening already established relationships, increasing, for example, the volume contracted with some of its business partners. [MDC5] [MDC6]

With the market increasingly looking for clean energy, the natural gas sectors – regarded as a transition fuel for a low-carbon economy because of its clearer burning – and biomethane were booming, on the rise in the fuel industry.

In the growth agenda, a major highlight of the year was the **partnership signed between MDC and Solvi Essencis²⁰**, which together will produce biomethane from

the landfill operations located in Caieiras, São Paulo. Scheduled to start operations in 2023, this will be the third biogas purification plant in MDC’s portfolio and is also good news for the transition scenario of the Brazilian energy sources.

The new plant will meet the industrial market and its decarbonization goals, an agenda that has taken an increasing proportion internationally, in private or public organizations. The estimated biomethane production for the project is 60,000 m³/day, and the fuel will be available to customers connected to gas pipelines in the State of São Paulo, in addition to contributing towards the reduction of methane emissions into the atmosphere. With the new plant, it may be said that approximately 166 ton/day of CO₂eq would be avoided, when comparing replacement of diesel with biomethane.

In order to demonstrate the positive impact of the new biomethane production plant in Caieiras/State of São Paulo, which has the potential to generate 60,000 m³ of biomethane/day, MDC has developed comparative²¹ calculations that can represent the benefit of the new operation regarding emissions issues:

- Issuance of 327,000 Carbon Credits per year, which corresponds to the neutralization of the emission of 109,000 automobiles and the planting of 2,290,909 trees/year.
- By replacing diesel, a fossil fuel, with biomethane, the emission of approximately 60,000 tCO₂eq/year is avoided, corresponding to the neutralization of the emission of 19,200 automobiles and the planting of an estimated 403,000 trees/year.

MDC allocates resources for institutional relationships with regulatory agents, in order to monitor and defend policies for the sector. In 2021, the Company reinforced its relationship with customers. Focusing on always offering complete solutions and a positive experience, MDC carried out a satisfaction survey, which was attended by 79% of customers. As a result, 95% of respondents agreed that MDC adds value to their business. [102-43] [102-44] [MDC7]



²⁰ Source: <https://canalenergia.com.br/noticias/53181611/mdc-e-solvi-essencis-ambiental-firmam-parceria-para-producao-de-biometano-em-sp>

²¹ For the calculation, the average emission by cars of 200gCO₂eq/km traveled and average mileage of 15,000 km/year and seven native trees in climax were considered to obtain a ton of CO₂eq over a period of 20 years to reach adult life. It should also be noted that these are approximate calculations.

Commitment to the Value Chain

[MDC 4, 5, 6, 7 and 9]

Committed to complying with legal requirements, MDC seeks to ensure a **safe, healthy and well-being environment for employees, customers, the community and the general public**, understanding how its operations may impact the environment and surrounding communities. For that purpose, it works proactively and preventively with these groups.

The Company believes that it plays a critical role in bringing sustainable energy projects to the most diverse businesses. Therefore, it has a work team focused on understanding the needs of each customer to provide them with customized solutions. Always in line with its strategic planning, MDC works to expand its customer base in connection with the increase in energy sources in its portfolio. The Company is prepared to offer fuels with low greenhouse gas emissions to the market, transforming opportunities into sustainable businesses.

The MDC Group values customization and detailed understanding of the conditions of each business opportunity. It is part of the market intelligence process to consider factors such as: availability of energy sources, regulatory aspects and economic scenarios of the sector, in addition to technological solutions that make new projects viable. [MDC4]



“The year 2021 provided us with many learnings and challenges caused by the Covid-19 pandemic. However, the team connection was critical to overcome this stage. We achieved the established goals and, above all, we managed to meet the expectations of our customers and partners, offering the best sustainable energy development solutions”

Diego Ramos, MDC



Commitment and Responsibility in our Partnerships

All MDC relationships are guided by transparency, commitment and responsibility. This attitude permeates the relationship with all audiences with which the Company interacts: shareholders, employees, class entities and other partners.

To make business happen, the Company counts on **strategic partners**. MDC also has an important role in the market in which it operates, developing and maintaining a strong dialogue with regulatory and sectoral bodies, in addition to gradually increasing its participation in class associations.



Business Partners

Through **CDGN**, MDC operates in the generation of value in the industrial natural gas chain, being the first company in Brazil to distribute **biomethane** and gas from onshore wells and performing the treatment, logistics and sale of these products. In addition to strengthening the relationship with partners, such as onshore gas producers, CDGN seeks to increase the contracted volume, establishing partnerships with transport companies that meet its logistical demand.

Subsidiary **Ecometano** captures and purifies biogas, transforming it into biomethane. For that purpose, it develops sustainable, long-term partnerships with holders and suppliers of the raw material

Biogas contributes to energy efficiency and sustainability, as it is a clean energy source. It is produced from the decomposition of organic material, such as: urban solid waste (RSU), effluents and other sources of biomass. Learn more on: <https://www.gov.br/mcti/pt-br/acompanhe-o-mcti/pibiogas>

that generates **biogas**. Among such partners, the following may be highlighted: owners and managers of sanitary landfills and generators of organic, cattle raising or vinasse waste.

Obtained from the processing of biogas, biomethane reduces GHG emissions, reduces dependence on fossil sources and encourages waste treatment. Learn more at: <https://mdcenergia.com.br/incentivo-a-producao-de-biometano-no-brasil-saiba-mais/>



Currently, Ecometano has two plants in operation – the third is being built in São Paulo, together with Solví Essencis. The first Ecometano unit to start operating was GNR Dois Arcos, a pioneer in the production of biomethane on a commercial scale in Brazil. In this unit, located in São Pedro da Aldeia (Rio de Janeiro), Ecometano has as a partner OSAFI, owner of the sanitary landfill where the plant is located. This landfill currently receives approximately 700 tons of municipal solid waste per day. In its second unit, GNR Fortaleza, Ecometano has as a partner the Marquise Group, administrator of the landfill in Fortaleza (CE), which receives approximately six thousand tons of urban solid waste a day, from the metropolitan region of the capital of Ceará.

ERB, in turn, is a reference in the generation of renewable energy from biomass, using inputs such as reforested eucalyptus, sugarcane bagasse, coconut and forest residues. ERB carries out a **Forest Partnerships** project, which seeks medium and large agricultural producers in Bahia who are interested in signing a contract with the company for planting eucalyptus, thus ensuring the supply of biomass for its operations. The entire execution of the project is under the responsibility of ERB, from the assessment of the area to the cutting of the wood, always respecting environmental legislation and also seeking the sustainable development of the regions around its operations, generating income for rural owners.



The energy generated from biomass is renewable, as it results from the process of burning non-fossil, residual, reforested inputs. Learn more on: http://www.inee.org.br/biomassa_sobre.asp?Cat=biomassa

Entities and associations

MDC is active in several entities and associations that have a strong representation in the industry. In this sense, the Company is a partner of the International Center for Renewable Energies (CIBiogás). [102-13]

As a founding member of the Brazilian Association of Biogas (Abiogás) and the Brazilian Association of Compressed Natural Gas (ABGNC), it maintains a relationship with the Ministry of Mines and Energy (MME) and the National Petroleum Agency (ANP). [102-13]

The Group is also part of the Association for Bahia Forestry Based Companies (ABAF), and has contacts with state regulatory agencies to address topics related to the evolution of the regulatory framework for biomethane and natural gas. [102-12]



Commitment to the Supply Chain

MDC's relationship with suppliers is ruled and guided by its **Code of Ethics and Conduct**, which highlights, among other matters, the relationship with external partners. In addition, the Company has a Supplies policy, responsible for the procurement of material and services that ensure our operational and corporate activities. These policies standardize the processes, meeting the requirements of Compliance, health, safety and the environment.

One of the actions taken by MDC for the security of supply is to **work with companies with a high level of reliability and compliance**.

In this context, the main suppliers that are part of the MDC portfolio are service providers in the forestry industry, civil, electrical and mechanical engineering, equipment rental and maintenance, freight and consulting companies. The group is also made up of suppliers of equipment, material and input, with strong demand for electrical, mechanical and civil tools, such as valves, circuit breakers, electrical panels, sand, chemicals and wood. [102-9]

Regarding the supply chain, it is worth noting that, in 2021, the ERB unit located in Bahia needed to buy a greater volume of biomass from third parties, as the subsidiary does not have enough eucalyptus plantation farms of its own to supply all the biomass necessary for its production. [102-10]





ECONOMIC PERFORMANCE FOCUSED ON RESULTS

Focus on Results

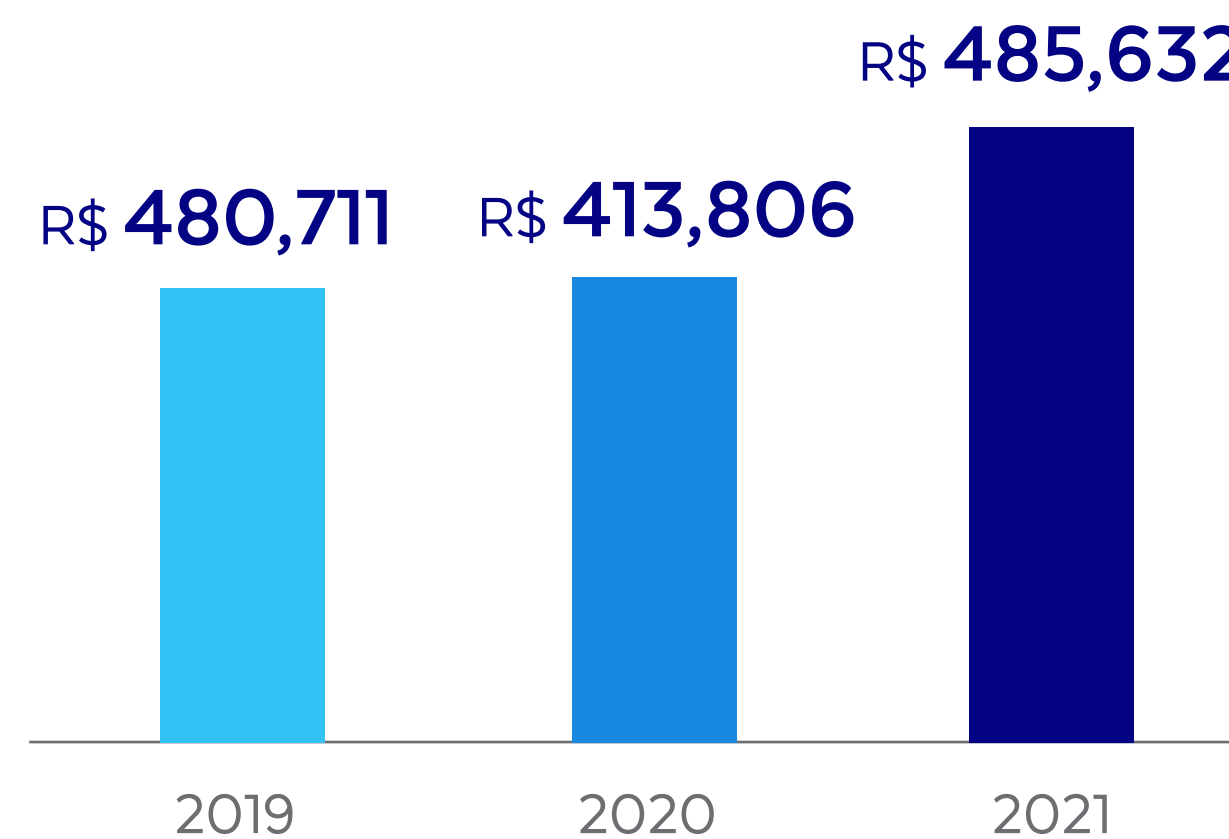
Always joining efforts to achieve results, MDC ended the 2021 fiscal year with positive results. The economic-financial indicators agreed in the annual strategic planning are systematically managed and monitored by the Company's Board of Executive Officers and a Financial Committee. It should be noted that the Company understands that its contribution is to distribute value to society in a fair and equitable way, contributing to the achievement of the Sustainable Development Goals (SDGs), more specifically SDG 8. [103 | 201]

The 2021 fiscal year ended with consolidated gross operating revenue of BRL 487.3 million, showing a growth of 4.6% compared to the BRL 465.6 million recorded in 2020. For the year, the EBTIDA was BRL

125 million, corresponding to a growth of 13% compared to the previous year. [201-1]

The table on the side shows the value generated and its distribution:

ECONOMIC VALUE GENERATED (total revenue)



DISTRIBUTED ECONOMIC VALUE (THOUSANDS OF BRL)	2019	2020	2021
Operating Costs	-291,621	-245,780	-374,965
Employee wages and benefits	-53,857	-58,067	-69,601
Payments to the Government	-55,526	-69,193	-69,829
Interest on equity			
Interest on third-party equity	-35,905	-41,236	-43,016
TOTAL	-436,909	-414,276	-557,411

OTHER FINANCIAL INDICATORS (THOUSANDS OF BRL)	2019	2020	2021
Net Revenue	290,656	351,052	410,063
Ebtida	60,189	110,693	125,002
EBITDA Margin	21%	32%	30%
Gross income	58,105	99,043	85,972
Operating income	-57,381	48,991	-34,622
Net income	-28,198	51,395	-70,102
Investment/CAPEX	-23,695	-35,017	-49,140
Indebtedness	-618,669	560,895	545,628
Provision for income tax	3,147	-8,225	4,948

2021 Results Subsidiaries



CDGN

CDGN's financial performance in 2021 was very positive, with Gross Operating Revenue of approximately BRL 96 million, an increase of 21% compared to the previous year.

With strong margin expansion, the company reached an EBITDA of BRL 25 million, which represents an increase of 91% when compared to 2020.

The results obtained are primarily due to the increase in the volume and price of natural gas, which added BRL 20 million in the Company's revenue.

Ecometano

In 2021, Ecometano recorded a Gross Operating Revenue of approximately BRL 72 million, a growth of 31% when compared to the result for 2020.

This growth is justified not only by the increase in the volume and price of biomethane sold, but also by the sales of CBios, adding to the Revenue the accessory value of BRL 7.9 million.

There was a 70% growth in EBITDA for the year, reaching a result of BRL 34 million.

ERB

Gross Operating Revenue in 2021 was BRL 317 million, an amount 12% higher than the BRL 283 million of the previous year.

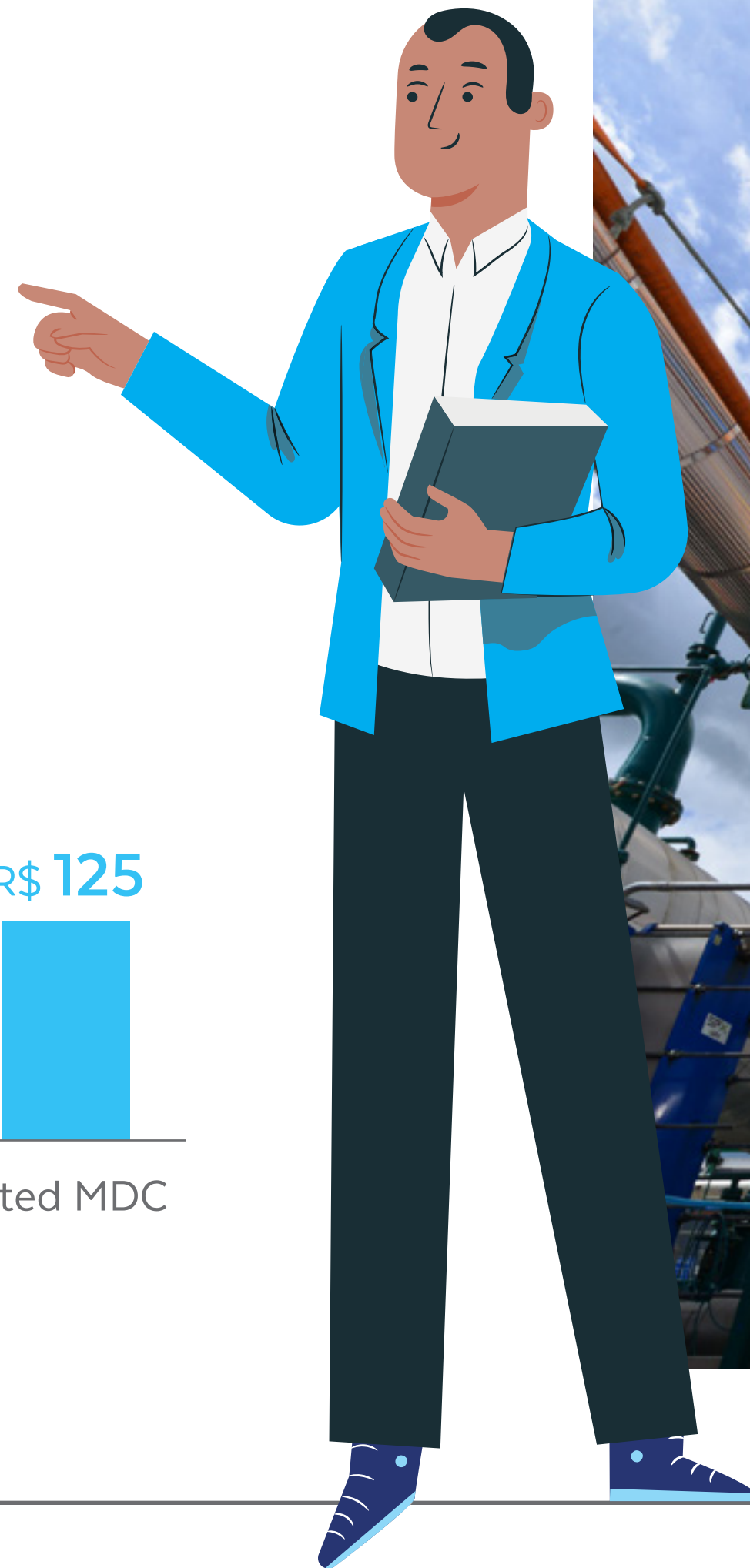
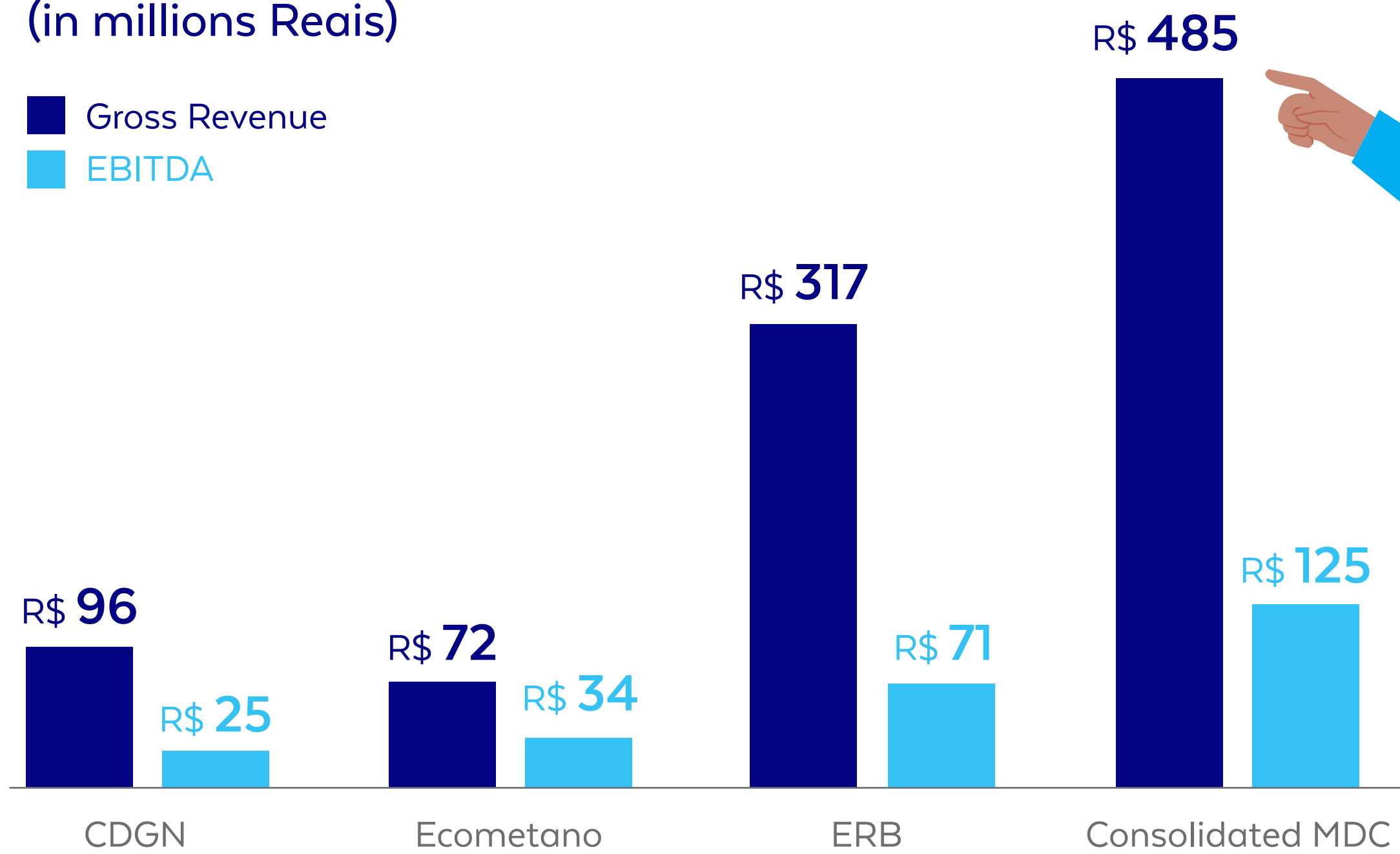
ERB's EBITDA was BRL 71 million, 15% lower than the result of BRL 83 million in 2020. The variation in turnover increase and EBITDA drop was due particularly to the increase in the cost of biomass used in the plant in Bahia, caused by the cancellation of wood agreements with third parties included in the Company's forestry supply plan, and the need to contract new biomass on the market at a price higher than planned.

In addition, the operation in Bahia had lower steam sales than expected, due to a scheduled customer stoppage that lasted longer than initially planned.

During the year, ERB accessed the capital markets for the first time by issuing BRL 25 million in Agribusiness Receivables Certificates (CRA) for the Bahia unit, which also obtained a Green Label due to the sustainable chain of business.

FINANCIAL HIGHLIGHTS (in millions Reais)

■ Gross Revenue
■ EBITDA





VALUING PEOPLE AND SOCIAL ENGAGEMENT

2021
381
employees

Employee Management²²

[103 | 401] [103 | 404] [103 | 405]

Over the past few years, the Company has expanded its workforce due to the implementation of new projects and the consolidation of existing ones, reaching a total of **381 employees in late 2021, compared to 340 in the previous year**. The efforts of the team towards the company’s business plan, focused particularly on growth, makes it possible to move people who work in the Company, directly impacting decent work issues and economic growth, thus boosting **SDG 8**.

Promoting identification between employees and MDC’s values is a priority when it comes to People Management, therefore, actions are taken annually to disseminate our culture and values in order to strengthen the MDC way.

²² See the other MDC indicators on this topic in the annex to this document.

2021 was a year marked by actions to strengthen the MDC culture. See what the Company has implemented:

CULTURE WEEK

In October, MDC held its 1st Culture Week. Each day of the week focused on one of the Company’s values, with lectures, including one by Hugo Bethlem, Chairman of Instituto Capitalismo Consciente Brasil [conscious capitalism institute] (ICCB), for employees and internal communications.

INOVA MDC (INNOVATION) PROGRAM

As innovation was the value most intensively worked on in 2021, the Program aimed at gathering innovative ideas from employees to create value for the Company. In 2022, a new program was launched, entitled “Conecta MDC”, focused on promoting the company’s connection with all its stakeholders.

CULTURE PILLS

Throughout the year, disclosures were made in the format of “culture pills” to all areas, focusing on safety, administrative processes and institutional content. The objective was to reinforce with employees the concept of each value of the MDC Culture.

In order to retain and attract new talent, the company seeks to create a positive, humanized, inclusive organizational environment for all, improving employee experience and satisfaction.

Regarding the Recruitment and Selection processes, the People & Management area reviewed the internal policies, invested in a system for automating the search for candidates and improved their profile analysis, ensuring greater assertiveness in hiring and adherence to MDC's values.

Also regarding the recruitment process, guidelines were established that have a positive social impact on the communities close to the company's operations, taking advantage of the workforce from these regions by hiring employees from these communities, and, through indirect jobs generated by local businesses that provide services to the units, enhancing the region's economy.



Although there is no internal policy that formalizes the employment topic, MDC works to keep formal positions based on the Brazilian Restated Labor Laws (CLT), thus avoiding large contracts for outsourced labor.

The turnover in the group companies is low: 1.7% per month on average. For some specific positions, there was an increase in the demand for professionals in the market in 2021, generating greater competitive pressure.

2021
41
promotions
and merits
granted

In order to review the Company's competitiveness in relation to compensation and benefits provided by the market, a review of Positions and Wages was carried out establishing MDC's clear positioning as to compensation strategy. The work included the mapping of distortions and addressed an adequacy plan, which started in 2021 and was contemplated by the 2022 budget to adjust the most significant distortions identified. Last year, the Company recorded the number of **41** promotions and merits granted. [401-2]



Employee Profile²³

In 2021, the Company had 381 employees, 41 more than in 2020. A large part of the team is made up of employees between 30 and 50 years old (68%), followed by members under 30 years old (20%), and, to a lesser extent, those over 50 years old (12%). The vast majority of employees (81%) are men, a number that is justified by the nature of the business itself. Considering only the employees who work in the corporate area, MDC has 50% of the workforce made up of women. [401-1]

Currently, the Company has a fixed team in three regions of Brazil: Northeast, Southeast and South, where its workforce is distributed in 58%, 41% and 1% respectively.

The new hiring profile was greater for the group below 30 years (53.8%), followed by people between 30 and 50 years (17.1%), and the lowest represented by the group: those with more than 50 years of age (11.1%), with a higher rate for women (53%), and the Northeast and Southeast regions with practically the same rate. [405-1]



TOTAL NUMBER AND RATE OF NEW HIRING BY GENDER [401-1]

GENDER	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
Women	17	39%	19	40%	39	53%
Men	48	18%	63	22%	52	17%
TOTAL	65	21%	82	24%	91	24%

The annual turnover rate was 20.2%, with a monthly average of 1.7%, a percentage below the market (industrial activity) benchmarking, which is 3% per month.

Regarding the type of contract, 93% of the workforce in 2021 was made up of permanent employees, reinforcing MDC’s Commitment to hiring in the CLT modality. Of this group, 16% were women and 84% men. The remainder (7%) were under temporary work, where 65% of the workforce was made up of women and 35% men. Most of the staff is concentrated in the Northeast and Southeast regions. [102-8]

Regarding the representativeness of the workforce by company, it is observed that 46% of the workforce is concentrated in ERB, 24% in MDC, 22% in CDGN and 8.4% in Ecometano.

²³ See the other MDC indicators on this topic in the annexes to this document.



Corporate Education

Development is one of the values of MDC’s organizational culture, and it is directly related to SDG 4 – Quality Education. The Group is proud of having the ability to articulate the commercial, logistical, regulatory and technical aspects. To do that, we understand that we have to train our workforce, and build a **team capable of delivering quality products to customers**. With this value of culture as a guide, the Company invests in the development and training of employees, offering training in areas of knowledge that are related to their performance at the Company. [103|404]

This topic is managed based on an **internal policy entitled “Training and Development”**, specific to the subject. The document establishes the

system for preparing an annual training program for employees, aimed at ensuring the refreshing of the necessary skills to meet the challenges of the Company’s strategic planning.

The structure of employee development is based on the pillars of **technical competences and behavioral skills to leverage performance** in the roles and strengthen adherence to the company’s values and culture.

Trainings are divided into five topics: technical (specific to the role performed), safety, behavioral/culture, leadership and governance and Compliance.

The investment in training during 2021 was BRL 410 thousand, as illustrated in the table below. In addition to the amounts described below, the Company also invests in mandatory safety training.

INVESTMENT IN TRAINING AND QUALIFICATION (BRL THOUSAND)	2019	2020	2021 DONE
Ecometano	0.0	33.1	9.5
CDGN	174.4	89.5	24.4
ERB	111.9	67.2	125.7
MDC	14.4	38.4	250.3
TOTAL	300.7	228.2	410.1

The investment in training focused on development in 2021 was BRL 410,000



For the year in question, 156 employees were trained. Of those, 30 were women, and 126 men. 6% belonged to the Executive Board, 26% occupied the category of Management, Coordination, Supervision and 69% the positions of Technical, Analyst and Operational.

Employees in middle and high leadership positions underwent an average training time of 33.9 hours, an average time close to that of officers, which was 33.3 hours, followed by the Technical, Analyst and Operational group, which underwent an average of 27.4 hours of training in 2021.

[404-1]

In 2021, an analysis of the education profile was carried out for the Group's employees. The work pointed out that 23 of them had not completed basic education. Based on this information, the importance of addressing the issue within the Company's ESG actions was understood, making a commitment for 2022 to support these employees in completing basic education (elementary and high school) of the Ministry of Education. Connected to SDG 4 - Quality Education, this action, in addition to graduating employees, provides new perspectives on life, career and self-esteem.

Leadership Development Program - PDL

In addition to guaranteeing results and monitoring the activities of the areas, the leaders have an essential role in the guidelines for disseminating the MDC Culture and creating a positive environment. In 2021, the Company focused on developing the skills of its leaders. To this end, cycles of a **Leader Development Program (PDL)** were conducted covering Middle Leadership and Strategic Leadership. By the end of 2021, 95% of leaders had participated in the Program. Last year, 3 groups were formed, with the participation of 50 employees over 20 meetings, which included speakers, consultants and group dynamics.

The Company's leaders also participated in an action to assess their adherence to MDC's culture. In November, a survey was carried out following the Barrett Values Center (BVC) methodology. The consultation involved 50 leaders of the Company and was part of the actions of the 1st MDC Culture Week (see more in the actions table at the beginning of the Employee Management Chapter). The purpose of the survey was to cross-reference the values currently perceived by the Company's leaders and those that they believe are strategic for the improvement of the organizational culture. The result was quite positive, as the score was 84, which shows a strong alignment between the values of the leaders and those of the Company. [102-43]



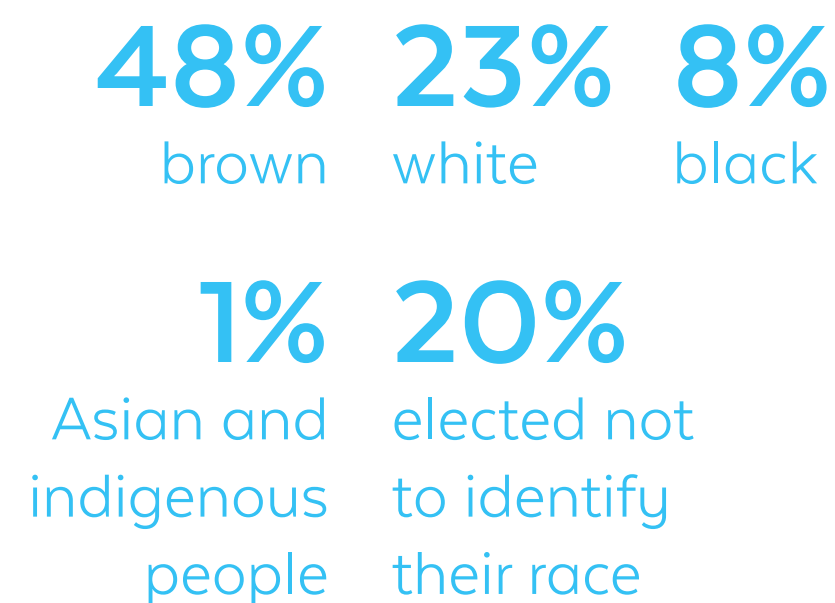
Valuing Diversity²⁴

The Company is aware of Diversity and Inclusion (D&I), and creates initiatives to ensure an inclusive, fair, safe, respectful environment for all, where each employee has access to the same development opportunities. At MDC, attitudes of discrimination or prejudice are not accepted, whether due to gender, sexual orientation, ethnicity, race, nationality, physical condition or any other. According to the **Company’s Code of Ethics and Conduct**, all those who are part of the Company must respect **freedom of choice and form diverse teams**.

It is understood that Diversity & Inclusion is more than anything about people, valuing and giving space to the experiences and individualities that make them unique, that make them who they are. [103|405]

In 2021, the board and strategic leadership were made aware of the importance of working on the topic, through a series of workshops and contributing to boosting SDGs 5 and 16.

²⁴ See the other MDC indicators on this topic in the annexes to this document.



After the involvement of leaders, a guide to diversity and inclusion was launched in 2022 so that employees are better oriented on how to deal with the topic internally.

Currently, in terms of racial diversity, the Company has a diverse group: **48% self-declared brown, 23% white, 8% black, 1% yellow and indigenous and 20% preferred not to self-declare their race.**

In general, the functional category most occupied by all groups is Analyst, Assistant and Technicians, due to the greater need for positions for these functions.

Regarding People with Disabilities (PwD), the Company has two employees, one less than in 2020.

The largest concentration of own employees is at a technical level, and the age group is between 30 and 50 years old.



“In such a diverse world, the search for diversity, which should be so common, has become an important issue and a differential for Companies prioritizing ESG actions. In our company, there is an incessant search to bring equity in our operations and in the development of our activities”

Carolina Cunha, MDC

Mood and internal engagement survey

89% of employee adherence

83% positive responses

INFRASTRUCTURE	MANAGEMENT
COMMUNICATION	CULTURE
MOOD	ORGANIZATIONAL STRATEGY

In 2021, the 1st MDC Climate Survey was carried out, involving all the Group’s employees. The survey was divided into the six pillars mentioned above.

89% of our employees responded to the survey. The Survey – which was completely anonymous and confidential – also had overall result with 83% positive responses for MDC. The responses were presented to each manager, who was responsible for preparing an action plan to address the most critical points raised.

In the 2022 strategic planning, an action plan was defined for all companies in the MDC Group to address the critical points of the survey, which were those that had at least 20% of negative responses.

Among the critical points (with > 20% of negative responses) raised were:

Infrastructure (Facilities)

Demands on the infrastructure of some offices and operating rooms were identified. Already aware and attentive to this issue, the move to a new office in Rio de Janeiro (which took place in 2022) was being considered, in addition to the renovation of the operating rooms of other critical units still in 2021.

Position and Salary Policy

Employees suggested compensation and structure policies for the unified position and salary plan for companies of the Group. The People & Management area, with a specialized consultancy firm, defined the company’s strategies and policies for positions and salaries. A series of adjustments was programmed as an action plan resulting from this work, to be implemented over the next few years. [104-44]

Overtime and stress

Requests were also identified to reduce the level of stress and overtime hours. To solve this issue, in 2021, MDC adopted stricter time control with managers, as well as targeted time management practices with the approval of a Personnel Management Policy. In addition, last year, MDC started to design a Health and Wellness program aimed at improving the Healthy Life Conditions of its employees.

Internal Engagement

Increasingly, organizations from the first, second and third sectors have developed their communication, seeking to integrate their strategic audiences and establish a relationship with society based on transparency. One of the most significant gains for the Companies is image and reputation, which directly contributes towards the attraction of potential partners and customers.



In this context, in 2021, MDC structured its communication as an important tool for engagement and transparency with the main stakeholders. Many channels were implemented, both externally and internally, to reinforce the strategic positioning and increase the reach of MDC's communication.

Check out below some highlights in 2021:

- Launch of websites aligned with the Company's new visual identity.
- Creation of profiles on LinkedIn for MDC and Group companies, which, by the end of last year, had around 20,000 followers on their pages.
- Strengthening of the work with the national press and specialized in the energy sector, with MDC's CEO, Manuela Kayath, as the main spokesperson. As a result, MDC appeared in more than 80 articles in the press, in vehicles such as Valor Econômico and O Globo.
- Creation of several internal communication channels, such as intranet, groups in instant messaging application and planning of weekly communications. As a result, approximately 90% of the company's employees, including those without a corporate email address, now have access to the Company's information. More than 250 internal communications were issued with topics such as MDC culture, mental health, commemorative dates, reminders of internal policies and updates on Group matters.
- Updating the Company's image bank, creating and disseminating institutional videos and internal templates, to reinforce its brand positioning.



Community

Having as priority causes the income generation and education, MDC works with the communities surrounding its operations. The Company believes that, in order to expand its social impact actions, it needs to engage employees and other stakeholders, mobilizing efforts to generate opportunities for communities. [103 | 413]

In 2021, still attentive to the impacts of the Covid-19 pandemic and the resulting economic crisis, MDC continued with assistance actions in the communities surrounding the operations, holding six editions of an event entitled Solidarity Caravan.

Solidarity Caravan

The Solidarity Caravan was held in the states of Bahia, Rio de Janeiro and Minas Gerais. This initiative relied on the volunteering and prominent role of the Company's employees. The

project reached several people through medical and dental care, children's recreation, lectures, distribution of food staples and oral hygiene kits to people impacted by the Covid-19 pandemic.

As a result of the six Caravans of Solidarity, the following was attained:

3 thousand people impacted

1,500 staple food baskets distributed

1.8 thousand snacks kit delivered

60 volunteer employees in the actions

780 various assistance actions

160 people from communities trained in the actions



In parallel and always aligned with the two defined causes (education and income generation), the Company used diagnoses carried out to start three long-term social projects in cities where it has industrial units: two productive groups of women in Bahia, focused on income generation, and an after school institution that seeks to improve the teaching conditions of children in Caucaia (Ceará), offering tutoring for children and adolescents aged 6 to 17 years. [413-1]

In 2020, MDC mapped the needs of the communities surrounding its operations, seeking to focus on social actions. Based on this diagnosis, it defined the priority causes of its action: education and income generation, perennial sustainable project development.

Social Projects in 2021

Below are some of the social initiatives that have been implemented:



“This action has encouraged me to continue to believe that it is possible to have social equality without leaving my community”

Lilian Ferreira, a beneficiary of the Caboto (Bahia) production group

Generation of income for women

In the communities of Caboto and Madeira, located in Candeias (Bahia), MDC and the subsidiary ERB assist, in partnership with Instituto Aliança, two productive groups aimed at women in the region. The performance of the groups differs by the products they develop: one is directly linked to the food sector, as they produce craft jellies, liqueurs and artisanal cracknels. and the second works in the textile sector, making ecological bags made from the canvas of banners that would be sold. In all, 34 women entrepreneurs participate in the projects.

Education

Through a partnership between MDC, Marquise Ambiental and Instituto Alicerce, in 2021, Espaço Novo Destino, an after-hours school located in Caucaia (Ceará), near one of the units of subsidiary Ecometano, was inaugurated. The objective of the social project is to give tutoring classes on writing, reading and mathematics, in addition to developing psychosocial skills off school hours for children and adolescents aged between 6 and 17 who live in the region. And, at the same time, preserve the safety and well-being of these young people, as Caucaia is among the most violent cities in Brazil.

Social development

Through Vale do Dendê - a startup and accelerator of new businesses with social impact on the outskirts of Salvador (Bahia) -, MDC supported three initiatives that relate to the causes defined by the Company:

- Tem Dendê Gourmet, which operates in the food sector and produces typical Bahian foods, such as acarajés and abarás;
- Óiafia, which operates in the field of sustainable cosmetics;
- And Projeto Jovens Periféricos, which offers young people courses in fashion, theater, music, singing, literary studies, English, among others.

3 PROJECTS

in the long term created

3 SUPPORTED

startup projects

HUNDREDS OF FAMILIES

directly or indirectly supported

EDUCATION AND INCOME GENERATION

as priority causes



“Social problems are part of the reality of which we are all part. In this context, it is essential that companies get involved and publicize their actions, thus valuing a more conscious management model in the relationship between capital and society. At MDC, the commitment to the development of communities close to the operations and the involvement of volunteer employees reinforce the sustainable growth of the company in practice”

Leonardo Bacelar, MDC



NUMBER OF PEOPLE IMPACTED IN 2021

3,260

Consolidating social results, in 2021, 12 social projects were carried out with the communities: 6 Caravans, 3 perennial projects and support to 3 startups from Vale do Dendê. Of the projects carried out, **3,260** people were impacted.

For 2022, MDC aims to remain connected to its causes and intends to expand the social impact of its initiatives, consolidating the projects implemented in 2021 and implementing two new ones, in addition to maintaining assistance actions in the communities where it operates.

Conscious Capitalism

Last year, MDC became a supporter of Instituto Capitalismo Consciente Brasil (ICCB). The institution is part of a global movement whose philosophy is the idea that business should be conducted in a more humane, conscious manner. In other words, economic growth must take priority, but the activities must be conducted with a focus on the sustainability of relationships with all its stakeholders.

APPROPRIATE COMPLIANCE AND GOVERNANCE MECHANISMS

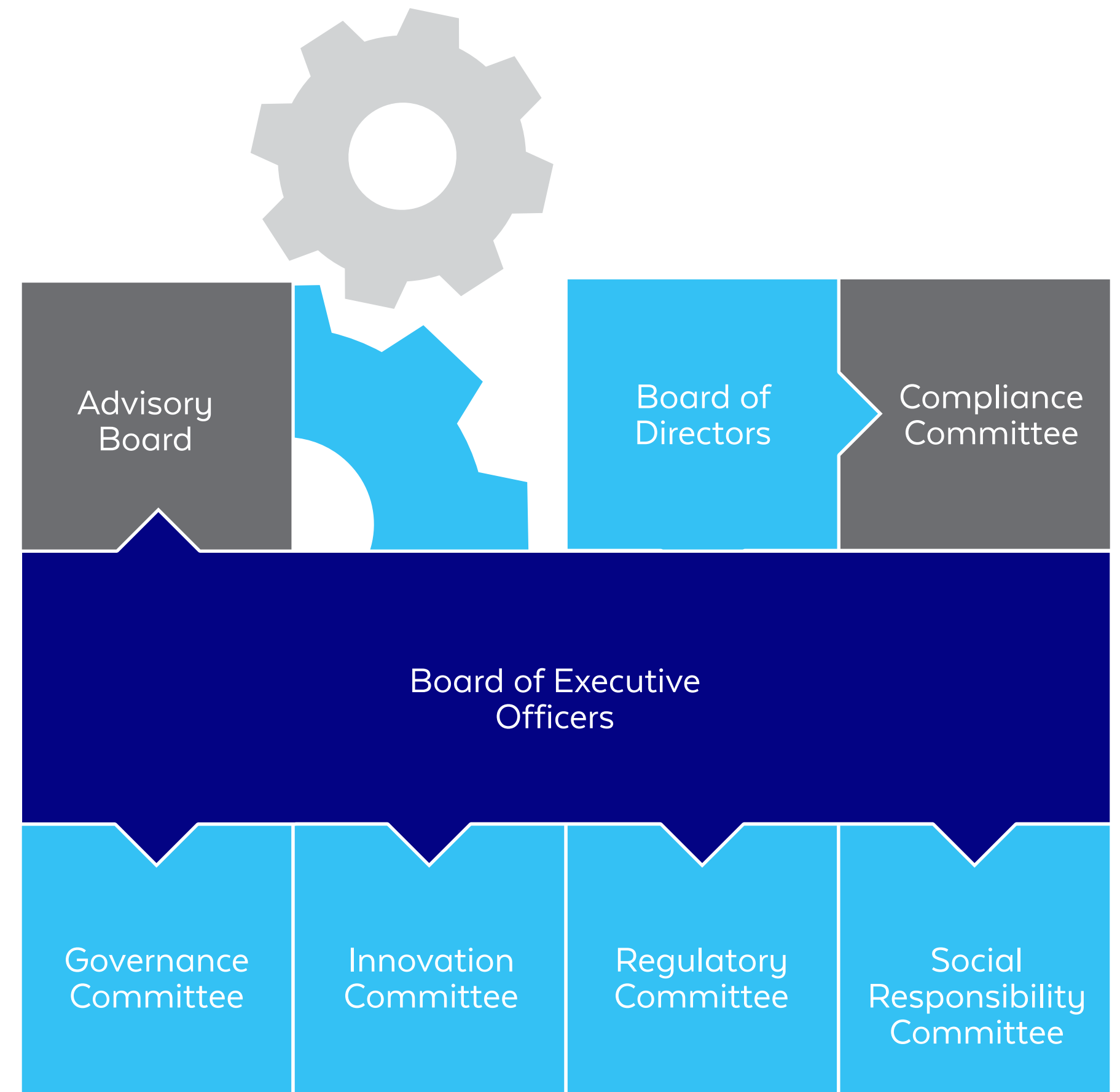


“The constitution of a strong Group depends on the awareness of what is right. And acting seeking the best for MDC and subsidiaries is a daily commitment, in which everyone involved in this objective believes. In this way, the results of a broad and accessible Code of Ethics, added to transparent policies and procedures, allow us to safely advance in the Governance and Compliance agenda each year”

Kelly Farias, MDC

In order to improve the Company’s performance and support SDG 16 to increase transparency, accountability and effectiveness at all levels, MDC’s governance structure comprises:

- General Shareholders’ Meeting, the Company’s highest decision-making body;
- Board of Directors, the Company’s decision-making body;
- Executive Board composed of 4 officers;
- Compliance Committee, an autonomous and independent body, reporting to the Company’s Board of Directors;
- Four advisory committees of the Executive Board to deal with Governance, Innovation, Regulatory Affairs and Social Responsibility; and,
- Advisory Board composed of 4 members to advise the Executive Board on strategic matters and those related to the development of the Group’s new businesses.

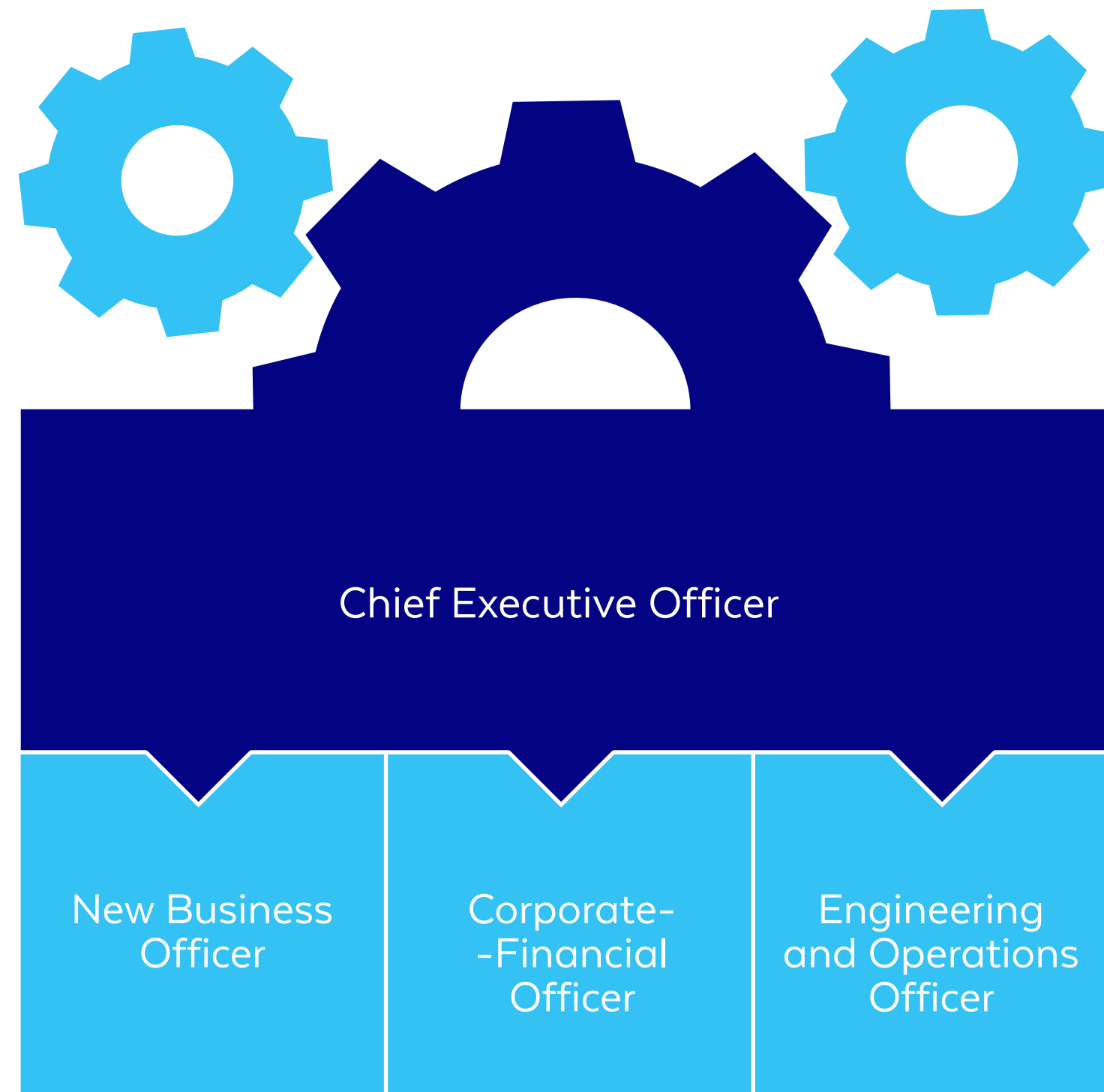


Topics related to sustainability guidelines can be drafted and proposed within the scope of the committees and/or the Board of Executive Officers and may, depending on their contents, be submitted for resolution and approval by the Board of Directors.

As previously mentioned, MDC has a Board of Directors composed of 5 members (4 men and 1 woman), all with 1-year terms, with three Directors appointed by the MDC Shareholders and the FI-FGTS Shareholder and two Directors appointed by the FI-FGTS Shareholder. The members have relevant professional experience to hold the position of Director, in addition to having diversified training (2 lawyers, 1 business administrator, 1 engineer and 1 reserve general), to contribute to strategic decisions for the development of the MDC Group as a whole. [102-18] [102-22]

Except for the **Related Parties Committee**, the Board of Directors does not directly have other advisory committees in place.

The meetings of the Board of Directors are held on a monthly basis and aim at addressing strategic issues for the operation of the group as a whole, in addition to meeting the resolution quorums and the Company's governance mechanisms. During the meetings, topics such as risk analysis and opportunities linked to environmental, economic-financial and social issues are discussed. [102-27] [102-31]



According to the organization chart above, the MDC Executive Board in 2021 had four officers. In addition, the Advisory Board was made up of four members with extensive experience in the core business of the Group, which favors discussions and proposals for improvements in a strategic, consistent manner. [102-27]

The Company has committees that work with a focus on ESG (environment, social and governance) topics, as they support senior management in conducting the business. The committees are directly linked to the Executive Board and must at least count on the presence of a Director. [102-18]

MDC also has an **ethical conduct and compliance program**, guided by policies and internal controls directed at the topic, as well as by the Code of Ethics and Conduct. The topic is managed and considered in all relationships established and processes performed by the Group. [MDC1]

MDC follows solid governance standards, with high transparency and ethical commitment, which is an example to employees, the society and the environment. The business of the MDC group are subject to **intense inspection and regulatory activity**.

In 2021, the Company intensified and strengthened its governance structure through the review and elaboration of compliance policies for the Group, adequacy of structure, training and communication channels with the compliance area.

Inherent risk assessment

The assessment of the risk of corruption to which the business is subjected takes into consideration the geographic location, activity performed, the interaction with governmental officials/regulatory agencies, business partners and third parties.

MDC's anti-corruption culture is strengthened by its Compliance Program and structured through internal documents and policies such as the Code of Ethics and Conduct and the Related Party Policy, Conflict of Interest Policy, and the Anti-corruption, Gifts and Hospitality Policy. The Company also provides for an Anti-corruption Clause in all contracts of the group.

[205-1] [103 | 205]

Virtually 100% of the Company's revenue comes from the private sector, with companies with strict compliance standards as counterparties.

In 2021, 100% of the Group's operations were subject to risk assessments related to corruption. For the assessment, the holding company, MDC and three subsidiaries of the group (CDGN, Ecometano and ERB) were considered, as they concentrate the Company's three business segments. Such companies were subjected to risk assessments related to corruption due to the fact that their operations concentrate interaction with government officials, business partners and third parties, in addition to the absence of some policies and procedures related to Compliance on the risk assessment date.

The significant corruption-related risks identified based on risk assessments carried out were:

- **Obtaining undue advantages through situations of conflicts of interest;**
- **Corruption / Fraud;**
- **Non-compliance with current legislation/regulation;**
- **Information leak by employees;**
- **Hiring employees in disagreement with the organization's values; and**
- **Conducting business with untrustworthy third parties / business partners.**

The risk assessments in 2021 are the result of the implementation of a structured Compliance Program for the entire MDC Group.

Preventing conflicts of interests

MDC has a Related Parties Policy that guides the prevention and management of risks connected with conflicts of interest. The document guides the review and validation of transactions involving related parties prior to the resolution by the Board of Directors and the Shareholders' Meeting. [102-25]

With regard to conflicts of interest related to employees and people linked to the Company's services, it is mandatory to fill out a questionnaire on the subject, which is later sent for evaluation by the Compliance Committee.

In the event that any member of the Executive Board, Board of Directors or Shareholder declares a conflict of interest that prevents the execution of any transaction, the relevant interested parties will be informed of the nature of the conflict and its limits and the extent and impact for proceeding or not with a given transaction.

For situations that do not comply with the foregoing, interested parties will only be informed in the event that there is a demand by a third party or imposition of a legal provision, such as "know your counterparty" forms or "final beneficiary forms to obtain financing". [102-25]



Code of Ethics and Conduct

The Compliance Program resulted in the updating of the Code of Ethics and Conduct of the Group. According to the code, employees are guided in relation to best practices regarding topics such as values, ethical principles and standards of conduct, as well as the standardization of professional relationships with their partners and the public in general, with a focus on transparency, integrity and efficiency in these relationships.

Reporting Channel

MDC reinforces its commitment to transparency in business and in its relations with the market, and for that purpose, it provides a Whistleblower Channel via email (compliance@mdcenergia.com.br).

Through this official channel, the company expects to receive reports of situations involving violations of the Code of Ethics and Conduct, and all complaints are investigated based on anti-corruption and money laundering laws in force²⁵. There are no records of a reported complaint that violates such legislation by the MDC Group. [205-3]

Compliance Training

All professionals joining the MDC Group are provided training on compliance during the onboarding process, and refresher training every year on the subject is provided to professionals with increased exposure who are already part of the workforce.

In 2021, only MDC's Executive Board was trained based on the new Code of Ethics and Conduct, made available to all employees by email in September. The other members of the Group will be trained throughout 2022. [205-2]

In any case, in 2021, employees, excluding interns and young apprentices who are

under low exposure, received communications via email informing them of internal policies related to the topic. [205-2]

Regarding the base of contracts with partners, suppliers and customers, 77% contain anti-corruption provisions and since 2020 the Company has an anti-corruption clause in all contracts signed with suppliers.

The team of third-party workers, suppliers and business partners do not receive specific training on the MDC Group's anti-corruption policies and procedures. [205-2]

Since the revision of the Compliance Program, it has been established that 100% of senior management will be trained in the MDC Group's anti-corruption policies and procedures.

The year's highlights were:

- Execution of the Risk Assessment of the MDC Group;
- Review and implementation of the new Code of Ethics and Conduct;
- Approval of the Compliance Program by the Management Bodies;
- Start of review/preparation of Compliance Policies in accordance with Risk Assessment.

25 Anti-Corruption Law and Clean Business Law - No. 12.846/2013; Misconduct in Public Office Law - No. 8.429/1992; Anti-money Laundering Law - No. 12.683/2012

GRI SUMMARY

[102-55]

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE

GRI Standard	Contents	Page / Response	Omission
GRI 102: General disclosures 2016	102-1 Name of the organization	Page 10	-
	102-2 Activities, brands, products, and services	Page 14	-
	102-3 Location of headquarters	Page 10	-
	102-4 Location of operations	Pages 13, 14	-
	102-5 Nature of ownership and legal form	Page 10	-
	102-6 Markets served	Page 14	-
	102-7 Size of the organization	-	-
	102-8 Information on employees and workers	Pages 50, 76, 78, 79, 80, 81, 82	-
	102-9 Supply chain	Page 43	-
	102-10 Significant changes in the organization and its supply chain	Page 43	-
	102-11 Approach or precaution principle	Page 34	-
	102-12 Externally developed initiatives	Page 42	-
	102-13 Membership in associations	Page 42	-

STRATEGY

GRI Standard	Contents	Page / Response	Omission
GRI 102: General disclosures 2016	102-14 Senior decision maker statement	Page 4	-
	102-15 Main impacts, risks and opportunities	Page 34	-

ETHICS AND INTEGRITY

GRI Standard	Contents	Page / Response	Omission
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and behavior rules	Page 12	-

GOVERNANCE

GRI Standard	Contents	Page / Response	Omission
GRI 102: General disclosures 2016	102-18 Governance Structure	Page 60	-
	102-22 Composition of the highest governance body and its committees	Page 60	-
	102-25 Conflicts of interest	Page 62	-
	102-27 Collective knowledge of the highest governance body	Page 60	-
	102-31 Review of economic, environmental and social topics	Page 60	-

STAKEHOLDER ENGAGEMENT

GRI Standard	Contents	Page / Response	Omission
GRI 102: General disclosures 2016	102-40 List of groups of stakeholders	Page 6	-
	102-41 Collective bargaining agreements	100% of own employees up to senior leadership level are covered by collective bargaining agreements.	-
	102-42 Identification and selection of stakeholders	The selected internal and external interest groups were the stakeholders with the greatest potential to exert influence on the business and whose maturity of relationship with MDC enabled a relevant contribution to the process of defining management priorities.	-
	102-43 Approach to stakeholder engagement	Pages 39, 52, 66	-
	102-44 Key topics and concerns raised	Pages 7, 39	-

REPORTING PRACTICES

GRI Standard	Contents	Page / Response	Omission	
GRI 102: General disclosures 2016	102-45	Entities included in the consolidated financial statements	All Companies of the Group are contemplated.	-
	102-46	Defining report content and topic boundaries	Pages 6, 7	-
	102-47	List of material topics	Page 7	-
	102-48	Restatement of information	-	-
	102-49	Changes to the report	-	-
	102-50	Reporting period	Page 5	-
	102-51	Most recent report date	-	-
	102-52	Report Cycle	Page 5	-
	102-53	Contact point for questions regarding the report	Page 5	-
	102-54	Option according to GRI Standards	Page 5	-
	102-55	Summary of GRI contents	Page 64	-
	102-56	External assurance	Report did not undergo external verification.	-

MATERIAL TOPICS

ECONOMIC PERFORMANCE

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundaries	Page 44	-
	103-2 Approach of the management and its components	Page 44	-
	103-3 Evolution of management approach	Page 44	-
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Page 44	-
	201-2 Financial implications and other risks and opportunities due to climate change	Pages 32, 33	-

ANTI-CORRUPTION

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundaries	Page 61	-
	103-2 Approach of the management and its components	Page 61	-
	103-3 Evolution of management approach	Page 61	-
GRI 205: Fight against corruption 2016	205-1 Operations assessed for risks related to corruption	Page 61	-
	205-2 Communication and training on anti-corruption policies and procedures	Page 63	-
	205-3 Confirmed cases of corruption and actions taken	Page 63	-

EMISSIONS

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundaries	Page 34	-
	103-2 Approach of the management and its components	Page 34	-
	103-3 Evolution of management approach	Page 34	-
GRI 305: 2016 Emissions	305-1 Direct (Scope 1) Greenhouse Gas (GHG) emissions	Page 37	-
	305-2 Indirect greenhouse gas (GHG) emissions from energy acquisition (Scope 2)	Page 37	-
	305-3 Other indirect (Scope 3) Greenhouse Gas (GHG) emissions	Page 37	-
	305-4 Intensity of greenhouse gas (GHG) emissions	Page 37	-

EMPLOYMENT

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundaries	Page 47	-
	103-2 Management approach and its components	Page 47	-
	103-3 Evolution of management approach	Page 47	-
GRI 401: Employment 2016	401-1 New hires and employee turnover	Page 50	-
	401-2 Benefits offered to full-time employees not offered to temporary or part-time employees	Page 49	-

OCUPATIONAL HEALTH AND SAFETY

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundaries	Page 26	-
	103-2 Management approach and its components	Page 26	-
	103-3 Evolution of management approach	Page 26	-
GRI 403: Occupational Health and Safety 2018	403-5 Training of workers on occupational health and safety	Page 26	-

TRAINING AND EDUCATION

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	GRI 103: Management approach 2016	Page 47	-
	103-2 Management approach and its components	Page 47	-
	103-3 Evolution of management approach	Page 47	-
GRI 404: Training and education 2016	404-1 Training and education 2016	Pages 52, 77, 78	-






DIVERSITY AND EQUAL OPPORTUNITY

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	GRI 103: Management approach 2016	Page 47	-
	103-2 Management approach and its components	Page 47	-
	103-3 Evolution of management approach	Page 47	-
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity in governance bodies and employees	Pages 50, 73, 76, 78, 79, 80, 81, 82	-

LOCAL COMMUNITIES

GRI Standard	Contents	Page / Response	Omission
GRI 103: Management approach 2016	GRI 103: Management approach 2016	Page 56	-
	103-2 Management approach and its components	Page 56	-
	103-3 Evolution of management approach	Page 56	-
GRI 413: Local communities 2016	413-1 Operations with programs implemented for local community engagement, assessment of impacts and local development	Page 56	-

SDG SUMMARY

SDG	MATERIAL TOPIC WITH WHICH THE SDG RELATES	PAGE
	Valuing people and social engagement	47, 51, 52, 53 and 56
	Climate Change and the Energy Transition	14, 30 and 32
	Focus on developing and innovating products and services that meet customer needs	32 and 38
	Climate Change and the Energy Transition	30
	Focus on developing and innovating products and services that meet customer needs	38
	Economic performance focused on results	44
	Valuing people	47 and 56
	Climate Change and the Energy Transition	30
	Focus on developing and innovating products and services that meet customer needs	32 and 38
	Valuing people and social engagement	53, 56 and 59
	Appropriate Compliance and Governance Mechanisms	25 and 59

ANEXXES

TOTAL NUMBER OF OWN EMPLOYEES BY AGE GROUP [405-1]			
AGE GROUP	2019	2020	2021
Below 30 years of age	76	72	78
Between 30 and 50 years of age	214	232	259
Over 50 years of age	25	36	44
Total	315	340	381

TOTAL NUMBER OF OWN EMPLOYEES BY GENDER [405-1]			
GENDER	2019	2020	2021
Women	44	48	73
Men	271	292	308
Total	315	340	381

NUMBER OF OWN EMPLOYEES BY REGION (SENIOR MANAGEMENT NOT INCLUDED)									
REGION	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Northeast Region - Pernambuco	23	187	210	48	193	241	48	173	221
Southeast Region - São Paulo	8	94	102	6	90	96	25	132	157
South Region	0	3	3	0	3	3	0	3	3
Total	31	284	315	54	286	340	73	308	381

TOTAL NUMBER AND RATE OF NEW HIRES, BY AGE GROUP [401-1]						
AGE GROUP	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
Below 30 years of age	23	30%	27	37%	42	54%
Between 30 and 50 years of age	39	18%	49	21%	44	17%
Over 50 years of age	3	12%	6	17%	5	11%
Total	65	21%	82	24%	91	24%

TOTAL NUMBER AND RATE OF NEW HIRING BY REGION [401-1]						
REGION	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
North	0	0%	0	0%	0	0%
Northeast	42	20%	60	25%	53	24%
Midwest	0	0%	0	0%	0	0%
Southeast	23	22%	22	23%	38	24%
South	0	0%	0	0%	0	0%
Total	65	21%	82	24%	91	24%

TOTAL NUMBER OF OWN EMPLOYEES WHO LEFT THE COMPANY AND TURNOVER RATE, AGE GROUP [401-1]

AGE GROUP	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
Below 30 years of age	16	26%	14	28%	19	39%
Between 30 and 50 years of age	27	15%	27	16%	38	16%
Over 50 years of age	3	12%	7	18%	6	12%
Total	46	18%	48	19%	63	20%

TOTAL NUMBER OF OWN EMPLOYEES WHO LEFT THE COMPANY AND TURNOVER RATE, BY GENDER [401-1]

GENDER	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
Women	11	32%	9	29%	19	40%
Men	35	15%	39	17%	44	16%
Total	46	18%	48	19%	63	20%

TOTAL NUMBER OF OWN EMPLOYEES WHO LEFT THE COMPANY AND TURNOVER RATE, BY REGION [401-1]

REGIÃO	2019		2020		2021	
	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE	TOTAL NUMBER	RATE
North	0	0%	0	0%	0	0%
Northeast	36	19%	40	21%	45	22%
Midwest	0	0%	0	0%	0	0%
Southeast	10	16%	8	16%	18	18%
South	0	0%	0	0%	0	0%
Total	46	18%	48	19%	63	20%

NUMBER OF OWN EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT AND GENDER (SENIOR MANAGEMENT NOT INCLUDED) [102-8; 405-1]

TYPE OF CONTRACT	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Temporary	4	2	6	2	4	6	17	9	26
Permanent	40	269	309	46	288	334	56	299	355
Total	44	271	315	48	292	340	73	308	381

NUMBER OF OWN EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER (SENIOR MANAGEMENT NOT INCLUDED) [102-8; 405-1]

TYPE OF EMPLOYMENT	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Full time	44	271	315	48	292	340	56	300	356
Part-time	0	0	0	0	0	0	17	8	25
Total	44	271	315	48	292	340	73	308	381

NUMBER OF OWN EMPLOYEES BY COMPANY (SENIOR MANAGEMENT NOT INCLUDED) [102-8; 405-1]

COMPANY	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
MDC	3	0	3	32	38	70	44	46	90
CDGN	8	134	142	5	67	72	6	77	83
Ecometano	1	2	3	1	31	32	1	31	32
ERB	24	143	167	10	156	166	22	154	176
Total	31	279	315	48	292	340	73	308	381

AVERAGE HOURS OF TRAINING THAT OWN EMPLOYEES CARRIED OUT DURING THE REPORTING PERIOD, BY GENDER [404-1]

GENDER	2019			2020			2021		
	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS
Women	ND	ND	ND	ND	ND	ND	30	833	27.7
Men	ND	ND	ND	ND	ND	ND	126	3,771	29.9
Total	ND	ND	ND	ND	ND	ND	156	4,604	29.5

AVERAGE HOURS OF TRAINING THAT OWN EMPLOYEES CARRIED OUT DURING THE REPORTING PERIOD, BY FUNCTIONAL CATEGORY [404-1]

FUNCTIONAL CATEGORY	2019			2020			2021		
	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS
Board of Executive Officers	ND	ND	ND	ND	ND	ND	9	300	33.3
Management/Coordination/Supervision	ND	ND	ND	ND	ND	ND	40	1,354	33.9
Technician/Analyst/Operational	ND	ND	ND	ND	ND	ND	107	2,934	27.4
Total	ND	ND	ND	ND	ND	ND	156	4,588	29.4

AVERAGE HOURS OF TRAINING THAT WORKERS (WHO ARE NOT OWN EMPLOYEES) CARRIED OUT DURING THE REPORTING PERIOD [404-1]

POSITION TYPE	2019			2020			2021		
	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS	TOTAL NUMBER OF EMPLOYEES	TRAINING HOURS	AVERAGE TRAINING HOURS
Trainees	ND	ND	ND	ND	ND	ND	0	0.0	0.0
Interns	ND	ND	ND	ND	ND	ND	1	16	16.0
Young/Adolescent Apprentice	ND	ND	ND	ND	ND	ND	0	0	0.0
Total	ND	ND	ND	ND	ND	ND	1	0.0	0.0

NUMBER OF WORKERS WITH NO BASIC EDUCATION, BY GENDER [404-1]	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
	1	9	10	1	20	21	2	21	23

NUMBER OF OWN PARDO (MIXED ETHNIC ANCESTRY) EMPLOYEES, PER POSITION TYPE AND GENDER [102-8; 405-1]

POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	1	1	0	0	0	0	1	1
Managers	0	4	4	2	8	10	1	4	5
Coordinators	1	5	6	1	7	8	0	10	10
Analysts, Assistants and Technicians	25	116	141	0	93	93	20	137	157
Interns and Young Apprentices	3	2	5	0	0	0	6	3	9
Total	29	128	157	3	108	111	27	155	182

NUMBER OF OWN BLACK EMPLOYEES, PER POSITION TYPE AND GENDER [102-8; 405-1]

POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0	0
Coordinators	0	0	0	0	1	1	0	1	1
Analysts, Assistants and Technicians	2	12	14	3	25	28	3	24	27
Interns and Young Apprentices	0	0	0	0	3	3	3	1	4
Total	2	12	14	3	29	32	6	26	32

NUMBER OF OWN WHITE EMPLOYEES, PER POSITION TYPE AND GENDER [102-8; 405-1]

POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	4	4	0	8	8	1	6	7
Managers	1	5	6	0	5	5	1	7	8
Coordinators	2	6	8	2	4	6	2	7	9
Analysts, Assistants and Technicians	6	35	41	11	46	57	12	44	56
Interns and Young Apprentices	0	0	0	0	0	0	5	1	6
Total	9	50	59	13	63	76	21	65	86

NUMBER OF OWN ASIAN EMPLOYEES, PER POSITION TYPE AND GENDER [102-8; 405-1]

POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	0	0	0	0	0	0	0	0
Managers	1	0	1	0	0	0	1	0	1
Coordinators	0	0	0	0	0	0	0	0	0
Analysts, Assistants and Technicians	0	0	0	0	0	0	1	0	1
Interns and Young Apprentices	0	0	0	0	0	0	0	0	0
Total	1	0	1	0	0	0	2	0	2

NUMBER OF OWN INDIGENOUS EMPLOYEES, PER POSITION TYPE AND GENDER [102-8; 405-1]									
POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0	0
Coordinators	0	0	0	0	0	0	0	0	0
Analysts, Assistants and Technicians	0	2	2	0	2	2	0	1	1
Interns and Young Apprentices	0	0	0	0	0	0	0	0	0
Total	0	2	2	0	2	2	0	1	1

NUMBER OF OWN EMPLOYEES OF OTHER RACES, PER POSITION TYPE AND GENDER [102-8; 405-1]									
POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	0	0	0	0	0	0	0	0
Managers	0	7	7	0	0	0	0	0	0
Coordinators	1	5	6	1	3	4	0	0	0
Analysts, Assistants and Technicians	8	61	69	16	78	94	0	0	0
Interns and Young Apprentices	0	0	0	0	1	1	0	0	0
Total	9	73	82	17	82	99	0	0	0

EMPLOYEES WHO PREFERRED NOT TO RESPOND TO RACE INFORMATION [102-8; 405-1]	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
	0	0	0	2	18	20	17	61	78

NUMBER OF OWN EMPLOYEES WITH DISABILITY (PWD), PER POSITION TYPE AND GENDER [102-8; 405-1]									
POSITION TYPE	2019			2020			2021		
	W	M	TOTAL	W	M	TOTAL	W	M	TOTAL
Officers	0	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0	0
Coordinators	0	0	0	0	0	0	0	0	0
Analysts, Assistants and Technicians	2	1	3	2	1	3	0	2	2
Interns and Young Apprentices	0	0	0	0	0	0	0	0	0
Total	2	1	3	2	1	3	0	2	2

NUMBER OF OWN EMPLOYEES, PER POSITION TYPE E AGE GROUP [102-8; 405-1]												
POSITION TYPE	2019				2020				2021			
	BELOW 30 YEARS OF AGE	BETWEEN 30 AND 50 YEARS	OVER 50 YEARS OF AGE	TOTAL	BELOW 30 YEARS OF AGE	BETWEEN 30 AND 50 YEARS	OVER 50 YEARS OF AGE	TOTAL	BELOW 30 YEARS OF AGE	BETWEEN 30 AND 50 YEARS	OVER 50 YEARS OF AGE	TOTAL
Officers	0	4	1	5	0	3	5	8	0	4	4	8
Managers	0	14	4	18	0	11	4	15	0	15	4	19
Unit Head/ Coordinators	1	17	2	20	1	15	3	19	1	19	5	25
Technician	54	179	34	267	34	198	62	294	53	220	31	304
Advising Interns and Apprentices	5	0	0	5	4	0	0	4	24	1	0	25
Total	60	214	41	315	39	227	74	340	78	259	44	381

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