



## Sustainability report Year 2022





# Sustainability report

## Year 2022





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The JB Group has always closely monitored the development of the sugar cane agroindustry in Brazil. During almost six decades of our history, we have always been synonymous with excellence and modernity in all our areas of activity, without ever losing focus on the quality of the product we offer to the different markets in which we operate, improving people management, and our non-negotiable commitment to the environment.

## MESSAGE FROM THE CEO

By improving our business vision, the result was the publication of the first JB Group Sustainability Report, in which we present and share with our stakeholders the socio-environmental, economic, and governance results that we achieved throughout 2022 while considering the company's position regarding the United Nations (UN) Agenda 2030 action plan and its respective Sustainable Development Goals (SDGs).

Our increasing focus on sustainability is in tune with the demands of a market that, both in Brazil and abroad, not only demands quality products but also values suppliers who have a transparent governance model and who adopt modern production management practices and are in compliance with socio-environmental legislation.

Just as one day we leaped into the future by incorporating the production of electrical energy and CO<sub>2</sub> into our product portfolio, in which sugar and alcohols already had an established position, today we understand that adopting the best ESG (environmental, social, and governance) practices to our management is an essential factor for the longevity of our business. Despite the challenges we face, such as changing the organizational culture, it is very uplifting and stimulating to realize that all members of our company are involved in this process.

And for this movement to materialize, we have well-established goals in each area of the company, such as reducing the number of accidents at work by 5%, including more people with disabilities (PWD) in the workforce, reducing by 10% the water abstraction per volume of sugar cane processed, reducing internal electricity consumption, certifying products from the Linhares manufacturing unit (LASA), obtaining new certifications, among others.



The company's "new look" at sustainability had a milestone: the creation of the Carbo Gás brand and the beginning of our operations in the CO<sub>2</sub> segment. We entered a different segment, with different experiences and which allowed us to begin an important process of changing culture and valuing other indicators in the company's day-to-day operations, which we previously did not focus on so intensely.

To prepare this report, we prioritized some topics that are essential to the company's strategic objectives, such as: governance; ethics and integrity; occupational medicine and occupational safety; water and effluents; waste; and local community. Furthermore, we delved deeper into other topics that are highly relevant to our management, such as: energy efficiency; innovation and technology; social responsibility; attraction, development and retention of employees; communication and marketing; and product quality and safety.

We are convinced that reconciling our history and our values and this management model based on sustainability, always seeking the engagement of our stakeholders, will allow us to build the company we aspire to be in the future and open windows in a market where sustainable practices are more demanded each day from all players.

We invite you to look at the following pages and get to know a little more about the JB Group and our transformation process.

Enjoy reading this report!

# ON THE REPORT

[GRI: 2-2, 2-3]

Sustainable practices gain greater relevance each year for the JB Group. Therefore, preparing our corporate sustainability report for the first time is a fundamental exercise, as it allows us to systematize into indicators and put on paper everything we already do with excellence in the economic, social, and environmental pillars, as well as guiding us to improve our different practices.

Through this report, we present our performance in these areas, as well as disclose our governance and the ways in which sustainability guides our management model. As anticipated, this report is based on the Global Reporting Initiative (GRI) Standards, to gather and structure relevant information and indicators, with the aim of following global standards of excellence regarding environmental, social, and governance responsibility practices.

Additionally, the different topics addressed in this report considered the company's position regarding the UN Agenda 2030 action plan and its respective Sustainable Development Goals (SDGs).

This sustainability report covers the period between January 1st and December 31st, 2022 and considers indicators from the four companies that are controlled by the JB Group, whose indicators are presented in this report:

- Companhia Alcoolquímica Nacional – Alcoolquímica (or CAN);
- LASA - Linhares Agroindustrial S/A;
- Pirapama Bio Energia e Gás Ltda; and
- Lastro Gases Industriais Importação e Exportação S.A.

From this edition onwards, the company's report will be published biennially. In this manner, the company will have enough time to implement actions, aiming to achieve the goals established in this first report.

The financial statements of the JB Group companies, in addition to being audited individually, are consolidated in their holding company (controlling company), JB Participações e Investimentos Ltda, and also audited by Ernst & Young – EY. The company's financial reports are produced annually.

To ask questions or obtain more information about this reporting process, you can contact the company at [sustentabilidade@grujb.com.br](mailto:sustentabilidade@grujb.com.br).



# Materiality [GRI: 2-29; 3-1, 3-2]

The first step in creating this report was the materiality process, that is, defining the relevance and importance of different issues for the JB Group's sustainability report. Therefore, work was focused on identifying all issues that could influence decisions, actions, and the performance of the organization and its stakeholders. This process is known as materiality, making it possible to identify material topics that reflect significant impacts (economic, environmental, and social) for the organization, based on the analysis of primary and secondary sources of the main topics of the organization and the sector, and which must be included in the report.

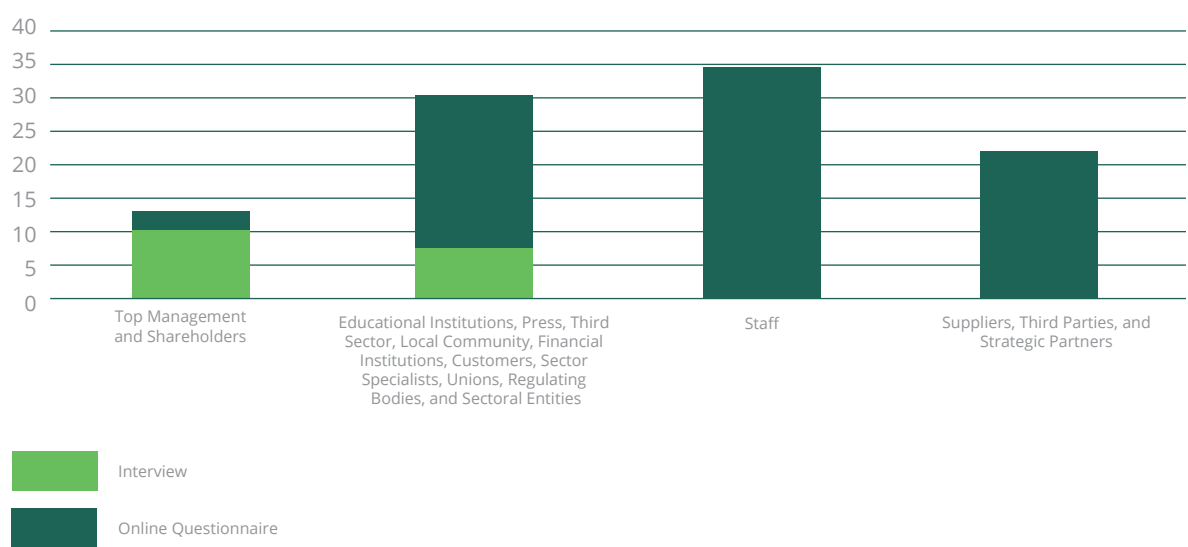
We then consulted the perceptions of stakeholders to prioritize topics. The JB Group always seeks to maintain the best possible relationship with all of the organization's stakeholders, which are all people, companies, or institutions that have some type of interest in the management and results of a project or organization, influencing or being influenced – directly or indirectly – by it. We understand that this concern guarantees transparency in our management, improves the practices adopted,

allows the development of the entire society and ensures the longevity of our business.

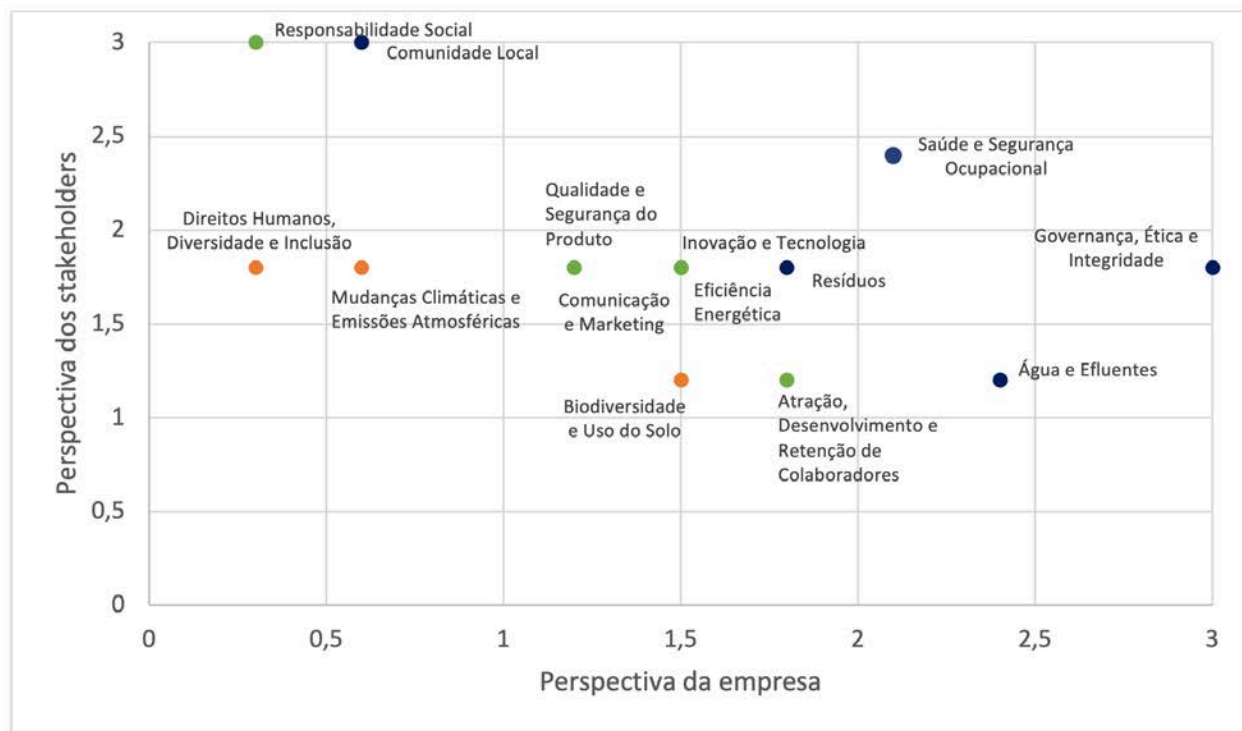
The JB Group engages with unions, associations, schools, and universities in the municipalities where it operates, in addition to other government bodies. The approach is done directly with representatives of stakeholders or through local representative entities, such as the Sugar and Alcohol Industry Union of Pernambuco (Sindaçúcar-PE).

The purpose of engagement is to discuss topics of common interest with stakeholders, always guided by the clarity and reasonableness of claims or actions, leaving space for stakeholders to be motivated to participate and engage in the discussion of the topics presented. In addition to these interactions that occur on a daily basis, the participation of stakeholders was essential for the preparation of this report. During the reporting process, we carried out a survey that received, in total, 93 responses sent by different JB Group stakeholders, 17 of which were in interview format and the rest via online form, as shown in the graphs below:

Representation of the different groups of stakeholders surveyed



The results were analyzed, defining weights for the research items and ways of weighing them, which allowed the elaboration of a list of material topics – those with a significant impact on the economic, environmental and social aspects of the organization, which substantially influence decision-making and in evaluating business performance.



Finally, the result was validated in a video conference meeting with the JB Group Sustainability committee. Below is the list of JB Group's material topics for the 2022 Sustainability Report:

### List of Material Topics – JB Group

Dimensions	Topic	Topic name	GRI	SDG
Governance		Governance, Ethics, and Integrity	2, 3-3, 204-1, 205-1, 205-2, 205-3, 206-1	
		Innovation and Technology	3-3	
		Product Quality and Safety	3-3, 416-1, 416-2	
		Communication and Marketing	3-3; 417-3	
Social		Occupational Health and Safety	3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10	 
		Local Community	3-3, 413-1, 413-2	    
		Social responsibility	3-3, 201-1, 203-1, 203-2	  
		Talent Attraction, Development, and Retention	3-3, 401-1, 401-2, 401-3, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 13.15.1, 13.15.5, 13.20.1, 13.21.1, 13.21.2, 13.21.3	    
Environmental		Water and Effluents	3-3, 303-1, 303-2, 303-3, 303-4, 303-5	
		Waste	3-3, 306-1; 306-2; 306-3; 306-4; 306-5	
		Energy Efficiency	3-3, 302-1, 302-2, 302-3, 302-4, 302-5	



# 1. ABOUT THE JB GROUP

The JB Group has built, over six decades of history, a trajectory that positions our company among the largest in the sugar-energy sector in the Brazilian Northeast and the southeastern state of Espírito Santo.

The company's operation is managed by the holding company JB Participações e Investimentos Ltda (Grupo JB), a limited company located at Rua Padre Carapuço, 858 sala 501 – Boa Viagem, Recife (PE), in the Northeast region of Brazil.

In addition to its headquarters in the capital of Pernambuco, the group has offices in its manufacturing units located in the municipalities of Vitória de Santo Antão (PE) and Linhares (ES).



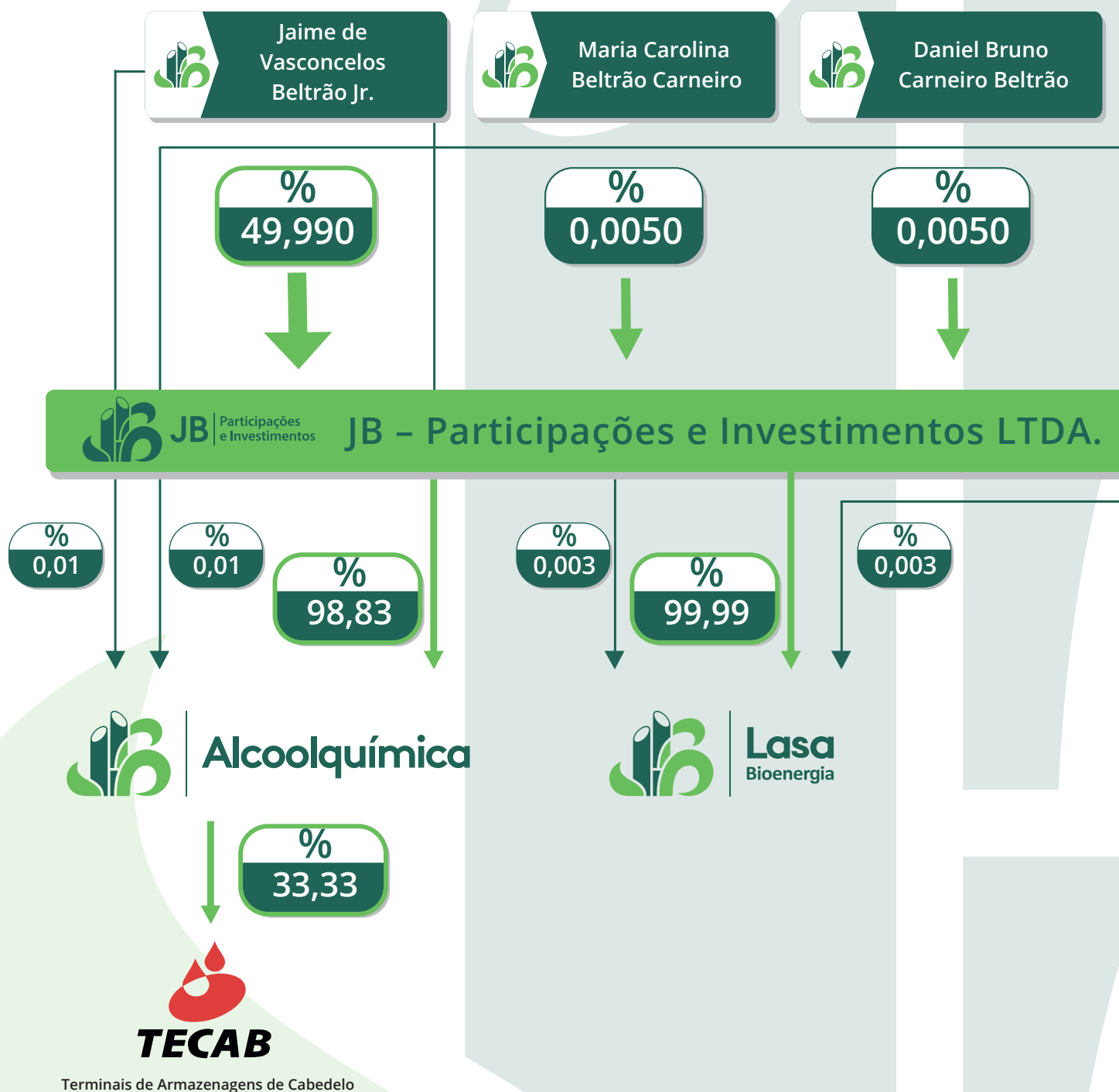


The area managed by the company reaches approximately 35.2 thousand hectares of owned and leased land, of which 20.3 thousand hectares are located in the state of Pernambuco and 14.85 thousand hectares are in the state of Espírito Santo. Both areas are used for the cultivation and management of sugar cane, accounting for 67% of the total raw material processed by the group each harvest.

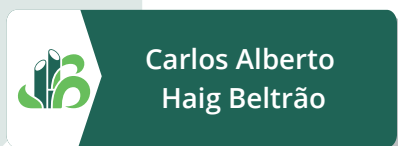
To measure the size of the company, the JB Group concluded the last sugar cane harvest (2022/2023, ending on March 31, 2023) with 5,327 employees, 730 sugar cane suppliers, and 8,822 suppliers of goods and services. Our gross revenue was BRL 633 million, 1.5% higher than the previous harvest, with adjusted EBITDA of BRL 195.5 million, despite the adversities resulting from the global health crisis.



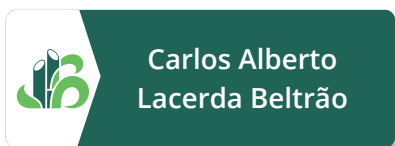
# New Corporate Structure







Carlos Alberto  
Haig Beltrão



Carlos Alberto  
Lacerda Beltrão

%  
0,0050



%  
49,9950



%  
99,94



%  
0,06



%  
99,92



%  
0,08



**Pirapama**  
Bioenergia e Gás



**Lastro**  
Gases Industriais



**Grupo JB**

## 2. GOVERNANCE, ETHICS, AND INTEGRITY [GRI: 2-9; 3-3]



As a family business group, we recognize that corporate governance and transparency are fundamental to our success. In each JB Group company, we appoint an executive board responsible for establishing policies and procedures that guarantee their success, as well as an administrative team in charge of implementing these policies and procedures. Everything we do always holds the values that have been transmitted from generation to generation by the owner members, monitored by the Board of Directors of the group's main company, internal corporate committees, and independent external audits.

The main assets remain the ownership of members of the founding family. Such assets include land properties, which provide a large part of our raw materials, as well as the management of industrial units, which manufacture our products. At the JB Group, the Members' Meeting, the Strategic Committee, and the Executive Boards are the main pillars for the governance structure.

Currently, our management has a decision-making format in which the two main members are the ultimate body, assisted by the committees, with their executive leaders and the employees in the proposing body. In this manner, responsibilities are distributed, information is shared and initiatives are implemented through properly structured systems and processes.

For the healthy continuity of business activities, we are committed to standards of corporate governance and transparency. We believe that our members, heirs, business partners, and investors

deserve a clear picture of how we operate. Thus, we can make assertive decisions about the future of the JB Group.

Corporate governance is a critical part of the value proposition for any business. It is important to ensure that all stakeholders are involved in the process and that there are clear lines of communication between the various levels of leadership within the company, from the inside out and from the outside in.

### **Board of Directors**

The Board of Directors of the JB Group's main company, Companhia Alcoolquímica Nacional, regularly reviews its own performance and that of the organization's management through frequent meetings, in which external consultants participate as members in the management areas and production areas, such as energy, food, accounting, corporate, and tax. In addition to this

review process, the Chairman of the Board meets regularly with each officer, individually, to discuss general issues related to the business and to provide feedback on performance in the role.

As for the other companies in the JB Group, similarly, the members of the board and management are committed to ensuring that our operations are conducted with integrity, transparency and impartiality. Managers have made significant progress in strengthening their governance processes in recent years.

### Governance Committees

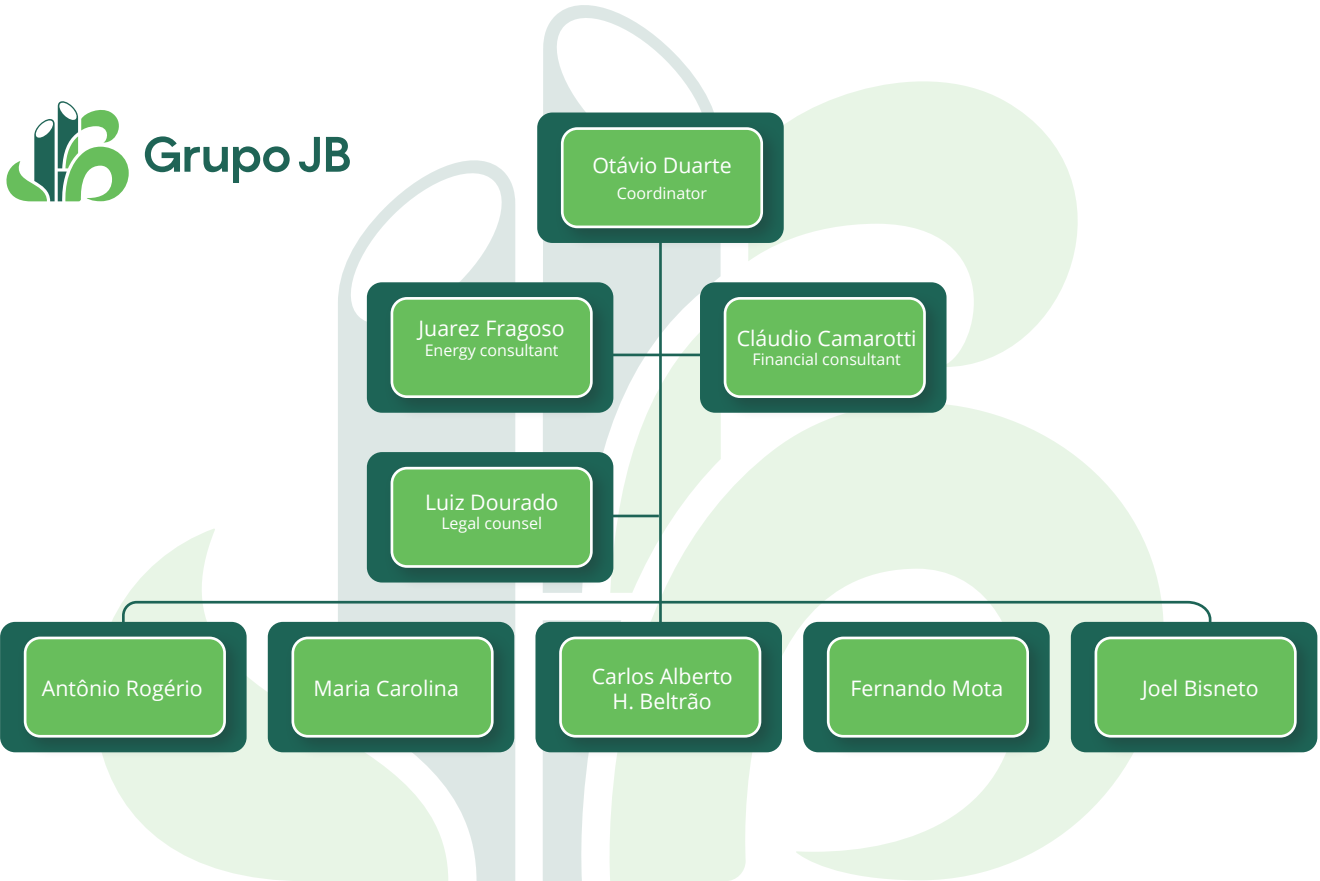
At the head of JB Group's governance is the Strategic Committee, which has the support of other different committees that are fundamental in making decisions in the company's day-to-day operations.

### Strategic Committee [GRI: 2-10; 2-11; 2-12; 2-13; 2-14; 2-17; 2-18; 2-20]

Currently, it is the highest governance body of the JB Group. To make its decisions, it is advised by the Ethics, Sustainability, and Marketing Committees.

The Strategic Committee analyzes and studies the future of companies so that there is immediate adaptation to market, climate, and technological conditions, which are constantly changing in this field. Furthermore, it is responsible for ensuring that the company's long-term goals are achieved, in addition to the final decision in the process of approving and updating the statement of values, mission, strategies, policies, and objectives that will lead the company to sustainable development.

The Strategic Committee is made up of six executives from the organization and three external consultants, being the highest corporate governance body in the organization. Its members are:





Composed of executives from key areas of the JB Group, with office for an indefinite term, it works by proposing and deliberating on strategies and actions necessary for the progress of the group's companies. The members of this Committee are always open to receiving feedback from internal and external sources, which allows them to see how their decisions impact everyone within and outside of the company.

Appointing and selecting members are the exclusive prerogative of the company's majority shareholders. However, in the selection process, the company's other shareholders are consulted, as well as the opinion of stakeholders related to the competence of the candidate to be selected. This appointment process takes into account factors such as diversity, independence, competence, and experience in the sectors in which the JB Group operates.

It is up to the shareholders of the JB Group to evaluate the performance of the highest governance body, there being no independent assessment. To do this, the effectiveness of the measures proposed and deliberated by it is taken into account, reflected in the company's performance in economic, environmental, and social aspects. If the performance assessment is negative, it is discussed by the shareholders, who may request measures to correct the unsatisfactory performance, or even, if necessary, replace its members.

We understand that the highest governance body, as a deliberative body, does not act directly in the implementation of its decisions, this task being the responsibility of the Executives of the JB Group in compliance with its decisions. Yet, it is the chairman's responsibility to monitor compliance with adopted policies and strategies, through the analysis of reports from executive areas, evaluating results and suggesting measures that have an impact on possible impacts on the economy, the environment, and people.

Therefore, any of its Strategic Committee members can work directly with the group's executives to help with any processes that may improve the company's performance, aiming for its sustainable development. When analyzing the results, achieving the goals established for each executive area is considered essential. However, it is important to also evaluate these results based on the perception of external stakeholders.

The chairman of the Strategic Committee is responsible for managing corporate controllership. As such, he is responsible for ensuring good accounting practices at JB Group companies. Therefore, he monitors and reviews the formation of production costs for our products. By having an overview of the organization's activities, he can contribute comprehensively to the actions of the highest governance body. As the Strategic Committee operates in a collegiate manner, deliberations are always approved by the majority of its members, which mitigates the possibility of conflicts of interest.

## **Responsibilities towards sustainability**

Due to the company's operating segment, the JB Group's highest governance body delegates tasks related to the management of economic, environmental, and social impacts. To this end, it assigns this responsibility to the executives of each area. Such responsibility is not assigned solely and specifically to an executive.

The Strategic Committee monitors and demands management of the organization's impacts on the economy, the environment, and people. This billing process takes place through email or through conversations in meetings or video conferences. The frequency and deadline do not follow a standard,

as they depend on each case specifically. However, 30 days is the average period for presenting the evolution of topics related to sustainability or the results of actions undertaken in this area.

The topic of sustainability and its importance, inside and outside the workspace, is gaining more and more strength. Therefore, the JB Group is focused and committed to publicizing its concerns in this area, expressing values, mission, strategies, policies, and objectives related to sustainable development. Our attention materializes even more concretely with the publication of our first sustainability report.

### • Ethics Committee

Created in 2022, the Ethics Committee supervises the observance of the moral principles accepted and disseminated by the Group, responsible for ensuring that all employees and contractors respect ethical standards in their daily work, propagating what constitutes appropriate behavior for everyone who makes up the Group. The Ethics Committee ensures compliance with the company's code of conduct at all levels, with public, confidential, and anonymous reporting channels.

It is made up of 6 senior executives from the Group, two of whom are female, with the responsibility of monitoring, responding, and meeting the most diverse demands sent through the Whistleblowing Channel maintained by the company.

Its scope is broad and ranges from curbing and correcting behavioral situations of executives, employees, and service providers, such as harassment of various natures and corruption, for example, to general demands, such as requests for improvements or indications of non-compliance in

their processes (all reported by the Whistleblowing Channel). The members do not have a specific term of office and, due to the nature of their activities, their composition will not be disclosed in this report.

### • Sustainability Committee

At the JB Group, the Sustainability Committee's mission is to comply with the tenets of good environmental, social, and governance practices in the organization's day-to-day operations, in addition to ensuring that we are constantly improving our environmental impact and minimizing our carbon emission levels.

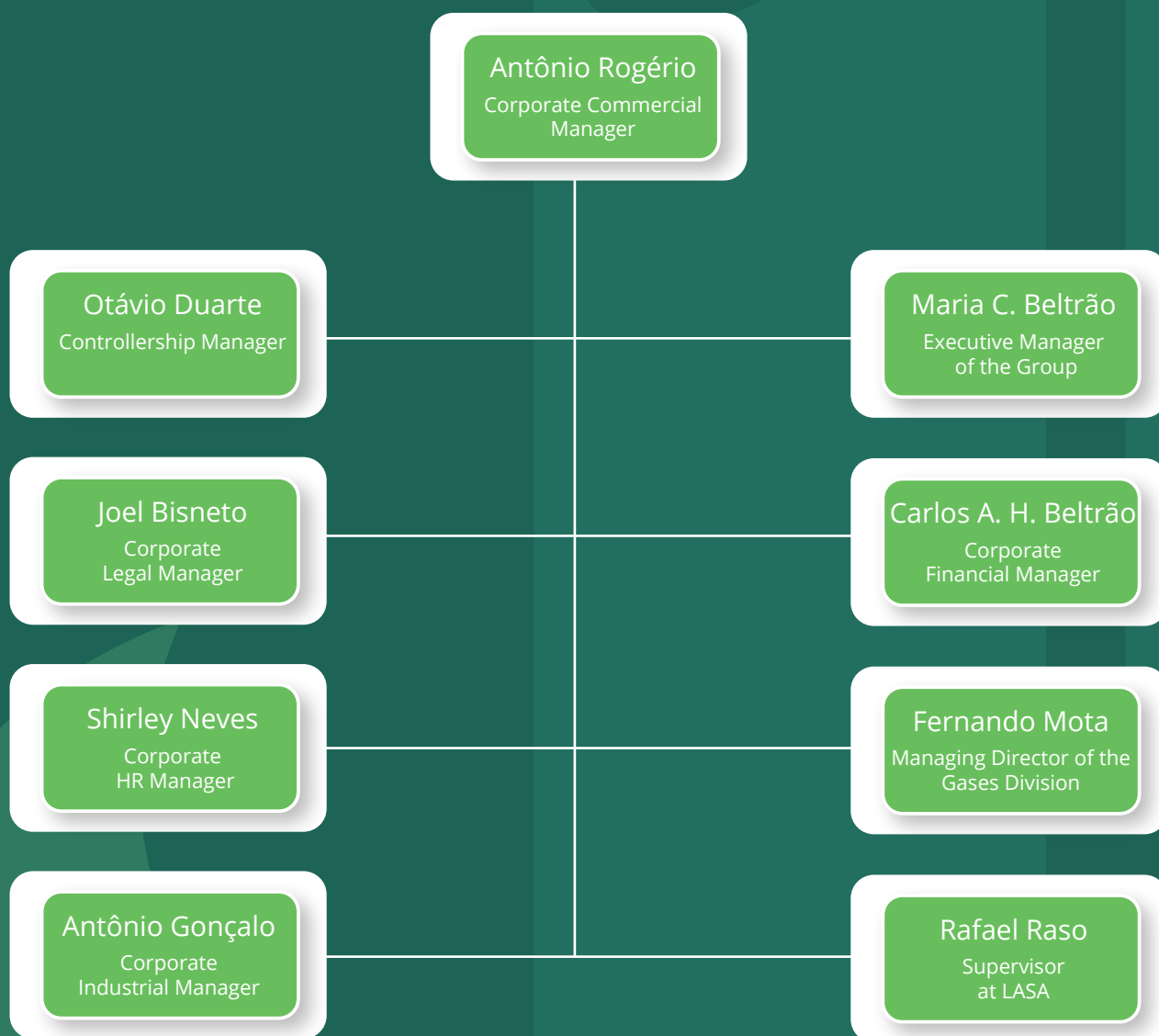
It is made up of 10 executives from the most diverse areas of the company, with no defined term of office, and also by 2 permanent female members. The members of the Sustainability Committee are:

### • Marketing Committee

Allied to the HR department, the Marketing Committee is made up of 8 people, three of whom are female: seven are Group executives and one is an external consultant. Its objective and mission is to strengthen and safeguard the Group's image in the external environment, publicizing the group's actions and achievements through social media. It also plays a very important role in the internal environment through marketing, making each employee feel happy and valued by the company they work for.

# Committees

## Sustainability

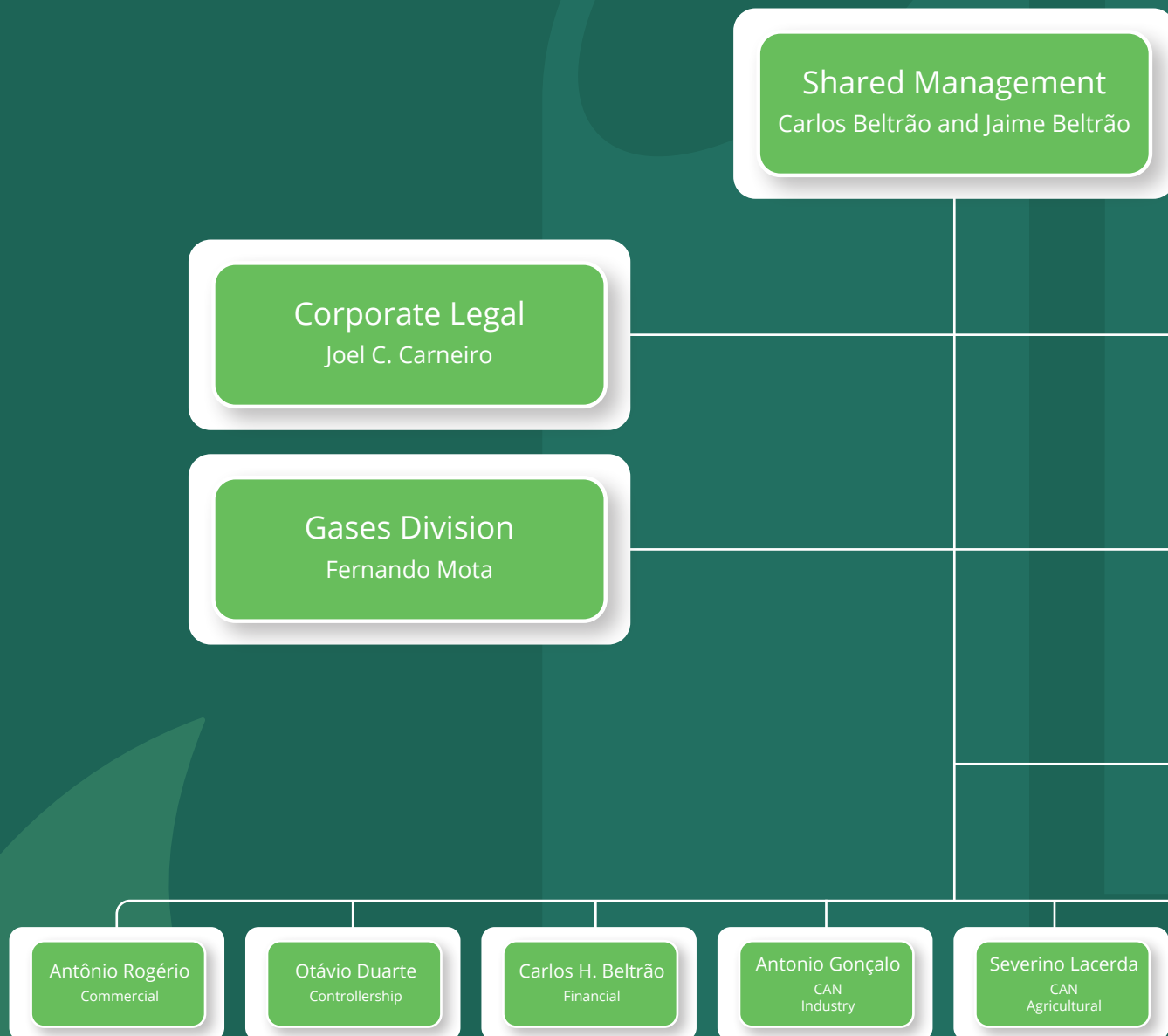


## Marketing





# Organizational Structure



## Independent Audit

Ernst & Young

## Energy Division

Juarez Fragoso  
External Advisor

## Finance and Planning Officer

Claudio Camarotti  
External Advisor

Rafael Raso  
LASA

Daniel Beltrão  
Transport and Operations

Maria C. Beltrão  
Adm. -  
Logistics

Valéria Carvalho  
Supplies

Shirley Neves  
Human Resources

Diógenes Lopes  
LASA  
Industry

Antônio Barros  
LASA  
AGRICULTURAL

## Remuneration policies [GRI: 2-19; 2-21]

The JB Group's salary policy is supported by a functional table categorized by groups of job titles – coordination, administrative and operational –, which contemplates the salary evolution in a horizontal and vertical fashion, considering factors such as experience, knowledge, skills, and performance as guiding factors that define and influence employee remuneration. The condition for valuing positions is based on gender equality. This means that, for those positions with the same configuration and requirements (occupied by men and/or women), the mathematical ratio of remuneration is equal to 1 between them.

The wage practice employed at the JB Group is not directly linked to the base or to the minimum wage variation, but rather to wage levels agreed with the unions of the different professional categories, which do not distinguish between genders. Annual adjustments, when collective agreements are made, are negotiated by the companies of the Group with the aforementioned unions on the base date of the category, and the lowest salary practiced by the JB Group is always greater than or equal to the national minimum established by law. Specifically regarding the highest governance body of the JB Group, its members receive no remuneration.

### Average annual remuneration of the JB Group in the Northeast and Southeast

Average annual remuneration of the group	Northeast			Southeast		
	2021	2022	Increase %	2021	2022	Increase %
Total annual remuneration for the highest paid individual in the organization	BRL 28,241.80	BRL 31,814.09	12.6%	BRL 18,010.24	BRL 19,371.61	7.6%
Average total annual remuneration of all employees in the organization	BRL 1,044.42	BRL 1,322.67	27.6%	BRL 1,006.03	BRL 1,417.37	40.9%
<b>Total</b>	<b>BRL 29,286.22</b>	<b>BRL 33,136.76</b>	<b>13.1%</b>	<b>BRL 19,016.27</b>	<b>BRL 20,788.98</b>	<b>9.3%</b>

*Note: The remuneration proportion table shows an average remuneration of the group's employees, be it the highest paid person in the group or the other employees. It also shows in % the average increase in payrolls between 2021 and 2022.*

## Communicating critical concerns [GRI: 2-16]

All executives of JB Group companies and their external stakeholders have a direct communication channel with the Strategic Committee. Furthermore, crucial concerns related to the company can be reported to the different committees, which can also take such demands to the Strategic Committee. In 2022, we had no reports of crucial concerns.

## Anti-Corruption [GRI: 2-15; 205-1, 205-2]

Due to the nature of the operations of the group's companies, we are exposed to corruption risks, given our relationships with public and private agents. Such risks are considered in our organization to be of medium impact, and are addressed through internal regulations, training and retraining about our Code of Conduct. The Ethics Committee also follows and monitors this topic through the Whistleblowing Channel, which

is completely safe and confidential. Anyone can access it and report a complaint, non-compliance situation, or suggestions. All are analyzed by the Ethics Committee, which makes recommendations to top management on actions that should be taken in each case.

Through the Whistleblowing Channel, we have an effective mechanism for analyzing and evaluating operations subject to risks related to corruption and we are ready to receive any reports and take the appropriate actions. This Channel was conceived in 2022 and operationally implemented in 2023, with no reports of this type to date.

The Ethics Committee and the Whistleblowing Channel are newly created mechanisms that demonstrate the organization's concern and commitment to this topic. However, as they are recent mechanisms, there is still not enough information to prepare our risk matrix, which should be prepared throughout 2023.

At the JB Group, 100% of our managers and leaders in all companies were informed about anti-

corruption procedures and policies. This is because all employees receive our Code of Conduct upon hiring, thus being aware of our anti-corruption policy, as are our suppliers, business partners, and customers, in addition to other stakeholders.

The group is now seeking to implement a training course to combat corruption, and the possibility of implementing it during 2024 is being evaluated. In addition to a structured procedure for these practices, with the reformulation of our purchasing management, we began the process of preparing this material, which, after approval by the Strategic Committee, we will send to our suppliers and partners.

With a focus on combating corruption, the Code of Conduct is the tool we use to disseminate our policies and practices, which must be fully observed and complied with by our executives and employees. This document can be accessed by all stakeholders through our website.







In line with the evolution of society and the sugar-energy sector, the JB Group has incorporated into its strategies, policies and practices with a strong concern linked to sustainable development and responsible business conduct.

### 3. STRATEGY, POLICIES, AND PRACTICES [GRI: 2-22]

Along these lines, the Sustainable Development Goals (SDGs), established by the United Nations (UN) in 2015, offer us fundamental mechanisms in defining the way we manage our businesses.

The group is also aligned with ESG (environmental, social and governance) practices. Our manufacturing units hold the Efficient Biofuel Production Certification, which authorizes the issuance and sale of decarbonization credits (CBIOs), in accordance with the standards established by the RenovaBio program.

We are designing increasingly assertive strategies to integrate the concept of sustainability into the culture of the JB Group. And this has already become reality. In our day-to-day activities in the production of sugar cane, ethanol, sugar, electricity, and CO<sub>2</sub>, sustainable growth is a priority commitment.

- To fulfil our commitment, we focus on pillars such as:
- Responsible supply chain;
- Environment;
- Energy efficiency;
- Care for employees and communities, among others.

Our priority attention to these areas signals our desire to achieve economic growth linked to the creation of value for the planet, as well as for our employees, customers, and people in the community in which we live.

## Policy commitments [GRI: 2-23]

Our company is unwaveringly committed to strictly complying with municipal, state, and federal legislation, and is constantly subject to supervision and audits by regulatory bodies and agencies.

The company's policy is also emphasized in our main set of behavioral standards that must be followed by all our employees – the Code of Conduct. It is a guide to lawful conduct in all our relationships with co-workers, business partners, unions, shareholders, customers, the media, suppliers, competitors, and public agents.

Other issues that appear in our Code of Conduct or are a non-negotiable part of our practices are respect for human rights in all our spheres of activity and the guarantee of access to work, regardless of religious affiliation, sex, color, illness, or disability, in addition to ensuring the right to access to health and decent working conditions. All of our commitments provide for the application of the precautionary principle.

We are also members of SEDEX, a global platform that brings together more than 74 thousand business organizations, focusing on the development of socially and environmentally sustainable companies. Your ideas and tools provide us with complete visibility of our business area, suppliers, and the social and environmental sustainability of the supply chain.

We are regularly audited by SMETA, an audit procedure that consists of compiling good practices in the ethical audit technique. Auditing carried out by companies authorized by SMETA helps us understand the standards of work, health, safety, environmental performance, and ethics in the operations of the group's companies.

At the moment, the JB Group has not entered into agreements with internationally recognized intergovernmental goals, but has set a goal, for 2023, of meeting the parameters of the Sustainable Development Goals (SDGs).

The company does not yet have special programs focused on at-risk or vulnerable groups. However, our goal is to include and hire more people with physical disabilities in our workforce in 2023.

All of our policies, strategies, and practices cover all operations carried out in our companies and are approved by the group's highest management body and can be found on our website: [www.grupojb.com.br](http://www.grupojb.com.br).

## Incorporation of policy commitments [GRI: 2-24]

Our main mechanism for incorporating policy commitments is the dissemination of our policies vertically and horizontally throughout our organization, always observing the best practices for preserving the environment and sustainable development in our operations.

This includes preparing the land, planting sugar cane, harvesting and processing the raw material in our production units, production practices for ethanol, electricity, CO<sub>2</sub>, sugar, and sugar cane rum. Such policies are also incorporated into relations with our employees, through fair practices and policies in labor relations, which includes our philosophy focused on promoting the health and well-being of our employees.

In our relationships with our suppliers and in the marketing of our products, the conduct we adopt is always guided by ethics, observing the confidentiality of information and the legality of

our practices, aiming to prevent conflicts of interest and misconduct.

Each executive within our company is responsible for ensuring that our policies are being put into practice effectively and efficiently. They are encouraged to hold meetings with their subordinates to emphasize compliance with them and, if necessary, request training or lectures on specific topics.

## **Repairing negative impacts** **[GRI: 2-25; 2-26]**

The JB Group understands the importance and is committed to being permanently aware of possible negative impacts caused by its activities. Such impacts can be identified and repaired through monitoring systems, for example, the quality of water and effluents and the occurrence of arson in its sugar cane fields, always acting to repair the problem and mitigate its effects.

In relations with its employees and stakeholders, we have the Whistleblowing Channel, which allows, in a confidential manner, the reporting of any problems or negative impacts of actions caused by the organization or to which it has contributed. In this way, we can contact the competent area to study and implement the best way to repair these negative impacts.

Through the Whistleblowing Channel, anyone can report inappropriate behavior on the part of a company employee, non-conformities in operations, or suggestions for improving them, among other demands. The Ethics Committee analyzes all reports and replies with a solution within the standard period of 30 days. The reports are analyzed by the Committee, which forwards the matter to the manager responsible for the

area related to the complaint (or suggestion) for investigation and forwarding solutions.

By the way, all stakeholders can use the Whistleblowing Channel mechanism to send their complaints, as well as suggesting improvements to improve the system for receiving complaints and suggestions. In this manner, we can always review and improve the operation. Efficacy is assessed through statements, always willfully, from stakeholders through the Whistleblowing Channel, regarding their satisfaction with the referral and solutions obtained from the complaints system.

Regarding the focus on advising on the implementation of responsible business policies and practices, as well as raising concerns, at JB Group there is no single mechanism. Every manager is encouraged to disseminate the company's culture of good practices for appropriate conduct at all levels. In turn, senior executives and committee members encourage and are always available for employees to seek help in implementing these practices.

## **Collective Negotiation [GRI: 2-30]**

All JB Group employees are assisted and covered by collective bargaining agreements and conventions from unions that operate in the region of the headquarters municipality of each company in the company (Mata Sul region of Pernambuco and North of Espirito Santo).

Freedom of association is disseminated by JB Group companies from integration training to the signing of the employment contract upon admission. On this occasion, the new employee decides whether or not to authorize the monthly fee deduction from the respective union, in accordance with current legislation. Regardless of their contribution or

not, the employee enjoys the achievements of any and all negotiations carried out by the union that represents the category in that region.

It is worth noting that, in 2022, there was an increase of around 4.4% in the membership of the union that represents the category, with the highest percentage increase in the Northeast region.

According to the fundamental conventions of the International Labor Organization (ILO), every employee has the right to freedom of association and collective bargaining. In line with this convention, JB Group companies guide and train their employees on the topic, making it clear that it is their choice whether or not to join the professional categories to which they belong, not admitting any type of retaliation on the part of leaders for with employees who decide to join. As mentioned, 100% of employees are covered by collective bargaining agreements, which corresponded to 5,248 employees in the period covered by this report.

We do not have any record of negative impacts on business relationships regarding this topic. The JB Group values developing harmonious coexistence with professional unions from different categories.

Collective negotiations with class stakeholders are always carried out by Sindaçúcar in the state of Pernambuco. However, during the process, the Group's top management participates together with representatives of other companies, also associated with Sindaçúcar, in the analysis of the proposals under discussion.

Number of Collective-Bargaining Agreements and Conventions Negotiated by Company								
Collective Agreement Negotiated	2021				2022			
	LASA	CAN	Gás CARBO	Total	LASA	CAN	Gás CARBO	Total
Collective-Bargaining Agreement	2	2	0	4	4	2	0	6
Amendment of Collective-Bargaining Agreement	1	0	0	1	0	0	0	0
Collective-bargaining convention (entered into between the workers' and the employers' union)	0	3	2	5	0	3	2	5
<b>Total</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>11</b>

*Note: 100% of employees are covered by collective bargaining agreements and conventions, by unions in the region of the headquarters city of each JB Group company (Mata Sul region of Pernambuco and North of Espírito Santo). 102-4]*



## 4. PRODUCT TRACEABILITY, QUALITY, AND SAFETY

[GRI: 2-9; 3-3]



Our expertise is basically producing sugar, ethanol, sugar cane rum, carbon dioxide, and electricity. The JB Group has the installed capacity to process 2.1 million tons of sugar cane per harvest, producing around 90 million liters of ethanol, 45 million liters of sugar cane rum, 1.6 million bags of sugar, 36 4 thousand tons of carbon dioxide (CO<sub>2</sub>), and 100 MW/h of electrical energy.

In its manufacturing units, the company has warehouses and tanks with storage capacity for 1 million bags of sugar, 45 million liters of ethanol and sugar cane rum, in addition to 4,300 tons of carbon dioxide (CO<sub>2</sub>).

The geographic location of the group's companies allows it to serve the sugar, alcohol, CO<sub>2</sub> and

electricity markets in nearly all regions of Brazil, with its most significant presence in the Northeast and Southeast of the country.

The JB Group mainly sells its products to its customer base in the domestic market, although it also exports part of what it produces. The company stands out in shipping VHP sugar and raw sugar



to the United States and countries in Europe and Africa. As for the different alcohols it manufactures, the company is notable for exporting neutral alcohol (food grade) to the Caribbean and African markets. Therefore, we carry out operations that do not only cover Brazilian territory.

In addition to the production of sugar, ethanol, sugar cane rum, and energy, the JB Group has a business area dedicated exclusively to the production and sale of Pure Food Grade CO2. Starting from a by-product of the production of alcohol and sugar cane rum, which was previously released into the atmosphere, two companies from the JB Group – Pirapama Bioenergia e Gás Ltda. and Lastro Gases Industriais Exportação e Importação S/A – produce Pure Food Grade CO2, under the Carbo Gás brand.

Carbo Gás CO2 is produced, sold and distributed in liquid state, meeting the international quality standards required by large manufacturers of soft drinks, beers, mineral water, etc. But Carbo Gás CO2 is also sold for other functions, such as pH correction in effluent treatment or in production processes, use in fire extinguishers and in more

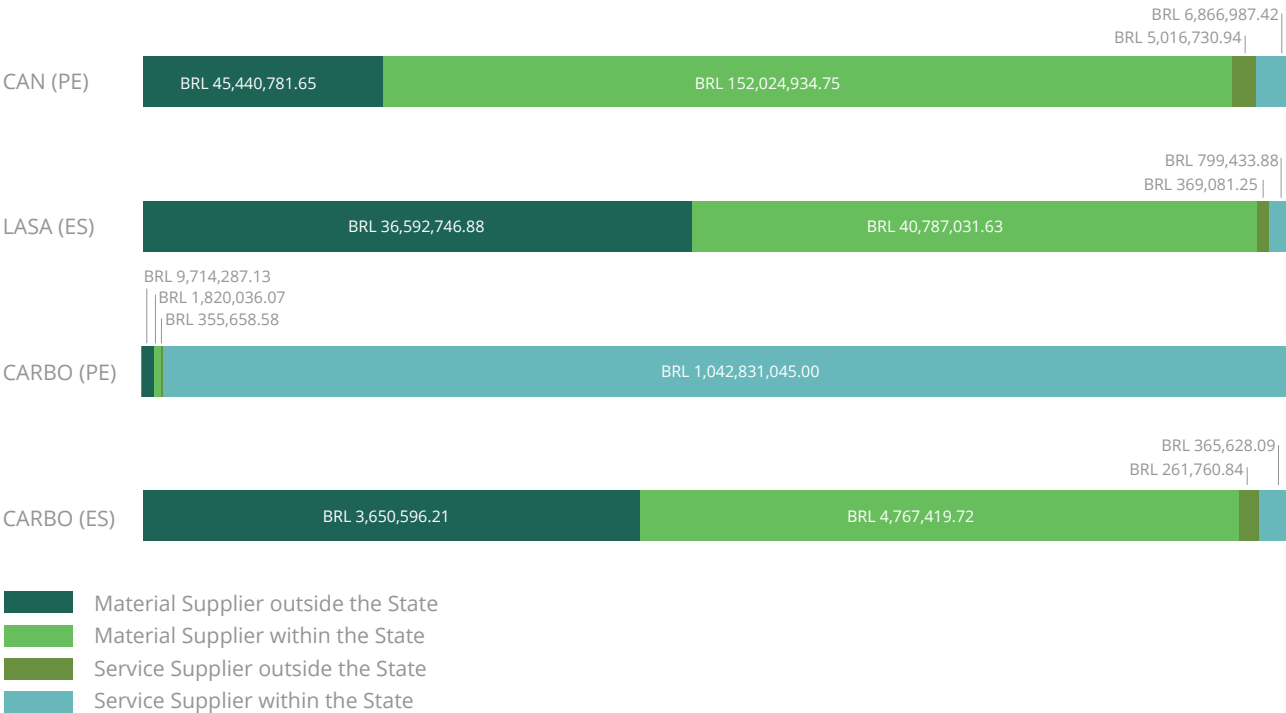
than a hundred other applications. In its solid state, Carbo Gas CO2 is sold as “dry ice” and has a variety of uses: freezing food; cleaning parts; freezing of plasma and organs for donation; among others.

Combined with production capacity, storage capacity, distribution fleet, and number of contracted customers, Carbo Gás is one of the largest pure CO2 brands in Brazil.

The JB Group has great economic importance directly and indirectly in the regions where it operates. This influence has positive impacts not only on the economy, through the generation of direct and indirect jobs in its production and supply chain, but also on the environment and the population of the surrounding cities.

The company works to preserve its ability to generate wealth without producing negative impacts on the environment and people. In its governance, it always seeks supply policies that ensure the practice of free and fair competition among its suppliers, in addition to vehemently explaining its commitment to combating corruption.

### Expenses with suppliers



Therefore, the JB Group is not involved with negative impacts arising from its business relationships, as well as in the cultivation and production of sugar cane, sugars, ethanol, sugar cane rum, CO<sub>2</sub>, and electricity.

This is also the result of the establishment of the Code of Conduct, as well as the action of the Strategic and Ethics Committees, which seek to implement and guarantee compliance with our policies or commitments to material issues. Furthermore, we are in the process of implementing a system for monitoring the effectiveness of the measures taken, which should be fully implemented in 2024.

Our Whistleblowing Channel is the main mechanism to prevent impacts from our purchasing practices. Additionally, we are in the process of developing a plan with the measures to be adopted when addressing and repairing impacts, both positive and negative.

All JB Group companies, with the exception of Lastro (Carbo Gás) material purchasing operations in Pernambuco and Espírito Santo, have more than half of their expenses on materials and services concentrated on local suppliers. The graphs below reveal the numbers and statistics for each company:

In this way, the JB Group is committed to the development and promotion of the local economy in each area in which it carries out its operational activities, enabling the enrichment of regions and seeking to make a positive impact on the lives of local communities.

## Product Quality and Safety

### [GRI: 3-3; 416-1]

The JB Group gradually implemented an integrated management system, involving quality, environmental, and food safety processes. This process is the result of a strategic guideline from the company, receiving full commitment from Top Management.

Our food safety management system is based on the Hazard Analysis and Critical Control Points (HACCP) technique, which makes it possible to detect all physical, chemical, and biological hazards for 100% of the organization's products: sugar (VHP, raw and crystal), neutral ethanol (hydrated and anhydrous), alcoholic distillate, and sugar cane rum. Any problems are identified/controlled at all stages of the process and throughout its production chains.

Through the HACCP system, all potential biological, physical, and chemical hazards are highlighted throughout the process, with inspection of raw materials, inputs, materials in processes, utilities, and equipment. Subsequently, control measures are defined and implemented to eliminate and/or reduce these hazards to acceptable levels.

Each hazard has its own risk level determined, taking into account the probability of occurrence associated with the severity of the damage to the consumer. These control measures, alone or combined with others, are applied to ensure effective action against risks. This intervention is managed through a Hazard Control Plan (PPRO and PCC).

At the Pernambuco unit, we have the FSSC22000 certification for 100% of our products – an international standard certificate, which attests to our good practices in the management, operation and marketing of products. The Espírito Santo unit is preparing to apply for this certification for the types of alcohol manufactured.



Within the scope of CO<sub>2</sub> production by Lastro and Pirapama, the adoption of an integrated management system involving quality, environmental and food safety processes began to be gradually implemented.

In line with our purposes, we encourage the participation of our employees to comply with control measures aimed at quality, environmental, and food safety management systems.



## Certifications achieved by our products and by the CAN Unit

Products	Certification	Purpose
Neutral and Hydrated Ethanol	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	Kosher	Jewish certification, which ensures compliance with Judaic laws for food consumption.
	CARB	Certification from the California Air Resources Board for export of ethanol to the state of California (USA).
	EPA	United States Environmental Protection Agency certifies aimed at exporting ethanol to the USA.
	Campari	Client Approval.
Sugar cane rum	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	Kosher	Jewish certification, which ensures compliance with Judaic laws for food consumption.
Neutral and Anhydrous Ethanol	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	EPA	United States Environmental Protection Agency certifies aimed at exporting ethanol to the USA.
	CARB	Certification from the California Air Resources Board for export of ethanol to the state of California (USA).
Alcoholic Distillate	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	EPA	United States Environmental Protection Agency certifies aimed at exporting ethanol to the USA.
	Campari	Client Approval.
Products	Certification	Purpose
Ethanol Fuel	RenovaBio	State policy that recognizes the strategic role of all biofuels (ethanol, biodiesel, biomethane, biokerosene, second generation, among others) in the Brazilian energy matrix with regard to the contribution to energy security, market predictability, and mitigation of greenhouse gas emissions in the fuel sector.
Sugar (VHP)	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	Kosher	Jewish certification, which ensures compliance with Judaic laws for food consumption.

Sugar (raw sugar)	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	Kosher	Jewish certification, which ensures compliance with Judaic laws for food consumption.
Crystal Sugar	FSSC 22000	Certification recognized by the Global Food Safety Initiative (GFSI), which ensures the adoption of best practices for the Food Safety System, attesting to the quality of food safety plans for all products, with assessment of the probability and severity of potential chemical, physical, and microbiological risks for raw materials, inputs, and process steps.
	Kosher	Jewish certification, which ensures compliance with Judaic laws for food consumption.
Companhia Alcoolquímica Nacional	ProTerra	The ProTerra Standard is internationally recognized as a reference in environmental sustainability and social responsibility. It is applied to any non-GMO commodity and is aligned with the Basel criteria. It aims to meet the growing demand for sustainable products throughout the agri-food chain.
		The unit had its own sugar cane supply area and its independent producers audited to assess compliance in accordance with the ProTerra V3.0 Standard, as part of the ASR Group's ethics and sustainability audit program.

## Product Traceability

Concerned with the traceability of our products, the JB Group implemented a program that covers all its products throughout the entire production process: it begins with the planting of the raw material, and goes to the final customer, to whom the company issues the invoice. Stages such as manufacturing, storage, shipping, and supply of inputs, equipment, and services are also included throughout this journey.

Aiming to meet certified international standards/norms, all of our suppliers of inputs, equipment, and services are evaluated regarding food quality/safety aspects. However, we are planning the

expansion of assessments to include socio-environmental topics. On-site supplier audits are also part of this improvement project.

100% of the products manufactured and sold by our Pernambuco unit, Companhia Alcoolquímica Nacional, are certified by internationally recognized standards and norms. In addition, it is our goal to also certify the products from our other manufacturing unit, located in Espírito Santo. It is also important to highlight that we do not include labeling information on our products, as we do not sell directly to the end consumer.





## Soil Health [GRI: 3-3]

Sugar cane is the raw material we use to manufacture our products. One of the key factors in ensuring a good production system is to use good practices in managing the soil of the crops we cultivate, as well as encouraging such initiatives to also be adopted by our sugar cane suppliers.

In addition, taking care of soil health is essential for implementing a sustainable production model. For that reason, we prioritize minimal soil disturbance and the use of practices with lower CO2 emissions, which allows savings on the consumption of fossil fuels and the preservation of organic matter.

Our sugar cane field has soil preparation with minimal intervention, avoiding erosion processes and preserving organic matter and microbiota, in addition to increasing its water storage and infiltration capacity.

Furthermore, attentive to maintaining biodiversity on our properties, the JB Group is carrying out studies to carry out the environmental regularization of rural areas.

The Permanent Preservation Areas and Legal Reserve are demarcated and 100% of rural properties have been included in the Rural Environmental Registry. Actions were also implemented to restore and conserve riparian forests, protect springs, reduce risks of siltation, and preserve native species of fauna and flora.

Water erosion is caused by natural factors, such as rain and wind, and also by the susceptibility of the soil. In the surroundings of our CAN unit, in Pernambuco, the soils are little susceptible to erosion processes. Specifically in areas with lower slopes, susceptibility to erosion is mitigated with adequate soil management. To protect the soil, in

general, we have practices such as applying sugar cane straw to cover the rows.

Finally, still with regard to soil health, in the last 5 years we have reforested a total area of 5 ha, planting approximately 37,500 seedlings of native Atlantic forest vegetation. Our goal is to double this reforested area in the next two years.

## Reports on pesticide and herbicide use [GRI: 3-3]

In the company's agricultural area, we promote Integrated Pest Management (IPM), with the planting of disease-resistant varieties. We also reasonably employ the use of agricultural pesticides, herbicides, insecticides, fungicides, nematicides and ripening agents. All the products we apply to crops are registered with the Ministry of Agriculture, Livestock and Supply and are not included in the list of Persistent Organic Pollutants (POPs). They do not have classifications Ia (extremely dangerous) and Ib (highly dangerous), according to the list of the World Health Organization (WHO).

The agricultural pesticides we use are preferably from less toxic toxicological classes, actively avoiding the use of products from more toxic toxicological classes, which minimizes the impact on soil and water resources.



JB Group companies have constantly invested in technologies to converge with new market scenarios and trends.

We seek connections with different market segments and encourage employees, so that knowledge circulates within the organization. We foster a culture of innovation, seeking to positively impact our different areas, enabling, for example, gains in agricultural productivity, cost reduction, and generation of knowledge.

## 5. INNOVATION AND TECHNOLOGY

[GRI: 3-3]

### Circular Economy

We are committed to adopting sustainable agricultural practices and making full use of our raw materials.

In our continuous improvement processes, we adopt the circular economy as a reference for our actions, transforming industrial waste into organic fertilizers and renewable electricity, thus developing a positive industry model.

Below are some other important technological and innovation plans or advances by JB Group companies.

#### • Vinasse fertilization

This industry byproduct is used to fertilize sugar cane as an important source of potassium. Therefore, in a large part of our crop planting we use vinasse to replace potassium mineral fertilizers, reducing costs with purchasing the input and Greenhouse Gas (GHG) emissions.

Our objective is to make a localized application of vinasse with the adoption of precision agriculture practices in cultural treatment operations, allowing greater control of flow and quality in the operation.

#### • Organic fertilization

We use filter cake, ash, and soot as sources of nitrogen, phosphorus, potassium, and micronutrients to nourish sugar cane, also reducing the need to acquire mineral nutrients, in addition to stimulating soil microbiology, with a significant positive impact in crop productivity, as well as reducing GHG emissions by not using nitrogen fertilizers.



- **Protection against pests, diseases, and weeds**

We adopt biological control to control pests and diseases that affect our plots. For pest management, the organization has a technician, duly trained in the Agricultural Pesticides Course, responsible for each area of the farm, aiming to carry out a survey of the incidence of pests existing in each location and, therefore, define more assertively the type and quantity of pesticide to be used. Also, we only use pesticides with a low environmental impact record.

- **Precision agriculture**

We are working on the systematization and standardization of our operations, towards the full adoption of precision agriculture in order to minimize trampling in the field and losses of performance indicators.

- **Production of neutral ethanol, sugar cane rum, and food grade alcohol distilled ethanol**

We are pioneers in obtaining food-grade production chain certification in Brazil, a fact that attests to rigorous compliance with all current standards and legislation.

Still in the context of technological innovation, regarding the intrinsic quality of our products, we have the capacity to fully meet all sensory and physical-chemical specifications. We use the vacuum distillation system, which improves the separation efficiency of volatile components, improves the quality of the distilled fraction, reduces operating costs with a significant reduction in steam and energy consumption, while increasing product recovery, thus avoiding undesirable reactions and thermal degradation.



## • Renewable energy production

We operate high pressure and temperature boilers, which allow us to reduce specific steam consumption to around 6.0 t steam/MWh. This makes us a benchmarking reference when compared to average values in the sector: 13 to 15 t steam/MWh.

## • Prospecting new technologies

As said before, we have invested in technologies to keep up with new market scenarios and trends.

Seeking to make the prospecting of technologies and innovation compatible with sustainability, we have goals integrated into the circular chain of our businesses focused on sustainable practices. An example is the approval and selection of new suppliers based on socio-environmental criteria, in

addition to encouraging best responsible sourcing practices in the supply chain.

## • Description of the purification process

Ethanol production generates carbon dioxide as a byproduct through the following reaction:  $C_6H_{12}O_6 + \text{yeast} > 2C_2H_5OH + 2 CO_2$ . Fermentation is a continuous process. However, carbon dioxide is collected continuously during this process. The rate of carbon dioxide produced varies during fermentation: initially, CO<sub>2</sub> production is low; as yeast activity increases, the rate of gas production also increases.

This is part of the process for a new product at the company, but with great potential, i.e. CO<sub>2</sub>. And we always work in harmony with our collaborators and universities in order to improve the production process. Achieving improvements at different points in the manufacturing pipeline can result in big gains.



## • Innovation in human resources

The JB Group, seeking continuous improvement, modernization, and optimization of processes and in line with collective agreements and conventions, implemented a rural point registration system using facial recognition, both at the Pernambuco and Espírito Santo units. It is a safe, modern, and practical way to record the journey and production of each employee.

The advantages and operational gains provided by the implementation of this system were the agility in decision making, the integration between modules, in addition to the agility in collecting information on employee attendance and productivity.

In addition, we launched the "Employee portal - information at your fingertips". With the aim of enabling greater agility and practicality for our employees, also thinking about sustainability and reducing the consumption of natural resources, JB Group has made available an application that allows employees to monitor their pay slip, annual income report and time card in a practical and safe manner.





## 6. ECONOMIC PERFORMANCE

[GRI: 201-1; 201-2; 203-1; 203-2]



The JB Group understands that improving the company's socio-environmental and governance indicators makes it possible to add value to the company. This harmony is essential so that we can maintain our production systems and socio-environmental projects in a healthy way, ensuring the longevity of the business and a responsible management model.

The investments we make allow us to improve the efficiency of our operations, providing a positive impact on the group's growth. Additionally, these investments directly and indirectly influence the development of the local economy. This is because, initially, the jobs we generate and the local suppliers we hire provide wealth and income for the regions of operation, in addition to the various socio-environmental and infrastructure actions we carry out, always in harmony with our employees and the surrounding communities.

### Generated and distributed direct economic value indicator

Year	2022	2021
Generated direct economic value	634,865	634,758
Revenues	633,204	623,585
Other Operating Revenues (net)	1,661	11,173
Distributed economic value	604,373	515,594
Operating Costs	248,625	235,472
Employee wages and benefits	163,311	131,641
SG&A	93,978	82,194
Payments to government	32,934	64,956
Others	65,525	1,331
Retained economic value	30,492	119,164

### Investment Category - (amounts in BRL thousand)

Year	2022	2021
Investments in Technology and Industrial Operations	6,950	2,940
Investments in Agricultural Vehicles and Implements	25,496	18,823
Investments in Infrastructure, security, and others	92,802	49,870
<b>TOTAL</b>	<b>125,248</b>	<b>71,633</b>

It is extremely important that the organization continues to invest in its activities, aiming to improve and increase the efficiency of its operations. As it generates more wealth, it is better able to contribute, through different practices, to the preservation of the environment and the social well-being of communities and all stakeholders with which it interacts.

However, it is correct to say that the return on these investments goes both ways: if the company has better economic performance, it has a greater capacity to develop socio-environmental actions; at the same time that the incorporation of responsible socio-environmental practices into the company's culture contributes to improving transparency, image and economic return.

As an example, the investments that the JB Group made in certifications (such as FSSC22000, Proterra, RenovaBio and Carb) brought countless benefits to the company. Now the group aims to obtain ISO2001 and Bonsucro certifications. By meeting the requirements by each of these certifications, we are also able to meet the increasingly present demands of our national and international stakeholders.

## Impact of climate risk

The sugar-energy activity is essentially agricultural, as the production of sugar cane in the field is essential for the feasibility of an agro-industrial project. As such, the activity is exposed to climate factors. Depending on the intensity, geographic location, and extent, these factors can result in risk or opportunity for the company. They can directly impact revenue generation and operation costs.

- **Long periods of drought** – physical risk and,

depending on the extent of the drought, may trigger actions with regulatory impact, such as rationing, tax increases, etc.

- **Above normal rainfall**– it could be an opportunity, depending on the distribution and intensity. It can result in an increase in the agricultural harvest, reducing costs, but excessive rainfall can cause problems for the area, such as less sunny days, flooding in the field and phytosanitary problems. Climate variations in different countries can also cause multiple effects, impacting international commodity prices.

Another complication regarding the climate is the occurrence of climatic phenomena, such as El Niño and La Niña, which can cause major shocks during the harvest cycle.

- **El Niño** – It can have a negative impact on agricultural production in the Northern Hemisphere, with below-normal rainfall. Opportunity for the organization to get capture prices for its most profitable products.
- **La Niña** – it can generate negative impacts in the Southern Hemisphere, causing prolonged droughts and loss of agricultural crops due to drought. Risk of crop failure.

The JB Group has its factories distributed in the Northeast and Southeast of the country, which, in a certain way, mitigates regional climate effects. In both cases, investment in irrigation is necessary to cope with dry periods.

## 7. TALENT ATTRACTION, DEVELOPMENT, AND RETENTION

[GRI: 3-3; 401-1; 401-2; 410-1]

The JB Group generates more than 5 thousand direct jobs and 20 thousand indirect jobs. Thus, it contributes to the sustainable development of the regions where it operates, adopting management practices in accordance with the regulations and guidelines of the Ministry of Labor and Employment, through the Regional Labor Offices and the Public Ministry of Labor of the states of Pernambuco and Espírito Santo.

JB Group's organizational values express how we relate to our employees, respecting each one's individuality, with a commitment to maintaining a policy against discrimination. By doing so, we ensure that all people have equal access to programs, facilities, services, and employment, without taking into account personal characteristics unrelated to technical ability, performance or qualifications.

The company prohibits discrimination, harassment, and intimidation against any person because of age, color, disability, national origin, race, religion, sex, sexual orientation, or any other characteristic protected by law. It does not use discriminatory practices, requiring its suppliers to adopt the same policy. It also guides and trains employees on the importance of raising awareness of the topic in the group's companies, involving employees through campaigns, publicity, and newsletters.

In the labor relationship with our employees, we assume the commitment to the current legislation, verifying its absolute enforcement during the start, management and termination of employment agreements.

In order to promote ethical practices on human rights, 100% of the employees, including the governance body, are guided by the JB Group Code of Business Conduct, which addresses various behavioral segments. Among them, the companies' alignment with human rights and anti-corruption practices.

In the Group's new employee integration program, said Code is presented and discussed, with a copy being given to each participant. During the period in which this report was being created, we carried out 174 integration training sessions for new employees, in which all newly hired employees participated, totaling 1,044 hours of integration.

### Employees [GRI: 2-7; 2-8]

The JB Group, in its total annual workforce, has an average of more than 5 thousand employees. Specifically during the period of this report, we reached 5,327 employees.

Of the company's total number of employees, we have a growing percentage of women hiring, mainly focused on rural activities, whether off-season (planting) or harvest period. It is worth noting that this female workforce is hired during the harvest period with the purpose of developing activities related to mechanized cutting. To this end, women can be allocated to specific teams, which facilitates and highlights their productivity.

The table below shows the annual average number of employees by gender for the Group's companies by region, showing the increase in numbers in 2021 and 2022. It also portrays the region in which they are located, with Alcoolquímica concentrating its entire workforce in the Northeast area of the country and LASA concentrating its workforce around its base in the Southeast region. Pirapama Bioenergia e Gás has activities allocated both to the Pernambuco unit and the Espírito Santo unit. Lastro Gases Industriais has its staff based in Linhares (ES).

Staff by gender and work region (2021 and 2022)				
Region	Gender			
	2021		2022	
Northeast	Female	Male	Female	Male
	248	3,529	296	4,040
Southeast	Female	Male	Female	Male
	60	879	99	813
Grand total:	308	4,408	395	4,853

Staff by gender and work regime (2021 and 2022)								
Categories	NORTHEAST				2022			
	2021		2022		2021		2022	
Gender	Female	Male	Female	Male	Female	Male	Female	Male
Permanent	202	3,507	253	4,010	43	846	55	772
Temporary	45	26	43	30	18	29	44	41
Full-time	202	3,506	252	4,009	44	846	55	772
Part-time	45	27	43	31	18	29	42	41
Total	3,780		4,336		936		912	

Note: It portrays the average headcount of the companies that are part of the group, focusing on employees working permanently or temporarily hired, whether to fulfill quotas (apprentices) or for short-term activities. It also shows the average of those who work full or part time.

## New employee hires and employee turnover

The JB Group adopts staff selection practices in accordance with current regulations and legislation, using as a parameter the Universal Declaration of Human Rights, established by the United Nations (UN), and the fundamental conventions of the International Labor Organization (ILO). Staff hiring is carried out according to the number of vacancies available and the adherence of the applicants' skills to the position requirements, which are defined in the job profile descriptions.

One of the characteristics of our business is the seasonality of the production process. For this reason, the labor turnover indicator is computed separately, by type of work contract. However, regardless of the type of contract, all workers are guaranteed access to universal labor rights.

Specifically in regards to the admission process, it ends with the participation of the newly hired employee in the Integration Program for new Employees, in which the JB Group Code of Business Conduct is presented, discussed and delivered. This document explains in detail the rights and duties, in addition to guiding the attitudes of all employees in their activities.

- The recruitment of employees for the group's activities in the Northeast region is carried out at the headquarters of Alcoolquímica, in Vitória de Santo Antão (PE) and in neighboring cities, about 70 km away, such as the cities of Escada, Primavera, Amaraji, Pombos, Chã de Alegria and Ribeirão, among others.

- In the Southeast Region, employee recruitment takes place at LASA's headquarters, in Linhares, or in Sooretama (ES). At this unit, migrant workers are hired to carry out agricultural work and agricultural mechanization. To achieve this, the selection and administration sectors have a corporate role. This is because professionals who live in the Northeast are recruited to work at the JB Group unit in Espírito Santo. Workers are recruited in locations such as Vitória de Santo Antão, Escada, Primavera and Amaraji, in the Mata Sul region of Pernambuco.

In 2020, 32 workers were recruited in the Northeast to work at LASA, and a Declaratory Certificate of Transport for Workers (CDTT) was filed with the Regional Labor Superintendence. In 2022, 24 workers were recruited, always in compliance with legislation.





## Total number of hiring rates, turnover, gender, and region [GRI:401-1]

Age	Region	Year	Active	Admitted	Admission rate	Turnover	Active	Admitted	Admission rate	Turnover
<30	Northeast	2021	1142	643	0.56	0.47	64	61	0.95	0.76
	Southeast	2022	953	891	0.93	0.80	74	78	1.05	0.89
	Northeast	2021	201	155	0.77	0.74	33	35	1.06	0.77
	Southeast	2022	106	145	1.37	1.44	35	59	1.69	1.31
30-50	Northeast	2021	1613	904	0.56	0.47	118	102	0.86	0.65
	Southeast	2022	2201	912	0.41	0.38	168	130	0.77	0.68
	Northeast	2021	476	179	0.38	0.36	21	15	0.71	0.54
	Southeast	2022	317	133	0.42	0.47	36	50	1.39	1.18
>50	Northeast	2021	829	184	0.22	0.22	63	29	0.46	0.34
	Southeast	2022	1039	174	0.17	0.13	72	26	0.36	0.40
	Northeast	2021	147	40	0.27	0.30	9	2	0.22	0.22
	Southeast	2022	237	31	0.13	0.16	10	4	0.40	0.30
<b>Total per Period</b>		2021	4,408	2,105	0.48	0.42	308	244	0.79	0.60
		2022	4853	2286	0.47	0.45	395	347	0.88	0.76

*Note: Despite being a condition known as a characteristic of the business, with regard to the relative variation in the turnover rate, it occurs due to the seasonality that exists in JB Group companies – throughout the year, which encompasses the months of September to December, in the Northeast region, and from April to June, in the Southeast region, the company hires several employees with fixed-term contracts, to be valid only during the harvest period. At the end of the harvest, these contracts are automatically terminated.*

## Provision of services and outsourcing

The JB Group's strategy is not to outsource activities related to its main activity – production and industrialization. However, when necessary, the provision of services for some routine activities is hired for a fixed period of time.

The service provision contracts contain clauses that demand respect for human rights, data privacy, and compliance with regulations governing the work and employment relationships. In addition to the initial assessment of the contracted company, all labor documentation and similar requirements are analyzed and monitored by the specific sector.

The companies LASA and Lastro Gases Industriais hire three outsourced companies that provide services with their own workforce. The activities are always carried out at the headquarters of the companies mentioned above, namely: property security, formed by a body of armed guards; and reception of employees and visitors, made up of a team of doormen. These activities are carried out full-time, on a work schedule of 12/36 shifts, and have

a fixed number of employees, without fluctuations. This can only be changed when strategic planning is required, with new job openings, which rarely happens.

Another outsourced activity is the provision of meals for employees, carried out in accordance with the contractor's work schedules and respecting the harvest and off-season planning and schedule. Labor fluctuations are minimal and may occur according to the contractor's needs depending on the harvest period, in which greater demand requires more labor to carry out the activity.

The service relationship is formalized through a service provision contract for an indefinite period, which may be terminated by either party, upon express communication to the other, at least 60 days in advance of the date on which termination is intended for total or partial provision of services.

The contracts also contain the entire narrative to ensure the rights and obligations of both the contracted parties and the contractor, providing labor guarantees to their employees, periodically

requiring the delivery of ASOs and proof of payroll and Collective Bargaining Agreement in accordance with their renovation.

Outsourced staff by gender		
Activity	Gender	
	Female	Male
Average of years 2021/2022		
Armed Property Security	-	6
Entrance and Reception	1	11
Meal Supply	7	3
<b>Grand total:</b>	<b>8</b>	<b>20</b>

*Note: The table describes the average number of employees working in the 3 companies that provide outsourced services in the southeast region during the years 2021 and 2022. However, this number varies due to the seasonality of staff, especially during the harvest period.*

## Labor Practices [GRI: 13.20.1]

The JB Group adopts people management practices in accordance with the regulations of the Ministry of Labor and Employment of the Public Ministry of Labor, before the Regional Labor Offices of the states of Pernambuco and Espírito Santo, which are also aligned with the United Nations (UN) and with the fundamental conventions of the International Labor Organization (ILO).

In the labor relationship with our employees, we are committed to the control and analysis of the current legislation, verifying its absolute enforcement during the start, management and termination of employment agreements.

## Decent income and salary [GRI: 13.21.1]

The salary practice adopted by the JB Group is based on Collective Bargaining Conventions and Collective Bargaining Agreements of the different professional categories, respecting the legislation in force, with the lowest salary paid being equal to the country's minimum wage. Annual adjustments,

through collective bargaining agreements, are negotiated by Group companies with their respective unions on the base date for each category, thus ensuring that all employees receive, at least, a decent income and wages.

## Recruitment and selection process

The constant variations in the labor market, the low qualifications of applicants and the high number of unemployed people in our country greatly increase the organization's responsibility in carrying out selection processes. During the period of this report, the JB Group generated around 2,190 new job openings, benefiting hundreds of families directly and indirectly.

The process of recruiting candidates is carried out through various sources: newspapers, bulletin boards, opportunities panels, advertisements in partner schools and universities, the Internet, social media, and employee referrals. To define the sources to be used, the scope of the position, costs, and the minimum age allowed for hiring (18 years old) are considered.



Any individual who meets the position requirements can apply for vacancies offered by JB Group companies, regardless of race, color, gender, origin, age, sexual orientation, physical characteristics, or religion, under equal conditions, any form of discrimination being prohibited.

The admission of employees is subject to approval in the recruitment and selection process, which requires medical fitness and presentation of documents within the deadline defined by the company.

The JB Group adopts people management practices in accordance with legal requirements, so that all employees have employment contracts in Portuguese and are remunerated according to the activities and positions they occupy, respecting the limits of the wage floor of each professional category.

Aiming to disseminate the organization's values and practices, all employees are trained in the JB Group's internal policies and Code of Conduct, in which they are guided regarding the expected

behavior in various situations, always in alignment with our Human Rights policies and Anti-corruption Practices.

During integration training, all new employees receive a copy of the Internal Regulations and Code of Conduct, having the opportunity to learn about and discuss its contents. During the period of preparation of this report, we carried out 174 integration trainings, in which 1,731 employees participated, with a total workload of 1,044 hours.

### **Benefits provided to full-time employees**

The quality of life and well-being of employees are priority factors at the JB Group. With this view, the company maintains a healthy work environment, stimulating everyone's creativity and motivation. Thus, it carries out various actions and corporate events to generate a light, peaceful, and harmonious organizational climate. The organization also offers some benefits that add value to employees and their families.

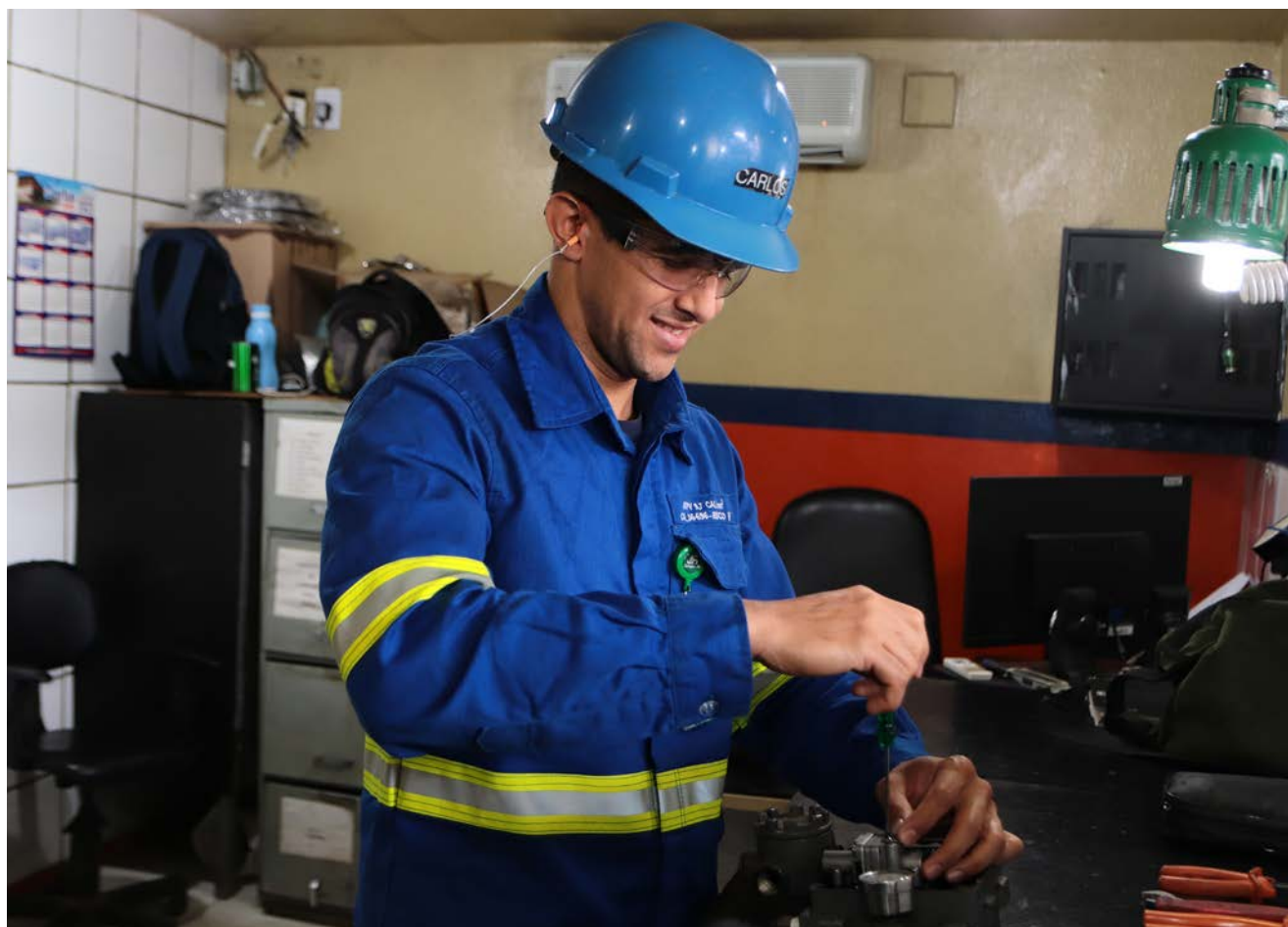
Aiming to reach all employees without distinction, the JB Group does not adopt an exclusive benefits policy for permanent employees, providing everyone with the opportunity to access the benefits that best meet their needs, according to the region where they work, regardless of the type of work contract.

- Agreements with healthcare providers – In the Northeast region, in order to facilitate access to medical treatment, the Group maintains agreements with clinics, specialized offices and laboratories that charge prices below the market average and facilitate payment conditions for employees and their dependents. In the Southeast region, the organization offers medical insurance for employees and their dependents, covering 50% of the monthly fee.
- Benefits Card – We will offer employees a benefits card, which allows access to a wide network of pharmacies, capable of meeting demands in any region of the country. The amounts are deducted from the payroll in up to four installments, according to each person's financial availability.
- Oral Health – Aiming to preserve the oral health of employees and their dependents, we have a Dental Plan, whose coverage gives access to all procedures authorized by the Brazilian National Health Agency (ANS). The accredited network serves the entire national territory, facilitating better access for everyone.

- Baby Kit – The Cesta Natalidade is a benefit that provides integration and closeness between the employee's family and the company. Whenever a new member is born in an employee's family, this is celebrated with the delivery of a baby kit, made up of hygiene products, bottles, and disposable diapers, and another kit for the whole family, made up of first-class foodstuffs. During this reporting period, 72 kits were delivered to employees, 10 in the Southeast region and 62 in the Northeast region.

In its entirety, the benefits package offered by the JB Group also includes: Life insurance; Meal voucher for employees who work outside the manufacturing units; Food Voucher; Transportation vouchers; Agreements with Optical stores; Agreements with Colleges and Language Schools; Agreements with Theme Parks; and, in some cases, for those who live far from the unit where they work, a weekly fuel allowance is offered, which is negotiated during the admission process.

All information about benefits is controlled and monitored by the group's Human Resources area and totaled an investment of 10,225,509.10 Brazilian reais in the period covered by this report.



Benefits	Northeast	Southeast
Food Voucher	BRL 1,665,052.30BRL	989,216.30
Meal Voucher	BRL 109,507.20	-
Cafeteria	BRL 378,011.59	BRL 1,233,587.50
Public Transportation Voucher	BRL 71,630.34	BRL 44,953.64
Transportation Allowance	BRL 4,693,899.79	BRL 36,118.00
Health Care	BRL 878,817.85	BRL 49,806.00
Life Insurance	BRL 54,753.33	BRL 20,155.26
Total Amount	BRL 7,851,672.40	BRL 2,373,836.70
		BRL 10,225,509.10

At the end of each year, we hold an event to honor employees who have worked in the company for a long time. In 2022, 285 employees were honored for their seniority, with an event specially prepared to deliver the plaques and kits. On that occasion, we had the presence of the entire leadership to honor them, with an investment of 40,217.52 Brazilian reais.



Years of service	Northeast		Southeast	
	Male	Female	Male	Female
10 years	59	3	18	2
15 years	68	2	11	-
20 years	57	3	9	-
25 years	9	-	3	1
30 years	2	1	1	
35 years	21	-	-	-
40 years	11	-	-	-
45 years	1	-	-	-
50 years	2	-	-	-
55 years	1	-	-	-
Quantity	231	9	42	3
<b>Total</b>			<b>285</b>	

Aiming to improve the quality of life in the work environment and, consequently, improve the organizational climate and well-being of employees, the JB Group maintains a schedule of corporate events.

- January – celebration of Sugar cane Cutter Day. During this reporting period, we carried out a commemorative action at Engenho Cachoeirinha, with the participation of the field, occupational medicine, and HR teams.
- March – celebration of Women's Day. In 2022, women in the administrative and rural sectors received a beautiful tribute from the company.
- May – Mother's Day was celebrated with a special lunch for mothers, cultivating appreciation and belonging.

- August – In reference to Father's Day, JB Group gave gifts to all fathers in the industrial sector, aiming to promote team unity and a feeling of inclusion.

- October – To celebrate Children's Day, the Group took employees' children to the movie theater, with popcorn, soft drinks, and lots of fun, reaching 230 children, along with 131 guardians.

## Parental leave [GRI: 401-3]

Parental leave is a constitutional guarantee that ensures the worker's right to remain at home after the birth of their child. The legislation also ensures that the leave is carried out without prejudice to remuneration. For that reason, the JB Group ensures that all employees take leave at the birth of their children.

## Rate of return to work and retention after maternity/paternity leave, broken down by gender GRI: 401-31

Categories		2021			2022		
		Men	Women	Total	Men	Women	Total
A	Were entitled to leave	98	1	99	88	6	94
B	Went on leave	98	1	99	88	6	94
C	Returned to work after the leave period	98	1	99	88	5	93
D	Returned to work after the end of their leave and have still worked for the Companies for 12 months after their return to work	79	1	80	74	5	79
E	Return rates after the leave (%)	100%	100%	100%	100%	83.33%	99%
F	Return rates after the leave with 12-month permanence (%)	81%	100%	81%	84.09%	100%	85%

*Note: The indicator above represents the number of employees who were granted maternity/paternity leave during the years 2021 and 2022, across the entire JB Group. It also shows the percentage of employees who, after the period of leave – whether due to maternity or paternity – returned to their work activities, fulfilling their entitlement days in accordance with the legislation. Maternity leave in 2022 for LASA does not include an indication of return, as the employee was still enjoying this benefit during the preparation of this report. The indicator of employee retention after the period of maternity/paternity leave shows a lower percentage of retention, with the majority of layoffs occurring due to termination of contract at the end of the harvest or due to resignation.*

## Training and education [GRI: 404-1]

It is the JB Group's tradition to invest in the training and development of its employees as it believes that the strength, potential, and difference of a company lie precisely in its people. During the period of this report, we improved human development management, leveraging effective gains for the entire organization.

Generating opportunities, training, and motivating are our objectives as we seek to prepare our teams, always aiming for continuous improvement, and the incorporation of new processes and technologies. Training and development activities are carried out both in person and through distance learning, aiming at training and recycling knowledge.

The Human Resources area, together with department managers, annually carries out a Training Needs Survey (TNA), based on job descriptions and the objective of developing new technical, operational, and behavioral skills. From there, the Annual Training Plan (PAT) is prepared.

If any new training needs arise, which were not foreseen during the preparation of the PAT, we carry out training according to demand and include them in the plan at the time of review.

At the end of all training, regardless of the modality used, an assessment is carried out with all participants. The objective is to verify aspects related to the training carried out, such as: qualification and dynamics of the instructor, teaching material used, programmatic content, physical space (when applicable), among other factors.

## Investments in training

In relation to investments in training and development (People, Hours, Training – HW), considering the rates from previous years, the JB Group has made significant progress. Approximately 197,308.95 Brazilian reais were invested during the period of this report, with most part of training carried out internally by duly qualified instructors (employees) using our own

logistics, which generated a reduction in direct costs with hiring instructors and outsourced entities.

Based on the results obtained from the training effectiveness evaluations, an action plan is drawn up. If an employee's training was considered ineffective, he or she had to participate in the training process again.

This assessment is carried out by the training participant's direct manager 90 days after completing the training. The following aspects are considered:

- Employee knowledge before participating in training;
- If the employee demonstrated knowledge of the content covered in the training;
- The level of application of the knowledge acquired in training in the activities carried out by the employee;
- If there was an improvement in the performance of activities carried out by the employee after training;
- And, finally, what is the participant's level of achievement in the training.

To obtain the average number of training hours for this report, the seasonality of the sugar-energy sector was taken into account. The total number of employees in the month of December 2022 was considered. The total courseload resulted from the sum of training hours carried out in the companies up to this reporting period. Finally, the definition of the average annual HW was based on the sum of the accumulated hours x people x month of the group's companies by region.

Average hours of training per gender and region				
Region	Gender	Total staff	Total workload	Average/annual Person Hours Worked (HW)
Northeast	Men	4,346	16,915	24.79
	Women	290		
Southeast	Men	595	6,183	33.2
	Women	97		
Total		5,328		

*Note: Until the period of this report, the training control system was not parameterized to separate data by gender and functional category. This is a goal for the HR area for the next period.*

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## Programs for upgrading employee skills [GRI: 404-2]

With the aim of developing new skills, training, and improving the capabilities of employees, the JB Group, through the Human Resources area, uses various strategies for professional improvement and growth every year.

When preparing the Annual Training Plan, in the context of continuous improvement in the qualifications of our employees in a corporate environment undergoing permanent transformations, the company began a permanent process of reflection, discussion, and evaluation.

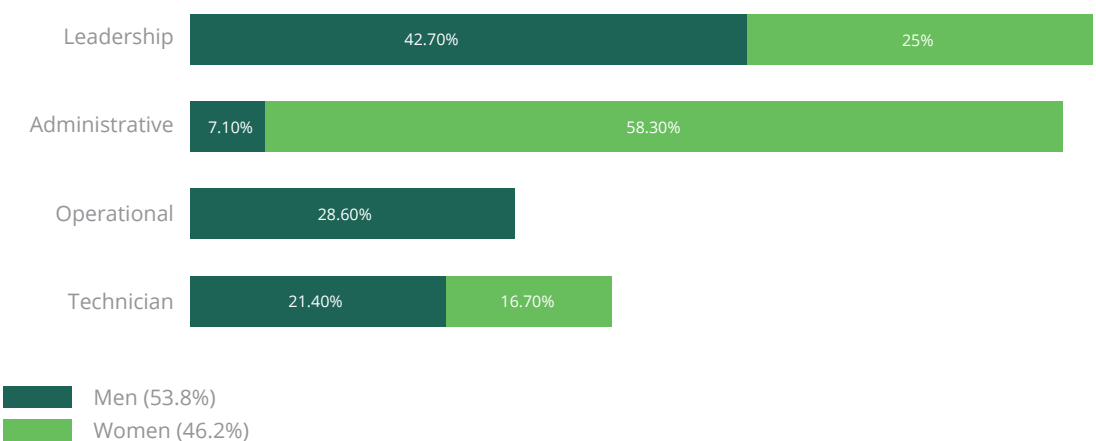
The Educational Plan was created to upgrade and encourage the continuous development of employees at JB Group companies. The requirements for access to the program are: having worked in the company for at least one year; and the course is related to your work activities. Employees can choose technical, higher education, specialization, or language training. Registration takes place twice a year, in January and July, and the company finances 50% of the course.

During the period of this report, 26 employees benefitted from the Educational Plan, of which 8 were new enrollees. 5 employees have already completed their education. The table shows the amounts invested in the program, considering gender and region.

### Traning Plan by gender and region

Region	Gender	Users	Investment
Northeast	Men	6	BRL 45,154.65
	Women	11	
Southeast	Men	8	BRL 10,465.87
	Women	1	
Total		26	BRL 55,620.52

## Traning Plan Users



## Apprentice Program

The JB Group Apprenticeship Program is aimed at students who have completed high school, aged between 18 and 23, and aims to train and insert young people into the job market. It is carried out in partnership with System S training entities. In the selection process, candidates residing in the communities surrounding our manufacturing units are prioritized.

Annually, the Human Resources area, together with managers, evaluates the areas with the greatest shortage of local labor. From there, the Apprenticeship Program courses are defined with the aim of preparing qualified professionals to fill the positions available in the Group's companies.

Aiming to facilitate the process of integrating apprentices into the corporate world, theoretical classes are taught on the company's premises, which makes the relationships built during the practical classes even more fluid. The choice of sectors in which the practice takes place occurs according to the availability of jobs, as well as the identification of apprentices. At the end of the

theoretical classes, dynamic activities are held in which representatives from each sector present their areas and the activities that will be carried out during the practical period of the program. In this way, young people have the opportunity to choose which area they want to start their practical classes in.

In addition to training and opportunities to enter the job market, the Apprenticeship Program also aims to discover new talents for hiring or even forming a talent pool. According to the Group's Recruitment and Selection Policy, in the case of new opportunities, internal recruitment is prioritized, with the participation of apprentices. In the year this report was produced, 11.4% of apprentices were hired after completing the apprenticeship program.

## Social and Professional Training Program (FAT)

Every year, the job market becomes more demanding. This forces people to constantly seek professional growth and development, preparing themselves for these changes that occur almost daily. Professional training is a fundamental tool for people who want to achieve success in their professional career.

In this scenario, the JB Group understands that social and professional training programs contribute to its employees, as they enable the development of workers, both in their professional and personal lives, in addition to strengthening the bonds between company and employee.

In the year of this report, the group's Social and Professional Training Program served 62 employees in the roles of tire tractor operator, loader operator, harvester operator, and driver. For that purpose, 54,391.70 Brazilian reais were invested. The main objective of the program is to qualify the company's professionals to achieve professional success, facilitating the relationship "Work x Education x Personal and Professional Development". Through professional training, we contribute to strengthening the sugar-energy segment.

The curricula and content adopted were defined based on the applicable legal requirements and level of education. We considered occupation affinities, based on the Brazilian Occupations Code (CBO), and activities related to the specific training of each role.

Professional practice activities, as described in the program content, comprise the most different living, learning and work situations, such as specific experiments and exercises in special environments, such as classrooms authorized by Detran, mechanical workshops, technical visits, simulations, and comments.

The evaluation of the Social and Professional Training Program has been systematic and continuous, considering behavioral aspects, participation, and attendance of employees. Learning is checked through training assessment, applied at the end of each module.

For specific topics, the basic requirements for instructors were training in the area of knowledge and proven experience. Entities such as Sesi, Senar and Sest Senat were hired and provided technical support to teach these topics. Topics related to Occupational Safety, Environment, IT, and Citizenship were taught by professionals with technical and/or higher education in the respective area, with educational experience.

### Social and Professional Training Program - FAT (Lasa)

OFF SEASON 2021/2022			OFF SEASON 2022/2023		
Employees Enrolled	Hours of training	Investment with training	Employees Enrolled	Hours of training	Investment with training
<b>31</b>	<b>180</b>	<b>BRL 19,650.00</b>	<b>31</b>	<b>240</b>	<b>BRL 34,741.70</b>

*Note: Table referring to the company LASA Linhares, which at the beginning of last year joined the program; the duration was brought forward to March 31st due to the need to target the 2022 harvest. The 2022/2023 program began on December 1, 2022, with an expected duration until March 31, 2023.*

## Non-discrimination and equal opportunities [GRI: 13.15.1]

Following objective criteria, which are based on each person's skills, competencies, job profile, and contributions, the JB Group ensures equal access to professional development opportunities.

It is part of the group's Human Resources Policy: to recruit, hire, remunerate, and promote all employees based on the qualifications and skills required for the position, without any type of discrimination, but equal opportunities.

The selection policy adopted prioritizes internal recruitment before advertising job openings to the market. Thus, everyone is encouraged to apply for and occupy new positions according to their desired career. Employees who participated in the Apprenticeship Program and were well evaluated have priority in the JB Group talent pool.

Each position has its requirements outlined in the descriptions, establishing the competencies, skills and knowledge that serve as a reference in the selection and development processes. In the year of this report, a consultancy was hired to review all job descriptions, as well as describe new positions. Observation, interview, and questionnaire methods were used. The work carried out by the consultancy, in partnership with the Human Resources area, was validated by all leadership, and presented to employees. As a result of this work, a significant reduction in the number of positions was achieved, which made the group's remuneration structure more consistent.

According to Human Resources policies, the JB Group prohibits any form of harassment, discrimination, prejudice, or humiliating treatment against employees by anyone in different work environments or during the execution of any activities, internally or externally. It also prohibits any type of intimidation, humiliation, threats, or abusive attitudes, whether through gestures, words or behavior, against the moral and physical integrity of any employee.

All employees, without distinction, must collaborate effectively in achieving the company's objectives and goals. Harmony, cordiality, respect, and a spirit of understanding must predominate in established relationships, regardless of hierarchical position.

The organization is always concerned with maintaining an intact work environment free from any violation. In the event of any problems, employees and business partners can use our Whistleblowing Channel, through which they can report any nature regarding facts that are not in accordance with the law or that violate our Code of Conduct.

We do not permit any sanction or retaliation against anyone for complaining, reporting, participating in, or assisting in the investigation of a suspected violation of the Code of Conduct, unless the allegation made or information provided is found to be intentionally false.



### Corporate Governance - Composition by diversity categories [GRI: 405-1]

Diversity (%)		2021	2022
Gender and Race	White men	4	4
	White women	1	1
Age range	Between 30 and 50 years old	2	2
	Over 50 years old	3	3

Note: \* This information takes into account the change in the governance structure with the establishment of the Strategic Committee in December of 2019; we considered corporate governance represented by the Strategic Committee and boards: there are two members with cumulative participation on the Board of Directors and Executive Boards.

### Corporate Governance - Composition by diversity categories [GRI: 405-1]

Data		Diversity			
		2021		2022	
		Men	Women	Men	Women
Professional category	Executive Board	1	-	1	-
	Consulting	3	-	3	-
	Commercial Management	1	-	1	-
	Financial Management	1	-	1	-
	Controllershship Management	1	-	1	-
	Executive Management		1		1
Age Range	Between 30 and 50 years old	2	1	2	1
	Over 50 years old	6		6	
Race	Caucasian	8	1	8	1

Note: \* The provision of information takes into account the governance structure, composed by the Strategic Committee

### Ratio of basic salary and remuneration of women and to men [GRI: 405-2]

The JB Group develops and monitors effective hiring programs based on the premise of equality in its various forms of opportunity. This policy has allowed the number of women in our staff to grow. In the 2022, there was a 14% increase in the hiring of women.

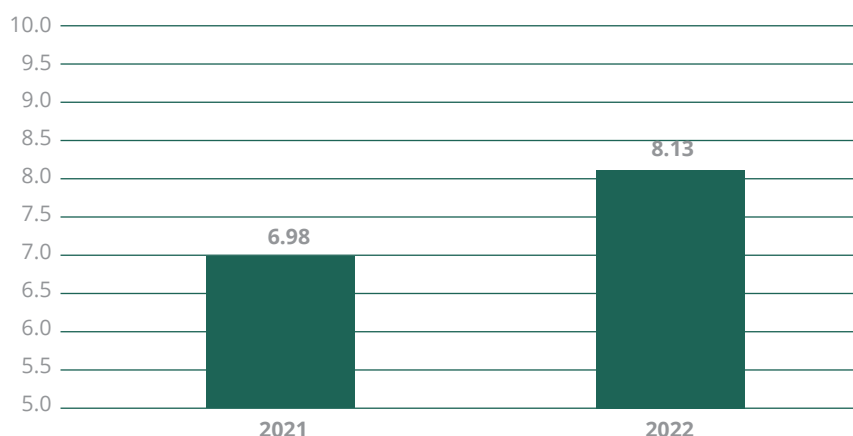


## Ratio between initial salary and minimum wage [GRI: 202-1]

Gender		2021				2022			
		Men		Women		Men		Women	
Number of professionals receiving the base salary for the category		2,111	47.89%	243	78.90%	3,556	73.27%	322	81.51%
Southeast	Category base salary (BRL)*(1) -Rural Workers' Union	1,130.00		1,130.00		1,272.60		1,272.60	
	Category base salary (BRL)*(1) -Industry Workers' Union	1,166.00		1,166.00		1,284.72		1,284.72	
Northeast	Category base salary (BRL)*(1) -Rural Workers' Union	1,200.00		1,200.00		1,320.00		1,320.00	
	Category base salary (BRL)*(1) -Industry Workers' Union	1,248.00		1,248.00		1,372.80		1,372.80	

*Note: The minimum wage for group companies is subject to collective bargaining conventions for each category. Therefore, there will always be a difference in base salary between the Northeast and Southeast regions of Brazil. The base salary is applied equally to both genders, respecting the policy of rights and opportunities among employees.*

## Hiring of women per year



*Note: We demonstrated the increasing admission of women in the last two years in JB Group companies. This scenario shows the company's commitment to increasingly including women in its staff; in 2021 the proportion of women was around 6.98%; which rose to 8.13% in 2022.*

## Forced or Compulsory Labor [3-3]

The JB Group adopts practices that comply with current labor legislation and, for this reason, ensures that its suppliers share the same values. All suppliers go through a selection and approval process, in which they declare, by presenting documentation, that their employees are hired and comply with labor legislation, and that forced and slave-like labor is not practice. Yet, more than complying with legislation, this company's concern is in line with its human rights practices, which do not admit any type of work relationship that is not dignified and provides quality of life for the employee.

## Child labor [3-3]

In Brazil, the Child and Adolescent Statute (ECA) states that children and adolescents are entitled to rights, in a peculiar condition of development and demand full and priority protection from the family and society.

Based on this Statute, the JB Group has established and disseminated our policy to combat Child Labor throughout the production chain, requiring our suppliers to adopt the same practices, in compliance with current legislation. Our policy includes the following:

- Group companies must not allow the use of child labor in their activities;
- This commitment not to use child labor must extend to suppliers;
- Guide, provide training on, and ensure the eradication of child labor, to preserve the integrity of the company and society;
- Guide, provide training on, and ensure the commitment through training for managers with the aim of ensuring the eradication of child labor;
- Guide and provide training to all employees regarding the risks of this practice in JB Group companies;
- Prevent children under 18 from entering company premises, except in the case of educational visits and with written authorization from parents and/or guardians, and always accompanied by a security technician;
- All company employees are subject to this policy, regardless of the professional category they belong to, as well as third parties, suppliers, or service providers.

In addition to this policy, which is widely publicized in all our communication channels, JB Group transfers financial resources to civil society organizations, such as the Abrinq Foundation, that provide direct and free assistance to children and adolescents between 0 and 18 years old who are in vulnerable situations.

We have also donated an educational collection to daycare centers in the Northeast. We support the NGO Projeto Gratidão [Gratitude Project], which works to rescue children and adolescents in conditions of social vulnerability by encouraging sports. During the period of this report, 30,536.00 Brazilian reais were donated to these organizations.

In addition to systematic donations, JB Group supports initiatives aimed at encouraging education, sport, and leisure for children and adolescents. All companies that have any type of commercial relationship with our company must at least adopt the practices to combat child labor established by the Group. We encourage our stakeholders, such as our suppliers of raw materials and services and equipment, to also permanently defend the rights of children and adolescents, and also support entities that work to mobilize society to protect their rights.



Protection of life was a critical topic in yet another harvest. Almost unprecedentedly, health has become a determining factor for the productive capacity of organizations and, in some cases, for their survival. And it is necessary to differentiate health from traditional issues of absenteeism indicators. We understand that the business space has become indispensable in the promotion and success of the pursuit of health, within and far beyond its walls. This implies substantially reviewing and modernizing the paradigms with which companies operate.

## 8. OCCUPATIONAL HEALTH AND SAFETY [GRI: 3-3]

### Tackling Covid-19 at JB Group

The recent global pandemic crisis has left a staggering impact. Some of its main characteristics can be summarized as follows:

- 6.5 million deaths worldwide caused by Covid-19;
- More than 611 million infected, including the emergence of Long-Covid;
- A significant increase in mental disorders;
- Neglect of medical care for other health problems, including vaccinations;
- A huge negative economic impact.

In the face of the pandemic, our contingency plan covered the entire organization, with our own resources and also in partnership with governmental and non-governmental bodies. Our aim was to control contagion both internally and within the families of our employees, by guiding and monitoring people with whom they had contact. Therefore, we reached a contamination rate much lower than that found in our region.

The pandemic opened our eyes to other professional opportunities. This has caught the attention of employers and led them to devise new recruitment and retention strategies that include wellbeing as a key concern.

Another determining factor for promoting health in the workplace are practical cases, which involved weekly and daily meetings, as well as various protection, segregation and control actions for the flow of people in the organization. Administrative activities were maintained and partially incorporated into our daily lives.

## Workplace safety policies

JB Group companies are always aware of potential impacts, negative or positive, on people. For this reason, they monitor risk factors for worker health and safety. The main objectives of our occupational safety policy are: to reduce workplace accidents; eliminate unsafe conditions in workplaces; raise awareness among employees about the importance of working safely; and carry out constant inspections. The goal is to reduce the number of workplace accidents by 5%, always considering the previous year.

The group promotes conscious management of results, resulting from the analysis of indicators such as workplace accidents, effectiveness of PPE, RMP, PPP (Occupational Health and Safety Assessment), technical reports, and LTCAT report. There is a department responsible for controlling the need for acquisition, distribution, and correct use of PPE and CPE, in accordance with current legislation and

internal regulations aimed at protecting workers. The correct replacement and disposal of PPE also demonstrates JB Group's concern with preserving the environment. This equipment is sent to accredited companies authorized to collect them based on the group's environmental management policy.

Other measures are part of the sector's actions, such as: environmental risk management; analysis and evaluation of environmental agents; control and evaluation of unhealthy and dangerous agents; and compliance with labor and social security legislation.

Our units have their own medical outpatient clinic and a team of trained health professionals, including occupational physicians, occupational nurses, and occupational nursing technicians, providing care 24/7.

This report aims to demonstrate compliance in the occupational health and safety sector, based on



indicators in the area. Environmental risks, as well as all systems that are part of the occupational safety sector, will be analyzed together with the management indicators for OSH actions.

### Occupational health and safety management system [GRI: 403-1]

The company's objective in its occupational health and safety management policy is to communicate to all its staff members, internal and external (employees or not), all information about:

- Rights and duties;
- Safety standards and procedures in the workplace; and
- Emergency and evacuation situations in cases of fire.

#### Occupational Health and Safety Management System

The system was implemented in the company, aiming for continuous improvement, compliance with legal requirements, and internal standards. Below is a list of regulatory standards that are complied with by the company:

**NR – 01; NR – 04; NR – 05; NR – 06; NR – 07; NR – 09; NR – 10; NR – 11; NR – 12; NR – 13; NR – 15; NR – 16; NR – 17; NR – 20; NR – 23; NR – 31; NR – 33; NR – 35.**

At the JB Group, all places and work environments are included in the scope of activities covered by the occupational health and safety management system. Activities are divided according to the characteristics of the environment and work locations.

#### Activities and workplaces within the JB Group (agricultural)

- Planting
- Cultural Treatments
- Sugar cane cutting
- Harvest
- Loading

#### Activities and workplaces within JB (industry)

- Sugar Cane Yard
- Mill
- Boilers
- Sugar Manufacturing
- Alcohol Distillery
- Sugar Warehouse
- Administrative



## **Hazard, risk assessment, and incident investigation [GRI: 403-2]**

The JB Group develops its activities in the sugar-energy segment. In its industrial processes in this sector, there are places where there are certain dangerous environments and which are monitored and evaluated according to the environmental risks present.

The ethanol distillery, gas station, and tank areas are environments where employees receive hazard pay due to the presence of flammable vapors. In these places, there are signs prohibiting unauthorized people, delimiting the area where there is a high level of risk.

Before activities begin, flammable gases and vapors are monitored with detection equipment (multigas) in potentially explosive atmospheres. It is based on the monitoring results that Work Permits are issued to release work in these areas.

The Work Permit management system is carried out using the Occupational Safety sector's own form – PTR (Risk Work Permit), which covers the following situations: hot work, roofs, confined space, work at height, and in potentially explosive atmospheres.

In this monitoring, before releasing the PTR sector, a risk analysis is carried out using the Preliminary Risk Analysis (APR) form. In dangerous environments, investigations are carried out into potential accidents or even incidents in order to assess and identify risks.

## **Occupational health services [GRI: 403-3; 403-4]**

We promote internal campaigns focusing on topics that are relevant to improving employees' health and quality of life. We offer medical health insurance on an optional basis and structure programs focused on key topics, such as respiratory protection, hearing conservation and oral rehydration.

All personal information relating to the health of employees is under the custody and responsibility of the Occupational Medicine team, and access to such information by any other employee is prohibited. The medical records are electronic, with restricted access and password. In this way, we guarantee the protection of data relating to the health of our employees.

At the JB Group, all workers receive information from their superiors before starting their work activities. It is common practice for direct leaders to hold meetings together with safety technicians to carry out Daily Safety Talks (DDS), in which various work accident prevention topics are explained.

In these trainings, the space is open for everyone to give their opinions, ask questions, as well as give their opinion on the promotion of safer actions to carry out services. Also, they always provide safety and health information, with the slogan "Safe Work".

Every year, the company hosts the Internal Work Accident Prevention Week (SIPAT), which encompasses actions related to the environmental context.

It is also worth highlighting the Internal Accident Prevention Commission (CIPA). Several employees are part of the list of members. Its objective is to prevent workplace accidents.

Annually, the occupational safety sector plans the DDS topics that will be taught to all employees in the industrial and agricultural areas. Therefore, there is no formal agreement that guides or determines the topics. For this reason, talks are carried out based on the needs identified by health and safety teams, members of CIPA, Emergency Brigade or in accordance with legal guidelines.

## **Worker training on occupational health and safety**

### **[GRI: 403-5]**

All JB Group employees receive integration training for new employees. Thus, they become aware of legal and regulatory standards and procedures and Standard Operating Procedures; various topics and subjects are covered in the integration of new employees, such as rights and duties, health and safety standards and procedures, PPE, etc. We carry out training for new employees, visitors, and third parties, free of charge.

- **Height** – In situations where employees perform work at heights, training is carried out in accordance with NR – 35. Only then are they authorized to perform any service.
- **Electricity** – In activities with electricity, employees in the electrical maintenance sector receive NR – 10 (Basic and Complementary) training. They also receive a specific work permit for this activity.
- **Flammable and combustible** – To carry out services with flammable and combustible materials, employees in the industrial maintenance (electrical and mechanical), distillery, gas station, and tanking sectors receive training courses on NR – 20.
- **Confined space** – In confined environments, employees who enter these locations receive NR – 33 training.
- **Machinery** – Machine operators receive training in NR – 31.
- **Miscellaneous equipment** – Munck, forklift, winch, and overhead crane operators are trained in NR – 11.
- **Boilers** – Boiler operators take a course on NR – 13.

At each JB Group plant, there is an Emergency Brigade team made up of employees trained and qualified to fight fires, as well as other emergency situations, such as: floods, leaks, spills of flammable liquids, and explosions.

All trailer drivers who transport flammable liquids take an emergency brigade course to meet legal requirements in the transport of dangerous products.

All training and courses are carried out by the Group's own team of specialist technicians or specialized companies are hired. However, it is worth noting that there is no cost for employees, visitors, and/or third parties who are participating. The course load and programmatic content are in accordance with the legal requirements of the specific NRs.

### Traning Plan by gender and region

Course	Total employees	
	PE	ES
NR 35	179	1
NR 13	50	0
Emergency Brigade	106	32
NR 31	2,195	32
Defensive driving	0	11
NR 12	0	31
NR 10 – Basic	31	22
NR 10 – SEP	0	6
NR 20	0	21
NR 11	4	2
NR 33	0	4
NR 07	12	0
Total safety training	2577	162

### Promotion of worker's health [GRI: 403-6]

The JB Group promotes health and well-being actions for its employees that go far beyond legal obligations and the relationship with work activities, as the company understands that taking care of its workforce is very important for people's quality of life, in addition to being essential to the sustainability of the business.

To this end, every year a calendar of events to promote health and well-being is elaborated based on the results of analyzes of health indicators.

## Health and Well-Being 2023 Calendar



Covid -19  
Testing



Carnival  
initiative



Lilac March  
World Water Day  
World Sleep Day



Green April  
Influenza Campaign



Yellow May  
Hands Protection



Campaign Against Burns



Ergonomics Training  
Hydroelectric Replacement  
Suicide Prevention Campaign



Pink October  
Hydroelectric  
Replacement



Health and Quality of  
Life Week



Below are some of the company's well-structured actions that aim to prevent or mitigate the consequences of different threats to the health of our employees, such as vaccination and awareness campaigns with different focuses.

- **COVID-19** – During the reporting period, we still maintained the majority of actions to combat coronavirus. Among them, testing and vaccination of our employees.

- **STDs, drug use, oral hydration** – Campaign to prevent sexually transmitted diseases, combat drug use, and reinforce the importance of oral hydration during Momo celebrations, in our units in Pernambuco.

- **Cervical cancer** – Cervical cancer is the fourth leading cause of death for women dying from cancer in Brazil, according to the National Cancer Institute (INCA). The JB Group has encouraged women to become more aware of the importance of taking preventive exams.

- **Sleep quality** – Everything in our body is influenced by the quality of sleep. To have quality health, you need to care for the quality of your sleep. Therefore, our health team went to the industrial area to promote awareness talks on the topic.

- **Influenza** – In order to reduce hospitalizations, complications, and deaths of employees due to influenza, we carry out an annual vaccination campaign against this disease. Our main objective is to reduce symptoms in priority groups, which can be confused with those of Covid-19, in addition to reducing the burden on health services.

- **MÃOS SEGURAS [Safe Hands] Campaign** – 42% of our workplace accidents involve the hands. This is why care for this part of the body is so necessary in industries and in the field. During the pandemic this became even more evident, due to the risk of becoming infected from one's own hands. At the same time, it was during the pandemic that we understood how important meetings are so that the dissemination of safety concepts can definitely enter the organizational culture, in a way that becomes a habit rather than an effort.

- **Junine Festivity** – In the Northeast, June festivals are widely celebrated and with them the increased risk of accidents involving bonfires and fireworks.

To guide our employees on prevention methods and what to do if an accident of this type occurs, the health team has listed actions that can be taken in these circumstances.

- **Body posture** – To ensure the health and good posture of employees who load and unload bags

of sugar, we carried out an analysis and delivered a lecture to raise awareness and provide guidance on the correct body posture to be adopted when carrying weight.

- **Suicide** – Unfortunately, suicide has become increasingly common in people of all ages. In the post-pandemic scenario, this reality has become even more cruel. For this reason, we promoted the campaign to combat suicide for workers in different areas of the industry.

- **Hydroelectrolytic replacement** – Integration and guidance on the (Rural) Hydroelectrolytic Replacement Program, in which 100% of employees in the agricultural area in Pernambuco were covered.

If body fluids are low due to losses and/or increased demand, they must be restored with (balanced) electrolyte solutions. Electrolyte solutions are provided to meet basal fluid demands or compensate for fluid losses. Furthermore, balanced solutions provide diverse electrolytes aimed at maintaining/restoring a physiological acid-base state.

- **Health and Quality of Life Week** – In 2022, we made an analogy with the soccer World Cup on this week, which generated great participation from employees at the Vitória de Santo Antão (PE) unit. Various recreational and sporting activities were carried out to raise awareness about health, well-being, and quality of life at work.

All initiatives planned and implemented by the company are continually reviewed, with the aim of facilitating access for all employees to health actions and services.

In addition to the schedule of actions aimed at health and quality of life, the Occupational Medicine area monitors risk groups, i.e., diabetes,

obesity, hypertension, workers who perform special activities (working at heights, confined spaces); monitoring employees on leave; hospital visits; and keeps periodic medical examinations of 100% of employees up to date, in addition to other actions of the Occupational Health Medical Control Program (PCMSO).

With the aim of facilitating access for employees and their dependents to health services, the JB Group maintains agreements with clinics, laboratories, and medical offices with different specialties.

## Occupational Health commitments and goals for 2023

- Implementing new indicators of occupational absenteeism, by expanding data collection in areas of the organization.
- Maintaining the employees' life quality, focusing on better working conditions.
- Periodically carrying out a health education program for employees, addressing relevant topics based on the absenteeism profile and the current epidemiological situation of the city/state/country, with regard to health and quality of life.
- Expanding the dissemination of health and quality of life information to operational groups, as a form of health education and encouragement of participation in planned actions.



## **Prevention and mitigation actions in occupational health and safety**

### **[GRI: 403-7]**

In industrial production processes, the prevention and mitigation of risks to the health and safety of employees are considered preponderant factors not only for the general well-being of employees, but also for the rationalization of material and financial resources.

Controlling the correct use and disposal of PPE carried out by the JB Group is one of the items of mitigation actions in the quest to reduce environmental impacts, reducing potential risks to the environment.

Mitigation actions are adopted to reduce the risk of accidents related to hand injuries. The goal of reducing hand accidents for the year 2023 is 5% compared to the previous year, with the adoption of measures such as the acquisition and testing of new PPE aimed at reducing cuts and injuries to the hands.

Other mitigating actions are carried out, such as:

- Humidification of workplaces, aiming to control suspended dust;
- Environmental control of gas emissions generated in the industrial process; and
- Management of personal protective equipment for company employees.

JB Group also has the Dangerous Energy Control Program (PCEP), also called LoTo (Lockout Tagout), which is a dynamic program that must always be applied to guarantee the practicality and safety of blocking the machines' energy sources. We know that, to carry out activities in the machines' risk zones, we need to control the energy sources (isolate and block), using valves, circuit breakers, disconnecting switches, etc., which are Energy Isolation Devices (DIE).

JB Group companies meet the technical-legal requirements of fire protection systems, having specific equipment for incidents of this type, such as siren, alarms, smoke detectors, and fire alarm monitoring center on the company's internal premises. We also have a network system of hydrants and extinguishers to cover the entire perimeter of the manufacturing units. We also have 3 vehicles equipped with fire fighting systems to provide support in the agricultural area in case of fires in the field.

## **Coverage by occupational health and safety management system**

### **[GRI: 403-8]**

The JB Group seeks to meet the legal requirements of NR – 01. Thus, it implemented the Risk Management Program (RMP), in which the Occupational Safety sector manages environmental risks, which were mapped by the program, together with the hazards found in all other work environments of the company, such as operational hazards.

Employees in sectors that include environmental risks have been trained and are constantly instructed to work within technical-legal health and safety parameters. The risk management system encompasses all sectors of the company. All environmental risks are treated and measured: physical, chemical, biological, ergonomic, and accidents.

The verified risks and hazards are recorded in an operational system (compusoft), which facilitates the management of the analysis of the results obtained. In OSH management we use the risk matrix method, in which several parameters have been measured to manage all identified risks.

Outsourced companies are monitored and their

employees are trained with a focus on internal health and safety standards and compliance with relevant legislation. Everyone is aware of the risks and environmental agents present in the workplace. External workers not linked to the company do not exceed the percentage of 1% of workers who have an employment contract.

### Work-related injuries [GRI: 403-9]

The Group's work accident management system has a work accident reporting form – CIAT form, in which the person responsible for the sector provides the necessary information to complete the CAT relating to the accident.

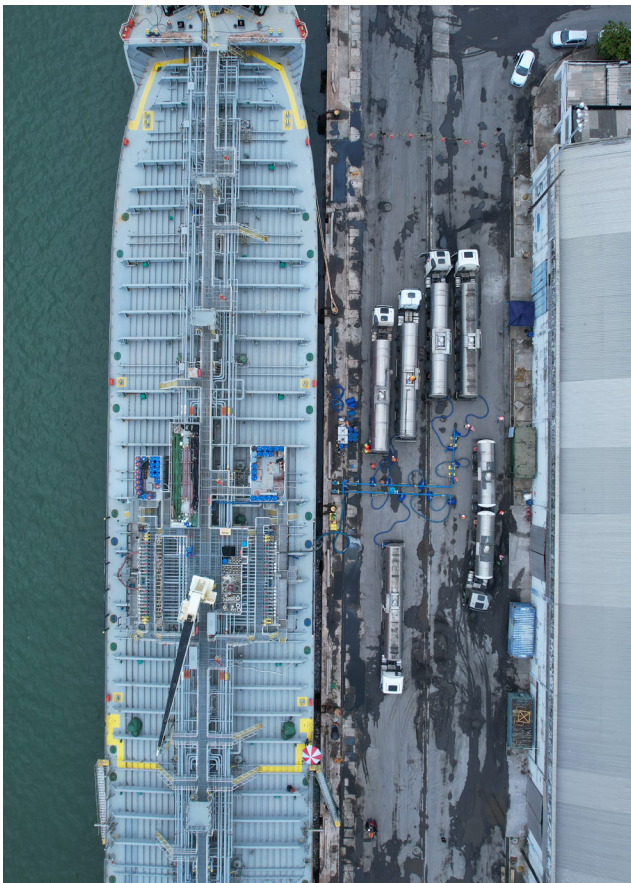
If an incident is registered, the Occupational Safety sector carries out all the necessary investigation to verify and analyze the accident (for example, whether it was a typical or commuting accident). As for accidents that are not related to work, a technical

opinion is made on the causes that contributed to their occurrence.

In the ORM/RMP, all hazards were identified with the risks present in the JB Group's work environments, the risk matrix giving a gradation in the verification table. The hazards were identified in the companies using the hazard assessment methodology (APR).

The hazards were analyzed from the following perspective:

- Crushing;
- Burning;
- Pressing; and
- Amputation.



### Work accident data recorded in Pernambuco

- Death rate resulting from work accidents – 1, which corresponds to 0.02% of the number of employees.
- Rate of work accidents with serious consequences (except death) – 9, or 0.20%.
- Rate of mandatory reporting workplace accidents – 253, or 5.71%

## 9. COMMUNITY AND SOCIAL RESPONSIBILITY [GRI: 3-3]

Caring for employees creates a work environment with a good organizational climate and motivated talent, boosting the company's growth. We understand that it is thanks to the people who are part of our companies' teams that we are able to achieve the desired objectives and share the results obtained among all our stakeholders.

Therefore, our employees are a priority in the management of the JB Group. And this starts with our policies regarding labor relations, which are explained in our Code of Conduct. It is worth highlighting some of them:

- Recruiting, hiring, remunerating, and promoting all employees based on the qualifications and skills required for the position, without any type of discrimination, but equal opportunities;
- Valuing diversity in work relationships, demanding respectful, cordial and fair treatment of all employees, regardless of their position or hierarchical position;
- Not using child labor or any form of forced labor;
- Prohibiting any form of harassment, discrimination, prejudice, or humiliating treatment against the organization's employees by anyone at the workplace, in the company's vehicles, or during any activities, internally or externally.

In addition, all of our suppliers are informed about our policies and practices regarding employment relationships. Material is being prepared to engage suppliers and make them fully incorporate our labor policies. This document must be signed by our raw material suppliers at first. In this way, they will formally attest to their awareness of our policies and commit to complying with them.

Sugar cane nature and magnitude of our operations, the JB Group does not have a formal labor relationship with farmers other than the company's sugar cane suppliers. They are remunerated according to market rules (based on information provided by the Sugar cane Producers Council - Consecana).





If there are any problems regarding the company's social responsibility, anyone can use the Whistleblowing Channel, which is our main mechanism for preventing and mitigating negative impacts.

### Local Community [GRI: 413-1]

The exploitation of the sugar-energy sector, if carried out without the correct management of potential negative impacts, can affect the environment, people, and their human rights to a greater or lesser extent.

The risk of these negative impacts arises in the day-to-day activities of all our activities. Therefore, the control, monitoring, and assessment of relevant

environmental impacts are commitments that we assume through our Environmental Management Program (PGA).

Despite constant exposure to the risk of negative impacts on the local community, the JB Group is not currently involved in negative impacts arising from its activities, or as a result of its actions in relation to the surrounding communities in the cities in which we have our operations, and the society in general.

As part of our sustainability policy, we make a major social commitment.

opportunities for this population and by hiring local suppliers to purchase materials and services.

Although engagement with the community takes place mainly through the indirect forms mentioned above, we are structuring programs to support and encourage the education of our employees' children and dependents. This plan should come into action during 2024.

## **Communication and Marketing [GRI: 3-3]**

At the JB Group, we understand that, through the adoption of targeted actions, it is possible to build a strong brand, improve relationships with employees, customers, suppliers, and the community.

One of our main actions is in the area of Communication and Marketing, which in the organizational scenario can be understood as that which transforms people's attitudes. Effective communication achieves its objective when it conveys a message clearly, regardless of the channel used to disseminate it.

Aiming to maintain effective communication, the JB Group seeks to establish a transparent relationship with its internal and external audiences, keeping them informed of its actions and projects. We provide a modern and up-to-date website for our audience to learn a little about our history, our products, our policies, and our socio-environmental responsibility work. We also maintain close communication between the institution and stakeholders through our Whistleblowing Channel.

Considering the importance of social networks for companies, JB Groups has been investing in actions on Instagram, Facebook, and LinkedIn, providing quality content, aiming to build a more effective relationship with its audience and further improving the brand's positioning in the market.

We also highly value internal communication strategies, which are aimed at our employees. That is why we started internal marketing work. An organizational climate survey was carried out in which several points were raised to be worked on. Strategies have been developed and actions are being implemented. Frequent feedback, direct communication with leaders, courses, training, and corporate events are some of the actions currently developed in the group with a focus on the internal public.

## **Goals Achieved**

During the period corresponding to the preparation of this report, we were able to put into practice some important actions that are included in the action plan of the Communication and Marketing area.



## Internal Actions

- **Visual Identity**

Reformulation and modernization of the JB Group logos.

- **Creation of Whistleblowing Channel**

As already mentioned, the JB Group offers this direct communication mechanism, in which employees, customers and suppliers can report behaviors that are inconsistent with our Code of Conduct or current laws, in addition to being able to contribute with suggestions for improving our systems, controls, and work environments. The access link is: <https://www.contatoseguro.com.br/grupojb>

- **Areas Integration**

It is an internal project developed with dedication by the JB Group. Our goal is to strengthen communication and collaboration between areas, allowing each one to understand the overall process and contribute more effectively. By knowing the activities and needs of each area, we are able to act together, ensuring a more efficient workflow and more assertive communication.

The Integra JB project was created with the purpose of promoting this interface between areas, seeking the continuous improvement of internal communication and the optimization of processes throughout the group. We believe that clear and efficient communication is essential to the success of our companies and departments.

- **Citizenship Action**

With the purpose of promoting the well-being of its employees, through a partnership between Alcoolquímica (CAN) and the City of Vitória de Santo Antão, the Citizenship Action Project was carried out. The event took place in the field with rural workers, employees and family members of the unit. Actions such as workplace gymnastics, blood pressure testing, blood glucose testing, vaccinations, and educational lectures were carried out.





## External Actions

### • Plantar é Viver Project

In partnership with TV Gazeta de Linhares, LASA Bioenergia promoted the Plantar é Viver [To Plant is To Live] Project. This is an event that brings together elementary school classes to plant 200 native tree seedlings for reforestation. The action is carried out together with lectures to raise awareness and value the environment, educational workshops, exhibitions, among other initiatives.

### The objectives of the Project are:

- Environmental awareness of parents and children about the importance of preserving and caring for the environment;
- Distribution of trees in urban areas;
- Encouraging environmental preservation, combating the illegal exploitation of trees, in addition to educating children about selective collection and developing the conscious use of water.



- **Encouraging Education**

The JB Group believes that, through education, we can build a world with more opportunities. We had the honor of supporting the Tack Festival – an innovation, technology, and creativity initiative, held in the city of Rio de Janeiro. This festival is a time when participants have the opportunity to connect information with fun.

This year, the JB Group sponsored the visa and passport of five students and two teachers from the region, who developed a project to promote creativity and innovation with a focus on education. The group won the challenge and as a prize participated in the Brazil Conference 2023 (International Brazil Conference) in Boston, in the United States, having the opportunity to visit Harvard University and the Massachusetts Institute of Technology (MIT).

The winning project of the challenge was the “TABOCATEC” application, a prototype of a gamification application with sound and image resources that seeks to assist the literacy process. The app's purpose is to minimize adult illiteracy.

- **Transforming Lives Through Sports**

The JB Group supports and sponsors athletes and sportspeople.

- **Careers**

A system developed to provide applicants with a simple and pleasant experience when sending their CV. It guarantees the confidentiality of information, which is stored in a database, in which the applicant can make updates when necessary. The access link is: <https://grujb.conectavaga.com.br/>

- **JB Group in the Media**

During the period corresponding to this report, visits were made to media outlets in the city of Linhares, to show the importance of the JB Group for the region and how much it drives the local economy. We had the opportunity, through this initiative, to demystify topics such as “Manual burning of sugar cane and soot in people's homes” – a problem that no longer happens, as the harvesting process has been 100% mechanized at LASA for eight years.





# Goals for the following years

We have goals for the next two years, which aim to work on important points for the company's stakeholders, minimizing negative impacts:

- Leadership meeting;
- Leadership training;
- Intensification of training in general;
- Conecta JB – application for internal use;
- About the JB Group – integration video;
- Competition encouraging education – for employees' children;
- Feasibility study of expanding the industrial cafeteria for all employees;
- Complete uniform for industry and field;
- JB Group's 60th anniversary campaign;
- Further strengthen JB Group's positioning in the market;
- Standardization of visual identity in common areas, buses, and trucks of group companies;
- Intensifying actions aimed at the environment;
- Expanding actions with the community and local institutions;
- Participating in events focused on the segment;
- Intensifying actions on social media; and
- Working the annual calendar with creative and innovative actions.











## Identification of environmental impacts

At the JB Group, the identification of significant environmental impacts is prioritized by Top Management. We have an Environmental Management Team that, among its responsibilities, monitors and controls environmental aspects and impacts. We have an Environmental Policy leveraged by pillars associated with the rational use of water resources, non-negotiable compliance with current legislation, training and environmental awareness of employees and the community, awareness of the issue of climate change, and careful management of issues such as waste, biodiversity, and soil preservation.

# 10. ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE

[GRI: 3-3]

## Methodology for environmental impacts characterization

Environmental aspects and their respective impacts were collected by the Environmental Management Team for all activities carried out by the company, giving rise to the Inventory of Environmental Aspects and Impacts of the JB Group.

The analysis of environmental impacts was carried out using the Environmental Impact Matrix, in which the topic is monitored through management, control, mitigation, and compensatory measures plans. In total, the Inventory identified 19 impacts inherent to the organization's activities, 15 of which were negative and 4 were positive.

By evaluating environmental impacts and managing its control and monitoring actions, we can conclude that Alcoolquímica manages its environmental impacts as a priority and with good levels of effectiveness. More information is presented in the table.



## Inventory of Environmental Aspects and Impacts of the JB Group

Main environmental factors	Type	Significance	Management action
Suppression of native vegetation remnants	Negative	Very significant	Management, control, and development of mitigation actions
Suppression of isolated trees	Negative	Significant	Management, control, and development of mitigation actions
Damage to and scaring away of local fauna	Negative	Little significant	Control and monitoring
Adoption of ecosystem services	Positive	Very significant	Promoting development and expanding the potential of ecosystem services
Vinasse fertigation	Negative	Very significant	Control and monitoring
Application of fertilizers and agricultural pesticides	Negative	Very significant	Control and monitoring
Soil erosivity and water course siltation processes	Negative	Significant	Control and development of mitigation actions
Soil compaction by agricultural operations	Negative	Little significant	Control and development of mitigation actions and monitoring
Reduction in water availability	Negative	Significant	Control and development of mitigation actions and monitoring
Emission of particulate materials from fixed sources	Negative	Little significant	Control and monitoring
Damage to road infrastructure	Negative	Little significant	Control and monitoring
Potential contamination of soil and water sources	Negative	Significant	Control and monitoring
Fertigation	Negative	Significant	Control and monitoring
Generation of solid waste	Negative	Little significant	Control and monitoring
Disturbance to society due to noise generation	Negative	Little significant	Control and monitoring
Harmful effects on the regional economy, with increased costs of housing, food, and services	Negative	Little significant	Monitoring
Enhancement of the risks of car accidents and employee transport	Negative	Very significant	Control and monitoring
Generation of employment	Positive	Significant	Control and monitoring
Generation of income	Positive	Very significant	Enhancement
Promoting the region's economy	Positive	Very significant	Enhancement

## Rights to Land and Resources [GRI: 3-3]

For the environmental analysis of the project, the company uses preliminary environmental assessments, with the aim of identifying regional contexts and the impact on the locations in which the project is located. The ecosystem in the area of direct influence of the JB Group in Pernambuco is the Water Resources Management Unit for the Capibaribe and Ipojuca River Basins.

For the analysis of socioeconomic aspects, the impacts of the CAN unit's activities in the municipalities bordering the cities of Escada, Pombos, Cabo de Santo Agostinho, Ipojuca, and Vitória de Santo Antão, in Pernambuco, are taken into account.

The area directly affected by the project comprises the places where there is direct intervention in farming, that is, where agricultural operations are actually carried out, such as planting sugar cane.

The total area under the influence of CAN covers 447,734 ha, of which 17,000 ha are occupied by sugar cane, in addition to 14.5 ha of the industrial area, which represents around 3.79% of the Direct influence of the company in the state of Pernambuco.

### Comparisons of territorial areas – CAN

Areas involved	Area (ha)
Plant Industrial Area	14.5 ha
Sugar cane plantation area at the Plant	17,000 ha
Sugar cane plantation area in the region	78,000 ha
Area of direct influence	24,650 ha

In 2022, a preliminary environmental analysis found that our sugar cane planting represented a land use share of 21.79%. With regard to the impacts associated with the cultivation of sugar cane, whether in the JB Group unit's own areas or in the areas of suppliers (new or old), the environmental effects are well controlled due to technologies and procedures adopted in the agro-industrial process.

As for the environmental effects resulting from the expansion of sugar cane areas in the Alcoolquímica region, they tend not to be relevant, because currently sugar cane cultivation uses the best good agricultural practices and cutting-edge technologies.

Like other environmental impacts, agricultural activities can also cause damage to soil and water, such as erosive processes of soil compaction and siltation in water bodies. To minimize these impacts, we adopted measures such as construction of contour lines, recovery of riparian forests, and reforestation of watercourse banks.



## Climate

It is possible to identify that in the area of direct and indirect influence of the project, the Humid Tropical climate type predominates, with a humid winter, where there is an average precipitation above 200mm in the winter period, an average temperature, in the hottest month, above 32°C, and in the coldest month, below 25°C.

In the area of influence of the project, annual precipitation is close to 2,000mm, distributed in 1,150mm during the flood period (May to August) and around 850mm in the dry months (September to April).

## Characterization of vegetation in the area of direct influence

In the region where the JB Group operates, the Forest Inventory map of the State of Pernambuco shows that there are forest remnants. In the area of direct influence of the project, which represents 19.8 km<sup>2</sup>, there are few forest remnants.

## Areas of environmental interest

In the region of direct and indirect influence of the Plant, there are institutional areas of environmental interest, which are also wildlife refuges and where there is a diversity of flora. Highlights include the Urucu and Cotovelo forests.



# 11. WATER AND EFFLUENTS

[GRI: 3-3; 303-1; 303-2; 303-3; 303-4; 303-5]

The use of water is part of the JB Group's environmental commitments and is an extremely important component of the promotion actions, risk management and controls of real and potential impacts on the environment, managed by the organization. All our water sources (such as surface water collections from rivers and lakes), if they were not used correctly, could trigger negative impacts that would affect the population of communities located upstream or downstream of these sources, on which they depend for the most diverse purposes, such as water supply for domestic consumption, agriculture, and livestock.

Through the Environmental Management Program (PGA), relevant environmental impacts are controlled and monitored through field checks.

In addition to the impacts that can be directly controlled by the organization, there is also a concern in determining the environmental impacts that the organization can influence.

In this particular situation, among the environmental impacts on the processes and activities in which we influence, it is worth highlighting:

- Design and development of our facilities, processes, products, and services;
- Acquisition of raw materials (sugar cane);
- Manufacturing operational processes for sugar cane derivatives, including storage of products (sugar, ethanol, sugar cane rum);
- Waste Management;
- Maintenance processes for facilities, equipment, transport vehicles;
- Environmental performance and practices of external providers.

The premise of taking into account relevant environmental impacts does not mean that a PGA has exclusivity for these impacts. However, they have a high priority in establishing control measures and monitoring the organization's environmental performance.



## Control and monitoring of environmental performance

Location	Concession	Coordinates	Volume granted	Date (termination)
Industry (CAN) – Pirapama	304/18	08°13'40,6"S / 35°16'53,3"W	58,920 m³/day	10/25/2023
Agricultural (Irrigation) – Pirapama	210-S/22	08°13'30,0"S / 35°17'06,0"W	1,641.6 m³/day	05/19/2027
Arandu (Irrigation)	336/18	08°13'28"S / 35°17'03"W	1,560 m³/day	11/22/2023
Pata Choca	256 -S/ 22	08°20'38"S / 35°16'55,3"W	8,100 m³/day	08/17/2027
Pirapama Bioenergia	302-S/18	08°13'40,6"S / 35°16'53,3"W	3,720 m³/day	10/24/2023

*Note: All water collected is considered fresh.*

## Water and Effluents: our commitment

JB Group's commitment to this material topic is absolute. Not only because of legal implications arising from the risks inherent in the case of misuse of these resources, but mainly because we are aware of the need to maintain their integrity, both for the economic sustainability of the organization, and also due to the dependence on these resources by the communities located in its surroundings.

We are preparing a contingency plan that will come into force after approval by the Strategic and Sustainability Committees. However, as part of water footprint management, we support and execute projects for the recovery of conservation areas and springs, as well as monitoring and contributing to water management dialogues in environmental discussion forums and in environmental agencies under our jurisdiction, in addition to the initiatives of our class entity (Sindaçúcar-PE).

The legal status of the organization in relation to public environmental bodies – CPRH (State Environmental Agency – PE), Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA), Pernambuco Water and Climate Agency (APAC), Independent Water and Environmental Policing (CIPOMA) and Pernambuco Agricultural Defense and Inspection Agency (ADAGRO) – indicates full compliance.

At JB Group, we understand that preventing and mitigating negative impacts on this topic involves controlling our water footprint, encouraging the adoption of goals to increase the efficiency of water use.

Regarding the topic of Water and Effluents, the organization is not involved with negative impacts resulting from its activity or business relationship, such as cultivation and production of sugar cane, production of sugar and alcohol from its waste, as well as the commercialization of these products.

## Measures for water use reduction

We still do not have a system that manages positive impacts. We understand that our main objective, at this moment, is to avoid and mitigate negative impacts. In this sense, as part of our strategic planning, we have goals linked to the topic until 2030, such as a 10% reduction in capture per ton of sugar cane, with the 2023/2024 harvest as the base year.

To this end, we are investing in procedural improvements regarding water reuse and we have an operational committee (in support of the Sustainability Committee), which monitors the management of the resource. In our operations, collection is carried out from a surface source and the water undergoes treatment to be used in the industrial process.

As part of projects under study and/or in progress focused on the water footprint, we are using water from the concentration of vinasse, as well as technological updating of the water cooling process in the sugar and ethanol production circuit and the use of condensed water.

We still have closed water cooling circuits (towers), we seek to reduce the use of water when washing sugar cane, we use heat regenerators in the juice treatment area and we use partially cooled condensates.

On average, the volume of water that is no longer captured is almost five times greater than the volume actually consumed. Additionally, we also monitor the quality of effluents returned to the environment, ensuring the good functioning of the hydrological cycle and compliance with relevant environmental legislation.

For each harvest, based on the management of the Environmental Management Program, objectives and targets related to environmental topics are established, such as, for example, the volume of water abstraction by Alcoolquímica and LASA, which is regulated by targets and performance analyzes. Currently, our water consumption is 1.08m<sup>3</sup>/tc at the Pernambuco unit, but our goal is to reduce it to 0.97m<sup>3</sup>/tc by 2030. At the Espírito Santo unit, this consumption is 1.62m<sup>3</sup>/tc.

The measures and actions implemented by the organization take into account the impacts arising from the use and management of water and effluents in its production activities in a comprehensive manner, considering its relationship with stakeholders located in the area of influence of its operations.

In order to measure the effectiveness of the measures adopted, we will monitor the effectiveness of the actions implemented from the 2023/2024 harvest onwards, with monitoring by the Sustainability Committee regarding the management of water resources.

## Goal

**10% reduction in water abstraction per ton of sugar cane by 2030, with the 2023/2024 harvest as the base year.**

### Water consumption at the Pernambuco and Espírito Santo Units

Currently, total consumption at our unit in Pernambuco is 1.08 m<sup>3</sup>/t sugar cane, as mentioned previously, and the water flow in a closed circuit (treated and recirculated water) is 2,000 m<sup>3</sup>/h, which results in a rate of 5.65m<sup>3</sup>/t sugar cane. With a crushing of approximately 1,400,000 tons of sugar cane, we can estimate the consumption of 1,510 megaliters. At the JB Group unit in Espírito Santo, estimated water consumption is 972.7 megaliters per crop year.

### Water consumption – Pernambuco Unit

Location	Concession	Coordinates	Volume granted	Date (termination)
Industry (CAN) – Pirapama	304/18	08°13'40,6"S / 35°16'53,3"W	58,920 m³/day	10/25/2023
Agricultural (Irrigation) – Pirapama	210-S/22	08°13'30,0"S / 35°17'06,0"W	1,641.6 m³/day	05/19/2027
Arandu (Irrigation)	336/18	08°13'28"S / 35°17'03"W	1,560 m³/day	11/22/2023
Pata Choca	256 -S/ 22	08°20'38"S / 35°16'55,3"W	8,100 m³/day	08/17/2027
Pirapama Bioenergia	302-S/18	08°13'40,6"S / 35°16'53,3"W	3,720 m³/day	10/24/2023

### Water consumption – Espírito Santo Unit

Location	Concession	Coordinates	Volume granted	Date (termination)
Industry (CAN) – Pirapama	304/18	08°13'40,6"S / 35°16'53,3"W	58,920 m³/day	10/25/2023
Agricultural (Irrigation) – Pirapama	210-S/22	08°13'30,0"S / 35°17'06,0"W	1,641.6 m³/day	05/19/2027
Arandu (Irrigation)	336/18	08°13'28"S / 35°17'03"W	1,560 m³/day	11/22/2023
Pata Choca	256 -S/ 22	08°20'38"S / 35°16'55,3"W	8,100 m³/day	08/17/2027
Pirapama Bioenergia	302-S/18	08°13'40,6"S / 35°16'53,3"W	3,720 m³/day	10/24/2023



## Water treatment and recirculation

The sugar cane washing operation aims to remove the mineral impurities incorporated into the sugar cane, generating an effluent that is mainly characterized by the high content of organic matter resulting from washing and exudate when burning sugar cane, as well as from the earth (sand and clay) from farming. In this operation, sugar cane washing is done by spraying water onto the sugar cane mattress on the feeding tables. The closed circuit water flow is 2,000m<sup>3</sup>/h, which results in a rate of 5.65m<sup>3</sup>/t

Initially, the sugar cane washing water undergoes continuous sieving of billets and sugar cane straw dragged during washing and is then treated in decantation boxes, after which it is recirculated to the washing tables.

Decantation promotes the removal of suspended solids dragged by sugar cane washing, with pH correction to prevent water deterioration.

The liquid effluent resulting from draining and cleaning the box is pumped for sugar cane fertigation, as well as the accumulated solid waste.

## Surface water and effluents

In the region where the JB Group unit in Pernambuco is located, the Pirapama river originates in the city of Pombos and, after receiving contributions from the tributaries São José, Arandu, Cachoeirinha and Tapoama, flows into the Jaboatão river, in the city of Jaboatão dos Guararapes. We do not release effluents into any of these surface water bodies.

The volumes of wastewater and vinasse, resulting from the industrial process, are used in the fertigation of our sugar cane crops. Before application, we monitor the quality of these effluents, following

procedures established internally and in line with applicable legal requirements.

At LASA, surface water is collected from lakes and streams in areas adjacent to the company, with an estimated collection of 972,785.00 m<sup>3</sup> during the 2022/2023 harvest – a volume estimated based on the specification of the collection pumps and limited to the flow rates stipulated in the grants.

As in Pernambuco, at the Espírito Santo unit, no discharge of effluents (wastewater or vinasse) occurs into surface water bodies.

## Water management at the Vitória de Santo Antão (PE) unit

Wastewater in crops for irrigation – Vitória de Santo Antão Unit (PE)

In industry, wastewater originates from washing floors and equipment in the sugar and ethanol manufacturing processes, from boilers and from purging the sugar cane washing sandbox, and is sent to our stabilization pond. From there, the effluent is pumped entirely for crop irrigation.

Unlike fertigation, these wastewaters do not have significant nutritional potential and, therefore, their application in sugar cane crops only aims to mitigate the crop's water deficiencies.

This procedure prevents any release of effluent, even treated in the stabilization pond, into the watercourse, protecting the surface waters of our region.

### Sludge from septic tanks

Septic tanks are cleaned as needed, which is controlled by our environmental department through the hiring of external services. The disposal



of the sludge follows the procedures defined for this type of waste and is in accordance with current environmental legislation.

Domestic effluent is collected and directed to septic tanks, and is subsequently sent to companies with environmental licensing.

#### **Distillery cooling circuit**

The cooling of the water used in the must heat exchangers, vats, and heat condensers of the distillery is done using a cooling spray. The makeup water for this circuit is made at 100m<sup>3</sup>/h.

#### **Manufacturing circuit (barometric columns)**

Our plant in Pernambuco uses a closed system for cooling and recirculating water from barometric columns in sprinkler tanks. The aeration provided by the cooling system (sprinklers) and microbiological

control, using milk of lime, allow the total reuse of these waters.

On average, there is a water flow to the barometric columns of 1,700 m<sup>3</sup>/h. The makeup water for this circuit is made at 85m<sup>3</sup>/h.

#### **Boiler gas washing circuit**

To retain particulates released from boiler chimneys, we use gas scrubbers. The wet soot collector is a piece of equipment with linear movement and is installed before the exhaust fan. It operates with an efficiency of 95% to 98% to remove particulates.

Waste from cleaning the boilers and the chimney soot retention system (boiler ash) amounts to between 12 and 15 kg/ton of sugar cane, with humidity between 70% and 75%, approximately.





### **Water recovered from raw material (sugar cane)**

After being processed, our raw material has a high water content (more than 65% in most cases), which is an important natural source for our industrial process, as the water contained in sugar cane is made available and incorporated into the process after the grinding and juice extraction stages.

Using the water balance, which we monitor at the end of each harvest, the accumulated values allow us to calculate the volume of water that entered the industrial process from the raw material. We reached a minimum volume of water recovered during the milling period of 534.8 megaliters.

This is in line with one of JB Group's priorities regarding its water footprint: investing increasingly in reuse. We intend to develop projects such as the use of water from the concentration of vinasse and we have already taken advantage of condensed water originating from sugar and ethanol manufacturing processes.

In 2023, objectives and targets related to environmental issues relating to the water footprint will be established. The funding volume will be regulated by goals and performance analyses.

### **Water management at the Linhares – LASA (ES) unit**

At LASA, the water distribution and use system adopted is a semi-closed circuit, already in use throughout the harvest. All equipment cooling water is reused after cooling. This water is cooled for reuse in cooling towers and two artificial lakes. Once cooled, the resource returns to the process.

The additional volumes for replacement and consumption used in the soaking processes in

grinding, in steam generation, in fermentation, in washing vats, centrifuges, the mill, in cleaning areas and in the gas washing process are collected from Lagoa do Campo and three artesian wells. The total volume captured in Lagoa do Campo, according to the grant obtained by the company for this purpose, is 600m<sup>3</sup>/h, already available. The volume captured from the wells totals 150 m<sup>3</sup>/h.

The water collected in Lagoa do Campo supplies the gas washing and heat exchange processes in distillation. During fermentation, in addition to fueling the thermal exchange processes, the water captured is used to dilute the yeast and for cleaning. In the grinding process it is used to soak the juice and for cleaning.

The water collected from Lagoa do Campo passes through the first artificial lake and goes to an intermediate tank that supplies the industry's main water reservoir, which meets the needs of the processes mentioned above. The water that leaves the thermal exchange processes goes to the second artificial lake to recover the temperature and then returns to the first artificial lake. Cleaning water is collected in channels and pumped for use in the irrigation process.

The water collected from artesian wells passes through water treatment plants that supply the boiler and thermoelectric plant, in the heat exchange processes and steam generation. The water that leaves the heat exchange processes is cooled in cooling towers to return to the process. The steam generated is used in energy generation and in the distillation process.

Of all the water collected for consumption, a part circulates within the process. In this way, consumption is measured by water losses at some points and by the water incorporated into the vinasse from the distillation process, which is used for fertigation.





All equipment cooling water is recirculated, as are the vapors used in the production of energy by the thermoelectric plant and in the distillation process.

## Water abstraction at LASA

## Water route at LASA from abstraction in wells



The impacts will be assessed by the areas involved and immediate actions will be outlined that can be carried out to eliminate or minimize the impact, which may be associated, for example, with the surrounding community. This requires the involvement of specialized sectors, such as communication, to arrive at the best approach and treatment. But, in general, through an action plan, it will be possible to establish measures to be taken and monitored to remedy the problem.

As an initial objective, we will establish consumption monitoring at LASA for all indicators and losses within the process.

At our Linhares (ES) unit, no effluents are released into surface water bodies and the quality of all volumes of wastewater and vinasse produced at the unit is monitored. The legal aspects monitored by the organization follow all those linked to the Enterprise's Operating License, in addition to always complying with the volumes granted and their qualitative requirements.

### **Irrigation system at LASA**

The irrigation operation at LASA is carried out right after the planting of a certain area is completed, remaining until the seedlings have sprouted uniformly and right after cutting the sugar cane so that the ratoon grows again. The irrigation sets, consisting of electric pumps, are placed at the concession points closest to the area to be irrigated.

The irrigation reel collects the sprinkler on a cart attached to the hose using self-propelled means, with pressure and speed pre-determined by the company's technical staff. The technical team defines an irrigation level that meets the plant's

water demand for planting sprouts or ratoon regrowth. Depending on the soil and climate conditions of the area and/or the water supply at a given period, the pressure and collection speed of the equipment can be changed to apply different blades. At the end of this irrigation period across the entire area, the humidity in the field is assessed to determine the need to apply a second blade or change the irrigation structure to another area – whether planting or ratoon.

### **Water consumption in the industrial area**

At LASA, the industrial unit's supply consumes surface water collected from Lagoa do Campo, with a collection flow of 600 m<sup>3</sup>/h, estimated based on the specification of the collection pumps.

In addition, the unit also requires the consumption of groundwater, which is collected from three artesian wells, as shown in the table.

## Human Consumption

At LASA, water abstraction for human consumption is from underground sources, as the region is not served by the city water supply company.

As there are no hydrometers to measure real consumption, the values we have are the nominal flow rates of the pumps used, as shown in the table.

Groundwater abstraction		
Identification	Location	Flow (m³/h)
Well J	Lodging 1, 2 and 3	11,988
Well K	Administrative	11,988
Well L	Administrative	11,988
Well M	Administrative	11,988
Well N	Administrative	45

All the water used is taken from a natural source using internal treatment for consumption, according to the needs of the process stage. There is no abstraction in areas of water stress, considering that the abstraction sources are sufficient to supply the entire process. The company still lacks a methodology for assessing areas of water stress.

In Espírito Santo, during times of water scarcity, the local environmental agency issues specific ordinances determining the period for adopting measures that aim to reduce the impacts of water stress in the region. An example is the situation experienced in 2015, in which the State Water Resources Agency published an ordinance, for an indefinite period, prohibiting irrigation and the abstraction of surface water during the day. It also reinforced that everyone should adopt sustainable consumption until water reserves return to normal.

### Domestic effluents (hydrosanitary)

LASA has effluent treatment systems consisting of septic tank units, anaerobic filters, and leaching

field. The treatment systems installed aim to meet current environmental standards regarding the classification of domestic liquid effluents generated.

### Oily effluents

The company's mechanical, electrical and fertigation maintenance workshops are equipped with channels, which direct all oily effluents generated to the Water and Oil Separator System (SSAO), which is intended to separate the oil contained in wastewater. This is important because oil accumulates on the surface of the liquid film, allowing water to overflow and retain the supernatant, oil, and grease.

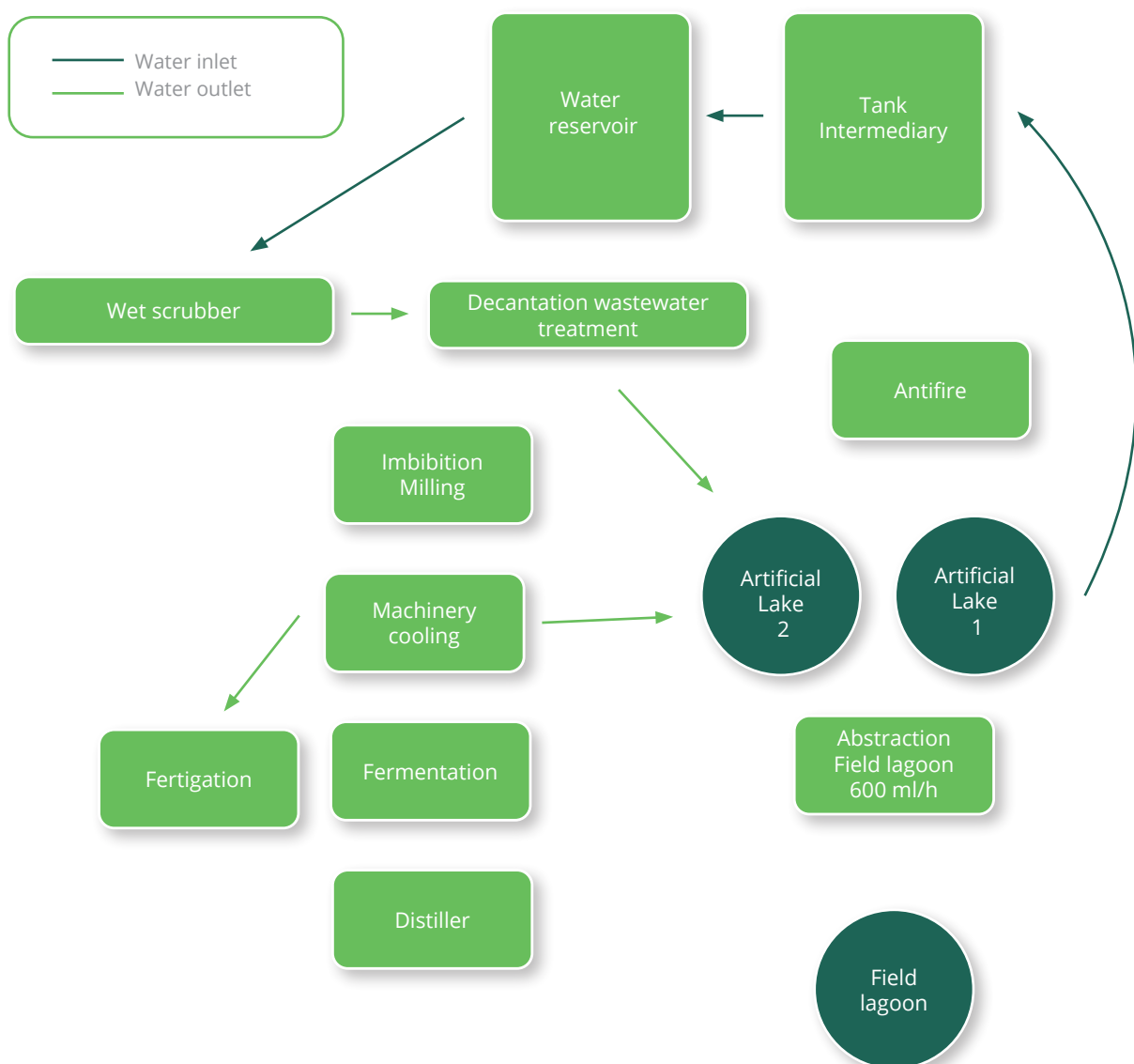
The implementation of water and oil separator boxes prevents effluents contaminated with oil from reaching the drainage network or bodies of water, avoiding clogging of pipes and degradation of water resources.



## Water abstraction at LASA

The abstraction sources are surface (Lagoa do Campo) and groundwater (artesian well). However, there is no monitoring based on measurement for all consumption indicators in the areas. In some activities, the amount of resource spent is measured by estimates, by using as a calculation basis the flow rate specified by the water abstraction and transport pumps through the process, as explained previously.

### Simplified flow of water abstraction, supply, and reuse in the industrial area (Lasa)





Companies in the sugar-energy sector, in the development of their production activities and in relationships with their supply chains, are potentially exposed to negative impacts when some practices are not managed properly.

## 12. ENVIRONMENTAL MANAGEMENT [GRI: 3-3]

These impacts may originate from the planting, cultivation, and harvesting of sugar cane, in the use of water during the sugar and ethanol production process, and in the disposal of waste. Our organization has an Environmental Management Program (EMP) to control and monitor relevant environmental impacts, through its Environmental Management Team. Using pre-determined frequencies and defined verification methods, this team carries out PGA assessments in the field.

As part of our sustainability policy, we have made commitments regarding waste management, in terms of responsible generation, collection, and disposal for environmentally licensed companies.

The organization's PGA contains corrective and preventive controls for environmental impacts, as well as measures aimed at preserving the environment. All of them are incorporated into the operational routines of each process.

The actions of the Environmental Management Team, in monitoring and controlling environmental impacts, are our tool that allows us to properly manage this area. As a consequence, despite the great risk of impacts that is inherent to our production segment, the JB Group is not currently involved in negative impacts arising from its activities or as a result of our business actions.

### **Waste generation and significant waste-related impacts [GRI: 306-1]**

One of the areas with great focus of the PGA, in the JB Group, is waste management, which has different origins in the company:

- **Waste from the sugar production process: filter cake and boiler ashes**

Control actions: they are intended for the internal composting process and sent for application as organic fertilizer in sugar cane cultivation, as a source of organic matter and macronutrients (phosphorus, nitrogen, calcium, and magnesium), which are important for the development of the crop.

- **Sugar cane waste**

Control actions: straw and bagasse are used as biomass for burning in boilers and generating energy.

- **Hazardous Waste Class 1**

Coming from water and oil separator box systems (SAO) and septic tank sludge, chemical product packaging, cloths and oakum, and other waste contaminated with chemical agents.

Control actions: optimization of the waste generation process, monitoring of the conditions of collection devices and regular frequency of collection and controlled disposal for environmentally licensed companies.

- **Non-hazardous waste (recyclable): from recyclable, reusable, and recoverable waste.**

Control actions: internal waste control management regarding its classification, optimizing the use of recyclable, recoverable, and reusable materials. This waste has a controlled disposal for environmentally licensed companies

- **Non-hazardous waste (metallic scrap).**

Coming from metallic scrap from maintenance and off-season activities in industrial areas. This waste has a controlled disposal for environmentally licensed companies.

Control actions: sent to duly licensed companies that work with the recovery of metallic scrap.

- **Non-hazardous waste (organic).**

Coming from organic waste from the manufacturing process and the cafeteria.

Control actions: internal management of waste control in terms of generation, optimizing its use in sugar cane farming in the case of waste from the manufacturing process. For cafeteria waste, internal storage management is carried out, as collection and disposal are carried out by the city government.

## **Management of significant waste-related impacts [GRI: 306-2]**

As mentioned, relevant environmental impacts are controlled and monitored by the Environmental Management Team, within the scope of the PGA. In a systematic and coherent way with environmental policy, this program is aligned and harmonized with Senior Management's commitments, including the commitment to continuous improvement.

## **Waste discharge by third parties**

The organization manages a large part of the waste generated by itself. The exception is the unit located in ES, LASA, where some waste is transported and disposed of by third-party companies. There are defined criteria in relation to legal requirements and regulations for a company to provide this type of service to LASA. For example, it must have a health permit, valid environmental licenses, documentation of drivers capable of transporting hazardous loads, appropriate vehicles with documentation, PPE, and tools suited to the type of waste indicated by our environmental sector.

Waste collection and monitoring is controlled through a waste inventory, including waste type, temporary disposal, volume, final disposal, as well as documents that show the disposal, such as invoice, waste transport manifest, and final disposal certificate.

## Selective collection

The JB Group carries out selective collection of domestic waste, so that dry waste, mainly made up of paper and plastic, is transported for recycling. The organic fraction of the waste is collected by the city and deposited in a landfill, managed by the organization itself. Below are some common waste produced in the Group's companies and their disposal.

- **Ferrous and non-ferrous scrap**

Ferrous and non-ferrous scrap is disposed of in an open-air yard and subsequently sold, in accordance with the organization's policy.

- **Used lubricating oils**

They come from changing lubricants in vehicles and equipment in general. This waste is collected in dedicated containers and sent to environmentally licensed companies. Some of these oils can be reused to lubricate chains and protect sheet metal.

- **Handling and discharge of used agricultural pesticide packaging**

All empty pesticide and herbicide packaging goes through a triple washing process and is then rendered unusable with holes, transferred to an exclusive deposit and subsequently sent to environmentally licensed companies.

- **Sludge from septic tanks**

Septic tanks are cleaned as needed and controlled by the environmental department, by hiring external services. The disposal of this sludge follows the procedures defined for this type of waste and in accordance with current environmental legislation.

Organic solid waste resulting from the industrial process and applied to sugar cane farming is composed of:

- Filter cake: waste from the sugar cane juice clarification process, more specifically from juice decanters. The sludge generated is sent to filter presses, aiming to recover the sucrose present in this sludge. From this process, filter cake is obtained, which is used to fertilize the crop;

- Earth (clay and sand) from washing sugar cane and vinasse: this material is intended for use in crop cultivation;

- Boiler ash: results from the boiler gas washing process, in which the particulate material is directed to a decanter, which removes the sedimentable material in such a way as to enable the recirculation of this water. This treatment system generates a solid residue (ash), which is sent together with the filter cake to the farm;

- Sugar cane bagasse: the amount of bagasse depends on the fiber content in the sugar cane, which is nothing more than the dry matter of the plant, insoluble in the water contained in the sugar cane. This fiber depends, among other factors, on the variety of raw material, maturation and climatic conditions. Therefore, there may be variations in fiber and consequently in the volume of bagasse in harvests. It is estimated that there is a mass of 300 kg of bagasse per ton of sugar cane, with all the bagasse we produce in the industry being used to generate steam and energy.



The use of bagasse is continuous, being transported by conveyors that go directly from the mill to the entrance to the boiler furnace. The surplus is stored in the bagasse yard, where it is manipulated to return to the boiler feed conveyors. The surplus is stored in the yard, in the open, to be used as needed and/or for sale.

#### Waste directed to disposal (t) by type/calendar year

Category	2022
Hazardous	37.7
Non-Hazardous (Class II A)	74
Non-Hazardous (Class II)	1,283,258.9
<b>Total (t)</b>	<b>1,283,370.6</b>

#### Waste diverted from disposal [GRI: 306-4]

At the JB Group, waste not intended for final disposal through recovery operations is classified into the categories of hazardous and non-hazardous waste. Their disposal is controlled and monitored by the environmental and agricultural areas, as follows.

- **Non-hazardous waste**

- Non-reusable: if subject to recycling processes, reuse and recovery, it is all directed to environmentally licensed companies, and controlled by the environmental area;

- Usable in the plant's processes: if it can be incorporated into agricultural soil (filter cake, boiler ash) and used in the boiler to generate energy (sugar cane bagasse), it is all directed to and used, respectively, in the operation of sugar

cane cultivation in agricultural areas and as fuel for the boiler. Control over the destination and use of filter cake and boiler ash is the responsibility of the agricultural area. Bagasse management is carried out by the industrial area.

- **Hazardous waste**

All is directed to environmentally licensed companies and are subjected to recycling processes, oil re-refining, confinement in landfills and co-processing in cement kilns, being controlled by the environmental area.

# Waste

## Waste directed to disposal [GRI: 306-5]

Waste Name/ Group	NBR 10004: 2004 class
Sugar cane leaves	Organic
Sand and clay	IIB
Bagasse (long fiber)	Organic
Sugar cane pith and Sand	IIB
Sand and Soot	IIB
Stillage / Vinasse	Organic
Mud from cleaning canals and vinasse tanks	IIB
200 liter oil barrels (industrial oil)	I
Lubricating oil barrels	I
Used oil	I
Oil filter	I
Air filter	IIA
Glass (reagent bottles and glassware)	IIB
Plastic packaging (canisters, bags, and bottles)	IIB
Plastic packaging for hazardous products	I
Rags/ oakum	I
Empty packaging of agricultural pesticides and herbicides	I
Fluorescent lamps and general lamps	I
Printer cartridges	I
Toner	I
Paper / Cardboard	IIA
Plastic	IIB
Non-recyclable waste (bathrooms and changing rooms)	IIA
Ferrous and Non-Ferrous Metals	IIB
Glass	IIB
Organic Waste (food waste, vegetable peelings, etc.)	IIA
Used PPE	IIA
Batteries	I
Electronic Waste	I

### Generated by the JB Group

Waste Name	Classification	Type of disposal	Within or Outside the Organization	Volume (2022) Kg
Boiler Ash	Non-hazardous	Soil Incorporation (Agricultural)	Within the Organization	4,078,000.00
Bagasse	Non-hazardous	Energy Recovery (Boiler)	Within the Organization	162,091.74
Metal Scraps	Non-hazardous	Recycling	Outside the Organization	38,620.00
Class I	Hazardous	Class I Industrial Landfill	Outside the Organization	15,650.00
Class II	Non-hazardous	Class II Industrial Landfill	Outside the Organization	26,990.00
Health Service Waste	Hazardous	Incineration	Outside the Organization	14.10
Effluents from Oil/Water Separator	Hazardous	Effluent treatment station	Outside the Organization	8,750.00
Hydrosanitary effluents	Non-hazardous	Effluent treatment station	Outside the Organization	29,300.00
Used oil	Hazardous	Re-refining	Outside the Organization	21,454.00
Cardboard	Non-hazardous	Recycling	Outside the Organization	5,980.00
Plastic	Non-hazardous	Recycling	Outside the Organization	2,820.00
Electronic Scrap	Hazardous	Recycling	Outside the Organization	240.00
Tires	Non-hazardous	Co-processing	Outside the Organization	17,314.00
Organic Waste	Non-hazardous	Landfill	Outside the Organization	12,900.00
Packaging of agricultural pesticides and herbicides	Hazardous	Recycling	Outside the Organization	4,127.69

## Waste Inventory - 2022

Waste Description	Amount Generated	Unit	Physical State	Origin of the Waste	Description of Storage/Packaging	NBR 10004 Waste Classification	Final Disposal
Ferrous Material Scrap	4.3	t	Solid	Industry/ Automotive/ Agricultural	In bulk on the ground, uncovered area.	Class II	Sale to environmentally licensed Third Parties
Plastic Waste	18	t	Solid	Industry/ Automotive/ Management	In bulk on the floor, covered area.	Class II A	Sale to environmentally licensed Third Parties
Used or contaminated lubricating oils	36,000	L	Liquid	Automotive/ Agricultural	Barrel on waterproof floor, covered and uncovered area	Class I	Oil refining with environmentally licensed Third Parties
Burnt out lamps	760	unit	Solid	Industry/ Automotive/ Management/ Agricultural	Dumpster with cover	Class I	Disposal to environmentally licensed Third Parties
Automotive Batteries and alkaline batteries, disposed after use	4.93	t	Solid	Automotive/ Agricultural	In bulk on waterproof floor, uncovered area.	Class I	Reverse logistics with environmentally licensed Third Parties
Healthcare Waste	43	kg	Solid	Outpatients clinic	Plastic bag	Class I	Disposal to environmentally licensed Third Parties
Plastic packaging	24.80	t	Solid	Industry	In bulk on waterproof floor, covered area.	Class I	Disposal to environmentally licensed Third Parties
Agrochemical plastic packaging	3,500	unit	Solid	Agricultural	In bulk on waterproof floor, covered area.	Class I	Disposal to environmentally licensed Third Parties
Sanitary system sludge	56	t	Liquid	Industry/ Automotive/ Management/ Agricultural	Septic Tank System.	Class II A	Disposal to environmentally licensed Third Parties
Filter cake	19,978.30	t	Solid	Industry	Direct application to sugar cane crops, incorporated with ash.	Class II	Incorporation into agricultural soil of the Companhia Alcoolquímica Nacional field
Ash	37,786,510.00	kg	Solid	Industry	Direct application to sugar cane crops, incorporated with filter cake.	Class II	Incorporation into agricultural soil of the Companhia Alcoolquímica Nacional field
Sugar cane bagasse	559,547.87	kg	Solid	Industry	Packed for continuous use in a designated yard in the industrial area.	Class II	Use in a boiler to generate electricity by Companhia Alcoolquímica Nacional
Vinasse	1,437,157.95	m³	Liquid	Industry	Direct application to sugar cane crops	Class II	Fertigation of the Companhia Alcoolquímica Nacional field





# 13. ENERGY EFFICIENCY

[GRI: 3-3; 302-1]

The sugar-energy industry is self-sufficient in generating energy for its operations during the harvest period, through the burning of bagasse in its boilers. At the JB Group, electrical energy generation has evolved in order to produce energy for its operations and also export surplus energy to the market. The group has three Thermoelectric Generating Plants (UTE), two at the Pernambuco unit and one at its Espírito Santo plant.

During the period covered by this report, 100% of the energy consumed by the company came from renewable sources, as the group uses energy co-generated from the bagasse burning process.

## Acquisition and sale of energy in the JB Group

<b>Total energy consumption within the organization</b>	<b>61,466,376 KWH</b>
Renewable fuels consumed	126,872,087 KWH
Electricity, heating, cooling, and steam purchased for consumption	3,936,910 KWH
Electricity, heating, cooling, and steam purchased and/or self-generated and not consumed	ZERO
Electricity sold	69,342,621 KWH
Pirapama Bioenergia	302-S/18

## Reduction of energy consumption [GRI: 302-4]

In addition to producing ethanol, which is a renewable fuel, the group's units generate the electricity they consume by burning sugar cane bagasse, and sell excess energy to the local utility.

Our long-term strategic planning considers increasing the production and export of electrical energy. The plan includes investments in equipment to increase energy efficiency, aiming to reduce internal consumption and the consequent increase in productivity, with greater availability of energy for commercialization.

## Goal for the Energy topic

Reduce energy consumption by 5% in 2023.







# FINAL CONSIDERATIONS

The elaboration of the JB Group's first Sustainability Report allowed us to make a great diagnosis. This exercise of "self-knowledge" about the group's companies provided our stakeholders with bigger clarity and will now serve as a foundation for the development of the company we want to be in the future: more transparent, diverse, safe to work for, responsible for the environment and connected with the demands of employees and society.

Our focus is to prepare the JB Group for the opportunities that will arise from the energy transition that is gaining strength in Brazil and around the world, which is very much in line with the sugar-energy sector: not only through the production of ethanol, electrical energy, and CO<sub>2</sub>, as but also biomethane, biogas, biokerosene, generation of carbon credits, among many other possibilities.

And in this scenario of transformation, it is great to know that we are on the right path! We already sell surplus electrical energy, produced in boilers from burning sugar cane bagasse, and we also created Carbo Gás, a 100% Brazilian brand that produces and sells carbon dioxide (CO<sub>2</sub>), with food-grade purity.

However, regardless of new product and market opportunities that arise, our priority is to always leave our "home" in order, based on premises such as improving governance and ethics and integrity systems; investing in innovation and technologies; investing in employee qualification and retention; and adopting the best sustainability practices.

We understand that, based on these pillars, the JB Group will be able to reach even greater heights.





# GRI CONTENT SUMMARY

## GRI content summary

Declaration of use	This report was prepared based on the Global Reporting Initiative (GRI) 2021 Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GR Standard	Content	Location	Omission		Ref. No. of GRI Sector Standard
			Omitted requirements	Reason	Explanation
General Contents					
The organization and its reporting practices					
GRI 2: General Disclosures 2021	2-1 Organizational details	xx			
	2-2 Entities included in the organization's sustainability report	xx			
	2-3 Reporting period, frequency and contact point	xx			
	2-4 Restatements of information	As it was the JB Group's first report, the organization has not made any restatement.			
	2-5 External assurance	xx		Not applicable	As this is the first sustainability report, the organization will not conduct any external assurance.
Activities and workers					
GRI 2: GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	xx			
	2-7 Employees	xx			
	2-8 Workers who are not employees	xx			
Governance					
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	xx			
	2-10 Nomination and selection of the highest governance body	xx			
	2-11 Chair of the highest governance body	xx			

GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	xx		
	2-13 Delegation of responsibility for managing impacts	xx		
	2-14 Role of the highest governance body in sustainability reporting	xx		
	2-15 Conflicts of interest	xx		
	2-16 Communication of Critical Concerns	xx		
	2-17 Collective knowledge of the highest governance body	xx		
	2-18 Evaluation of the performance of the highest governance body			
	2-19 Remuneration policies			
	2-20 Process to determine remuneration		Incomplete/ unavailable information	There are no defined processes.
	2-21 Annual total compensation ratio			
Strategy, policies and practices				
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy			
	2-23 Policy commitments			
	2-24 Embedding policy commitments			
	2-25 Processes to remediate negative impacts			
	2-26 Mechanisms for seeking advice and raising concerns			
	2-27 Compliance with laws and regulations		Confidential	The organization considers this to be sensitive information and understands that it should not be reported.
	2-28 Membership associations	We are members of the sectoral associations Sindaúcar and RenovaBio, the former located in Pernambuco and the latter being a national association.		
	2-29 Approach to stakeholder engagement			
	2-30 Collective bargaining agreements			

GRI Standard	Content	Location	Omission		Ref. No. of GRI Sector Standard
			Omitted requirements	Reason	Explanation
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	xx			
	3-2 List of material topics	xx			
Governance, Ethics, and Integrity					
GRI 3: Material Topics 2021	3-3 Management of material topics	xx			13.25.1 13.26.1
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers				
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption				13.26.2
	205-2 Communication and training about anti-corruption policies and procedures				13.26.3
	205-3 Confirmed incidents of corruption and actions taken			Confidential	As we consider this topic to be confidential in nature, we will not answer this question. 13.26.4
206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			Confidential	As we consider this information confidential and sensitive, it will not be disclosed. 13.25.2
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics				13.19.1
	403-1 Occupational health and safety management system				13.19.2
	403-2 Hazard identification, risk assessment, and incident investigation				13.19.3
	403-3 - Occupational health services				13.19.4
	403-4 - Worker participation, consultation, on occupational health and safety				13.19.5
	403-5 - Worker training on occupational health and safety				13.19.6

	403-6 - Promotion of worker health	13.19.7
	403-7 - Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	13.19.8
	403-8 - Workers covered by an occupational health and safety management system	13.19.9
	403-9 - Work-related injuries	13.19.10
	403-10 - Work-related ill health	There were no records of work-related ill health. 13.19.11
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	13.7.1
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	13.7.2
	303-2 Management of water discharge-related impacts	13.7.3
	303-3 Water withdrawal	13.7.4
	303-4 Water discharge	13.7.5
	303-5 Water consumption	13.7.6
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	13.8.1
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	13.8.2
	306-2 Management of significant waste-related impacts	13.8.3
	306-3 Waste generated	13.8.4
	306-4 Waste diverted from disposal	13.8.5
	306-5 Waste directed to disposal	13.8.6
Local Community		



GRI 3: Material Topics 2021	3-3 Management of material topics		13.12.1
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		13.12.2
	413-2 Operations with significant actual and potential negative impacts on local communities	No negative impacts were observed during 2022, in companies belonging to the organization.	13.12.3

### Energy Efficiency

GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 302: Energy 2016	302-1 Energy consumption within the organization		
		We do not consume energy outside the organization.	
	302-2 Energy consumption outside of the organization	We follow standards established by CCEE (Electric Energy Commercialization Chamber) and local electric utilities for measurements.	
	302-3 Energy intensity	Incomplete/unavailable information	We are compiling information to provide in the next report.
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services	Incomplete/unavailable information	We do not have this information as we will use the consumption in the year 2022 as a basis for comparison in future reports.

### Innovation and Technology

GRI 3: Material Topics 2021	3-3 Management of material topics	xx	
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### Social responsibility

GRI 3: Material Topics 2021	3-3 Management of material topics	xx	13.22.1
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed		13.22.2

GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported				13.22.3
	203-2 Significant indirect economic impacts				13.22.4
Talent Attraction, Development, and Retention					
GRI 3: Material Topics 2021	3-3 Management of material topics	xx	Not applicable	13.15.5 This indicator does not apply, as we do not have migrant workers from other countries.	
				13.21.2 This indicator does not apply, as we do not have workers who are not employees and whose work is controlled by collective bargaining agreements that have terms related to salary levels and payment frequency in significant locations of operation.	13.15.1 13.15.5 13.20.1 13.21.1 13.21.2 13.21.3
				13.21.3 This indicator does not apply, as we do not have workers who are not employees and whose work is over paid due to gender discrimination.	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	xx			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	xx			
	401-3 Parental leave	xx			

GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	xx		
	404-2 Programs for upgrading employee skills and transition assistance programs	xx		
	404-3 Percentage of employees receiving regular performance and career development reviews	xx	Incomplete/ unavailable information	The organization has not yet formally assessed the performance of its employees. Currently, assessments are carried out by direct managers on a continuous basis and no record keeping. The JB Group intends to implement the management tool for all positions in the next two years.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	xx		13.15.2
	405-2 Ratio of basic salary and remuneration of women and to men	xx		13.15.3
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		Not applicable	This indicator does not apply to the reality of the JB Group, since there is no record of the existence or occurrence of any form of discrimination in the company. Not even in our whistleblowing channel.
Product Quality and Safety				
				13.5.1
				13.6.1
GRI 3: Material Topics 2021	3-3 Management of material topics			13.6.2
				13.10.1
				13.10.4
				13.10.5

	416-1 Assessment of the health and safety impacts of products and service categories		13.10.2
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During the period covered by this report, we did not identify any non-compliance with regulations or voluntary codes, related to non-conformities regarding impacts caused to consumer health and safety by the products we offer to the market. Therefore, there was no need to carry out any adjustments or recalls during the period.	13.10.3
Communication and Marketing			
GRI 3: Material Topics 2021	3-3 Management of material topics		
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance concerning marketing communications	
Supplementary indicators			
Climate Adaptation and Resilience			
GRI 3: Material Topics 2021	3-3 Management of material topics		13.1.1
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change		
Rights to Land and Resources			
GRI 3: Material Topics 2021	3-3 Management of material topics		13.13.1 13.13.2 13.13.3
Child labor			
GRI 3: Material Topics 2021	3-3 Management of material topics		13.17.1
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Operations and suppliers are not monitored yet; no violation was identified during the reporting period.	13.17.2
Forced or Compulsory Labor			
GRI 3: Material Topics 2021	3-3 Management of material topics		13.16.1
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Operations and suppliers are not monitored yet; no violation was identified during the reporting period.	13.16.2



# DATASHEET

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