



ESG



2023 REPORT


Marply


Marini
COMPENSADOS

ENVIRONMENTAL SOCIAL GOVERNANCE





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ABOUT THIS REPORT

Since its founding, Marply has followed the evolution of global concerns related to the environmental care and social development. Operating for almost 20 years, we have several certifications and programs on these topics, in addition to solid governance that is compatible with the company's growth. The new times call for responsibility in ESG issues and our commitment is ever greater. Through this report we seek to demonstrate our actions for 2023.





MESSAGE

ESG *at the* **CORE OF BUSINESS**

At Marply we are committed to ESG practices, and we understand that it is extremely important to reconcile our economic development with governance and socio-environmental responsibility, that this is the way to ensure a more sustainable future.

We work with planted forests, a renewable resource, which needs to be responsibly managed to ensure the sustainability of our business.

We believe that solid governance is the basis for the effective implementation of environmental and social practices.

In this report, we share our 2023 practices that are in line with the ESG meaning.

RONI MARINI
CEO MARINI COMPENSADOS





PROFILE

HOW *it all* BEGAN

Marply – Marini Indústria de Compensados was founded in 2004, in the city of Palmas - Paraná. The factory's activities began in a shed with a built area of 2,500 m². At this beginning the aim of the factory was to make the assembly and the finishing of the plywood panels. Initially, our raw material was veneers purchased from third parties.

With the company's development and the continuous search for improvements and investment in increasingly advanced machinery, the lamination process began in 2010. This way, we acquired control over all plywood manufacturing processes.



TIMELINE



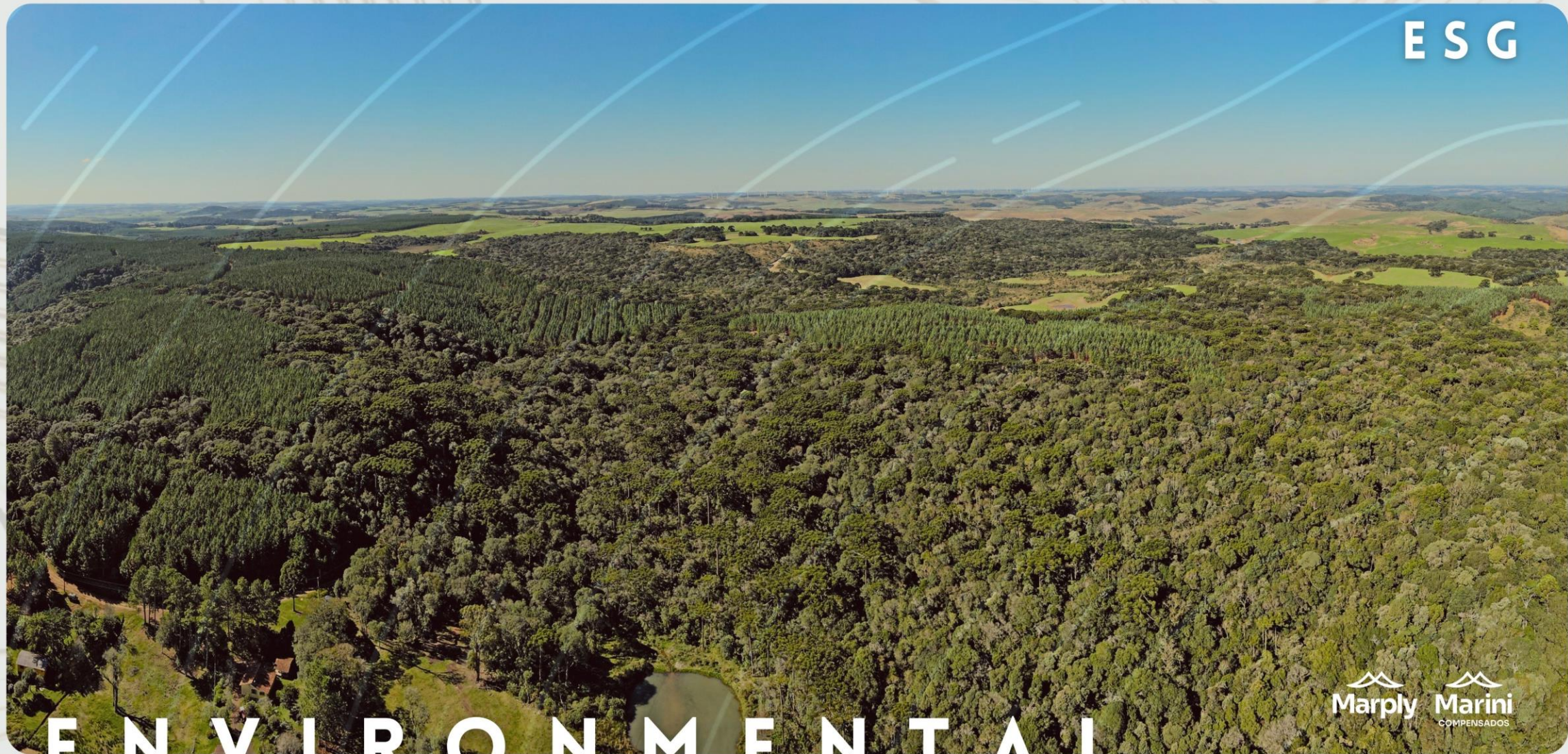


OUR COMMITMENTS



OUR COMMITMENTS *for the* **FUTURE**

Our aim is to achieve sustainability in terms of raw materials until 2030. Since pine wood is an asset that takes at least 15 years to be ready for processing. In this regard, when we talk about sustainability, we are referring to the purchase sufficient forest assets and plantation land so that our cycle is 100% supplied by our own assets, ensuring the longevity of the business. In social terms, we are committed to the communities of Palmas - Paraná, and more recently of São Francisco de Paula-Rio Grande do Sul, not only with our employees, but also with the surrounding areas and partners. Governance, on the other hand, follows an intense process of professionalization and organizational strengthening, which the board and committees implement new projects, methods and challenges on a monthly basis.



ENVIRONMENTAL



ENVIRONMENTAL

The Environmental Principle fundamentally refers to the responsible management of natural resources and mitigation of environmental impacts. Thus, thinking about the future, Marply and its shareholders invest in raw materials that come entirely from reforestation, in addition to maintaining a large percentage of native forests on its properties, seeking to achieve the minimum possible environmental impacts and comply with current environmental legislation to ensure the longevity of the business.





BIODIVERSITY

ENVIRONMENTAL

Biodiversity

In 2023, a property belonging to one of the suppliers was selected to implement fauna monitoring activities. The chosen farm is part of the Atlantic Forest Biome, composed by native formations of Mixed Ombrophilous Forest or Araucaria Forest, a region with a relevant ecosystem, located within a radius of 50 km of different conservation units, such as the Araucárias National Park, Mata Preta Ecological Station and the Campos de Palmas Wildlife Refuge. The total of 851.83 hectares located in Passos Maia - Santa Catarina, the current land use consists of 65% of its coverage with native vegetation in a medium and advanced stage of regeneration, with numerous specimens of Araucaria (*Araucaria angustifolia*) Considered Critically Endangered (IUCN, 2021); Endangered (MMA, 2014); Critically Endangered (Consema - SC, 2014), representing a significant mosaic of level and landscape.



ENVIRONMENTAL

Biodiversity

Using camera traps installed at points on internal roads and firebreaks where different animal tracks and footprints were initially identified, the data collection is carried out weekly and the analysis of photos and videos enables the creation of a database stored in an electronic spreadsheet with records of the quantity and frequency of wild fauna species.

In November 2023, in the eighth week of monitoring, the results had already identified the presence of the second largest Brazilian feline: the Puma concolor (Vulnerable (ICMBio, 2018); Endangered (Consema – SC, 2014), highly sensitive to hunting and deforestation, an animal that needs large forest territories and the availability of prey to survive.



ENVIRONMENTAL Biodiversity



Puma concolor - Faz. Santo Agostinho - Passos Maia/SC

11-14-2023 01:06:12





RESPONSIBILITY WITH WATER RESOURCES

ENVIRONMENTAL

Water Collection

All water used in the production process, as well as the water used in sanitization and workers' routine, come from three sources: public network, artesian wells and in a small proportion of catchment in an artificial reservoir. All forms of catchment are granted to the responsible government agency. In some of the company's activities, the water used is treated and returned to be reused in the same process. In both factories, Marply uses the capture in artesian wells, being monitored the parameters contained in the grant. Water is used mainly for steam generation. In the Palmas - PR unit, surface withdrawal represents 20% and the underground 80%. At the branch unit in São Francisco de Paula - RS, the water catchment is 100% underground.



ENVIRONMENTAL

Water Reuse

In order to improve water use and enable advances in increasing water efficiency, we carry out frequent monitoring of water consumption and water reuse of the process. Currently, we use reused water together with the other sources in the treatment of logs (cooking) and mainly in the generation of steam.

Marply developed a project that changed the entire structure of steam use, causing the condensate to return to the origin and be stored for reuse in steam generation, with a reduction of more than 40% in groundwater consumption.



ENVIRONMENTAL

Effluents and water disposal

The largest volume of liquid effluents occurs only in a part of the production process (log cooking). These effluents are included in environmental license from the Water and Land Institute (Instituto Água e Terra – IAT), always aiming at the compliance with environmental legislation with a focus on CONAMA and CONSEMA.

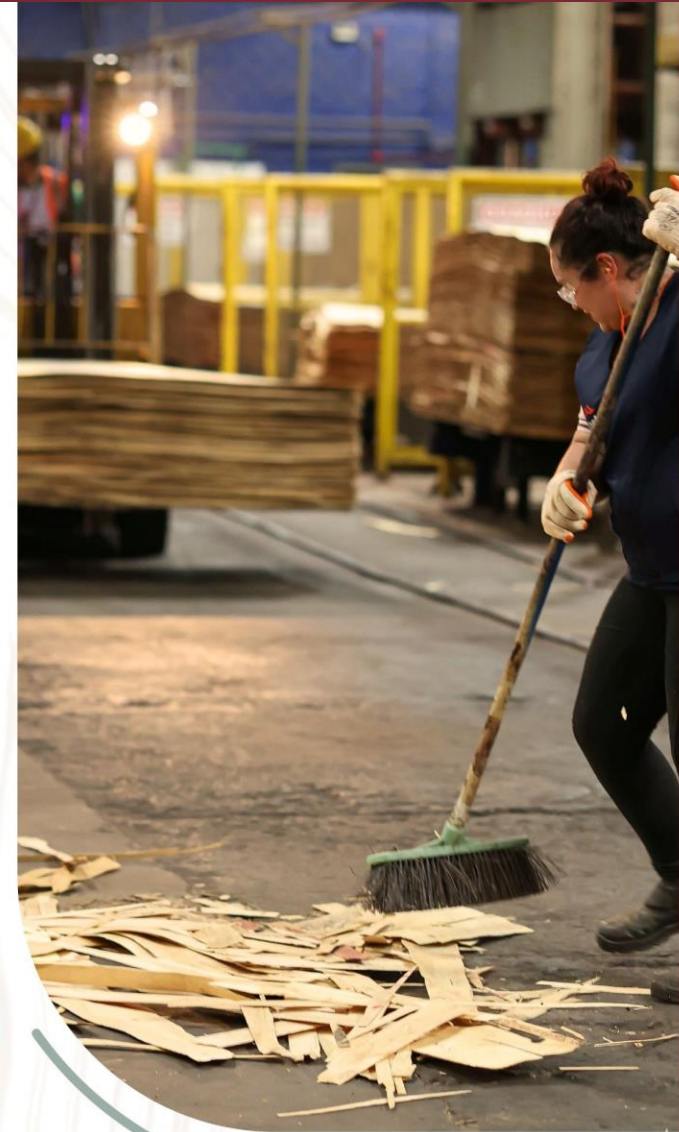
In both units, Palmas and São Francisco de Paula, the effluent generated in the cooking returns to the process along with the addition of water from surface catchment, and at the end of the cycle part of the water evaporates and part of the water returns to the process, making the looping closed and so there is no effluent disposal.

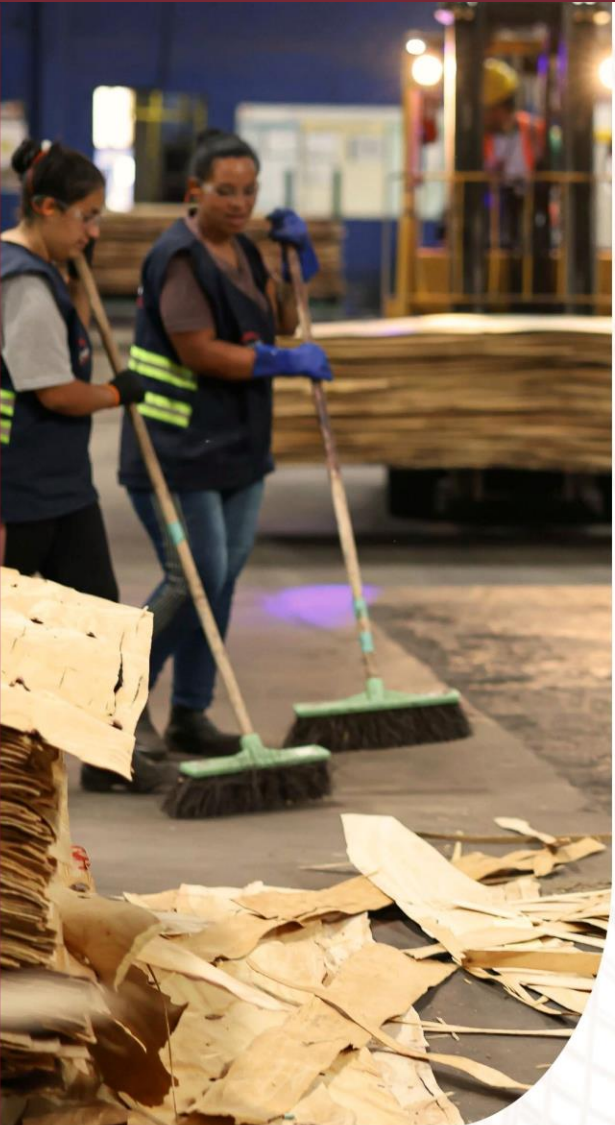
ENVIRONMENTAL

Solid waste management

In accordance with Marply's environmental policy, we work to prioritize the reduction of waste that is generated and the consequent reduction in environmental impact, encouraging more responsible consumption practices. Solid waste is monitored by the Solid Waste Management Plan – PGRS. The plan is reviewed whenever necessary, at least once a year, it is applied by the team responsible for monitoring waste.

This same group monitors the generation and disposal of waste, as well as encourages its reduction. On average, 80% of solid waste is reused internally (wood waste). A portion of the solid waste that isn't used in the process is sent to licensed landfills. Studies are being carried out with the aim of eliminating the disposal of waste in landfills.





Waste

Other solid waste is sent for recycling by third parties. We currently have an efficient recycling process, from origin to final disposal. One of the actions that made this success possible was the implementation of the 5S system, which began in 2019.

Oils in general are also sent to licensed third-party recyclers, who perform the refinement.

ENVIRONMENTAL

Solid waste management

The planning of environmental actions includes improvements in waste indicators, as well as the resulting reduction targets. A new management model for these indicators is being created with the aim of obtaining more precise and direct results, evolving in sustainability practices.

ENVIRONMENTAL

Emissions and energy efficiency

Atmospheric emissions are monitored biannually and annually. Emission sources are managed according to quantitative results and are in accordance with current regulations that determine their limits, it was possible to observe a drop in carbon dioxide emissions between 2022 and 2023.

Over the course of four years, the drop in gas emissions was had a great importance, and this is due to investments made in replacing machinery and modernizing systems, increasing energy efficiency.





ENVIRONMENTAL

Emissions and energy efficiency

Even though production increased in 2022 and 2023, LPG consumption was reduced. One of the initiatives to reduce the consumption of fuels from non-renewable sources was the replacement of some machinery and equipment.

FUEL CONSUMPTION

NON-RENEWABLE SOURCES	2022	2023
DIESEL	295.198 L	375.500 L
LGP	23.478 KG	15.720 KG
RENEWABLE SOURCES		
BIOMASS	7.488 T	8.100 T

ENVIRONMENTAL

Emissions and energy efficiency

Those who consume energy from sources encouraged by the government, such as wind, solar photovoltaic, biomass, or even from Small Hydroelectric Power Plants (PCHs), help to reduce emissions of polluting gases into the atmosphere.

To issue the certificates, the methodology proposed by the GHG protocol, also known as the Greenhouse Gas Protocol, is used in the calculations. It quantifies the greenhouse gas emissions that are avoided every time a company switches from a non-renewable energy source to a renewable energy source. This methodology is the most widely used internationally by governments and companies when it comes to greenhouse gas emissions. It is compatible with the ISO 14.064 standard and the quantification methods of the Intergovernmental Panel on Climate Change (IPCC).

This is another benefit of freedom in the electricity market. More than simply reducing the cost of the energy bill, migration allows the choice of a source that also reduces environmental impacts. With the condition of contracting sources encouraged by special consumers, the search for savings began to foster something even more important: the growth of clean alternative sources in Brazil.



CERTIFICATIONS

**UK
CA**

PS1-19



CE 2+
CE 4





S O C I A L

SOCIAL

Value *life and people*

The most important value for Marply is the strength that moves us, and this strength begins with the minds and hands of men and women – employees, partners, customers, suppliers, community...

To value means to care, listen, train, include, create opportunities and invest in benefits for all. We are proud to be known as a human company that contributes to its people and to the society in which we are located. In addition to humanity, our greatest principle within the entire production chain is workplace safety, which we make a point of maintaining as a higher level of importance, even above productivity – whether in the forest, in the factory or in logistics.





S A F E T Y

SOCIAL WORK SAFETY

We are a major generator of jobs and we recognize our responsibilities in the areas of health, safety and the environment. That is why these aspects are priorities for Marply - Marini Indústria de Compensados. We adopt a holistic approach, which not only helps us minimize the risks generated by our economic activities, but also creates opportunities. Our goals are to ensure continuous improvement and excellence in the quality and execution of activities related to Well-Being, Work Safety and Health. Teams are frequently trained and prepared to operate, keep workplaces safe and employees free from injuries, and this is extended to all third parties.



SAFETY

Prevention

Health and Safety concerns are applied to everyone who joins the company. The first contact an employee, service provider or even visitor has is with the Work Safety guidelines, which are applied during the first presentation about the company, this presentation happens before the employees start to work. To maintain safety information, workers undergo periodic training, in many cases in the form of Daily Safety Dialogues – DDS.

During the working life of our employees, several actions are carried out in order to strengthen the safety culture. The actions also include care and alerts regarding the mental health of workers.



SAFETY

Security taken seriously

We analyze and detail environmental risks through Preliminary Risk Analysis (APR) and Risk Analysis (AR), together with Work Health and Safety programs. The Risk Management Program – PGR and the Occupational Health Medical Control Program – PCMSO include a range of initiatives responsible for maintaining safety action planning, in addition to Health campaigns and CIPA (Internal Accident Prevention Committee).

Marply has its own SESMT (Specialized Services in Occupational Safety and Medicine), with prompt response to the most diverse situations involving the health and safety of workers.

There is an ongoing project to expand and create a specialized outpatient clinic, which will enable quick and accurate care for possible occupational illnesses.





SAFETY

Security taken seriously

We measure our progress in safety through indicators, and we consider all injuries, regardless of severity. However, the analysis priority is for the most serious cases and those with the highest frequency.

In case of an accident at work, a technical analysis is carried out based on specific methodologies that allow us to identify the root cause, so that the appropriate action can be taken to prevent recurrence.

Serious injuries in 2022/2023

WORK ACCIDENTS		
	2022	2023
OWN	4	0
THIRD PARTIES	0	0

In October 2023, we celebrated 365 days without work accidents.

The mark was celebrated by all employees with a festive event.



S O C I A L



In the year that the branch plant opened was marked by social strengthening, as we entered another state with a different culture, specific legislation and even greater challenges.



The branch located in São Francisco de Paula in the state of Rio Grande do Sul, began its activities on May 8, 2023 with a staff of 63 employees, and ended 2023 with 107 people, making Marply one of the largest sources of employment and income in the city.

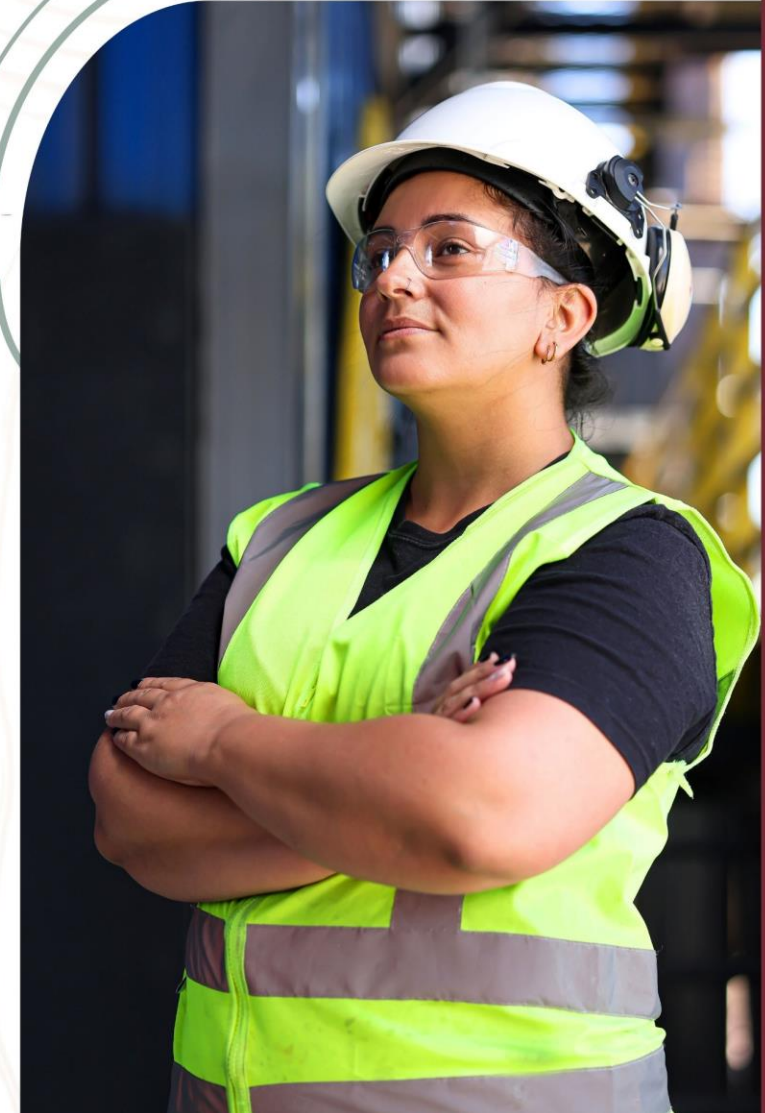
In the general staff, we had a 44% increase, starting 2023 with 465 employees and ending the year with a total of 670 people. A satisfactory number in which we had an increase was the proportion of women in the staff, starting the year with 141 women employed (31.05%), and ending the year with a total of 217 female employees (33.69%).

Demographic data and *inclusion*

In the aspect of women who make a difference, we have had always female minds playing important roles in administrative management, including 30% of strategic leadership being women. But it was in 2023 that we had the first female production sector supervisor, responsible for managing the boiler at the our branch plant. And so, little by little, we have seen an increase in the demand for female work roles within the manufacturing environment – always prioritizing the inclusion and empowerment of women and other minorities.

We are committed to increasing the representation of women in leadership positions in the future..

Women have space here





Ethnicities *and* inclusion

Marply has consistent policies that combat any type of discrimination, whether social, racial, gender or religious. This is clearly illustrated in the table below, which compares the racial statements of employees with the IBGE (Brazilian Institute of Geography and Statistics Foundation) census.

Ethnicities and Inclusion

Employees Comparison X Palmas - PR



ETHNICITY	EMPLOYEES (2023)	PERCENTAGE	INHABITANTS PALMAS-PR (2022)	PERCENTAGE
WHITE	385	57,7%	28019	58,1%
BLACK	34	5,1%	1735	3,6%
BROWN	157	23,4%	17481	36,2%
YELLOW	6	0,9%	92	0,2%
INDIGENOUS	5	0,7%	920	1,9%
NOT DECLARED	83	12,4%	-	-

Note: The census from 2022 was used as it is the last one available for analysis.



Age Range

Comparison between employees with the age of 46 years old and over in 2022 and 2023

FROM 46 TO 50 YEARS OLD 2022	ABOVE 51 YEARS OLD 2022	TOTAL NUMBER OF EMPLOYEES
50 EMPLOYEES	42 EMPLOYEES	465

FROM 46 TO 50 YEARS OLD 2022	ABOVE 51 YEARS OLD 2022	TOTAL NUMBER OF EMPLOYEES
59 EMPLOYEES	53 EMPLOYEES	670

Level of Education

2022

ILLITERATE	COMPLETED ELEMENTAR	COMPLETED HIGH SCHOOL	HIGHER EDUCATION	POST GRADUATION	TOTAL NUMBER OF EMPLOYEES
3	110	108	17	5	465

2023

ILLITERATE	COMPLETED ELEMENTAR	COMPLETED HIGH SCHOOL	HIGHER EDUCATION	POST GRADUATION	TOTAL NUMBER OF EMPLOYEES
3	127	190	20	7	670





Courses and training

In 2022, the total investment in courses and training for employees was R\$56,759.25 and in 2023 it was R\$75,078.17.

Ildo Marini Square

Investment in society

In addition to demographic data, we carry out specific actions in favor of the society in which we are located, and the greatest example of these actions in 2023 was the reopening of Ildo Marini Square - a structure that was revitalized with investment from Marply in a public-private partnership with the city hall of Palmas.





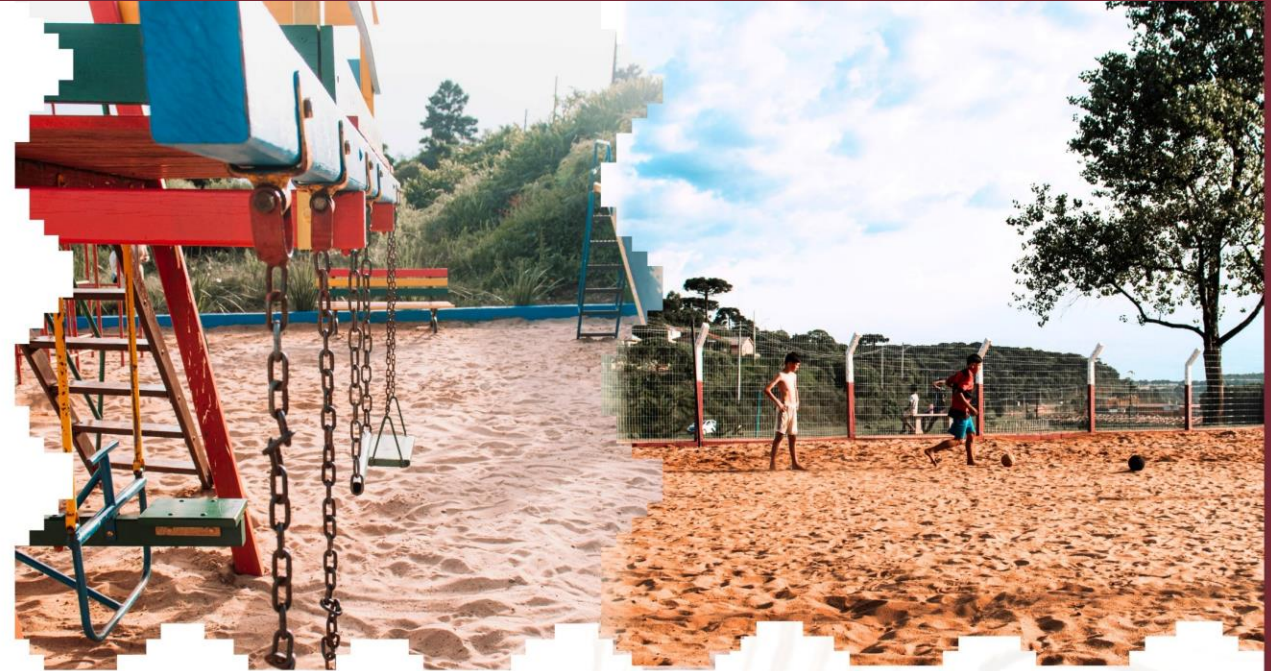
Ildo Marini Square

Investment in society

The square, which was in very poor condition, even serving as a habitat for venomous animals and transmitting diseases to users, was completely renovated, including a drainage system for the sand court, renovation of the children's playground, landscaping, revitalization and painting of the structures. The city government also contributed by installing an outdoor gym.

Ildo Marini Square

Investment in society



This space is located 200 meters from the Palmas unit and is used by more than 5,000 people from the Eldorado neighborhood and neighboring regions. The Eldorado neighborhood is also home to a large number of our employees, who were benefited from this action.

Ildo Marini Square

Investment in society



Internal actions Employee appreciation

When reporting on internal social activities, it is possible to highlight several events and dates that the company never let it pass without a celebration or souvenir being given. For example: lectures for Yellow September (a suicide awareness campaign), Pink October (international movement aimed at encouraging the fight against breast cancer) and Blue November (awareness of men's health issues, such as prostate cancer); celebration of Women's Day, Mother's Day and Father's Day; Christmas, Children's Day and Worker's Day.





Internal actions

Employee appreciation

We also hold mass celebrations in the company, with invitations to the general staff – without obligation – in order to encourage spirituality.

Internal actions

Valorização dos colaboradores

The safety sector is also extremely active and organizes events such as SIPAT (The Internal Week for Preventing Accidents in the Workplace), green April lectures and accident prevention week, in addition to the routine DDS (daily safety dialogue).



Internal actions

Employee appreciation



Internal actions

Employee appreciation

In 2023, we reached the happy mark of 365 days without serious accidents, which was celebrated with a mass in gratitude for the commitment of all employees. On this occasion, personalized gifts of reusable cups were distributed, with the aim of acting in the maintenance of health by encouraging the consumption of water.



Internal actions

Employee appreciation



One of the most festive and traditional days that takes place annually at Marply is the last day of SIPAT – which in 2023 completed 16 editions – in which a talent show is held and the stage is entirely occupied by employees who sing, dance, perform plays and poetry, enchanting their colleagues and promoting culture and integration with others. On this day, a grand raffle of prizes, such as bicycles, cell phones, notebooks and various household items, is also traditional.

Internal committee of **employees**

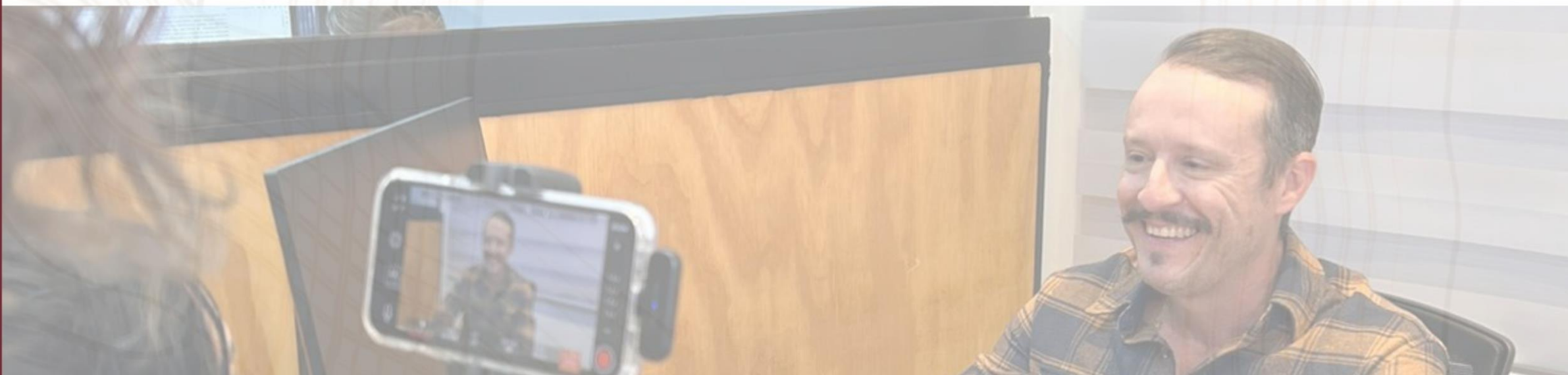
With the growth in the workforce, and in order to bring management closer to the production line, an internal committee of employees was established in 2023, which acts as an internal ombudsman. The committee is made up of three employees from the factory environment, who were elected by their colleagues to represent the “voice of production”. The members meet monthly with the Administrative Director, the People and Communications Coordinator and the Human Resources Manager. During these meetings, the list of suggestions collected in the company's boxes is reviewed and the committee presents the most important demands, such as requests for some structure, suggestions for improvements and possible collective complaints, as well as ideas for events, training and bonuses.





Organizational Culture: **20 years – The story told by its authors**

In 2024, Marply will complete 20 years of activity, and to celebrate this mark, a project has been running since 2022, in which the city's media channels collect weekly interviews with employees. This movement – in addition to recording the experience and demonstrating the team's engagement – strengthens the company's organizational culture, and the positive testimonials of people have a good impact on colleagues who hear them or read the articles in the newspapers.



ENVIRONMENTAL SOCIAL GOVERNANCE

ESG



CORPORATE GOVERNANCE



GOVERNANCE

Marply understands that it needs to strengthen its policies, which is why it is currently implementing a compliance program.

Through this program, the company aims to achieve compliance with all laws and regulations, strengthen its lines of defense, support decision-making and develop a strategic risk matrix, providing action plans for mitigation and monitoring.



SHAREHOLDING STRUCTURE

WHO ARE THE SHAREHOLDERS:

PARTNERS

RONI JUNIOR MARINI

DRM ENTERPRISES

OSMAR MARINI JÚNIOR

IMPROGRESSO LTDA

FELIZ ENTERPRISES LTDA



Marply

Board, Committees and Board of Directors

The board was founded in 2019 and has six members and a secretary, three of whom are external members: a specialist in governance and people management, a specialist in finance and accounting, and a specialist in the timber and industrial sector, all of whom are renowned names in their areas of expertise.

The other three members are partners, two of whom are company managers and one is a shareholder – representing the families in the corporate structure.



SENIOR MANAGEMENT STRUCTURE

DIRECTORATE

CEO - CHIEF EXECUTIVE OFFICER

COMMERCIAL DIRECTORATE

FORESTRY DIRECTORATE

INDUSTRIAL DIRECTORATE

ADMINISTRATIVE AND HUMAN
RESOURCES DIRECTORATE





CODES, POLICIES AND REGULATIONS

SHAREHOLDERS' AGREEMENT

INTERNAL COUNCIL REGULATION

CODE OF ETHICS

COMPLIANCE

POLICIES ON JURISDICTIONS

BUSINESS PARTNER RELATIONSHIP POLICY

CONFLICT OF INTEREST PREVENTION POLICY

ANTI-CORRUPTION AND ANTI-BRIBERY POLICY

A dark red circular graphic containing the number '20' in a large white font, with the word 'ANOS' in a smaller white font inside the zero. The graphic is positioned over the top-left image of the Marini Compensados facility in Palmas, PR, 2004.

20 ANOS

ACKNOWLEDGEMENTS

We thank our employees for making our commitment to ESG practices possible at Marini Compensados. Thanks for the effort and dedication of each of you, we have been able to balance economic development with socio-environmental responsibility and governance, ensuring a more sustainable future. We are proud to share our 2023 achievements in this report and look to the future with the goal of becoming increasingly sustainable.



MARINI COMPENSADOS - PALMAS - PR 2004



MARINI COMPENSADOS - PALMAS - PR 2023



MARINI COMPENSADOS - SÃO FRANCISCO DE PAULA - RS 2023



ESG REPORT 2023

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MARINICOMPENSADOS



MARINI INDÚSTRIA DE COMPENSADOS



MARINI COMPENSADOS

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**Marply** **Marini**
COMPENSADOS