



Sustainability

Report



Falconi

2023 | base year
2022

SUMMARY



Opening

Presentation	03
Message from the CEO	04

01

Our Essence

About Us	07
Materiality	11
Business	16
Governance	22
Data Security	34
Falconi Team	37

02

Our Agenda

Sustainability Management	42
People Development	64
Diversity, Equity & Inclusion	70
Health and Wellness	76
Environmental Performance	80

03

Our Impact

Falconi ESG Platform	85
ESG&P Impacts of Our Clients	86

04

Our Future

100

Gri Summary

103

▶▶ Presentation

GRI 2-3

The third edition of Falconi Consultores S.A.'s Sustainability Report presents the public with the most relevant information about our management, performance and positioning, especially the initiatives and actions that refer to sustainable development, from January 1 to December 31, 2022¹.

Falconi's Sustainability Report aims to demonstrate how we can combine our expertise in people, management, technology, and data intelligence to accelerate the generation of sustainable value, not just for our clients, but for society as a whole, as well as the planet.

To present Falconi's main actions and results in 2022, we developed content based on our Material Themes – matters considered most relevant by us and our priority stakeholders (learn more in the section titled **Materiality, Chapter 1**) – and aligned with key global sustainability commitments, such as the Sustainable Development Goals (SDGs) and the principles of the Global Compact. In addition, the report was prepared based on the guidelines of the Global Reporting Initiative (GRI), which establishes quality standards for reporting corporate performance in sustainability. There are footnotes within the text to indicate the methodology and accompanying information throughout the text. The **GRI Summary**, at the end of the document, provides a map of all this content.

Throughout the text, it is possible to see how all these parameters are connected in our performance, demonstrating that both our operations and social action projects (**Chapter 2**) and the projects carried out with clients (**Chapter 3**) reflect positive impacts on our stakeholders and society as a whole.

In this report, we show you everything under our observation in 2022. But it is necessary to look ahead to the tomorrow we want to build. This is what we discuss in **Chapter 4: Our Future** and we invite all readers to join us in doing so. Will you join us?

Enjoy the reading!

1 - The governance data go beyond the aforementioned period, in order to present changes in the organizational structure that occurred during the first half of 2023 and, therefore, are in force at the time this report is published.

▶ Message from the CEO

GRI 2-22

With this new annual edition of Falconi's Sustainability Report, we take the opportunity to look at our entire trajectory over these past almost 40 years, at a time when pragmatism is increasingly the guiding principle for companies committed to building a sustainable future through their ESG (environmental, social and governance) agendas.

We at Falconi have always believed that, in order to generate profound and lasting impacts on society, it is necessary to bring to reality concepts that are sometimes ethereal or focused on the distant future. In doing so, the focus on contributions that are as practical and feasible as they are significant and lasting is guaranteed. In this sense, the search for greater efficiency is one of the main focuses of organizations to effectively contribute to the development of society in a meaningful way.

For companies to become leaders in a more sustainable world, the efficient use and conscious consumption of resources, especially those that are finite, used by them, is a *sine qua non* condition. Inefficiency begets waste – and waste is not cheap. Sooner or later, the planet and society will demand accountability. The answer for business leaders on how to contribute to building a sustainable future is simple and straightforward: start by eliminating waste.

A company is not sustainable without energy efficiency, in the use of water, in the treatment of waste, in the logistics chain, in its processes. The conscious use of resources is what increases the chances of continuity of a business. And, we know, perennial businesses are fundamental to the development of society.

In general, efficiency gain is measured financially. But it can also be measured in terms of building the future. To this end, every hectoliter of water not wasted, every kilowatt of energy better used, every decision capable of reducing the carbon footprint makes a difference.

Since its inception, Falconi's role has been to support organizations in combating inefficiency. Our deepest belief is that in all our projects, we contribute directly or indirectly to building more sustainable journeys for our clients.

By achieving results with greater efficiency in the most diverse areas - whether in the production chain or in logistics, throughout the entire lifecycle of a product or service - we help companies to have greater investment power to advance on other fronts, including projects aimed at greater environmental balance, a fairer society and a business environment with governance and transparency.

Internally, we seek to progressively and continuously advance the effective contribution we can make in each dimension of ESG. Between 2020 and 2021, we mapped the points where we focus our energy and willingness to make a difference. We identified, among the United Nations Sustainable Development Goals, SDG 8, related to decent work and economic growth, and SDG 4, related to quality education, as priority agendas that resonate with our beliefs.

As explained in last year's report, we transposed this strategy into material topics. And we continue to advance on the path of maturity in our contribution to a better world. Looking outside, there are many social projects already carried out or in progress that make us proud. I highlight, above all, the projects in the educational area, in which the results attest to our effective performance to change the reality of a significant, yet marginalized, portion of society.

On the home front, we also carry out, together with our team, important work to bring more diversity, equity and inclusion. We put the mental health and well-being of our employees at the top of the managers' agenda, rethinking the workday and creating spaces for talking and active listening. We believe that our employees will only be able to realize their full potential if they are happy with

what they do and have the conditions and tools to carry out their activities with the best efficiency.

With a defined path to contribute in the social dimension, last year we began to analyze more effective ways to also act in the environmental dimension. We concluded that the greatest impact would come from working with clients, combining efforts, and multiplying results to transform society and the future.

As all our projects have the potential to impact one or more dimensions of ESG, we began measuring these impacts, initially using a sample of our projects. This overview will give us a guide so that, with a focus on efficiency, we direct actions to ensure that each work offers effective and measurable contributions in terms of ESG, reducing not only the carbon footprint of organizations, but our own.

Thus, we aim to influence changes in production chains and, as a multiplier effect, contribute to advances throughout society.

To learn more about our journey, I invite you to read the following pages, more about the path we have taken in 2022.

Alexandre Ribas
Falconi CEO



01.

Our

Essence



▶▶ About Us

GRI 2-1

Founded in Brazil almost four decades ago, Falconi Consultores S.A. is the largest business and people management consultancy firm in Latin America.

We are committed to using cutting-edge technology and data intelligence to accelerate the generation of sustainable value for organizations.

With projects in more than 40 countries, we operate in 50 different segments of the economy, setting ourselves apart from our competitors by our recognized capacity to implement projects at the strategic (strategy, business model and organizational structure), tactical (implementation and alignment of processes and goals) and operational (alignment and monitoring of operations) levels.



Wide-ranging activities

As of 2019, Falconi began to focus on a business transformation and expansion strategy, which resulted in the launch of new companies, spin-offs and investments in other companies, in addition to the creation of another holding company: Falconi Patrimonial. The Falconi Group is

comprised of several companies and a dozen brands, with a presence in the areas of people development and management, software and applications for management, cybersecurity and hospital management. Learn more under **Our Brands.** ▶

38 years of market experience

42 countries with projects, on four continents


+2000 organizations served

+1000 talents


+700 consultants worldwide


+6000 projects executed

95% of the goals achieved in the projects

 International Bases of Operations

 Operations Headquarters: São Paulo, SP

 Projects in Brazil in 2022

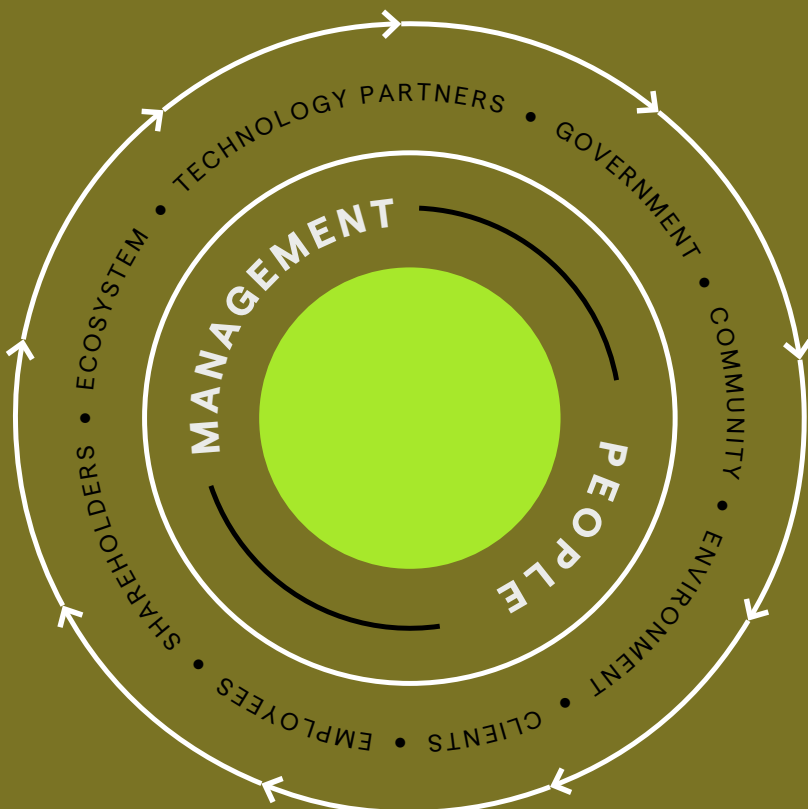
 International Projects in 2022

▶ Our Identity, Our Culture GRI 2-12

We believe in the transformative power of technology, management and, above all, people to generate sustainable value for organizations.

With knowledge and expertise to face the main challenges of today, whether in organizations or in society, we work in search of results that go far beyond operational excellence or economic growth – **results that positively impact our stakeholders: community, clients, employees, shareholders, ecosystem, partners, government and society as a whole.**

360° impact vectors that drive new futures



Our belief

More efficient management organizations build a better society.

Our mission

Help organizations build exceptional results by improving their management system.

Our legacy

To be recognized in society for the positive impact generated.

Values that guide our trajectory

Ethics

All issues directly related to Falconi's relationship with society are based on ethics.

Focus on the client

We understand the client's context to deliver with high quality solutions that delight them and exceed their expectations.

Results orientation

Achieving a goal is a source of honor. We are disciplined in the method, in the deadlines, in the use of facts and data and in everything that involves the deliveries and commitments made.

Caring for People

We take care of people: we develop, respect differences, and work to build an environment of trust and fulfillment.

Act like an owner

We are passionate about our purpose and ethically defend Falconi's dream.

Learning and teaching

Knowledge is our raw material. We have complementary skills: a willingness and humility to learn and teach every day.

Meritocracy

Merit is what sets us apart and defines our achievements.

Simplicity

Being simple is part of our DNA. We focus on the essentials and people's understanding, clearly and objectively.

Good mood

A smile opens doors. We show pleasure in what we do and use good humor to facilitate relationships and generate a positive atmosphere.

Our vision and values were developed by the Strategy Committee, formed by representatives of Falconi's senior leadership – partners and CEO, with participation from various areas of the organization and final approval by the Board of Directors.

All employees who join Falconi go through the onboarding process, in which they receive training and guidance on various aspects of the business and our culture. Each year, Falconi team meetings reinforce these concepts, in theory and practice.

▶ Materiality

GRI 2-29 | 3-1 | 3-2 | 3-3

In order to realize our purpose and values, as well as to promote people, the environment and the future, we seek to identify¹, together with our stakeholders¹, our Material Themes: relevant and significant issues in social, environmental, economic and governance areas, which relate our business to sustainability and the impacts we generate in the market, in society, in the world.

We started the process of creating the material themes in 2021 and concluded it in 2022, defining **Falconi's Strategic Materiality**, i.e., the topics that will be addressed strategically by our organization in the next two years, with a review scheduled for 2025. This coordinated review will consist of dedicated teams entrusted with the development and delivery of relevant projects, which can have a positive impact on all our different audiences.

The Material Themes are described on the following pages, addressing the concepts and visions that led us to prioritize each of them. Throughout the report, we have signaled where Material Themes can be found in the day-to-day of organizational management, how they relate to other internationally recognized indicators – such as the SDGs, the Global Compact Principles, and the GRI – and how our materiality can be translated into action and practice, with real impact inside and outside Falconi.



2 - Stakeholders consulted for the preparation of the Falconi Materiality: clients, employees, partners, alumni (former employees), partner companies of the innovation ecosystem and civil society organizations (CSOs).

MATERIAL THEME

RELATED SDGs

STAKEHOLDERS IMPACTED

 <p>People Development and Knowledge Management page. 13, 51, 64</p>	  	<ul style="list-style-type: none"> ▷ Employees ▷ Community ▷ Clients ▷ Partners
 <p>Inclusion, Diversity and Equal Opportunities page. 13, 37, 51, 70</p>	  	<ul style="list-style-type: none"> ▷ Employees ▷ Community ▷ Members
 <p>ESG&P Impact of Clients page. 14, 84</p>	  	<ul style="list-style-type: none"> ▷ Clients ▷ Community
 <p>Commitment to Reducing Social Inequality page. 14, 51</p>	  	<ul style="list-style-type: none"> ▷ Government ▷ Community ▷ Employees
 <p>Ethics, Integrity and Compliance page. 14, 28</p>	 	<ul style="list-style-type: none"> ▷ Employees ▷ Suppliers ▷ Partners ▷ Members ▷ Clients ▷ Governo
 <p>Well-being and Mental Health page. 15, 76</p>	 	<ul style="list-style-type: none"> ▷ Employees ▷ Members
 <p>Data Protection and Information Security page. 15, 34</p>		<ul style="list-style-type: none"> ▷ Employees ▷ Suppliers ▷ Clients
 <p>Climate Change page. 15, 80</p>		<ul style="list-style-type: none"> ▷ Government ▷ Community

Falconi's Strategic Materiality



People Development and Knowledge Generation

People and the knowledge generated – by them and for them – are our greatest assets and the essence of our business model. People need continuous development and evolution – in their skills, in their personal growth, in the technology they access and use – so that they can acquire knowledge and build solutions

to challenges in increasingly complex contexts. This is an always positive equation: the more people develop, inside and outside our organization, the more knowledge they are able to generate and share, and the greater the capacity they have to transform organizations and society.



Inclusion, Diversity and Equal Opportunities

Our contribution to improving inequality in society is to be a factor of change, inside and outside our organization. We do this not only because it is right – because we have a long and important historical debt with minority groups – but also because of the certainty of the wealth that is added to our lives and our businesses when we take a broad look at diversity, culture,

the different sources of knowledge and human experiences.

Thus, we can have fairer relationships and generate diverse and in-depth knowledge, aligned with the evolution of society and the needs of organizations. And finally, we can say that we are a reflection – a positive one – of our society.



ESG&P (environmental, social, governance and prosperity) impact of Clients

The ability to solve problems, generate results and have a positive impact is in our DNA, in our mission and our values. But we always seek to broaden our horizon beyond economic and financial metrics. Therefore, we integrate the concepts of protecting the environment, progressing society, strengthening governance and processes, and strengthening the relationship between all people involved in the results we achieve

to offer sustainability to organizations and their value chains. Thus, we use the best of Falconi, the essence of our core business: the transformation capacity of organizations and the sharing of knowledge so that our clients also reach their best versions and are able to expand their impacts on society and the environment, thus achieving sustainable and lasting results, in perpetuity.



Commitment to Reducing Social Inequality

Positively impacting society is part of our ideals and purpose. For this, we need to look at the structural issues and the great chasm of inequality that we live in. It is characteristic of our serving offerings to offer a human and also pragmatic perspective. Without acting to change this reality, within what we are able to do, we will not be able to grow and prosper, either as an organization or as a country.

Providing development opportunities to the most vulnerable layers of society, through their own structuring projects and in partnership with organizations from all economic and social sectors, is to feed a virtuous cycle of prosperity that benefits everyone, reducing inequalities and expanding horizons for a better future for the country.



Ethics, Integrity, and Compliance



“Every time you do something, ask yourself if this attitude can harm someone or Falconi. If the answer is yes, don’t do it!”

This quote by Prof. Vicente Falconi reinforces the importance of ethics and integrity as non-negotiable values, dating back to the foundation of Falconi. Respect for laws and regulations, processes, and other organizations, as well as the people involved in our operations,

are fundamental aspects to maintain trust and integrity in relationships.

At Falconi, we believe that our word and reputation go beyond what is written: they are reflected in our daily actions and behaviors. Ethics and integrity are not just premises, but a way of life in which everyone must be responsible and committed to acting with transparency and integrity in all spheres of the company.



Wellness and Mental Health

Physical and mental health are the pillars that people need to develop their work well, achieve results and balance personal and professional challenges. In times of pressure and insecurity, it is important to take care of the health and well-being of the individuals around us. Creating a collaborative, trusting, and recognizable

environment that promotes psychological safety is crucial to individual and organizational success. Assuming that physical and mental health are essential, not only for human development, but also for our business, adds benefits to Falconi and positively influences other organizations and society as a whole.



Data Protection and Information Security

In a hyperconnected society, with increasingly virtual labor relations, service provisions and information exchanges, we are more subject to risks. Consequently, we need greater control and impervious trust between Falconi and our esteemed clientele. Data and information are the essence of our work, crucial to the

performance, competitiveness, and positioning of organizations in the market, helping to establish a path to prosperity. Due to the sensitivity and modern business relevance of data protection and information security, we take constant and thorough care of high-value data in today's world.



Climate Change

Taking responsibility for preserving the future is a task that must be faced by everyone. At Falconi, we believe that every company and every person have a role to play in this regard. And it can make a difference by adopting measures to counter climate change that minimize the impacts of actions and activities. In doing so, companies may influence

other organizations, markets, and governments to also act to preserve the planet. Therefore, we commit to working actively to promote strategic actions for a decarbonized economy, together with organizations from all economic and social sectors, contributing to a more sustainable future for all.

▶ Business

GRI 2-6

We are a business management consultancy firm, aimed at private, public and third sector organizations, carrying out customized projects for the journey and demands of each client.

We are specialists in solving organizational problems, both of a strategic nature, with medium- and long-term perspectives, and of a tactical scope, with a short implementation period (about one year), in addition to improving the performance of the organizations' daily operations. Our proprietary approaches and methods use data science technologies, tools, applications, and digital platforms to assist our clients in making decisions and executing the necessary measures to achieve increasingly challenging goals.

Our business is to support **organizations from the most diverse markets and**

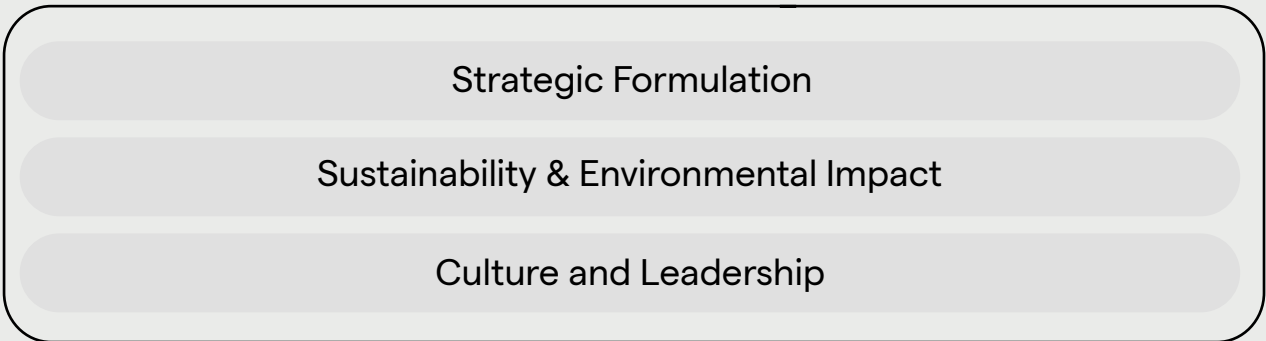
sizes in proposing and implementing improvements that materialize in **concrete results of generating sustainable value for society.**

With our experience of almost four decades in the implementation of strategic formulation and repositioning projects, efficiency gains, and transformation of the operational areas, we serve each client in a unique, end-to-end way – from vision to execution – at the **strategic, tactical and operational levels**, incorporating the best technologies and management methods available in the world market.

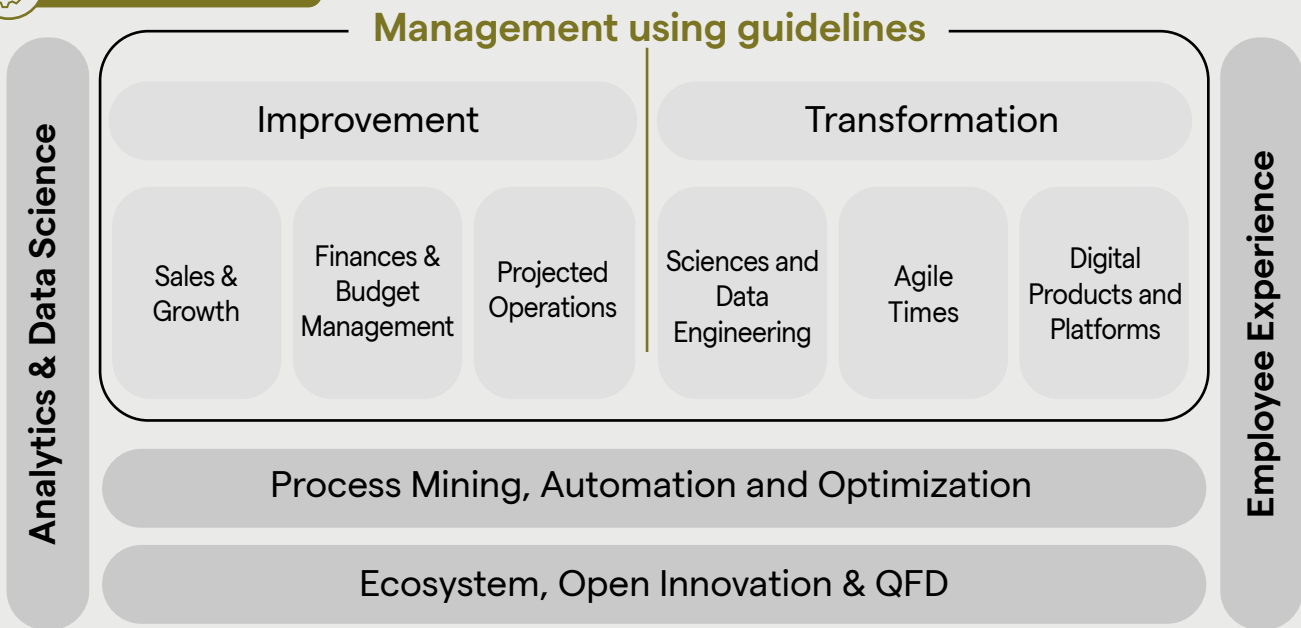
Management System



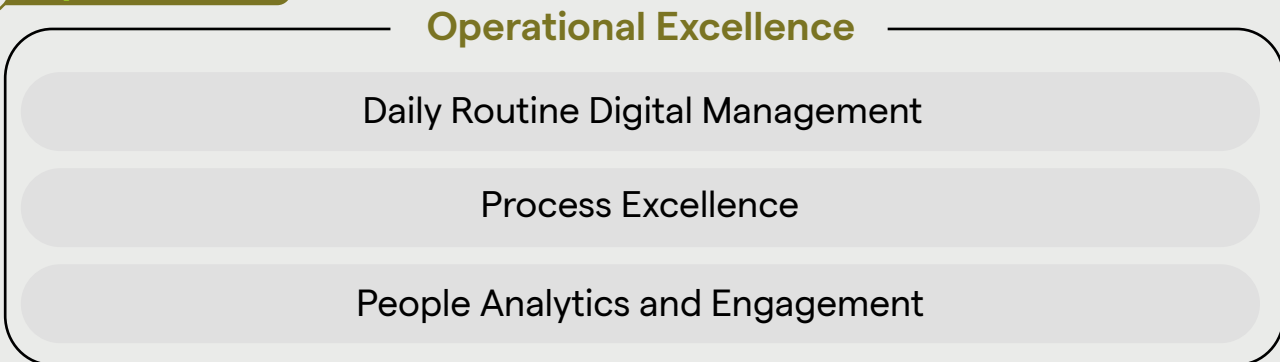
Strategic



Tactic



Operational



▶ Our Solutions

Our services and solutions are distributed in the three levels of approach. The following is a summary list of our activities:



Strategic Level

- ▷ Preparation of strategic planning
- ▷ Review and proposition of the business model
- ▷ Modernization of the organizational structure
- ▷ Proposition and establishment of the best socio-environmental sustainability practices
- ▷ Strategic leadership development programs
- ▷ Promotion of the desired corporate culture to achieve the business vision



Tactical Level

- ▷ Breakdown of goals and detailing of action plans by organizational function, in line with the company's strategy
- ▷ Digital transformation of processes
- ▷ Improvement of sales performance and achievement of commercial goals
- ▷ Reduction of expenses, budget planning and management based on the "zero basis" principle
- ▷ Improvement of project management practices
- ▷ Development and application of agile squad management methods to promote digital efficiency
- ▷ Creation of data governance standards
- ▷ Development of skills in engineering and data science to produce problem-solving algorithms



Operational Level

- ▷ People analytics and improvement of team engagement results
- ▷ Managing the business routine and increasing sales predictability
- ▷ Excellence in the performance of industrial operations
- ▷ Review of supply chain standards to reduce losses and increase production chain efficiency
- ▷ Asset maintenance management
- ▷ Review and automation of administrative and financial process standards
- ▷ Improvement of cyber risk management processes and practices

We are always looking for innovation and the application of the most modern management technologies to meet the demands and needs of our clients and the constantly evolving markets, integrating and balancing results, sustainable growth, management with purpose, organizational excellence and positive impact on society.

▶ Operating Markets

Our team of experts operates both by sector and by organizational function, mapping opportunities for improvement and proposing the most effective solutions for each type of business problem.

From a **functional perspective**, we work in practically all areas of organizations, with emphasis on:

- ▶ Strategy & Sustainability
- ▶ People & Culture
- ▶ Implementation and Management of Guidelines
- ▶ Sales & Growth
- ▶ Finance & Budget Management
- ▶ Project Management
- ▶ Digital Transformation & Data Science
- ▶ Operational Excellence

From a **industry perspective**, we have operations in Brazil and the United States, and projects carried out on four continents, working in public and private organizations, in more than 50 segments, including:

- ▶ Public Administration
- ▶ Agribusiness and Food
- ▶ Automotive
- ▶ Consumer Goods
- ▶ Civil Construction
- ▶ Education
- ▶ Energy and Natural Resources
- ▶ Financial
- ▶ Basic Industry and Infrastructure
- ▶ Logistics
- ▶ Mobility and Road Safety
- ▶ Paper and Pulp
- ▶ Basic Sanitation
- ▶ Health
- ▶ Telecommunications, both in Brazil and abroad.

Our brands

GRI 2-2

Brands with the Falconi seal operate in the areas of people development, software and applications for management, private investments, editorial segment, management consulting for new segments and medium-sized companies, among others.

FRST

FRST (Falconi Road of Skills and Talents) is a platform for accelerating and developing professionals to form high-performance teams, with learning and results at scale via agile solution of real problems.

Since 2020, FRST has trained **more than 30 thousand people**, at about one thousand companies of all sizes and various segments, in **more than 40 countries**, with **satisfaction levels above 90%**.

Mid

Falconi Consultoria's business unit focused on medium-sized companies that accelerate business growth by implementing the best management practices. The medium-sized segment is critically important for the country's economy, especially those prepared to act in the sustainable development of Brazilian society.

Since its launch in 2021, MID has reached **200 companies**, from **30 sectors**, in **19 Brazilian states**.

Falconi CAPITAL

Falconi Capital is an independent asset management firm focused on private equity. Its basic foundational offerings include management expertise and a unique value creation process for investors and entrepreneurs. Management, innovation, and technology are the tools used to fully realize the upside for investees.

Falconi

Editora

Falconi Editora operates in the segment of technical and professional books focused on managerial knowledge. Our publications focus, above all, on the practical application of the management content for results developed and disseminated by Falconi Consultoria. Through these publications, we expand the reach of managerial excellence techniques in any educational and professional environments.



Trust Cybersecurity is born from Falconi's union with GC Security, a digital security intelligence company. The result is a strategic solution, capable of integrating people, processes, and technology to build an increasingly secure and stable environment for growth.



Provides integrated solutions for organizational needs, with software that supports the execution of plans and monitoring of performance and results, in a standardized and continuous manner. Actio translates the management needs of the software market, combining state-of-the-art technology with best management practices.

dayway

Falconi's spin-off is a digital solution in the SaaS (Software as a Service) format that allows companies to manage their routines efficiently, productively, and consistently, ensuring greater productivity.



People analytics platform that collects, stores, organizes, and analyses information to leverage talent and develop effective strategies. The innovative solution results from the collaboration between Falconi and the startup Minehr, combining management expertise and advanced technology to provide relevant insights for intelligent decision making.

▶ Governance

Falconi's governance system establishes the organizational bases for our performance, always valuing ethics and transparency, the responsibility and seriousness with which we treat the sustainability and continuity of our organization. In 2022, we sought to strengthen the governance and control mechanisms, bringing more

focus to the work of the Finance, Risk and Governance Committee and to the organization's economic and financial agenda, reinforcing the transparency of results for the internal public and bringing important management issues to the periodic meetings between leaders and employees.

Organizational structure

GRI 2-2 | 2-9 | 2-10 | 2-11 | 2-12 | 2-15 | 2-16

Falconi Consultores S.A., also called Consultoria, is controlled by Falconi Participações S.A.³ and has control of the companies Dayway and Falconi Editora.

The Governance and Management structure of Falconi Participações S.A. is based

on the partnership model called **Partnership Rotativa**, governed and bound by a **Shareholders' Agreement** and **Articles of Incorporation** that establish the succession and renewal guidelines, so that the organization's leadership is constantly updated.



³ - Falconi Participações S.A. holds 52% of the voting shares of Falconi Consultores S.A. Therefore, it defines the direction of the company's decisions, by fixing its vote, such as selecting the executive board.

Falconi Participações S.A.

Shareholders' Meeting

Board of Directors

Prof. Vicente Falconi

Márcio Fróes

Guilherme Stocco

Mônica Grespan

Prof. Nivio Ziviani

Silvio Morais

Executive Board

Viviane Martins
CEO

Alexandre Ribas
Officer

Bernardo Miranda
Officer

Advisory Committees

People, Careers and
Succession Committee

Finances, Risks and Corporative
Governance Committee

Technology and
Development Committee

Falconi Consultores S.A.

Shareholders' Meeting

Controlled by Falconi Participações S.A.

Executive Board

Alexandre Ribas
CEO Falconi Consultants

Raquel Werner Brandão
CHRO

Renata Theil
CFO

Administration and Governance Instances

Falconi Participações S.A. is managed by a Board of Directors and an Executive Board, which are responsible for exercising the functions and attributions established in the Articles of incorporation, the Shareholders' Agreement, and the applicable legislation.



Shareholders' Meeting

Maximum instance of resolution, both of Falconi Participações S.A. and Consultoria, expresses the manifestation of the will of the shareholders for the exercise of the vote. The Meeting is held annually (and on an ad hoc basis, when necessary) for resolutions, such as approval of accounts, allocation of results, distribution of profits and other essential agendas for the business, such as legal matters, goals and strategies, entry and exit of partners, among others. All Shareholders have the right to voice and vote and there are specific quorums for deliberation on each matter in favor of the prosperity of the organization.



Board of Directors

It is the guardian and promoter of our principles, purposes, vision, values and the Code of Conduct. It consists of a minimum of five and a maximum of seven members, of which at least two must be independent. The members are elected by the shareholders at the General Meeting, for two-year terms, reelection being allowed.

BOARD OF DIRECTORS	
Term of Office:	Starting in May /23
Márcio Fróes	Chairman of the Board - independent
Prof. Vicente Falconi	Founding Partner
Guilherme Stocco	Independent director
Mônica Grespan	Independent director
Prof. Nivio Ziviani	Independent director
Silvio Moraes	Independent director

The current Board of Directors was elected at the Annual and Extraordinary General Meeting, held in May 2023. It has six members, one of which is a woman. Five directors are independent and one is a shareholder (Falconi's founding partner) – no Board member is an executive of the organization. They were chosen for their extensive experience in different markets, from traditional to digital – from their time at multinational giants, such as AB-Inbev and Google, to creating successful businesses. They have skills and knowledge considered strategic for the company, such as innovation, digital transformation and sustainability, and representation among stakeholders considered relevant, such as academia (UFMG) and the innovation ecosystem.

All members of the Board of Directors sign declarations of no conflict of interest, following good governance practices and in line with our code of conduct, acting with transparency and ethics in their decisions.

The Board of Directors is supported by three **Committees** that handle topics relevant to the organization's strategy, such as economic, social, environmental and governance issues, as well as indicators and goals. They hold bimonthly meetings, and ad hoc meetings when necessary, which include reports from senior leadership on the goals that are under the responsibility of each one. The deliberations of the Board on the issues raised by the Committees generate recommendations for the Members' Meeting and determination of actions to be performed by the Executive Board.



People, Careers, and Succession Committee

Dedicated to the analysis of the recommendations of employees, consultants or collaborators of Falconi Consultores to be classified in any of the categories of partners. It is also incumbent upon the Committee to recommend measures and actions to the Board of Directors, within the scope of its competencies, including those that value meritocracy in the organization.



Finance, Risk, and Corporate Governance Committee

Dedicated to analyzing the financial data of the company, its subsidiaries and affiliates, in view of the context of the market and the country. It promotes risk analysis, internal and external audits, as well as proposes measures and actions to the Board of Directors within the scope of its competencies.



Technology and Development Committee

Dedicated to analyzing new technologies and solutions that impact the company's business and activities, and proposing measures, actions and solutions to the Board of Directors within the scope of its competencies.

COMPOSITION OF THE COMMITTEES

Effective as of April 2023

People, Careers and Succession Committee

Raquel Werner	Chair of the Committee
Prof. Vicente Falconi	Guest member
Neuza Chaves	Permanent member
Lauro Chacon	Permanent member

Comitê de Finanças, Riscos e Governança

Renata Theil	Chair of the Committee
Alexandre Ribas	Permanent member
Silvio Morais	Permanent member
Lúcia Casasanta	Permanent member
Viviane Martins	Guest member
Juliana Scarpa	Guest member

Comitê de Tecnologia e Desenvolvimento

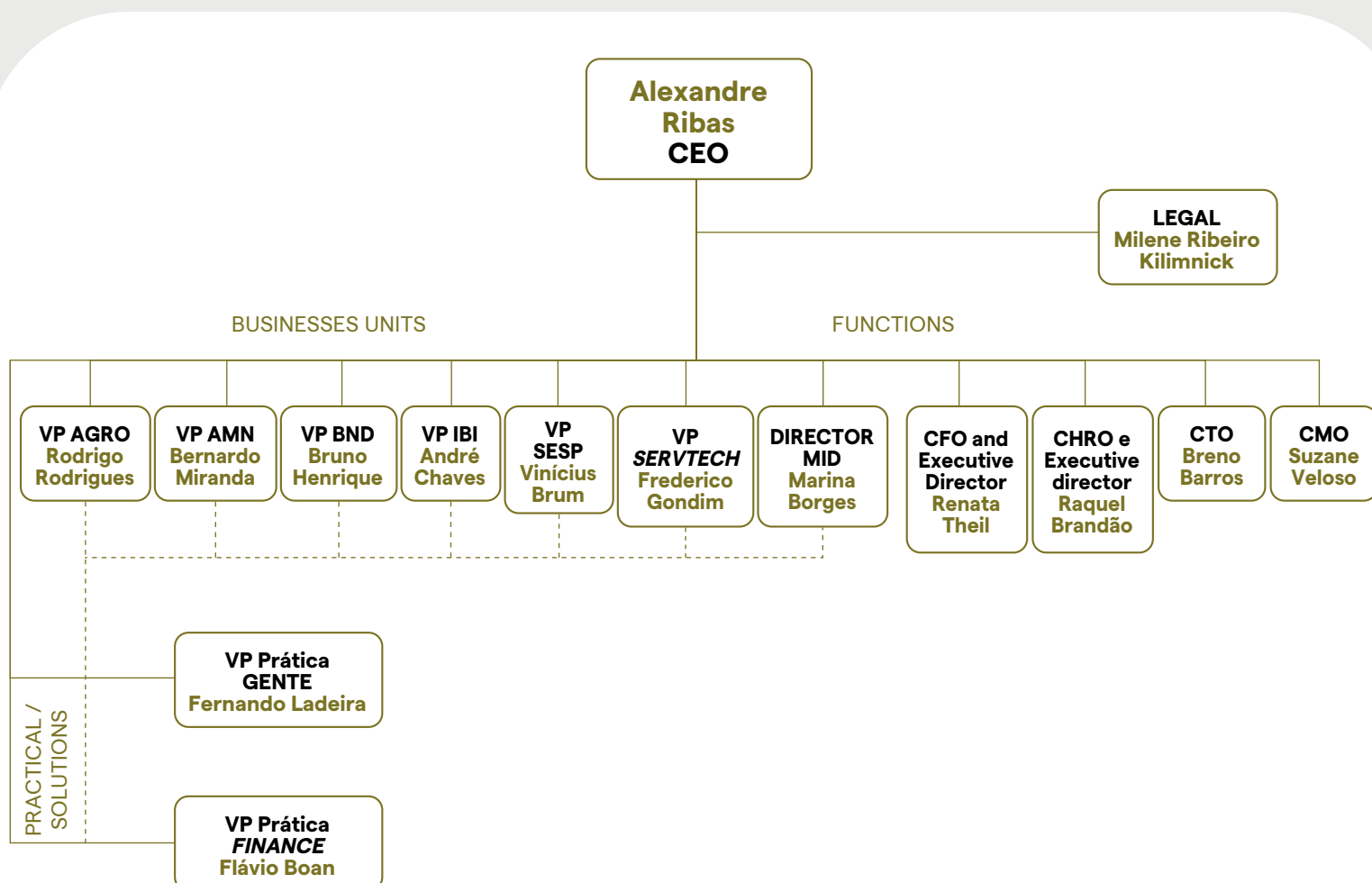
Breno Oliveira de Barros	Chair of the Committee
Prof. Vicente Falconi	Guest member
Prof. Nivio Ziviani	Permanent member
Guilherme Stocco	Permanent member
Flávio Boan	Permanent member
Alexandre Ribas	Guest member

Executive Board

The **Executive Board** of Falconi Consultores S.A. has the mission of planning and executing the main guidelines regarding the day-to-day management, especially in economic, social, governance and operating topics, in accordance with and in favor of the social interest of the organization, enabling achievement of the strategy. Its members are elected by the General Meeting of Shareholders, through a vote cast by its parent company, Falconi Participações S.A.

Executive Board	
Alexandre Ribas	Chief Executive Officer
Raquel Werner Brandão	Executive Officer
Renata Theil	Executive Officer

In addition to the Executive Board, the organizational structure has other executive levels formed by **Vice Presidents and Operating Officers**, responsible for executing the strategy and operationalizing the business.



▶ Ethics and Integrity

Material Theme	SDG	Global Compact Principles	GRI
 Ethics, Integrity, and Compliance	 	Human Rights: 01 and 02 Work: 06 Anti-corruption: 10	3-3 2-23 2-24 2-25 2-26 2-27 205-2 205-3

Integrity, ethics, and respect are non-negotiable values for Falconi. Consistency, fairness, and transparency are guidelines for all our relationships, professional and personal. Any behavior that violates these values or human rights is not allowed. We are all guardians of these commitments to others and to society.

Ethical conduct of employees

The conduct of our employees must ensure Falconi's reputation and the trust of society, acting with honesty, transparency, integrity, respect, and responsibility, both personally and professionally.

The attitude of leaders must be a reference of ethical conduct and respect for the company's Compliance Program – teaching by example and not just through words. It is also expected that our employees maintain the confidentiality and privacy of all

information of Falconi and its clients; are exempt in making decisions, not allowing personal interests to prevail over the interests of the company; recognize and learn from mistakes, to avoid repeating them in the future; and refuse to offer gifts of significant value or any personal favoritism.

The formal mechanisms and structures to address issues related to the ethics and integrity of the organization are set forth in the **Code of Conduct** and **Compliance Policy**. ▶

Compliance Program

Created to strengthen our commitment to integrity, the Compliance Program establishes a set of initiatives that aim to identify and prevent conduct that is not in compliance with the rules (legislation, regulations, internal and external rules and procedures, and corporate principles), identifying risks and causes, acting correctively and strengthening the culture of ethics. With direct involve-

ment of the Board of Directors, determining the company's legal and ethical guidelines, the Compliance Program avoids the risk of negative implications for Falconi's integrity, which may lead to legal or regulatory sanctions, result in financial losses and generate damage to the company's reputation, its main leaders and representatives and partners.

The guidelines developed for the program are important to ensure its effectiveness:



Dissemination of the principles and guidelines of the Code of Conduct through high standards of integrity and ethical values, highlighting the relevance of compliance for Falconi;



Protecting Falconi's reputation, maintaining the trust of all its stakeholders and society in general;



Existence of a Compliance structure dedicated to managing the program independently, autonomously and empowered, provided with adequate resources, ensuring exemption and impartiality of the actions.

Get to know the Compliance Channel ►, with our concepts, values, and policies.



Compliance **Committee**

Composed of the CEO, the People officer, the Legal manager and, possibly, an external and independent member. The Committee is the governance structure that determines, within the operational scope of the Executive Board, the planning, priorities, material and immaterial resources, awareness campaigns on compliance codes and policies and investigations and decision-making about the reports received by the Reporting Channel or by any other means on situations that characterize misconduct or suspicious conduct.



Whistleblowing Channel

GRI 2-25 | 2-26 | 2-27

Mechanism to report potential risks, internal and external, on unethical, illegal, or corruption-related behavior, which are not in accordance with our Compliance Program. All registered reports – anonymously or not – are taken to the Compliance Committee for analysis. The anonymity of the whistleblower and the confidentiality of the case are ensured, in accordance with legal standards.

Between 01/01/2022 and 12/31/2022, 33 reports were received by the channel. All were evaluated by the Compliance Committee. When necessary, we involve external advice to investigate and evaluate specific cases. The Whistleblowing Channel is available on the **website** ►, open to all employees, clients, suppliers, partners, and society in general.

Our Policies

GRI 2-23 | 2-24 | 2-26 | 205-2

The Code of Conduct and policies provide references, support, and safety. They outline the most appropriate behaviors related to relationships with suppliers, partners, clients, and public authorities, in full compliance with current legal requirements and in accordance with our values and ethics.

Employees acquire knowledge about the Code of Conduct, current policies, anti-corruption conduct and the Compliance Program during the onboarding program,

the content of which is constantly updated to become more effective in the integration of new employees. In addition, several other internal Falconi channels (such as online meetings with all employees, weekly newsletter, intranet, and internal communications channel) disclose policy updates to employees. Communications of great relevance are sent in formal e-mails to the entire team. External audiences can access some of this content on Falconi's external digital channels (social media and website).



Code of Conduct ▶

Document that guides and clarifies the conduct and attitudes expected of employees and partners. The set of rules and guidelines contributes to preventing, detecting, and remedying any act potentially harmful to Falconi and all persons involved in the operations.



Compliance Policy ▶

Establishes Compliance principles, guidelines, and functions applicable to all levels of Falconi, in order to comply with external and internal legislation, regulations, standards and procedures, and with corporate principles that guarantee the best market and Corporate Governance practices.



Promotional Gifts, Presents and Entertainment Policy ▶

Establishes the guidelines for the delivery, offer, promise and receiving promotional gifts, presents, entertainments and other benefits by Falconi employees.



Supplier and Partner Contracting Policy ▶

Establishes the guidelines and procedures for evaluating potential suppliers, partners and third parties, in order to give Falconi employees the ability to evaluate contracting and avoid exposure to risks that can be previously identified and mitigated.



Anti-Corruption and Relationship Policy with the Government ▶

Details the anti-corruption rules at Falconi and its subsidiaries and affiliates, and establishes guidelines for the relationship, interactions and external interlocations of employees – from interns to senior leadership – and service providers, subcontractors and partner consultants with public agents.



Privacy and Data Protection Policy ▶

Presents the most important information about the personal data processing operations carried out by Falconi.



Relationship with clients ▶

there is no specific policy that establishes guidelines to be followed. However, in the commercial proposal sent for signature by the parties during the contracting of the service, there are legal provisions that direct the conduct regarding issues such as intellectual property, compliance with labor, tax, social security, assistance and insurance legislation, confidentiality, governance, among others. Among the clauses present in the document are the commitments of both parties not to use slave labor or subject employees to forced labor, as well as not to exploit any form of child labor, or hire/purchase products and services from individuals or legal entities that exploit child labor.

Anti-Corruption Practices

GRI 2-27 | 205-2 | 205-3

Falconi does not accept or condone any activities or operations that are minimally related to any type of corruption, either by our team, or by suppliers, clients, partners, and public agents.

The fight against corruption is treated seriously and rigorously at Falconi. The procedures are described in the Anti-Corruption and Public Relations Policy, which establishes guidelines for the relationship, interactions, and dialog between Falconi employees, interns, directors and executives, as well as external audiences such as service providers, subcontractors and consultants, public agents, and all other stakeholders.

The policy was prepared by a specialized consultancy firm, as well as all contracts that refer to it. Clients, suppliers, and partners declare, when entering into any relationship agreement with Falconi, that they agree with the terms and conditions regarding the prevention of corruption.

Similarly, employees are also informed about these essential rules and guidelines to perform the activities with ethics



and transparency, professionalism and suitability when joining the organization. Any situation of suspicion, discomfort, or evidence of corruption must be sent to the Reporting Channel or the Legal and Compliance Management.

100% of the employees have already been informed about the procedures and policies to combat corruption adopted by Falconi.

In 2022, we did not have incidents or reports related to corruption, either internally or externally.

▶▶ Data Security

Material Theme	SDG	Global Compact Principles	GRI
 Data Protection and Information Security		Human Rights: 01 and 02 Anti-corruption: 10	3-3 2-27 418-1

The data of our stakeholders – employees, partners, clients, and suppliers – is a valuable asset for Falconi. Taking care of our stakeholders and providing an environment of safety and trust is one of our main concerns, predating the publication of the **General Data Protection Regulation (LGPD)**.



Governance and performance model

The **Privacy Area** is the structure responsible for the organization, protection, and preservation of personal data of Falconi employees, suppliers, partners, and clients, with its own infrastructure and budget. The area has the support of a professional in charge of taking care of the organization's data protection, called DPO (Data Protection Officer), to manage and protect information, using OneTrust data management tools.

Employees receive regular training, with guidance on good privacy and data protection practices and on the **Privacy Policy**. ▶

Falconi also has an Information Channel on Privacy and Protection of Personal Data (DPO Channel), which serves as

an internal interactive discussion area for employees on relevant and current issues related to this topic; a Help-Desk department dedicated to questions, requests for audits, and reports of security incidents involving personal data; and uses an institutional e-mail (dpo@falconi.com) to contact the teams and communicate the actions.



Data collection and processing

Personal data may be collected by Falconi through the following sources:

- ▶ sharing of the company where the data owner works
- ▶ provision of data by the information holder
- ▶ collection of cookies while browsing our websites
- ▶ provision of parents or legal guardians
- ▶ data made public by the information holder

All personal data processing operations we carry out at Falconi are supported by the legal bases listed in articles 7 and 11 of the LGPD, reaffirming the lawfulness of our operations. Thus, we are legally in the position of Personal data controller, thus being able to process them in accordance with the law.

Information security and storage measures

It is our responsibility to maintain the privacy of the data and to be concerned about the security of the information it contains. The employees responsible for the information assets that support the personal data are signatories to a “Confidentiality and Liability Agreement.” Similarly, suppliers also need to take steps to prevent privacy violations. If they happen, quick and effective incident detection, response, and correction procedures are carried out.

The information of all personal data processed by Falconi is stored in three different environments, depending on the type and sensitivity of the information: a CPD (Data Processing Center); an outsourced data center aligned with best security practices; or in high security standard clouds, with certified trust providers.

Security incidents

GRI 2-27 | 418-1

In 2022, there were six incidents involving data privacy at Falconi. Four of them have been completely resolved and closed and two are still being resolved.



▶ Falconi Team

Material Theme	SDG	Global Compact Principles	GRI
 Inclusion, Diversity and Equal Opportunities	  	Human Rights: 01 Work: 06	3-3 2-7 2-8 401-1 405-1

▶ Composition of the team⁴

**We are 960 employees
+ 99 business partners strong⁵**

employees hired under the CLT [Brazilian consolidation of labor laws] regime	922
full time	834
part-time (interns and apprentices)	88
statutory employees ⁶	38

4 - Data as of 12/31/2022

5 - Partnership for the provision of services as a Legal Entity (consultants)

6 - The statutory employees are not bound by the employment contract of the CLT (Brazilian consolidation of Labor Laws) regime because they are partners of Falconi Participações. They are therefore governed by specific articles of association, the Shareholders' Agreement and the Articles of Association of the Company.

Hierarchy and leadership categories

In 2022, there was a review of the hierarchy and leadership categories, broken down into five levels of performance of the professionals who are part of the Falconi team. The new structure provides more opportunities to prepare new leaders, closer management of the team and greater stability of performance.

N0 CEO

N1 Directors and B.U Directors

N2 Managers, Segment Leaders

N3 Team Leaders, Coordinators, and Specialists

N4 Assistants, Associate, Analysts, Business Analysts, Consultants, and Senior Consultants

N5 Interns

Breakdown by gender

Position	2021					2022				
	Female		Male		TOTAL	Female		Male		TOTAL
N0	1	100% ⁷	0	0	1	1	100%	0	0	1
N1	1	8%	12	92%	13	5	31%	11	69%	16
N2	14	27%	37	73%	51	15	30%	35	70%	50
N3	39	39%	61	61%	100	41	35%	75	65%	116
N4	277	49%	283	51%	560	349	51%	340	49%	689
N5	23	37%	39	63%	62	49	56%	39	44%	88
Grand Total	355	45%	432	55%	787	460	48%	500	52%	960

Composition by age

Position	2021						
	30 years or less		30 to 50 years		50 years or more		TOTAL
N0	0	0	1	100%	0	0	1
N1	0	0	11	85%	2	15%	13
N2	0	0	45	88%	6	12%	51
N3	7	7%	91	91%	2	2%	100
N4	412	74%	144	26%	4	1%	560
N5	60	97%	2	3%	0	0	62
Grand Total	479	61%	294	37%	14	2%	787

7 - The percentages in the tables refer to the total number of employees at each hierarchical level. Below, in the general total line, the percentage refers to all employees that year.

Composition by **age**

Position	2022						TOTAL
	30 years or younger		30 to 50 years old		50 years or older		
N0	0	0	1	100%	0	0	1
N1	0	0	13	81%	3	19%	16
N2	1	2%	44	88%	5	10%	50
N3	4	3%	110	95%	2	2%	116
N4	420	61%	267	39%	2	0	689
N5	81	92%	7	8%	0	0	88
Overall Total	506	53%	442	46%	12	1%	960

Composition by **race**⁸

Position	2021												TOTAL
	Yellow		White		Indigenous		Undeclared		Brown		Black		
N0	0	0	1	100%	0	0	0	0	0	0	0	0	1
N1	0	0	13	100%	0	0	0	0	0	0	0	0	13
N2	0	0	43	84%	0	0	0	0	8	16%	0	0	51
N3	1	1%	83	83%	1	1%	0	0	15	15%	0	0	100
N4	3	1%	399	71%	1	0,2%	0	0	141	25%	16	3%	560
N5	0	0	38	61%	0	0	1	2%	13	21%	10	16%	62
Overall Total	4	1%	577	73%	2	0,3%	1	0,1%	177	22%	26	3%	787

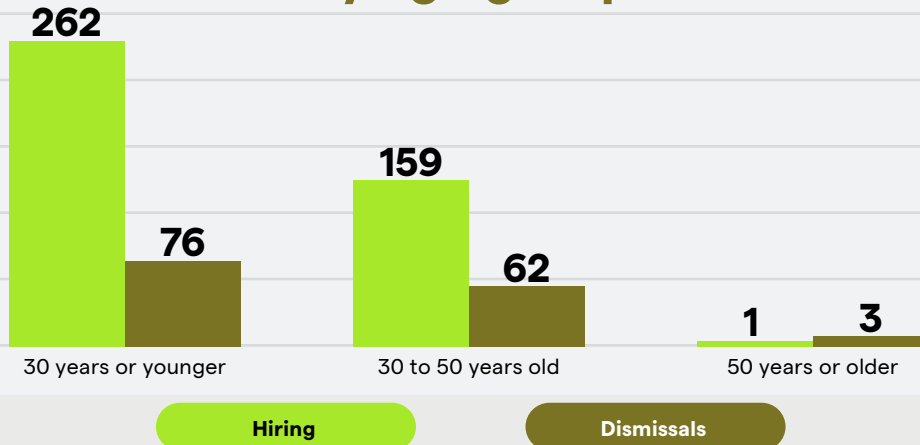
Position	2022												TOTAL
	Yellow		White		Indigenous		Undeclared		Brown		Black		
N0	0	0	1	100%	0	0	0	0	0	0	0	0	1
N1	1	6%	15	94%	0	0	0	0	0	0	0	0	16
N2	1	2%	45	90%	0	0	0	0	4	8%	0	0	50
N3	4	3%	93	80%	0	0	1	1%	16	14%	2	2%	116
N4	18	3%	504	73%	0	0	9	1%	128	19%	30	4%	689
N5	1	1%	56	64%	0	0	3	3%	16	18%	12	14%	88
Overall Total	25	3%	714	74%	0	0	13	1%	164	17%	44	5%	960

8 Race self-declared by respondents

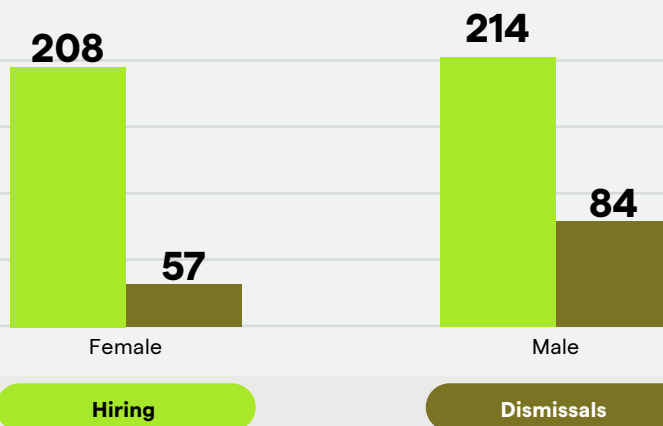
Turnover Rate

The turnover rate during 2022 was 17.2%.
There were 422 hires and 141 dismissals.

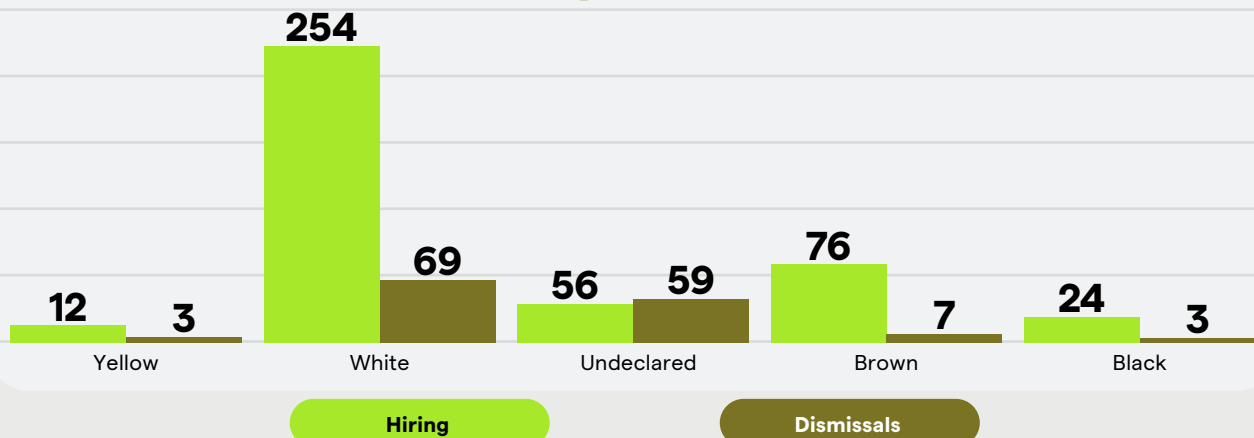
By age group



By gender



By race



02.

Our
Agenda



We can only positively impact society if the transformation begins within us.

Act responsibly, guided by the common good and the interests of society, seeking answers to the issues that impact our organization and stakeholders. This is how we translate Falconi's purpose and values into practice and action, in our own projects and initiatives or in partnership,

developing people, preserving the environment, helping to build a better society. This is how we seek to transform our knowledge into solutions to the complex problems of today's world, generating sustainable value, not only for organizations, but for society as a whole.

▶ Sustainability Management

GRI 2-13

Falconi's **Sustainable Development Program** was created in 2020, based on strategic planning, when the theme was considered one of the priority pillars of the organization. Since then, the Program has been responsible for the strategic and operational management of the impacts generated by our activities in all the audiences with whom we relate. It is directly linked to senior management, with periodic reports to the board and presidency, spanning across all sectors of the company.



Between 2021 and 2022, we created Falconi’s strategic direction in ESG, with the definition of our Strategic Materiality, the review of our priority Sustainable Development Goals (SDGs) and the list of relevant stakeholders, in addition to the projected progress goals on the subject,

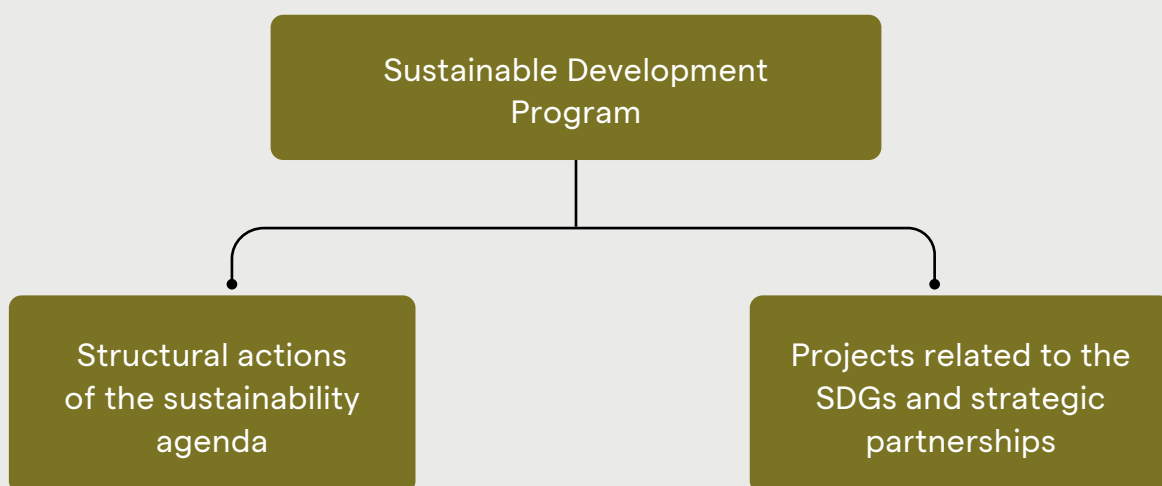
deployed by all levels of the organization to senior leadership.

The Program is led by a partner and it is developed by the consulting team, with periodic reports to the Executive Board. The performance is focused on three dimensions:

▷ Strengthening the **practice of Sustainability**

▷ Planning and coordination of **initiatives and projects**

▷ Initiatives impacting the **priority SDGs**



▶ Sustainability Agenda

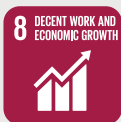
GRI 2-28

Seeking to positively impact society and contribute to the transformation of the Brazilian reality, Falconi aligned its ESG&P strategy – Environmental, Social, Governance & Prosperity – with the concepts of the 2030 Agenda for Sustainable Development, of the United Nations (UN), making it a guide for most initiatives, projects, and investments.

The scope of our business, which includes organizations from different sectors, allows us to act directly or indirectly in all 17 SDGs, contributing to the achievement of the goals proposed by the 2030 Agenda. Some SDGs, however, have a direct and intrinsic relationship, not only with our business, but also with the purpose and organizational values.

Priority SDGs

Among the Goals of the 2030 Agenda, Falconi's leadership prioritized four SDGs as drivers of the Sustainable Development Program, with transversal coverage and interconnected with all our spheres of action:



SDG 8 – Decent Work and Economic Growth

Direct reference to our performance and business model, which contributes to responsible and sustainable economic growth, capable of bringing prosperity to all society and decent and dignified work for all people.



SDG 4 – Quality Education

One of the strong features of our work is the dissemination of knowledge as a way to modify the reality in Brazil, especially when aimed at improving the quality of education in the country and transforming the lives of our children and young people.



SDG 5 – Gender Equality

Expanding the perspectives and strategic vision of our team is one of the goals we aim for with the promotion of diversity and the search for gender equality, an important topic for us to become a firm commitment and established goal of having 30% of women in senior leadership positions by 2025.



SDG 10 – Reduction of Inequalities

It is part of our social function to act to advance the economic growth of organizations and the country in order to distribute wealth and generate opportunities for all, both in our work with clients and in pro bono projects that benefit different social groups.

Global Compact

We are signatories to the **UN Global Compact** and have a commitment to support the ten principles relating to human rights, labor, the environment, and the fight against corruption. Our partnership goes far beyond this commitment, since 2019, when we accepted the challenge of the Rede Brasil Global Compact to build a strategic plan that would direct the actions and resources that can contribute to promoting the SDGs in the business environment.

Thus, the **2030 Strategy** emerged, which includes several action fronts aimed at inserting the SDGs into the agendas of organizations, with developments in goals and projects. Since then, we have carried out joint governance work of the strategic map, monitoring the results, updates and alignments with the President, Board, and directors of Rede Brasil, aiming to ensure the execution of the planning and the greatest possible impact on the achievement of the SDGs by Brazil.



The partnership with the Global Compact was strengthened when our CEO at the time, Viviane Martins, became an **Impact Leader, representative of SDG 8 – Decent Work and Economic Growth**, one of our priority SDGs, at the invitation of Rede Brasil Global Compact.

With the significant growth of the Global Compact in Brazil and the new scenarios and challenges that are presented to the signatory companies, in 2022 we led a process to review the 2030 Strategy, to raise the parameters and follow the evolution achieved in the last three years.



Ambition for the SDGs

Falconi is one of the main partners of the Ambition for the SDGs initiative in Brazil, a program that encourages the business sector to set ambitious goals for integrating the SDGs into its business strategies. In partnership with the Global Compact, the initiative is implemented in more than 30 countries and is already in its third edition in Brazil.

During six months, about 15 companies are trained to develop and implement

strategies that contribute significantly to the advancement of the SDGs. Falconi plays a key role in the program, conducting some of the training workshops, designed to connect management topics with the agenda that is currently being worked on. Thus, it helps to develop the participating companies' essential skills and knowledge for the integration of the SDGs in their business strategies, making them more sustainable and with positive impacts on society and the environment.

Focused Mind Movement

Focused Mind is one of the eight movements created by the SDG Ambition initiative to accelerate the goals proposed by the UN 2030 Agenda. The Movement includes the mental health agenda, contained in SDG 3, with the seal of the Brazilian Society of Psychology. Its goal is to positively impact the lives of 10 million workers through structuring mental health programs, involving about one thousand companies that are committed to this commitment by 2030.

Falconi is part of the executive committee of the Movement that, in 2022, met weekly to develop actions to increase the impact of Focused Mind and verify the evolution of companies, their difficulties

and results achieved. We actively participate in the creation of indicators related to the commitments that participating organizations make.

Our advances in the mental health care of employees, within the **Bem Viver** [wellness] Program (**read more about the program in the Health and Wellness section**) are recognized in the Focused Mind Movement. Therefore, in addition to being part of the executive committee, we were invited to participate in workshops to share the perceived benefits and challenges encountered in the evolution of the internal program, aiming to help other companies improve the mental health of their workers.

System B

The global B Corporations movement was created in 2006 in the United States with the aim of redesigning the economy to go beyond financial results and consider the well-being of society and preservation of the environment. In this way, we will have a more inclusive, equitable, and regenerative economic system for people and the planet.

Sistema



The companies that are part of **System B** are those that seek to balance purpose and profit, considering the impact of their decisions in the environmental, social (workers, clients, community) and governance areas.

BIA (Impact B Assessment)

To be certified as a B Corporation, the organization needs to develop certain aspects defined by the **B Impact Assessment (BIA)**, which allow the evolution of its performance and positive impact to be observed in five pillars: **Governance, Workers, Clients, Community and Environment**.

In 2021, Falconi participated in the **Caminho +B** [+B pathway] program, carried out by Sistema B in Brazil, which evaluated the organization's practices, initiatives, and policies. In the first exercise, we scored 64.2 points, with 80 being the minimum score to become a B Corporation.

We see an opportunity to make systemic improvements, using the same BIA metrics,

and incorporate them into our strategic goals.

The overall goal in 2022 was to reach 80 points, based on the maturity of our practices in each dimension. For this, the pillars were mapped and distributed according to the responsibility of the areas. The objective was not to obtain certification as a B Corporation, but rather to seize the opportunity to permeate all levels and areas of the organization with goals related to sustainable development.

In a new evaluation, this time done internally by the Falconi team, a significant evolution in BIA issues was observed:

51% improvement in prioritized requirements in each dimension.

Internal BIA 2022 Results

Dimension	Achieved BIA 2021	Goal BIA 2022	Achieved BIA 2022	% of Goal Reached
Governance	7.3	10.7	12.0	113%
Workers	30.7	34.5	39.9	115%
Community	19.9	23.5	29.8	127%
Environment	2.7	5.2	5.2	100%
Clients	3.5	6.1	10.4	170%
Overall Total	64.1	80.0	97.3	122%

Falconi Impact Business Model

To further leverage results in the Clients dimension, three initiatives were developed in 2022:

1

Increased accessibility for disadvantaged groups – Falconi's commercial policy added a consulting model with special margins (similar to the cost of the projects) or subsidized, for organizations with financial limitations that:

- ▷ are located in low-income geographical areas (such as communities, vulnerable areas, low HDI or lacking urban infrastructure);
- ▷ whose nature of the business or project directly impacts vulnerable communities or audiences on relevant social issues;
- ▷ have revenue/budget in the range of small and medium-sized organizations.

Falconi Impact Fund

At Falconi, with each project sold, we make resources available to execute projects with a socio-environmental impact related to the causes of education, diversity, and decent work for all.

The Falconi Impact Fund was created to subsidize up to 100% of projects sold to organizations with financial limitations (according to the criteria mentioned above). It consists of an additional value of 0.30% in the price composition of the projects sold by Falconi.

2

Conducting projects with socio-environmental/ESG impact – sale of projects that contribute directly and/or indirectly to positive social and environmental impacts, such as ESG, Education, Health and People Training, among others. The target audience are organizations that seek to develop an ESG Agenda and that share Falconi's purpose. Some formats offered on our ESG platform:

- ▷ **Support Program** – clients who financially support causes and social impact projects that Falconi develops.
- ▷ **Customized socio-environmental impact project** – developed in a personalized way for the company to act in territories impacted by its action or in causes of its interest. Falconi designs the scope, executes the project together with expert partners, and involves the client in project governance and delivery of results.

3

Falconi Impact Network Program – Creation of a network of clients, partners, and suppliers who want to advance their ESG Agenda, through free pathways with concepts and discussions on ESG topics and support in reflecting on the impacts caused by business and the possibility of adopting or strengthening initiatives that minimize these impacts.

- ▷ Semiannual workshops and follow-up plans are offered to all clients and suppliers who wish to be part of the program, involving the relevant themes to develop the ESG Agenda.

More **actions** developed in the pillars of **System B**

GRI 2-15 | 2-25



Governance

- ▷ Verification of the absence of conflict of interest between Officers and members of the Board of Directors
- ▷ Associating specific social and environmental objectives or metrics for executives
- ▷ Evaluation of materiality and material themes
- ▷ Sustainability report: disclosure of performance, social and environmental programs, following GRI standard



Workers

- ▷ Mechanisms to receive information, feedback, and complaints, such as the Pulses tool and internal communication channels.



Community

- ▷ Encouraging volunteering, providing moments of paid time off (Short Friday) that facilitate this exercise – between 1 and 2.4% of employees' time is donated in the form of volunteer work, community service or *pro bono* work;
- ▷ Promoting and raising awareness of the positive impacts of our suppliers by holding ESG Workshops.



Environment

- ▷ Construction of the Greenhouse Gas Inventory;
- ▷ Formal monitoring of energy and water consumption at Falconi's offices in Brazil.

▶ Social Performance

Material Theme	SDG	Global Compact Principles	GRI
 Inclusion, Diversity and Equal Opportunities  Commitment to Reducing Social Inequality  People Development and Knowledge Generation	 1 NO POVERTY  4 QUALITY EDUCATION  8 DECENT WORK AND ECONOMIC GROWTH  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  10 REDUCED INEQUALITIES  16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Human Rights: 01 and 02 Work: 06	3-3 413-1

Our experience in management applied to the development of solutions to society's challenges.

In partnerships with serious and committed institutions, the Sustainable Development Program coordinates action fronts, voluntary and *pro bono* initiatives, in addition to executing projects encouraged by tax incentive laws. Led by consultants

allocated for this purpose or by volunteer collaborators, the projects promote diversity, equal opportunities, quality education and reduction of social inequalities in the fields of culture, sports, seniority, professional training and, mainly, education.

Incentivized Projects

Using the incentives generated by Federal Laws, the Law of São Paulo, and the Law of Rio de Janeiro, Falconi contributes to making projects in the areas of education, culture, sports, aging populations, and professional training a reality.

R\$ 621 thousand allocated in 2022, of which:

projects
incentivized

8

people directly
impacted

+5300



Project	Location	Purpose	Target audience
Brazilian Cultural Incentive Law – Rouanet			
Cherubs	Belo Horizonte/MG	The program offers free artistic-cultural activities and training and socialization actions that lead to human development.	200 children and adolescents aged 5-17
Stories Beyond Walls	Rio de Janeiro/RJ	The project holds literary mediations and readings, including the formation and development of collections in the library of the Rio de Janeiro women's penitentiary SEAP Talavera Bruce.	3,200 re-educated women from SEAP Talavera Bruce Penitentiary
Brazilian Sports Incentive Law			
School of Tennis for Year II Girls	São Paulo/SP	It seeks to encourage after-school students to participate in recreational and sports activities, favoring the cultural and sports development of low-income communities.	300 girls aged 6 to 14 years from the public school system

Project	Location	Purpose	Target audience
Fundo da Infância e da Adolescência			
Youth with a Future Project	São Paulo/SP	The project aims to promote the employability of young people through quality professional training, offering courses and access to technology.	80 young people in situations of social vulnerability, aged 15 to 24, living in the communities of Pirituba
Elderly Fund			
Adopt the elderly I 2021/2022 Cycle	São José do Rio Preto/SP	The project aims to ensure the day-to-day sustainability of the Geriatrics and Palliative Care Units of the São José do Rio Preto Base Hospital.	360 elderly in palliative care and 1,008 elderly in geriatrics
Law of São Paulo (PRO-MAC)			
Orquestra Jovem Social	São Paulo/SP	The project offers collective violin, classical viola, cello and double bass classes for children and young people, allowing them to be inserted in a context of art and culture, through the formation of an orchestra.	Children and adolescents in social vulnerability situations
Music Academy of OSESP (Orquestra Sinfônica do Estado de São Paulo)	São Paulo/SP	The objective of the project is to retain and develop young students, transforming them into academically qualified musicians and qualified to perform professionally on the boards of Osesp or other orchestras of high artistic level, both as instrumentalists, choristers and conducting students.	48 students with some musical experience
ISS RJ			
Carioca Sobre Rodas [Rio de Janeiro on Wheels]	Rio de Janeiro/RJ	The project aims to set up the "Diversity" exhibition, in order to show diversity in dance through the uniqueness of each dancer. In parallel, classroom dance workshops are offered to children, adolescents and adults who are wheelchair users, free of charge and in an online format.	Approximately 1,000 spectators in the audience and 100 students who are wheelchair users in the dance workshops.

Volunteering Project

Falconi Juntos [everyone together]

The free *Falconi Juntos* management mentoring program helps micro and small companies face the challenges proposed by the market and prosper, improving their performance and impacting the economy and society with their results.

Our consultants voluntarily offer training and mentoring, helping entrepreneurs to identify problems and their causes, suggest measures to solve them and support the development of business management. In 2022 alone, **136 Falconi employees worked voluntarily, dedicating more than 3 thousand hours of work.**

Since 2020

volunteer there have been

+450

companies supported

160

regions of Brazil

5

people impacted

+8000



Projects related to the SDGs



Education Actions

Falconi has been investing in education projects for two decades. We believe this is one of the most profound and transformative ways to positively impact society and change the country.

We have already worked on more than **120 projects** in this segment, in dozens of municipalities, and **15 Brazilian states**.

Working with education, especially public education, is to help develop our society and build a better future.

Providing management, people, and technology to work in partnership with school teams and education networks, we were able to understand the problems and



find solutions to improve public education in Brazil and improve student learning. By defining a strategic plan (where we are going) and correctly structuring the path with initiatives and actions, we make transformations in the classroom and in the relationship between teachers and students effective and lasting.

▷ **Falconi's trajectory in education demonstrates our conviction that this contribution is very valuable for the country. And the certainty that it is possible to do even more, improving approaches and bringing partners and experts to join efforts in facing the problems, with the confidence that they can all be solved.**

In the area of education, our work includes projects carried out for private education organizations, governments, and state departments or third sector institutions, as well as *pro bono* projects, carried out to improve the educational segment in various parts of the country. We also have

the opportunity and responsibility to act with our own resources to strengthen institutions that work on critical issues for Brazilian education. The following are some outstanding projects in our *pro bono* performance.

IPTI - *Instituto de Pesquisas em Tecnologia e Inovação*



Instituto de Pesquisas em Tecnologia e Inovação (IPTI) is a non-profit art, science, and technology institution that seeks to generate innovations in Social Technologies, in the areas of basic education, entrepreneurial education and basic health. One of IPTI's main projects is Synapse, an Educational Social Technology aimed at promoting the quality of teaching and learning Portuguese and mathematics in the literacy cycle of Brazilian public schools.

Falconi's role is to support the management of the synapse project, developing greater maturity in governance, transparency and effectiveness in the team involved, aiming to achieve scalability and financial sustainability.

Currently, the synapse project is present in **27 municipalities** in the states of Ceará, Minas Gerais, Maranhão and Sergipe, directly impacting a **thousand teachers** and more than **21 thousand students**. With the support we bring to the project, **synapse aims to reach 75 municipalities, 3 thousand teachers and 60 thousand students by the end of 2025.**

Frente pela Educação Paulista (FPE)



Frente pela Educação Paulista consists of organizations and experts who came together to propose initiatives to improve education in São Paulo.

In 2022, we supported the organization in preparing the document “Recommendations for Transforming Education in São Paulo,” whose main objective was to present recommendations for creating a strategic plan for the government of the state of São Paulo, from 2023 to 2026. Our team was responsible for interviewing education experts, organizing workshops and preparing a diagnosis with some of the main educational indicators. In addition, we wrote the document that was delivered to the main supporter of the initiative, the institution *Parceiros da Educação*.

Inteli



Instituto de Tecnologia e Liderança (Inteli) is a college created by the partners of Banco BTG, with the purpose of training future technology leaders in Brazil. Students are challenged every quarter to develop a technological solution to a real problem from a market partner (companies, NGOs or government institutions).

Falconi worked in the structuring of Inteli’s project area, responsible for selecting and managing everything that is developed by students as a form of learning. We created an evaluation tool, a standard application form and the portfolio of projects on the website, as well as structuring a communication plan. In the first half of 2022 alone, our work **directly impacted more than 300 people**, including students and partners.

Rede Mondó

Rede Mondó works to develop solutions to strengthen vulnerable territories located in the Amazon region of Brazil. Its main place of operation is the Marajó Archipelago, which has 14 cities with the worst Human Development Indexes (HDI) in the country. The goal is to transform Marajoaras schools into platforms for social solutions in the areas of education, health, economic development and infrastructure, always including the participation of the local population.

In 2021, Falconi started a partnership with Rede Mondó to record the stages of the work methodology developed by the organization, called "Legacy of the Program." We also worked on the strategic alignment of co-created actions with the local population, in a face-to-face workshop in Breves, the project's pilot

city, in order to prioritize the initiatives to be implemented in the following year. Of the 180 solutions developed, 20 were selected to be prioritized in 2022.

Our work in 2022 focused on strengthening the internal management of Rede Mondó. To this end, we focus on activities to train all of Rede's team in management methodology and leadership tools and define the roles and responsibilities of each one. We prepare the projects and structure the governance of the prioritized initiatives, create the BI (Business Intelligence) of management of Rede Mondó and support the organization to prepare the fundraising flow of the 22-23 cycle. With these actions, Falconi contributed to the sustainability of Rede Mondó's work in strengthening the vulnerable territories of the Amazon.

Between 2021 and 2022, the actions implemented by Rede impacted:



More than **60 professionals** linked to the educational management of SEMED (Municipal Department of Education) and schools;



More than **350 professionals** in topics related to the health dimension;



9500 students, 800 teachers and **6270 families** in topics related to the education dimension;



About **50 people** on topics related to economic development.





Performance in Reducing Inequalities

Serendipidade

Instituto Serendipidade is a non-profit social organization that aims to transform society's view of inclusion, working so that people with disabilities are not seen as a problem, but as a solution.

Falconi acted in defining Instituto's 2025 positioning and strategy and in carrying out the governance and communication plan, with workshops to detail initiatives and define goals and indicators, aiming to **directly impact 1,253 people by 2025**. And always seeking to build a more just, diverse, and inclusive society.



Decent Work Actions

SDG 8 is at the first priority level in our ESG strategy because it reflects exactly what our core business is: the **promotion of economic growth in a sustainable manner**. However, its scope goes beyond that and encompasses many issues within the concept of decent work for all. Therefore, a strategic project was developed to expand our operations and respond to some of the current

challenges within this theme, such as high unemployment rates, the dependence of an increasing portion of society on social programs, slow economic recovery, and unequal access to decent work opportunities. Thus, in 2022, among the opportunities to act with SDG 8, we chose to work with target 8.6, **related to the reduction of "neither-nor youth" (neither studying nor working)**.



"Neither-nor" youth

Between 15 and 24 years old; unemployed; no education or degree. In other words, they are not preparing themselves for the job market.



Low economic growth → not enough jobs for everyone

Low quality education.

Less experience and preparation → smaller salaries and greater chance of being dismissed in economic crises.

ALIS Program

How do **we help young people** build a more promising future?

Target 8.6 of SDG 8 seeks to reduce the proportion of young people who are not employed – neither studying nor in vocational training – in Brazil. Faced with this issue, we carried out a study to understand why, each year, the number of young people in the “neither-nor” situation worsens. We found several challenges to be faced, such as economic issues that made young people drop out of school to earn an income, the low employment rate of recent graduates in a highly competitive job market, the lack of experience of young people, as well as low qualification and education.

In addition to youth learning less than expected, especially in Portuguese/writing and mathematics, we also identified gaps in necessary skills, such as entrepreneurship, self-confidence, teamwork, and planning, as well as technical skills for work, such as sales and service.

We developed a pilot project in a state school on the outskirts of Belo Horizonte (MG), for 25 students in their 3rd year of high school, between 17 and 19 years old. The program was constructed on four pillars:



Learning **recovery**

Based on a proficiency assessment, partner with the public and private sector to recover learning/reinforcement.



Skills **development**

Realization of multidisciplinary pathways in an intelligent and practical way (FRST), including Soft Skills and Hard Skills.



Mentoring

With support from the Falconi team and professionals from other companies, based on the socio-emotional methodology, support the young person in creating and executing their life project.



Connection with the market

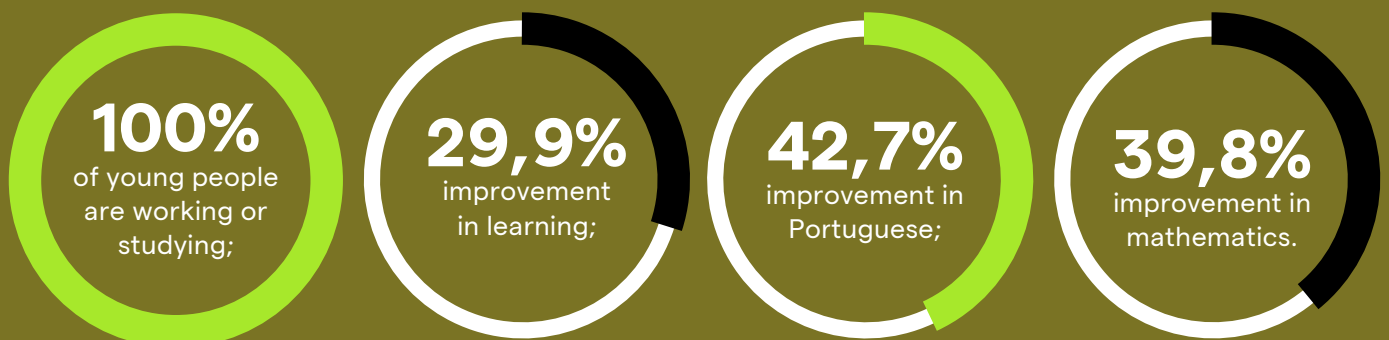
Development of partnerships with associations and companies to insert young people in the formal labor market.

A learning pathway has been developed especially for this pilot, considering steps with classes of:

- ▷ Learning recovery (Portuguese language/writing and mathematics);
- ▷ Financial Education;
- ▷ Life and Mentoring Project;
- ▷ FRST Job (self-knowledge, problem solving, curriculum development, pitch, innovation, collaboration);
- ▷ Digital Marketing and Sales.

Impact of the program

At the end of the activities, **23 young people were certified and achieved** good results:



Arrastão Project



The *Arrastão* Project welcomes and supports families in the Campo Limpo region (SP) who live in poverty, offering programs in the areas of education and culture, income generation, community development, and quality of life.

The work developed for the *Arrastão* Project included a cycle of creating business proposals and a second cycle of strengthening marginalized businesses already in progress, combining training and advice in technical languages (gastronomy, fashion & design, art/culture, and technology) with the impact business area. Since the beginning of 2022, 140 marginalized businesses have been impacted by the project, and the goal is to reach up to **5,000 entrepreneurs** in the next 5 years.

▶ Relationship with Stakeholders

GRI 2-29

In 2022, in building our ESG Strategic Direction, we defined who our **priority stakeholders** are, i.e., the audiences with whom our relationship demands more attention.

- 1 Clients / Employees
- 2 Civil society / Alumni / Innovative ecosystem
- 3 Shareholders / Press
- 4 Government and Regulatory Bodies / Market

Stakeholder Engagement

We seek to build engagement with our stakeholders by promoting productive dialogues, exchanging knowledge and ideas about expectations, demands, and needs. For this, we use the most appropriate communication channels for each specific profile. We don't want to reach stakeholders just by sharing our accomplishments, but also by hearing from them what is most relevant to our relationship and development as an organization.



Communication channels and instruments

▷ Events attended by our leaders

Workshops (such as those of the Falconi Impact Network program), lectures and live videos relied on our leaders, including CEO, to bring ESG themes to clients, partners, suppliers, and other stakeholders. The events have the function of engaging the public in the concepts and practices of sustainability, in addition to forming a network of organizations with the purpose of advancing their agendas and impactful businesses.

▷ Sustainability Report

Since 2021, we have published Sustainability Reports, presenting our achievements in favor of sustainable development to the public. With each publication we renegotiate our commitments to society, the market, sustainability, and the future.





▷ Digital channels (social media and website)

Communication channels and spaces for interaction and engagement with all stakeholders (internal and external), where we share our knowledge and performance in articles, texts, videos, and other types of messages specific to each of the media, created to engage the public and present Falconi to society as a whole. Articles written by our leaders with Sustainability guidelines are published on LinkedIn and on the website, with the aim of bringing up-to-date knowledge about management and ESG.

▷ Internal channels

Spaces for the dissemination of news and innovations from Falconi on events, projects, stories, opportunities, among other subjects. Communications are given in an online meeting with all Falconi employees, in addition to a weekly newsletter, intranet, and internal communications channel.

▶ People Development

Material Theme	SDG	Global Compact Principles	GRI
 People Development and Knowledge Generation	  	Human Rights: 01 and 02 Work: 06	3-3 2-20 2-21 2-25 404-1 404-2 404-3

Caring for people: people are at the core of our business model

In view of the changes that have occurred in the world, society, and the labor market in recent times, we realize our organization needs to undergo a cultural transformation. Taking care of people, diversity, mental health, professional development, both of individuals and teams, valuing their time and their journey are elements of caring for people. All of this creates more comfort and satisfaction for all levels of the organization, generating better results for everyone.

Over the last two years, we have thoroughly reviewed the way we look at people and at Falconi’s business:

- ▶ We rethink the models and formats of work and performance, focusing on the technological and digital transformation we are going through;
- ▶ We updated our processes and procedures and reviewed Falconi University’s knowledge and learning pathways, incorporating much more technology into the methodologies;

- ▶ We created the Employee Journey, reviewing the entire career path and skills, with greater appreciation of soft skills;
- ▶ In particular, we have developed ways to diversify our team, making it much more diverse in its ways of thinking, producing, and delivering increasingly better results.

Caring for People Manifesto

We are guided by the values of our culture. And this was translated into the Caring for People Manifesto, which reflects all the work that Falconi has been doing, anchored in four pillars:

Caring for
People

Collaboration

Growth
Mindset

Agility

The Caring for People pillar was deployed in a range of actions, which involves well-being, diversity, remuneration, employee satisfaction, among other topics, in several initiatives developed.

Employee Journey

GRI 2-25

In the process of developing Falconi's culture, we turn our eyes to the people who are at the core and realize the need to rethink the Employee Journey, from the moment you join the organization until the end of your career with us. Two new tools helped us design the new Employee Journey: **Qulture Rocks** and **Pulses**.



Qulture Rocks

The system implemented by Falconi made it possible to centralize the career management of employees and carry out assessments and maps skills for succession, providing more clarity and transparency to our team. The system combines important data and information from the history of each employee, using concepts of Employee Experience and professional journey.

Prior to implementation, employee career data was stored in different places and the assessment models were not comparable. With Qulture Rocks, the information has been unified, and the format is the same for everyone at the company. With much more transparency, each employee can see how their career is evolving and what their next steps are.

Pulses

Pulses, Falconi's new engagement and climate management survey format, uses artificial intelligence to more quickly understand employees' perceptions of diversity, representativeness, inclusive environment, well-being, leadership, career evolution, among several other topics.

With this information, Human Resources, together with the managers, can act in a predictive manner in critical situations, get to know the team better, carry out specific or collective actions that are more effective in the short term and develop strategies for the long term.

Dimensions assessed by Pulses

Pulses assesses 12 dimensions of climate and engagement, with scores from 0 to 10. The year 2022 ended with an overall score of 8.0.



Attracting and retaining **talent**

In view of the changes in the culture of the organization and in the Employee Journey, it became necessary to look at the ways in which we attract and maintain the talents of our team.

To this end, we conducted market studies, both in consulting and technology companies, and created a specific area for attracting talent, with recruiters

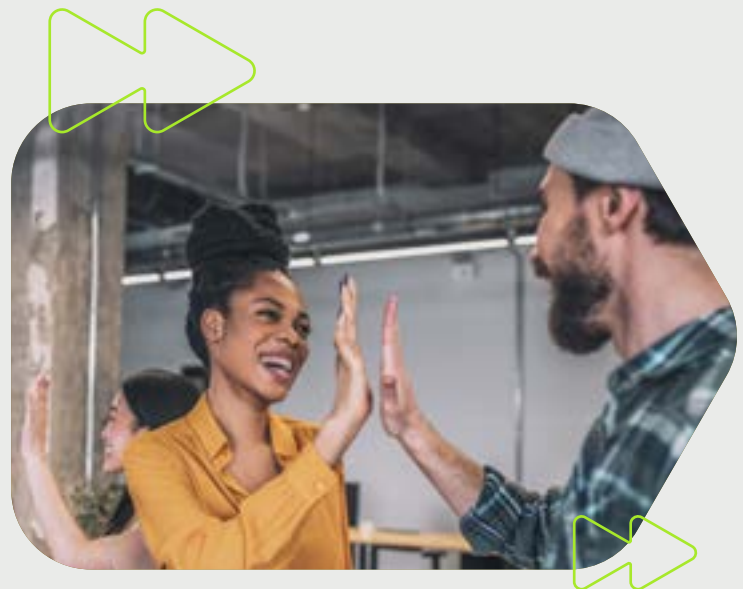
specialized in these areas. We define our value proposition and our positioning as an employer brand, being increasingly perceived as a consultech firm. Thus, we conclude that the objective is to attract professionals from the most diverse sectors (including those who do not have experience with consulting) to operate in an increasingly diversified market impacted by technology.

Remuneration Policy Review

GRI 2-20 | 2-21

Based on market studies – both of competitors and other companies in the technology sector – in addition to a strong connection with the review of culture, values and strategy, the People board, with the supervision of the Board of Directors and the People, Careers and Succession Committee, reviewed the salary ranges and the criteria contained in the remuneration methodology.

Each hierarchical level at Falconi comprises a series of functions, positions, and duties, both in the consulting and administrative/corporate areas. Employee remuneration from senior leadership to entry level employees, considers the entire meritocracy process, which occurs in the advancement of career steps, due to seniority and prominence in the performance of the function.



We always seek the best remuneration practices in the market, trying to maintain the level of satisfaction and recognition throughout the team.

- ▷ The lowest remuneration at Falconi is 1.5x higher than the minimum wage (for the year 2022).
- ▷ The annual remuneration of the highest paid employee in the organization is 6.8x higher than the total average annual compensation paid to all employees (excluding the highest paid).

Performance Evaluation

GRI 404-3

The performance evaluation process is part of Falconi's career culture. The approach, using the Culture Rocks tool, covers the cultural and professional capabilities of each employee.

To further qualify the process, Career Committees were created, instances conducted by the leaders of each level, with the participation of HR Business partners and representative of the Human and Organizational Development (DHO) team to carry out the Performance Evaluation. The Committees have meetings once a year, during the same period, in all areas and levels of the organization, and discuss readiness, succession, performance, and the need to dismiss professionals.

The reformulation of this work incorporated considerations regarding representation goals, team composition strategies, and responsibility for diversity at Falconi at all levels of leadership into the evaluation process.. For this, the Career Committees receive guidance (content specially formulated by the Diversity and Well-being area) on the unconscious biases of the evaluation. These guidelines broaden the Committee members' view of employees, their contexts, and realities, leading them to reflect and take into account aspects that can help maintain fair evaluation and a diverse and plural team, within the established levels of representativeness.



The performance evaluation cycle, carried out in May 2022, reached **96%** of the team.

▶ Development, Learning and Training

GRI 404-1 | 404-2

During their journey at Falconi, employees have access to several opportunities for growth and learning. The scope of training is based on the needs of Falconi's people and business. Hard, tech, and soft skills are offered in the form of **courses, pathways, and in-company training.**

To enable the communication and learning plan focused on organizational culture and the pillars of leadership, technology, and soft skills, the LMS (Learning Management System) and the LXP (Learning Experience Platform) tools are used.

▶ **Employees had an average of 38 hours of training/person during 2022.**

Onboarding

Upon joining Falconi, the employee goes through the onboarding process, an integration training that has experienced consultants to teach classes and courses. The **Cultural Fit** and **Falconi Attitudes** training courses, for example, are appropriate approaches for the newcomer to the organization to better know our organizational culture and values and understand the importance of concepts such as ethics and integrity. The high point of the process is the construction and presentation of a case based on real business problems.

Falconi University

The Learning Pathways for improving the knowledge of solutions and developing new skills are offered by Falconi University. The themes worked on are distributed in different thematic learning modules:

- ▶ Falconi Youth Program
- ▶ Leadership Pathway
- ▶ Management Pathway
- ▶ Technology Pathway
- ▶ Business Pathway
- ▶ Caring for People Pathway
- ▶ Agile and Digital Transformation Pathway

The latest learning pathways created – Agile and Digital Transformation and Caring for People – demonstrate how we balance the technical and human knowledge inherent in the Care movement.

▶ **More than 100 hours of content are available on our training and learning platforms.**

▶ Diversity, Equity & Inclusion

Material Theme	SDG	Global Compact Principles	GRI
 Inclusion, Diversity and Equal Opportunities	  	Human Rights: 01 and 02 Work: 06	3-3 401-2

Together, each in their own way, we build a stronger Falconi and a better, more diverse, and inclusive society.

To bring together a strong and cohesive team capable of transforming and increasingly impacting the world around us, we need many pieces. As in a big puzzle, it is only by fitting all these pieces together – with different colors, formats, models, characteristics, content – that will form the image we want: the reflection of a diverse and inclusive organization, based on values such as respect, tolerance, and empathy.

For this, we need strong commitments to diversity, gender and racial equity, and inclusion, offering the same growth opportunities to all our employees. We believe that diversity is able to broaden our vision, performance and perspectives. It stimulates creativity, improves performance, and brings together minds with different ways of thinking, expanding the range of solutions and results – not only in business, but also throughout society.

Falconi repudiates any kind of discrimination due to color, race, religion, political ideology, gender, sexual orientation, gender identity, age, physical, social, professional conditions, or any other reasons.

D&I Management

A new governance for the **Diversity & Inclusion Program** began to be designed at Falconi in 2022. Management of the data and indicators and the guidelines to leverage diversity in the internal public became the responsibility of the People Board, in which a Diversity and Well-being area was created to direct the actions and align all internal initiatives. The area works in conjunction with the Diversity & Inclusion (D&I) Committee.

Linked to the D&I Committee, five **Affinity Groups** have the mission of changing attitudes in the organization through

education and visibility. Composed of Falconi representatives who have a connection with the theme and sponsors of senior leadership, each group carries out thematic activities and discussions, guided by the area of D&I and Well-being, together with experts.

Actions and strategies related to diversity, equity and inclusion are periodically reported to senior management, which evaluates and validates the initiatives, in addition to participating in the engagement of the entire organization in achieving the goals of promoting diversity.

Falconi Affinity Groups



Focusing on racial diversity, the Cór group addresses issues related to privileges and racism to ensure effective inclusion at Falconi.



Gender equity is the focus of the Falconi 8.03 group, whose work is divided between the following lines: women's development, parenting, and the role of men.



Limitless - The challenges and achievements of people with disabilities and neurodivergent people and their inclusion at our company are the focus of the Limitless group's work.



Ensuring a welcoming and safe environment regardless of sexual orientation, gender identity and expression is the theme of the B.You group.



Talent Without Borders - Welcoming diverse experiences and cultures are objects of the Talent Without Borders group.

Data Management – Falconi 2022 Census

Since the Falconi Census was implemented in 2019, it has become a great ally to direct actions that promote inclusion and diversity, using real data and indicators, rather than estimates. Thus, data management at Falconi is able to cover both the information acquired in the Census (which includes CLTs, statutory, and business partners) and in Falconi's official register (which only considers statutory and CLTs).

▷ The Falconi Census is a voluntary survey, so it does not reach 100% of employees and business partners. Still, the response rate is high: **93% of the team answered the questionnaire** – a record high survey participation since it began, which reveals the high level of engagement of all areas in this type of initiative.

Highlights in the 2022 Census result:

13% of our team self-identify as part of the LGBTQIAP+ community

21% Regarding race/ethnicity, our team is composed of 21% black people (black and brown people), distributed through all hierarchical levels

44% of our team identify with the female gender, also represented at all levels of hierarchy

21% of our professionals are outside the Southeast region of Brazil

79% of the team has completed higher education and 12% is currently enrolled

20% of the team reported that they are the first family member to graduate from higher education

24% of the team follow religions other than Catholicism; among the remaining 76%, 42% are Catholic and 34% do not have a religion, are atheist/agnostic or preferred not to answer

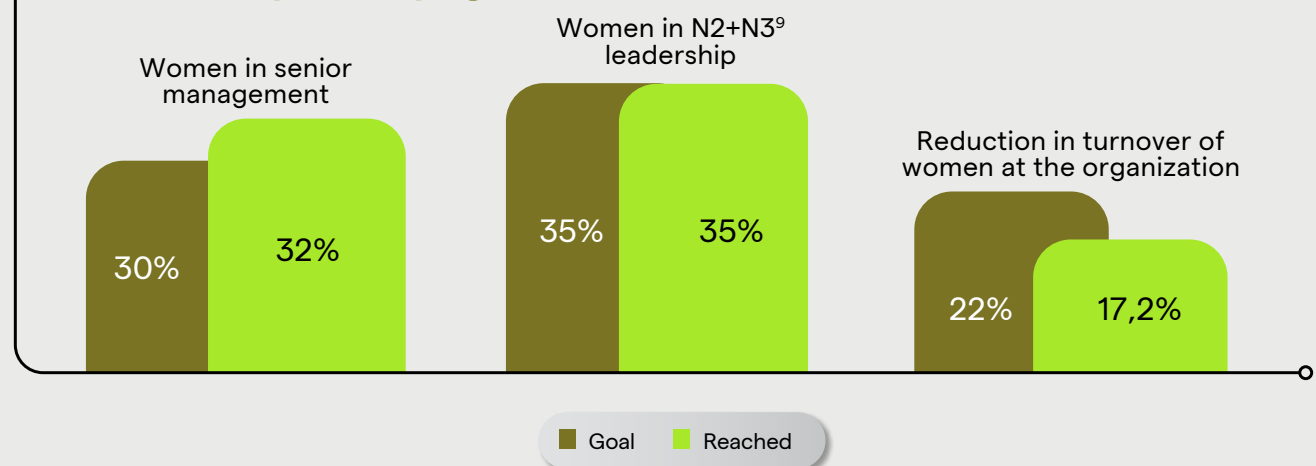
Representation goals

Our representation goals are developed from formal commitments, such as the “**Equity is a Priority: Gender**” and “**Women Lead**” movements of the UN Global Compact, or strategies developed internally, aiming to expand the diversity of ideas and worldviews of our team, coming from a more diverse composition that values differences.

30% of women in senior leadership positions by 2025 – this is the target set for organizations that are part of the “Equity is a Priority: Gender.” In 2022, the target was **29.5%** and **Falconi exceeded it, reaching 32%**.

The diversity and gender equity goals considered strategic are implemented on Falconi’s leadership cards, up to the CEO level. This ensures that they are effectively incorporated into the organization, bringing responsibility and engagement in the theme to all areas and hierarchical levels.

2022 Equality goals



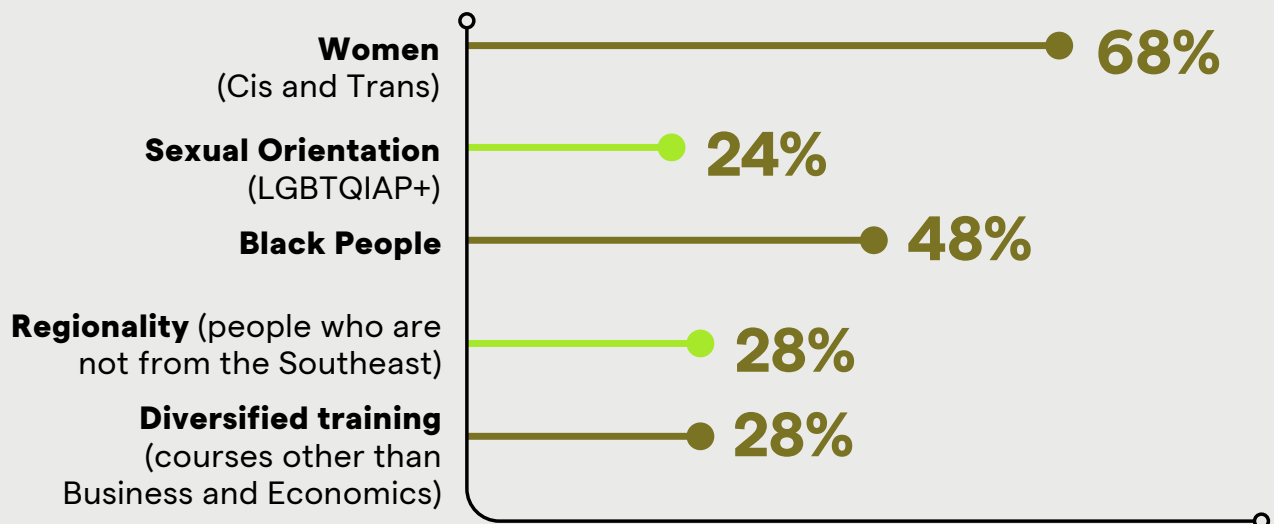
9 - Níveis correspondentes à média liderança na Falconi: *Managers e Segment Leaders (N2), Team Leaders, Coordinators e Specialists (N3)*

Trainee Program

The 2022 trainee program reflects how representativeness goals have influenced actions to change diversity pointers at Falconi. The selection observed points such as regionality, bringing new employees from all over the country; plurality of training and diversity courses,

with a greater number of women and black people being hired. This is so that the team has a very diverse base, enabling upward mobility within these groups in their careers and the future reach of leadership positions.

Profiles of selected trainees:



Diversity & Inclusion Training

- ▷ **222 employees** participated in D&I training in onboarding
- ▷ **44 hours of onboarding training** (11 training courses, 4 hours each)
- ▷ **60 events** of the Affinity Groups bringing agendas related to their themes

Other training courses, qualifications and programs addressed issues related to diversity, equity, and inclusion:

Memoh Program – addressed gender equity with male employees who exercise leadership in training activities, workshops, and conversation circles.

Racial Literacy Pathway – an initiative of the Cór Affinity Group that made an invitation (open to all employees) to delve into racial issues, understanding the origins, causes and consequences of prejudice by color and race.

Parenting Policy

GRI 401-2

The inclusion and development of women (who are or would like to become mothers) in the labor market depend heavily on parenting policies that are current and connected to the needs of everyone involved: mother, father, sons and daughters, company, organizations, and governments.

In 2022, we began a review of our Parenting Policy to expand the benefits for professional mothers (as well as fathers and people who care for children) to stay at the company, be more engaged, and develop their careers in harmony with their motherhood or the specific care needs of their family.




The changes provided for in our Parenting Policy involve the possibility of part-time work after returning from maternity leave; the same leave time for adopted or biological children; and the donation of 60 days of paternity leave to the father (as long as he works at Falconi or another company that adheres to the Empresa Cidadã program). These are pioneering initiatives that can influence other companies to follow the same path of valuing parenting.



Parenting benefits

- ▷ 180-day leave for mothers and 20 days for fathers (with the possibility of donating 60 days from one to the other, according to the rules mentioned above);
- ▷ Working from home (without travel) for one year after returning from maternity leave;
- ▷ Childcare assistance and guarantee of the benefit until the age of 11 for children with disabilities and/or neurodivergent;
- ▷ PLR (profit sharing) guaranteed without discounting leave days;
- ▷ Mother-mentor program: volunteer mothers support new mothers in returning to work and facing the challenges of their new reality;
- ▷ Coaching for mothers: preparation program for mothers to return to work after maternity leave with support from a specialized professional.

▶ Health and Wellness

Material Theme	SDG	Global Compact Principles	GRI
 Wellness and Mental Health	 	Human Rights: 01 and 02	3-3 401-2 403-1 403-2 403-3 403-4 403-6 403-7

At Falconi, we value the creation of a positive work environment that favors the mental and physical health of our employees, encouraging physical activities, balanced eating and moments of rest and disconnection. Thus, we can offer the best performance and results for clients, while taking care of the well-being and health of our employees.

Health and Safety Management

GRI 403-1 | 403-2 | 403-3 | 403-4 | 403-7

The **Health and Wellness area** is linked to the People and Operations board, reporting directly to the presidency. It has the support of the **Wellness Committee**, responsible for discussions and decision-making regarding the support, prevention and promotion of the health and safety of employees. The Committee includes leaders from various areas, the Diversity and Wellness team, People management, and the CEO.



Occupational safety

The work environment in Falconi's offices or working from home is low risk for employees. Thus, there are no formal processes or specific policies for occupational safety, in addition to the guidelines in the Code of Conduct, which focus on the physical integrity of employees and partners and seek to prevent accidents due to unsafe acts, such as climbing chairs, using stairs without the handrail and moving in vehicles without the proper use of safe-

ty equipment (seat belts, helmets, etc.). Any employee who identifies hazardous situations can notify the industry or HR.

For employees allocated at client facilities, occupational health and safety instructions, as well as training and guidance on the use of PPE, demarcated routes, among other standards, requirements and recommendations, must be strictly respected.

To create a work environment that honors health and well-being, we need to do much more than observe the safety and physical integrity of employees, partners, and clients. We need to create an environment of respect and tolerance, which includes everyone, which embraces and enhances the individual characteristics of each employee, which celebrates the merits and helps in the integral development of people, always based on our beliefs and values.

Occupational health and safety management is carried out in partnership with the company MaxiPass, responsible for carrying out occupational risk measurements, verifying the necessary examinations (pre-employment, periodic and dismissal examinations) for each position and preparing the PPRA – Environmental Risk Prevention Program – and PCMSO – Occupational Health Medical Control Program reports.

Benefits

GRI 401-2 | 403-6

All employees have life insurance, health and dental insurance, as well as access to an online platform for discounts on products and services related to health.

Other benefits offered to our employees:

- ▷ Gympass
- ▷ Psicologia Viva
[website with online consultations with psychologists]
- ▷ Meal/Food Voucher
- ▷ Transportation Voucher

Bem Viver Program

GRI 403-6

A hyperconnected society, a lack of clarity in the work-life balance, social and professional pressures for performance and productivity, among other issues, have highlighted the importance of physical and mental health for people's quality of life and work.

Given this context, the **Bem Viver [Wellness] Program** was created in 2022, which seeks to promote health and well-being for Falconi employees.

More than a financial, socio-educational or health condition, Bem Viver is quality of life, harmony between physical, mental, social, and spiritual health. It is a holistic view of life, a state of satisfaction and fullness based on reciprocity and collective sense.

The program is structured in three pillars:

1 Support

Offer knowledge and tools to treat illness.

How?

- ▷ Health Support Guide
- ▷ Family health physician for our team
- ▷ Review of our benefits

2 Prevenção

Outline strategies to anticipate and intervene in health care before signs of illness.

How?

- ▷ Health-specific learning pathways
- ▷ Raising awareness among leaders and the team

3 Promoção

Actions to maintain health, self-care, quality of life inside and outside work.

How?

- ▷ Health analytics
- ▷ Health committee
- ▷ Health ambassadors
- ▷ "Affinity" group

The **Health Support Guide**, created in 2022, is one of the first actions of the Bem Viver Program carried out. Its purpose is to establish communication with employees about well-being and mental health, self-care practices and care for others, as well as information about Falconi's health benefits (health, dental and life insurance). It is available on the internal network for all interested parties.

Some initiatives already existing at Falconi, which collaborate with the mental health and quality of life of employees, became part of the Bem Viver Program, such as the **Focused Mind Movement**, of the Rede Brasil Global Pact (as described in the **Global Pact section** ▶), and the Time Policy.

Time Policy

A unique way of approaching working hours and leave time, the Time Policy focuses on the employee's quality of life. It also makes it easier to attract professionals from anywhere in the country, as it makes the workplace more flexible.

The Policy aims to regulate the rules of flexible work, Short Friday and leaves of absence and applies to all employees under CLT and statutory contracts.

The working format may vary between:

- ▶ **Full Remote:** the work day can be worked from any city in Brazil, without the need to go to the offices or physical presence in the projects or client visits;
- ▶ **Híbrido:** the frequency of going to the office (or visiting the client, applicable to the team of consultants) is determined by the leadership.

The Policy also innovates in incorporating initiatives such as Short Friday and the "Breathe" and "Have Some Time" leaves of absence, formulated to provide opportunities for rest, decompression and change of focus for our team.

▶ **Short Friday:** every Friday, after 1 pm, there are no business hours, meetings or work with clients and suppliers. This time can be used for development and training, volunteering activities, or simply rest and leisure.

▶ **Breathe:** leave that can be used to take courses, develop a personal project or even for a sabbatical

▶ **Have Some Time:** option for professionals who want to work part time (half day, with proportional reduction in remuneration)

▶ Environmental Performance

Material Theme	SDG	Global Compact Principles	GRI
 Climate Change		Environment: 07	3-3 305-1 305-2 305-3 305-4

Because we work almost exclusively with intellectual capital, our operations generate few direct impacts on the environment. We know, however, that the environmental agenda focused on combating climate change is urgent, necessary and a duty of all: governments,

organizations of all sizes and segments and conscious citizens. Therefore, in 2022, we took the first step to make our environmental agenda more effective: we calculated Falconi's Greenhouse Gas (GHG) Emissions Inventory.

Greenhouse Gas Inventory

Falconi's GHG Inventory covers all direct emissions of the company and the main indirect emissions, classified in Scopes 1, 2 and 3, according to the GHG Protocol (Greenhouse Gas Control)¹⁰.

Scope 1 - Gross Direct GHG Emissions: result of the company's own activities. For Falconi, Scope 1 emissions correspond to the operations of the private aircraft, included in the Mobile Combustion category.

Scope 2 - Gross Indirect GHG Emissions: from the acquisition of electricity or thermal energy by the company. For Falconi, Scope 2 corresponds to the purchase of electricity from the Brazilian Interconnected System (SIN) in the São Paulo office. The tCO₂ emission factors per MWh were obtained in the report released by SIN.

¹⁰ - A metodologia do GHG Protocol foi desenvolvida pelo World Resources Institute (WRI) e adaptada ao contexto brasileiro pela Fundação Getúlio Vargas (FGV).

Scope 3 – Gross Indirect GHG Emissions: result of outsourced processes or without the company’s operational control. For Falconi, Scope 3 includes the most relevant sources of GHG emissions, divided into two categories:

- ▷ Business travel, land and air, result of employees in a professional context;
- ▷ Purchased Goods – production and transportation of computers purchased for the work of employees

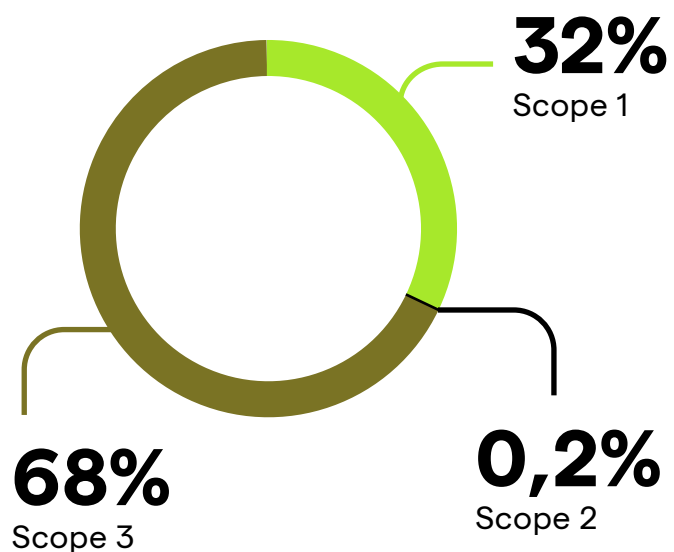
The emissions associated with land travel were obtained in the report generated by Uber, the main partner providing this service to Falconi, using the company’s own calculation tool. The emission factor of the purchased computers was made available by the manufacturing company (DELL).

The travel-related emissions of the teams are being dealt with by the airlines to study the formats available for remuneration. In addition, optimizing overland routes will help reduce Scope 3 emissions.

Emission Intensity Index

In 2022, Falconi’s GHG Emission Intensity Index, adding Scopes 1 and 2, was **215.07 tCO₂e/year** in 2022. If we also consider Scope 3 emissions, this index was **677.67 tCO₂e/year** in total¹¹.

Scope 1	213,68
Scope 2	1,39
Total emissions E1 + E2	215,07
Scope 3	462,60
Total emissions E1 + E2 + E3	677,67



11- As it is a service company, the tCO₂e/year index was adopted.

Notes:

▷ The gases included in the calculation are: CO₂, CH₄ and N₂O. The global warming potential factors established in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (AR5) were used: 1tCH₄ = 28tCO₂ and 1tN₂O = 265tCO.

▷ All data used as a basis for the calculations are for the year 2022.



Next steps of the Environmental Agenda

With the coordination of the Sustainable Development Program, the GHG Inventory is the first step in our environmental trajectory. Based on this study, we understand what our emissions are and how much they mean. The next steps will deal with effective planning to reduce and possibly mitigate our GHG emissions.



03.

Our
Impact

How we impact clients so that they impact the market and the world.

Material Theme	SDG	Global Compact Principles	GRI
 ESG&P Impact of Clients	  	Human Rights: 01 and 02 Work: 06 Environment: 07, 08 and 09 Anti-corruption: 10	3-3

As we advance in our trajectory, with each project carried out and organization benefited by our performance, we have the opportunity to expand the scope of our purpose: to generate a positive and significant impact on organizations and society.

We know that our potential for impact is even greater when multiplied by the organizations we work with. All the management knowledge we disseminate is for organizations to transform their realities and all of society around them. By helping to improve the business model, structure, processes, strategy and operation, we are also supporting organizations to prepare for the future, have greater resilience to risks and capture more opportunities associated with the ESG Agenda, generating sustainable value for all their stakeholders.

Together, we are able to accelerate the transformations that ensure the sustainable development of our clients, the market, and the world.

▶ Falconi ESG Platform

We believe that sustainable development is the key to future-proof business models.

Throughout our history, we have carried out more than 200 projects on ESG – Environmental, Social, and Governance – with organizations committed to transforming the current reality and building a more sustainable future.

In our ESG practice for clients, we provide organizations with tools to build a priority agenda on the subject, from the formulation of the strategy to the design and implementation of initiatives in the environmental, social, and governance pillars. To make sustainability an effective part of clients' culture and routine, our projects address:

- ▶ Leadership engagement and other levels in the ESG Agenda;
- ▶ Integration of ESG themes into the organization's strategy;
- ▶ Effective management of material business risks;
- ▶ Definition of clear guidelines, commitments, and goals for ESG issues;
- ▶ Alignment and performance of the entire organization to achieve ESG objectives and goals;
- ▶ Implementation of good corporate governance practices;
- ▶ Development and implementation of initiatives that generate value for the business and all stakeholders

The platform's proposal is to act on our clients' ESG agendas, identifying their current and future needs, risks and opportunities for the organization, the environment and society, aiming at generating shared value and guiding prosperity. This journey is customized and modularized according to the level of maturity and need of the organization.



▶ ESG&P Impacts of Our Clients

ESG&P Impact Survey

For the second consecutive year, we conducted a survey among our leading project consultants to measure the extent of the positive impacts that our clients have achieved in their production chains and in society, in each of the pillars of the ESG Agenda.

We also add a fourth pillar, Prosperity, which refers to an important concept for Falconi: results that generate value and continuity for the organization and all its stakeholders.

The survey was carried out on a sample of 87 projects carried out in 2022 – 20% of the 434 projects executed by Falconi in the year.

Research objectives

- ▶ Measure and understand direct and indirect results of Falconi projects in ESG&P;
- ▶ Know how our efforts directly or indirectly affect our stakeholders;
- ▶ Establish critical analysis for continuous improvement of our processes;
- ▶ Understand which indicators should be monitored throughout the projects to ensure proper monitoring of their impacts;
- ▶ Make our results public, knowing that our biggest showcase is the fruits of conscious and results-oriented work.

Some types of impact were established to be measured within each project, related to the ESG&P pillars. The impacts are also closely related to our Material Themes and the Sustainable Development Goals (SDGs).

Pillar	Impact	Falconi Material Theme	SDGs impactados
Environmental	Climate and biodiversity protection	Climate Change	SDG 13 / SDG 14 / SDG 15
Social	Education and training	People Development and Knowledge Generation	SDG 4 / SDG 8
	Improvement of working conditions	People Development and Knowledge Generation Ethics, Integrity, and Compliance Wellness and Mental Health Inclusion, Diversity and Equal Opportunities	SDG 8
	Improvement in the organizational climate	Ethics, Integrity, and Compliance Wellness and Mental Health Inclusion, Diversity and Equal Opportunities	SDG 8 / SDG 16
	Reducing inequalities / promoting social inclusion	Inclusion, Diversity, and Equal Opportunities Commitment to Communities to reduce social inequality	SDG 1 / SDG 5 / SDG 10
	Improving conditions for local communities	Inclusion, Diversity, and Equal Opportunities Commitment to Communities to reduce social inequality	SDG 1 / SDG 6 / SDG 10 / SDG 11
Governance & Prosperity	Increased efficiency	People Development and Knowledge Generation	SDG 8 / SDG 9 / SDG 12
	Greater access to technologies	People Development and Knowledge Generation	SDG 9
	Resource optimization	People Development and Knowledge Generation	SDG 9 / SDG 12
	Developing or improving a product	People Development and Knowledge Generation	SDG 9 / SDG 12

Main results achieved

14.5 thousand people directly impacted

22.5 million people indirectly impacted

125 actions to improve local communities

93 actions to reduce inequality and promote inclusion

7300+ people educated/trained

8500+ people in contact with new technologies

1400+ actions proposed to improve work conditions

67 products developed or improved through projects

13 actions proposed to improve the climate and biodiversity

Main results achieved

52 work fronts generated efficiency in client processes

16 work fronts improved the corporate climate of clients

21 work fronts optimized the use of resources of clients

74% of work fronts educated or trained clients and communities

58% of work fronts obtained expense reducing results, reduced waste and resulted in greater value added to processes

40% of work fronts reached four or more impact conditions

▶ Environmental Impact

Climate protection and biodiversity

Among the projects evaluated by the research, **13 carried out actions to protect the climate and biodiversity**. Some highlights:

▷ Actions carried out for the fashion trade segment helped reduce carbon emissions with the definition of a **tree planting goal (about 1000 units/day)**;

▷ Action to increase by approximately **23% the production of wind tower blades** for the clean energy generation segment

case

AERIS on ISE/B3¹²

Aeris Energy is the largest manufacturer of wind turbine blades in Latin America and one of the leading in the world market. In 2021, Falconi established an innovative partnership with the company, offering expertise in investment management, strategy and management, joining forces in such a relevant market, that of clean and renewable energy.

With a long-term vision, based on the partnership signed, our main objectives are the standardization of processes (development and evolution of management systems, focusing on operational performance), strengthening of the Organizational Culture and Management by Strategic Guidelines with the development of goals applicable to the different levels of the Company.

One of Aeris' strategic guidelines is to be a reference in sustainability, of which they are signatories to the UN Global Compact. For 2022, it was established as a goal to be included in the recommended portfolios of B3's Corporate Sustainability Index (ISE), always focusing on generating value for Aeris and its stakeholders.

12 - Corporate Sustainability Index (ISE) of B3 (Brasil, Bolsa, Balcão), Brazilian stock exchange, headquartered in São Paulo.

Faced with this challenge, the Falconi team, with support from Aeris' Planning and Investor Relations area, started the project by organizing the company's existing ESG initiatives and programs, which were distributed among the areas, without strategic direction. Based on the diagnosis, they organized a committee, established responsibilities, a schedule of actions and started a large movement to raise awareness on the subject for the entire company. The Falconi team applied the method in a focused way to meet the requirements of the ISE questionnaires in their evaluation dimensions: Social Capital, Human Capital, Business Model and Innovation, Governance, Environment, CDP Climate¹³.

The score obtained by Aeris in 2021 was 44 points, which did not qualify it to appear in the Index, given that the cut-off score for that year had been 60. The goal was reached. In order to measure the progress and results of the actions, they then carried out a projection of the scores in each dimension, in order to optimize efforts and dedicate themselves to what was really relevant to the company.

The result of the effort and engagement was as positive as possible: with a score of 70, the company earned its place in the ISE.

Another qualitative result was also achieved: mobilization and engagement within the company, especially among leaders, brought awareness and more relevance to the theme of sustainability and ESG.

13 - To observe the impacts related to climate change, the ISE uses the index produced by the international organization CDP - Carbon Disclosure Project, a reference in the evaluation of companies on climate issues.

Social Impact

Education and training

Training initiatives are part of our DNA. We know that, as important as the overall outcome of the project, is to ensure the continuity of people's learning and development.

7300+ people trained in the projects that are part of the survey.

Featured business segments include:

Agribusiness

2500

people
trained

**Trade and
manufacturing**

842

people
trained

**Materials and
Construction
Industry**

625

people
trained

**Machinery and
equipment
industry**

500

people
trained

Improvement in **working conditions** and **organizational climate**

In addition to the efficiency and effectiveness of processes, it is necessary to ensure good conditions for the workforce, generating safer environments, with more health and well-being for people.

▷ Within the analyzed projects, about **1500 actions** were proposed and executed to improve working conditions. In addition, **16 projects** provided a better organizational climate, as pointed out in the climate surveys carried out at the companies.

Some highlights:

▷ **200+** actions to reduce turnover, unproductive time, reduction of manual work, and reduction of accidents;

▷ Improvement of eNPS (Net Promoter Score used to measure the degree of employee satisfaction) between **17** and **43** points;

▷ Increased overall favorability from **64%** in 2021 to **75%** in 2022.

Reducing inequalities and promoting social inclusion

The projects covered by the survey point to **more than 90 actions** carried out to reduce social inequalities and favor the inclusion of minority groups, using our D&I (Diversity & Inclusion), FIVE (Falconi

Impact, Value & Execution), and ESG solutions. The actions allowed people to achieve better positions, promotions, professional development, services, training, mentoring, and equal pay.

Improvement in the conditions of local communities

Within the projects that are part of the survey, **125 actions** were implemented to improve local communities, with the objective of generating sustainable value for vulnerable populations and, consequently, for society as a whole.

▷ The actions in communities in Brazil and abroad were carried out by various segments such as the food industry, medical services, energy, steel and mining, clothing, and fashion industry.



► Impact on Governance and Prosperity

Increased Efficiency

Our methodology, combined with innovation and technology, allowed our clients to reach a new level of efficiency and value addition in the processes and services provided.



► **52** projects mapped in the survey achieved more than R\$1 billion in efficiency gains:

- Reais - **R\$ 688 million** (carried out during the project)
- Potential - **R\$ 314 million** (actions already addressed but not carried out during the project)

Among the projects, we can highlight:

- Increased grain productivity, generating revenue gains of **R\$ 187.2 million/year**;
- Savings of **R\$ 112.9 million/year** with enhancement of the workforce: overtime reduction, headcount readjustment (staff), corrections of deviations in function, reduction of absenteeism and turn over, among others;
- Better use of the sales force (Revenue Improvement project), resulting in gains of **R\$ 100 million/year**.

IBRAM Letter of Commitment

The Brazilian Mining Institute (IBRAM) is the entity that represents the mining sector throughout the country, with more than 80 associated companies. In 2019, as a response to the disasters associated with mining activities in Mariana and Brumadinho (MG), which shook Brazil and the world, the institute prepared a Letter of Commitment to society, establishing 12 focuses of action for the transformation of the sector, by 2030:

- | | | |
|-----------------------------------------|-----------------------------------------------|--------------------------------|
| 1 Process Safety | 4 Mitigation of Environmental Impacts | 8 Communication and Reputation |
| 2 Dams and Tailings Disposal Structures | 5 Diversity and Inclusion | 9 Innovation |
| 3 Occupational Health and Safety | 6 Relationship with Communities | 10 Water |
| | 7 Local Development and Future of Territories | 11 Energy |
| | | 12 Waste Management |

Since 2021, Falconi has been a partner of IBRAM, helping with the governance of the great challenge that is the articulation and engagement of an entire sector with joint ESG goals.

In the first year, the work consisted of collecting data from the sector from the mining companies regarding their ESG performance, defining goals and indicators, organizing management processes and implementing project governance, as well as supporting the working groups (WGs), composed of representatives of the participating mining companies. Since then, the Letter of Commitment has become the



largest sectoral ESG project in the country – ESG Mineração do Brasil.

In 2022, Falconi remained in the governance of the project, with the mission of raising the level of some metrics and further developing the work of the WGs.

In the 2021 and 2022 period, the work carried out has already generated:



Some of the main advances achieved by the sector since the publication of the Letter of Commitment were the generation of knowledge about ESG in mining and the awareness and engagement process that mining companies started to have, demonstrated by the sector's ESG maturity level survey.

Collection of the information and the research carried out annually in the project enable debates, exchanges and sharing of information and good practices, as well as suggestions and ideas on how to expand and improve the sustainable performance of the sector. This demonstrates that the work of construction and improvement has to be continuous so that the future of mining corresponds to what society expects: conscious and responsible use of natural resources, respecting the environment, and preserving life.

More access to technologies

According to the results collected in the research, our projects enabled a strong increase in people's contact with new technologies.

▷ More than **8,500** people, including direct and indirect employees of client organizations, in addition to the public from different communities, were able to have access to new means of work and information:

- **5800** people in the Steel and Mining segment;
- **637** people in the Food and Beverage Trade segment;
- **550** people in the Vehicle and Parts Trade segment.

Resource optimization

Several projects were on topics such as reuse of inputs used in the production chain. Within the scope of the research, 21 projects presented actions to reuse resources and reduce waste in the production chain. Results include:

20%

reduction in the lead time of offshore materials, in a Process Excellence project;

60%

reduction of waste in food and beverages, in a project in the Hospitality and Tourism sector;

101

actions aimed at reducing the consumption of packaging and reducing the consumption of water, electricity and gas, via process optimization, consumption control and technology improvements, in a Matrix Expense Management project, in the wholesale/retail segment

case

Consolida - Hospital procurement center

CMB (Casas de Misericórdia do Brasil) is the entity that represents philanthropic hospitals in Brazil and works with SUS, governments and civil society to articulate their management, operation and service needs to the population. The entity is affiliated with 1,824 hospitals, accounting for 193 thousand beds. It is a very heterogeneous group of institutions, ranging in size (from small health homes to large general hospitals) and location (from capitals to remote and hard to reach places in the countryside). They

represent 55% of the total SUS [Brazilian universal healthcare system] care, and in high complexity, this number rises to about 70%.

Living in a scenario of increasing costs, limited resources, and perpetual high demand, with a lack of people, technology, and management knowledge, CMB realized the need to create a network for joint action by philanthropic hospitals, which could be an opportunity to gain efficiency and optimize resources.

Thus, **Consolida was born, an initiative of CMB in partnership with Falconi** to acquire more accurate hospital supplies, with greater negotiating power and efficiency in the relationship with suppliers. The format chosen to enable this strategy was a platform of hospital input purchasing groups that offers scale, access (in the case of small institutions and/or in remote places) and many possibilities for saving resources.



Savings in purchases

Articulation of the strength of Philanthropic Hospitals and Santas Casas



Financial predictability

Prices are fixed for a predetermined period, ranging from 3 months to 1 year



1800 + suppliers

Ample supplier base, providing the best cost-benefit in supplies



Online Platform

Ease in the Consolidated purchasing process

Consolida began to be presented to CMB-affiliated hospitals in 2022. In the first months of the project:

- ▷ **19 hospitals** in seven Brazilian states are already part of the network.
- ▷ Supplies purchased in groups represent up to **30% savings** for hospitals on items such as medications, medical PPE, collection materials and hospital linens.

The potential impact of the project is high. **Projections estimate that by 2026, Consolida may be present in about 300 hospitals in the network. Considering an average saving of 20% in input expenditures, the project has the potential to generate efficiency gains of more than R\$ 200 million per year, which may be reversed in increased access to services provided to the population.**



Development of new products or improvements to existing products

The projects that are part of the survey were responsible for the development of **67 new products** or improvements to existing products:

▶ 41 are related to the Fashion and Clothing segment, and 39 of them showed a significant improvement in the durability of the products (24%), reducing their operating costs by 6%;

▶ 10 are linked to Data Security projects (Cybersecurity), within the Telecommunications segment, generating products without critical vulnerabilities

04.

Our
Future



“Faced with so many challenges and with our purpose always in mind, we reaffirm our commitment to promote sustainable development in all our activities. Falconi is committed to becoming an increasingly responsible organization and collaborating proactively in building a future aligned with the principles of sustainability and better for all.”



Izabela Murici

Partner / Manager
of the Sustainable
Development Program

▶▶ A courageous **look** to the **future**

With our eyes glued to the horizon and our determination to make a difference, we proudly close another annual Falconi sustainability report.

In our journey to build a more sustainable world, we constantly seek a balance between resource use, efficiency, and respect for the environment. Since day one of Falconi, our mission has always been to drive organizations to achieve their goals responsibly, valuing each individual, and contributing positively to society.

Throughout this report, we share our efforts, achievements and lessons learned so far. We demonstrate our commitment to adopting increasingly sustainable practices at all stages of our operations, from choosing partners aligned with our values to carrying out projects with our clients, always aiming to generate value for society.

We understand that sustainable success goes beyond financial metrics. It is also measured by how we impact lives and communities – inside and outside the consultancy firm. We value our team, promote an inclusive and healthy environment, where every voice is heard and every talent is nurtured, as we believe that it is the people who drive innovation and sustainable growth.

Looking to the future means embracing change with courage, facing challenges as opportunities, and constantly evolving. Therefore, we are committed to continue improving our practices, seeking more efficient and sustainable solutions, and expanding our efforts to generate positive impacts beyond the borders of our company.

More than a record of our past actions, this report is a map that will guide us toward the tomorrow we desire. A future in which management, technology and care for people go hand in hand and every step taken is a reflection of the commitment to sustainability and the generations to come.

Because of the relationship of trust we have with our clients, the engagement of our team to contribute to a better world and the work we have done to grow hundreds of organizations, we believe that this is the path that will lead us to a better future for all. Let's move forward together, with vision, dedication and empathy, to build the future we want: brighter, more efficient, more human!

GRI

Summary

GRI CONTENT SUMMARY

Standard	Content	Chapter	Page (s)
GENERAL DISCLOSURES			
The organization and its reporting practices			
GRI 2: General Contents 2021 - The organization and its reporting practices	2-1: Organization Details	Ch 1. OUR ESSENCE / About Us	7
	2-2: Entities included in the organization's sustainability report	Ch 1. OUR ESSENCE / Business / Our Brands Governance / Organizational structure	16, 20, 22
	2-3: Reporting period, frequency and point of contact	PRESENTATION	3
Activities and workers			
GRI 2: General Contents 2021 - Activities and workers	2-6: Activities, value chain and other business relationships	Ch 1. OUR ESSENCE / Business	16
	2-7: Employees	Ch 1. OUR ESSENCE / Falconi Team	37
	2-8: Workers who are not employees	Ch 1. OUR ESSENCE / Falconi Team	37
Governance			
GRI 2: General Contents 2021 - Governance	2-9: Governance structure and its composition	Ch 1. OUR ESSENCE / Governance / Organizational structure	22
	2-10: Appointment and selection to the highest governance board	Ch 1. OUR ESSENCE / Governance / Organizational structure	22
	2-11: President of the highest governance board	Ch 1. OUR ESSENCE / Governance / Organizational structure	22
	2-12: Role played by the highest governance board in supervising impact management	Ch 1. OUR ESSENCE / About Us / Nossa Identidade, Nossa Cultura Governance / Organizational structure	7, 9, 22
	2-13: Delegation of responsibility for impact management	Ch 2. OUR AGENDA / Sustainability Management	41, 42
	2-15: Interest conflicts	Ch 1. OUR ESSENCE / Governance / Organizational structure Ch 2. OUR AGENDA / Sustainability Management / Sustainability Agenda	22, 42
	2-16: Communicating Crucial Concerns	Ch 1. OUR ESSENCE / Governance / Organizational structure	22
	2-20: Process for determining remuneration	Ch 2. OUR AGENDA / People Development / Employee Journey	64, 65
	2-21: Proportion of total annual remuneration	Ch 2. OUR AGENDA / People Development / Employee Journey	64, 65

Standard	Content	Chapter	Page (s)
Strategy, policies and practices			
GRI 2: General Contents 2021 - Strategy, policies and practices	2-22: Declaration on sustainable development strategy	MESSAGE FROM THE CEO	4
	2-23: Policy commitments	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance	22, 28
	2-24: Incorporation of policy commitments	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance	22, 28
	2-25: Processes to repair negative impacts	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance Ch 2. OUR AGENDA / Sustainability Management / Sustainability Agenda People Development / Employee Journey	22, 28, 42, 43, 64, 65
	2-26: Mechanisms for counseling and raising concerns	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance	22, 28, 42
	2-27: Compliance with laws and regulations	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance Data Security	22, 28, 34
	2-28: Participation in associations	Ch 2. OUR AGENDA / Sustainability Management / Sustainability Agenda	42, 43
Stakeholder Engagement			
GRI 2: General Contents 2021 - Stakeholder Engagement	2-29: Approach to stakeholder engagement	Ch 1. OUR ESSENCE / Materiality Ch 2. OUR AGENDA / Sustainability Management / Relationship with <i>Stakeholders</i>	11, 42, 62
MATERIAL THEMES			
Approach to material themes			
GRI 3: Material Themes 2021	3-1: Process of defining material themes	Ch 1. OUR ESSENCE / Materiality	11
	3-2: List of material themes	Ch 1. OUR ESSENCE / Materiality	11
	3-3: Management of material themes	Ch 1. OUR ESSENCE / Materiality Ethics, Integrity, and Compliance Data Security Falconi Team Ch 2. OUR AGENDA / Sustainability Management / Social Performance People Development Diversity, Equity & Inclusion Health and Wellness Environmental Performance Ch 3. OUR IMPACT / Falconi ESG Platform ESG&P Impacts of Our Clients	11, 28, 34, 37, 42, 51, 64, 70, 76, 80, 85, 86

Standard	Content	Chapter	Page (s)
THEMATIC CONTENT			
Fight against corruption			
GRI 205: Fight against corruption 2016	205-3: Confirmed cases of corruption and measures taken	Ch 1. OUR ESSENCE / Governance / Ethics, Integrity, and Compliance	22, 28
ENVIRONMENTAL			
Emissions			
GRI 305: Emissions 2016	305-1: Direct emissions (Scope 1) of greenhouse gases (GHG)	Ch 2. OUR AGENDA / Environmental Performance	80
	305-2: Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	Ch 2. OUR AGENDA / Environmental Performance	80
	305-3: Other indirect emissions (Scope 3) of greenhouse gases (GHG)	Ch 2. OUR AGENDA / Environmental Performance	80
	305-4: Intensity of greenhouse gas (GHG) emissions	Ch 2. OUR AGENDA / Environmental Performance	80
SOCIAL			
Job			
GRI 401: Job 2016	401-1: New hires and employee turnover	Ch 1. OUR ESSENCE / Falconi Team	37
	401-2: Benefits offered to employees	Ch 2. OUR AGENDA / Diversity, Equity & Inclusion Health and Wellness / Health and Safety Management	70, 76
Health and safety at Work			
GRI 403: Health and safety at Work 2018	403-1: Occupational health and safety management system	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management	70, 76
	403-2: Hazard identification, risk assessment and incident investigation	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management	70, 76
	403-3: Occupational health services	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management	70, 76
	403-4: Participation of workers, consultation and communication to workers regarding health and safety at work	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management	70, 76
	403-6: Promotion of Occupational Health	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management Bem Viver [wellness] Program	70, 76
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Ch 2. OUR AGENDA / Health and Wellness / Health and Safety Management	70, 76

Standard	Content	Chapter	Page (s)
Training and education			
GRI 404: Training and education	404-1: Average hours of training per year per employee	Ch 2. OUR AGENDA / People Development / Development, Learning and Training	64, 69
	404-2: Programs to improve employee skills and assist with career transition	Ch 2. OUR AGENDA / People Development / Development, Learning and Training	64, 69
	404-3: Programs to improve employee skills and assist with career transition	Ch 2. OUR AGENDA / People Development / Employee Journey	64, 65
Diversity and Equal Opportunities			
GRI 405: Diversity and Equal Opportunities 2016	405-1: Diversity of governance bodies and employees	Ch 1. OUR ESSENCE / Falconi Team	37
Comunidades Locais			
GRI 413: Local Communities 2016	413-1: Operations with engagement, impact assessments and development programs aimed at the local community	Ch 2. OUR AGENDA / Sustainability Management / Social Performance	42, 80
Customer Privacy			
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints regarding breach of privacy and loss of customer data	Ch 1. OUR ESSENCE / Data Security	34

Falconi's 2023 Sustainability Report / Base year 2022

General Coordination

Falconi's Sustainable Development Team

Support

Falconi Marketing

ESG / GRI Consulting

Raiz Forte Comunicação

Graphic Design, Writing and Layout

Raiz Forte Comunicação

Photography and Images

Falconi's Image

Bank Archive

Questions, comments and other information about the Report can be sent to the e-mail desenvolvimentosustentavel@falconi.com

GRI 2-3

Falconi