

# ORIZON

Sustainability  
Report  
**2022**



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## HIGHLIGHTS OF THE YEAR



ORIZON EXPANDED FROM 5 TO  
**13 ECOPARKS**  
in 2022, increasing its national activities  
from 3 to 8 Brazilian states



FOUNDING OF **BioE**  
a company responsible for  
biomethane and renewable energy  
generation projects



Orizon prevented the emission of  
**2.3 MILLION**  
TONS OF CARBON



Beginning of operations at the  
**BIGGEST  
MECHANIZED WASTE  
SORTING PLANT  
(MSP)** IN LATIN AMERICA,  
in Jaboatão dos Guararapes (PE),  
and incorporation of the Paulínia MSP



PRODUCTION OF  
**296,685 MWh**  
of renewable energy



The number of employees rose  
from 1,099 in 2021 to  
**1,979** IN 2022



PLANNING OF OUR  
**OWN  
INSTITUTE**  
for investments  
in the the Social dimension,  
with launch expected in 2023



Our potential to receive  
waste wrose to  
**12 MILLION**  
TONS



**R\$ 312.4  
million**  
OF PRO FORMA EBITDA, taking  
into consideration the sale of  
carbon credits



**BEST ESG**  
IN THE SANITATION  
AND ENVIRONMENT  
CATEGORIES OF “EXAME”  
MAGAZINE, one of the leading  
awards in the sector

## A MESSAGE FROM THE CEO

GRI 2-22

### **2022 was historic and transformative, principally due to Orizon reaching new heights.**

By consolidating our renewables platform, we have strengthened our strategy, focused on increasing our number of ecoparks and maximizing the value of the waste through the use of new technologies.

With the new acquisitions, we increased our number of ecoparks from five to 13 in eight Brazilian states, increasing our capillarity and moving into strategic states such as São Paulo, Sergipe, Alagoas, Goiás and Mato Grosso. We doubled in size and almost tripled the potential volume of waste received.

The inauguration of our first Mechanized Sorting Plant for recyclables, in Jaboatão dos Guararapes (PE), the biggest in Latin America, was another source of pride in 2022, that can be added to the incorporation of a second similar plant in Paulínia (SP).

In 2022, we also took our first steps in the manufacture of biomethane using biogas, with the launch of BioE, a company within the group that will have received investments of R\$ 1.2 billion by 2025/2024 and will add to the production of biomethane already under way in Paulínia, expanding this line of business to ten more units in Brazil. The founding of this company is essential since this product is in short supply in the country and the industrial sector is desperate for change and diversification in the energy matrix. BioE should provide us with an additional Ebitda of R\$ 550 million per year.



***WE TOOK OUR FIRST STEPS  
IN THE MANUFACTURE OF  
BIOMETHANE USING BIOGAS  
WITH THE LAUNCH OF BioE, A  
COMPANY WITHIN THE GROUP  
THAT WILL HAVE RECEIVED  
INVESTMENTS IN THE ORDER  
OF R\$ 1.2 BILLION***



**MILTON PILÃO JÚNIOR**  
CEO OF ORIZON



In the financial area, the Company's pro-forma Ebitda broke all records, hitting R\$ 312.5 million, a growth of 76% in relation to 2021, surpassing all our expectations. We also achieved a record Net Operating Revenue, including pro-forma carbon credits of R\$ 720 million, a growth of 65% on the previous year. This financial solidity was recognized by the S&P risk classification agency, which raised OrizonVR's rating to AA+(bra) on the national scale.

Our operations prioritize best ESG practices and we have continued to evolve on environmental, social and governance issues. Our governance improved with the standardization of actions and advances in the mapping of risks that have strengthened ethics as a non-negotiable pillar.

In the environmental area, as well as contributing to the correct treatment and final disposal of waste, we generated 2.3 million tons of carbon credit, the equivalent of taking one million cars off the roads. We produced 296,685 MWh of renewable energy, capable of meeting the consumption needs of more than 500,000 individuals per year, and produced an average of one million Nm<sup>3</sup>/day in biogas, the equivalent of substituting 170 million liters of diesel.

In 2022, we continued with our investment initiatives in local communities and, amongst the numerous success stories, we realized a long-held dream - an institute founded by Orizon. It is through this Institute that we have begun to centralize our actions and verticalize our good initiatives throughout all the units.

We have also been working hard to connect all our employees and engage them in a single culture, one that is being constructed based upon the premise that people are our most important asset. We are fully aware that our employees were fundamental to enabling all that we have delivered by executing the Company's strategic planning, demonstrating the strength of our culture and management notable for its focus on operational efficiency, integration and the constant desire to satisfy our clients.



***ORIZON WILL NOT STOP. WE WILL CONTINUE WORKING TO DELIVER TO OUR CLIENTS A RANGE OF SUSTAINABLE PRODUCTS AND SERVICES THAT MINIMIZE THEIR ENVIRONMENTAL IMPACT, REDUCE THEIR CARBON EMISSIONS AND HELP THEM FUL LL THEIR SUSTAINABILITY TARGETS.***

And Orizon will not stop. We will continue working to deliver to our clients a range of sustainable products and services that minimize their environmental impact, reduce their carbon emissions and help them fulfill their sustainability targets.

We see an horizon full of opportunities and have already started 2023 by adding new assets and with the aim of continuing to grow organically. Our business is complete, providing profitability for all our stakeholders, from shareholders to employees, however, more than this, it is essential for people and for the environment. Society needs our waste solutions, and we are prepared to face this challenge, investing in innovation and new business.

**MILTON PILÃO JÚNIOR**  
CEO OF ORIZON



# ABOUT THE REPORT

GRI 2-3

Clearly expanding across Brazil, having doubled in size in relation to 2021, but with the same pillars of sustainability that have always supported the Company, Orizon Valorização de Resíduos is publishing its Sustainability Report for the third consecutive year. The report shows how the environmental, social and governance strategies are incorporated into the strategy.

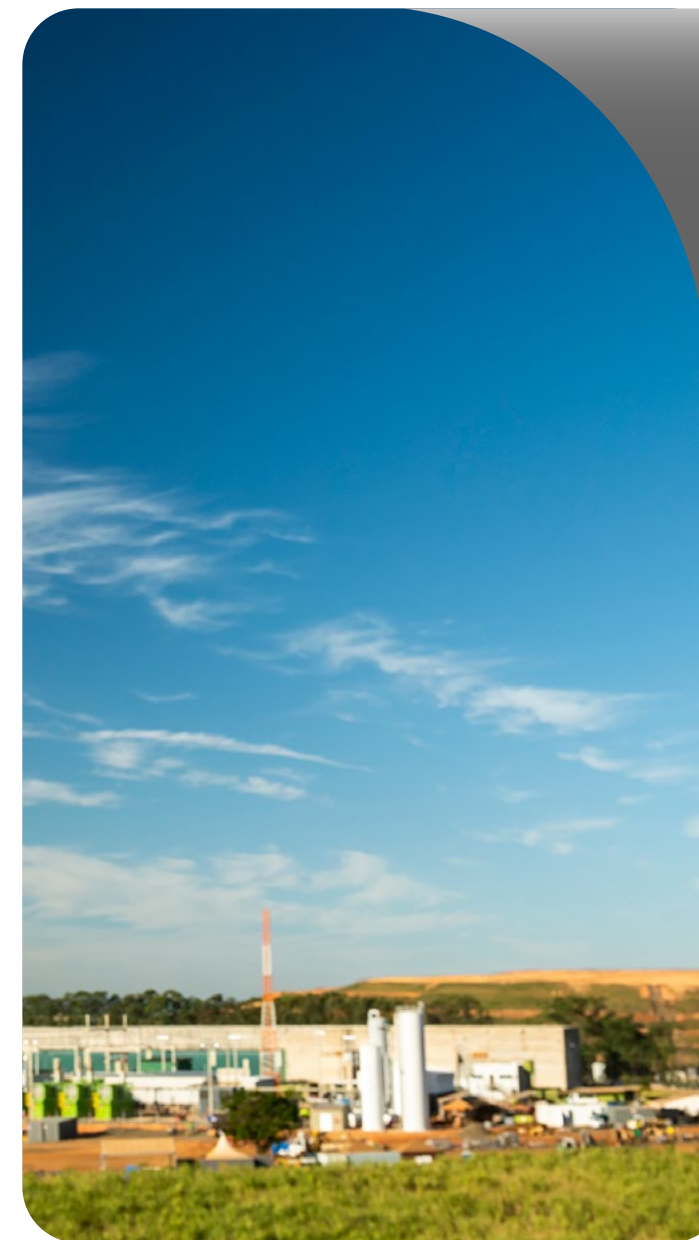
The content highlights the issues that are of most importance to Orizon and its stakeholders, in line with its new materiality matrix. It involves operational and quantitative disclosures covering the period from January 1 to December 31, 2022, in relation to both the Global Reporting Initiative (GRI) and the Task Force on Climate Related Financial Disclosures (TCFD). The report is also grounded in the best reporting practices set out by the International Integrated Reporting Council (IIRC).

The source for the financial information was the Consolidated Financial Statements (FS), developed in accordance with standard Brazilian accounting practices and international accounting reporting standards for individual and consolidated financial statements. The financial statements were audited by Ernst & Young Auditores Independentes S.S. Ltda.



## READ MORE

Doubts, suggestions and requests for more information can be sent to [sustentabilidade@orizonvr.com.br](mailto:sustentabilidade@orizonvr.com.br)





# MATERIALITY

GRI 2-29, 3-1, 3-2

Aligned with best market practices, Orizon established a new materiality matrix in 2022 to highlight the topics of greatest impact on the business from an environmental, social and governance perspective. Developed in accordance with the GRI Standards, as was the previous matrix, the process involved in drafting the new matrix process was divided into four distinct stages: identification, prioritization, analysis and approval. This time, however, it has adopted the **concept of double materiality**, a more modern methodology that is based in three dimensions:



## DIMENSION X - FINANCIAL MATERIALITY

This engages senior management, financial analysts, banks and investors, addressing the likelihood and magnitude of risks and financial impacts.



## DIMENSION Y - MATERIALITY OF THE SOCIO-ENVIRONMENTAL IMPACT

This presents the main socio-environmental impacts of the business in relation to their importance (minimal, low, average, high or very high) and scope (direct, indirect or partial). In this area, internal and external socio-environmental specialists are engaged and guided by a consultancy specializing in strategy and sustainability, in this case, rpt.e.



## DIMENSION Z - PERCEPTION OF IMPORTANCE

A complementary dimension in the process, this provides the business' stakeholders with a list of the topics listed in the identification stage of the process, allowing them all to inform the Company of their opinion on each one.

# THE PROCESS STEP-BY-STEP

## 1 Identification stage

In the **identification** stage, we mapped out the following internal and external publics which could have an impact on the Company:

- Banks, financial analysts and investors
- Private clients
- Public clients
- Employees
- Neighboring communities and cooperatives
- Socio-environmental specialists
- Suppliers and service providers
- Supervisory and regulatory organs

It is also as a part of this phase that, based upon internal documents, our bylaws and IR reports, amongst others, as well as benchmarking and market research, that we aim to identify the initial topics that can be used in our discussions with our stakeholders. In the case of Orizon, 20 topics were listed, which are presented on the right, and grouped under their most relevant ESG aspect:



## SOCIAL

- Respect for human rights
- Attraction, development and retention of employees
- Diversity, inclusion and equity
- Health and welfare
- Safety and emergency management
- Local development
- Inclusion of waste collectors and cooperatives



## ENVIRONMENTAL

- Biodiversity and ecosystems
- Energy efficiency
- Climate strategy
- Air quality
- Management of water and effluents
- Management and best use of waste and tailings



## GOVERNANCE

- Ethics, integrity and compliance
- Supply chain management
- Transparency and relationship with the priority publics
- Innovation and resilience of the business
- Privacy and data security
- Quality and safety of products or services
- Government relations, regulators and advocacy



2

Prioritization stage

The collection of the stakeholders' understandings of each topic takes place in the **prioritization** stage. In this phase, **448 responses** were obtained from the publics consulted across the three dimensions:

Three interviews and 8 online consultations with Orizon's senior management

19 responses from banks, financial analysts and investors in Dimension X

Three interviews and 19 online consultations with specialists in Dimension Y

To understand the relevance, meanwhile, we consulted:



**8 public** clients and  
**128 private** clients



**5 supervisory** organs



**82 suppliers** and service providers



**7 neighboring communities** and cooperatives



**218 company** employees

3

Analysis stage




In the following stage, all the responses are crossed and included in a matrix for applied **analysis** according to the methodology, based upon response percentages and the relevance of each group, whilst also taking margins of error into account.

4

Approval stage

In the final stage - that of **approval** - the developed matrix is presented to the Board of Directors which, in line with their experience and the company's strategy, is able to make alterations to the results. In the case of Orizon's matrix, the senior management decided to include the topics of Health and Wellbeing and Energy Efficiency in the materiality, without excluding any of the topics highlighted by the study as being of importance. This process having been undertaken, Orizon's new materiality matrix now includes ten topics, four of which are related to environmental aspects (the core of the Company), four to social aspects and two to governance aspects.


PRIORITY MATERIAL TOPICS DEFINED FOR ORIZON GRI 3-2

ESG	Material topics	Definition
 Environmental	Management and best use of waste and tailings	Solidity of the management systems, reduction and value recovery of waste. Strengthening of the recycling chain, carbon credit market, energy transformation (WtE), generation of renewable energy and gas, and the proper disposal of urban solid waste and hazardous waste, amongst others.
	Biodiversity and ecosystems	Protection, conservation, restoration and regeneration of the biodiversity and ecosystems, including risks of contamination and mitigation of impacts, of natural resources, local flora and fauna related to the licensing, operation, closure and expansion of new landfills.
	Climate Strategy	Identification and management of the risks and opportunities linked to climate change which could impact on the business model, including laws, regulations, carbon credits, commitments, targets and climate governance. Emission of greenhouse gases in the operation, transportation and value chain.
	Energy Efficiency	Prioritization in the use and production of renewable energy, reduction and optimization of energy consumption in the operation and transportation.
 Social	Attraction, development and retention of employees	Attraction and retaining of talents strengthening of the culture, structuring of employees' career plans, recognition, remuneration, benefits, engagement and training strategies to reduce turnover.
	Local development	Strengthening of channels of dialog and communication involving interaction with communities and management, and mitigation of impacts, development of environmental education actions and support for local development, environmental justice and comprehensive socioeconomic inclusion.
	Health and welfare	Guaranteeing the wellbeing and health of the worker through management of the organizational environment, whilst caring for the mental and physical health of the employees and their families.
	Safety and emergency management	Prevention and mitigation of incidents, including after closure, involving emergency and contingency plans. Existence of protocols and processes that ensure safe operations and identify and mitigate risks of contamination, which may involve air polluting particles and effluents. Engagement for a safe culture within the organization.
 Governance	Ethics, integrity and compliance	Accounting transparency, compliance with regulations, laws and anti-corruption practices, and promotion of the code of conduct and ethical attributes in the organizational processes, and combating of anticompetitive and bribery practices in the public and private spheres.
	Transparency and relationship with priority publics	Promotion of transparency in relations, and communication and engagement with the different target publics.



## COMMITMENT TO THE GLOBAL COMPACT


In 2022, Orizon reaffirmed its commitment as a signatory to the UN's Global Compact, pledging to pursue the 10 universal principles listed below:



**HUMAN RIGHTS**

1) Companies should support and respect internationally recognized human rights.

2) They should ensure their non-participation in any violation of these rights.




**LABOR**

3) Companies should support freedom of association and recognize the right to collective bargaining.

4) The elimination of all forms of forced or compulsory labor.

5) The effective abolition of child labor.

6) The elimination of discrimination at work.




**ENVIRONMENT**

7) Companies should support a preventive approach to environmental challenges.

8) Develop initiatives providing greater environmental responsibility.

9) Encourage the development and dissemination of environmentally friendly technologies.



**ANTI-CORRUPTION**

10) Companies should combat corruption in all its forms, including extortion and bribery.

## PRIORITY SDGS

The priority Sustainable Development Goals were also redefined. Of the United Nations' 17 SDGs, the Company has prioritized eight as being most aligned with its strategy and business:

3

GOOD HEALTH AND WELL-BEING



6

CLEAN WATER AND SANITATION



7

AFFORDABLE AND CLEAN ENERGY



8

DECENT WORK AND ECONOMIC GROWTH



9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



11

SUSTAINABLE CITIES AND COMMUNITIES



12

RESPONSIBLE CONSUMPTION AND PRODUCTION



13

CLIMATE ACTION



# ABOUT US



A COMPANY THAT WAS BORN  
WITH SUSTAINABILITY IN ITS DNA,  
TRANSFORMING WASTE INTO RAW  
MATERIALS AND RENEWABLE ENERGY.



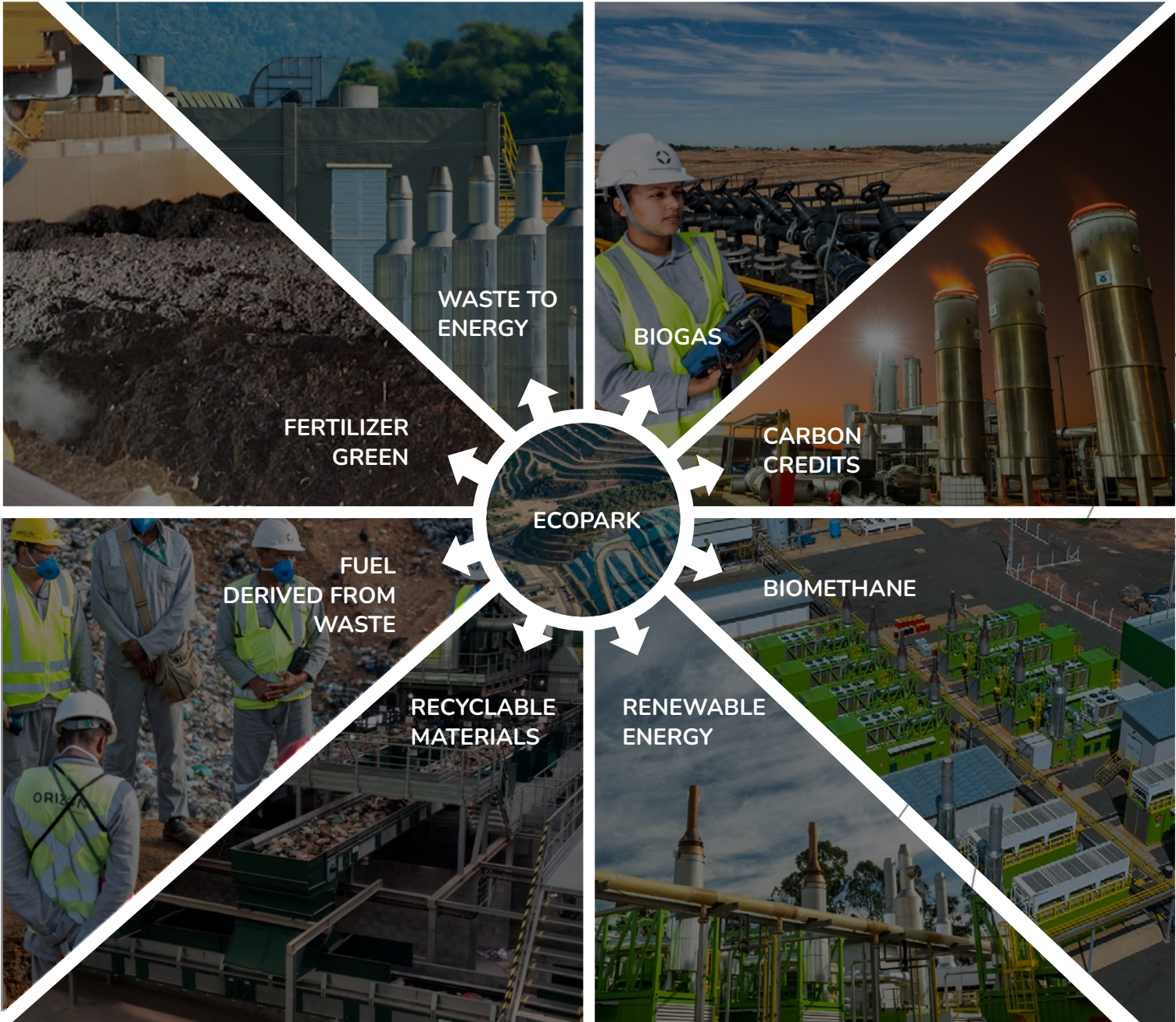
# ABOUT US

## ORIZON GRI 2-1, 2-6

At the forefront of the country’s urban sustainability agenda and with operations in eight states in the form of 13 ecoparks, OrizonVR was born with ESG in its DNA. Its lines of business optimize the circular economy, with the correct final disposal of solid waste. The Company transforms biogas (which is naturally created out of the decomposition of the waste it receives at its ecoparks) into bio-methane and renewable energy. As well as these products, the company also sorts recyclable materials, which can then be reintroduced to the industrial production chain, and it is also one of the country’s leading carbon credit generators.

In 2021, it became a Publicly Traded Joint Stock Corporation, with an Initial Public Offering (IPO) of shares on the B3. At that point, the Company started its expansion plan.

The Company is responsible for the Novagerar Landfill Gas Project, the first sanitary landfill project in the world to generate and trade carbon credits by means of the UN’s Clean Development Mechanism (CDM). The Company is one of the biggest credit generators in the country. Through this line of business, the company contributes to the equivalent of 16 million trees being planted every year or around one million cars being taken off the roads.





# NATIONAL PRESENCE GRI 2-1, 2-6

In 2022, the number of Orizon’s ecoparks rose from five to 13, meaning it almost tripled the volume of waste it now manages. Its operations, which were concentrated in the states of Rio de Janeiro, Pernambuco and Paraíba, expanded to include important states such as São Paulo, Sergipe, Alagoas, Mato Grosso and Goiás.

This expansion was made possible by the purchase and incorporation, in 2022, of the landfill assets belonging to Estre Ambiental. This means that Orizon now has three Ecoparks in São Paulo, in the cities of Paulínia, Tremembé and Itapevi. It has also started operating in Alagoas and Sergipe.

Orizon moved into Mato Grosso state through the purchase of a sanitary landfill in the city of Várzea Grande, in the metropolitan region of Cuiabá. Orizon invested approximately R\$ 70 million in the acquisition and improvements to transform it into the Pantanal Ecopark.

With a significant rise in the number of units, Orizon has guaranteed the raw-material necessary to expand its lines of business: generation of biogas, biomethane, renewable energy, carbon credits, manufacture of fuel derived from waste and recovery of recyclables.

The geographical expansion of Orizon’s operations has also helped us to be able to shutdown the activities of two open dumps, known as ‘lixões’ in Portuguese, in the regions of Várzea Grande and Cuiabá, thus stopping

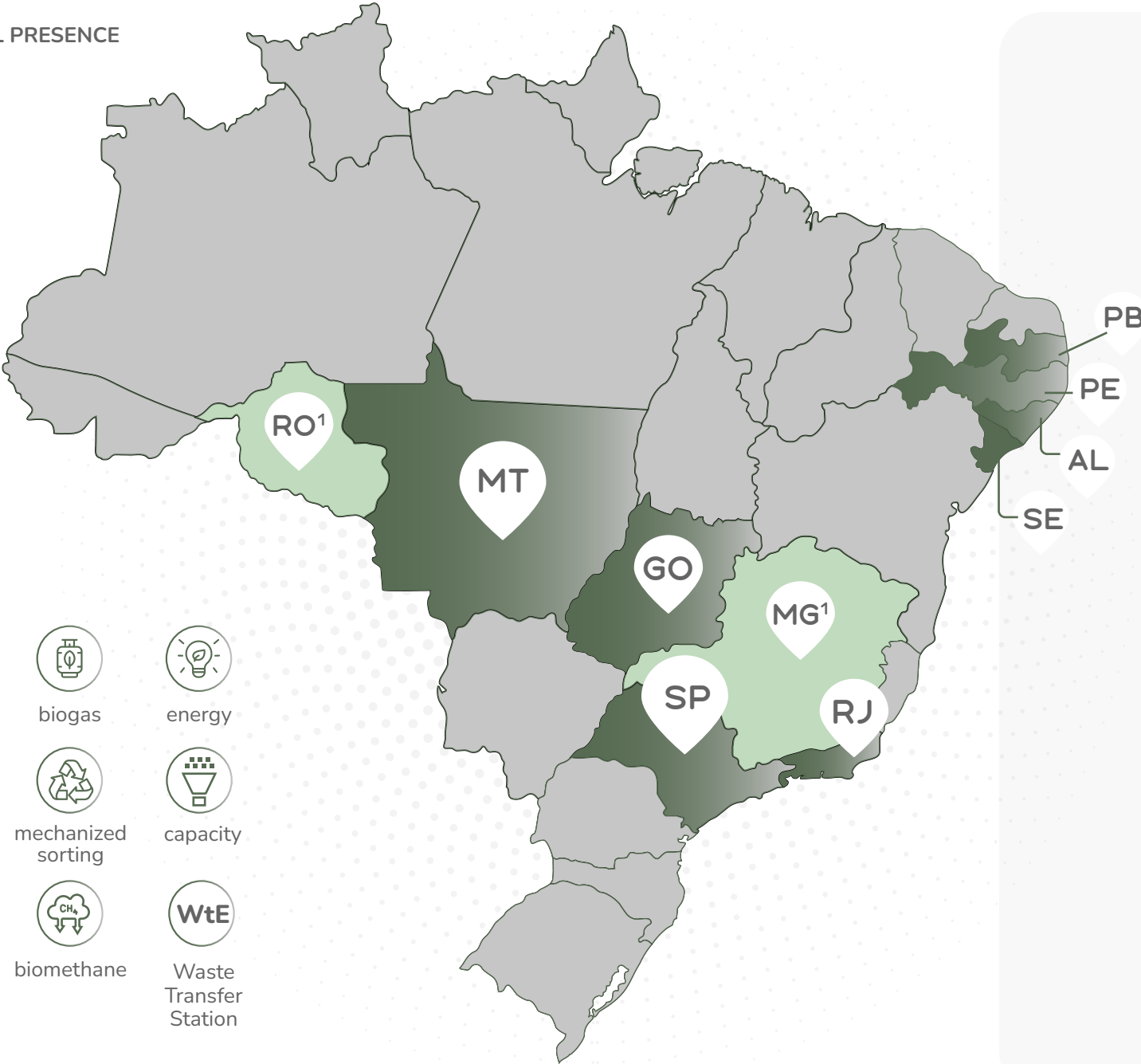
the incorrect disposal of many tons of waste in the Center-West region of the country, which are now being treated at the Pantanal Ecopark. Another point of note is that the Belford Roxo plant which performed the incineration process, was shut down in 2022 since it no longer fitted with the Company's line of business.



**WITH THE SIGNIFICANT INCREASE IN THE NUMBER OF PLANTS, ORIZON IS ENSURING RAW-MATERIALS TO EXPAND ALL ITS LINES OF BUSINESS**



NATIONAL PRESENCE



KEY



waste



biogas



energy



carbon credit



mechanized sorting



capacity



reverse manufacturing of electronics



biomethane



Waste Transfer Station



SÃO PAULO - Orizon's Head offices

3 ecoparks, 1 WtE and 1 processing unit

Itapevi   

Paulínia     

Tremembé    

Sorocaba  

Barueri WtE - under construction

RIO DE JANEIRO


4 ecoparks, 1 WtE and 2 processing units

Barra Mansa   

Nova Iguaçu    

São Gonçalo    

Itaboraí 

Duque de Caxias WtE - private plant 

Magé 

Volta Redonda 

GOIÁS

1 ecopark

Aparecida de Goiânia 

MATO GROSSO

1 ecopark

Pantanal 

PARAÍBA

1 ecopark

João Pessoa    

PERNAMBUCO

1 ecopark

Jaboatão     


ALAGOAS

1 ecopark

Maceió 

SERGIPE

1 ecopark and 1 WtE

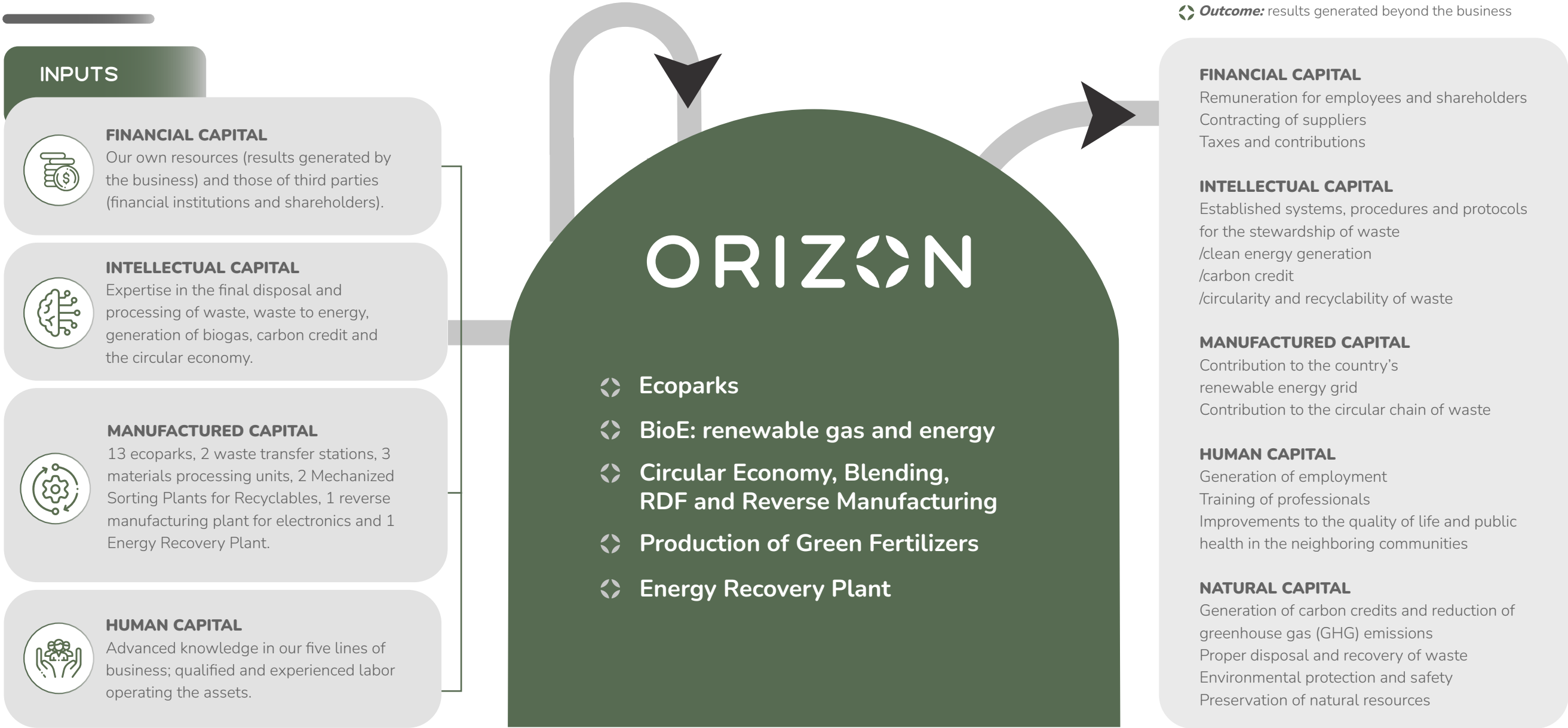
Rosário do Catete 

WtE Sergipe 

<sup>1</sup> Through until the close of this Report, two new units had been acquired: Porto Velho (RO) and Santa Luzia (MG)



# BUSINESS MODEL



# NATURAL CAPITAL



WE PROMOTE THE CIRCULAR ECONOMY,  
GENERATE RENEWABLE ENERGY AND  
ACCELERATE THE LOW-CARBON ECONOMY.

# MANAGEMENT OF WASTE

GRI 3-3: Management and best use of waste and tailings



The Brazilian Sanitation Framework, a law sanctioned in July 2020, established that, by 2024, all open dumps in the country must have been shutdown. In 2022, there were still 2,448 open dumps in operation, causing enormous damage to the environment due to their lack of infrastructure and failure to treat waste correctly. The expansion of Orizon in 2022 has been in compliance with Brazilian legislation contributing to waste ceasing to be a problem, transforming and optimizing different lines of business.

The Brazilian scenario demonstrates that there is enormous growth potential in the company’s area of operation. The volume of waste generated by the Brazilian public is calculated at approximately 82 million tons per year, according to data published by the Ministry of the Environment in October 2022. Every Brazilian generates, on average, around one kilo of urban solid waste per day.

The Company works with firm protocols, in compliance with current environmental legislation and is always innovating to develop new products based upon what is generally referred to as garbage. By doing so, it is creating solutions for companies and the government, whilst also protecting ecosystems and public health. This is why the company does not stop diversifying and, in 2022, began activities at two Mechanized Sorting Plants, created the BioE company for the generation of biogas and clean energy, and increased its number of ecoparks through acquisitions.

## ORIZON'S ECOPARKS

An ecopark is made up of a group of structures and equipment which, together, offer technological solutions for the correct treatment and final disposal of solid waste. The composition of the waste, mainly due to its origin, is extremely diverse, requiring the use of specific disposal techniques, applied in accordance with the hierarchy established in the National Solid Waste Policy (PNRS).

All of Orizon’s units have been licensed based upon environmental impact assessment studies. These studies vary in complexity depending upon the size of the business and type of activity. However, they allow for the mapping of all the unit's possible negative impacts and the mitigating measures adopted for each item identified as such.

Based upon this, the relevant environmental organs issue the environmental license setting out conditions that define the limits and procedures in accordance with the legislation. Or in other words, targets and commitments are established that are to be checked by means of specific environmental monitoring programs that result in periodic reports which are submitted to the environmental organ for analysis. Failure to comply with these directives can lead to fines or even suspension of the activities, meaning the Company should, therefore, follow them closely during its operations and also following the termination of its activities.

The objective of the environmental monitoring programs is to obtain information that allows an evaluation of the possible influence the business activities have on different environments such as air, water, earth, fauna



IN 2022, ORIZON STARTED THE ACTIVITIES OF TWO MECHANIZED SORTING PLANTS (MSPS) AND FOUNDED THE BIOE COMPANY FOR THE GENERATION OF RENEWABLE GAS AND ENERGY





and vegetation, as well as those which are man-made. The monitoring of underground water is one of them. By means of wells distributed strategically around the business sites, samples of the water table are collected with the aim of understanding whether any type of alteration is caused by the activities. The quality of the surface waters of the bodies of water located near the ecoparks is also periodically monitored.

The geotechnical stability of the ground is also constantly monitored by tracking the movements of surface markers and pressures indicated by piezometers strategically inserted into the ground.

The environmental organs are periodically presented with environmental reports containing inventories of the waste received, with detailed itemization of its quantity, type and final disposal. The quality of the operational procedures is gauged every day, since the security of the geography and environmental safeguarding depend upon them.

Those ecoparks that do not have facilities for the on-site treatment of slurry send it for external treatment by licensed, specialist companies, following all the directives established by the relevant organs.



# LEARN ABOUT OUR ECOPARK

## Receipt of waste

The waste comes from public and private clients, and is weighed and defined according to the Waste Transportation Manifesto (MTR). At this stage, the waste is sent either to the MSP or to a landfill.

## Separation of recyclables at the MSP

The trucks carrying waste with recycling potential are sent to the Mechanized Sorting Plants (MSPs).

Non-recyclable waste

## Final disposal of waste

The waste that cannot be used at the MSP is sent to the sanitary landfill.

## Sealing the earth

Compacted waste

High-density, polyethylene, synthetic geomembrane

Layer of mechanical soil for protection

3 Collection of biogas

Slurry

Organic waste

MSP

Recyclable products that are to be reused

4

## Slurry Treatment Station

The slurry is treated and transformed into water for reuse.

Flare

## Transformation of biogas

Direct use of the biogas for generation of biomethane and/or electricity.

Biomethane plant

Renewable energy motogenerators

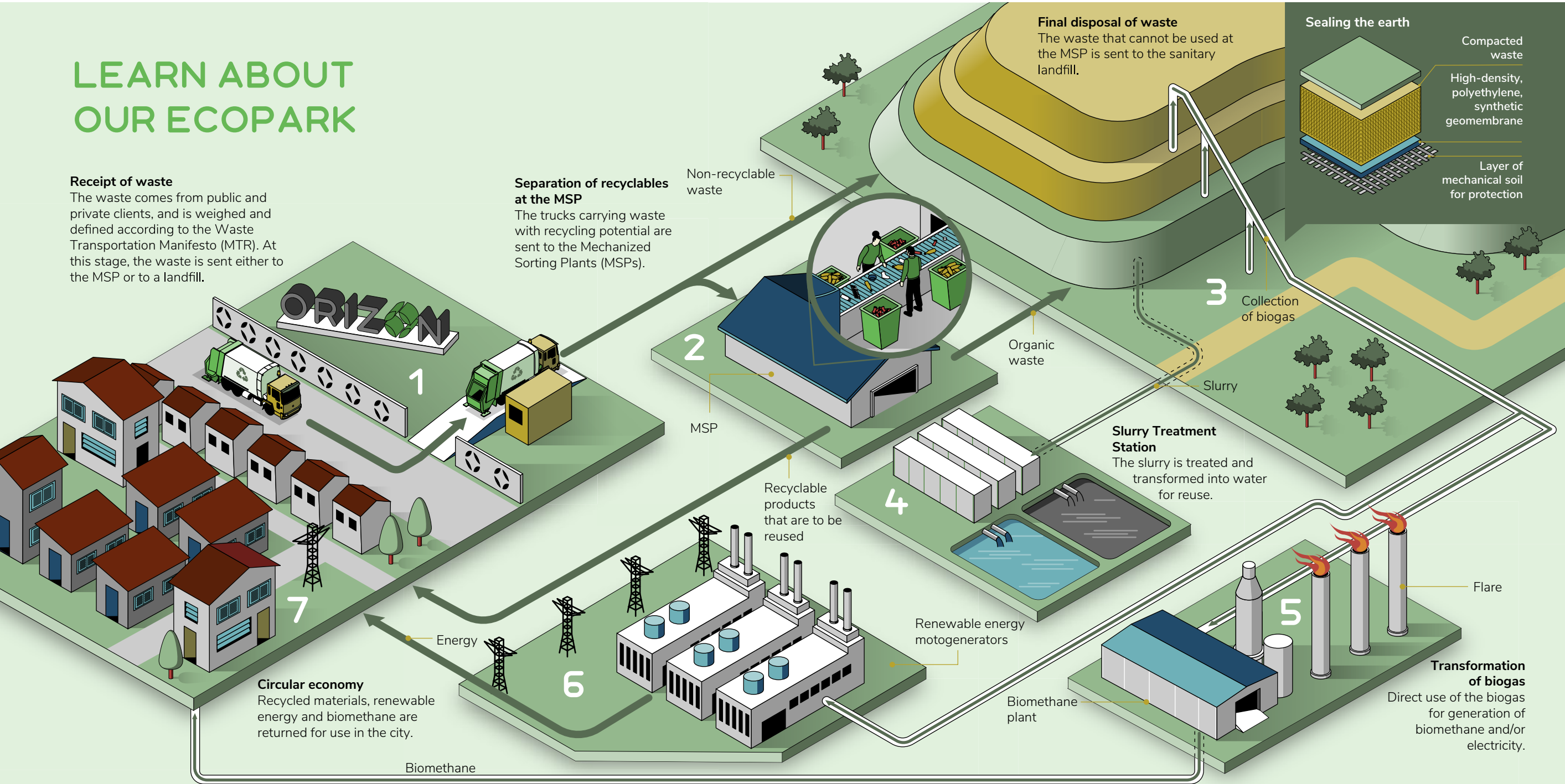
6

Energy

## Circular economy

Recycled materials, renewable energy and biomethane are returned for use in the city.

Biomethane



# BLENDING AND FUEL DERIVED FROM WASTE

In waste, Orizon sees a potential for generating an alternative fuel and providing sustainable solutions. As such, it also makes use of the waste arising from the manufacturing processes of large-scale industries. To meet this demand, the company has co-processing plants, where **Refuse Derived Fuel (RDF) or Hazardous Waste Derived Fuel (HWDF)** is generated by means of a blending process. In this process, the waste generated and discarded by industries, such as resins, glues, latex, tires, rubber, plastics, paints and solvents, is crushed and mixed to form a solid or liquid blend. The result is a mix with high calorific value that can be used as an alternative fuel for cement production furnaces.

With the two blending plants, located in **Magé (RJ)** and **Sorocaba (SP)**, Orizon has a 150,000 ton capacity.

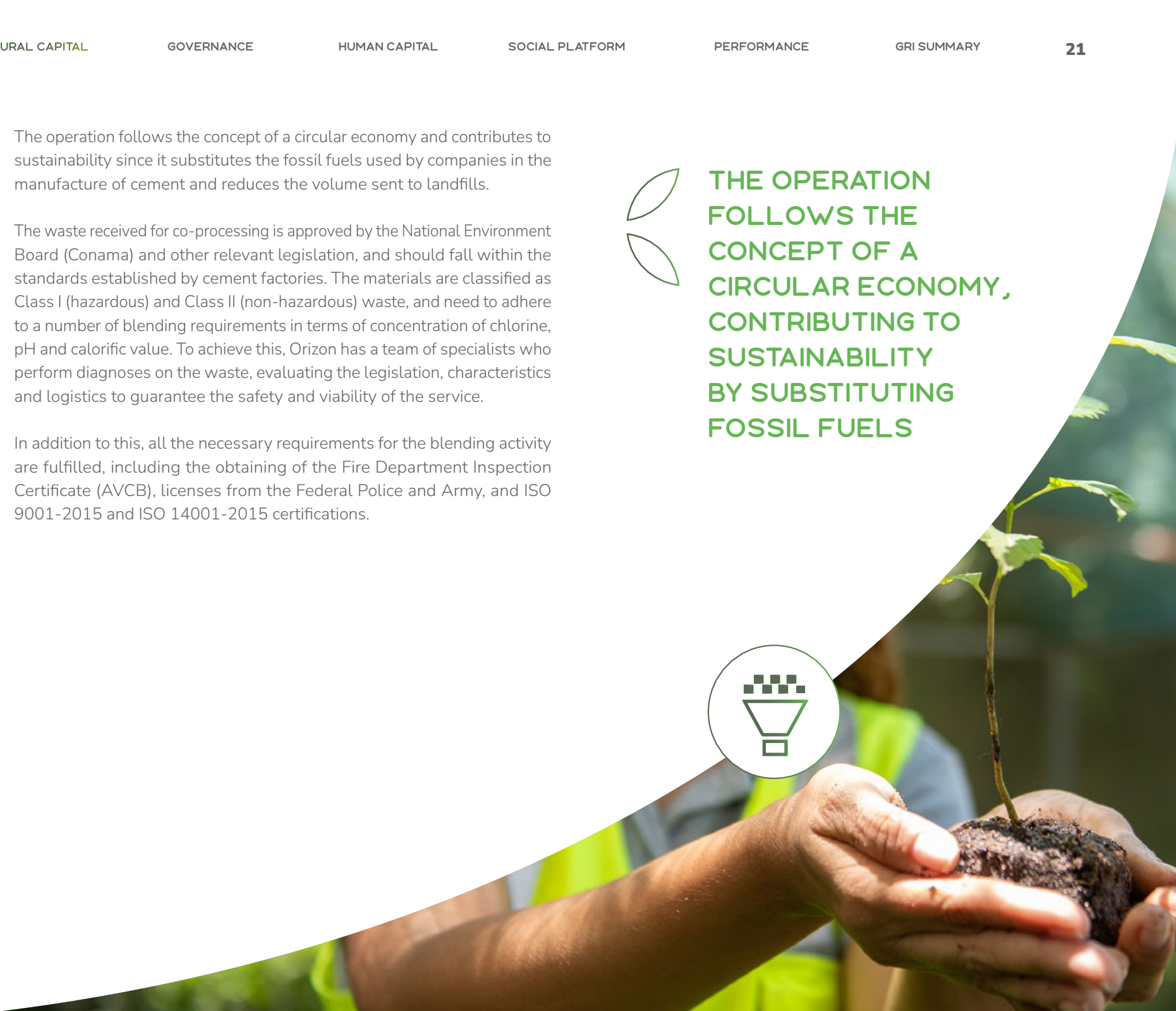
The operation follows the concept of a circular economy and contributes to sustainability since it substitutes the fossil fuels used by companies in the manufacture of cement and reduces the volume sent to landfills.

The waste received for co-processing is approved by the National Environment Board (Conama) and other relevant legislation, and should fall within the standards established by cement factories. The materials are classified as Class I (hazardous) and Class II (non-hazardous) waste, and need to adhere to a number of blending requirements in terms of concentration of chlorine, pH and calorific value. To achieve this, Orizon has a team of specialists who perform diagnoses on the waste, evaluating the legislation, characteristics and logistics to guarantee the safety and viability of the service.

In addition to this, all the necessary requirements for the blending activity are fulfilled, including the obtaining of the Fire Department Inspection Certificate (AVCB), licenses from the Federal Police and Army, and ISO 9001-2015 and ISO 14001-2015 certifications.



THE OPERATION  
FOLLOWS THE  
CONCEPT OF A  
CIRCULAR ECONOMY,  
CONTRIBUTING TO  
SUSTAINABILITY  
BY SUBSTITUTING  
FOSSIL FUELS





## MECHANIZED SORTING OF RECYCLABLES

For Orizon, there is nothing so important in the circular economy as separating and correctly disposing of recyclable materials. The company believes that the building of a green future is the result of the decisions that are taken now. The two Mechanized Solid Waste Sorting Plants (MSPs) in operation form an integral part of these decisions, separating recyclable products from the post-consumption waste, using international-standard technology.

By doing so, Orizon offers industry the possibility of inserting a 100% recycled product back into the production chain. The Company is responsible for the operation of two plants in: Jaboatão dos Guararapes (PE) and Paulínia (SP). Both formed part of the company's assets in 2022. Together, they separated 8,000 tons of recyclable materials in 2022.

The plants operate on three shifts six days per week. The Paulínia plant was incorporated with the purchase of Estre. Furthermore, Orizon has constructed the Jaboatão MSP to be the biggest in Latin America.



With investment of R\$ 77 million and 150 direct jobs, The Jaboatão de Guararapes MSP (PE) was constructed to be the biggest in Latin America, making it an international benchmark. With the capacity to process 500,000 tons of waste per year, the aim is maximize the reintroduction of material into the circular economy, be it through the production of recyclable material or green fuel to generate thermal energy.

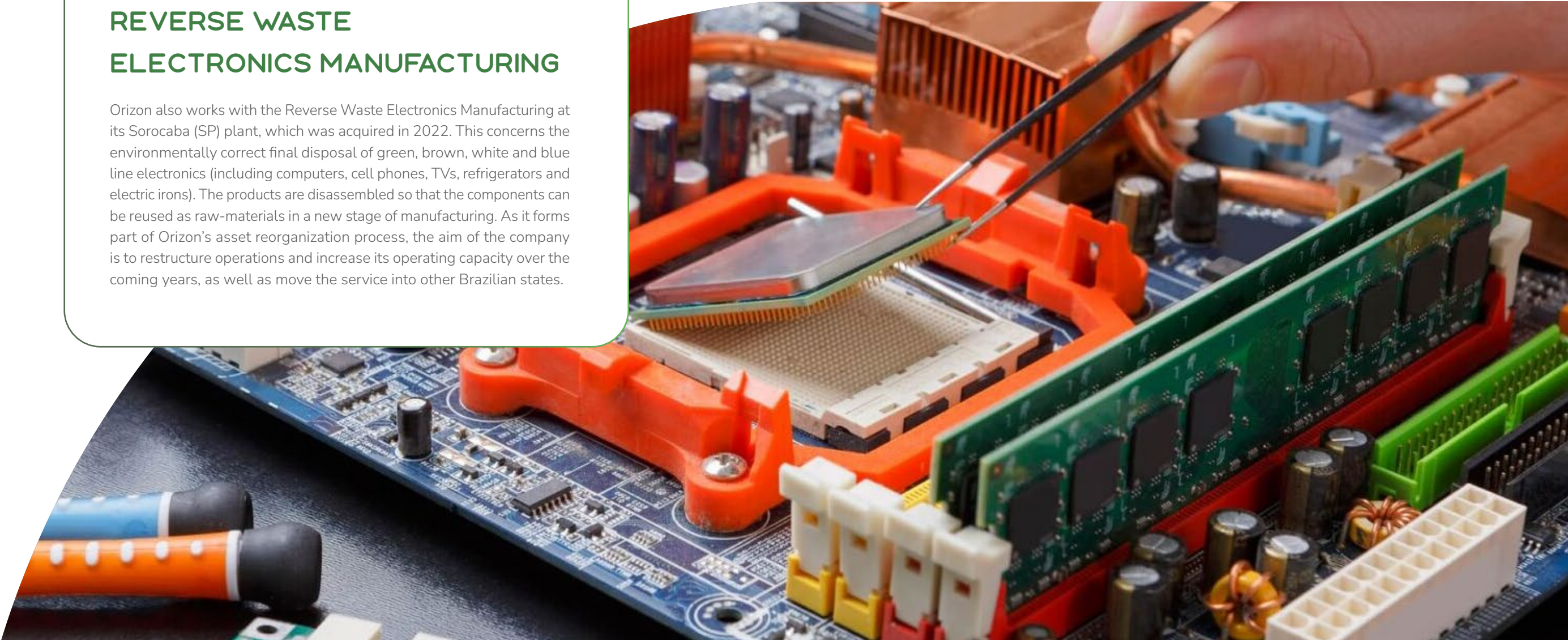






# REVERSE WASTE ELECTRONICS MANUFACTURING

Orizon also works with the Reverse Waste Electronics Manufacturing at its Sorocaba (SP) plant, which was acquired in 2022. This concerns the environmentally correct final disposal of green, brown, white and blue line electronics (including computers, cell phones, TVs, refrigerators and electric irons). The products are disassembled so that the components can be reused as raw-materials in a new stage of manufacturing. As it forms part of Orizon’s asset reorganization process, the aim of the company is to restructure operations and increase its operating capacity over the coming years, as well as move the service into other Brazilian states.







With the right technology, infrastructure and investment, it is possible to transform the sludge into organic compost - Organic Fertilizer - through a large-scale composting process.



## ORIZON TO PRODUCE ORGANIC FERTILIZER

Amongst the different types of waste that Orizon receives at the ecoparks, the sludge generated by waste treatment stations can also be transformed. Orizon plans to work on this front in the second half of 2023.

Orizon's first composting project is to be developed at the Paulínia Ecopark and will involve the treatment of sludge from the region's Waste Treatment Stations (WTSs) and from other industries, such as paper and aluminum. After undergoing the composting process, the material received will be transformed into organic fertilizer, which will be sold to agricultural producers. The composting space will be located in a 12,000m<sup>2</sup> industrial hangar and will initially be receiving around 3,000 tons of WTS sludge per month, material which is currently being disposed of in the Paulínia sanitary landfill.

In the second phase, the project will be expanded to receive 6,000 tons/month, and, indeed, a further expansion of the plant's capacity to receive sludge will be possible. The composting process will transform the sludge, mixed with wood chips and other materials such as the debris from tree trimming, into organic fertilizer, at a proportion of one ton of material received to approximately 0.4t of finished product.



# MANAGEMENT OF WASTE GENERATED AT THE PLANTS

GRI 306-1, 306-2

In order to manage the significant (real and potential) impacts in relation to the waste from its operation as a whole, Orizon monitors the entry, activity and exit of each type of waste sent to its units, having developed specific control processes for each case, as can be seen in the table below:

Entry	Activities	Exit
Motor oil Hydraulic oil	Motor, pump and hydraulic control lubricants	Replacement of these oils depending upon the length of time the equipment is in use The oil replaced is sent to recyclers
Slurry generated by the end activity	Treatment station for this slurry	Reuse water
Solid waste	Final disposal of solid waste	Production of biogas (sanitary landfills that do not have suction or biogas burning systems can potentially pollute the air, due to the methane not being destroyed)
Diesel oil	Fueling of machines and trucks	External treatment
Lubricant oils	For use in machines and trucks	Burnt oil

Orizon also supports a number of internal campaigns and projects at the plants with the aim of not generating any more unnecessary waste. Some examples of what is done:

- 

“Caneque-se” (“Your Own Mug”) campaign, aimed at avoiding the use of plastic cups at some units;
- 

Reuse of wood received at the landfill to provide fencing;
- 

Encouragement of a reduction in unnecessary printing;
- 

Reuse of clean rubble received at the landfills for the paving of access roads;
- 

Reverse logistics with toner and cartridge suppliers;
- 

Reuse of plastic and metal jerrycans as garbage cans (after decontamination);
- 

Talks on environmental education;
- 

Reuse of treated effluents such as reuse water for sprinkling on roads and cleaning machinery.

# RENEWABLE ENERGY AND NATURAL GAS

GRI 3-3: Climate Strategy, 3-3: Energy Efficiency

As a company that mitigates the impact of the waste generated by society and creates renewable energy and biomethane, when attention turns to climate challenges, Orizon sees many more opportunities than risks, considering the global context that requires a transition to a low-carbon economy. Climate-related opportunities include: **TCFD Strategy c.**

**Society is increasingly prioritizing the use of energy drawn from renewable fuel sources: the Company benefits from the generation of energy produced from waste. The company generated 296,685 MWh of renewable energy.**

**Greater stewardship of the recyclable materials chain, considering the increasing desire to preserve natural resources: Orizon is committed to promoting Brazil's circular economy.**

**Growing desire for renewable natural gas. Orizon collected an average of 1 million Nm<sup>3</sup>/day of biogas in 2022.**



# BioE

IS FOUNDED

Garbage ceases to be a problem and becomes a source of raw-material and renewable energy since this is an everyday reality for Orizon. The launch of BioE in 2022 is the obvious realization of this situation. BioE works with the generation of renewable electricity by collecting the biogas produced at the ecoparks, using a process that involves supplying motogenerators that transform biogas into clean, tax-deducted electricity.

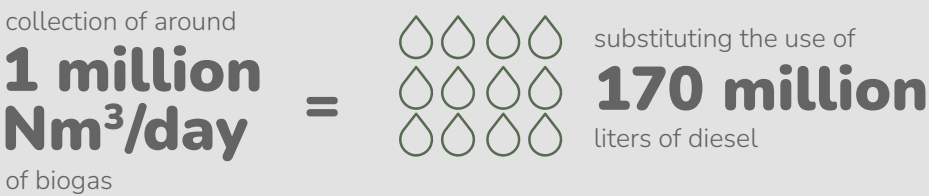
Furthermore, one of BioE's products is biomethane, a natural renewable gas, obtained by purifying biogas and thus allowing for the substitution of fossil fuels such as natural gas, diesel and liquefied petroleum gas (LPG). Another advantage of this renewable molecule is its flexibility in terms of distribution through a network of pipelines, or using land, rail or waterway transportation.



BIOE REPRESENTS A STEP FORWARD  
IN THE LOW-CARBON ECONOMY,  
A REDUCTION IN THE EMISSION OF  
GREENHOUSE GASES, AND A REDUCTION IN  
THE DEPENDENCY ON FOSSIL FUELS

## GENERATION OF RENEWABLE ENERGY AND NATURAL GAS

transformed into biomethane:



transformed into renewable energy:



As well as reducing GHG emissions, the Orizon Ecopark contributes to the Brazilian clean energy grid and to the preservation of natural resources, by producing renewable electricity and natural gas.





BioE's first operational asset was implemented at the Paulínia ecopark in 2022. The plant received investments of R\$ 240 million to initially explore around 40% of the potential of biogas. The plant supplies 100% of the already contracted biomethane and electricity generated.



ORIZON BEGAN OPERATING ITS FRIST BIOMETHANE PLANT IN 2022. THE GREEN ECONOMY IS ALREADY A REALITY FOR THE COMPANY AND AN ADVANCE IN THE SUSTAINABLE AGENDA THAT IS FOCUSED ON MEETING THE CURRENT NEEDS WITHOUT COMPROMISING THE FUTURE FOR COMING GENERATIONS



WASTE TO ENERGY

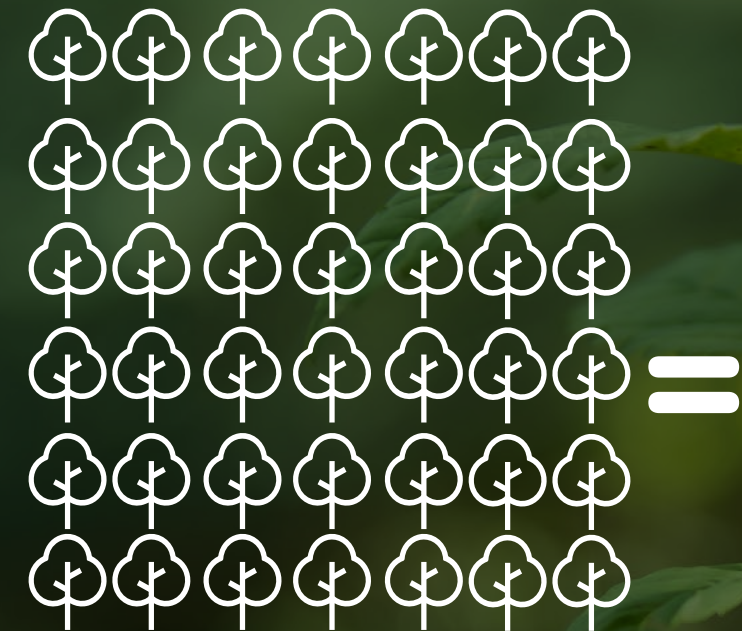
In 2021, in partnership with SABESP, Orizon began construction of the first Waste to Energy plant in Latin America. Located in the city of Barueri, in the Greater São Paulo area, the Energy Recovery Unit (ERU) will begin operations in 2026. The plant will be processing around 300,000 tons of solid waste per year, managing the waste of approximately 850,000 members of the public and transforming what would have been disposed of into enough clean energy to supply the demands of around 320,000 people.

The solution, which is already being used in other countries, adheres to the most rigid international safety standards concerning energy recovery in the treatment of waste, including the filtering, treatment and control of emissions. The plant will have a solid waste treatment capacity of 870,000 tons per day, without intervening in the existing chain of selective waste collection for which each municipality is responsible, allowing for a reduction in emissions of approximately 128,000 tCO<sub>2</sub>eq of greenhouse gases.



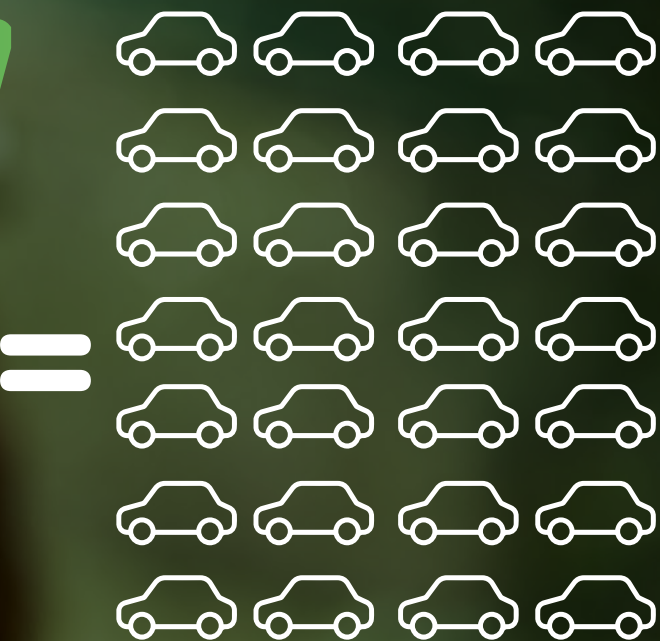
# CARBON CREDITS

GRI 201-2, 305-1, 305-2, TCFD Strategy b.



16,701,010  
trees planted

\* Source of emissions calculations: Brazilian Forests Institute (IBF)



987,300  
cars removed from the roads

# 2022 GREENHOUSE GASES INVENTORY

GRI 201-2,305-1, 305-2, TCFD Risk Management a., Metrics and Targets b.

The Greenhouse Gas (GHG) Emissions Inventory is the first tool by which an institution can start to understand its emissions profile and it can then use it to take the necessary measures to reduce its emissions. Since 2014, Orizon has published an inventory on its Rio de Janeiro ecoparks' emissions of greenhouse gases, and, since 2022, for all its operational units. The methodology for calculating Orizon's GHG emissions is based upon the Brazilian GHG Protocol Program, which, in turn, uses studies presented in the IPCC - Guidelines For National Greenhouse Gases Inventories - as a base.

As of 2022, the Brazilian GHG Protocol Program started to adopt **the updated calculation methodology in accordance with the directives of the IPCC for waste sent to landfills, which impacted on Orizon's emissions results**, the most important alterations being as follows:

- There was an increase in the emissions of degradable organic carbon fractions, or in other words, the organic waste placed in landfills rose from a factor of 0.5 to one of 0.7 of emissions generated;
- Inclusion of a new gravimetric classification;
- Flare recovery does not convert 100% of the CH<sub>4</sub> into biogenic CO<sub>2</sub>;
- A new portion of the CO<sub>2</sub> emissions, relating to the oxidation of organic material of the highest surface layer of the sanitary landfill.

Due to these methodological alterations and the enormous growth of Orizon, the emissions of five plants, were calculated in 2021, whilst in 2022 this rose to 16 plants<sup>1</sup>. **Considering these alterations, 2022 was defined as the base year for the monitoring of the Company's emissions.**

16 UNITS  
IN 2022



- Nova Iguaçu Ecopark (RJ)
- Barra Mansa Ecopark (RJ)
- São Gonçalo Ecopark (RJ)
- Itaboraí Ecopark (RJ)
- Paulínia Ecopark (SP)
- Itapevi Ecopark (SP)
- Tremembé Ecopark (SP)
- João Pessoa Ecopark (PB)
- Pantanal Ecopark (MT)
- Jaboatão Ecopark (PE)
- Sergipe Ecopark (SE)
- Magé Plant (RJ)
- Sorocaba Plant (SP)
- Sergipe Overflow Station (SE)
- Duque de Caxias Overflow Station (RJ)
- Company Head Office (SP)

SCOPE 1

43,847.77 tCO<sub>2</sub>

Corresponding to the direct operations of Grupo Orizon.

SCOPE 2

662.71 tCO<sub>2</sub>

<sup>1</sup> The Maceió Ecopark was not included as the operation only effectively became a part of the Company in December 2022.



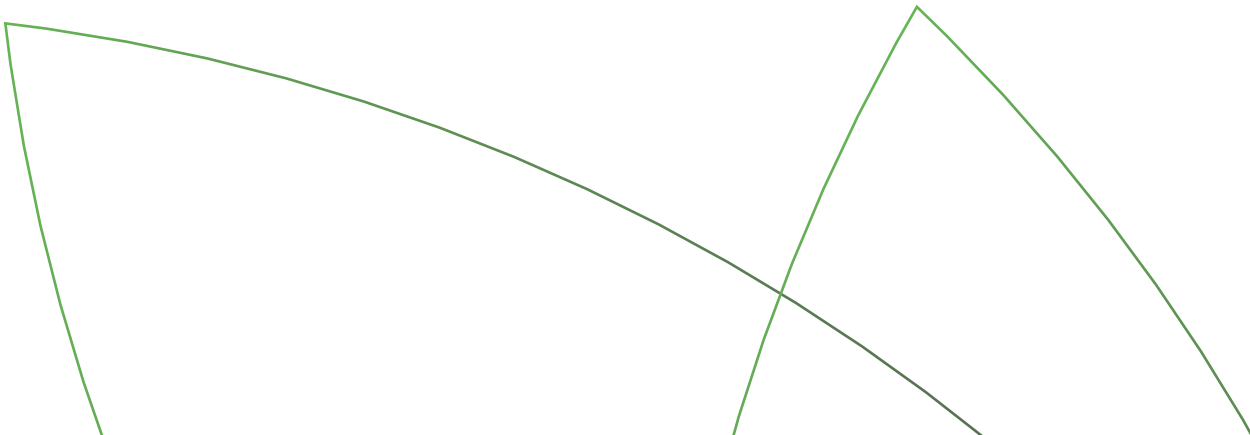
# RECOVERY OF GREENHOUSE GAS EMISSIONS

The Orizon Ecoparks have biogas collection and burning systems, meaning a large part of the methane (CH<sub>4</sub>) is converted into carbon dioxide (CO<sub>2</sub>), thus leading to a subsequent reduction in the potential emissions from the landfills, since, according to the IPCC's Fifth Assessment Report, the Global Warming Potential of methane is 28 times greater than that of carbon dioxide.

**By doing so, Orizon, through its management of the waste produced by Brazilian individuals or industries, is significantly reducing the negative impacts that the disposal of this waste in landfills can cause.** By recovering the emissions generated by the waste from society, we are contributing to ensuring that these gases are not released into the atmosphere, and thus helping to reduce global warming. And by transforming the biogas into bio-methane and renewable energy, we are also contributing to a reduction in the use of fossil fuels and non-sustainable energy sources.

The methane recovery efficiency of Orizon's Ecoparks can potentially reach 89%. The recovered biogas can be converted into biomethane or transformed into renewable energy.

TOTAL EMISSIONS



COP27

In order to closely monitor the trends and dialogs related to climate change, Orizon attended the United Nations’ Convention on Climate Change (COP 27) held in 2022. For one week, Orizon’s Sustainability and ESG Manager, Mariana Rico, attended the UN’s international event with the intention of further establishing the Company's relationship with the leading players in the field of sustainability and improving the company's position in the carbon market.

OFFSETTING OF THE CARBON FOOTPRINT AT THE 1<sup>ST</sup> GARBAGE BIENNALE

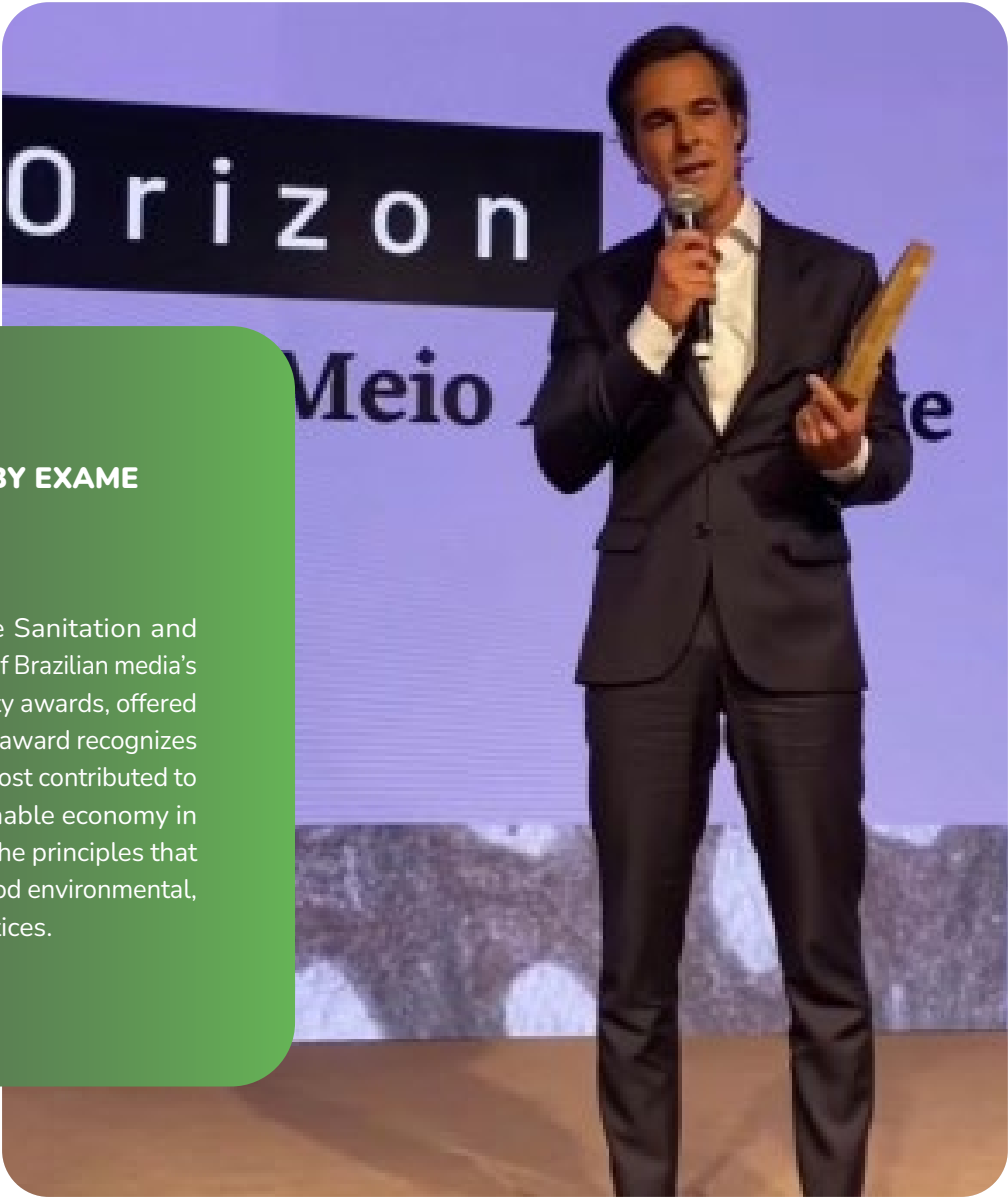
Reinforcing its commitment to the low carbon economy, Orizon voluntarily offset the greenhouse gas (GHG) emissions generated at the first Garbage Biennale. The event brought together pieces of art made using discarded materials, offering educational workshops, movie screenings and environmental talks. The event first took place in 2022, being held in São Paulo, at Villa Lobos Park, between May 26 and June 5. The event is a project developed and hosted by the Ministry of Tourism’s Special Department of Culture together with the cultural agencies La Mela and Usina, made possible by the Federal Cultural Incentive Law.



BEST ESG AWARDED BY EXAME

ESG Award

Orizon was honored in the Sanitation and Environment category of one of Brazilian media’s most prestigious sustainability awards, offered by the Exame magazine. The award recognizes those companies that have most contributed to the construction of a sustainable economy in Brazil, with the focus being the principles that guide the management of good environmental, social and governance practices.



# BIODIVERSITY AND ECOSYSTEMS

GRI 303-1, 303-2, 3-3: Biodiversity and Ecosystems



In 2022, Orizon collected 9,845.90 ML of water, with 98% of this total being reused water, resulting from the treatment of slurry at the units. At the beginning of the period covered by the report, there was a total of 22.97 ML of water stored, and this sum had been totally used by the end of the period covered. GRI 303-5

The company is fully committed to meeting the conditions established by the relevant organs, since the ecoparks have an impact on the biodiversity due to the extended area and the changes in the habitats of different species. The projects periodically monitor these conditions and the results are sent to the environmental organs. Any failure to meet these conditions can lead to fines or even suspend the operations.

The water resources are administered locally, at each of the company's plants. Before the environmental licenses are issued, each plant is required to perform an environmental impact study and submit a report. These documents contain detailed analyses of the local biotic, physical and socioeconomic environment. The regulatory/supervisory organs therefore have an understanding of the impacts related to the water prior to the implementation of the project.

Due to the management of the changes performed upon acquisition of each of the Company's new units, the definition and monitoring of targets related to savings in water use had not been completed by 2022. After diagnosis of the current situation in each location, performance targets are established focusing on the rational use of water and best practices. This project, as well as properly managing the resource, aims to increase engagement in the conscientious use of water, encouraging members of the team itself to suggest ways of improving the operational processes in this area.

In relation to the effluents, all that is generated at Orizon's plants is treated depending upon the individual chemical characteristics and in accordance with the specific legislation. The disposal respects the quality guidelines and standards defined in ordinances, decrees and other legal documents published by the regulators. The Company always obeys even the most rigid of requirements, regardless of the sphere (federal, state or municipal).



WATER IS A VALUABLE NATURAL RESOURCE THAT MUST BE PROTECTED, AND ONE OF THE ECOPARKS' MAIN ACTIVITIES IS MONITORING IT



# CORPORATE GOVERNANCE



THE ACTIONS PERFORMED BY THE COMPANY, ORVR3, FORM PART OF THE CORPORATE GOVERNANCE INDEXES (IGCT, IGCX, IGMN AND ITAG).

# CORPORATE GOVERNANCE

Orizon Valorização de Resíduos, as a member company of the ‘Novo Mercado’ (‘New Market’), considers governance and ethics to be priority issues in the company’s strategy. Since its initial public offering (IPO) on the São Paulo Stock Exchange (B3), in 2021, the company’s governance processes have been evolving in all departments. Orizon is a member of the Novo Mercado, the highest level of corporate governance on the B3.

The Company's share, ORVR3, can be found on seven of the B3’s indexes: IGC (Corporate Governance Equity Index), IGC-NM (Novo Mercado Corporate Governance Equity Index), IGCT (Corporate Governance Trade Index), ITAG (Special Tag-Along Stock Index), SMLL (SmallCap Index), UTIL (Public Utilities Index), and IBRA (Brazil Broad-Based Index).

The appreciation of Orizon’s ordinary shares on the B3 demonstrates the extent to which the company has built a solid base, with sustainable planning and impressive expansion. They closed 2022 being quoted at R\$ 33.87, an appreciation of 26% against the end of 2021, when they were valued at R\$ 26,90, and 54% since the IPO, held on February 17, 2021. The Company's market value on December 31, 2022 was R\$ 2.4 billion, 26% higher than at the end of 2021 (R\$ 1.9 billion).

The company is committed to transparency, equality, accountability and corporate responsibility, strengthening its relationship with the shareholders and other stakeholders through ethics. To ensure this principle and confirm that all the activities follow the laws and regulations, Orizon is grounded on directives and policies such as, for example, the Code of Ethics - created to support and guide the standards of behavior expected of all the employees.

GRI 2-23



THE APPRECIATION OF ORIZON'S ORDINARY SHARES ON THE B3 DEMONSTRATES THE EXTENT TO WHICH THE COMPANY HAS BUILT A SOLID BASE, WITH SUSTAINABLE PLANNING AND IMPRESSIVE EXPANSION



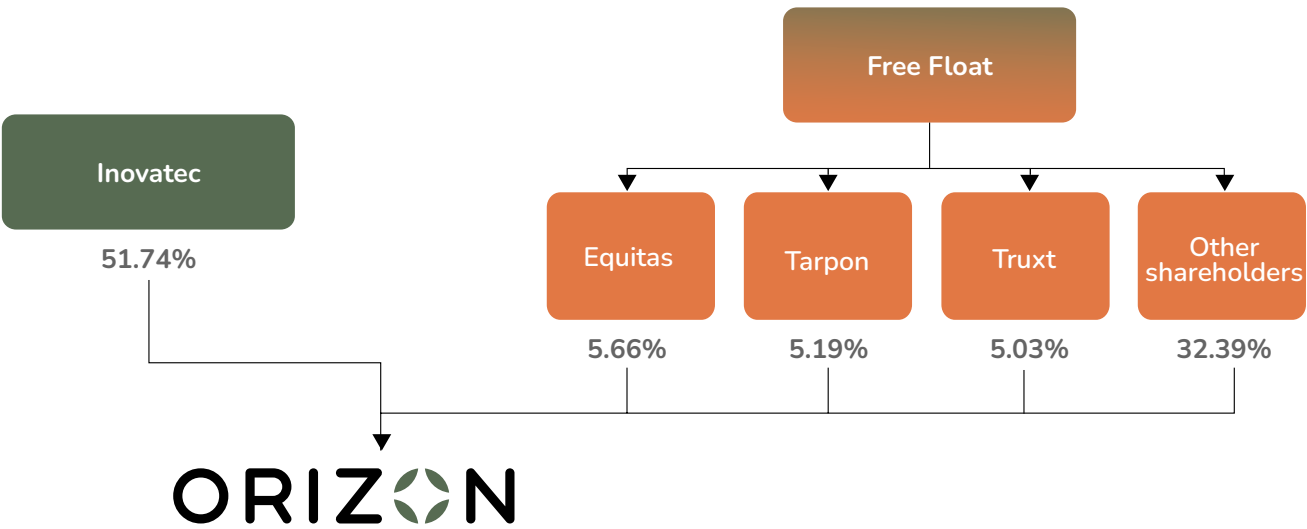
READ MORE

These documents are available for public consultation at this [link](#), on the de [Company's Investor Relations website](#).

Shareholder Structure on 31-Dec-2022\*

Shareholders	Ordinary shares	Percentage
Inovatec Participações S.A. (Inovatec)	36,997	51.74%
Equitas Administração de Fundos de Investimento Ltda. (Equitas)	4,044	5.66%
TPE Gestora de Recursos Ltda. (Tarpon)	3,708	5.19%
Truxt Investimento Ltda. (Truxt)	3,593	5.03%
Other shareholders	23,158	32.39%
Total	71,500	100.00%

\*The shareholder structure underwent modifications after this date, as outlined in the quarterly results.





## GOVERNANCE STRUCTURE GRI 2-9

The governance structure of Orizon VR comprises the shareholders (through the General Assembly), Board of Directors, Supervisory Board and two non-statutory committees: the Audit Committee and the Ethics Committee, which support the Executive Officers in their decision-making, meaning they are not, therefore, deliberative bodies. It is important to stress that within Orizon’s organizational structure, the chairperson of the Board of Directors does not occupy the same position as the CEO. **GRI 2-11**

Orizon provides communication and implements improvements concerning its management principally by means of the meetings of the Board of Directors, and other Boards and Committees, at which the progress of the operations and critical situations are discussed. In 2022, no critical issues regarding financial aspects, development, the environment or data protection were recorded. **GRI 2-16**

The Company recognizes that the members of the boards and the directors understand its policies and the legislation applicable to their responsibilities, meaning that they are aware of and set themselves apart from conflicting decisions. As such, in the event there is any conflict of interest in specific voting, the respective member should declare themselves to be precluded, and if anybody in a situation of potential conflict of interest does not declare such, any other member of the body who is aware of the situation may do so. **GRI 2-15**

With respect to diversity, 92.3% of the members of the governance organs are men and 7.7% are women. The division by age group is: 61.5% are aged between 30 and 50 and 38.5% are over 50. **GRI 405-1**



GOVERNANCE  
STRUCTURE

Board of Directors

Supervisory Board

Audit Committee

Ethics Committee

Executive Officers

BOARD OF DIRECTORS GRI 2-10

Orizon's highest governing body, the Board of Directors (BD) is responsible for maintaining the longevity of the Company and creating long-term value. It is responsible for electing and supervising the Executive Officers and establishing the company's directives, such as, for example, the business plan and the investment policy.

The Board of Directors is responsible for ensuring the development of the business and good management of the Company, or stating opinions on matters of interest, including those related to impact. **GRI 2-12, 2-13**

Its members are selected using criteria established by the Corporations' Law and the B3's New Regulations Issuer's Manual Elected at the General Shareholders' Meeting, the BD can be composed of up to seven effective members, whilst at least 20% of them should be independent. They need to be aligned with the Company's values and culture, the Code of Ethics, the internal policies and the applicable legislation. Furthermore, they must have an unblemished reputation, an education compatible with the attributes or a minimum of professional experience, having exercised functions similar to those which are to be performed during their mandate on the board, or having combined skills and experiences that are of interest to the Company at the time of appointment.

The Board also holds numerous meetings to discuss important issues for the development of the collective understanding, including matters related

to the climate. The members of the BD should have no conflicts of interest with the Company and have time available to properly dedicate themselves to the role and responsibilities of a board member. **GRI 2-17**

The Company has not established any frequency or processes for discussing and informing the Board on issues relating to climate, meaning that the issue is addressed when the board, employees or advisers believe that it should be discussed or updated. **TCFD Governance a.**



READ MORE

To read more about the composition of the BD and Orizon's other governance organs, click on this [link](#).



GOVERNANCE  
STRUCTURE

Board of Directors

Supervisory Board

Audit Committee

Ethics Committee

Executive Officers

SUPERVISORY BOARD

This is a non-permanent organ which, when instituted, is composed of three effective members and three substitute members, all of whom are elected by the General Shareholders' Meeting and perform their functions until the first Ordinary General Meeting held following their election.

The role of the Supervisory Board is to supervise the acts of the administrators, provide opinions on the management's annual report and on the proposals set forth by the administrative bodies, declare any errors, fraud or crimes that they may discover and suggest useful measures to the Company, as well as analyze the interim balance sheet and other financial statements concerning the respective financial year and exercise their duties during the liquidation of the Company, if applicable.

Employees or members of the Board of Directors, and/or any of the Executive Officers, of subsidiary companies or companies from the same Group are prohibited from holding a position on the Supervisory Board. Also prohibited are spouses or third-degree relatives, and members of the Administration who occupy a position at companies that could be considered competitors in the market, or anyone who has any conflicting interest with the Company. Also prohibited is anyone prevented by special law or who has been convicted of a crime involving bankruptcy, malfeasance, bribery, graft or embezzlement, crimes against the popular economy, public faith or property, or who has a criminal sentence which excludes them, albeit temporarily, from holding public office. Furthermore, neither may persons declared ineligible to hold office by the CVM, under the terms of the Corporations Law, be a member of the Supervisory Board. **GRI 2-15**

AUDIT COMMITTEE

Made up of three members, including one independent member and one with recognized experience in matters of corporate accounting, the Audit Committee is an autonomous, advisory, collegiate body, nominated by the Board of Directors but operating independently to the Executive Officers. It is designed to supervise the quality and integrity of the financial reports; adherence to all legal, statutory and regulatory norms; adjustment of the processes relating to risk management, internal auditing and internal controls, and the activities of the independent auditors.

Its members should be aligned with and committed to the Company's values and culture, the Code of Ethics and its internal policies, have an unblemished reputation, an education compatible with the attributes or a minimum of professional experience, having exercised functions similar to those which are to be performed during their mandate on the board, or having combined skills and experiences that are of interest to the Company at the time of appointment. They should also have no conflicts of interest with the Company and have time available to properly dedicate themselves to the role and responsibilities.



GOVERNANCE  
STRUCTURE

Board of Directors

Supervisory Board

Audit Committee

Ethics Committee

Executive Officers

ETHICS COMMITTEE

This is an independent, autonomous and permanent collegiate body, elected and dismissed by the Board of Directors at any time. The Ethics Committee is composed of three members elected for mandates of one year, with reelection being permitted.

It is responsible for supervising the personnel management, and reviewing the Code of Ethics and other internal regulations and policies related to the Compliance Program, with which its members should be aligned and committed to.

The members of the committee must have an unblemished reputation, an education compatible with the attributes or a minimum of professional experience, having exercised functions similar to those which are to be performed during their mandate, or having combined skills and experiences that are of interest to the Company at the time of their appointment. They should also have no conflicts of interest with the Company and have time available to properly dedicate themselves to the role and responsibilities.

EXECUTIVE OFFICERS

This body implements the Company's strategies and directives once approved by the Board of Directors. The Company has three Executive Officers (CEO, CFO and COO). The Executive Officers are evaluated with respect to their main responsibilities, including the monitoring of the Company's operation and performance and the quality of the decisions.

The CEO of Orizon should provide guidance for fulfillment of the directives established by the shareholders and board members, and supervise the Company's operations, which include, albeit implicitly, impact management. The CEO is assisted by the board members, other executive and non-executive officers, and the managers from the different departments. **GRI 2-13**





REMUNERATION POLICY

GRI 2-19, 2-20

The remuneration of the directors is defined annually by the Board of Directors, taking into consideration the criteria of meritocracy and analysis of the salary shifts highlighted by market studies. These directors are eligible for involvement in the Participation in the Profits and Results (PPR) program, depending upon achievement of their targets.

In the case of the board members, the shareholders are responsible for approving the global remuneration, it being the responsibility of the board members to establish the individual remunerations.

Only the independent members, the vice-chairperson and the chairperson of the Board of Directors are remunerated, whilst the Chairperson of the BD is also eligible for involvement in the Company's PPR.

The opinions of the stakeholders in relation to remuneration of the Company as a whole are collected and considered at the Board of Directors meetings, when the Executive Officers propose sums which may or may not be approved by the Meeting.

SECTOR PARTICIPATION GRI 2-28, 2-29

Orizon is associated with the following representative and sector organizations:

1. Associação Brasileira de Empresas de Limpeza Pública e Resíduos Especiais (Abrelpe)
2. Associação Brasileira de Empresas de Tratamento de Resíduos e Efluentes (Abetre)
3. Associação Brasileira do Biogás (Abiogás)
4. Associação Brasileira da Infraestrutura e Indústrias de Base (ABDIB)
5. International Solid Waste Association (ISWA)
6. Instituto Brasileiro de Autorregulação do Setor de Infraestrutura (IBRIC)
7. Sindicato Nacional das Empresas de Limpeza Urbana (Selurb)

As well as participating in associations, the company constantly seeks to take an active part in regulatory discussions with other companies within the sector and with federal and state governmental organs, whilst it is also a signatory to the UN's Global Compact Brazil Network.

# ETHICS AND INTEGRITY

GRI 2-23, 2-24, 2-26, 3-3: Ethics, integrity and compliance 3-3: Transparency and Relationship with the Priority Publics

Orizon has a strong Compliance Program, made up of the following policies: ‘Anti-corruption’, ‘Donations and Sponsorships’, ‘Partnerships’, ‘Gifts, Presents and Entertainment’, and ‘Contracting Suppliers’. Furthermore, the company has a Code of Ethics containing clear guidelines.

The organization can designate specific people or teams to ensure implementation of the commitments at different levels. The commitments are integrated into the organizational strategies as well as the policies and operational procedures to ensure that they are consistently applied throughout the company. The aim is to incorporate the commitments into the company’s commercial relations with suppliers, partners and other stakeholders in order to achieve our common objectives.

The Anti-corruption Policy is one of Orizon’s most important policies. In accordance with this policy, it is forbidden to promise, offer, give, receive or authorize undue advantages involving our employees and other publics. All forms of corruption (including those that do not involve public agents) are wrong and inconsistent with the values of the Company, meaning they are, therefore, absolutely forbidden.

Employees and third parties should prioritize ethics and transparency when professionally conducting their activities, which should always be in the best interests of the company, regardless of any advantage either offered or requested.



**ORIZON'S CODE OF ETHICS INVOLVES THE PRINCIPLES OF INTEGRITY, INSPIRATION, DEVELOPMENT OF SOCIETY AND SUSTAINABILITY**



The document includes sections on how to comply with laws and regulations; respect for labor relations and the environment; directives applicable to the relationship between the Company and third parties, including regulations related to combating corruption; conflicts of interest; protection of confidential information; conducting of merger and acquisition operations; and training.

Orizon also offers the proper training to ensure that the commitments involved in corporate responsibility are fully understood and implemented. Over the course of the year, every employee with access to e-mail participated in online training involving 22 videos on ethics, conduct and the compliance hotline. 400 employees were impacted. In addition to this, in-person training was provided for 152 employees at four of the company's plants. Pamphlets concerning these themes are distributed to all new employees at the time of hiring and to all those who came from the assets purchased by Orizon. The information was given added weight in the form of murals around the company and by our corporate TV channel.

Orizon's policy commitments are communicated in various different ways to ensure that they are fully understood and applied: **GRI 2-23**



22

videos

on ethics, conduct and the Compliance Hotline



400

workers


impacted



152

employees

took part in in-person training at four of the company's units



READ MORE

To read more about Orizon's ethical commitment click [here](#)



EMPLOYEE TRAINING

AllOrizonemployeesareinstructedon the company's policy commitments, including human rights, ethics and social responsibility. This training is reviewed regularly to guarantee its relevance and effectiveness.



CODE OF CONDUCT

Orizon has a Code of Conduct for its employees that defines their ethical commitments and social responsibility. This code is widely distributed and accessible to all employees.



INTERNAL COMMUNICATION

Orizon maintains an open and transparent line with its employees, including regular updates on its policies and practices. **GRI 2-26**



COMMERCIAL PARTNERSHIPS

Orizon clarifies its policy commitments in its commercial agreements with partners and suppliers, and works continually with these partners to ensure they comply with these commitments.



ANNUAL REPORTS

The Company publishes annual reports on its corporate conduct and social responsibility, including its policy commitments and their application. These reports are widely available and accessible to all interested parties.

TAXES

The Fiscal Committee is responsible for analyzing actions that aim to reduce the taxes paid by the company. The efficient tax approach has a great impact on the viability of the company, resulting in a reduction of costs, improving finances and cash flow, and increasing the company's competitive standing.

GRI 207-1



COMPLIANCE HOTLINE GRI 2-29

This is an independent, confidential and impartial tool that is available to both the company's internal public and the general public. By means of the link [www.contatoseguro.com.br/orizon](http://www.contatoseguro.com.br/orizon) and telephone number [0800 512 6644](tel:08005126644), the Company can receive information concerning violations of the Code of Ethics, policies and procedures, or the legal provisions and regulations applicable to the Company. The results of the investigation work and the handling of the accusations received are presented to the Audit Committee by the Ethics Committee every quarter.

**In 2022, there were no significant cases or fines owing to non-compliance or corruption that could have led to proceedings against the company or its employees.** Nor were there any lawsuits filed against the company due to unfair competition, anti-trust regulations or monopoly. GRI 2-27, 205-3, 206-1

Communication and training on anti-corruption GRI 205-2

Employees communicated with and who received instruction on anti-corruption policies and procedures, by region

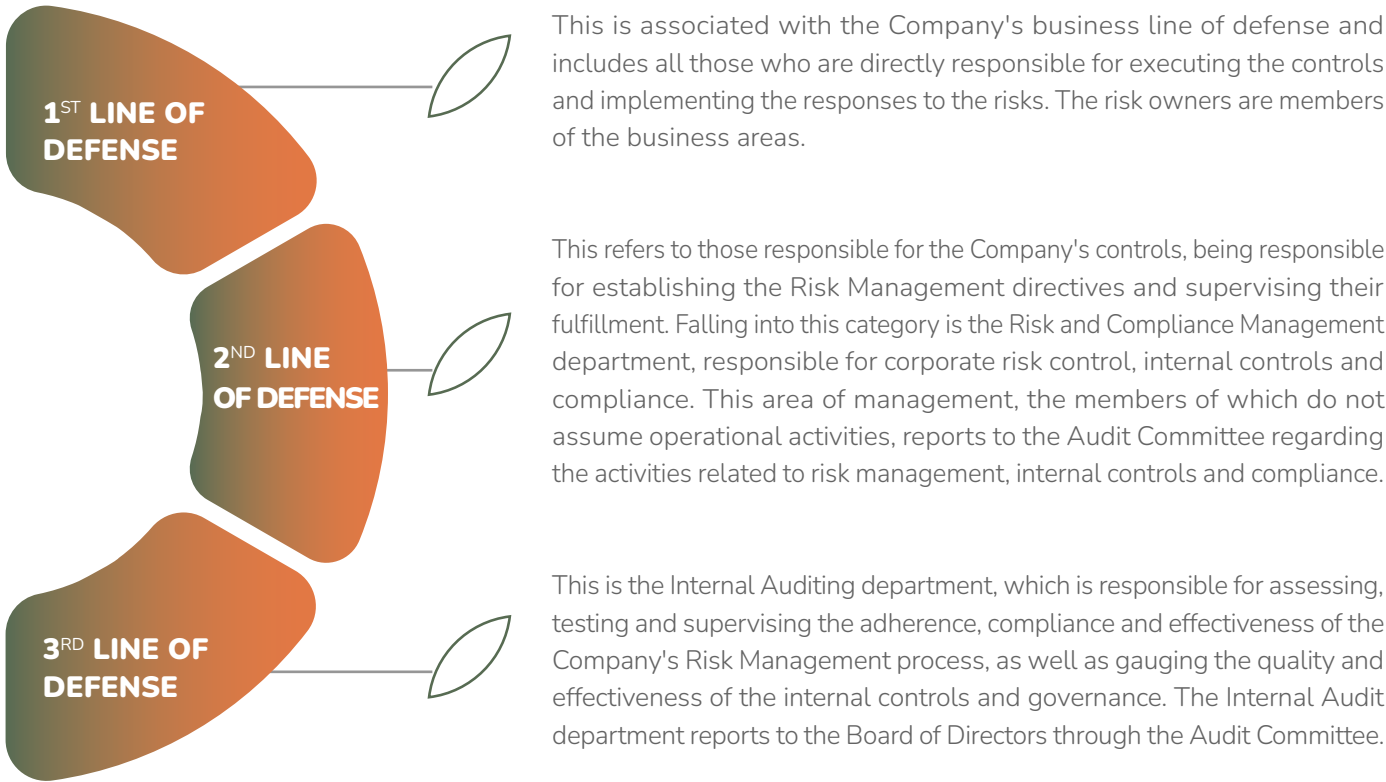
Region	Employees	Communicated	Instructed
Northeast	Number	594	79
	Percentage	100%	13.3%
Center-West	Number	40	0
	Percentage	100%	0
Southeast	Number	1,275	566
	Percentage	100%	44.39%



# RISK MANAGEMENT

Orizon's Risk Management Policy establishes and disseminates principles, directives and responsibilities that should be observed in the Company's management of risk, thus enabling the identification, assessment, handling, monitoring and communication of risks that are inherent to the company's activities and which could affect its ability to meet its objectives.

**The methodology for the identification, evaluation and management of risks adopted by the Company has been adapted based upon the Enterprise Risk Management Framework Committee of Sponsoring Organizations of the Treadway Commission (ERM-Coso) and on the risk management process suggested by the ISO 31000:2018 norm, using the three lines of defense model.**



A study on the level of risks is conducted every year to gauge the evolution of the Company, taking the form of an internal audit performed by an outsourced firm, with the results being submitted to the Audit Committee for analysis and evaluation. The commercial, legal, financial, information technology (IT), environmental, compliance and regulatory risks were evaluated in the Internal Audit Plan (PAINT 2021/22).

Orizon also performs tax risk management, working on the contractual relations with suppliers, clients and public administration departments. These risks are identified and monitored by means of a process that involves

the tracking and revision of the tax processes, which in turn involve the calculation of taxes, classification of the tax regime, updating of the legal regulations, classification of the commodities and services, inspection of the fiscal documents and cross-referencing of supplementary declarations.

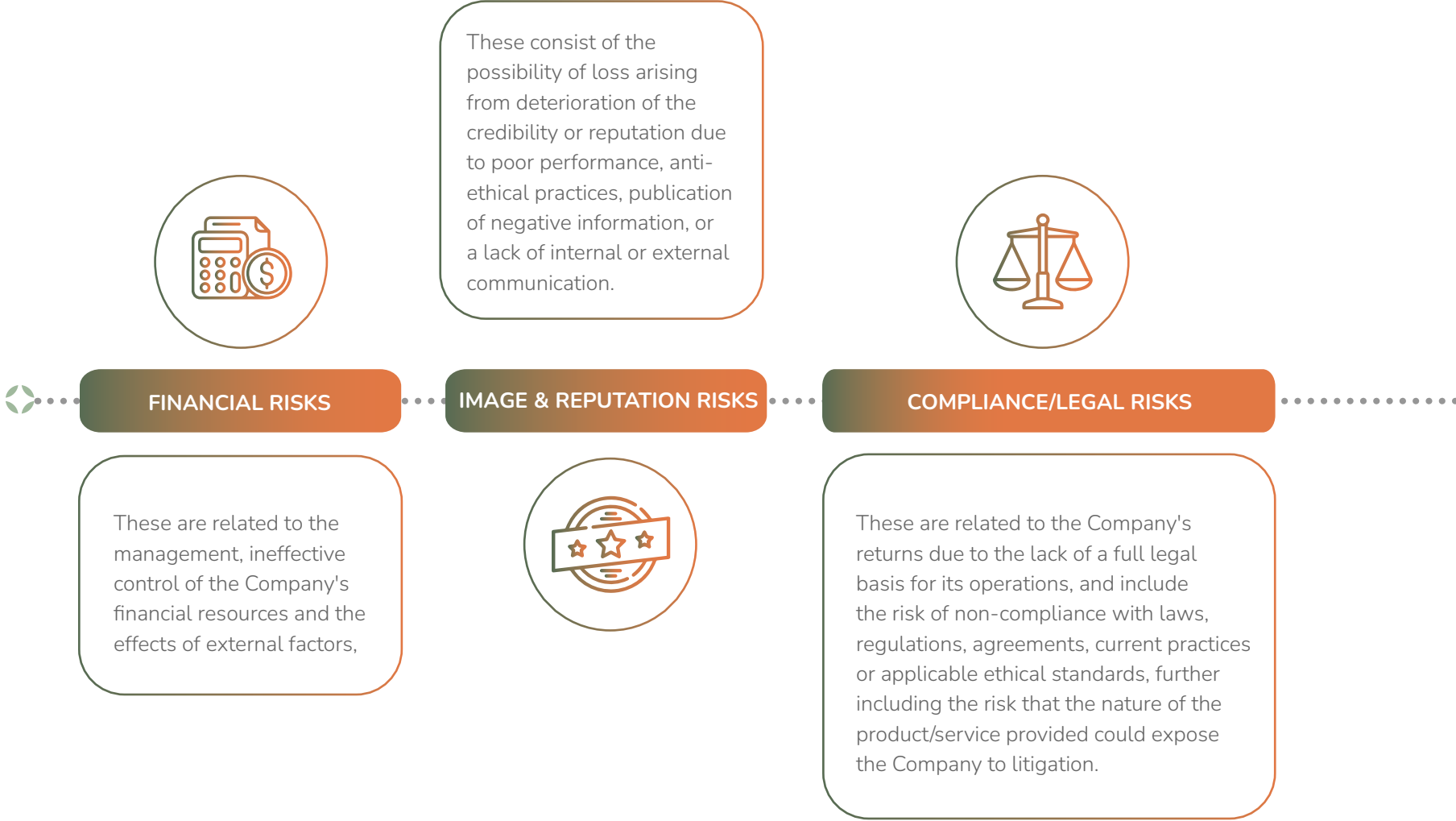
The efficiency of the fiscal control is reflected in the effectiveness of the operations, reliability of the financial statements, compliance with current legislation and financial efficiency. **GRI 207-2**



## MATRIX AND RISKS

In 2022, Orizon updated its risk matrix of internal controls relating to the Environmental Management System (EMS), as it does every year. This is done by mapping and updating the most important environmental risk monitoring and management processes, as well as identifying and analyzing the controls responsible for mitigating the risks. An important part of the process is performed by the Internal Auditor, ensuring efficiency and efficacy. **TCFD Risk Management c.**

Furthermore, the organization's risk matrix was updated in line with the provisions of the Risk Management Policy, providing guidance for the new PAINT under development in the years 2023/2024. The new matrix identified 34 corporate risks, classified as inherent risks and residual risks, and divided into six groups:





SOCIO-ENVIRONMENTAL RISKS

These relate to the impacts on the environment and/or society as a whole, such as depletion of natural resources, alterations to the ecosystem, threats to biodiversity, pollution and environmental accidents in general. The environmental risks included in the Company's policy are: lack of a contingency plan for environmental accidents; heavy rains (external event) that hinder the soil contamination monitoring service; insufficient forecasting of spending directed to the management of environmental accidents; errors in the geotechnical (land) monitoring of the slurry or biogas, for example; climate aspects impacting the volume of gas (operation) - external factor; changes in the regulations of international agreements involving the issue of climate change - external factor; construction of new plants in areas that could generate a negative social impact on the communities neighboring the plants; failure to adopt the 'Black Swan' concept - rare and unforeseeable events that could have enormous impact on the Company's actions and decisions; a lack of objectives linked to the Development of a Green Taxonomy; a failure to integrate the corporate strategies with the Sustainable Development Goals (SDGs); non-compliance with CVM ruling nº 59.

These include the other risks due to discrepancies or failings in the management of the internal processes and personnel which could hinder or impede achievement of the Company's aims. They are associated with the operation of the business (such as possible risks related to the storing of slurry or a lack of the inputs necessary for performance of the Company's activities) and management of the business support areas, as well as other factors that could impact the operation.



CYBER RISKS

These are the risks that could be caused by the theft or leaking of personal or strategic data/ information, improper access to IT assets and resources, and insecure remote access, amongst others.



OPERATIONAL RISKS





# HUMAN CAPITAL



PROVIDING THE EMPLOYEES WITH HEALTH AND  
SAFETY IS SYNONYMOUS WITH THEIR WELLBEING  
AND AN ENVIRONMENT THAT IS MORE  
PROFITOUS TO INDIVIDUAL DEVELOPMENT.



# HUMAN CAPITAL

## STRENGTHENING THE CULTURE

With the new acquisitions, Orizon last year increased its number of active employees by 80%, rising from 1,055 in 2021 to 1,897 in 2022. As the new employees came together with the assets acquired from another company, a great deal of time was spent adapting these people to the Orizon culture. To do so, the company worked with a broad integration process, formatting actions to verticalize the initiatives and create a single culture. Amongst these actions, of special importance was the revision of the online content published by the Corporate University, which needed to be distributed across modules that are accessible to all the employees at any time. One of the objectives has been to invest heavily in the Human Resources department in 2023, creating an excellent professional environment for individual development.

The Company does not accept any form of discrimination and works to ensure that this does not take place, with campaigns against the abuse of power, threats, intimidation, violence, and moral and sexual harassment. The conduct and the Code of Ethics go together in the sense that everyone should be treated with respect, irrespective of their individual qualities. In 2022, the company undertook five actions involving 925 employees from its new plants, designed to provide guidance on these issues. As well as the in-person training sessions, there was online instruction on the 21 principal axes of the Compliance Program for those in the company with access to e-mail, as well as specific campaigns and communications, involving subjects such as communications tackling harassment and non-retaliation.

When comparing 2021 and 2022, the Company practically doubled the number of female employees, closing the year with 79% of its workforce comprised of men and 21% women, with 10% of these women holding leadership positions. The company is also committed to fighting ageism, and encourages the hiring of employees aged over 50, with the presence of this age group increasing 60% since 2021. As such, the company is seeking to provide a creative environment, by means of a balanced interaction between mature professionals and young, recently graduated managers or employees, thereby encouraging a culture of diversity and inclusion.

For Orizon, our employees should grow together with the company, since they form an essential part of the good development of the business. As such, the Company works to ensure a harmonious and trusting relationship, with initiatives that facilitate cooperation amongst all and the effective communication from one to another.



The over 50 age group increased by **60%**



**79%** of its workforce is made up of men



**21%** of its workforce is made up of women



**10%** of these women occupy leadership positions



Number of employees by gender and region, type of contract and employment type<sup>1, 2, 3</sup> GRI 2-7

Region	2021			2022		
	Men	Women	Total	Men	Women	Total
Northeast	204	32	236	540	158	698
Center-West	N.D.	N.D.	0	30	6	36
Southeast	653	166	819	922	229	1,151
Total	857	198	1,055	1,492	393	1,885

1 The increase in the number of employees in 2022 was due to the acquisition of new units.  
2 All of Orizon's employees were employed under permanent contracts in 2021 and 2022.  
3 All Orizon's employees in 2022 worked full-time. In 2021, five employees (all men) worked part-time.

Employees by employment category and gender in 2022 GRI 2-8

	Men	Women	Total
Apprentices	28	36	64
Interns	10	13	23
Total	38	49	87

Percentage of the workforce, by employment category and gender GRI 405-1

Workforce	2021		2022	
	Men	Women	Men	Women
Board of Directors	100.0%	0.0%	100.0%	0.0%
Management	72.3%	27.7%	82.8%	17.2%
Team Leaders/ Coordination	56.1%	43.9%	44.0%	56.0%
Technicians/Supervisors	88.9%	11.1%	59.6%	40.4%
Administrative Staff	49.7%	50.3%	60.3%	39.7%
Operational employees	94.7%	5.3%	87.6%	12.4
Apprentices	41.5%	58.5%	43.7%	56.3%
Interns	29.4%	70.6%	43.5%	56.5

Percentage of workforce, by employment category and age group GRI 405-1

Employees	Under 30	30 to 50 years of age	Over 50
Board of Directors	0.0%	71.4%	28.6%
Management	0.0%	82.8%	17.2%
Team Leaders/Coordination	12.0%	80.0%	8.0%
Technicians/Supervisors	6.7%	76.7%	16.6%
Administrative Staff	30.6%	58.7%	10.7%
Operational employees	27.7%	57.0%	15.3%
Total	27.5%	58.4%	14.1%
Workers	Under 30	30 to 50 years of age	Over 50
Apprentices	100.0%	0.0%	0.0%
Interns	100.0%	0.0%	0.0%
Total	100.0%	0.0%	0.0%





# EMPLOYEE DEVELOPMENT

GRI 3-3: Attraction, development and retention of employees

Orizon’s work on the development and retention of its team is based upon training, succession, remuneration and benefits plans. The company guarantees fair remuneration and salary equivalence with the market. The following benefits are offered to all those working full-time: a health plan, a membership dental plan, group life insurance, funeral aid, a tele-medicine platform, psychological, legal and social support, sports subsidies, on-site meals and luncheon vouchers, subsidized transport, and a day off on the employee’s birthday. Everyone has the right to maternity and paternity leave and a benefits plan. **GRI 401-2**

In 2022, to prevent or mitigate the impacts related to the material topic of development and retention of employees, the Company drafted an internal training program for key-positions in the organization, taking a preventative approach to the scarcity of supply of good, experienced profiles in the market for such demands. The company also implemented the Developing Talents Program, with actions designed to encourage employees’ career development. **GRI 404-2**

Orizon also offers its employees graduate, post-graduate and language courses, through partnerships with teaching institutions. A total of R\$ 335,000 was invested in training, studies and qualifications, providing an average of 4.5 hours of training per employee. The performance of the employees in everything related to this topic is monitored by means of assessment of the effectiveness of the training given.





TURNOVER GRI 401-1

Just as it affected the number of employees, the acquisition of companies consolidated in 2022 also impacted the Company’s turnover rate, which ended the year at 3.53%.

As well as operating a selection process for experienced professionals, the company is always on the lookout for interns who will put their knowledge into practice and aim to achieve personal performance that will contribute to solid and outstanding careers. As such, Orizon enables professional growth: in 2022, 15 interns were hired, 50% of whom subsequently accepted permanent positions within the company.



The Company’s turnover  
rate ended the year at

3,53%,

Maternity/paternity leave in 2022 GRI 401-3

Employees who had the right to take leave	Men	1,580
	Women	416
Employees who took leave	Men	13
	Women	12
Employees who returned to work, during the period covered by the report, following the end of the leave	Men	13
	Women	12
Employees who returned to work following leave and who continued to be employed 12 months after their return to work	Men	13
	Women	12
Rate of return	Men	100%
	Women	100%
Rate of retention	Men	N.A.
	Women	4





# HEALTH, SAFETY AND WELL-BEING

GRI 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9

GRI 3-3: Health and welfare

GRI 3-3: Safety and Emergency Management

Providing the employees with health and safety is synonymous with their wellbeing and an environment that is more propitious to individual development. Orizon has developed actions in these areas designed to reduce risks and maintain a healthy workforce. In this area, the company bases itself on the pillars of Quality, Health, Safety, and Environment (QHSE) and all outsourced parties which provide services at Orizon’s plants are required to abide by the agreed safety regulations.

The access to health care was expanded in 2022 with new plans to better adapt the benefits in each state where Orizon has operations. As such, health plans were renegotiated to expand the number of services available and provide a better quality of service.

By means of the Occupational Health Medical Control Program (PCMSO), the employees’ health exams are performed at the place of work and monitored, with all the information being kept confidential.



In 2022,  
**1,979 people**  
were treated  
under the program



Orizon also runs awareness campaigns during special health care months, including ‘White January’, ‘Yellow September’, ‘Pink October’, ‘Blue November’ and ‘Red December’. In 2022, 12 campaigns were run with the intention of involving all the employees, without exception, taking the form of ‘webinars’, talks and bulletins.

To ensure the safety of our workers, the Company holds training sessions and provides Personal Protective Equipment (PPE), with instruction on its use, conservation and storage. Everyone working as part of the operation receives explanations of the risks involved in their activities, at the time they are being performed, by means of the Service Order. Furthermore, they all receive the instruction related to their jobs that is required by law, with all employees being obliged to participate, without exception.

Every year, in addition to the obligatory training, Orizon also prepares a program that involves issues such as physical and mental health, internal procedures, technical norms and matters relating to safety at work, including: electricity, confined spaces and working at altitude, that is regularly updated in accordance with Brazilian regulations (NBR).

Furthermore, the workers also receive technical updates on different jobs.

Even though all the plants are ISO certified, the standard is adopted as a whole at company. The company follows the regulatory norms (NRs) NR-01, NR-04, NR-05, NR-06, NR-07, NR-09, NR-10, NR-11, NR-12, NR-13, NR-15, NR-16, NR-17, NR-19, NR-20, NR-23, NR-24, NR-25, NR-26, NR-33, NR-35 e NR-38. The Company holds the ISO 45001 certification. It also operates with the following norms: NBR 14280, NBR 14276, NBR 14608, NBR 14606 and NBR 14787. All workers and working environments are included within the scope of the Company’s Occupational Health and Safety (OHS) management system. **GRI 403-1**

The Company monitors and investigates the causes of the accidents, implementing solutions to ensure they do not occur again. The data are verified periodically through internal and external audits performed by clients and certification bodies. Over the course of 2022, Orizon recorded no cases of occupational illness. **GRI 403-10**

The Occupational Health and Safety department is also actively engaged in the event of accidents, working to understand and resolve the causes. The cause is analyzed and an action plan developed. To guarantee that the right path is taken in the correction and implementation of Occupational Safety actions, the Company contracts specialist companies to develop Hazard Reports based upon the legal requirements or recognized norms and directives, and the actions are always updated whenever there is any change in the scenario.



**182**  
training sessions



**6,917**  
hours of training



**1,506**  
employees mobilized



Orizon organizes and encourages Internal Accident Prevention Commissions (Cipa), comprised of employee representatives, chosen by means of a confidential vote, and representatives chosen by the company. The group, once its mandate has been formally approved, holds monthly meetings to discuss improvements and observe the results of corrective actions, whilst it can also make visits to the field whenever necessary.

Based upon NR-01, the plants' Risk Management Program highlights the risks relating to the work environment and analyzes the dangers and risks associated with the company's day-to-day activities. All the plants make the 'Communication of Irregularities' channel available for employees, by means of which any one of them can identify situations of risk. Amongst the situations that can be reported are factors involving personal safety, behavior or unsafe actions or conditions, and situations where the environment is at risk.

All workers have the right to refuse to work in any situation of risk. The risk should be communicated for investigation and resolution. The Compliance department protects all employees against retaliation. **GRI 403-2**



ALL WORKERS HAVE THE RIGHT TO REFUSE TO WORK  
IN ANY SITUATION OF RISK, WHICH SHOULD BE COMMUNICATED FOR  
INVESTIGATION AND RESOLUTION

Collaborators covered by an occupational health and safety management system  
GRI 403-8

		2021	2022
Total number of individuals		1,099	1,996
Individuals covered by an occupational health and safety management system based upon legal requirements and/or recognized standards/directives, audited internally or certified by an external party	Number	850	1,996
	Percentage	77%	100%

Work-related accidents GRI 403-9

Employees	2021	2022
Number of hours worked	2,676,740.00	4,167,020.00
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0	0
Number of serious work-related injuries (excluding fatalities)	14	28
Rate of high-consequence work-related injuries (excluding fatalities)	5.23	6.74
Number of recorded work-related injuries (including fatalities)	18	54
Rate of recorded work-related injuries (including fatalities)	6.72	12.96



# SOCIAL PLATFORM



ONE OF ORIZON'S OBJECTIVES IS TO FACILITATE THE SUSTAINABLE DEVELOPMENT OF COMMUNITIES AND ENGAGE FUTURE GENERATIONS IN THE TRANSITION TO A LOW-CARBON ECONOMY.



# SOCIAL PLATFORM

## COMMUNITY RELATIONS

GRI -3-1 Local development, 413-1

The Social aspect is included in Orizon’s sustainability strategy in various sectors. The company values transparency in relation to customers, regulators and watchdogs, suppliers, neighboring communities and employees. With its socio-environmental responsibility policies, and communication channel, Orizon supports forums, meetings and visits to strengthen its relationship with its stakeholders.

In its daily work to mitigate the impact of its business on the communities neighboring its operations, as well as promote actions designed to improve its relations in the regions surrounding its assets, the company works to generate income, prioritizing the employment of those who live near the plants and investing in local sports, cultural and social projects.

Orizon’s Integrated Ombudsman has been established as a channel for communication between the company’s ecoparks and its stakeholders, leading to the identification and monitoring of indicators that enable the company to evaluate its relationship with its stakeholders.

In the process of communication between the plants and the communities, the function of the ombudsman is to guarantee the quality of the information provided by the company in relation to demands that may be arising, identifying errors and successes, and seeking solutions for any problems that are presented.

The Company is committed to using its expertise responsibly and ethically, and to working together with other organizations and individuals to minimize

the negative impacts caused and promote social responsibility. This includes participating in initiatives and projects that aim to protect the environment, diversity and inclusion, as well as the responsible use of natural resources. In terms of approach, the adoption of good practices is a clear and efficient process for dealing with grievances, involving an immediate assessment of the situation, the paying of close attention to the stakeholders, investigation of the grievance and the taking of corrective measures. **GRI 2-25**

Orizon performs environmental impact assessments and continual monitoring, involving analysis of the processes that take place before and after the actions, to understand their extent in the intended environmental transformations. The company conducts development programs based upon the needs of the local communities: support for an animal welfare NGO (the Paulínia Ecopark provides monthly financial support); interactive events (storytelling in public spaces, lending toys to children); donations (basic food hampers, clothes, fishing equipment); an informative bulletin on sustainability and the company’s operations; and an Environmental Education program in the local schools.

The company performs a range of actions in support of sustainable local development depending upon the local needs and based upon the relationship established with the local community leaders. **GRI 203-1**



Orizon receives complaints, doubts, suggestions and requests through its ‘SAC’ (‘Customer Services’ channel) (sac@orizonvr.com.br) and Ombudsman (0800 024 6114), with calls being free-of-charge. The contacts are recorded in a log and control spreadsheet. The Ombudsman is audited and operates with a process flow. In 2022, 85 complaints were identified and resolved.



# INSTITUTE

The Social area in 2022 had one objective that was of great importance to the company: the development of the company’s own Institute, which will assemble and verticalize all of its social projects that are under way through federal, state and municipal tax-deductible projects, expanding the work and operating policies to all the plants at the same time.

The mission of the Institute is: “To drive new generations as promoters of disruptive transformations in the direction of a more sustainable society and a more circular, low-carbon economy,” that is to be implemented by means of four pillars that have been approved by the Executive Officers:

- 1. to promote environmental education
- 2. to drive leadership and local solutions;
- 3. to promote a circular and low carbon culture, and
- 4. to recognize and support young talents.

The Institute came into being with the opportunity to transform local realities, communities and schools, turning them toward a more sustainable society. The schedule for 2023 involves work on the three pillars, with environmental education projects in schools, guided tours of the Ecoparks, the launch of a public notice in support of socio-environmental projects in certain regions where Orizon is active, and the production of content on the circular and low carbon economy for publication on social media.

Whilst the Company’s Institute has still not been launched, the initiatives will continue in 2022, in line with the demands of each unit. In 2023, Orizon is also planning to launch its Private Social Investment Policy, which is being developed with support from a specialist consultancy.



IN 2022, ORIZON PERFORMED 215 SOCIO-ENVIRONMENTAL ACTIONS, BENEFITING 12,736 PEOPLE AT 115 INSTITUTIONS (54 OF WHICH WERE EDUCATIONAL), DISTRIBUTED ACROSS 30 MUNICIPALITIES

## VOLUNTARY SUPPORT FOR PARALYMPIC ATHLETES

For another consecutive year, Orizon has provided ongoing and voluntary support for the training of paralympic athletes Wallace dos Santos and Tuany Siqueira and their participation in championships. Orizon believes in sport and the inclusion of people with disabilities.





# PERFORMANCE OVER THE YEAR



ORIZON ENDED 2022 WITH NET REVENUE  
OF R\$ 720 MILLION, CONSIDERING THE  
PRO FORMA VOLUME OF CARBON CREDITS.



# PERFORMANCE OVER THE YEAR

## ECONOMIC-FINANCIAL RESULTS

GRI 413-1

The addition of our new assets has allowed OrizonVR to almost triple the volume of waste it manages, meaning the growth of the company was even greater in 2022 against 2021. Orizon ended 2022 with net revenue of R\$ 720 million, considering the pro forma volume of carbon credits, a rise of 65% compared to 2021. The Adjusted Ebitda, meanwhile, was R\$ 312.4 million, with a 43.4% margin.

The Gross Debt reached the sum of R\$ 1.01 billion at the end of 2022, an increase of 82% against the balance of R\$ 556.2 million reported at the end of 2021. The increased debt was due principally to the issuing of new debentures used to fund the Company's expansion plan, including the increase in the number of assets, which involved the consolidation of nine new sanitary landfills, the first of our own initiatives in the production of biomethane and renewable energy using biogas, and the start of the operation of the largest recyclables recovery plant in Latin America, in Jaboatão dos Guararapes.



**The Company  
ended the year  
with a pro forma  
Ebitda of  
R\$ 312.4 million**

# GRI CONTENT INDEX





Declaration of use - GRI 1 used	OrizonVR has used the GRI Standards as its base for reporting the period between January 1 and December 31, 2022.
	GRI 1: 2021 Foundations

GRI Standards	Contents	Location	SDGs
General disclosures			
The organization and its reporting practices			
GRI 2: General disclosures 2021	2-1 Details on the organization	13, 14	
	2-2 Entities included in the organization's sustainability reporting	The entities included in the Sustainability Report are the same as those included in the 2022 Financial Statements. The basis of presentation for the Financial Reports and the reporting of the companies is contained on pages 57 and 58 of the ITR/DF document.	
	2-3 Reporting period, frequency and contact point	6	
	2-4 Restatements of information	There was no reformulating of information in relation to previous years.	
	2-5 External assurance	None.	
Activities and workers			
GRI 2: General disclosures 2021	2-6 Activities, value chain and other business relationships	13-14	
	2 - 7 Employees	49	810
	2-8 Workers who are not employees	49	8

GRI Standards	Contents	Location	SDGs
Governance			
GRI 2: General disclosures 2021	2-9 Governance structure and composition	36	516
	2-10 Nomination and selection of the highest governance body	37	516
	2-11 Chair of the highest governance body	36	16
	2-12 Role of the highest governance body in overseeing the management of impacts	37	16
	2-13 Delegation of responsibility for managing impacts	38, 40	
	2-14 Role of the highest governance body in sustainability reporting	The BD is not responsible for analyzing or approving the information contained in the sustainability report.	
	2-15 Conflicts of interests	37, 39	16
	2-16 Communicating critical concerns	36	
	2-17 Collective knowledge of the highest governance body	37	
	2-18 Evaluation of the performance of the highest governance body	The members of the BD have yet to make their first evaluation. It is expected that this will be performed annually.	
	2-19 Remuneration policies	40	
	2-20 Process to determine remuneration	40	
	2-21 Annual total compensation ratio	Information not available.	



GRI Standards	Contents	Location	SDGs
Strategy, policies and practices			
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	4	
	2-23 Policy commitments	35, 41-42	16
	2-24 Embedding policy commitments	41	
	2025 Processes to remediate negative impacts	57	
	2-26 Mechanisms for seeking advice and raising concerns	41-42	16
	2- 27 Compliance with laws and regulations	43	
	2-28 Membership of associations	40	
Stakeholder engagement			
GRI 2: General disclosures 2021	2-29 Approach to Stakeholder engagement	7, 40, 43	
	2-30 Collective bargaining agreements	The employees at all Orizon's units and head offices have a collective agreement and union agreement. The exceptions here are the apprentices, interns, the executive officers and the board members.	8
GRI Standards	Contents	Location	SDGs
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7	
	3-2 List of material topics	7-10	

GRI Standards	Contents	Location	SDGs
Management and best use of waste and tailings			
GRI 3: Material Topics 2021	3-3 Governance of material topics	18	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	25	<div><div>3</div><div>6</div><div>11</div><div>12</div></div>
	306-2 Management of significant waste-related impacts	25	<div><div>3</div><div>6</div><div>8</div><div>11</div><div>12</div></div>
Ethics, Integrity and Compliance			
GRI 3: Material Topics 2021	3-3 Governance of material topics	41	
GRI 205: Anti-corruption 2016	205-1 Operations assessed in terms of the risks relating to corruption	In its risk matrix, Orizon assessed matters related to corruption.	<div><div>16</div></div>
	205-2 Communication and training on anti-corruption policies and procedures	43	<div><div>16</div></div>
	205-3 Confirmed incidents of corruption and actions taken	43	<div><div>16</div></div>
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	43	<div><div>16</div></div>
GRI 207: Tax 2019	207-1 Approach to tax	43	<div><div>1</div><div>10</div><div>17</div></div>
	207-2 Tax governance, control and risk management	44	<div><div>1</div><div>10</div><div>17</div></div>



GRI Standards	Contents	Location	SDGs
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	None.	<div><div>5</div><div>8</div></div>
GRI 408: Child Labor 2016	408-1 Operations and suppliers considered to have significant risk for incidents of child labor	N.A. The suppliers agreements include a specific clause stating that the company does not condone child labor or forced labor, nor forced or compulsory labor, and should there be any sign of such activity, this will be reason for termination of the contract. Together with the agreement, the supplier is also sent annexes that address the topic of child labor, such being: The Supplier’s Code of Conduct and Terms of Commitment to Social Responsibility.	<div><div>5</div><div>8</div><div>16</div></div>
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor		
Biodiversity and Ecosystems			
GRI 3: Material Topics 2021	3-3 Governance of material topics	33	<div><div>5</div><div>8</div></div>

GRI Standards	Contents	Location	SDGs
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	33	<div><div>6</div><div>12</div></div>
	303-2 Management of water discharge related impacts	33	<div><div>6</div></div>
	303-3 Water withdrawal	Information not available. Orizon has no information in the format requested by the GRI standard.	<div><div>6</div></div>
	303-4 Water discharge		<div><div>6</div></div>
	303-5 Water consumption	33	<div><div>6</div></div>
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information not available. Orizon has no information in the format requested by the GRI standard.	<div><div>6</div><div>14</div><div>15</div></div>
	304-2 Significant impacts of activities, products, and services on biodiversity		<div><div>6</div><div>14</div><div>15</div></div>
	304-3 Habitats protected or restored		<div><div>6</div><div>14</div><div>15</div></div>
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by the organization’s operations		<div><div>6</div><div>14</div><div>15</div></div>
Attraction, development and retention of employees			
GRI 3: Material Topics 2021	3-3 Governance of material topics	51	
GRI 401: Employment 2016	401-1 New hirings and employee turnover	52	<div><div>5</div><div>8</div><div>10</div></div>
	401-2 Benefits offered to full-time employees that are not provided to temporary or part-time employees	51	<div><div>3</div><div>5</div><div>8</div></div>
	401-3 Parental leave	52	<div><div>5</div><div>8</div></div>

GRI Standards	Contents	Location	SDGs
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	51	<div>8</div>
	404-3 Percentage of employees receiving regular performance and career development reviews	The Company plans to apply performance analyses and career development monitoring as of 2024.	<div>5</div> <div>8</div> <div>10</div>
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	36, 49-50	<div>5</div> <div>8</div>
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association or collective bargaining may be at risk	All of Orizon's employees are members of unions which operate within the category that most fits their duties. If any unit still has workers who are not union members, this is due to the recent acquisitions and union membership will be instigated as soon as possible in accordance with the integration plan. Orizon has no control over this aspect in relation to its suppliers.	<div>8</div>
Local development			
GRI 3: Material Topics 2021	3-3 Governance of material topics	57	
GRI 202: Market presence 2016	202-2 Ratio of senior management hired from the local community	No members of senior management were hired from the local communities for the operational units in 2022.	<div>8</div>
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	57	<div>5</div> <div>9</div> <div>11</div>
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Information not available. Orizon has no information in the format requested by the GRI standard.	<div>8</div>



GRI Standards	Contents	Location	SDGs
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	57, 60	
	413-2 Operations with significant (actual and potential) negative impacts on local communities	The Ecoparks’ operations can generate real and potential negative effects on the local communities, such being: an excess of dust and problems involved in the movement of trucks.	<div>12</div>
Transparency and Relationship with the Priority Publics			
GRI 3: Material Topics 2021	3-3 Governance of material topics	41	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Information not available.	<div>5816</div>
GRI 415: Public Policy 2016	415-1 Political contributions	None.	<div>16</div>
Health and Welfare			
GRI 3: Material Topics 2021	3-3 Governance of material topics	53	

GRI Standards	Contents	Location	SDGs
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	54	8
	403-2 Hazard identification, risk assessment and incident investigation	55	8
	403-3 Occupational health services	53	8
	403-4 Worker participation, consultation, and communication on occupational health and safety	53	8 16
	403-5 Training for workers in occupational health and safety	53	8
	403-6 Promotion of worker health	53	3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	53	8
	403-8 Workers covered by an occupational health and safety management system	53, 55, 56	8
Safety and Emergency Management			
GRI 3: Material Topics 2021	3-3 Governance of material topics	54	
GRI 403: Occupational health and safety 2018	403-9 Work-related injuries	53, 55	3 8 16
	403-10 Work-related ill health	54	3 8 16
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Information not available. Orizon has no information in the format requested by the GRI standard.	
GRI 416: Customer Health and Safety 2016	416-2 Cases of non-compliance concerning the health and safety impacts of products and services	According to the 21-22 Cycle internal audit, three instances of non-compliance with voluntary codes were recorded. They are related to Participation and Consultation; the Incident Report and the Ergonomic Report	16

GRI Standards	Contents	Location	SDGs
Climate Strategy			
GRI 3: Material Topics 2021	3-3 Governance of material topics	26	
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	29-30	<div>13</div>
GRI 305: Emissions 2016	305-1 Direct (Scope 1) emissions of greenhouse gases (GHG)	29-32	<div>312131415</div>
	305-2 Indirect emissions (Scope 2) of greenhouse gases (GHG) arising from the acquisition of energy	29-32	<div>312131415</div>
Energy Efficiency			
GRI 3: Material Topics 2021	3-3 Governance of material topics	26	



TCFD SUMMARY

Recommendation	Disclosure recommended	Page/response
Governance	a. Description of the supervision by the Board in relation to the risks and opportunities relating to climate	38
	b. Description of the management's role in assessing and managing the risks and opportunities relating to climate	The organization attributes the responsibilities related to climate to the managers or committees composed of the ESG Management, reporting directly to the CEO; and two carbon specialists who report to the Ecopark's Board of Operations. Orizon does not have a sector specializing in risks and opportunities related to climate, and has yet to develop processes designed to provide information on such issues.
Strategy	a) Description of the climate-related risks and opportunities identified by the organization in the short, medium, and long term	Information not available.
	b. Description of the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	29
	c. Description of resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	26
Risk management	a. Description of the processes used by the organization to identify and evaluate climate-related risks	30
	c. Describe how the processes used for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	46
Metrics and targets	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	30

## CREDITS

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