



NO.11 PRIVATE SOCIAL INVESTMENT

Director: Finance, RI and ESG

Responsible area: ESG and RI

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1. OBJECTIVE

To present guidelines for Private Social Investment, whether through sponsorship using tax incentives or own resources, and to establish guidelines for initiatives that reinforce ESG concepts and contribute to the development of communities where the company operates. Dexco is committed to contributing to collective sustainable development agendas, in alignment with its Sustainability Strategy and UN Sustainable Development Goals.

2. SCOPE

This Guideline applies to all areas of Dexco, its administrators, and employees.

3. NORMATIVE REFERENCES

- Federal Sports Law (No. 11,438/06)
- Federal Cultural Law (former Rouanet Law No. 8,313/91, Article 18)
- Audiovisual Law (No. 8,685/93, No. 11,437/06, Article 1st A)
- Federal Law on Recycling Incentives (No. 14,260/2021)
- São Paulo State Law No. 12,268/06 - PROAC (Cultural Action Program)
- State Sports Law (São Paulo State Law on Sports Incentives Decree 55,636/2010)
- PRONAS - National Program to Support Health Care for People with Disabilities (Law 12,715/12)
- PRONON - National Program to Support Oncological Care (Federal Law No. 12,715/12)
- Elderly Funds (Law No. 12,213/10)
- FUMCADs - Municipal Funds for Children and Adolescent Rights.
- Anti-Corruption Law (Federal Law No. 12,846/13 and Decree No. 11,129/22)
- NO.44 Application of Disciplinary Measures
- PO.14 Anti-Corruption Measures
- PO.16 Human Rights
- PO.18 ESG (Environmental, Social, and Governance)
- [Corporate Social Responsibility Guideline](#)

4. DEFINITIONS

4.1. Social Investment: funds allocated to initiatives, projects, and programs

aimed at promoting sustainability, social impact, and the development of local communities.

4.2. Sponsorship: financial investment with the purpose of sponsoring events or projects of the sponsored entity.

4.3. Fiscal Incentive(s): the direct or indirect reduction or elimination, of the respective tax burden, stemming from specific laws or regulations of the Public Administration, for application in projects of public interest.

4.4. Proponent: a legal entity responsible for the authorship, implementation, and development of the social project or program.

4.5. Institutional Projects: projects aimed at expanding the positive social impacts conceptualized and/or executed by the Company.

4.6. Corporate Social Responsibility Guideline: strategic planning, aligned with the Sustainability framework and the behaviors of our culture, defining the role of the Social Responsibility area, based on 3 (three) pillars: Community, Fiscal Incentive, and Strategic Investment, with actions aimed at employees as a cross-cutting theme.

5. TARGET AUDIENCE

Communities surrounding the company's operations and its area of influence, social organizations, and impact-driven businesses aligned with the long-term strategy and commitments on ESG themes.

6. PROCEDURES AND RESPONSIBILITIES

6.1. Private Social Investment

Part of Dexco's social investment plan includes projects sponsored through tax incentive laws - directed towards education, culture, sports, health, elderly rights, children and adolescents, among others - and social initiatives enabled through its own investment, which may be developed in partnership with Social Organizations and impact businesses.

The Private Social Investment allocation is based on the social

responsibility guideline, by the long-term corporate strategy and the UN Sustainable Development Goals, both those defined as priorities for Dexco and those related to the specific themes of selected projects.

Also part of the Private Social Investment plan and Dexco's community engagement strategy is participation in forums and networks, committees, and councils, such as the Global Compact Network Brazil and other networks and coalitions that contribute to advancing the Social Responsibility Guideline within and outside the Company.

6.2. Focus areas

The Social Responsibility area has the following priority areas of action: Health, education, environment, culture, and adequate housing, as defined in the Corporate Social Responsibility Guideline. These areas of action may change due to identified social demands and opportunities in dialogues with the community, since aligned with the company's long-term strategy, comply with Company norms and policies, and are in line with public policies.

6.3. Criteria for Initiative Selection

- Meeting the priority demands of Communities.
- Social themes identified in dialogues with the community or forwarded by units.
 - Social vulnerability index of the region.
 - Priority target audience: Children and adolescents.
 - Execution capacity of the proposing organization.
 - Having indicators and presenting sustainable results for the community.
 - Valuing the leadership of local actors and strengthening civil society.
 - Having a relationship with one or more of Dexco's priority SDGs or aligned with the Corporate Social strategy, such as: SDG 8 - Decent work and economic growth; SDG 9 - Industry, innovation, and infrastructure; SDG 12 - Responsible consumption and production; SDG 13 - Climate action; SDG 15 - Life on land; as well as SDG 3 - Good health and well-being; SDG 4 - Quality education; and SDG 10 - Reduced inequalities.
 - Affinity with the ESG strategy and business-related norms and/or institutional interest.
 - The potential for project replicability in different locations and among different audiences.

- Not representing or appearing to give undue advantage to any of the parties, including as per PO.14 Anti-Corruption Measures.

No initiative that jeopardizes the image and reputation of the Company, its shareholders, directors, or employees may be undertaken.

6.4. Stakeholder Engagement

Engagement with stakeholders involves implementing channels for active listening, such as formal dialogue and meetings with members of local communities, community leaders, government officials, and representatives of the third sector - as described in Annex I of the Human Rights Policy - to identify relevant themes and priority demands that support the direction of Private Social Investment and contribute to local community development, as well as provide feedback on local initiatives and projects.

6.5. Approvals and Responsibilities

6.5.1. Feasibility Analysis and Social Investment Planning

The ESG - Social Responsibility Area is responsible for analyzing and pre-selecting received social projects, considering the established criteria for private social investment in the year, as well as checking with the tax management the availability of resources for sponsorship through Fiscal Incentives.

After defining the available amount, the ESG - Social Responsibility Area drafts the investment plan proposal and submits the Sponsorship Approval Form, along with the necessary documentation, to the Compliance area.

The Compliance area should analyze the reputation of the proponent by consulting available public databases to identify integrity risks involving the beneficiary. The Compliance area may require the proponent to provide all necessary documents for the preparation of its reputational report to be submitted to the ESG - Social Responsibility Area. If Compliance issues an unfavorable opinion, the sponsorship should not proceed. Based on the favorable opinion of the Compliance area, the ESG - Social Responsibility Area may proceed with the sponsorship process, submitting the social investment plan for approval by the Executive Committee, Sustainability Committee, and ESG Commission.

The ESG - Social Responsibility Management is responsible for executing the payment of projects, according to the approved social investment plan

by the Executive and Sustainability Committees. Payments for projects enabled through state laws should follow the respective schedule of the Treasury Department. For projects whose investment will be made from own resources, payment will be made according to negotiation with the proponent.

6.5.2. Sponsorship Implementation

- All sponsorships will be carried out through the execution of the respective sponsorship contract between the Company and the Proponent (and the fundraiser, if applicable).

- It is the responsibility of the Legal department to provide legal advice to the areas involved in sponsorships using Fiscal Incentives and own resources and to draft the legal instrument for contracting potential projects, as well as to validate the contracts filled out by the Proponent and reviewed by the ESG Management at the end of the contracting process.

- The ESG Area is responsible for sending the applicable standard contract to the Proponent for them to return it filled out with their complete qualification (company name, address, CNPJ, type of company, and form of representation);

- It is necessary to submit receipts evidencing the amounts contributed to projects through fiscal incentives to the tax department by the beginning of the subsequent month after payment.

- Relationships with the Public Administration must be transparent, free from influence or conflicts of interest, and without any exchange of favors.

- Dexco, its administrators, and employees must make decisions without being influenced by personal, political, partisan, ideological, or authoritative relationships.

- Whenever there is a provision for the distribution of tickets, invitations, copies, items, etc., in projects sponsored by the Company under this standard, it is necessary to comply with the limits established in the applicable current legislation, as set out below:

- The offer or delivery of tickets, invitations, copies, items, etc., from projects sponsored by the Company to public officials or those equated to them is prohibited, in accordance with the provisions of the Anti-Corruption Policy - PO.14.

6.5.3. Post-Analysis and Document Archiving

It is the responsibility of the ESG Area- Social Responsibility department:

- Keep all documentation, contracts, and evidence required in this Standard registered.
- Report in the company's annual report the sponsorships carried out within the scope of this Standard, to ensure transparency in the use of fiscal incentives.
- Ensure the accountability of the proponent, who in turn must present a copy of the documentation submitted to the Public Administration.

6.6. Prohibitions

Without prejudice to other prohibitions in laws, under the terms of Normative Instruction No. 01/2017 from the Ministry of Culture, any sponsorship of a cultural project related to the Federal Cultural Law, former Rouanet Law, is subject to the prohibition of the following counterparties to the Company, even if the sponsorship is carried out through private funds (non-incentivized), including if only through this:

- Differentiation between audiences in the commercialization of the cultural product under conditions different from those practiced for the general public;
- Reservation of space at the event for a specific audience;
- Branding or name placement on promotional materials different from those approved by the Ministry of Culture;
- Execution of rehearsals, presentations, visits, receptions, parties, cocktails, catering services, or any activities associated with the cultural project of a restricted nature or with access limitations;
- Provision of products or services to the project, in addition to the cash contribution object of the sponsorship.

6.7. In the execution of Sponsorships, the following are prohibited:

- The offering or receipt by the Company or its administrators and employees of any counterpart above legal limits, unlawful financial or material advantage as a result of the Sponsorship made;
- Conducting Sponsorship outside of legally established provisions and limits;
- Granting Sponsorships directly to public agents, bodies, or entities of the direct or indirect Public Administration, or to relatives of public agents, in a direct line, collateral or by affinity, up to the third degree;
- Using Fiscal Incentives for Sponsorships of projects intended for individuals, without meeting the criteria of public interest established in current legislation;
- Entering into Sponsorships involving non-independent cultural

activity, i.e., (i) having association or link, even if indirect, with sound and image broadcasting companies, or open or subscription electronic communication operators;

- In case of direct or indirect association or link with the Company, its shareholders, administrators, directors, and/or their respective spouses and relatives up to the third degree, except in the case of assets provenly protected by public agencies, the proposal must also be approved by the related parties committee.

Sponsorships using Fiscal Incentives are carried out by the Company exclusively in cash, with the transfer of Company assets or services being prohibited.

7. GOVERNANCE

Dexco's Private Social Investment plan is under the management of the ESG Area and must be approved by the Executive Committee and submitted to the Sustainability Committee and ESG Commission.

It is also the responsibility of the ESG Management to monitor, monitor, and communicate quantitative and qualitative indicators that assess the results and impact of implemented projects, exemplified, but not limited to, in the table below:

QUANTITATIVE INDICATORS	QUALITATIVE INDICATORS
<ul style="list-style-type: none"> • Number of direct and indirect beneficiaries: • Planned vs. realized budget: • Number of beneficiaries integrated into the labor market: • Planned events vs. realized events: • Income increase (if applicable) 	<ul style="list-style-type: none"> • School Performance: • Development of socio-emotional skills • Satisfaction: • Increase in knowledge level on the subject

Project monitoring will be carried out through constant meetings and on-site visits, involving employees from the units where they take place, whenever possible. Annually, the results obtained by the projects, along with general corporate indicators, are presented in the Integrated Report,

the main means of communication with our stakeholders. The ESG Area can also use the website as a channel to inform about the actions carried out in the year and their selection and evaluation criteria.

8. SANCTIONS

Non-compliance with the guidelines of this Standard will be subject to the application of disciplinary and legal measures.

9. EFFECTIVENESS

This standard will come into effect from its publication date and must be reviewed every 2 years.

10. APPROVAL

This standard was approved by the Finance, IR, and ESG Director.