MADEM REELS

SUSTAINABILITY REPORT 2025



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MESSAGE FROM THE CEO



Leandro Mazzoccato
MADEM CEO

This is our first global Sustainability Report, a significant milestone in the company's journey. It represents a clear commitment to transparency, responsible governance, and the integration of environmental, social, and governance (ESG) aspects into our business strategy. More than just reporting on initiatives, this document consolidates a long-term vision, aligned with international best practices, and reflects the evolution of our way of thinking, deciding, and operating.

We believe that sustainability strengthens our business by driving innovation, mitigating risks, increasing operational efficiency, and deepening trust with clients, partners, employees, and investors. For our clients, this commitment translates into more responsible, resilient solutions aligned with the demands of a market that values ethics, positive impact, and the generation of shared value. For us, it is the foundation for consistent, competitive, and responsible growth.

We continue to move forward with the conviction that economic performance and positive impact go hand in hand. This report is an invitation to dialogue and to jointly build a more sustainable future for our business and for society.

"Sustainability is no longer a choice; it has become an essential pillar for the longevity of businesses. In an increasingly connected, transparent, and demanding world, our responsibility goes beyond financial results: it involves how we generate value, how we relate to society, and how we contribute to the sustainable development of the communities and markets in which we operate."



ABOUT THE SUSTAINABILITY REPORT

MADEM 2025 Sustainability Report presents a comprehensive overview of the main achievements, initiatives, and results obtained throughout the year in the environmental, social, and governance pillars of its production units located in Brazil (Garibaldi/RS and Rio Negro/PR), USA (North Carolina and Texas), Spain (Sant Fruitós de Bages), and Bahrain (Askar). The document includes information and data referring to the period from January 1st to December 31st, 2025, reflecting the company's performance during this period.

The material topics addressed in this report were identified through a process conducted by a specialized consultancy in collaboration with MADEM Board, considering the impacts, risks, and opportunities relevant to the business and its stakeholders. These topics were subsequently evaluated and approved by the CEO and the Board of Directors, ensuring alignment with the MADEM group's corporate strategy.



The Sustainability Report is structured into thematic chapters, reflecting the material issues identified as priorities for the company's strategy. The report was prepared based on GRI standards, demonstrating MADEM commitment to transparency, socio-environmental responsibility, and the generation of sustainable value in the long term.

MATERIAL TOPICS - MATERIALITY MATRIX

(GRI3-1)

The Materiality Matrix defines the priority topics of the MADEM group's sustainability strategy. It was developed with the support of specialized consulting and approved by the Board of Directors, ensuring alignment with best governance practices and the company's strategic drivers.

METHODOLOGY FOR DEFINING MATERIAL TOPICS

The definition of the material topics was conducted through a structured process of listening and analysis, in accordance with the GRI 3 – Material Topics guidelines.

The MADEM group recognizes the following as its main stakeholders: customers, employees, suppliers and partners, local communities, authorities and regulatory bodies, investors and shareholders. Relationships with these stakeholders are conducted ethically and transparently, considering the relevance of each group to the company's sustainability, governance, and long-term value creation.

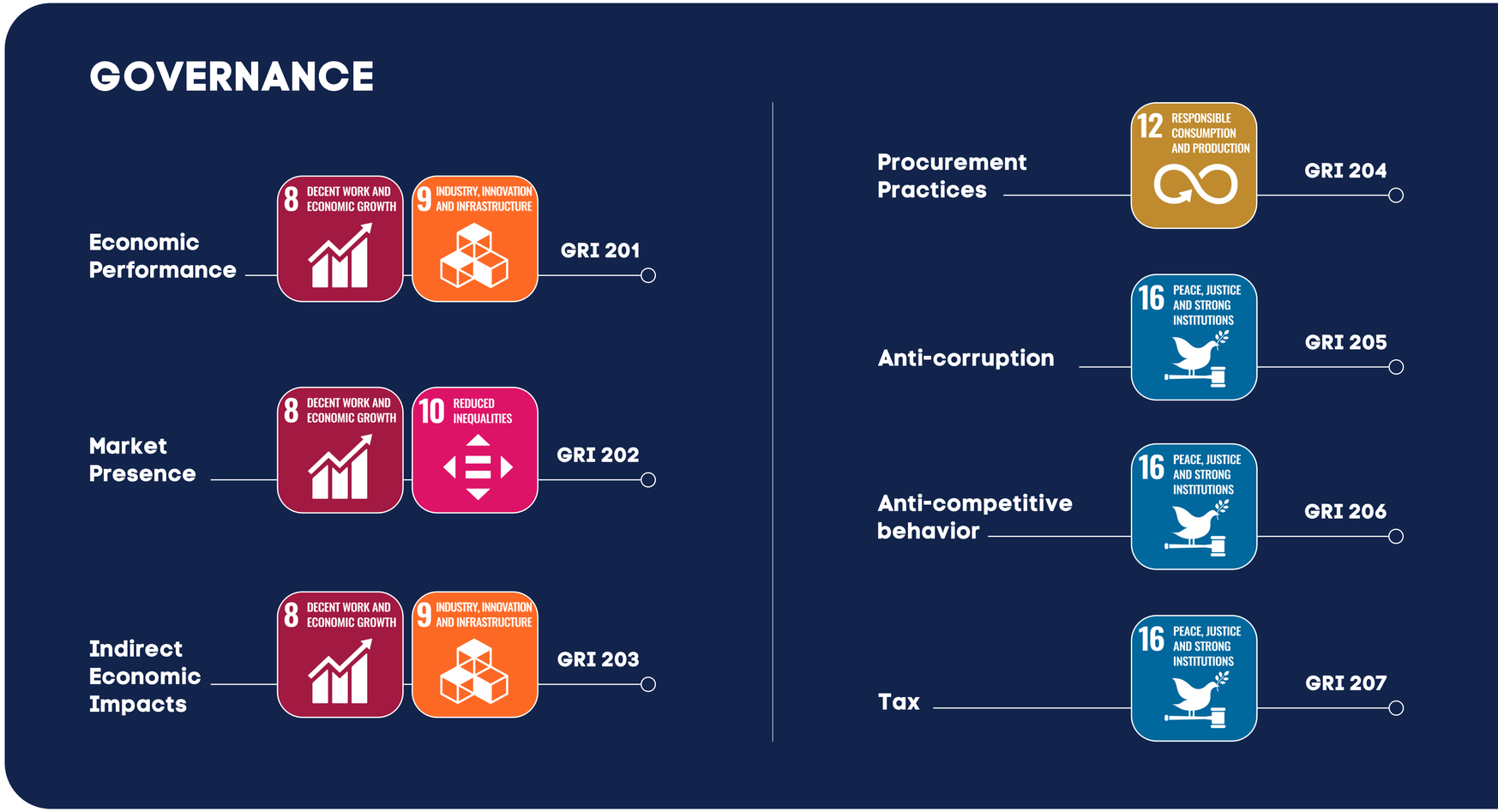


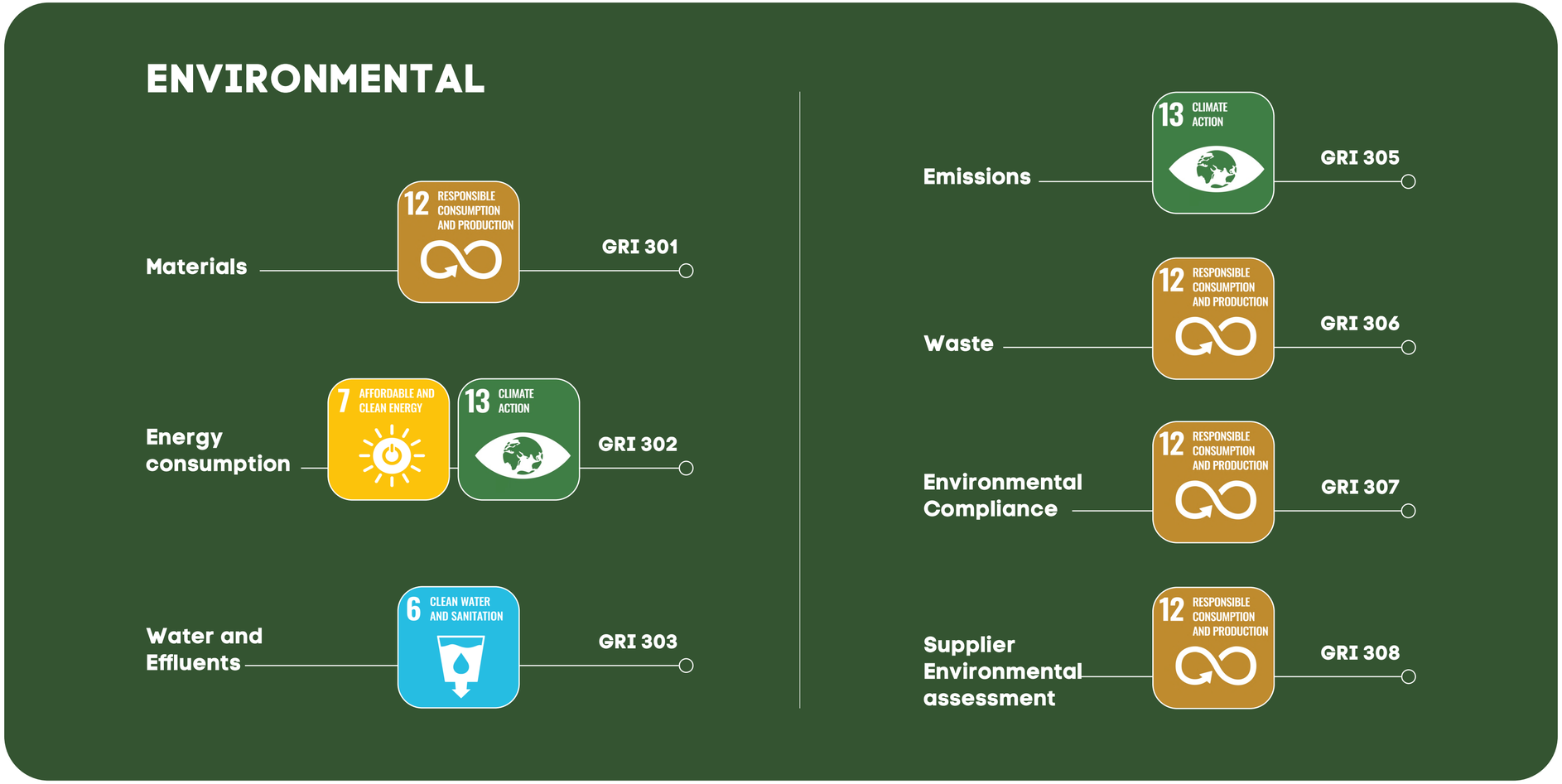
Stakeholders and the Board of Directors assessed the material issues, and the results were consolidated and represented in the **Materiality Matrix**, prioritizing the most relevant issues. These issues guide the structure of the Sustainability Report and the direction of actions, goals, and performance indicators.

MATERIAL TOPICS

(GRI3-2)

With the aim of demonstrating our commitment to sustainability, below we show the correlation between the material topics and the GRI and the Sustainable Development Goals (SDGs) established by the UN.




ENVIRONMENTAL
Materials
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
GRI 301
Energy consumption
7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION
GRI 302
Water and Effluents
6 CLEAN WATER AND SANITATION
GRI 303
Emissions
13 CLIMATE ACTION
GRI 305
Waste
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
GRI 306
Environmental Compliance
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
GRI 307
Supplier Environmental assessment
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
GRI 308

SOCIAL

- Employment — 8 DECENT WORK AND ECONOMIC GROWTH — GRI 401
- Labor Relations — 8 DECENT WORK AND ECONOMIC GROWTH — GRI 402
- Occupational Health and Safety — 3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH — GRI 403
- Training and Education — 4 QUALITY EDUCATION; 8 DECENT WORK AND ECONOMIC GROWTH — GRI 404
- Diversity and Equal Opportunities — 5 GENDER EQUALITY; 10 REDUCED INEQUALITIES — GRI 405
- Non-Discrimination — 10 REDUCED INEQUALITIES — GRI 406
- Freedom of Association and Collective Bargaining — 8 DECENT WORK AND ECONOMIC GROWTH — GRI 407
- Child Labor — 8 DECENT WORK AND ECONOMIC GROWTH — GRI 408
- Forced Labor or Compulsory labour — 8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 409
- Safety Practices — 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 410
- Human Rights Assessment — 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 412
- Local Communities — 11 SUSTAINABLE CITIES AND COMMUNITIES; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 413
- Customer privacy — 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 418
- Socioeconomic compliance — 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — GRI 419

ABOUT MADEM

MADEM S/A Indústria e Comércio de Madeiras e Embalagens is a Brazilian company founded in 1949, with over seven decades of experience in the market for wooden reels and industrial packaging. Its history began as Giacomello, Taffarel & Cia Ltda, a manufacturer of wooden barrels for the wine industry, with approximately 30 employees. Over the years, the company evolved and expanded its portfolio, undergoing changes in its corporate name and becoming MADEM SA in 1974, focusing on the production of wooden and plywood reels for the electrical cable, transmission, and telecommunications industries, as well as the production of pellets for industries that use biomass and pet hygiene products.

From its earliest days, MADEM expanded its national and international reach. One of the initial stages of expansion was the construction of its factory in Rio Negro, Paraná (1975). In the following decades, new facilities and production lines were implemented in Brazil, in addition to assembly and recycling centers in Sorocaba (São Paulo), consolidating its operations in different segments of wood products and complementary services, targeting the national and Latin American markets.

Starting in the 2000s, MADEM began its internationalization strategy with the opening of its first overseas unit, located in Spain and named EUROMADEM in 2006. In the following years, the company consolidated its global presence with subsidiaries and manufacturing plants in several countries:



2006 SPAIN — EUROMADEM, strategically positioned to serve European and North African customers.

2009 BAHRAIN — MADEM GULF Industries WLL, based in Manama, reinforcing its presence in the Middle East and covering MENA and Oceania.

2019 COLOMBIA — MADEM CARRETES DE COLOMBIA, located in Cali in order to supply local demand.

2018/2022 USA — Through MADEM-MOORECRAFT Reels USA Inc, with factories in Tarboro (NC) and Denton (TX), aiming to cover the American and Mexican markets.

Connecting wood-based solutions to global sustainable development—today and for future generations.

GLOBAL NETWORK

More than 250 clients in over 45 countries, with production facilities strategically distributed around the world.

FORESTS AND SUSTAINABILITY

Renewable timber, responsible management, and environmental certifications. Operations in managed forests in Rio Grande do Sul and Paraná through affiliates MADEM Florestamento and Florestal Mostardas, overseeing over 15,000 hectares with environmental certifications.

PEOPLE AND GOVERNANCE

An enduring commitment to employees, customers, society, and the future.

Our group, with over 75 years of history, is among the fifteen largest forestry groups in Brazil and is a world leader in the manufacture of wooden reels for the electrical cable industry.

The human factor is our people are our greatest asset, with over 1,000 employees worldwide. As a company that primarily works with sawn timber as a raw material, our sustainability initiative is driven by our deep commitment to not only using renewable wood in our operations but also mitigating the impact of our operations on the environment, which is assured by our international certifications.

Structural strength and environmental awareness: the combination that projects our brand to the world. Sustainability is a priority at every stage of the process. Our wooden reels are durable, reusable, and made with controlled-source raw materials, combining performance, durability, and environmental commitment.



OUR OPERATIONS



Presented below is a timeline aimed at providing a more direct understanding of the evolution of the MADEM Group.



1949
ESTABLISHMENT

Founded as Giacomello, Taffarel & Cia Ltda., a manufacturer of wooden barrels for the wine industry, with around 30 employees.



1975
NATIONAL EXPANSION

Construction of the factory in Rio Negro, Paraná, manufacturing wooden reels on an industrial scale.



2000
INTERNATIONAL EXPANSION STRATEGY

Beginning of international expansion, focused on bringing quality, innovation, and sustainable solutions to the world.



1974
EVOLUTION

Change of corporate name to MADEM S.A. Focus on the production of wooden reels for electrical cables, transmission, and telecommunications.



1980s AND 1990s
GROWTH AND DIVERSIFICATION

New facilities and production lines in Brazil, and assembly and recycling centers in Sorocaba (SP). Consolidation in the domestic market and Latin America.

Presented below is a timeline aimed at providing a more direct understanding of the evolution of the MADEM Group.



2009
BAHRAIN AND ROMANIA

Based in Manama, strengthening its presence in the Middle East and covering MENA and Oceania. In the Eastern Europe, Romania branch started operations.



2019
COLOMBIA

Unit located in Cali to meet local market demand.



2006
SPAIN: EUROMADEM

First overseas unit, strategically positioned to attract European and North African clients.



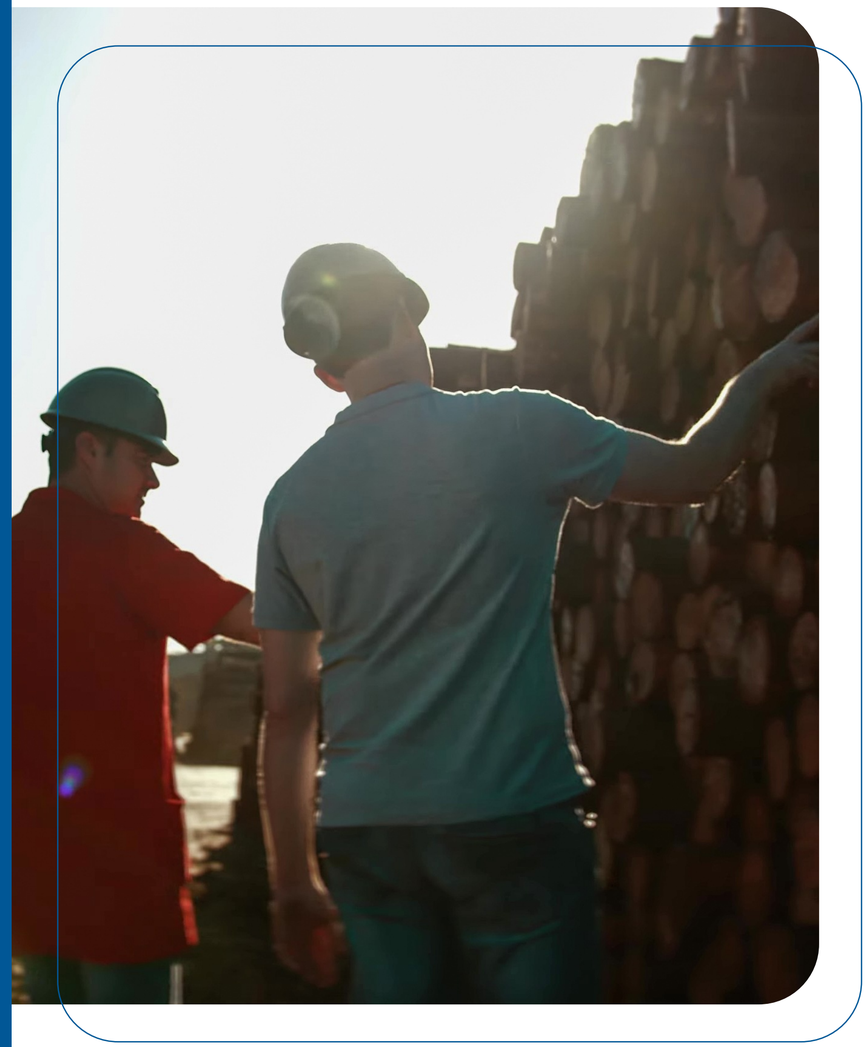
2018
USA / NC

New factory has opened in Tarboro, NC, with Moorecraft Reels, a long-established local manufacturer.



2022
USA / TX

New factory in the United States opens in the city of Denton, TX.



BUSINESS SUSTAINABILITY

MADEM's business model is based on **transforming wood from renewable and controlled sources into durable, reusable, and environmentally responsible industrial solutions.** The reels produced by the company play an essential role in the logistics, transport, and storage of cables, contributing to the efficiency of the production chains in the energy, infrastructure, and telecommunications sectors.

MADEM has integrated industrial and forestry operations with production units located in several countries, which strengthens its global presence and its ability to provide efficient service.

Sustainability is integrated into the business through responsible forest management focused 100% on planted forests, the use of renewable raw materials, the reuse of waste, and the continuous pursuit of operational efficiency and reduction of environmental impacts. Value chain management considers environmental, social, and economic aspects, from the cultivation and management of forests to the delivery of products to customers.

Beyond its economic performance, MADEM's business generates significant positive impacts, such as **promoting the use of renewable materials, creating direct and indirect jobs, developing the communities where it operates, and contributing to the transition to more sustainable production models in the industrial sector.**

In this way, MADEM's business is aligned with the principles of sustainable development, seeking to create long-term value for customers, employees, communities, partners and other stakeholders, in accordance with good governance practices and the guidelines of the GRI Standard.

MISSION

To meet the demands of our customers with excellence through the development and offer of products that are leaders in quality, promoting the continuous improvement and improvement of their processes and products within a sustainable vision, based on a long-term commitment to shareholders, employees, suppliers, and the community.

VISION

To be recognized as a reference and best option by customers, employees, the community, suppliers and shareholders, for the excellence of products and services, acting in a sustainable manner in the global market.

VALUES

Customer Proximity | Quality | Integrity | Commitment | Continuous Improvement | Innovation | Sustainability | On-Time Delivery | Human Development



PURPOSE

At MADEM, our purpose is to produce responsibly and promote solutions that connect people and industries around the world. For over 75 years, we have been committed to transforming renewable raw materials into durable, eco-friendly, and high-performance products, contributing to the sustainable development of the production chains in which we operate. Our focus goes beyond products: it's about caring for the environment, valuing people, and driving global progress through responsible and innovative practices.

STRATEGIES

To achieve our purpose and fulfill our mission, MADEM implements strategies that strengthen our global leadership:

- **Expansion and international presence:** we maintain strategically located production units on different continents, expanding our capacity to serve global markets with agility and efficiency.
- **Integrated sustainability:** we incorporate sustainable practices into all operations, from forest management to recycling and reuse of waste.
- **Operational excellence:** we invest in technology, certifications, and continuous improvements to ensure products that exceed expectations in performance and durability.
- **Strong partnerships:** we cultivate long-term relationships with clients, suppliers, and stakeholders, based on trust, innovation, and shared results.
- **People development:** we promote a work environment that encourages professional growth and engagement among our employees.

MADEM CORPORATE POLICY INTEGRATED MANAGEMENT SYSTEM (IMS)

With the commitment of its leadership and employees, the MADEM group seeks to be recognized as a reference in the production of wooden/plywood reels and wooden pellets, always aiming at the high satisfaction of our customers, through policies that meet:

- Promote the integrated management of occupational health safety, ethics, respect, and commitment to environmental protection and social responsibility;
- Know, respect, and practice any and all legislation, rules, or regulations applicable to the aspects of occupational health and safety, environment, human rights, ethics, and social responsibility in all activities developed and executed by the MADEM group.
- Maintain permanent dialogue with customers, suppliers, employees, communities, and other stakeholders;
- Continuously improve the performance of the Integrated Management Systems;
- Protection of the environment, preventing and minimizing the generation of waste, and environmental aspects and impacts during its activities;
- The requirements of the Management Systems standards are implemented;
- Respect and laws related to child labor, prevent and prohibit all forms of forced and compulsory labor, restrict and ensure that there is no discrimination in employment and occupation, respect freedom of association and effective collective bargaining.





GLOBAL CERTIFICATIONS

As part of its operating strategy and in order to meet the highest international standards in its operations, MADEM maintains the following international certifications:

AEO Authorized Economic Operator
Programa Brasileiro de Operador Econômico Autorizado

CERTIFICAÇÃO DO SISTEMA DE GESTÃO
DNV
ISO 9001 • 14001

CO_2
MADEM REELS GROUP
NEUTRAL

THINK GREEN
MADEM
RENEWABLE WOODEN REELS

ISO 9001 | ISO 14001
KD-HT ISPM 15

RECYCLING PROGRAM

FSC™
FSC™ C111702

PEFC™



AEO Authorized Economic Operator
Programa Brasileiro de Operador Econômico Autorizado

CERTIFICADO Nº RFB - 992

Em reconhecimento à parceria estabelecida para proporcionar maior agilidade e previsibilidade ao fluxo de comércio exterior, e em face da adoção de procedimentos em consonância aos critérios exigidos pelo Programa Brasileiro de Operador Econômico Autorizado - OEA, a Secretaria Especial da Receita Federal do Brasil tem o prazer de certificar, em caráter precário e por prazo indeterminado, como membro:

MADEM SA INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS

CNPJ: 87.547.238/0001-10
Importador/Exportador - OEA-Segurança

Brasília, 08 de Outubro de 2024

Secretaria Especial da Receita Federal do Brasil

Situação em 08/10/2024 - 13:31: Ativo

A autenticidade das informações contidas neste certificado pode ser verificada em:
http://pesquisa.in.gov.br/imprensa/jsp/visualiza/index.jsp?jornal=515&pagina=61&data=08/10/2024

IPPC US - 169925 HT

IPPC US - 163087A HT

IPPC ES-08-0057 HT

IPPC BR-PR096 HT

IPPC BH - MGI - 002 HT

BRAZIL



DNV

CERTIFICADO DO SISTEMA DE GESTÃO

Número do Certificado: 38866-2008-AE-BRA-RvA | Data de início: 30 agosto 2000 | Válido até: 06 Junho 2026 – 05 Junho 2029

Certifica-se que o sistema de gestão de
MADEM SA INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS
Rua Ignacio Schelbauer, 655, Bom Jesus, 83880-000, Rio Negro, PR, Brazil
e para os centros de trabalho que se mencionam no Anexo que integra este certificado

está em conformidade com a Norma de Sistema de Gestão Ambiental:
ISO 14001:2015

Este certificado é válido para o seguinte âmbito:
Desenvolvimento, fabricação e reciclagem de carretéis de madeira e compensado.

Local e data: **Barendrecht, 19 Março 2026**

Escritório emissor: **DNV - Business Assurance Zwolseweg 1, 2994 LB Barendrecht, Netherlands**

Erla Kaak
Representante da Gestão

O incumprimento das condições expressas no Contrato de Certificação pode invalidar este certificado
UNIDADE ACREDITADA: DNV Business Assurance B.V., Zwolseweg 1, 2994 LB, Barendrecht, Netherlands - TEL: +31(0)102922689. www.dnv.com/assurance

ISO 14001 BRAZIL



DNV

CERTIFICADO DO SISTEMA DE GESTÃO

Número do Certificado: 103945-2011-AQ-BRA-RvA | Data de início: 06 Junho 1996 | Válido até: 02 Junho 2026 – 01 Junho 2029

Certifica-se que o sistema de gestão de
MADEM SA INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS
Rua Ignacio Schelbauer, 655, Bom Jesus, 83880-000, Rio Negro, PR, Brazil
e para os centros de trabalho que se mencionam no Anexo que integra este certificado

está em conformidade com a Norma de Sistema de Gestão da Qualidade:
ISO 9001:2015

Este certificado é válido para o seguinte âmbito:
Desenvolvimento, fabricação e reciclagem de carretéis de madeira e compensado.

Local e data: **Barendrecht, 19 Março 2026**

Escritório emissor: **DNV - Business Assurance Zwolseweg 1, 2994 LB Barendrecht, Netherlands**

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ISO 9001 BRAZIL



DNV

FSC® CHAIN OF CUSTODY CERTIFICATE

Certificate no.: DNV-COC-000498 | Initial certification date: 02 July 2012 | Valid: 02 July 2022 – 01 July 2027
Issue Number: 5

The validity of this certificate shall be verified on https://info.fsc.org/

This is to certify that the
MADEM SA INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS
Rua Ignacio Schelbauer, 655, Bom Jesus, 83880-000, Rio Negro, PR, Brazil

has been found to conform to FSC standard:
FSC-STD-40-004

This certificate is valid for the following scope:
PRODUCTION AND SALES OF CABLE-DRUMS AND WOOD CHIPS FSC 100%, BY TRANSFER SYSTEM.

A list of the certificated products can be obtained from the FSC database, https://info.fsc.org/
This certificate itself does not constitute evidence that a particular product supplied by the certificate holder is FSC-certified (or FSC Controlled Wood). Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required FSC claim is clearly stated on invoices and shipping documents.

Place and date: **Solna,07 June 2022**

For the issuing office:
DNV - Business Assurance
Elektrogatan 10, 171 54, Solna, Sweden

Ann-Louise Pått
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.This certificate is the property of DNV Business Assurance Sweden AB and must be returned on request
ACCREDITED UNIT: DNV Business Assurance Sweden AB, Box 6046, 171 06 Solna, Sweden - TEL: +46 8 587 940 00. www.dnv.com

FSC® BRAZIL



AGRIBIOMASS | ACCREDIA

ORGANISMO DI CERTIFICAZIONE
Via Cappuccini Vecchi, 2 - 62014 Corridonia MC
P.IVA 02112200437

PRD N° 0328

CERTIFICATO

Certificate n. **A-012**

Si certifica che il pellet legnoso prodotto da
We hereby certify that the woody pellet produced by

MADEM S/A INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS

RUA IGNACIO SCHELBAUER 655, 83880-000, RIO NEGRO, PR, BRAZIL
Presso le Unità Operative
In the Operative sites
RUA IGNACIO SCHELBAUER 655, 83880-000, RIO NEGRO, PR, BRAZIL
È conforme alle norme
Is in compliance with the Standards
UNI EN ISO 17225-1:2021, UNI EN ISO 17225-2:2021, UNI EN 15234-1:2011, UNI EN 15234-2:2012
ed è conforme ai requisiti della
and meets the requirements of

CLASSE DI QUALITÀ A1

A seguito di ispezione iniziale e continua sorveglianza.
Based on an initial inspection followed by continuous surveillance.

Prima emissione	Emissione corrente	Scadenza
First issue	*Current issue*	*Expiry date*
*25.11.2021 **	*07.11.2024*	*23.11.2027*

* Data originariamente non certificata per un disuso (ME) precedentemente al 16.10.2020

L'amministratore Unico
The Chief executive Officer
Michela Bifolchetti

Il presente certificato annulla e sostituisce il precedente n. A-012 del 10.10.2024.
This certificate voids and replaces the previous certificate no. A-012 dated 10.10.2024.
AGRIBIOMASS S.R.L. – Via Cappuccini Vecchi, 2 – 62014 Corridonia (MC) – **www.agribiomasscert.com**

ENPLUS BRAZIL

BRAZIL



AGRIBIOMASS

ACCREDIA

ORGANISMO DI CERTIFICAZIONE
Via Cappuccini Vecchi, 2 - 62014 Corridonia MC
P.IVA 02112200437

Allegato 1 al CERTIFICATO

Annex 1 to Certificate n. ***A-012***

Si certifica che
We hereby certify that

MADEM S/A INDUSTRIA E COMERCIO DE MADEIRAS E EMBALAGENS

RUA IGNACIO SCHELBAUER 655, 83880-000, RIO NEGRO, PR, BRAZIL

Presso le Unità Operative
In the Operative sites

RUA IGNACIO SCHELBAUER 655, 83880-000, RIO NEGRO, PR, BRAZIL

svolge le seguenti Attività Commerciali Critiche in conformità a
carries out the following Critical Business Activities in compliance with

UNI EN ISO 17225-1:2021, UNI EN ISO 17225-2:2021, UNI EN 15234-1:2011, UNI EN 15234-2:2012

Produzione di pellet legnoso
Production of woody pellets

Confezionamento e distribuzione di pellet legnoso confezionato
Bagging and trade of bagged woody pellets

A seguito di ispezione iniziale e continua sorveglianza.
Based on an initial inspection followed by continuous surveillance.

Prima emissione	Emissione corrente	Scadenza
First issue	*Current issue*	*Expiry date*
*25.11.2021 **	*07.11.2024*	*23.11.2027*

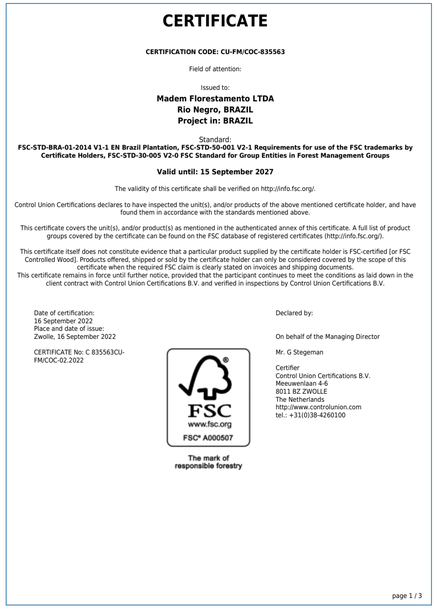
* Data originariamente non nota in quanto la prima verifica dell'organizzazione non certificata da altro Ente

L'amministratore Unico
The Chief executive Officer

Il presente allegato annulla e sostituisce l'allegato al certificato n. A-012 del 10.10.2024.
This Annex voids and replaces the previous annex to the certificate no. A-012 dated 10.10.2024.

AGRIBIOMASS S.R.L. – Via Cappuccini Vecchi, 2 – 62014 Corridonia (MC) – **www.agribiomasscert.com**

ENPLUS BRAZIL



CERTIFICATE

CERTIFICATION CODE: CU-FM/COC-835563

Field of attention:

Issued to:
Madem Florestamento LTDA
Rio Negro, BRAZIL
Project in: BRAZIL

Standard:
FSC-STD-BRA-01-2014 V1-1 EN Brazil Plantation, FSC-STD-50-001 V2-1 Requirements for use of the FSC trademarks by Certificate Holders, FSC-STD-30-005 V2-0 FSC Standard for Group Entities in Forest Management Groups

Valid until: 15 September 2027

The validity of this certificate shall be verified on http://info.fsc.org/.

Control Union Certifications declares to have inspected the unit(s), and/or products of the above mentioned certificate holder, and have found them in accordance with the standards mentioned above.

This certificate covers the unit(s), and/or product(s) as mentioned in the authenticated annex of this certificate. A full list of product groups covered by the certificate can be found on the FSC database of registered certificates (http://info.fsc.org/).

This certificate itself does not constitute evidence that a particular product supplied by the certificate holder is FSC-certified (or FSC Controlled Wood). Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required FSC claim is clearly stated on invoices and shipping documents.
This certificate remains in force until further notice, provided that the participant continues to meet the conditions as laid down in the client contract with Control Union Certifications B.V. and verified in inspections by Control Union Certifications B.V.

Date of certification:
16 September 2022
Place and date of issue:
Zwolle, 16 September 2022

CERTIFICATE No: C 835563CU-FM/COC-02.2022

Declared by:

On behalf of the Managing Director

Mr. G Stegeman

Certifier
Control Union Certifications B.V.
Meeuwenlaan 4-6
8011 BZ ZWOLLE
The Netherlands
http://www.controlunion.com
tel.: +31(0)38-4260100

FSC
www.fsc.org
FSC® A000507

The mark of responsible forestry

page 1 / 3

FSC® BRAZIL



CERTIFICATE

CERTIFICATION CODE: CU-FM/COC-830198

Field of attention:

Issued to:
Florestal Mostardas Ltda
Mostardas, BRAZIL
Project in: BRAZIL

Standard:
FSC-STD-BRA-01-2014 V1-1 EN Brazil Plantation, FSC-STD-50-001 V2-1 Requirements for use of the FSC trademarks by Certificate Holders

Valid until: 18 November 2029

The validity of this certificate shall be verified on http://info.fsc.org/.

Control Union Certifications declares to have inspected the unit(s), and/or products of the above mentioned certificate holder, and have found them in accordance with the standards mentioned above.

This certificate covers the unit(s), and/or product(s) as mentioned in the authenticated annex of this certificate. A full list of product groups covered by the certificate can be found on the FSC database of registered certificates (http://info.fsc.org/).

This certificate itself does not constitute evidence that a particular product supplied by the certificate holder is FSC-certified (or FSC Controlled Wood). Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required FSC claim is clearly stated on invoices and shipping documents.
This certificate remains in force until further notice, provided that the participant continues to meet the conditions as laid down in the client contract with Control Union Certifications B.V. and verified in inspections by Control Union Certifications B.V.

Date of certification:
19 November 2024
Place and date of issue:
Sao Paulo, 10 January 2025

CERTIFICATE No: C 830198CU-FM/COC-01.2025

Declared by:

On behalf of the Managing Director

Mr. J. Chagas Pelegrinelli

Certifier
Control Union Certifications B.V.
Meeuwenlaan 4-6
8011 BZ ZWOLLE
e et erlands
http://www.controlunion.com
tel.: +31(0)38-4260100

FSC
www.fsc.org
FSC® A000507

The mark of responsible forestry

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FSC® BRAZIL

BAHRAIN



Certificate SA24/0000009

The management system of

Madem Gulf Industries W.L.L

Block Askar 951, Bldg 1596, Road 5141, P.O Box: 29227, Manama, Bahrain
has been assessed and certified as meeting the requirements of

ISO 14001:2015

For the following activities
Production and Supply of Wooden Reels and Wooden Pellets.

This certificate is valid from 14 January 2024 until 26 December 2026 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 14 January 2024
Organization certified since 26 December 2011 under: AE11/2411

Authorised by
Jonathan Hall
Global Head - Certification Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6666 - www.sgs.com

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ISO 14001 BAHRAIN



Certificate SA24/00000010

The management system of

Madem Gulf Industries W.L.L

Block Askar 951, Bldg 1596, Road 5141, P.O Box: 29227, Manama, Bahrain
has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities
Production and Supply of Wooden Reels and Wooden Pellets.

This certificate is valid from 14 January 2024 until 21 December 2026 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 14 January 2024
Organization certified since 21 December 2011 under: AE11/2410

Authorised by
Jonathan Hall
Global Head - Certification Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6666 - www.sgs.com

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ISO 9001 BAHRAIN



Certificate SGSCH-PEFC-COC-001328
SGS Reference EG23/00000081

The Organization

Madem Gulf Industries W.L.L

Building 1596, Road 5141, Block Askar 951, P.O. Box 29227, Manama, Bahrain

has been assessed and certified as meeting the requirements of

PEFC - Chain of Custody

PEFC ST 2002:2020 – "Chain of Custody of Forest and Tree Based Products – Requirements" - dated 14/02/2020
PEFC ST 2001:2020 - PEFC Trademarks Rules – Requirement – dated 14/02/2020.
as amended and published on www.pefc.org

For the products detailed in the scope below:

The purchase of 100% PEFC certified & PEFC controlled sources Sawn Timber, Production and Sale of X% PEFC Certified Wooden Cable Drums under Credit method.

This certificate is valid from 20 May 2026 until 08 June 2027 and remains valid subject to satisfactory surveillance audits.
Issue 4. Certified since 09 June 2011

This is a single certification scheme.

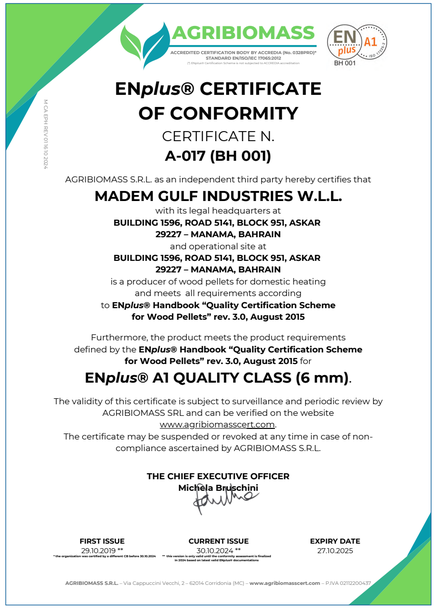
Authorised by
Christian Kobel

SGS Société Générale de Surveillance SA
Zugerstrasse 57, 6340 Baar, Switzerland
www.sgs.com

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PEFC BAHRAIN



AGRIBIOMASS
ACCREDITED CERTIFICATION BODY BY ACCREDIA (Reg. 0328P003)
STANDARD EN/ISO/IEC 17065:2012

EN plus A1
BH 001

ENplus® CERTIFICATE OF CONFORMITY

CERTIFICATE N.
A-017 (BH 001)

AGRIBIOMASS S.R.L. as an independent third party hereby certifies that

MADEM GULF INDUSTRIES W.L.L.
with its legal headquarters at
BUILDING 1596, ROAD 5141, BLOCK 951, ASKAR 29227 – MANAMA, BAHRAIN
and operational site at
BUILDING 1596, ROAD 5141, BLOCK 951, ASKAR 29227 – MANAMA, BAHRAIN
is a producer of wood pellets for domestic heating
and meets all requirements according
to **ENplus® Handbook "Quality Certification Scheme for Wood Pellets" rev. 3.0, August 2015**

Furthermore, the product meets the product requirements defined by the **ENplus® Handbook "Quality Certification Scheme for Wood Pellets" rev. 3.0, August 2015** for

ENplus® A1 QUALITY CLASS (6 mm).

The validity of this certificate is subject to surveillance and periodic review by AGRIBIOMASS SRL and can be verified on the website www.agribiomasscert.com.
The certificate may be suspended or revoked at any time in case of non-compliance ascertained by AGRIBIOMASS S.R.L.

THE CHIEF EXECUTIVE OFFICER
Michela Bruschini

FIRST ISSUE	CURRENT ISSUE	EXPIRY DATE
29.10.2019 **	30.10.2024 **	27.10.2025

** The organization was certified by a different CB before 30.10.2024.
** this version is only valid until the surveillance is finalized in 2026 based on latest valid Madem documentations

AGRIBIOMASS S.R.L. - Via Cappuccini Vecchi, 2 - 62014 Corridonia (MC) - www.agribiomasscert.com - P.IVA 02702200437

ENPLUS BAHRAIN

SPAIN



AENOR

Certificado del
Sistema de Gestión de la Calidad

AENOR
GESTIÓN DE LA CALIDAD
ISO 9001

ER-0631/2012

AENOR certifica que la organización

EUROMADEM SPAIN, S.L.

dispone de un sistema de gestión de la calidad conforme con la Norma ISO 9001:2015

para las actividades: La producción de bobinas de madera y contrachapado para hilos, cables y otros elementos enrollables.

que se realizan en: CR ARTÉS, S/N. 08272 - SANT FRUITÓS DE BAGES (BARCELONA)

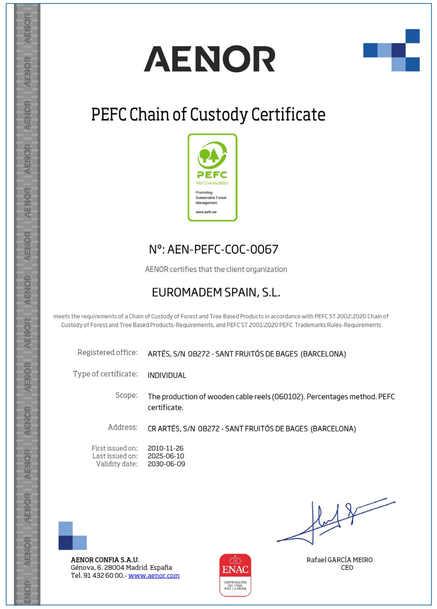
Primera emisión:2012-07-18
Expiración:2027-07-18

Última emisión:2024-07-18

Rafael GARCÍA MEIRO
CEO

AENOR CONFIA S.A.U.
Génova, 6. 28004 Madrid. España
Tel. 91 432 60 00.- www.aenor.com

ISO 9001 SPAIN



AENOR

PEFC Chain of Custody Certificate

PEFC
Promoting Sustainable Forest Management
www.pefc.es

Nº: AEN-PEFC-COC-0067

AENOR certifies that the client organization

EUROMADEM SPAIN, S.L.

meets the requirements of a Chain of Custody of Forest and Tree Based Products in accordance with PEFC ST 2002:2020 Chain of Custody of Forest and Tree Based Products-Requirements, and PEFC ST 2001:2020 PEFC Trademarks Rules-Requirements

Registered office: ARTÉS, S/N 08272 - SANT FRUITÓS DE BAGES (BARCELONA)

Type of certificate: INDIVIDUAL

Scope: The production of wooden cable reels (060102). Percentages method. PEFC certificate.

Address: CR ARTÉS, S/N 08272 - SANT FRUITÓS DE BAGES (BARCELONA)

First issued on: 2010-11-26
Last issued on: 2025-06-10
Validity date: 2030-06-09

AENOR CONFIA S.A.U.
Génova, 6. 28004 Madrid. España
Tel. 91 432 60 00. - www.aenor.com

Rafael GARCÍA MEIRO
CEO

PEFC SPAIN



AENOR

Certificado del
Sistema de Gestión Ambiental

AENOR
GESTIÓN AMBIENTAL
ISO 14001

GA-2026/0015

AENOR certifica que la organización

EUROMADEM SPAIN, S.L.

dispone de un sistema de gestión ambiental conforme con la Norma ISO 14001:2015

para las actividades: La producción de bobinas de madera y contrachapado para hilos, cables y otros elementos enrollables.

que se realiza/n en: CR ARTÉS, S/N. 08272 - SANT FRUITÓS DE BAGES (BARCELONA)

Primera emisión:2026-01-21 Expiración:2029-01-21

Rafael GARCÍA MEIRO
CEO

AENOR CONFIA S.A.U.
Génova, 6. 28004 Madrid. España
Tel. +34 91 432 60 00.-
www.aenor.com

ISO 14001 SPAIN

UNITED STATES



Certificate US23/00000462

The management system of

Madem-Moorecraft Reels USA, Inc

3006 Anaconda Road, Tarboro, NC, 27886, United States Of America

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities
Manufacturing of wooden and plywood reels

This certificate is valid from 09 October 2023 until 09 October 2026 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 09 October 2023

Authorised by
Viqaruddin Mohammed
Technical Accreditation Manager
Knowledge, North America

SGS North America Inc.
201 Route 17 North Rutherford, NJ 07070
t +1 (201) 508-3000 - www.sgsgroup.us.com

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ISO 9001 TARBORO - USA



Certificate US25/00000439

The management system of

Madem-Moorecraft Reels USA, Inc.

3006 Anaconda Road, Tarboro, NC, 27886, United States of America

has been assessed and certified as meeting the requirements of

ISO 14001:2015

For the following activities
Manufacturing of wooden and plywood reels.

This certificate is valid from 23 September 2025 until 23 September 2028 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 23 September 2025

Authorised by
Viq Mohammed
Director - Technical Accreditation

SGS North America Inc.
400 Broadacres Drive, Suite 200, 2nd Floor, Bloomfield, NJ 07003
t +1 (201) 508-3000 - www.sgsgroup.us.com

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ISO 14001 TARBORO - USA



Certificate SGSNA-PEFC-COC-624944
SGS Reference US25/00000019

The Organization

Madem-Moorecraft Reels USA, Inc.

3006 Anaconda Road, Tarboro, NC, 27886, United States of America

has been assessed and certified as meeting the requirements of

PEFC - Chain of Custody

PEFC ST 2002:2020 – "Chain of Custody of Forest and Tree Based Products – Requirements" - dated 14/02/2020
PEFC ST 2001:2020 - PEFC Trademarks Rules – Requirement – dated 14/02/2020.
as amended and published on www.pefc.org

For the products detailed in the scope below:

The purchase of 100% PEFC certified & PEFC controlled sources Sawn Timber, Production and Sale of X% PEFC Certified and PEFC Controlled Sources Wooden Cable Drums under Credit method.

This certificate is valid from 14 January 2025 until 13 January 2030 and remains valid subject to satisfactory surveillance audits.
Issue 1. Certified since 14 January 2025

This is a multi-site certification.
Additional member details are listed on the subsequent page.

Authorised by
Viqaruddin Mohammed
Technical Accreditation Manager

SGS North America Inc.
201 Route 17 North Rutherford, NJ 07070
t +1 (201) 508-3000 - www.sgsgroup.us.com

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PEFC MADEM MOORECRAFT - TARBORO / DENTON

MADEM PRODUCTS

MADEM is recognized worldwide for producing wood solutions for storage and transport, standing out mainly in the manufacture of wooden reels, which are the company's main product. These products were designed to meet the operational needs of the electrical cable, telecommunications and conductor industries, with high technical capacity and environmental commitment.

1. Wooden Reels

MADEM wooden reels represent the core of its product portfolio, designed for the storage, handling, and transport of wires, electrical cables, steel cables, communication cables, and industrial conductors. These reels are manufactured using 100% renewable wood from controlled sources, with environmental certifications attesting to their compliance with sustainability standards such as biodegradability and carbon neutrality.





2. Plywood Reels

The plywood reels manufactured by MADEM are designed for lightweight, non-returnable packaging applications, intended for the packaging and transportation of wires, electrical cables, ropes, technical tapes and metal chains.

Our reels are produced with high-strength, high-density plywood, tailored to the needs of mechanical performance and project cost. The reel structure can be customized to meet specific customer requirements, such as size, load capacity, and compatibility with automated winding and handling processes.

Due to their lightness, dimensional stability, and ease of stacking, plywood reels represent a technically efficient solution for linear products, especially in environments where reuse is not feasible or economically justifiable. They are primarily used in the electronics, telecommunications, construction, and industrial logistics sectors.

3. Wood Pellets for Energy

Complementing the portfolio are wood pellets, which expand MADEM operations in the context of sustainable energy use. The pellets are used in energy generation systems with lower pollutant levels, efficient combustion, and reduced storage space, representing a more sustainable alternative to traditional fossil fuels.





GOVERNANCE

In this chapter:

Strategic Integration
Impacts, Risks and Opportunities
Economic Performance
Market Presence
Indirect Economic Impacts
Procurement Practices
Anti-corruption
Anti Competitive Behaviour
Tax

1

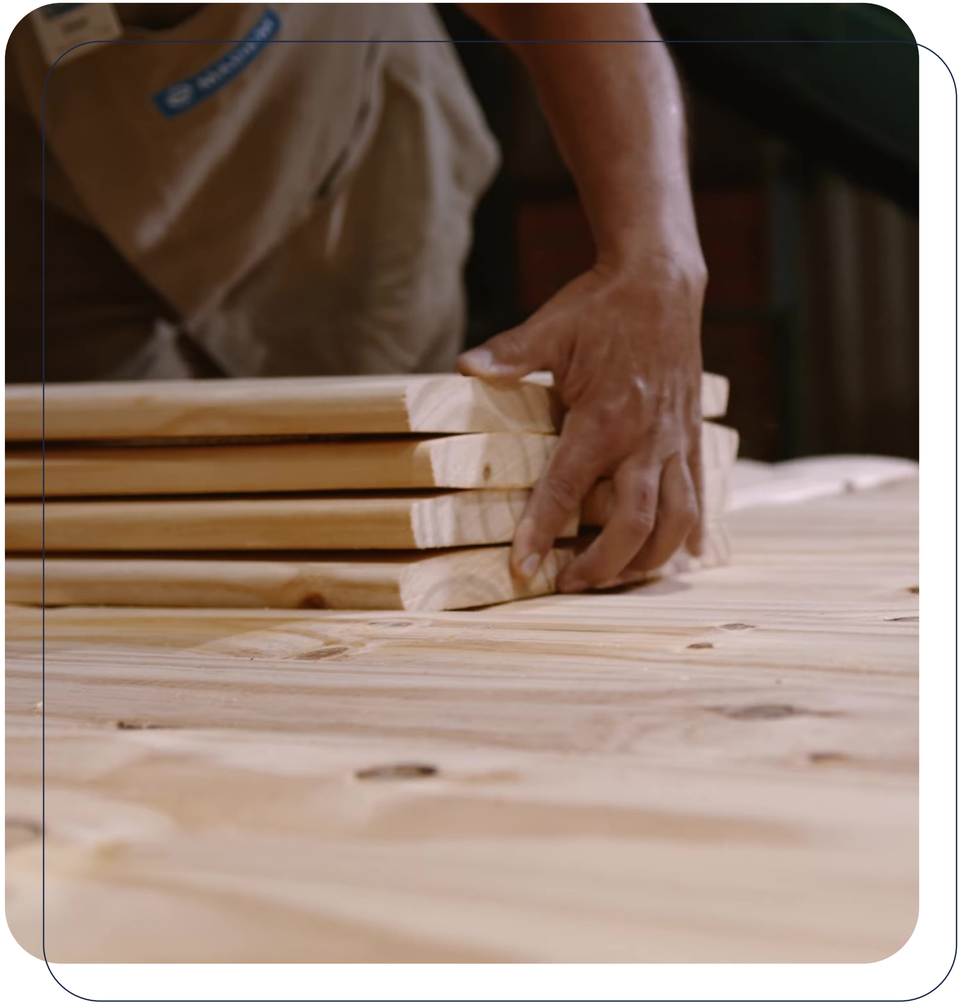
STRATEGIC INTEGRATION

The companies within the MADEM group constitute a vertically integrated global ecosystem, in which all stages of the value chain—from raw material cultivation to the development of industrial solutions in CNC machines and international distribution—are conducted in a coordinated manner within the same corporate structure. **This model ensures quality standardization, operational synergy, and logistical efficiency, as well as supporting environmentally responsible practices in Latin America, Europe, the Middle East, and the United States.**

IMPACTS, RISKS AND OPPORTUNITIES

(GRI 3)

ASPECT	DESCRIPTION
Positive impacts	Generating economic value, maintaining jobs, contributing to local production chains, and paying taxes.
Risks	Market fluctuations, exchange rate variations, increased operating costs, wars and macroeconomic risks.
Opportunities	Market expansion, product innovation, efficiency gains, and enhanced competitiveness.





ECONOMIC PERFORMANCE

(GRI 201-1)

Economic performance is a material priority for MADEM, reflecting its relevance to both the business strategy and stakeholders. The company operates with a focus on long-term viability, operational efficiency, and the generation of sustainable value, ensuring a solid economic foundation to support its environmental, social, and governance commitments.

MADEM economic management is **guided by strategic planning and financial discipline, seeking consistent growth, competitiveness in the markets in which it operates, and mitigation of risks associated with economic, exchange rate, and sectoral variations.** Investment decisions consider not only financial return but also the contribution to productive efficiency, innovation, and the development of the regions where the company is present.

Executive Management and the Board of Directors regularly monitor economic performance indicators, which are audited and published annually.

MARKET PRESENCE

(GRI 3 – 202)

Market Presence is a material topic for MADEM, reflecting the relevance of its operations in the markets where it is present, both in Brazil and abroad. The Company adopts a strategy focused on competitiveness, proximity to customers, and strengthening local economies, respecting the social, economic, and cultural characteristics of each region where it operates.

MADEM operates with strategically located production and sales units, which contributes to greater logistical efficiency, reduced operating costs, the creation of local jobs, and agile response to customer demands. This territorial presence fosters long-lasting relationships with communities, suppliers, and other stakeholders.

The Company's compensation and hiring policy is based on market criteria, ensuring fair, transparent, and competitive practices. MADEM seeks to attract, develop, and retain qualified professionals, **promoting job opportunities aligned with regional practices and valuing local labor**, contributing to the sustainable economic development of the regions where it operates.

MADEM compensation policy is defined based on market criteria and current labor laws, ensuring that starting salaries are equal to or higher than the local minimum wage, considering equivalent roles and regional specificities. **This practice reinforces the Company's commitment to fair and competitive working conditions,** contributing to the attraction and retention of qualified professionals.



Indicator of the ratio of the starting salary to the local minimum wage

UNIT	MINIMUM WAGE REQUIRED BY LAW / MONTH	*SALARY PAID BY MADEM / MONTH	PROPORTION
Brazil	National wage in Brazil .... R$ 1,518.00 Minimum wage in the state of Rio Grande do Sul (RS) ..... R$ 1,871.75 Minimum wage in the state of Paraná (PR) ..... R$ 2,164.80	R$ 2.552,00	Brazil – 1.68 RS – 1.36 PR – 1.18
USA	$ 1257	$ 2427	1,93
Spain	1.424€	1. 818€	1,27
Bahrain	$ 927	$ 927	Equivalent

Applicable to men and women who hold the same positions.

The proportion of top management members hired from the local community is observed, and the company prioritizes, whenever possible, the hiring and development of local talent, including for leadership and top management positions. This approach fosters knowledge of the regional context, strengthens relationships with local stakeholders, and contributes to the socioeconomic development of the communities where MADEM operates.

Indicator of the proportion of top management members recruited from the local community

(GRI 202-2)

UNIT	TOTAL NUMBER OF EXECUTIVES	LOCAL EXECUTIVES	% LOCAL - COUNTRY
Brazil	18	18	100%
USA	12	6	50%
Spain	3	3	100%
Bahrain	5	1	20%

We consider top management to be those professionals who have decision-making power as defined in their job descriptions; therefore, this includes CEOs, directors, and managers.

The Company's international operations contribute to market diversification, risk reduction, and increased global competitiveness, while maintaining a commitment to ethical practices, transparency, and respect for local laws.

INDIRECT ECONOMIC IMPACTS

(GRI 3 – 203)

Indirect Economic Impacts are considered a material issue for MADEM, since the Company's operations contribute to the economic development of the regions where it is present, going beyond the direct financial impacts of its activities.

MADEM generates indirect economic impacts through the hiring of local suppliers, the stimulation of production chains associated with the wood and packaging sector, the generation of indirect jobs, and investments that **strengthen infrastructure and regional economic dynamics.** The Company's presence in different markets contributes to the circulation of income, the development of local skills, and the attraction of new businesses.

These impacts are considered in the company's strategic planning, **which seeks to balance economic growth, operational efficiency, and a positive contribution to the communities and markets in which it operates.**

The total taxes and fees collected in 2025, in the context of the reported operations, totaled R$ 98,808,061.34.

Indicator of Indirect Economic Impacts

UNIT	INDIRECT ECONOMIC IMPACTS
Brazil	R$ 72.378.421,17
USA	R$ 14.193.387,55
Spain	R$ 11.355.133,85
Bahrain	R$ 881.118,77

The company also make donations to projects developed by institutions that work in the areas of culture, childhood, senior citizens, and other social initiatives.

Donations

UNIT	DESCRIPTION	AMOUNT INVESTED IN 2025
Brazil	Rouanet Law, Bento Gonçalves Municipal Children's Fund, Bento Gonçalves Municipal Elderly Fund, Lance de Craque Project, Hospital da Caridade de Ijuí, Instituto Soplos, APAE, CTGs, Churches, community associations, sports club and others.	R$ 478.887,01
USA	Initiatives that promote the empowerment of women, the well-being of children, and the strengthening of vulnerable families in the community (United Way). MADEM also contributed to a social action project to build homes for retired military veterans. Warrior Foundation – This foundation supports families of soldiers killed in combat.	USD 33.000
Bahrain	Fund for local charity (used in local health care)	US$ 30.000



SOCIAL PROJECTS SUPPORTED BY MADEM







The MADEM group's units continuously promote internal awareness campaigns aimed at

Prevention of breast cancer and prostate cancer, reinforcing the importance of early diagnosis and health care.



MADEM SA reinforces its commitment to future generations by encouraging sports. At its Rio Negro-PR unit, it sponsors a basketball team that offers development opportunities to children in situations of social vulnerability.





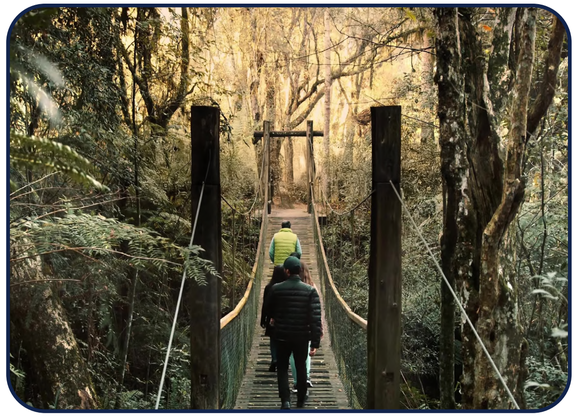
MADEM SA promoted a social action for Easter Solidarity, together with CEIM ANA RANK, an educational institution in Mafra, Santa Catarina, distributing kits to the students of that institution.

SOCIAL PROJECTS SUPPORTED BY MADEM









MADEM SA develops socio-environmental initiatives in Brazil through the MADEM Ecological Park and the Forestry School Program, promoting environmental preservation, ecological education, and awareness about the sustainable use of natural resources, reinforcing its commitment to sustainability and future generations.

Instituto LANCE DE CRAQUE

MADEM SA supports and is a project partner of a brilliant move that enables children and teenagers in a situation of vulnerability having access to sport and culture in the southern region of the country.

SOCIAL PROJECTS SUPPORTED BY MADEM



MADEM Moorecraft Reels USA reinforces its social commitment by supporting initiatives that promote the empowerment of women, the well-being of children, and the strengthening of vulnerable families in the community.



MADEM Gulf fulfills its role when it adheres to the global calendar. of health care through awareness campaigns of their Employees.





MADEM-Moorecraft Reels USA in Denton, Texas, is proud to begin a new collaboration with United Way of Denton County to better serve our local community. This initial meeting marks the kick-off of our ongoing effort to support United Way's mission: to improve lives by mobilizing Denton County communities to action so that all may prosper.

As a locally engaged company, MADEM-Moorecraft will contribute through sponsorships, volunteer participation, and involvement in future community initiatives, including programs to support people experiencing homelessness.

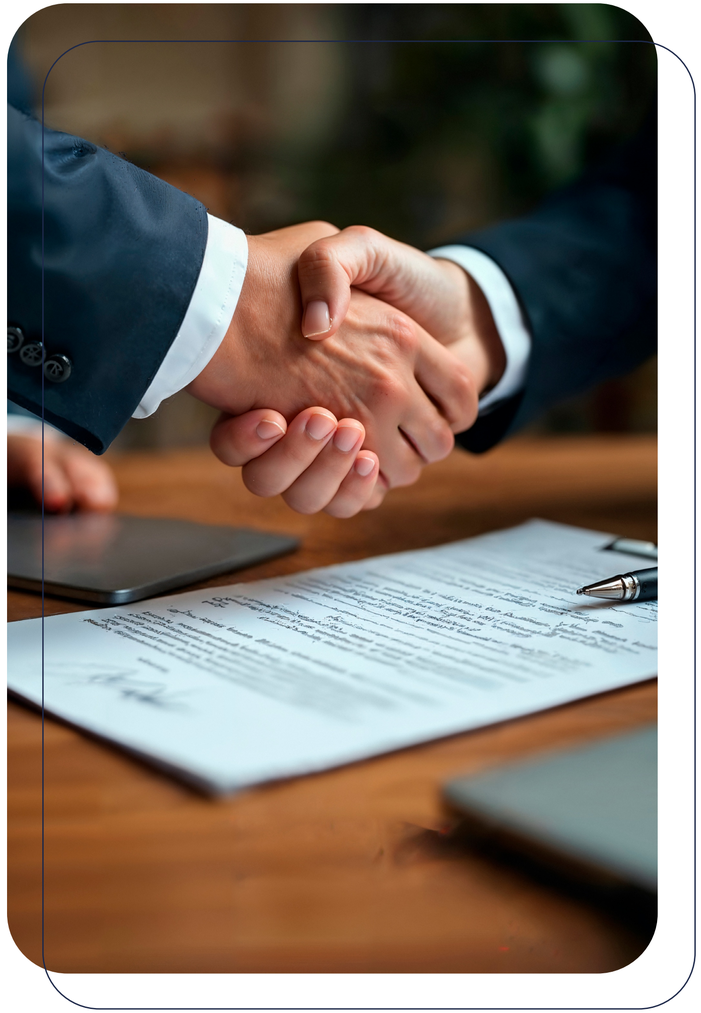
PROCUREMENT PRACTICES

(GRI 204-1)

Procurement practices directly influence operational efficiency, value chain sustainability, and the generation of positive economic, environmental, and social impacts, making them a crucial topic for the company.

MADEM adopts procurement practices based on technical, economic, and environmental criteria, prioritizing suppliers that operate in accordance with current legislation and the Company's ethical principles. Whenever possible, **the company seeks to value local suppliers, contributing to the strengthening of regional economies and the reduction of logistical impacts.**

Procurement management involves evaluating and monitoring suppliers, encouraging the adoption of good sustainability practices, especially regarding the responsible sourcing of raw materials, compliance with legal requirements, and respect for human rights.



Procurement Practices Indicator - GRI 204-1 – Specific Contents

UNIT	TOTAL INVOICES	TOTAL IMPORT	% IMPORT	NATIONAL TOTAL	% NATIONAL
Brazil (R$)	213.343.541,54	739.279,39	0,35	212.604.242,15	99,65
USA ($)	41.871.857,08	7.377.016,93	17,62	34.494.840,15	82,38
Spain (€)	9.551.343,77	8.331.053,13	87,22	1.220.290,64	12,78
Bahrain ($)	21.039.995,88	16.838.808,32	80,03	4.201.187,56	19,97

ANTI-CORRUPTION

(GRI 205- 1-2)

Ethical and honest conduct is a fundamental principle of MADEM corporate governance, making the fight against corruption a strategic aspect of conducting its business. The Company maintains a commitment to transparency and compliance with current legislation in all its commercial and institutional relationships.

To ensure this commitment, MADEM adopts policies and procedures aimed at preventing, identifying, and mitigating corruption risks, applicable to employees, managers, suppliers, and other business partners, across all its units. These mechanisms include a code of ethics and conduct available on the company's website, internal controls, and awareness campaigns that guide decisions based on ethics and integrity. The company also provides a whistleblowing channel on its website, guaranteeing a safe and confidential means for reporting potential irregularities.

The code of ethics and conduct is available on the MADEM website (www.mademreels.com) for all stakeholders, and 100% of the employees are trained. Suppliers (100% of purchases made) also receive communication about this code of ethics and conduct in their purchase order documents.

Governance over this area is exercised by Top Management, ensuring continuous monitoring and improvement of processes related to corporate integrity.

Additionally, MADEM states that there are no reported, investigated, or substantiated cases of corruption.

Indicator of complaints related to corruption

(GRI 205-3)

UNIT	REPORTS RELATED TO CORRUPTION
Brazil (Garibaldi – RS)	0
Brazil (Rio Negro – PR)	0
USA - Tarboro	0
USA - Denton	0
Spain	0
Bahrain	0

ANTI COMPETITIVE BEHAVIOUR

(GRI 206)

Fair competition is an essential element in ensuring fair business relationships, the integrity of the business environment, and compliance with applicable competition law.

The Company adopts practices and guidelines aimed at **preventing anti-competitive conduct, ensuring that its business decisions are made independently, transparently, and in accordance with competition laws.** This commitment extends to employees, managers, and business partners, reinforcing the importance of complying with ethical and legal standards.

Governance of this area involves Top Management and other departments, which monitor compliance with established guidelines and promote the dissemination of best practices related to fair competition.

TAX

(GRI 207)

Compliance with tax obligations is an essential part of MADEM responsible operations. The Company maintains practices aligned with the tax legislation in force in the countries where it operates, ensuring the correct collection of taxes, fees and contributions.

Through transparent and responsible tax management, MADEM contributes to **strengthening local economies and maintaining public services, integrating tax compliance into its governance and sustainability strategy.**

Indicator for Taxes and Fees collected/paid in 2025

TYPE	BRAZIL (R$)	USA (R$)	SPAIN (R$)	BAHREIN (R$)	TOTAL (R$)
Considering federal, state, and municipal taxes, social security contributions, and fees.	72.378.421,17	14.193.387,55	11.355.133,85	881.118,77	98.808.061,34



ENVIRONMENTAL

In this chapter:

Materials
Electricity consumption
Water and Effluents
Greenhouse Gases
Other Pollutants
Waste Management
Environmental Compliance
Supplier Environmental Assessment

2

MATERIALS

(GRI 303-1, GRI 301-3, GRI 301-2, GRI 301-3)

MADEM main production input is wood, a renewable material fundamental to the manufacture of reels used in the electrical, industrial, and telecommunications sectors. **Responsible materials management is considered a key issue for the company due to its direct impacts on the use of natural resources, production efficiency, and the promotion of a circular economy.**

During the reporting period, the company predominantly used renewable materials, especially solid wood from approved suppliers, prioritizing the acquisition of raw materials of legal and controlled origin. In addition to wood, complementary inputs are used in the production process, such as nails, screws, paints, and packaging, mostly classified as non-renewable materials, whose consumption is monitored through internal production and purchasing controls.

Below we present the consolidated production per production unit for the year 2025:

(GRI 303-1)

UNIT	WOODEN REELS (M^3)	PLYWOOD SPOOLS (M^3)	PELLETS (BIOMASS IN TONS)
Brazil (Rio Negro – PR)	82.725	490	37.339
USA - Tarboro	35.660	*	*
USA - Denton	22.316	1.557	*
Spain	24.773	1.022	*
Bahrain	45.898	*	4.965

These units do not produce plywood reels.

****These units do not produce pallets.***

As part of its material reuse practices, MADEM monitors the Wood Pellet Sales indicator, which reflects the destination of the waste generated in the production process. In 2025, 42,500 tons of wood pellets (1,700 containers) were sold, destined for industrial and energy uses by third parties, avoiding waste disposal and promoting the full use of the raw material.

Additionally, MADEM adopts a model for reusing wooden reels, offering customers the possibility of returning the products at the end of their use. These spools undergo sorting and inspection for reuse, reconditioning, or recycling, contributing to the reduction of waste generation, the extension of product lifecycles, and the continuous improvement of material efficiency.

ELECTRICITY CONSUMPTION

(GRI 302-1)

MADEM monitors and manages electricity consumption as part of its operational efficiency strategy and mitigation of environmental impacts associated with its industrial activities. Energy consumption is mainly concentrated in the operation of machinery, equipment, and production infrastructure, and is monitored through specific indicators that allow for greater control and transparency.

The company monitors its electricity consumption, which refers to electricity purchased from the regulated market as well as electricity purchased from the free market. **The company also accounts for whether the energy used comes from renewable or non-renewable sources,** allowing for differentiation between the sources used and an assessment of the share of renewable energy in the organization's energy matrix. The table below shows electricity consumption figures for 2025.

UNIT	ELECTRICITY CONSUMPTION IN THE YEAR 2025 (KWH)	
	RENEWABLE	NON-RENEWABLE
Brazil – Garibaldi (RS)	-	56.255,00
Brazil – Rio Negro (PR)	17.082.088,76	5.180,00
USA - Tarboro	-	1.256.882,00
USA - Denton	-	1.276.554,00
Spain	447.696,03	-
Bahrain	-	2.632.820,00

These indicators support decision-making, the planning of energy efficiency actions, and the **continuous pursuit of expanding the use of renewable sources, contributing to the reduction of indirect emissions associated with electricity consumption** and aligning MADEM with best practices in energy management.



WATER AND EFFLUENTS

(GRI 303-1, 303-2, 303-3, 303-5)

MADEM systematically monitors water use and wastewater disposal as part of its environmental management, recognizing water as a shared natural resource essential to communities and ecosystems.

The company's water consumption is monitored through the indicators Water Consumption – Utility Company (m^3), Water Consumption – Dam/Spillway (m^3) and Water Consumption – Well (m^3), **allowing the identification of the different sources of water intake used in operations and the continuous evaluation of opportunities to optimize water use.** The table below shows the water consumption figures for 2025.

(GRI 303-5)

UNIT	WATER CONSUMPTION BY UTILITY COMPANY (M^3)	WATER CONSUMPTION DAM (M^3)	WATER CONSUMPTION FROM THE WELL (M^3)
Brazil – Garibaldi (RS)	-	-	120,00
Brazil – Rio Negro (PR)	51,00*	18.262,00	9.567,00
USA - Tarboro	124,02	-	-
USA - Denton	788,33	-	-
Spain	565,00	-	-
Bahrain	3303,00	-	-

The use of water from the utility company in Rio Negro – PR is occasional, occurring only during well pump maintenance processes or similars.

Monitoring these indicators allows the company to **responsibly manage water intake and consumption, reducing waste and mitigating risks associated with water availability.**

The discharge of sanitary effluents is monitored using the Sanitary Effluent (m^3) indicator, with the effluent being sent to the public collection and treatment network.

In the Bahrain plant, in particular, there is the generation of industrial effluent, which is segregated and treated in accordance with current legislation. As for sanitary effluents, they are collected in septic tanks that are regularly emptied, and the effluents are sent for treatment to companies certified by the municipality/state.

UNIT	WASTEWATER GENERATION (M³)
Brazil – Garibaldi (RS)	108,00
Brazil – Rio Negro (PR)	7.827,32
USA - Tarboro	118,07
USA - Denton	748,25
Spain	558,00
Bahrain	2.480,00



GREENHOUSE GASES

(GRI 305-1)

MADEM recognizes the importance of atmospheric emissions, especially greenhouse gases (GHG), and has maintained systematic monitoring of its emissions as part of its environmental management and its commitment to mitigating climate change since 2022.

The company prepares and publishes its Greenhouse Gas (GHG) Inventory, publicly available on its institutional website, which is developed based on recognized methodologies, allowing for the identification, quantification, and monitoring of emissions associated with its operations.

As part of this monitoring, MADEM tracks the Carbon Dioxide indicator (Kg of CO_2 equivalent), which reflects emissions resulting mainly from energy consumption and fuels used in operational activities.

UNIT	GREENHOUSE GAS EMISSIONS (TONS OF CO^2 EQUIVALENT)		
	SCOPE 1	SCOPE 2	SCOPE 3
Brazil	1269,71	785,79	6.802,01
USA	532,83	767,06	5.035,24
Spain	147,24	268,54	2.266,65
Bahrain	150,73	1.344,99	6.342,56

These reported data refer to Scopes 1, 2 and 3.

Monitoring this indicator **supports the analysis of the company's environmental performance, the transparency of reported information, and the identification of opportunities for emissions reduction**, contributing to the continuous improvement of emissions management.

The company has committed to reducing greenhouse gas (GHG) emissions by 2% by 2030, using 2024 as the baseline year. This goal reinforces MADEM actions in mitigating climate impacts and promoting a more efficient and sustainable operation over time.

Life Cycle Analysis – Carbon Footprint reference year 2024

MADEM conducted a study to determine its carbon footprint for the production of 1 m^3 of wooden reel, with the aim of comprehensively assessing the environmental impacts associated with the product throughout its entire production chain. The study considered everything from the supply of raw materials, through the transport of raw materials, to the production process.

The table below shows the overall results of this study:

MADEM REELS GROUP	CLIMATE CHANGE - IPCC 2021 GWP TOTAL (EXCL. CO2 BIOGENIC) TOTAL [KG CO2e.]	CLIMATE CHANGE - IPCC 2021 GWP TOTAL (INCLUD. CO2 BIOGENIC) TOTAL [KG CO2e.]
Rio Negro (Brazil)	105,16	-729,96
Barcarena (Brazil)	226,10	-608,95
Tarboro / NC (USA)	157,94	-475,31
Denton / TX (USA)	255,14	-479,66
Bahrain	196,01	-625,05
EuroMADEM (Spain)	226,37	-561,17
Colombia	175,90	-656,92

Across all evaluated units, a significant variation was observed in the carbon footprint of the reels, with values ranging from 105.16 kg CO_2e per m^3 in the Rio Negro (BR) unit to 255.14 kg CO_2e per m^3 in the Denton (USA) unit, mainly reflecting logistical differences, transport distances, and supply chain characteristics. Units with greater production integration and proximity to raw materials tend to have lower impacts, while operations with greater dependence on transport show higher values. This comparative analysis **reinforces the importance of logistical optimization and operational efficiency as strategic levers for reducing greenhouse gas emissions.**

In a complementary study, the positive role of wood as a renewable raw material is highlighted, capable of acting in carbon sequestration, making MADEM a Carbon Neutral company.





OTHER POLLUTANTS

(GRI 305-1)

Monitoring of atmospheric emissions from the boiler at the Rio Negro - PR plant is carried out periodically and systematically, ensuring control of the main pollutants generated in the production process. Measurements, conducted by an accredited laboratory, cover parameters such as particulate matter, nitrogen oxides (NOx), and carbon monoxide (CO), with a semi-annual frequency and following recognized methodologies. **The results indicate that emission levels are monitored and compared to applicable legal limits,** allowing the company to continuously evaluate its environmental performance and ensure operational compliance, reinforcing its commitment to responsible emissions management.

UNIT	GENERATION OF OTHER POLLUTANTS (MG/NM³)
NO_x	131,7
Particulate Matter	407,12
CO	91,2

WASTE MANAGEMENT

(GRI 306-1, 306-2, 306-3, 306-4 E 306-5)

MADEM manages waste in a structured way, focusing on the segregation, reuse, and environmentally sound disposal of waste generated in its operations.

The company monitors the generation of the following waste:

1 – Hazardous Waste (Class I) – Materials that present risks to health or the environment (toxic, flammable, corrosive, reactive and pathogenic) requiring specific treatments, according to ABNT NBR 10.004, (e.g., batteries, used oil, paint and pigment waste, healthcare waste, flammable waste, etc.).

2 – Non-Hazardous Waste (Class II) – These do not present the characteristics of Class I waste, and can be Class II A (Non-Inert), those that have characteristics such as biodegradability, combustibility or water solubility, and Class II B (Inert), those that have stable properties, that is, they are not biodegradable, flammable or water-soluble, and must be recycled, reused, processed or disposed of in environmentally sound destinations.

UNIT	(CLASS II) RECYCLABLES (TONS/YEAR 2025)	(CLASS I) HAZARDOUS WASTE (TONS/YEAR 2025)
	PAPER, PLASTIC, CARDBOARD/KRAFT PAPER AND METAL AND OTHERS	CONTAMINATED PPE, USED OIL, HEALTHCARE WASTE AND SLUDGE, KITCHEN AND SANITARY WASTE*
Brazil – Garibaldi (RS)	2,61	0,00
Brazil – Rio Negro (PR)	159,35	27,09
USA - Tarboro	484,06	**
USA - Denton	292,04	**
Spain	261,75	5,5
Bahrain	17,49	32,27

**For MADEM internal governance reasons, we consider kitchen and sanitary waste as hazardous waste due to its potential for biological contamination. For the Garibaldi unit, this amount of waste is quite small and is disposed of in a sanitary landfill through municipal public collection.*

*** For plants in the United States, waste generation consists primarily of plastic, paper, and wood waste. The issue of waste disposal differs for American plants, as the recycling service provider chain in the United States is quite underdeveloped, and legislation allows for disposal in authorized landfills according to current regulations.*

In Brazil, we follow the guidelines of the documented waste management plan for the Rio Negro – PR unit.

For the remaining units, waste is disposed of in accordance with the legislation in force in the countries where they are located.

All waste generated in 2025 was sent for final disposal to legally licensed suppliers.

Systematic monitoring of these indicators allows MADEM to evaluate its performance in waste management, reduce environmental and health risks, strengthen circular economy practices, and promote continuous improvement of its processes.

ENVIRONMENTAL COMPLIANCE

(GRI 3-3, 307-1)

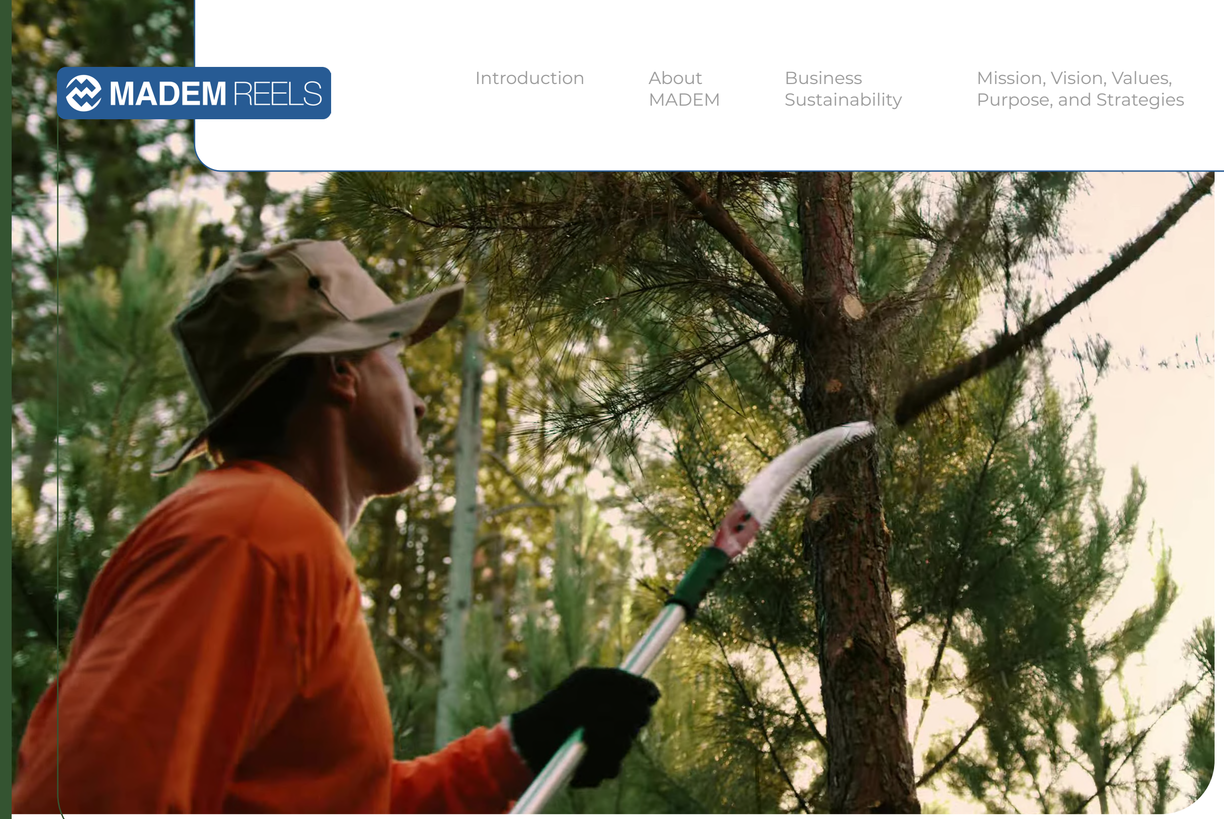
MADEM remains committed to full compliance with environmental legislation applicable to its activities, adopting management practices aimed at preventing environmental impacts and ensuring regulatory compliance. During the reporting period, the company continuously monitored its legal obligations through the indicator of penalties and fees or sanctions from environmental agencies.

UNIT	PENALTIES AND FEES OR SANCTIONS FROM ENVIRONMENTAL AGENCIES (UNIT)
Brazil – Garibaldi (RS)	0
Brazil – Rio Negro (PR)	0
USA - Tarboro	0
USA - Denton	0
Spain	0
Bahrain	0

MADEM did not register any significant fines, non-monetary sanctions, or relevant cases of environmental non-compliance, **reinforcing the effectiveness of its internal controls and environmental management processes.**

The company understands environmental compliance as an essential element for the sustainability of its operations and for responsible relationships with regulatory bodies, communities, and other stakeholders, continuously seeking to improve its practices and ensure compliance with current legal requirements.





SUPPLIER ENVIRONMENTAL ASSESSMENT

(GRI 3-3, 308-1)

MADEM recognizes the importance of its supply chain in preventing and mitigating environmental impacts and, therefore, **adopts environmental criteria integrated into its formal supplier evaluation, qualification, and monitoring process.** This process is conducted by the Quality Management area, which ensures that all suppliers are evaluated before their inclusion in the Supplier Registry.

Supplier qualification considers different methods, **including questionnaire analysis, third-party certifications, sample evaluation, compliance with legal requirements and, when applicable, audits and risk assessments, especially for suppliers of wood and strategic inputs.** In the environmental area, priority is given to suppliers who demonstrate compliance with current legislation, through the presentation of environmental licenses, legal authorizations and other supporting documents.

Furthermore, MADEM establishes specific environmental requirements for service providers considered strategic, covering aspects such as **proper waste disposal, emissions control, compliance with applicable legislation, and maintenance of mandatory environmental records.** These requirements include, for example, proof of environmental licensing for waste disposal, monitoring of vehicle emissions, control of chemical products, and compliance with legal regulations applicable to the activities performed.

Supplier performance is continuously monitored through receiving inspections, non-conformity records, and periodic evaluations. Annually, supplier qualification is revalidated based on objective criteria, such as the System Quality Index (SQI), with a minimum performance required to maintain registration.

Whenever potential risks or negative environmental impacts associated with the supply chain are identified, MADEM promotes **supplier engagement in implementing corrective and improvement actions, as foreseen in its non-conformity handling process.** This structured approach strengthens environmental management throughout the value chain and ensures business relationships aligned with good environmental practices and applicable legal requirements.



SOCIAL

In this chapter:

Employment - New hires and employee turnover
Labor Relations and Collective Bargaining
Training and Education
Performance Evaluation
Employee Engagement and Satisfaction
Compensation and Benefits
Diversity, Equal Opportunity
Occupational Health and Safety
Human Rights and No Discrimination
Child labor and forced or compulsory labor
Safety Practices
Local Communities
Customer Experience and Satisfaction
Customer Privacy
Socioeconomic Compliance
Marketing and Labeling

3

EMPLOYMENT - NEW HIRES AND EMPLOYEE TURNOVER

(GRI 401-1)

MADEM reinforces its commitment to recruitment and selection practices based on transparency, equal opportunities, and respect for individual skills. **Our selection process is structured to attract, identify, and develop talent aligned with the company's organizational values and sustainability culture.**

To make this process accessible and transparent, we have made available on our website the "Work With Us" section, through which interested candidates can submit their applications digitally and securely. This initiative brings the company closer to qualified professionals, democratizes access to opportunities, and strengthens the construction of a diverse and engaged employees.

During the hiring process, all employees participate in onboarding training, where they are introduced to corporate policies, codes of conduct, safety rules, and guidelines of the integrated management system, reinforcing the importance of complying with legal and ethical requirements and respecting human rights. **In addition, the company promotes ongoing training and awareness campaigns to ensure that employees understand their role in preventing irregular practices and promoting a responsible work environment.**

MADEM monitors indicators such as the total number of own employees and the number of outsourced employees (TABLE 1), turnover by region, gender and age group (TABLE 2) and the rate of new hires (TABLE 3).

UNIT	NUMBER OF OWN EMPLOYEES (UNIT)	NUMBER OF OUTSOURCED EMPLOYEES (UNIT)	NUMBER OF INTERNS AND TRAINEES (PER UNIT)
Brazil – Garibaldi (RS)	21	0	0
Brazil – Rio Negro (PR)	486	0	22
USA - Tarboro	123	56	0
USA - Denton	133	11	0
Spain	117	31	0
Bahrain	140	88	0

(TAB 1)

UNIT	NUMBER OF OWN EMPLOYEES	AVERAGE TURNOVER IN THE YEAR 2025 (%)	THE PERCENTAGE IS EQUIVALENT TO (WORKER)	AGE RANGE (YEARS)	BIOLOGICAL GENDER
Brazil – Garibaldi (RS)	21	4,76	1	≤ 30	Female
Brazil – Rio Negro (PR)	486	22,43	65	≤ 30	Male
			31	31-50	
			8	≥51	
			3	≤ 30	Female
			2	31-50	
USA - Tarboro	123	14,63	14	≤ 30	Male
			3	31-50	
			1	≥51	
USA - Denton	133	54,89	36	≤ 30	Male
			26	31- 50	
			1	≥51	
			6	≤ 30	Female
			3	31-50	
			1	≥51	
Spain	117	12,82	5	≤ 30	Male
			6	31-50	
			4	≥51	
Bahrain	140	5,00	1	≤ 30	Male
			5	31-50	
			1	≥51	

** Number of terminations in the period / average number of employees in the period x 100 (TABLE 2)*

In 2025, across its 6 reported units, MADEM made a total of 326 new hires, corresponding to an overall new hire rate of 31.77%. This indicator is monitored by age group, gender, and region of operation (see table below), allowing the company to assess its ability to attract talent, promote employee renewal, and track employability and diversity trends.

It is important to emphasize that hiring is preferably carried out in the cities where the plants are located or in nearby regions.

UNIT	NUMBER OF OWN EMPLOYEES	NUMBER OF EMPLOYEES HIRED	HIRING FEE AVERAGE IN THE YEAR 2025 (%)	DISTRIBUTION BY AGE GROUP AND GENDER		
				NUMBER OF EMPLOYEES HIRED	AGE RANGE (YEARS)	BIOLOGICAL GENDER
Brazil – Garibaldi (RS)	21	1	4,76%	1	≤ 30	Male
Brazil – Rio Negro (PR)	486	117	24,07%	79	≤ 30	Male
				28	31-50	
				6	≥51	
				3	≤ 30	Female
				1	31-50	
				0	≥51	
USA - Tarboro	123	32	26,01%	15	≤ 30	Male
				11	31-50	
				3	≥51	
				1	≤ 30	Female
				2	31-50	
				0	≥51	
USA - Denton	133	151	113,53%	54	≤ 30	Male
				58	31-50	
				14	≥51	
				9	≤ 30	Female
				12	31-50	
				4	≥51	
Spain	117	16	13,67%	5	≤ 30	Male
				10	31-50	
				1	≥51	
Bahrain	140	9	6,42%	2	≤ 30	Male
				7	31-50	

**New hire rate = new hires / total number of employees in the year.*

LABOR RELATIONS AND COLLECTIVE BARGAINING

(GRI 402, GRI 407)

MADEM maintains labor relations based on transparent dialogue, respect for current legislation, and the promotion of collective bargaining, ensuring that any operational changes with a significant impact on employees are communicated clearly and within the timeframe stipulated by current legislation.

TRAINING AND EDUCATION

(GRI 404-1, 404-2)

MADEM invests in ongoing training for its teams. Once a year, the training needs of employees are defined, **addressing the requirement to expand the skills of each employee and keeping the employees in a continuous learning process.**

This survey consolidates the main needs for developing managerial and technical skills, supporting the planning of training actions. The training man-hour indicator is monitored monthly by the company.

UNIT	TRAINING HOURS (HRS)
Brazil – Garibaldi (RS)	199
Brazil – Rio Negro (PR)	5595
USA - Tarboro	43
USA - Denton	96
Spain	705
Bahrain	702

The exchange between production managers from different MADEM units has become an important initiative to strengthen operational management and boost the company's sustainability agenda. Through this program, production leaders conduct technical visits and immersion periods in other units, promoting the direct exchange of knowledge, experiences, and solutions applied in daily industrial operations.

The initiative also encourages innovation by allowing successful solutions from one unit to be adapted and replicated in others, **maximizing economies of scale and reinforcing MADEM commitment to sustainability and operational excellence.** In this way, the program contributes not only to the technical improvement of the teams, **but also to building a collaborative culture oriented towards continuous improvement throughout the organization.**



PERFORMANCE EVALUATION

(GRI 404-3)

Performance evaluations conducted at the end of the probationary period are an essential step for the integration and development of employees at MADEM. **This process aims to analyze the professional's adaptation to their role, their alignment with the company's values, and their fulfillment of the goals and responsibilities established for the position.**

During this evaluation, aspects such as work quality, productivity, commitment, teamwork skills, compliance with safety standards, and adherence to the organization's sustainability practices are considered. In addition to providing a structured overview of initial performance, this stage also allows for the identification of **strengths and development opportunities, guiding training and continuous improvement initiatives.**

The evaluation is conducted in a transparent and constructive manner, promoting dialogue between manager and employee. This alignment contributes to strengthening engagement, professional development, and talent retention, ensuring that employees are prepared to contribute to MADEM strategic objectives.

EMPLOYEE ENGAGEMENT AND SATISFACTION

(GRI 404-3)

In 2025, MADEM conducted an Organizational Climate Survey to assess employee satisfaction levels and the work environment, using a standardized, confidential methodology applied to all levels of the organization. The survey covered topics such as work environment, communication, leadership, professional development, benefits, and organizational climate.

The survey was made available to 857 employees (Brazil – Garibaldi RS and Rio Negro PR, USA – Denton and Tarboro, and Bahrain). The survey engagement rate was 59.2%. Engagement was particularly high in Bahrain (97%), and Brazil also showed solid participation, with units like Garibaldi (91%) standing out. Participation in the United States was moderate, with Tarboro (46%) and Denton (57%). **Even with these considerations, top management considered this participation rate satisfactory, since participation in the survey is voluntary**

81% was the **Overall Satisfaction Index** indicated by the results, classified as “highly satisfactory,” demonstrating a positive organizational climate.

Overall, the results reinforce MADEM commitment to developing a healthy work environment, while guiding the implementation of continuous improvement actions, especially in areas such as communication, benefits, and employee quality of life.



COMPENSATION AND BENEFITS

(GRI 401-2)

MADEM Compensation Policy establishes a set of criteria, rules, and concepts that ensure a job and salary structure relevant to the company's needs. This policy **promotes internal equity, the management of positions and careers, competitiveness with the market, and the company's financial viability.** The current practice is a fixed salary for all employees.

Some of the company's benefits include:

Unit
Brazil – Garibaldi (RS)

- Unimed health plan;
- Medical and dental care;
- Attendance bonus;
- Profit Sharing;
- On-site restaurant;
- Birthday gift;
- Christmas shopping voucher card;
- Employee recreation center;
- Pharmacy card with payroll deduction;
- Private pension.

Unit
USA

- Health, dental and vision insurance;
- 2 weeks of vacation;
- Annual bonus;
- 401K;
- Paid holidays.

Unit
Spain

- 12 physiotherapy sessions per year.

Unit
Bahrain

- Health insurance;
- Life insurance;
- Transportation allowance or car;
- Housing allowance or accommodation provided by the company for expatriates;
- Education assistance for children (for eligible categories);
- Social assistance for citizens of Bahrain;
- Compensation for time of service, according to Bahraini labor law, for expatriates;
- Annual/biannual round-trip airfare for expatriates during vacation;
- Profit sharing;
- 3% contribution to GOSI (General Social Security) - for expatriates, protection against work accidents and disability/death benefits;
- 17% contribution for Bahraini citizens - Coverage includes retirement, disability and death benefits, workers' compensation insurance, and unemployment insurance;
- Subsidized meals - We offer subsidized meals where the actual cost per meal is BHD 1.20 + VAT, while employees only pay BHD 0.400, with the remainder subsidized by the company;
- Ramadan vouchers (groceries assistance) are provided to Muslim employees during Ramadan to help with families' food needs during the holy month;
- Charity Fund for Emergency Support for Employees in Difficulty: In exceptional cases, the company offers charitable assistance to employees facing unforeseen medical needs or emergencies, providing financial or in-kind support based on individual circumstances.



DIVERSITY, EQUAL OPPORTUNITY

(GRI 405)

MADEM considers diversity, inclusion, and equity to be important issues and develops actions that ensure their advancement in human resource management practices. We monitor the following indicators annually:

- Total number of employees;

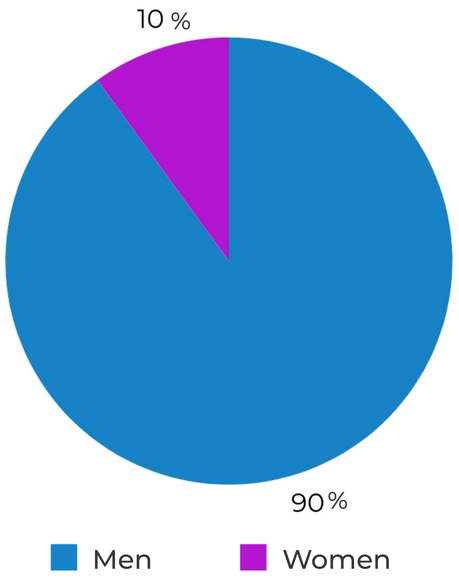
- Total number of male and female employees;

- Number of men and women in management positions.

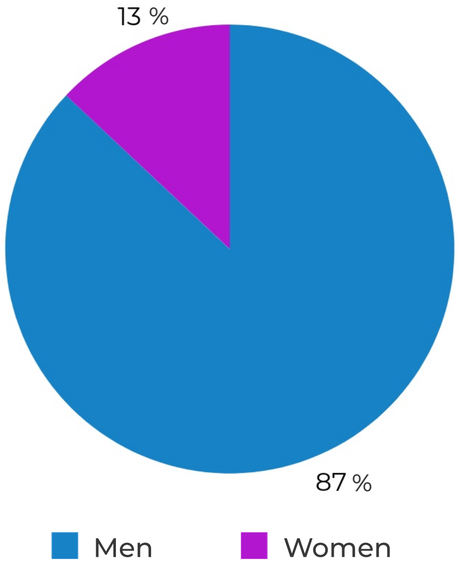
UNIT	TOTAL NUMBER OF EMPLOYEES	NUMBER OF MEN	NUMBER OF WOMEN	NUMBER OF MEN IN LEADERSHIP POSITIONS	NUMBER OF WOMEN IN LEADERSHIP POSITIONS
Brazil – Garibaldi (RS)	21	7	14	11	1
Brazil – Rio Negro (PR)	486	448	38	5	1
USA - Tarboro	123	108	15	7	2
USA - Denton	133	114	19	3	0
Spain	117	109	8	3	0
Bahrain	140	135	5	4	1

Currently, MADEM overall employees are comprised of **90.30%**. Of these, **9.7% are men and 9.7% are women.** And when analyzing leadership positions, a scenario is observed with **87% men and 13% women.** The company continuously monitors these indicators and **develops actions aimed at promoting diversity and reducing inequalities**, reinforcing its commitment to gender equality and inclusion at all levels of the organization.

Employees distribution by biological gender:



Distribution of leadership positions by biological gender:



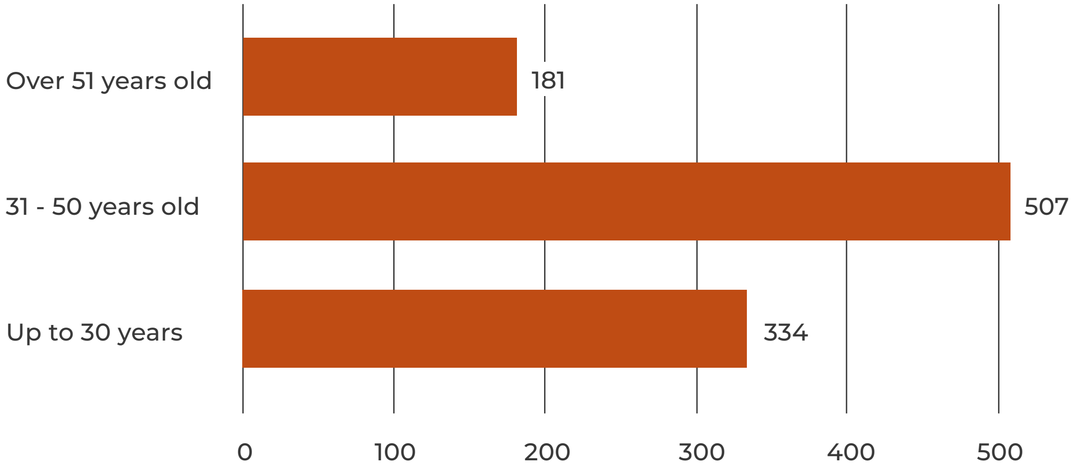
Number of employees by age group:

UNIT	UP TO 30 YEARS	31-50 YEARS OLD	OVER 51 YEARS OLD
Brazil – Garibaldi (RS)	4	12	5
Brazil – Rio Negro (PR)	158	226	102
USA - Tarboro	49	58	18
USA - Denton	53	61	19
Spain	34	52	31
Bahrain	36	98	6

MADEM employes has a diverse age distribution, with a predominance of professionals between 31 and 50 years old, totaling 507 employees. Next are employees under 30 years old, totaling 334 people, highlighting the significant presence of younger professionals in the organization. Finally, employees over 51 years old represent 181 people, contributing with accumulated experience and knowledge.

This balanced composition across different age groups **fosters the exchange of experiences, innovation, and continuous development,** strengthening the organizational culture and the sustainability of the business.

Number of employees by age group:

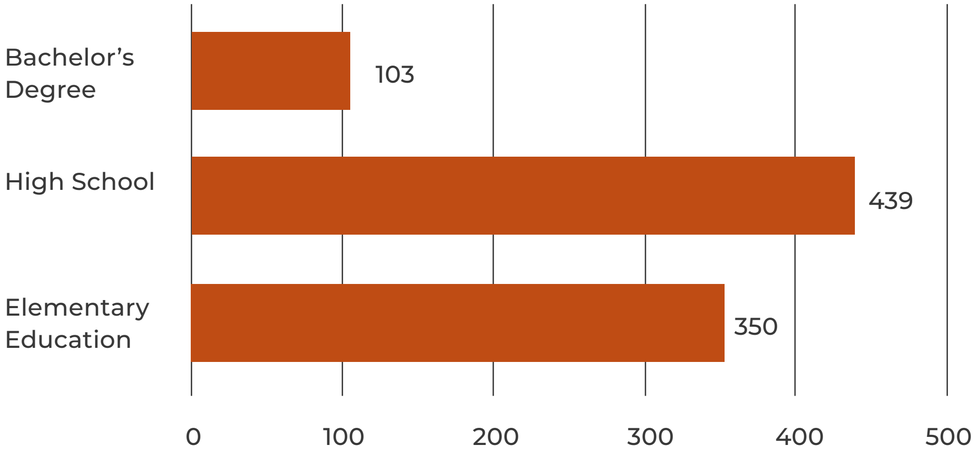


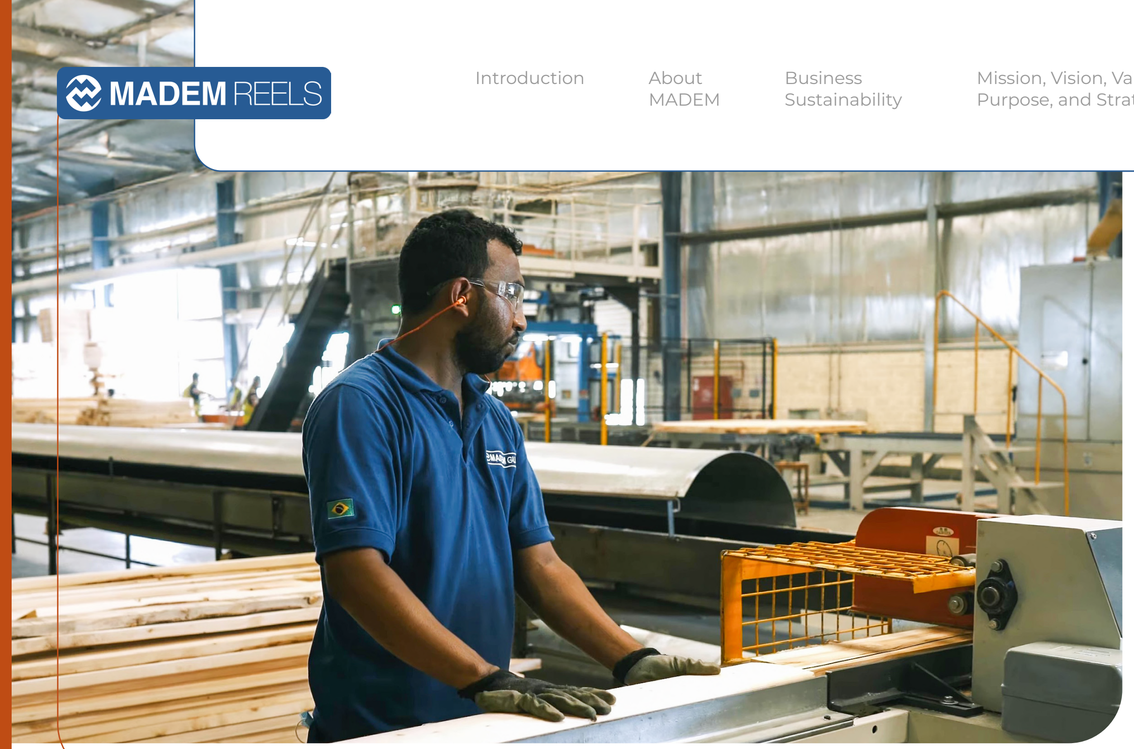
MADEM employees, in terms of educational level, are predominantly composed of professionals with a high school education, totaling 439 employees. Next are employees with a Elementary school education, totaling 350 people. Finally, professionals with a Bachelor's degree represent 103 employees.

This distribution highlights the importance of initiatives focused on training and educational development, **contributing to the continuous improvement of employees' skills and strengthening the company's operational efficiency.**

Number of employees by level of education:

UNIT	ELEMENTARY EDUCATION	HIGH SCHOOL	BACHELOR'S DEGREE
Brazil – Garibaldi (RS)	2	10	9
Brazil – Rio Negro (PR)	144	204	50
USA - Tarboro	55	60	10
USA - Denton	63	62	8
Spain	11	58	6
Bahrain	75	45	20





OCCUPATIONAL HEALTH AND SAFETY

(GRI 403-1, 4, 5, 6, 9 E 10)

MADEM maintains a commitment to continuous improvement, striving to ensure that the work environment, operational processes, and working conditions remain safe and healthy for all employees (both direct and indirect).

Safety is treated as an essential and shared value, based on the understanding that each professional plays a decisive role in preventing incidents and building a protected work environment.

Additionally, the company develops and implements a structured accident prevention program and initiatives focused on occupational health and safety. This program is designed to map, analyze, and mitigate risks in the workplace, including actions such as:

1. RISK ANALYSIS:

Although there are regulatory differences between Brazil, the United States, Spain, and Bahrain, there is convergence in fundamental principles of occupational risk management:

- Systematic hazard identification;

- Risk assessment and prioritization;

- Implementation of preventive controls;

- Employee training and participation;

- Continuous monitoring and ongoing improvement of occupational health and safety performance.

In all its operations, MADEM maintains risk mapping (chemical, physical, biological, and accident-related) and implements actions for accident prevention and mitigation of occupational health and safety risks. This risk mapping is carried out with the participation of employees, who are also encouraged to report unsafe situations.

2. TRAINING AND DEVELOPMENT PROGRAMS:

MADEM maintains an ongoing training program in occupational health and safety, ensuring that its employees are prepared to perform their activities safely and in compliance with current legislation in Brazil, the USA, Spain, and Bahrain.

3. TOOLBOX TALK:

MADEM conducts regularly a Toolbox talk in all its units, lasting approximately 15 minutes. This session is dedicated to raising awareness among employees (both direct and indirect) about safe workplace practices, addressing relevant health, safety, and risk prevention topics. The Toolbox talk reinforces important guidelines, shares best practices, and allows for the exchange of information between teams, **contributing to the reduction of accidents and the strengthening of a safety culture within the organization.**

4. EMERGENCY DRILLS:

[CO8.1]Complementing these actions, emergency training is conducted annually, **reinforcing the teams' readiness to act in critical situations.** These initiatives demonstrate MADEM commitment to **accident prevention, protecting the health of its employees, and promoting a safe work environment.**



ANNUAL EMERGENCY TRAINING

This set of programs and actions seeks to reinforce MADEM commitment to creating a safe and healthy work environment, where safety is prioritized and all employees actively participate in accident prevention.



















5. ACCIDENT INVESTIGATION AND ANALYSIS:

MADEM adopts a rigorous process for investigating workplace accidents, conducting a detailed analysis of all occurrences to identify their causes and implement corrective and preventive actions. This procedure aims to prevent the recurrence of incidents and continuously strengthen safety conditions in the workplace. All accidents are formally analyzed, considering operational, behavioral, and organizational factors. These investigations, as well as their results, are officially communicated in accordance with the legislation in force for each country.

– In Brazil – notification to the Ministry of Labor and Employment (MTE) through the CAT – work accident report form;

- In the United States - notifications to the regulatory body OHSA;

- In Spain – communicated to the Labor Authority INSST (Instituto Nacional de Seguridad y Salud en el Trabajo);

- In Bahrain – communicated to the LMRA (Labor Market Regulatory Authority).

The indicators of work-related incidents (events with lower potential for harm when dealing only with first aid), work-related accidents (events with higher potential for harm, when dealing with accidents resulting in time off work), and the number of deaths are also monitored, encompassing both direct and contracted employees. For the handling of incidents, accidents, and deaths, an investigation of the causes is carried out, using analytical methodologies to identify immediate and root causes, define corrective and preventive actions, monitor the implementation of these actions, and verify their effectiveness, with the aim of preventing recurrences and promoting continuous improvement in occupational health and safety performance. It is important to note that in 2025 there were no deaths in the reported units. Below you can see the number and severity of accidents.

For better comparison, the frequency and severity rate indices were calculated according to Brazilian legislation.

UNIT	HOURS WORKED IN 2025	NUMBER OF ACCIDENTS WITHOUT WORK TIME OFF	NUMBER OF ACCIDENTS RESULTING IN WORK TIME OFF	SEVERITY RATE	TOTAL ACCIDENT FREQUENCY RATE (WITH AND WITHOUT TIME LOST)
Brazil – Garibaldi (RS)	46.612	0	0	0	0
Brazil – Rio Negro (PR)	1049.690	2	11	299,13	12,38
USA - Tarboro	236.188	0	3	12,70	12,70
USA - Denton	968.773	0	0	0	0
Spain	210.211	1	13	383,04	66,60
Bahrain	463.651	0	8	0	17,25

(GRI 403-9)

Formula used:

Severity rate: Days lost x 1,000,000/HMW

Frequency rate: number of accidents with lost time + number of accidents without lost time x 1,000,000/HMW

The data refers to our own employees.

Calculations based on 1,000,000 hours worked.

We will not publish to third parties. We do not use third parties at the national level in Brazil. Small portions are contracted in the USA and Bahrain. The contracting arrangements are different.

OCCUPATIONAL DISEASES

(GRI 403-10)

MADEM maintains an Occupational Health and Safety (OHS) management system focused on preventing work-related injuries and illnesses, covering its own employees and outsourced workers operating in its industrial operations in Brazil, the United States, Spain, and Bahrain.

Considering the risks inherent in manufacturing activities, occupational health monitoring programs are carried out based on hazard identification, risk assessment, and occupational exposure, encompassing physical, chemical, biological, and ergonomic agents.

Monitoring programs include, as applicable to the activities and legal requirements of each country:

- **Pre-employment, periodic, return-to-work, job change, and termination medical examinations;**
- **Occupational clinical assessments and monitoring of workers exposed to specific risks;**
- **Biological monitoring and complementary tests.**

In Brazil, health monitoring is carried out in accordance with Regulatory Standards, especially NR-7 (Occupational Health Medical Control Program – PCMSO), in conjunction with occupational risk management as provided for in NR-1.

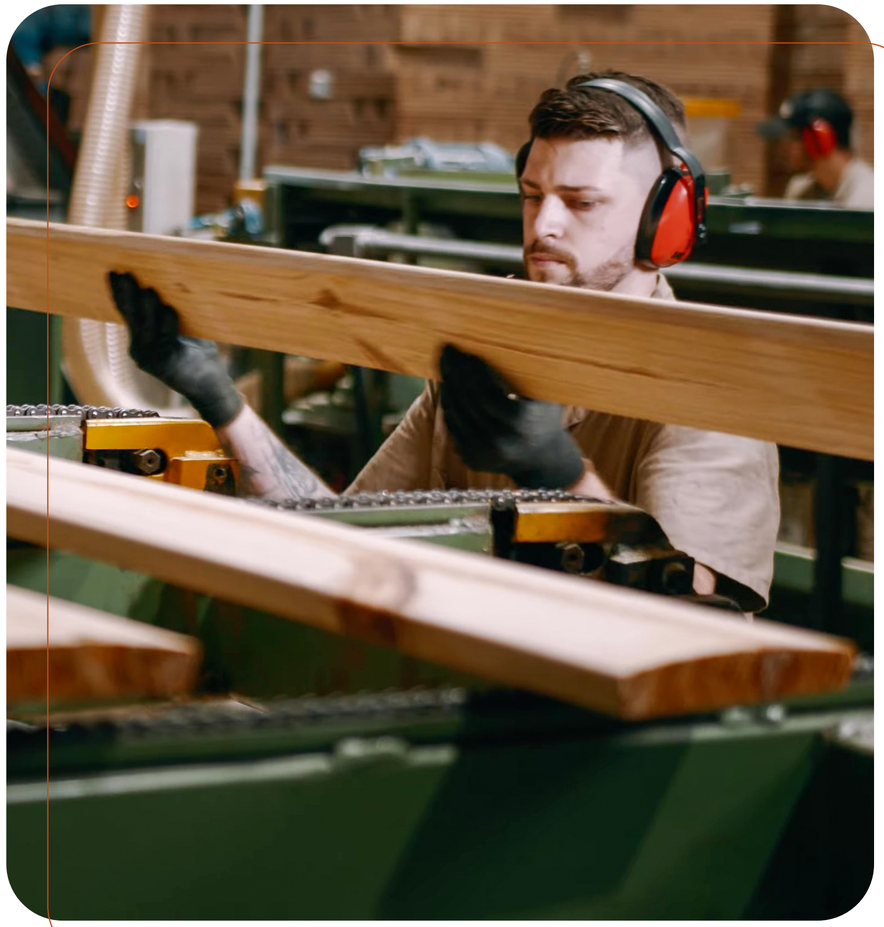
In the United States, monitoring practices comply with applicable federal and state legislation requirements, including OSHA-mandated medical surveillance programs for specific occupational exposures.

In Spain, health monitoring is conducted in accordance with occupational risk prevention legislation, prioritizing health surveillance based on identified risks and ensuring the confidentiality of medical information.

In Bahrain, occupational health monitoring follows the provisions of the Ministry of Labor and applicable occupational medicine requirements, with particular attention to higher-risk industrial activities and the protection of local and expatriate workers.

MADEM continuously monitors work-related injury indicators, including accidents resulting in time off work, accidents without time off work, fatalities, and frequency and severity rates, using this information to evaluate the effectiveness of implemented controls, guide preventive actions, and promote continuous improvement in Occupational Health and Safety performance.

In the year 2025, none of the units covered by this report were diagnosed with occupational disease.





HUMAN RIGHTS AND NO DISCRIMINATION

(GRI 406, GRI 412)

MADEM conducts its operations based on respect for human rights and the promotion of a discrimination-free environment. The company incorporates evaluation and monitoring criteria into its internal processes and supplier management, with the aim of **preventing discriminatory practices, forced or child labor, and any other human rights violations.**

As part of this commitment, training on the Code of Conduct is conducted annually, reinforcing ethical principles and corporate guidelines among employees.

In 2025, MADEM promoted awareness and engagement initiatives, including outreach campaigns with access to the Code of Conduct through the corporate website, posts on internal notice boards, and the inclusion of the topic in onboard training for new employees. These initiatives aim to strengthen the organizational culture based on respect, ethics, and the appreciation of diversity.

UNIT	NUMBER OF COMPLAINTS
Brazil – Garibaldi (RS)	0
Brazil – Rio Negro (PR)	0
USA - Tarboro	0
USA - Denton	0
Spain	0
Bahrain	0

MADEM also monitors the indicator of complaints related to discrimination, sexual abuse, and other forms of workplace violence.

CHILD LABOR AND FORCED OR COMPULSORY LABOR

(GRI 408, GRI 409)

MADEM reaffirms its commitment to respecting human rights and conducting its operations ethically, **adopting a zero-tolerance policy towards child labor and forced or slave-like labor.** The company operates in accordance with current legislation and applicable international standards, **not admitting, in any of its operations or supply chain, practices that violate human dignity.**

This commitment is reinforced through internal policies, supplier qualification and monitoring criteria, and conduct guidelines that guide employees and business partners. MADEM also encourages awareness of the issue and the use of reporting channels, ensuring the identification and appropriate handling of any irregular situation.

During the reported period, no cases related to child labor or forced labor were identified in its operations or value chain.

SAFETY PRACTICES

(GRI 410)

MADEM ensures that its security professionals, whether in-house or outsourced, act in accordance with human rights principles and applicable legislation. **The company guides and/or requires its service providers to undergo adequate training regarding the proportional use of force, ethical conduct, and respect for the physical and moral integrity of employees, visitors, and surrounding communities.**

By 2025, 100% of security professionals working in the units will have received guidance or training related to human rights. It is also noteworthy that the security team is unarmed, **reinforcing the preventative approach and commitment to safe, ethical practices aligned with respect for human rights.**

LOCAL COMMUNITIES

(GRI 413)

MADEM recognizes the importance of maintaining a close, transparent, and respectful relationship with the communities in the areas where it operates. The company seeks to identify and assess potential social impacts arising from its activities, adopting preventive and corrective actions whenever necessary, with the aim of **strengthening harmonious coexistence and promoting local development.**

As part of this commitment, MADEM provides accessible communication channels for the community on its institutional website, such as the “Contact Us” form, through which residents, partners, and other stakeholders can register questions, suggestions, complaints, or demands related to the company’s activities. **This openness to dialogue contributes to expanding community participation, strengthening mutual trust, and guiding the continuous improvement of social and environmental practices.**

Furthermore, the company encourages initiatives that promote regional socioeconomic development, including valuing local labor and suppliers from the region, thus **contributing to the generation of employment, income, and well-being in neighboring communities.**



CUSTOMER EXPERIENCE AND SATISFACTION

(GRI 2-29 / 417 / 418)

In 2025, MADEM conducted its global customer satisfaction survey, covering all operational units in Brazil, the United States, Spain, and Bahrain. **The survey was applied to 239 active clients, with 157 responses received, representing a participation rate of 66%.**

The methodology considered the evaluation of different aspects of the customer relationship, including commercial and technical relationships, product quality, information compliance, deadlines and on-time delivery, documentation, and product performance in use. Responses were classified into satisfaction levels (“Very Good”, “Good”, and “Poor”), allowing for a structured analysis of customer perception.

The results demonstrated a high level of satisfaction, **with an overall average of 98.1% positive reviews (Very Good + Good),** highlighting the consistency and quality of MADEM operations in different markets. All units performed above 93% satisfaction, with particular emphasis on the Bahrain unit, which achieved 100% positive reviews.

Overall, the results reinforce MADEM commitment to excellence in service, product quality, and customer relations, while also indicating opportunities for continuous improvement, especially in aspects related to delivery times and price competitiveness.

ITEM	VERY GOOD %	GOOD %	OVERALL %
	2025	2025	2025
MADEM SA	71.7	28.0	99.7
EUROMADEM	93.9	0.0	93.9
MOORECRAFT	73.0	25.8	98.8
MADEM GULF	70.8	29.2	100
GENERAL MADEM GROUP	**AVERAGE % (VG + G)**		**98.1%**



CUSTOMER PRIVACY

(GRI 418)

MADEM reaffirms its commitment to the protection and privacy of the personal data of its customers, suppliers, partners, and other stakeholders. The company recognizes that information security is an essential element for building transparent and trusting relationships.

The organization maintains a Privacy Policy available on its institutional website, which establishes clear guidelines on the collection, use, storage, sharing, and protection of personal data, in accordance with current legislation, especially the General Data Protection Law (LGPD – Law No. 13.709/2018).

The personal data collected is used exclusively for legitimate purposes related to providing services, customer support, fulfilling legal obligations, and continuously improving the user experience.

MADEM adopts appropriate technical and administrative measures to protect information against unauthorized access, leaks, loss, or any form of improper handling.

The company also provides contact channels so that data subjects can exercise their rights, such as requesting access, correction, or deletion of data, as provided for by law.

In 2025, no substantiated complaints regarding violations of customer privacy were registered, nor were any significant leaks of personal data identified, reinforcing the effectiveness of the controls adopted.

MADEM remains committed to the continuous improvement of its data governance processes, strengthening its culture of ethics, transparency, and digital responsibility.

SOCIOECONOMIC COMPLIANCE

(GRI 419)

MADEM conducts its activities guided by strict compliance with the laws and regulations applicable to its operations, **reinforcing its commitment to ethics, integrity, and socioeconomic responsibility.**

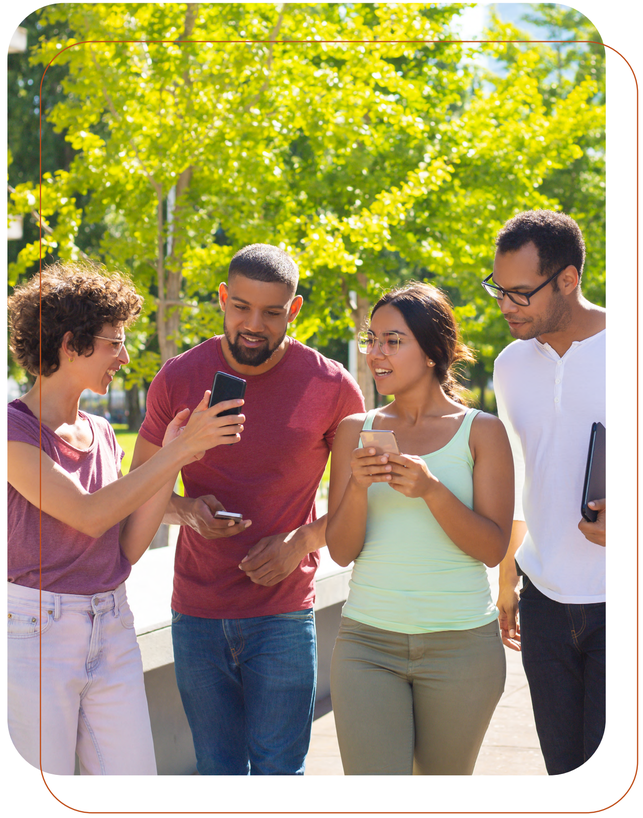
Compliance management encompasses the continuous monitoring of legal obligations in the labor, tax, environmental, competition, and consumer protection spheres, as well as other regulatory standards applicable to the company's sector of activity. This monitoring is carried out through internal controls, specialized legal advice, and periodic updates in light of legislative changes.

The company adopts formal corporate governance practices, including internal guidelines and policies that guide the ethical conduct of its employees and business partners. These instruments **aim to prevent irregularities, mitigate legal risks, and ensure that business activities are aligned with best market practices.**

MADEM maintains institutional channels for receiving complaints and reports, ensuring confidentiality, impartiality in the investigation, and appropriate handling of incidents, strengthening the culture of organizational integrity.

During the reported period, **no significant fines or non-monetary sanctions were recorded as a result of non-compliance with laws and regulations in the socioeconomic area**, demonstrating the effectiveness of the compliance control and management mechanisms adopted.

The organization reaffirms its commitment to the continuous improvement of its compliance processes, seeking to strengthen its sustainable performance and its contribution to responsible economic development in the regions where it operates.



MARKETING AND LABELING

(GRI 417)

MADEM conducts its marketing and communication practices with responsibility, transparency, and respect for its clients and other stakeholders. **The company ensures that the information disclosed about its products and services is clear, accurate, and in compliance with applicable legislation,** including consumer protection laws and industry-specific regulations.

Promotional materials, catalogs, digital channels, and other institutional communications follow internal guidelines **aimed at ensuring the accuracy of information, avoiding deceptive practices or anything that could mislead the consumer.** Whenever applicable, the products sold present technical information, usage instructions, characteristics, specifications, and any applicable legal requirements in an accessible manner.



MADEM also observes ethical criteria in its advertising activities, **promoting responsible communication aligned with the principles of respect, integrity, and fair competition.**

Any requests related to product information or marketing communications are handled through official customer service channels, ensuring proper analysis and a timely response.

During the reported period, no significant non-conformities were recorded related to product information and labeling or marketing communications.

The company remains committed to the continuous improvement of its communication processes and transparency, reinforcing the trust of its clients and partners.

GRI CONTENT SUMMARY – MADEM

Declaration of use: Report prepared in accordance with GRI Standards (reference).

Period covered: January 1, 2025 to December 31, 2025

GRI 2: General Disclosures 2021

GR STANDARD	CONTENT	LOCATION / PAGE	COMMENT
2-1	Organizational details	-	-
2-2	Entities included in the report	3	Includes operations in Brazil, the USA, Spain, and Bahrain.
2-3	Reporting period, frequency, and contact point	3	Annual report
2-4	Restatements of information	-	Not applicable
2-5	External assurance	-	Performed by OCC DNV

GRI 3: Material Topics 2021

GR STANDARD	CONTENT	LOCATION / PAGE	COMMENT
3-1	Procedure for determining material issues	4	-
3-2	List of material topics	5 - 7	-
3-3	Management of material topics	26 - 73	-

GRI 200: Economic

GR STANDARD	CONTENT	LOCATION / PAGE	COMMENT
201	Economic performance	28	-
202	Market presence	29	-
203	Indirect economic impacts	31	-
204	Procurement practices	36	-
205	Anti-corruption	37	-
206	Anti-competitive Behavior	38	-
207	Tax	38	-

GRI 300: Environmental

GR STANDARD	CONTENT	LOCATION / PAGE	COMMENT
301	Materials	40	-
302	Energy	41	-
303	Water and Effluents	42 and 43	-
305	Emissions and other pollutants	44 - 46	-
306	Waste	47	-
307	Environmental compliance	48	-
308	Supplier environmental assessment	49	-

GRI 400: Social

GR STANDARD	CONTENT	LOCATION / PAGE	COMMENT
401	Employment - New Hires and Employee Turnover	51 - 53, 57 - 60	-
402	Labor relations	54	-
403	Occupational Health and Safety	61 - 66	-
404	Training, education, performance evaluation. Employee engagement and satisfaction.	54 - 56	-
405	Diversity, equal Opportunity	58 - 60	-
406	Non-discrimination	67	-
407	Collective bargaining and freedom association	54	-
408	Child Labor	68	-
409	Forced or compulsory Labor	68	-
410	Safety Practices	68	-
412	Human Rights assessment	67 and 68	-
413	Local Communities	69	-
417	Marketing and Labeling	73	-
418	Customer Experience and Satisfaction / Customer Privacy	70 and 71	-
419	Socioeconomic Compliance	72	-

FINAL REMARKS

The report was prepared based on GRI standards and the material topics defined by MADEM.

No relevant non-conformities were identified during the period.

INDEPENDENT ASSURANCE STATEMENT

Declaration number: DNV-2025-ASR-C884219

DNV Business Assurance Avaliações e Certifi cação Brasil Ltda. (‘DNV’) was engaged by MADEM SA INDUSTRIA E COMERCIO DE MADEIRA E EMBALAGENS (hereinafter referred to as ‘Madem’ or ‘the Company’) to carry out an independent assurance engagement, conducted in accordance with ISAE 3000, on a selection of GRI indicators present in the Sustainability Report, base year 2025.

Assurance approach

Our assurance engagement is conducted in accordance with the VeriSustain Protocol, which is based on our professional experience and international assurance best practices, and the ISAE 3000 International Standard of Assurance Engagements: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. These documents require, among other reasons, that the assurance team has the specific knowledge, skills and professional competencies necessary for an assurance engagement on sustainability information, and that the team complies with the ethical requirements to ensure its independence.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment, the general principles of which are requirements for validation and verifi cation bodies. Thus, DNV maintains a comprehensive quality control system, including documented policies and procedures on compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We carry out the activities by applying a **limited level of assurance** for a selection of indicators, as described in the following sections.

The procedures carried out in a limited assurance engagement diff er in nature and timing and are less detailed than those carried out during a reasonable assurance engagement, so that the level of assurance obtained is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been made. We planned and carried out our work to obtain the evidence that we considered suffi cient to provide a basis for our conclusion, so that the risk of that conclusion being wrong was reduced, but not completely.

We have not carried out any work, or expressed any conclusions, on any information other than the subset of data and information disclosed in relation to the sustainability goals stipulated and mentioned above.

DNV

Reporting criteria for selected information

The scope and limits of our work are restricted to the verifi cation of the following sustainability indicators:

- GRI 202-2 - Proportion of senior management hired from the local community
- GRI 205-3 - Confi rmed incidents of corruption and actions taken
- GRI 303-5 - Water consumption
- GRI 306-3 - Waste Generated
- GRI 401-1 - New employee hires and employee turnover
- GRI 403-9 - Work-related injuries

The scope of this assurance work was the production units located in Brazil in Garibaldi/RS and Rio Negro/PR), USA (North Carolina and Texas), Spain (Sant Fruitós de Bages) and Bahrain (Askar).

We emphasize that, as it is an assurance in Data-Only format, we limit our verifi cation to the indicators listed above, and we do not evaluate aspects such as the completeness of adherence to the GRI, the company's materiality study and its results, as well as other information contained in the Company's 2025 Sustainability Report.

Responsibilities of Madem's Directors and Assurance Providers

Madem Management has sole responsibility for:

- Prepare and present the selected information;
- Design, implement, and maintain eff ective internal controls over information and data, resulting in the preparation of the selected information free from misrepresentations;
- Measurement and reporting of selected information.

DNV's responsibility is to plan and execute the engagement to obtain assurance as to whether the information selected has been prepared with reference to the assurance requirements and to report to Madem in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data except this Independent Assurance Statement.

DNV

Scope of Assurance

The scope of our engagement includes the following disclosures ('Selected Information'): GRI 202-2, GRI 205-3, GRI 303-5, GRI 306-3, GRI 401-1, GRI 403-9.

The assurance provided by DNV is limited to the selected indicators and information specifi ed in the scope of engagement. DNV has not conducted an assessment of the disclosing organization's overall adherence to any ESG principles or standards outside of this scope. Therefore, no conclusions should be drawn about the disclosing organization's compliance with other metrics, standards, or protocols. The assurance provided by DNV is based on the selected indicators and information available at the time of engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the conclusion of the assurance engagement.

Our competence, independence and quality control

The policies and procedures established by DNV are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel from other DNV entities) and maintain independence where required by the relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We don't have another contract with Madem.

Our multidisciplinary team was composed of professionals with a combination of experiences in sustainability assurance.

DNV

Inherent limitations

DNV's assurance agreements are based on the assumption that the data and information provided by the Company to us as part of our analysis has been provided in good faith, is true and is free from material misrepresentation. Due to the selected nature (sampling) and other inherent limitations of both procedures and internal control systems, there remains the inevitable risk that errors or irregularities, possibly signifi cant, may not have been detected.

The contract excludes the sustainability, performance and reporting management practices of the Company's suppliers, contractors and any third parties mentioned in the data. We do not interview external stakeholders as part of this assurance engagement.

We understand that fi nancial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We do not review the fi nancial data as it is not within the scope of our assurance contract.

The evaluation is limited to in-scope data and information within the defi ned disclosure period. Any data from this period is not considered within the scope of assurance.

DNV expressly disclaims any responsibility or co-responsibility for any decision that a person or entity may make based on this Independent Assurance Statement.

Basis of our conclusions

As part of the assurance process, a multidisciplinary team of assurance experts performed assurance engagements for selected data provided by Madem. We adopted a risk-based approach, that is, we focus our assurance eff orts on issues of high material relevance to the Company's business and its main stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Review of the data released. Our focus included management and ESG processes;
- Understanding of the key systems, processes and controls for collecting, managing and reporting the disclosures of the indicators selected from the available data;
- Key datasets guide. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to specifi ed metrics;
- Collect and evaluate documentary evidence and managerial representations that support the selected data;
- Interviews with the senior managers responsible for managing the disclosed data. We were free to choose the interviewees and interviewed those with overall responsibility for monitoring, data consolidation, and reporting of the selected information.

DNV

Our conclusions

Limited Level of Assurance

Based on the work carried out, nothing has come to our attention to suggest that the Selected Information, as described in ‘Scope of assurance’, is not fairly stated and has not been prepared, in all material respects, in accordance with the disclosure criteria specified in this Statement.

For and on behalf of DNV Business Assurance Assessments and Certifications Brazil Ltd.

São Paulo, Brazil

July 22, 2026



Lead Verifier
Mayara Oliveira



Verifier
Suyla Beraldo



Technical Reviewer
Paulo Arias

DNV Business Assurance is part of DNV - Business Assurance, a global provider of certifi cation, verifi cation, assessment and training services, helping clients build sustainable business performance. www.dnv.com

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