



Management and Sustainability Report 2022

Haas

MADEIRAS



Management and Sustainability Report 2022

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Credits:

Editing: Bem responsabilidade Social e Sustentabilidade

Graphic Design: EvertonTX

Photos: Haas Madeiras Image Bank

Place and date of publication: Venâncio Aires, March 2023

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This publication covers the period from January 1st to December
31st 2022, inspired by the Global Reporting Initiative (GRI) model.

MESSAGE FROM THE CEO

Planting the Future



Junior Haas

The year 2022 demanded resilience, quick adaptation, and focus from us. Just as we started to believe in the return to post Covid-19 normalcy, we were faced with the beginning of a war in Europe and an uncertain and tense political climate in Brazil. Our efforts yielded results in maintaining activities and substantial progress in new promising projects.

The pursuit of growth and sustainable development continued to guide our actions. We invested energy and resources to materialize the pellet plant, a major venture that enables a leap in expansion in the coming years. At the same time, we worked on consolidating the Haas Forest Promotion Program, where we plant today to reap medium-term results for both the company and rural producers. We led a Public-Private Partnership to enable the construction of a new bridge in Linha Brasil, which will bring numerous collective benefits to the company, local community, and the entire mountainous region of Venâncio Aires. Our values are being put into practice every day.

Contributing to the evolution of people through education brings us great joy. We formalized and structured our educational support through the Haas Education program. We started a journey with Jubal School and high school students, providing support in their preparation for the job market, which we will continue doing in 2023. We also encourage and support members of our team to return to studies through the EJA - Youth and Adult Education program.

The publication of the Management and Sustainability Report reflects our commitment to dialogue and transparency in our relationships with stakeholders for the past 50 years. January 1st, 2023 marks the 50th anniversary of the family business started by my grandfather Alvin Haas and my father José Carlos Haas. During this period, many challenges have been overcome with hard work, dedication, and ethics, and that's why we celebrate this date with joy and gratitude.

Enjoy your reading!

Highlights

2 0 2 2



174

EMPLOYEES



3 prêmios

FOR RECOGNITION OF PERFORMANCE



955

NATIVE TREES PLANTED AROUND THE COMPANY
IN TWO YEARS



101.488,26 m3

OF EUCALYPTUS LOGS PROCESSED



65 mil

EUCALYPTUS SEEDLINGS DISTRIBUTED TO
PARTNER PRODUCERS



230 alunos

FROM 4 SCHOOLS VISITED HAAS TO
LEARN ABOUT SPECIFIC INDUSTRY ISSUES



24 colaboradores

FROM HAAS ENROLLED IN SESI'S YOUTH AND ADULT
EDUCATION PROGRAM, AND THREE OF THEM GRADUATED IN 2022



ASSEMBLY OF THE PELLET PLANT IS FINALIZED



AMONG THE 15 LARGEST COMPANIES IN VENÂNCIO AIRES
BY FISCAL VALUE ADDED



R\$ 13.151.117,34

GENERATED IN TAXES AND DUTIES







We are Haas Madeiras

The company has been operating in the lumber industry for 50 years, focusing on the quality of products and services while taking care of the environment and people. As a family-owned business, it has established itself over the years as one of the largest and most respected pallet producers in Brazil.

It has a complete process chain, from forest partnerships, forest harvesting, forest transportation, sawmill, assembly, and delivery of products. It operates in the national and international markets with the export of pellets and sawn timber.

With its own industrial area of 35,000 m², it has an installed capacity to produce 120,000 pallets per month, operating in two shifts. The industrial part is centralized in the sawmill and assembly section, with a highlight on the automated pallet assembly line that ensures the high standard of product quality and ergonomics for employees.

The new feature for 2023 is the beginning of operation of the pellet plant. This new factory unit with an area of 50,000 square meters, which is being finalized, will be one of the most advanced in Brazil. The new structure will have a capacity to produce 2,500 tons per month.

Mission

To be a global reference in creating sustainable value to people from planted forests.

Values

People: teamwork, individual talents, and internal development.

Processes: emphasis on effectiveness, optimization, flexibility, and continuous improvement.

Conduct: ethics, transparency, and focus, with an emphasis on partnerships.

Timeline

1973

A. Haas & Filho Ltda was founded by Alvin Haas and his son José Haas in Linha Brasil, Venâncio Aires, RS. The company started trading Araucaria (brazilian pine) wood.



A sawmill was acquired in Sinop, Mato Grosso state. Haas started producing sawn wood in Sinop and selling it in Venâncio Aires, a business model that continued until the year 2000

1979



1995

In Rio Grande do Sul state, Haas began sawing eucalyptus for industrial purposes, especially pallets, which became the main focus of the company to these days

2003

The company consolidated all operations in Venâncio Aires, RS



2007

The succession in the company's management began with the entry of Junior Haas, son and grandson of the founders

2019

The company started production of wood pellets, selling in Brazil and exporting to Europe.

2021

Construction of the dedicated wood pellet plant begins and the company acquires a sawmill in Venâncio Aires, expanding its production capacity.

2021

After a period for planning and researches, Haas Forest Promotion is started.

2022

Haas leads the initiative for the construction of the new bridge in Linha Brasil.

2023

Haas Madeiras completes 50 years.



Proceeds the development of Haas Forest Promotion

The year 2022 marked the actual beginning of Haas Forest Promotion after a period of studies and research. Following the extensive promotion of the company's plan, there was a demand for areas for cutting and planting eucalyptus.

Haas provides seedlings and technical support to ensure that the forest will be productive and of high quality. These forests are compatible with rocky and rugged areas which do not compete with the main activity of the producers.

A partnership has been established with numerous rural producers, and eucalyptus forests have been purchased

at 11 municipalities in the region. Haas has acquired 350 hectares of planted forests, planted additional 150 hectares, and distributed over 65 thousand seedlings to its partners.

In 2022, 90 rural landowners contacted the company in order to sell areas and provide general information about forests being expanded, and as a result, several partnerships were formed. Forest Promotion is a gradual process that strengthens and expands each year. The challenge for 2023 is the development of service providers for planting and maintenance of the areas.

DETAILED INFORMATION IS AVAILABLE AT:

www.haasmadeiras.com.br/fomentoflorestalhaas



Eucalyptus

The genus *Eucalyptus* is native to Australia, Tasmania, and other islands in Oceania and was introduced to Rio Grande do Sul in 1868. There are over 700 botanically recognized species. They have diverse physical and chemical properties that make eucalyptus suitable for various purposes such as sawn timber, firewood, charcoal, pulp and paper, fiberboards, particleboards, furniture, energy generation, medicines, and others.

In general, eucalyptus species have been preferred due to their fast growth and adaptability to various regions of the country. The high productivity of wood, with lower costs and higher return rates on investment, makes eucalyptus cultivation highly attractive, ensuring competitiveness of its products in domestic and international markets.

Source: www.embrapa.br/florestas





Haas leads initiative for the construction of a new bridge

Aligning the vision of development for the company and the community of Linha Brasil District motivated Haas to invest on studies, projects, and partnerships to turn viable this important infrastructure project in Venâncio Aires. The construction, which involves replacing the current wooden bridge which operates as a single lane, with a two-lane concrete structure, will benefit the communities that transit through the area and its surroundings, as well as promoting increased safety in traffic and opportunities for social, economic, and tourism development in the region

The structure will be made possible through the Asphalt Access Incentive Program (PIAA/RS) of the state government, which allows tax reduction of the ICMS, a local VAT indirect tax, for investments in improving companies accessibility along state highways.

The estimated cost of the project is BRL 700,000 and will be shared among Haas Madeiras, the state (tax exemption), and the municipality. The detour that will be used to maintain traffic flow during the construction is in its final construction phase. The construction of the bridge is scheduled to start in 2023.



Taxes generated in 2022

The company's actions strengthen the economy and regional development. Haas maintains a cooperative relationship with public officials, aiming for the well-being of the people and society. The company contributes to the public return of its operations through the payment of taxes



Taxes, fees, and contributions paid to the Municipality, State, and Union.

COMPANY'S PERFORMANCE AWARDED IN 2022

Haas Madeiras receives Reference Award from the Brazilian forestry sector



The twentieth edition of the Reference Award recognized twenty representatives of the Brazilian forestry sector who stood out the most in 2022. Among the awardees is Haas, which was recognized for the construction of the advanced new pellet plant.

The celebration and award ceremony took place on November 29th in Curitiba, and the event was organized by Jota Editora. The criteria for selecting the winners included nominations received from clients, partners, advertisers, and personalities of the sector, as well as internal research and evaluations conducted by the organization of the event.





Real Preference Trophy in the Lumber category

The award highlights the most popular companies and individuals from Venâncio Aires in several categories. The results are obtained through a popular survey conducted by the Social Research professionals of the community.



Haas Madeiras was awarded with Industrial Value Trophy

The award was granted by the Folha do Mate newspaper, as part of the traditional publication of the Socioeconomic Profile of the city. Among the largest companies, Haas reached the 14th position among the top 20, for its contribution to the Fiscal Value Added (VAF) in Venâncio Aires in the 2021 fiscal year.

Participation in representative entities of the sector

Haas Madeiras participates in the management and as member of representative entities of the lumber, forestry, and business sectors, therefore believes in the importance of contributions from civil society entities for the development of the country. The

company actively participates in committees and standardization groups for pallets and pellets in Brazil through the Brazilian Association of Technical Standards (ABNT). It is also present in the following entities:



Associação Brasileira de Madeira Processada, is a national association of wood processing companies, where it participates in various committees, especially for Pellet, Sawn Wood, and Forestry. It is a hub, which brings



Member of Associação Gaúcha de Empresas Florestais, a state association of forest companies



Member of Associação Nacional de Produtores de Paletes e Embalagens de Madeira, association of pallets and packaging producers. The CEO of the company, Junior Haas, is the treasurer of the entity.



Member of Câmara de Comércio, Indústria e Serviços de Venâncio Aires, the local chamber of commerce, industry and services. The company's CEO, Junior Haas, occupies the position of Vice President of the Industry



Member of Federação das Indústrias do Rio Grande do Sul, state industries federation. Junior Haas is part of the entity's Regional Council

A word from:

“ Haas Madeiras has a significant economic and social impact on our municipality. Economically, due to production, commercialization, revenue, and social taxes, as it also purchases raw materials from small producers, is located in the interior, invests in the local community, and generates jobs for the entire region. Companies like Haas are those that contributes to the development of a community.” ”



Airton Artus – Mayor of Venâncio Aires from 2009 to 2016, and State Deputy 2023-2026.



The Quality of Products and Services is the Essence of Haas

With a focus on sustainable development and impeccable customer service, Haas Madeiras operates in the lumber industry producing pallets, pellets, sawn timber, wooden packaging, and biomass. It also offers heat treatment (HT) services for pallets and packaging for export purposes. In addition to exporting sawn timber and pellets, the company also specializes in repairing pallets and collecting wood residues.

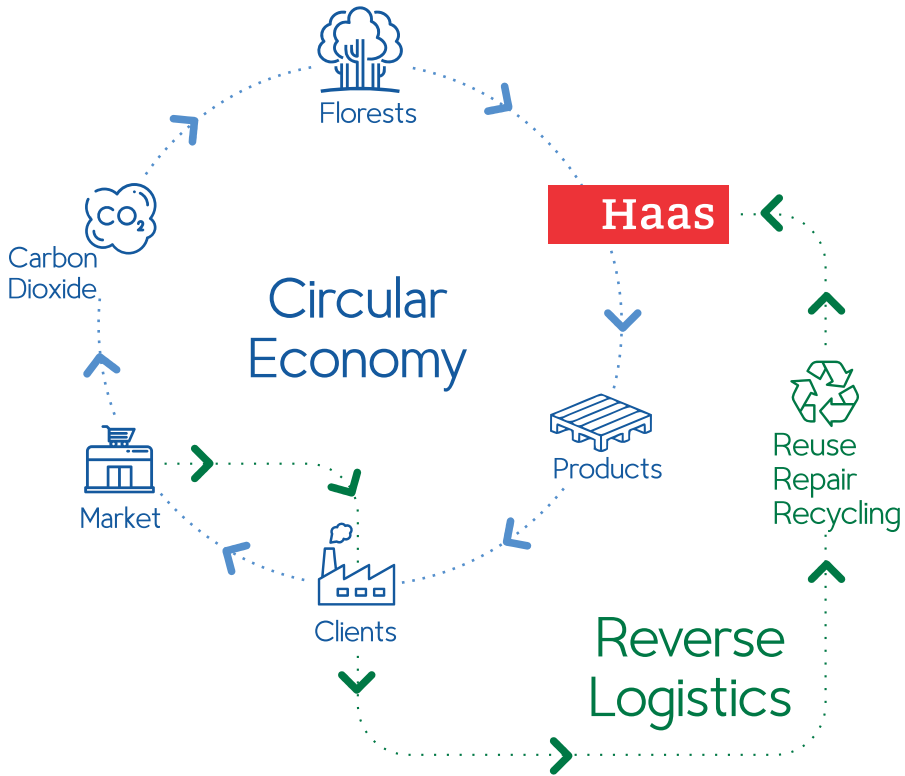
The eucalyptus wood used in the company comes from major suppliers in Rio Grande do Sul and small rural properties in eleven municipalities of the state. All suppliers strictly comply with environmental regulations and allow for traceability of the wood. In 2022, the company processed 101,488.26 m³ of wood logs.

As part of a forest matrix restructuring, the company has established partnerships and encouraged eucalyptus production in small properties. In 2022, there was a change in the scenario, as 50% of the production areas managed by Haas came from small producers. The diversification of suppliers ensures raw material availability and promotes regional development.



Circular economy grows every year

Haas' production process follows strict quality standards and, in addition to ensuring wood traceability, aligns with the principles of the circular economy. Haas' business model aims to produce responsibly, and reuse or reintegrate products into the consumption chain, thereby keeping products in use for longer period



Haas is licensed to receive and process wood residues

The company collects used pallets from customers and, through a sorting process, redistributes, re-manufactures, or recycles the material. Redistribution is done with pallets that are still in usable condition, which are sent to another customer. Re-manufacturing is done with damaged pallets that are refurbished and sent back for use. Pallets that are beyond repair are designated for recycling and used as biomass for heat generation. In addition to pallets, customers also send us disposable wood resulting from other production processes.

These services have seen a 150% increase compared to the previous year, as customers are able to dispose this material safely and reliably, taking care of

the environment, and complying with their legal obligations.

The company is authorized by the Municipal Department of Environment (SEMMA) for proper disposal of these items in accordance with the National Solid Waste Policy.

Haas provides boxes to the customers to place the materials in and organizes the logistics so that, at the time of delivery of purchased products, the wood residues are collected. This initiative creates value for the customers, as they are able to comply with current legislation in partnership with Haas while contributing to sustainability.





What does circular economy mean?

“

It is based on rethinking the way products are designed, produced, and marketed to ensure the smart use and recovery of natural resources. It is an improvement on the current economic system that aims for a new relationship with natural resources and their utilization by society.

”



Pellet plant to commence operations in 2023

With the final adjustments underway and the start of experimental operations at the pellet plant, the development process of the timber sector in the region is expected to be accelerated in 2023. The schedule had to be changed at some points due to Covid-19 and the war in Europe, which caused delays in importing equipments. The new factory facility, spanning 2,500 square meters, will be one of the most advanced in Brazil. The structure will have the capacity to produce 2,500 tons per month and will house the pellet storage depot.

The machinery for the factory is of Italian origin and allows a highly automated process, ensuring agility, quality, and safety for the operation and for people. The heat required in the pellet production process will primarily be generated from burning pallets returned by customers after the end of their useful life, as well as wood waste. This cycle significantly contributes to close the circularity of the company's production process. The electricity consumed will also be green, using renewable sources such as hydropower and wind power from a certified supplier. In other words, 100% renewable energy.

Various sustainability aspects have been considered in the construction, such as natural light utilization with large openings, heat dissipation system, and accessibility. The facility is being implemented with self-owned resources, as well as funding from the Southern Development Regional Bank (BRDE) and the Venâncio without Borders Municipal Program. Initially, 15 new direct job posts are expected to be generated.





How pellets are made

Pellets are ecological because they are produced entirely from planted trees and without additives. They are a high-energy biofuel, easy to handle, simple and safe. With their low moisture content and high purity, Haas Pellets have the lowest ash residual rate, below 0.7%, resulting in higher heat utilization, lower cost, and easy cleaning.

The pellet production process

1 - The raw material is woody biomass resulting from the sawmill process, mainly sawdust.



2 - The biomass undergoes a drying process to reduce and stabilize moisture.



3 - The particle size is standardized into small particles.



4 - It is pressed into small cylindrical shapes.



5 - It is packaged and palletized.



The pellet packaging is 100% recyclable and 200% offset

Care for a clean and sustainable environment is constantly present in the day-to-day operations of the company.

This attention is also focused on the recycling of plastic packaging for pellets, which are 200% offset through a partnership with the company eureciclo.

The eureciclo seal indicates that each partner's brand values and invests in recycling through environmental offsetting. In the case of Haas Pellet, the offsetting is done at 200% of the packaging, which means that two packaging items will be recycled for every one sold.

eureciclo is the largest reverse logistics certifier in the country, based on environmental offsetting. Recycling data in the supply chain is tracked through a technological platform allowing the company to provide transparent recycling certificates.



Quality certified by EnPlus

Haas Trader is the first and only Latin American trader certified by ENPlus for the commercialization of A1 standard pellets. A1 standard pellets are the highest level of quality used in residential settings.

Haas is audited by ENAMA - Ente Nazionale Meccanizzazione Agricola, Italy, a globally recognized certifier.

**1st Certified
ENPLUS
Distributor in
Latin America**



Partnership defines the relationship with customers

The company's customers are located in the states of Rio Grande do Sul, Santa Catarina, and Paraná. They operate in various sectors including food, toys, beverages, seeds, fertilizers, distribution centers, wholesalers, cosmetics, hygiene & cleaning, chemical industry, refrigeration, and cement.

The company encourages a partnership-based relationship with its customers where business is beneficial for both parties

A long-time customer, Refrimate, one of the largest companies in Brazil manufacturing equipment for the exhibition and preservation of food and beverages, had redesigned several packaging items during 2022 establishing a partnership with Haas in this process. Together, the best packaging options and storage methods were sought, ensuring agility and quality in the process changes



A word from:

“ Corteva Agriscience has a long-standing partnership with Haas. For over 20 years, the company has provided us with pallets that are used in our production and storage operations for corn and soybean seeds in the states of RS and SC. The pallets are of great importance to our process, as they enable our seeds to be safely transported from production to final delivery, as all movement and storage occurs using pallets.

An important aspect of this partnership is the proximity that Haas has to our operations and teams, facilitating the comprehension of our requirements and enabling constant improvements,

together with our production and logistics team. For Corteva, having reliable suppliers who participate in the improvement and safety processes of our operations is of a great relevance, as it makes our process safe and with lower risk.



Alexandre Schuh - Latin America Procurement Leader, Corteva Agriscience

“ We have been business partners since 2006 in a relationship based on respect and transparency. My company and Haas have grown simultaneously in a solid and consistent manner without ever losing humility. Being a supplier for Haas opens doors, and it also happens for us. I feel we are at home with Haas.



Milton de Freitas - Managing Partner, Freitas & Hartmann Ltda. representative of Benorte Indústria de Pregos Ltda

Search for innovation and technology in the sector

Show Florestal

Junior Haas and Charles Fengler participated in Show Florestal - The Eucalyptus Industry Fair, in Três Lagos, Mato Grosso do Sul, in May 2022. This is the new national forestry fair that is driving the growth of the industrial market for planted forests.



Lignum Latin America



A Latin American fair comprising companies linked to the wood production chain. It showcases new developments, technological and productive solutions for transformation, processing, preservation, energy, biomass, wood applications, and forest management in the industrial and forestry segment. The fair took place in Curitiba/PR.

HDOM Summit

The event brought together leaders, managers, investors, and people used to make decisions, who discussed the main topics related to the market of planted forests in Brazil, in São Paulo.



Exchange trips abroad bring new learning opportunities

In a search of knowledge and cutting-edge technologies, in September, the CEO Junior Haas and administrator Charles Fengler visited Finland to learn about one of the world's main timber production centers. In the past 10 years, members of the company have already visited 11 countries. In these places, dozens of sawmills, pellet factories, forestry operations, suppliers, fairs, and forums were visited. "The technology is the latest, however the cultural aspect is of fundamental importance, such as the appreciation for forests and timber products, which are the most sustainable raw materials that exist," says Junior.

In October, the trip destinations were the United States, Canada, then Sweden and Finland. Despite the learning opportunities, Haas states that not all the new information

came from abroad. The visits also served as a data exchange with numerous businessmen from our country, including national fairs organizers and research centers, which also participated in the trip.

By sharing information about the trips on the company's social media, the managers received invitations to share their experiences in the *Jornal Folha do Mate* and *Rádio Terra*, both from Venâncio Aires. It was an opportunity to report on this international experience and

encourage other entrepreneurs to seek for technologies, products, and services abroad.



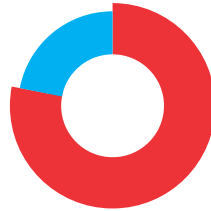
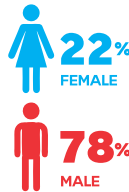




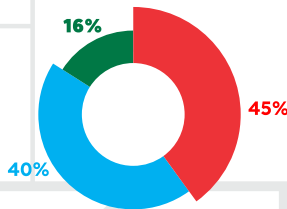
People management with care and safety

The human resources department seeks to provide employees with the opportunity to work safely and in conditions of growth and evolution. In 2022, the company had 174 employees, including seven people with disabilities (PWD) and 10 classified as young apprentices. Among the team, there were two immigrants, one from Haiti and one from Venezuela.

GENERAL CHART:

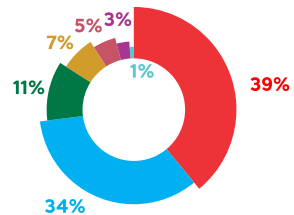


AGE RANGE



UNTIL 30 YEARS OLD = 45%
 FROM 31 TO 50 YEARS = 40%
 OVER 51 YEARS OLD = 16%

SCHOLARSHIP



ILLITERATE: 1%
 INCOMPLETE ELEMENTARY EDUCATION: 11%
 COMPLETE ELEMENTARY EDUCATION: 34%
 INCOMPLETE HIGH SCHOOL: 5%
 COMPLETE HIGH SCHOOL: 39%
 INCOMPLETE COLLEGE EDUCATION: 7%
 COMPLETE COLLEGE EDUCATION: 3%

Continuous incentive for employee education through EJA

Haas understands the importance of education for the development of individuals, and annually the company encourages employees to participate in the Education for Young and Adults (EJA) program, offered free of charge to industry employees and their dependents by EJA Sesi EAD. In 2022, classes took place once a week at School EMEF José Duarte de Macedo in Venâncio Aires, and on other days, students studied flexibly through distance learning (EAD).

The company provided snacks, bathing facilities, and transportation to the location of the classes for the 24 participating employees this year. The students are at different stages of education, ranging from the final years of elementary and high school. For the company, Sesi's EJA is an opportunity to develop its employees, increase the level of education, and qualify its workforce.

In 2022, three graduates were certified with a complete high school education: Joice Jaqueline de Moura, Vagner Maicon Nunes, and Zenaide Cristine Watte.



Professional Growth and Development

In pursuit of providing equal opportunities for professional development to our team in an unbiased manner, the company utilizes as a tool, a semi-annual performance evaluation for each employee. This evaluation allows a better comprehension between the manager and their team, valuing the competencies of the employee and providing a moment of reflection for areas that can still be improved.

When there are new job opportunities, priority is given to internal candidates before external recruitment. Job openings are advertised on the company's social media platforms, and the selection processes are conducted internally.

Commute to Work

Our employees reside in Venâncio Aires, some living in the urban area but the majority in rural area, close to the factory. This proximity results in a short commute to work, contributing to their life quality.

The company provides bus transportation during both shifts of operation at the main facility. At the branch office, each employee commutes using their own means of transportation as they all live close to the workplace.



New t-shirts complete the uniform

One of the new additions in 2022, at the request of the employees, was the inclusion of a t-shirt as part of the uniform, providing greater comfort. In activities where wood processing is involved, all employees are instructed to wear a leather apron over the t-shirt to ensure their safety. The guiding principle adopted is practicality and comfort. The usual jacket is still being used, however it is up to each employee to choose what they find appropriate.



Benefits Offered

The benefits package is aligned with the company's strategic vision and is configured based on the expressed needs of the employees and prevailing market practices in the region.

Uniform
Company's cafeteria
Life insurance
Dental and medical care
Legal guidance
Punctuality bonus of BRL 250,00
Assistance for the purchase of schooling materials for employees and their children up to 14 years old
Time banking for administrative, maintenance, and transportation departments.

Special occasions must be celebrated

The appreciation and recognition of each special moment, even in simple ways but with the intention of being memorable, motivates the staff and creates a sense of belonging. That's why Haas makes it a point to remember and celebrate special dates

Birthdays - each professional received a chocolate bar and a message commemorating this particular special day.

International Women's Day - to value women and their protagonism, the company honored its female employees with a button-shaped keychain with a mirror on the back.

Easter - chocolates for everybody to sweeten the holiday.

Labor Day - to recognize the importance of each professional, the company gifted them with a mate tea kit (the typical gaucho chimarrão). In further celebration, it was served a lunch spread, accompanied by the presentation and delivery of the 2021 Management Sustainability Report.

Mother's Day - moms received a flower and a photo of their children.

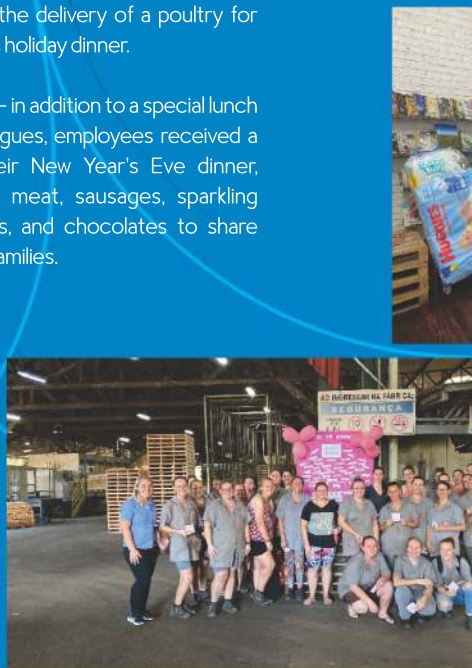
Father's Day - dads received a personalized mug with a photo of their children.

Children's Day - distribution of a puzzle book for employees to be granted to their family's children.

Baby Gift - when a Haas employee experiences the joy of becoming a parent, they receive a gift from the company to mark this unforgettable day.

Christmas - a moment that calls for celebration and renewal of bonds, commemorated with a very special lunch and the delivery of a poultry for the family's holiday dinner.

New Year - in addition to a special lunch with colleagues, employees received a kit for their New Year's Eve dinner, containing meat, sausages, sparkling wine, lentils, and chocolates to share with their families.





Prevention Campaign in Pink October and Blue November

In October, Haas always dedicates time to activities related to Pink October, understanding the importance of spreading information about women's health and prevention. The team from the Women's Cancer League, from Venâncio Aires, visited the company to provide tips on women's health and information about places to get preventive exams in the municipality.

The company acquired 10 t-shirts from the organization and raffled them among employees. During the month of October, those who bought the t-shirt or won it in the raffle could wear it as a uniform.

In the following month, during Blue November, health guidelines were posted on the company's bulletin board, along with recommendations for health exams.



SIPAT is an opportunity to reflect and learn about health and safety

Every year, the Internal Week for Accident Prevention in the Workplace (SIPAT) provides moments of dialogue and learning about important topics to ensure that daily work is safe and healthy. Workers are invited to propose a thematic phrase for this week and participate in the activities.

The chosen phrase for 2022, "**Safety consists of the responsibility to act correctly,**" was proposed by Daniel Derlamm Arnemann from the maintenance department. He was rewarded with a personalized barbecue set from the company as recognition for his participation and creativity.



During SIPAT, employees were invited to participate in lectures that addressed relevant topics for health and safety, and they were able to ask questions and interact with the speakers.

The following topics were covered during SIPAT:



Healthy guidance on eating habits, conducted by nutritionist **Lisandra Rohsler**



The need for regular physical activity for disease and injury prevention, presented by the medical professional **Dr. Airtton Artus**



Care/prevention, use of alcoholic beverages and drugs, an activity conducted by Psychologist **Jonas Ribeiro** and Social Worker **Patricia Puthin**

Prevention of Accidents at Workplace, detailed by engineer **Marcio Ludtke**



Prevention against sexually transmitted diseases, developed by professional **Solange Sehn**

Employees who are members of the CIPA 2022/2023 management conducted the annual campaign for Prevention and Combat of AIDS in November. The proposal is to mobilize all employees of the company and promote awareness for HIV prevention.



Investments in ergonomics for workers

Following a study on ergonomics conducted in 2021, changes were made with the aim of providing adequate workspaces to meet the needs. In the packaging assembly department, the layout of the space was redesigned to promote the adoption of safe and appropriate postures, movements, and displacements.



Improvement plan for machinery and equipment

A plan for improvements in machinery and equipment was taken place in 2022, is to be continued during 2023, being coordinated by a safety engineer. Inventories of machines are prepared in accordance with NR-12 standard, preliminary risk analyses are conducted, and compliance reports are issued for all machines listed in the inventory. Technical responsibility annotations are made, and basic training is provided for machine operators.

Standards such as NR-12 (Occupational Health and Safety in Machinery and Equipment), NBR-12100 (Principles for Risk Assessment), NBR-14153 (Parts of Control System Related to Safety - General Principles for Design), and NBR-13857 (Machine Safety - Safety Distances to Prevent Upper Limb Reaching Hazard Zones) are being used. The aim is to reinforce operators safety and prevent accidents.





Safety-focused training

Occupational health and safety training aims to create an effective professional environment for the development of work activities. These factors result in growth and productivity, improvement of the organizational climate, and process optimization, leading to improved work quality. Training sessions were conducted for chainsaw operators in accordance

with NR-12, work-at-height safety according to NR-35, NR-10, NR-11, NR-20, boiler operator safety, CIPA (Internal Committee for Accident Prevention), and fire brigade and emergency training, totaling 168 hours. Monthly safety dialogues are also held with sector-specific topics addressed.



Health promotion and well-being

The company has an agreement with São Vicente Medical Clinic for his collaborators to receive medical examinations related to occupational health and other necessary specialties. The service is provided free of charge to employees, with a small fee charged for family members. In 2022, there were 377 medical appointments for our employees

Throughout the year, the recommended protocols related to Covid-19 from health authorities were followed, including the isolation of employees with suspected or confirmed cases of the disease, as well as the provision of hand sanitizer and masks. With these measures, health and safety of all employees were preserved.



A word from:

“ I started at Haas when I was 14 years old, and it has been my first and only job for the past 27 years. Back then, everything was different, and I have witnessed all the changes that Haas has gone through during this period. When I joined, I hadn't finished my basic education, but with the company's support, I completed my high school education in 2022. I was encouraged to study and gradually developed professionally and personally. Haas is like a true family, and I feel like a part of this big family. I have made so many friends here, and there are countless stories, memories, and friendships that I had built at Haas.” ”



Zenaide Cristine Watto, nailing section, Haas employee.



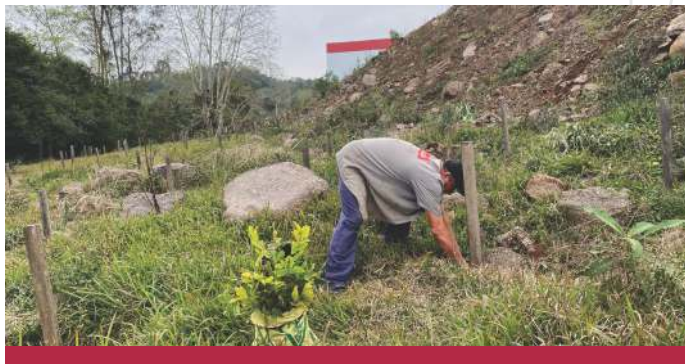
Focus on Environmental Best Practices

Environmental Care is part of the day-to-day operations at Haas Madeiras, with a responsible approach aimed at optimizing the use of natural resources and reducing environmental impact. These efforts encompass various aspects, from the production process to employee routines.

Planting of native trees around the company

Throughout the year, 480 native tree seedlings were planted near the company in compliance with environmental legislation. This action focused on reforestation due to the construction of the company's future administrative center and parking lot.

The tree species planted included Araçá, Goiabeira, Pitangueira, Butiá, Canela Amarela, Camboatá Vermelho, Ariticum, Tanheiro, Cedro, Ingá, Araucária, Ipê Amarelo, Grápia, Canjerana, Louro, Erva Mate, Caroba, Guabiju, Olho de Pomba, Manacá da Serra, and Cerejeira. In 2021, 475 tree seedlings were planted, resulting in a total of 655 new trees being planted in the surrounding environment over the course of two years.



Technology and innovation in managing the fleet

An online form was implemented for the management of the truck fleet. In this format, professionals input several data about the routes, which is crucial for effective fleet management as well as health and safety aspects. Another innovation is the driver's logbook, which focuses on identifying and implementing improvements.

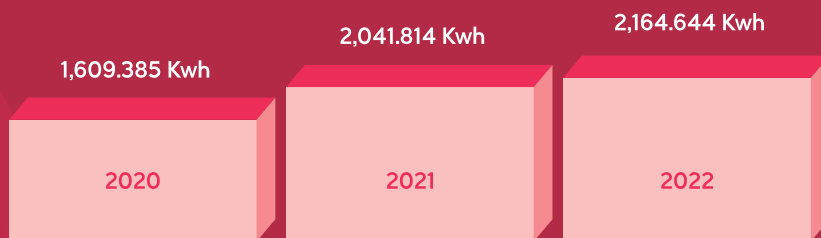
Efficient fleet management has logistical and environmental impacts. With preventive maintenance, there is increased accuracy and punctuality in deliveries, as well as reduced pollution. Strict criteria are followed for maintenance and proper disposal of items such as tires, oil, batteries, and parts.



Energy

The electrical energy transmission that supplies the company is from RGE Sul, and the suppliers are contracted through the Mercado Livre de Energia (Free Energy Market) platform for the headquarters and the new plant. For the branch, energy is acquired from RGE. For the boiler used in the kilns, damaged pallets collected from customers and wood residues are used.

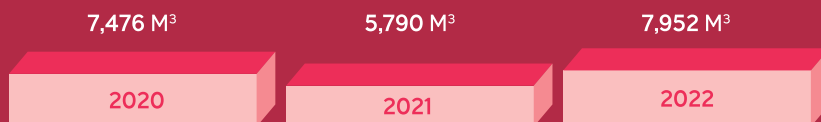
Haas has the Renewable Energy Certificate from Ludfor Energia. This means that the company uses renewable energy sources (hydropower, wind power, and biomass) which are encouraged by the Federal Government, helping to reduce Greenhouse Gas emissions (GHG) and CO² emissions.



Água

The water consumed in the company, both for industrial processes and administrative areas, comes from Sociedade Hídrica Santa Catarina, Linha Brasil. The units have associates who use the services and share the costs and investments.

Water consumption in the industrial area is low, being used only in the sawmill process in the form of jets/sprays for saw cooling and reduction of suspended sawdust. The new unit of the company that started operations in 2021 is supplied by an artesian well that meets all the local demand.



Replacement of disposables with permanent materials

The Covid-19 pandemic has highlighted the need for the return of various plastic items to daily life, considering health issues. After overcoming this obstacle, the company started using permanent dessert containers instead of disposable materials. This represents a significant amount of plastic that no longer needs to be discarded every week.

Simagro installs weather station at Haas

With a focus on monitoring the climate in the state of Rio Grande do Sul, and providing products and information to enable planning and support short, medium, and long-term measures in the agricultural sector, Haas Madeiras has received the installation of a weather station from the Agroclimatic Monitoring and Alerts System (Simagro) of the Secretariat of Agriculture, Livestock, and Rural Development (Seapdr).

This is the only station in Venâncio Aires and is part of a project that includes 27 automatic weather stations installed to densify the existing sensor network in the state, used for climate monitoring and correct use of phytosanitary products. Haas provided the structure for the installation of the equipment and Wi-Fi network for data transmission. Producers/partners can access data from their properties through a free application, and information from all stations is available on the website simagro.rs.gov.br.



Strategic communication reflects company's growth

In 2022, the company's communication department began coordinating internal and external communication, as well as organizing business events, sponsorships, advertisements, and other demands, with the hiring of a full-time journalist. Internal communication primarily occurs directly between the staff due to their proximity and the company's profile.

The suggestion box, which was previously only physical, is now also available online, allowing employees to submit their requests through a QR code provided on the bulletin board, either anonymously or stating their name. The Communication department receives the request and forwards it to the relevant department. The response is then posted on the bulletin board. For instances, during the year, two suggestions were received regarding the cafeteria menu.

The bulletin board was revamped with a new layout and lighting, where weekly birthdays, notices, messages, reading recommendations, health initiatives, vacation and payment dates are posted.

Internal communication now includes a broadcast list on WhatsApp with open participation for those who are interested. Internal information, weekly birthday lists, reading recommendations, giveaways, safety dialogues, general announcements, advertising materials, newspaper articles, sector-specific notices, and company management videos are sent through this group. There are 90 people in the group.



Communication channels bring people closer

The communication channels remained the same with a significant increase in videos and reels posted on social media to promote the company activities. In addition, articles about the company and business were published on LinkedIn and on the website to inform employees, clients, and the general public.

Furthermore, technical contents were produced aimed at eucalyptus producers involved in the Haas Forest Promotion program. The material is hosted on the website, and Haas' technicians can send the link directly to the producers via WhatsApp.



COMMUNICATION CHANNELS

Facebook.com/haasmadeiras

Instagram @haasmadeiras

Youtube @haasmadeiras

Linkedin.com/haas-madeiras

Web page: www.haasmadeiras.com.br

Telephone: +55 51 99977-7422

E-mail: contato@haasmadeiras.com.br

Business Events Generate Good Opportunities

Haas Presents Forest Promotion at Expoagro Exhibition

Haas participated at the 20th Expoagro Afubra, the largest fair in Brazil focused on family agriculture, in Rio Pardo/RS, with a booth. The event had an audience of 180 thousand people over four days in March 2022. The company's CEO, Junior Haas, participated in the XII Forum of Diversification during the event, with the panel "Haas Forest Promotion: an income option in steep and underutilized areas". The company has already confirmed its presence at the 2023 edition.



Expointer, Fenachim, and Feira do Livro's Shows were also on the agenda

The company also had a presence at Expointer, in Esteio, with product exhibition at the Casa do Chimarrão. It also contributed to Fenachim and Feira do Livro de Venâncio Aires by providing pallets for the events' structure.

Institutional communication in strategic spaces

The company's insertion through strategic advertising reinforced the institutional brand in moments of prominence such as awards and participation in events. They were included in the Folha Rural special - Expoagro edition and the Socioeconomic Profile Magazine, both produced by Jornal Folha do Mate, and the Yearbook of Ageflor.



Social Responsibility strengthens ties with the community

Haas constantly works to support initiatives of the communities related to the company. In 2022, this bond was expanded with the creation of Haas Education and support for various community actions



Community in Tune brings information, leisure, and business to the countryside

The **Community in Tune** project, organized by Radio Venâncio Aires AM 910 (RVA), also had the participation of Haas. Organized in five events, it visited the communities of Linha 17 de Junho, Linha Grão-Pará, Linha Julieta, Linha 25 de Julho, and Linha Antão, all in the countryside of Venâncio Aires. The proposal of the radio station is to bring entertainment and information to the residents of the rural area.

The Community in Tune had presentations of radio programs directly from the event location, lectures, handicraft and family agribusiness fair, exhibitions, and presence of the municipality's mobile health unit. Haas Madeiras participated with a booth and provided opportunities for information exchange between the Haas Forest Promotion technical team and interested producers, as well as a lecture given by the responsible for the forestry sector, Gabriel Seibt, and Journalist Rosana Wessling, on the topic at the opening of each event.



Haas Education is a commitment to the future

The Haas Education program was developed with the objective of contributing to the Sebastião Jubal Junqueira State High School in Vila Deodoro, Venâncio Aires, in the implementation of the New High School curriculum, specifically in the World of Work discipline. In this program, each student develops their own life project and seeks to discover their professional aptitudes. In light of this new modality introduced in High School, Haas was committed to help the school in this journey. The activities were developed by the school's pedagogical area with support from psychologist Adriana Oswald and journalist Rosana Wessling from Haas Madeiras, who also provided financial support.

There were six meetings totaling 12 hours in the second semester of 2022, in which topics related to the world of work were discussed. Dynamics were carried out with the psychologist, as well as workshops on photography and video, and at the end, the 23 participating students took a guided tour at Haas Madeiras. The students received a certificate for their participation in the Haas Education project: The Dynamics of the World of Work



Schools of the region visit the company

As part of an initiative taken by the schools, 230 students from four educational institutions in the municipality visited Haas in 2022. The students had the opportunity to tour the company's facilities, including the pellet plant, and attend a lecture by coordinators on the world of work, sustainability, economic sectors, and energy sources. These contents were aligned with what the teachers had covered in the classroom.

In another initiative, Haas Production Manager Geovana Gabriela Vogel participated in the Trilhas Fair at the Cônego Albino Jüchem State High School (CAJ), where she spoke about the use of mathematics in the company's daily operations.



Schools that brought students to visit Haas:

E.E.E.M. Sebastião Jubal Junqueira (Jubal)

E.E.E.M. Cônego Albino Jüchem (CAJ)

Colégio Bom Jesus Aparecida

Colégio Gaspar Silveira Martins

Environmental awareness begins in childhood

With the aim of bringing joy, fun, and entertainment together with environmental awareness, Haas Madeiras, through its communication department, developed a booklet to gift to children on October 12th, the Children Day. The material introduces the importance of planted forests and the various everyday products that contain wood as a component, followed by various activities such as word search, fill in the blanks, coloring, among others.

Employees were able to take the booklets home and share them with their children and grandchildren. Over 100 units were distributed. The initiative received positive feedback from employees who used the material as a playful way to talk to their families about the work they do at Haas.



Inmates produce dog houses

The non-governmental organization (NGO) Amigo Bicho, in partnership with the Venâncio Aires State Penitentiary (Peva) and Haas Madeiras, received 30 dog houses in 2022. They will be placed in locations in the municipality where dogs are at risk or in temporary shelters.

Peva is responsible for organizing inmates who have the knowledge and willingness to engage in this activity. The location has a carpentry workshop where inmates produce the dog houses using pallets donated by Haas Madeiras. This project also involves the participation of partners Dimac Materiais de Construção, who contribute with paints and tiles, Rotary Club supplying the nails, and Megapixel who will provide indicating signs with the Law 15.254, dated January 17, 2019, which regulates community dogs care.

Social actions for the community

1. Contributing to public safety and the quality of life of the community is an important aspect for Haas. The company has provided resources to Government Projects aiming more resources for the Military Police - Programa de Incentivo ao Aparelhamento da Segurança Pública do Estado (PISEG) through the Força Total project - Reaparelhamento das Unidades Operacionais da Brigada Militar in the entire state, and the subproject of the local community.
2. The company also donated a bicycle to be raffled among the graduating students of a Program against drugs and violence - Programa Educacional de Resistência às Drogas e a Violência - PROERD/RS. In Venâncio Aires 324 students from 10 public schools participated.
3. The company also invested in sponsorship for the youth categories of the Associação Esportiva de Venâncio Aires (Assoeva), indoor soccer and volleyball schools. The project served 120 teenagers and was made possible by Pró-Esporte RS State Program.
4. For eight years, Haas has supported the social work of the ONG Parceiros da Esperança (Paresp) in Venâncio Aires. The organization provides after-school support for socially vulnerable children in urban areas, offering educational, leisure, and food activities for approximately 100 children.
5. The Catholic Community of Linha Brasil is also supported by Haas, which annually contributes with resources to the community festival raffle. The community is located near the company's headquarters, where several employees volunteer.
6. Since 2021, the company has also facilitated mowing of the ERS-422 roadside on the route to the company. In addition to the cleaning, signs with traffic safety messages have been installed along the highway, contributing to the quality of life of the entire community.

A word from:

“ Having Haas Madeiras as a partner in our school means pedagogical growth that has brought new knowledge, new perspectives, and possibilities for future work to young people who lack concrete opportunities. It was important for the students to visit the company, learn about the process, understand everything that is involved in a pallet, grasp the wood production chain and see the multiple possibilities of work generated. It was an indescribable practical lesson. It's worth mentioning that all the discussions about sustainability brought by Haas, regarding the world of work and the construction of life projects, are directly linked to the new high school curriculum nowadays. ”



Adriana Inês Scheibler, Director of E.E.M Sebastião Jubal Junqueira School and resident of Vila Deodoro, Venâncio Aires/RS

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