

# SIMPAR





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# 1. ABOUT THIS REPORT

# About this report

This Integrated Report combines socioenvironmental, management and performance information about SIMPAR, a holding company founded in 2020 following the corporate restructuring of the JSL Group. The document, therefore, presents a consolidated picture of the key results of the six subsidiaries – **JSL, Movidia, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital** – and highlights the corporate management of over 21,000 employees. The quantitative information about Fadel and Transmoreno, acquired in 2020, were not monitored during the year; however, it will be updated in the next report. [GRI 102-10](#) | [102-45](#) | [102-48](#) | [102-49](#)

The document was audited by independent third parties, KPMG, and approved by the senior management, who recognize the integrated thinking that went into preparing this document, which also adheres to the most recognized global reporting practices: [GRI 102-56](#)

- **GRI** (Global Reporting Initiative) **Standards:** Essential option; [GRI 102-54](#)
- **Principles of Integrated Reporting** of the International Integrated Reporting Council (IIRC);
- **Sustainability Accounting Standards Board Metrics** (SASB), which measure the management of environmental, social and (ESG) issues, taking into account the SASB indicators applicable to the businesses/sectors where SIMPAR operates;
- **Recommendations of the Task Force on Climate-related Financial Disclosures** (TCFD) for qualified disclosure of climate change-related financial information;
- **Carbon Disclosure Program Data** (CDP) covering environmental performance information related to climate change and other aspects of sustainable management;

- The financial data abide by the **International Financial Reporting Standards** (IFRS).

Furthermore, in line with the commitment to sustainable development, the indicators shown refer to the **Sustainable Development Goals** (SDGs) of the United Nations and the principles of the Global Compact. Also, no mandatory information was omitted.

All the photographs contained in this document were taken prior to the Covid-19 pandemic, for which reason the employees are not wearing protection masks and complying with the required social distancing. Doubts and suggestions about this Report are welcome and can be sent to the e-mail: [comunicacao@SIMPAR.com.br](mailto:comunicacao@SIMPAR.com.br) [GRI 102-53](#)

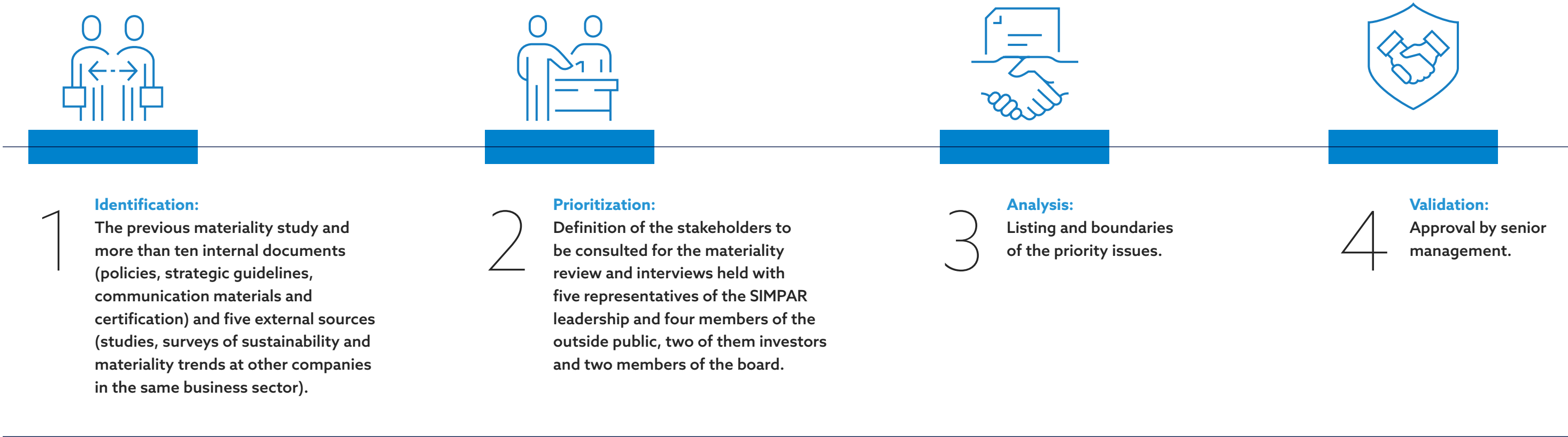
**Enjoy your read!**



# Materiality process

GRI 102-21 | 102-40 | 102-42 | 102-43 | 102-44 | 102-46 | 102-47

To present the most relevant topics and information to the stakeholders of SIMPAR, this document was drawn up following the materiality review process undertaken by the JSL Group in 2019, when in-house and external interviews were carried out with leaders and specialists (13 people) and an on-line poll with over 2,500 participants (including employees, suppliers, clients, class entities, investors and miscellaneous institutions). In 2020, the work, undertaken by external consultants, involved the following phases:



As a result, eight material topics were identified, subsequently linked to the indicators shown here and to the SDGs of the UN.

Material issues\*  
GRI 102-44 | 102-46 | 102-47



\*The materiality review undertaken in 2019, when management and specialists, employees, suppliers, clients, class entities, investors and miscellaneous institutions were consulted.



A photograph of five men in dark suits and ties standing in a row in front of a large window with a city skyline view. A green plant is visible behind them on the left. The men are smiling and looking towards the camera. The text '2. MESSAGE FROM THE MANAGEMENT' is overlaid on the bottom left of the image.

# 2.

## MESSAGE FROM THE MANAGEMENT

From right to left: Fernando Antonio Simões Filho (Director); Augusto Marques da Cruz Filho (Independent Director); Alvaro Pereira Novis (Independent Director); Adalberto Calil (CEO) and Fernando Antonio Simões (Director).

# Message from the Management

GRI 102-14 | 102-15

The year 2020 was a **transformational** one for SIMPAR and its subsidiaries. During the year, we completed our **corporate restructuring** and produced **growth with higher profitability**, even amid the context of the Covid-19 pandemic which tested and provided proof of the resilience and fundamentals of all our companies.

We emphasize that even amidst the challenges imposed by Covid-19, we put intensive work into **making strategic movements in order to generate sustainable value** for customers, shareholders, creditors, suppliers, employees and other stakeholders, while not losing focus of the quality of the services provided to our customers and the well-being of our employees and society.

In addition to being concerned about the physical and mental health of our employees, we turned our focus to the operations of our subsidiaries, mainly essential to the mobility and logistics of items that society requires. We also sought to **adapt rapidly to this new scenario**, which enabled us to push ahead with our business while preserving our employees' health and the efficient provision of the services for which we are recognized. After all, Devotion to Serving is part of our DNA.

Against this backdrop, we embarked on operational financial initiatives to ensure that we would reach the strategic objectives set out for the period. As a citizenship company committed to the United Nations Global Compact since 2014 and to generating social value, we also undertook **emergency initiatives and donations to fight Covid-19** – which resulted in the transfer of resources of around **R\$ 13.7 million**, benefiting around **5 million people**. This figure encompasses logistics actions by which we shipped food and inputs to the more distant and vulnerable municipalities of the state of São Paulo.

During the year, not only did we remain dedicated to the short-term operations and deliveries, but we also **concluded strategic projects** affecting the generation of sustainable value. Even in the midst of this extremely challenging scenario, in August 2020 we concluded the **corporate restructuring of the Group** to high standards of governance, delegating approval to the non-controlling shareholders, unanimously approved by the voting shareholders, evidencing the quality of the value proposal presented. In this way we embarked on a **new development cycle** with the **launch of SIMPAR**, which has taken on the mantle of the holding company for all its subsidiaries. Immediately thereafter, and **aligned**

During the year, not only did we remain dedicated to the short-term operations and deliveries, but we also concluded strategic projects affecting the generation of sustainable value.



with our planning, we undertook the **IPO of JSL**, which was born as Brazil's largest highway logistics company.

**SIMPAR** (ticker: SIMH3), **as well as the subsidiaries Movida** (ticker: MOVI3), **JSL** (ticker: JSLG3) and **Vamos** (ticker: VAMO3), is **listed on the Novo Mercado segment of B3**, the highest corporate governance level on the Brazilian Stock Exchange. The subsidiaries are **independently managed**, with their **own governance** structures – including sustainability committees– placing emphasis on the business and an agile transformation process that aims to create perennial value while operating according to economic, social and governance principles. SIMPAR's duties include **collaborating, supporting and accompanying the planning, execution and achievement of the strategic targets of all subsidiaries**. We are close enough to undertake actions that contribute to the results of the business, but sufficiently distant so as not to interfere on the individuality, the focus on the management and operational routines of each of the companies.

ESG principles are rooted in the culture of SIMPAR since its foundation, through the development of the regions where it operates, serving as a benchmark for all Group companies. In January 2020, **Movida was awarded its Company B certificate** and became the second publicly-quoted company in Brazil and the first in the global sector to obtain this category seal and global recognition. In September 2020, we enthusiastically received the news that **the shares of SIMPAR** had been admitted into the debut portfolio of the **S&P/B3 Brazil ESG Index**.

**SIMPAR** was also **the first company in the sector worldwide to issue a Sustainability-Linked Bond (SLB)**, in January 2021, raising US\$ 625 million maturing in 2031. Therefore, we have assumed the commitment to reduce by 15%, by 2030, the intensity of SIMPAR's Greenhouse Gas Emissions (GHG) , which reiterates our commitment to positive environmental impacts for society. In February 2021, SIMPAR also concluded Brazil's **first SLB in Brazilian Reais, with settlement in dollars**. The transaction amounted to R\$ 450 million, maturing in 2028, and contributes to enhancing SIMPAR's capital structure.

We are also proud of having received **two upgrades from the MSCI ESG**, one of the most respected ESG ratings, rising **to AA** in January 2021 (from "BBB" in September 2018 and "A" in December 2019), which boosts our confidence in pursuing our path in a consist manner and benchmarking with best market practices.

For the year, we recorded Gross Revenues of R\$ 10.9 billion and an Adjusted EBITDA of R\$ 2.3 billion, growth, respectively, of 1.3% and 9,6% over the previous year, with an EBITDA Margin of 33.4% on Net Revenue from Services. Our Adjusted Net Income was R\$ 522.1 million, 66.8% above the R\$ 313.0 million in 2019, with a Net Margin of 5.3%, while our leverage was 3.5 in the net debt/EBITDA ratio, a reduction in comparison with 3.6 times in 2019, even after having undertaken net investments for growth (Capex) of R\$ 2.9 billion in 2020.

The year 2020 and the start of 2021 saw a huge **transformation for all SIMPAR companies**:

**JSL rolled out its IPO** in September 2020, becoming a company exclusively dedicated to logistics, embarking on a **new growth cycle that includes acquisitions**. We are working so that the accelerated pace of growth will continue in the years ahead, with an appropriate capital structure for the consolidation of the logistics industry in Brazil, but always reflecting our culture and our values.

JSL was born as the largest highway logistics company in Brazil, ready to take the lead in consolidating an extremely fragmented market, but one with huge growth opportunities, already having concluded the **acquisitions of Transmoreno and Fadel** in 2020. Those acquisitions are based on opportunities for cross-selling, synergies in complementariness of customer and services portfolios and, above all, they are aligned with the values of JSL, which considers people as its main competitive differential.

In January 2021, maintaining the accelerated pace of the inorganic growth agenda, the subsidiary **JSL announced it had acquired TPC**, adding new clients in segments like healthcare and telecommunications, bringing expertise in the management model and full-commerce technology to our portfolio of services and increasing its participation as the logistics operator of the last mile. The acquisition is conditional on meeting the obligations and conditions precedent common to this type of transaction.

In February 2021, **JSL announced its acquisition of Rodomeu**, enabling it to enter the compressed gas logistics market and adding greater sectorial diversification

## SIMPAR the world's first car rental company to issue a Sustainability-Linked Bond.

and synergies. In addition, this increases its market share as a highway haulage company of highly complex cargoes like chemical products, machines and equipment and inputs and finished goods of the mining and paper and pulp sectors, among others. The acquisition is conditional on meeting the obligations and conditions precedent common to this type of transaction.

**Movida** optimized its capital structure to **support further growth with profitability** by investing in digital transformation and in the customer's experience with its innovative products and services. The year was one of transformation and maturity for Movida, which showed **agility** in adapting to the pandemic scenario, adjusting its size to fit the demand and **resuming a growth trajectory** at the year's end in **readiness for even further acceleration** in the periods to come.

In January 2021, **Movida acquired VOX**, an MFO (Management and Fleet Outsourcing) company with around 1,800 cars, thereby boosting its position in specific market niches, as well as further enhancing its ability to attract customers. That same month, **Movida** issued US\$ 500 million in bonds, maturing in 2031, **the world's first car rental company to issue a Sustainability-Linked Bond**, embracing the commitment to a 30% reduction in GHG intensity by 2030.

**Vamos completed its IPO** in January 2021, in line with best market practices, the initial public offering raising R\$ 1.3 billion which has strengthened its capital structure and has readied it to operate in a market with high

growth potential. Vamos has created and implemented digital systems and platforms that **further strengthen its operational bases for scaling up the business**, affording agility in decision making, better management, control and security for accelerating its growth. Vamos has a unique rental platform in Brazil, whose highlights are the customized services for trucks, machines and equipment. Market leadership, scale and expertise allocate us the responsibility for developing market while also presenting us with huge opportunities.

**CS Brasil** has reviewed its portfolio of customers and services in recent years which, in 2020, resulted in the transformation of the profitability of its business. Over recent years, CS Brasil has been expanding its **focus on light vehicle MFO activities** whose Net Revenues showed **growth of 14.8%** in 2020, when compared with 2019, contributing **83% to the EBITDA in 2020**. CS now stands out in its segment, especially through **electronic bidding processes** that accounted for 91% of the total bidding processes in which it took part. CS **was awarded 53% of the fleet bidding processes in which it competed in 2020, having renewed 83% of its contract base**.

In line with the already existing focus on **long-term contracts** for providing services in operations with attractive returns and resilient revenues, CS Brasil was also victorious in two auctions for concessions of port terminal operations at Aratu-BA, **reflecting its strict capital management**. In December 2020, the National Waterway Transport Agency (Antaq) declared **as the winners the proposals submitted by CS Brasil** referring to the



concession for handling and storage services at two port terminals in the Aratu Port Complex, where the emphasis is on the imports and exports of the agribusiness and mining sectors. The concessions will run for 25 years and 15 years, with the possibility of extending the contracts until 2091, should the parties so agree.

**Original** has rapidly adapted to the new market conditions imposed by the pandemic, and posted record profitability in the second half of 2020.

**BBC** expanded its offering of leasing to group customers, **intensified the development of its digital platform and began providing credit to truck drivers** with the aim of becoming the leading method of payment of the cargo haulage ecosystem and applications in Brazil.

We are continually striving to perpetuate our development in a sustainable manner. To do so, we operate in segments in which we are the leaders, and which have huge growth potential, with one **important differential: our people**. Our come from different and complementary backgrounds, age groups and fields of knowledge, encouraging us to continue investing in training as diversity as competitive advantages. **Another intangible asset is our corporate culture, created over 64 years of dedication, and the commitment to our employees, customers, shareholders and society**. We are a company proud of our family origins, but which is wholly managed by professionals with strict ethical standards of governance, safety and efficiency.

Our people are initiating a new cycle much more mature, with the feeling of renewed constant care and solidarity. For that reason, we want to thank our employees for their work, dedication and commitment, and our customers, suppliers, shareholders and creditors for their trust, fundamental for achieving the results we are so proud of. We remain content with everything we have achieved and for being able to help those in need amid this challenging scenario.

**SIMPAR is ready to support a new development cycle of its subsidiaries**, with focus on the returns expected for their businesses, with strict control on capital based on a solid culture and people that embrace their values. We are ready to push ahead with our development in 2021, whatever the context, because we have the ability to adjust to different variables while perpetuating the values and culture that set us apart.

**Thank you very much**

Adalberto Calil

Chairman of the Board of Directors of SIMPAR S.A.

Fernando Antonio Simões

Chief Executive Officer of SIMPAR S.A.



# 3. SIMPAR



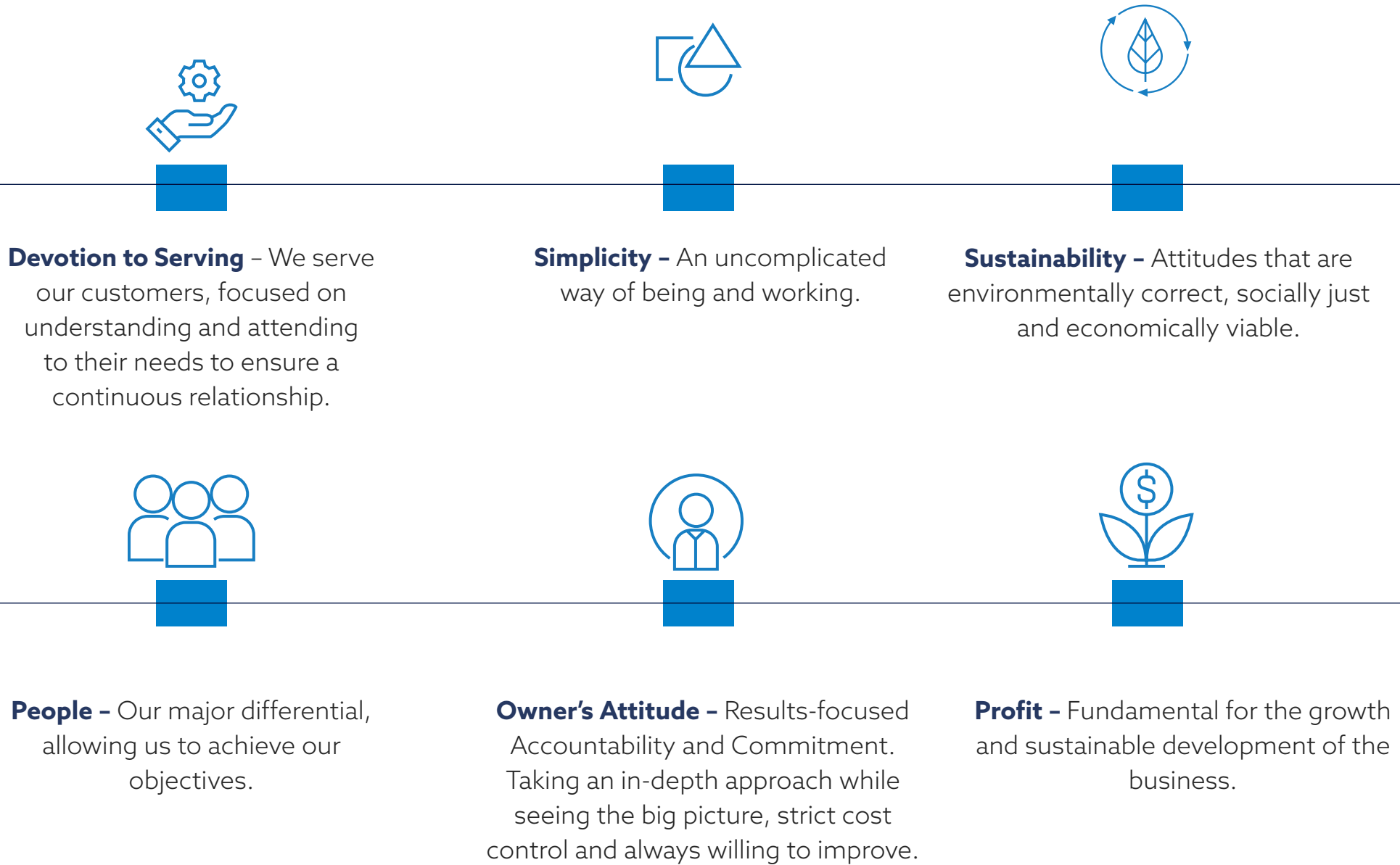
Founded in August 2020 following the corporate restructuring approved by the non-controlling shareholders of the JSL Group at the time, SIMPAR is a holding company that controls and manages six companies that are leaders or well placed in the segments in which they operate: **JSL, Movida, Vamos, CS Brazil, Original Concessionárias and BBC Leasing & Conta Digital.** The new configuration aims to contribute to the independent development of the companies by preserving the values, management model and governance practices in order to perpetuate the sustainable generation of value. With this commitment, SIMPAR deploys its human, intellectual and organizational capital resources to command and control the execution of the business plans of its subsidiaries, in addition to evaluating new businesses and segments. Also, the subsidiaries have their own management teams whose work is **customer-centric and based on targets that contribute to the perpetuity of the businesses** and that take into account environmental, social and governance (ESG) principles. [GRI 102-1 | 102-10](#)

The employees of the subsidiaries contribute to the search for sustainable results; numbering more than 21,000 people, represented by professionals from different generations, with complementary knowledge and experience that stimulate the discovery of innovations designed to continually enhance the relationships with, and the services provided to, our customers. [GRI 102-7](#)

Through its subsidiaries and with its headquarters in São Paulo, SIMPAR is located throughout Brazil, as well as in Chile, Argentina, Uruguay and Paraguay. [GRI 102-3 | 102-4](#)

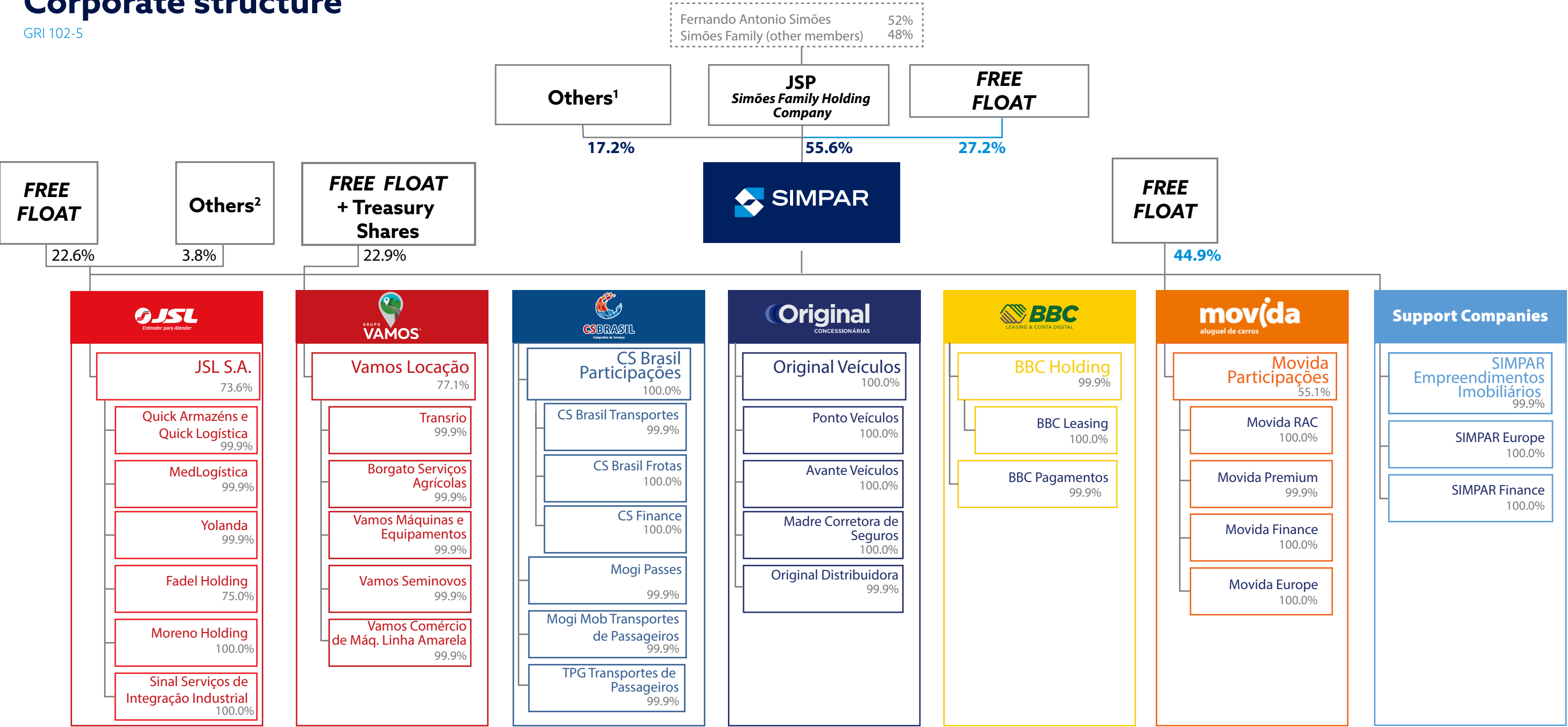
Values [GRI 102-16](#)

SIMPAR believes that it can only generate value in a sustainable manner with differentiated personnel, customer loyalty, sectorial diversification, social responsibility and hard work – the foundation for the perpetuity of the business. Thus, it maintains the following non-negotiable values: Thus, it maintains the following non-negotiable values:



# Corporate structure

GRI 102-5



1. Positions held directly as natural persons by members of the Simões family, directors and treasury shares.  
2. Positions held directly as natural persons by members of the Simões family, directors, treasury shares and the JSP Holding Company.

Portfolio

GRI 102-2 | 102-4 | 102-6 | 102-7

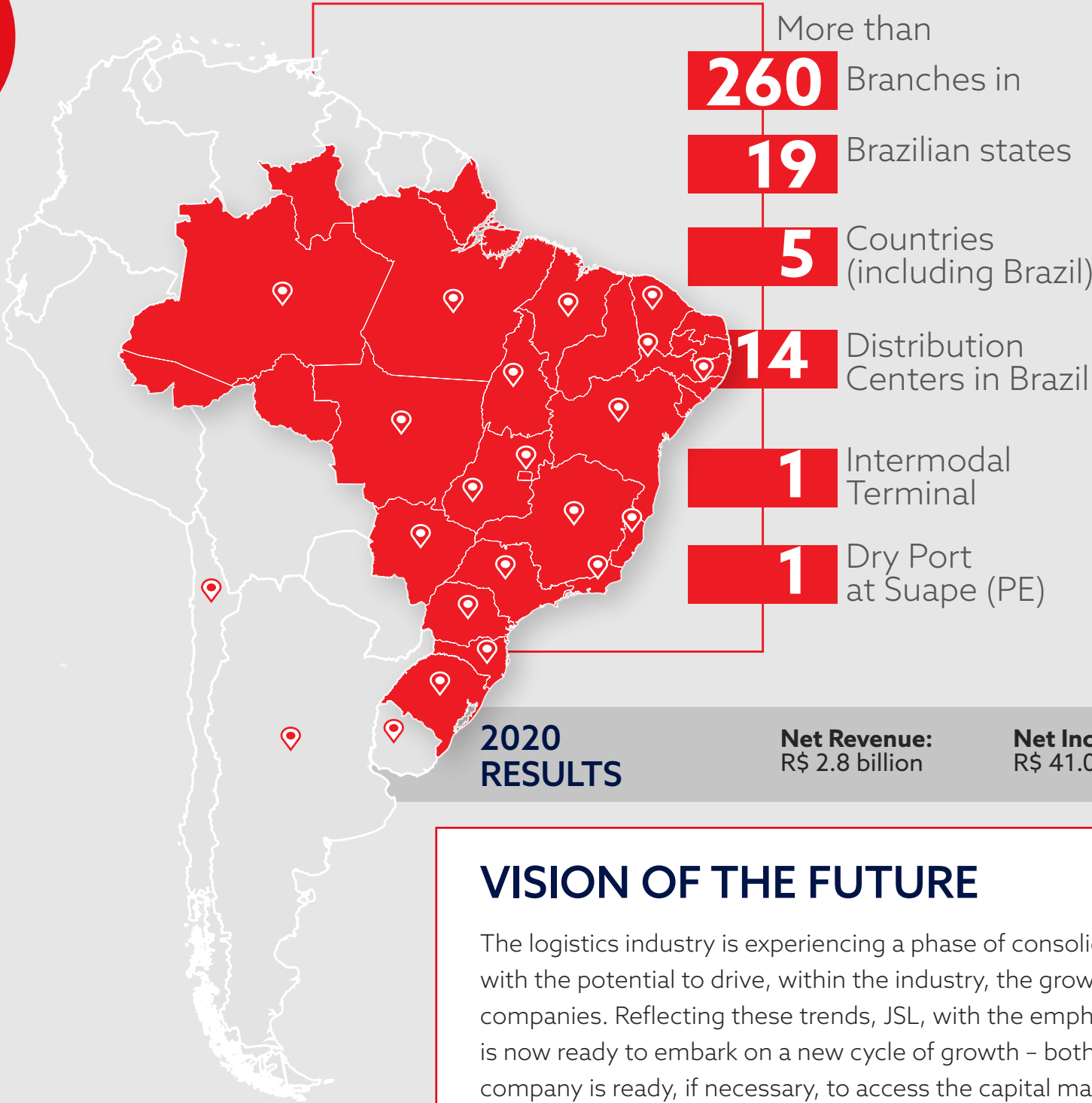
SIMPAR commands and administers six independent businesses that provide added-value logistics and mobility services and assets with emphasis on long-term contracts. Thus, the Group companies operate in essential segments and sectors with huge growth potential.

JSL

With a **64-year history**, [JSL](#) is the leader in **highway logistics services** in Brazil. Its track record of providing quality services and customer loyalty, combined with its knowledge and management of financial resources, has enabled the other companies comprising SIMPAR to thrive. Besides its diversified involvement in highway logistics, JSL has the **largest and most integrated portfolio of services in the sector**: dedicated highway transportation logistics, in-city distribution, internal logistics, transportation of new vehicles, storage services, commodities logistics, charter services and leases with manpower. This range of activities enables the company to serve customers across a **wide range of economic sectors**, such as consumer goods, food, automotive, chemical, paper and pulp, steel, agribusiness, and mining, among others.



PRESENCE



2020 RESULTS

Net Revenue:  
R\$ 2.8 billion

Net Income:  
R\$ 41.0 million

EBITDA:  
R\$ 431.5 million

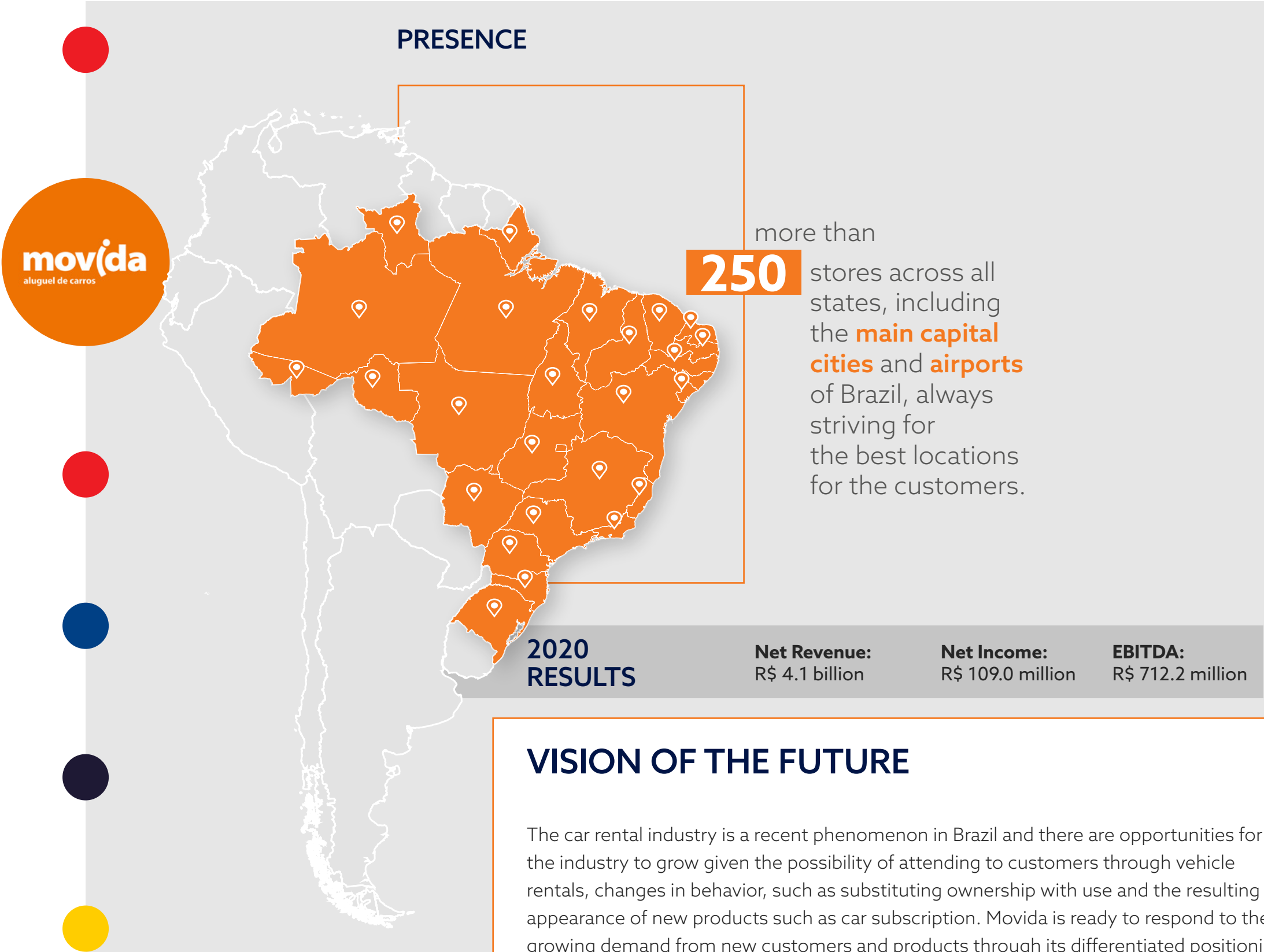
VISION OF THE FUTURE

The logistics industry is experiencing a phase of consolidation and formalization, with the potential to drive, within the industry, the growth of solid, well-managed companies. Reflecting these trends, JSL, with the emphasis on its operational origins, is now ready to embark on a new cycle of growth – both organic and inorganic. The company is ready, if necessary, to access the capital markets and attract investors interested in being part of this strategic movement of consolidation and growth, availing of the operation leverage afforded by the greater scale, consequently striving for increasingly better returns.



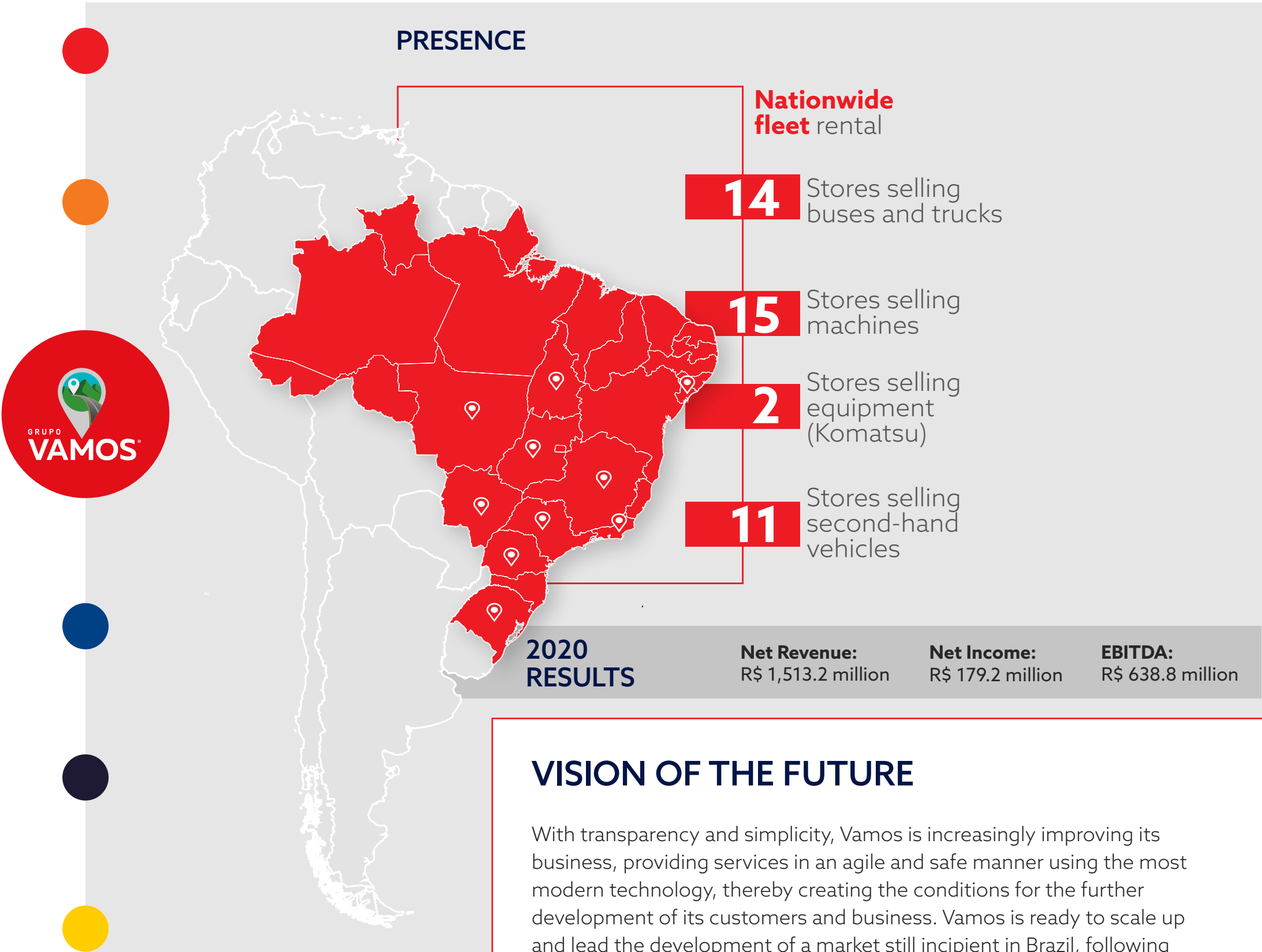
MOVIDA

Listed on the **Novo Mercado segment of B3**, in which it is part of the Corporate Sustainability Index **(ISE)**, [Movida](#) is one of the largest companies in the vehicle rental and fleet management industries in Brazil. It is also the first publicly-quoted car rental company in the world to obtain **Company B** certification. The company stands apart for its innovation and as a first mover in attending to its customers' needs while exceeding their expectations, thereby contributing to enhancing the domestic vehicle rental market. The services provided include light vehicle rentals for private individuals and legal entities (over 118,000 vehicles in the fleet in 2020, with an **average age of twelve months**) for daily, monthly or annual rental contracts; management and of light vehicle fleets, including corporate rentals under the premium model; sales of used cars; and rental of electric tricycles and bicycles.



VAMOS

**Leader in Brazil** in rentals and sales of different makes of heavy trucks, machines and equipment, as well as maintenance contracts, [Vamos](#) is recognized for providing **solutions of excellence** in its portfolio of product and services. The company runs Vamos Seminovos, the network of stores that purchase and sell used trucks with guarantee of origin and on differentiated sales terms; the largest dealership network and after-sales service for Man/Volkswagen do Brasil trucks and buses; the Valtra dealership network of farm machinery and equipment; and is one of the distributors for Komatsu yellow range equipment and machines.

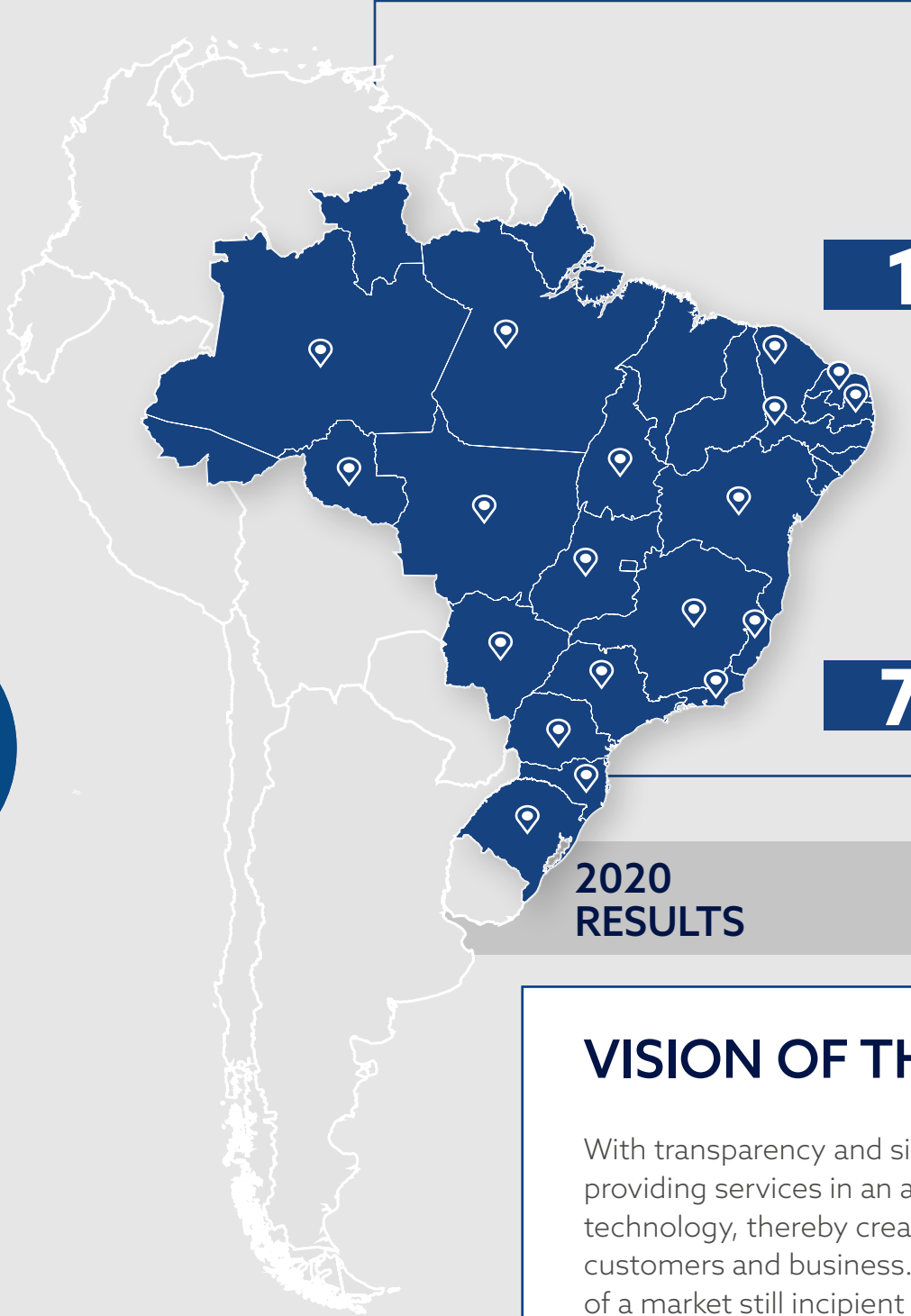


CS BRASIL

Founded in 2009, [CS Brasil](#) is responsible for providing services to the public, state-owned and government-owned privately managed companies with major emphasis on fleet management and outsourcing of light and heavy, from establishing the extent of the fleet, to full-service management. It also provides other services, such as municipal public transport of passengers within municipalities of the state of São Paulo, and urban cleaning services. The company adopts a business model that constantly seeks **modernization and efficiency** in long-term contracts, in addition to maintaining assets that are fundamental for improving public management. Moreover, given the characteristics of its customers and the sectors in which it operates, CS Brazil maintains and constantly enhances governance practices rooted in **ethical principles of compliance and transparency**. Examples are the bidding process room – monitored with controlled and secure access, a process validated and monitored by external auditors – and the [Portal da Transparência](#), which was rolled out in 2020 and discloses up-to-date information about all contracts in force and effect. In 2020, the company took part in 180 bidding processes, being **victorious in 79**.



PRESENCE



Operates in **19** Brazilian states, guaranteeing **fleet availability** and **services** to the **public sector** and **government-owned, privately managed companies**.  
**78** Branches

2020 RESULTS

<b>Net Revenue:</b>	<b>Net Income:</b>	<b>EBITDA:</b>
R\$ 845.8 million	R\$ 68.6 million	R\$ 330.4 million

VISION OF THE FUTURE

With transparency and simplicity, Vamos is increasingly improving its business, providing services in an agile and safe manner using the most modern technology, thereby creating the conditions for the further development of its customers and business. Vamos is ready to scale up and lead the development of a market still incipient in Brazil, following the trend towards substitution the ownership of the assets with their use while improving customer productivity.



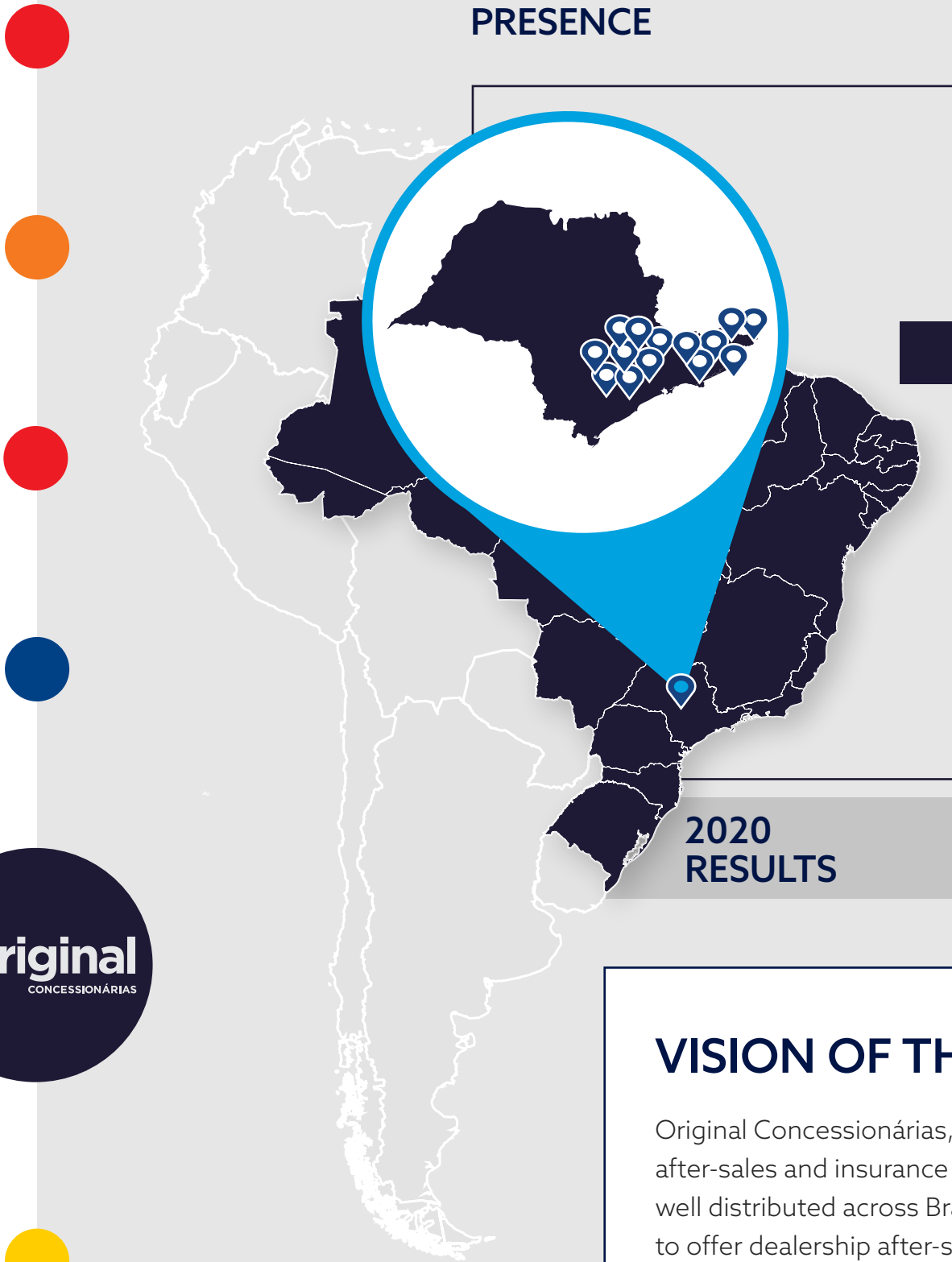
## ORIGINAL CONCESSIONÁRIAS

[Original Concessionárias](#) has been **more than 25 years** in the market for new and second-hand vehicles and automotive services. In all, there are 14 stores divided among three labels of different automotive manufacturers: Original VW, Fiat Ponto and Ford Avante. Original VW, Fiat Ponto e Ford Avante.

The units are **strategically distributed** in São Paulo, Greater São Paulo and the Vale do Paraíba region and provide a varied inventory of drive-away vehicles, with special conditions, direct sales and the best customer service, in addition to an in-house insurance broker, Madre. Original Concessionárias is the synonym for an **all-in automotive services company**.



### PRESENCE



**14** Stores

strategically located in the State of **São Paulo**.

### 2020 RESULTS

<b>Net Revenue:</b>	<b>Net Income:</b>	<b>EBITDA:</b>
R\$ 617.8 million	R\$ 8.7 million	R\$ 37.7 million

## VISION OF THE FUTURE

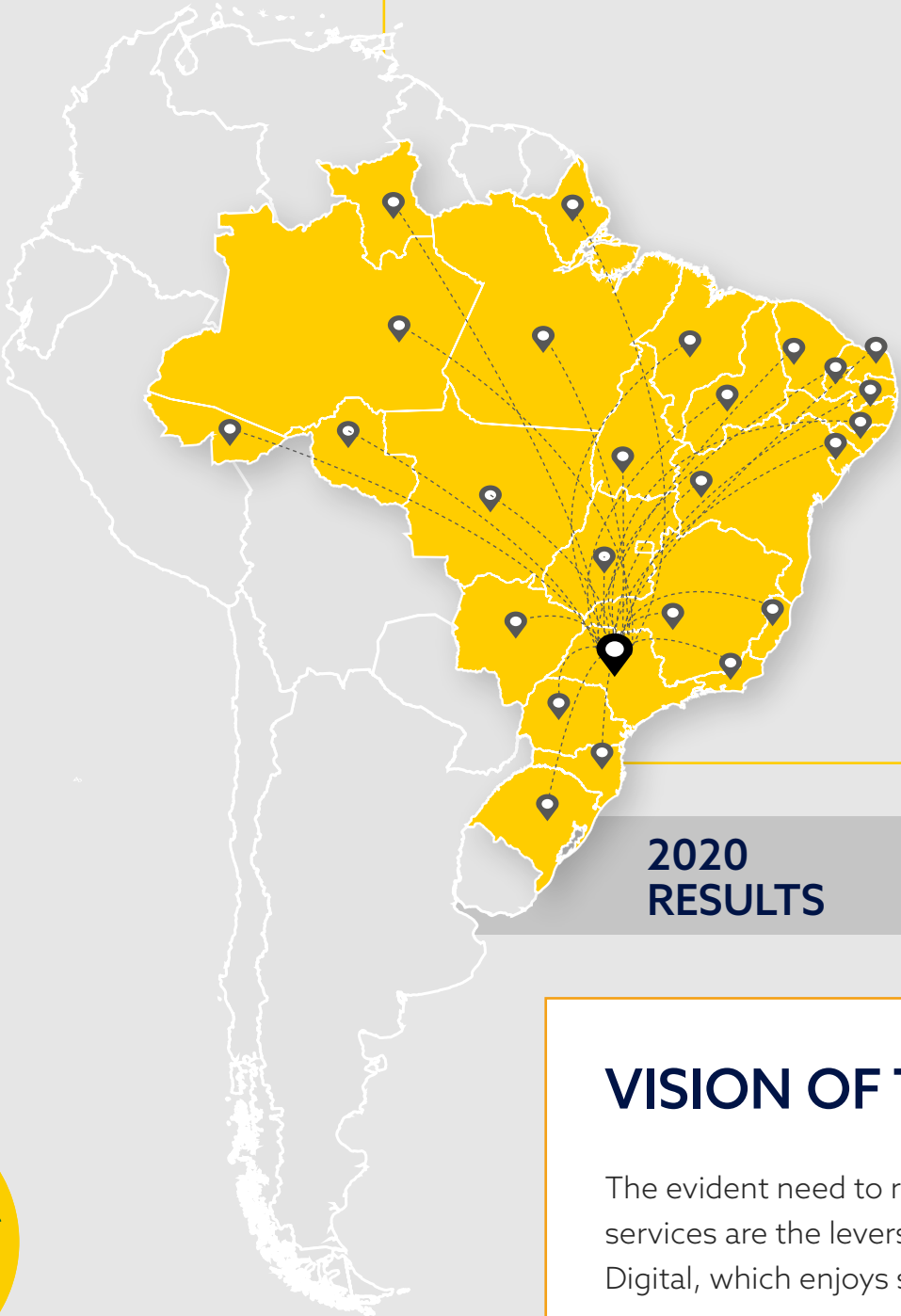
Original Concessionárias, besides offering vehicles, has a huge portfolio of after-sales and insurance services. Representing major brands and with units well distributed across Brazil, company is ready to expand sales of vehicles and to offer dealership after-sales services, as well as insurance through brokerage house, Madre.

## BBC LEASING & CONTA DIGITAL

In operation since 2014, when it received **authorization from the Central Bank** to operate, [BBC Leasing](#) & Conta Digital is the financial arm of SIMPAR, contributing to the **growth in sales** of light and heavy vehicles by its subsidiaries. The company manages BBC Leasing, providing leasing transactions for commercializing light and heavy second-hand vehicles; while [BBC Conta Digital](#), is a digital financial services platform set up since 2019 as a **new business**, with aim of transforming the relationship between drivers and the banking industry. Thus, the products and services offered include electronic freight payments, financial leasing and digital financial services like payment methods.



### PRESENCE



Located in **São Paulo**, where it houses BBC Holding Financeira Ltda, BBC Leasing S.A. and BBC Pagamentos Ltda.

**BBC Leasing** facilitate sales of light and heavy vehicles and is an important resource for renewing the national fleet.

Through its digital financial services platform, **BBC Digital** provides more innovation with simplicity while offering, under one roof, all support and mobility for its customers to move forward.

### 2020 RESULTS

<b>Net Revenue:</b> R\$ 45.4 million	<b>Net Income:</b> R\$ 6.9 million	<b>EBITDA:</b> R\$ 16.2 million
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### VISION OF THE FUTURE

The evident need to renew the national fleet, and provide digital financial services are the levers for the sustainable growth of BBC Leasing & Conta Digital, which enjoys synergies with the other SIMPAR companies.



## History

The SIMPAR story began with the pioneering spirit and innovative approach to business of Portuguese immigrant, Julio Simões who, in 1956, founded Transportadora Julio Simões Ltda. – currently JSL. That year, Julio Simões purchased his first truck to transport vegetable products, and shortly afterwards he began transporting inputs for the paper and pulp industry for a customer who to this day is a loyal user of the services provided, integrating part portfolio for more than 60 years. It was the beginning of the history of contribution to Brazil's development.

Transportadora Julio Simões Ltda, **today, JSL**

**1956**



The **Instituto Julio Simões** is born

**2006**



**IPO** of the JSL Group, today, **SIMPAR**

**2010**



Conclusion of the acquisition of **Movida**

**2013**



**Vamos** founded

**2015**



**JSL Leasing** becomes **BBC Leasing** and creates **BBC Digital**

**2019**



**IPO** of **Vamos**

**2021**



**1970**

First acquisition: **Transcofer**



**2009**

**CS Brasil** is founded



**2011**

JSL acquires **Rodoviário Schio**



**2014**

**JSL Leasing** founded



**2017**

**IPO** of **Movida**



**2020**

Group embarks on a new cycle of development, with **SIMPAR** in the **holding company** role, and **JSL** henceforth operating exclusively as a logistics services company | **IPO** of JSL







# 4. VALUE GENERATION





## Business model

Following the review of the materiality process that mapped the impacts of the various operations and services provided by the subsidiaries in the perception of the external stakeholders, and interviews with leaders of the subsidiaries and the holding company itself, SIMPAR restructured its business model. The objective is to measure and show how the relationships between its various operating units and the customers they serve are affected by the capital resources defined by the IIRC, as well as the ability to generate value over time.





# Business model



**CAPITAL AS AN INPUT**  
Beginning of value generation

## HUMAN CAPITAL



Qualified workforce  
Engaged leaders who are aligned with its values

## FINANCIAL CAPITAL



Access to the capital markets  
Investments in highly liquid operating assets  
Portfolio of companies with strong growth potential  
Investment in subsidiaries listed on B3

## INTELLECTUAL AND ORGANIZACIONAL CAPITAL



Experience in the maintenance and depreciation of operating assets  
History of incorporating the companies acquired  
Leading or well-positioned brands in the sectors in which they operate  
Serving customers with technology platforms and digital solutions  
Ability to develop processes and obtain financial results in order to take the subsidiaries public (IPO)

## SOCIAL AND RELATIONSHIP CAPITAL



Service DNA, with the focus on obtaining customer loyalty through equitable business relationships  
Relationship of trust with shareholders, suppliers and creditors  
Social investments through the Julio Simões Institute



Management model and expertise built up over 64 years

**A holding company controlling a group of six independent companies, with the dedication of over 21,000 employees**

**Values:**  
Devotion to Serving;  
People;  
Simplicity;  
Owner's Attitude;  
Sustainability;  
Profit

High corporate governance standards

Leaders or well-positioned in sectors with high growth potential

Proven track record of acquisitions and development of new businesses

Diversification, resilience and scale

Sound culture and differentiated workforce



**CAPITAL AS VALUE CREATED**

## HUMAN CAPITAL



Ligado em Você Program: Support for psychological, social or medical problems which, in 2020, also monitored employees with Covid-19 symptoms, providing the necessary round-the-clock support and guidance

Digital financial services: Digital financial services: BBC Conta Digital, to enhance the drivers' relationship with the banking industry

Commitment to Diversity: 60% of the employees.

## FINANCIAL CAPITAL



Adjusted Net Income: R\$ 522.1 million.

Record Adjusted EBITDA: R\$ 2.3 billion

SVA:

Personnel and payroll charges – R\$ 1,478 million  
Federal Taxes – R\$ 514 million  
State Taxes – R\$ 422 million  
Municipal Taxes – R\$ 82 million  
Interest and bank charges – R\$ 1,054 million  
Leases – R\$ 48 million  
Dividends and interest on own capital for the period - R\$ 98 million  
Retained earnings – R\$ 300 million  
Total value added to be distributed – R\$ 3,995 million

Dividends distributed: Total gross amount of R\$ 24 million (representing R\$ 0.116607945 per share)

## SOCIAL AND RELATIONSHIP CAPITAL



Optimization of customers' businesses  
Economies of scale and productivity for customers

Transparent participation in procurement/tender processes: Maintenance of a Policy on Participation in Procurement/Tender Processes| Monitored bidding room with secure, controlled access |Rollout in 2020 of the Transparency Portal at CS Brasil

Rapid steps taken to minimize the effects of Covid-19: Donation of around R\$ 13.7 million in food baskets, purchases of PPE kits and distribution logistics that benefited close to 5 million people

## NATURAL CAPITAL



Efficient management: Emissions Management Program, with a 22.82% reduction in direct GHG emissions| Two branches certified to ISO 14001, with key performance indicators and established energy efficiency targets

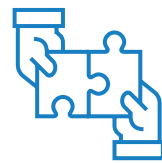
Commitment to the mitigation of climate change: Macro reduction target of a 15% in GHG emissions between 2021 and 2030

Rational consumption of resources: 84.20% of the energy consumed is from renewable sources | 83.6% of total waste not earmarked for final disposal (recycled, reused or treated) | Seven branches and stores with closed cycle water treatment systems – once treated, water returns to the operations



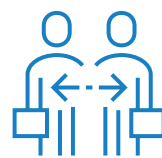
## Intangible assets

Based on a track record that has accompanied and contributed to Brazil's socioeconomic development, SIMPAR stands apart for its differential competitive advantages:



### Diversification, resilience and scale

- Six independent companies with highly diversified services, clients and areas of operation.
- Largest purchaser of trucks and one of the largest buyers of light vehicles and highway transport inputs in Brazil.



### Management model and expertise constructed over 64 years

- Serving is in our DNA, with the focus on obtaining customer loyalty through equitable business relationships.



### Market leader or well positioned in sectors with high growth potential

- JSL and Vamos are the absolute leaders in sectors that are fragmented and underpenetrated.
- Movida and CS Brazil remain positioned to capture growth in vehicle rentals.



### High standards of corporate governance

- Companies listed on the Novo Mercado segment of B3, the highest governance standard in Brazil.
- Approved corporate restructuring delegated to the non-controlling shareholders and unanimously concluded.



### Solid culture and differentiated workforce

- Devotion to Serving, People, Simplicity, Owner's Attitude, Sustainability and Profit.



### Proven track record of acquisitions and development of new businesses

- Successful acquisitions in the logistics industry (Transcofer, TGABC, Lubiani, Quick, Schio, Fadel and Transmoreno).
- Development of new business in sectors with high growth potential (Vamos, Movida and CS Brasil).

## SAFETY IN CITIES AND ON HIGHWAYS

[GRI 103-1](#) | [103-2](#) | [103-3](#) – [Renewal of the Brazilian fleet](#)

Investments in renewing the fleet of its subsidiaries are one of SIMPAR's key differentiating features. The average age of our fleet is, therefore, much lower than the national average, arising from asset turnover primarily of heavy and light vehicles belonging to the subsidiaries. In addition, the company stresses this practice with its partners, so that they incorporate the same guidance into their activities.

The average age of the SIMPAR truck fleet (including trucks of JSL and Vamos) is around 2,6 years. The vehicles of Movida – Car Rentals run for an average of 30,000 km or 12 months and are subsequently sold. The vehicles used by customers of CS Brasil are renewed, on average, every 24 months or according to the invitation to tender. In the case of our partners, the average age is 9.9 years, but the target is to reduce this to 9 years in December 2021.

Moreover, the management of our branches and stores are always aware of the state of the vehicles and the premises and, whenever possible, encourage the adoption of renewable fuels. This is the case of Movida, which prioritizes the use of ethanol, with 90 % of the fleet capable of running on this fuel.

In addition, once a year, the Executive Board approves the list of vehicles and equipment of the in-house fleet slated for renewal the following year, following indication of the assets earmarked by the Operations area. The Asset Management team is responsible for planning and consolidating this action, while management of the partner drivers' fleet rests with a team responsible for controlling and monitoring the vehicles – including evaluating information about average age and renewal. This information is compiled once a month and forwarded to the Executive Board.

## ANTI-COVID-19 ACTIONS

### SOCIETY

SIMPAR, through the [Instituto Julio Simões](#), seeks to contribute to the sustainable development of the communities in which it is located. Based on this commitment, the holding company has engaged in actions for tackling Covid-19. For these initiatives to be effective, it reached out to the public bodies in the municipalities where the subsidiaries operate, mapping the key needs. Based on the data collated, **around R\$ 1 million was invested in purchasing personal protection equipment (PPE) kits for city administrations and hospitals in locations identified as most vulnerabl**, benefiting 16 municipalities and somewhere around 300,000 people. In addition, the Institute sent food baskets to social institutions and saw to the transportation of the donations made by the companies in the portfolio, contributing to the rapid delivery of food, hygiene products and respirators, among others. When the logistics actions are factored in, a total of around R\$ 13.7 million was donated, affecting approximately 5 million people.

#### Part of the actions were joint initiatives with customers.

Together with JSL, bars of soap were provided to residents of the Rocinha and Morro do Alemão communities in Rio de Janeiro; respirators in the state of São Paulo were shipped for repair, and logistic support was provided to deliver 14,000 liters of hypochlorite.

**Movida devoted special attention to app car-hailing drivers seriously affected within the context of the pandemic.** In the case of customers with more than six consecutive months of relationship with Movida, diagnosed with coronavirus, following the quarantine period they were offered car rentals for 60 days free of monthly fees. This initiative, which remained in force until May 30, applied to customers who produced at the store a positive Covid-19 test (in the customer's name or that of a family member, and documentary proof of kinship).

Furthermore, during the early months of the pandemic, customers of BBC Leasing & Conta Digital facing financial hardship were assisted with previously assumed obligations, **while those out of work or working less, were able to opt for the grace period on outstanding installments.**







Antonio Jameson Alves da Silva - a JSL partner

## EMPLOYEES, PARTNERS AND CONTRACTORS

GRI 403-6

Rooted in the People value, SIMPAR channeled its efforts to ensure the health of the employees, drivers and partners (drivers who provide services) of its companies. The program, **Ligado em Você, providing support for psychological, social or medical problems, which already existed for employees, was extended to partner truck drivers and became a direct around-the-clock support and communication channel, attending to over 4,000 people at the height of the pandemic.** The channel was used to monitor those with symptoms of Covid-19, providing the necessary support and guidance. In the case of truck drivers, they were also able to consult information about support points along the highways and how to avail of the emergency assistance provided by the Brazilian government. In addition, **drivers were provided with food kits, on account of the closure of highway service stations,** as well as widely disclosed tips on hygiene and prevention. Partners whose customers temporarily suspended their operations received food baskets or were redeployed, while those diagnosed with Covid-19 received expenses allowances. Gel alcohol was also distributed, stressing the importance of using it.

In the case of employees and their families, the Ligado em Você social program was augmented and began dealing

with issues of Covid-19, including a 24-hour service that clarified doubts while providing all necessary support within the new context. A team of doctors and psychologists was on standby for remote appointments throughout Brazil, closely monitoring those infected with the coronavirus. Furthermore, priority was given to home office working, with the suspension of domestic and international travel and collective events (trainings, trade shows, etc.), which thereafter were held using videoconferencing resources. The return to the work environments, with the exception of those in the risk groups, was also controlled and phased in, respecting the wishes of those professionals who preferred to continue working remotely. And **vehicles were also provided for employees who needed to be in the operations center and who used public transport.** In the stores, those of Movida, for example, plexiglass was installed on the counters to separate the attendants from the customers. Office space was demarcated with the minimum distance required by protocol, while priority was given to employees rotation, reducing the number of people in the same surroundings. Additionally, **workplaces were submitted to more intense disinfection and cleaning, and temperatures were taken on entering and leaving the units.**





Covers intangible organizational and knowledge-based assets, such as tacit expertise, systems, procedures and protocols

# 5. INTELLECTUAL AND ORGANIZATIONAL CAPITAL



# Intellectual and organizational capital

Development of strategic goals and objectives, factoring in a period of **three years** to take effect in the short and medium terms

All operations assessed for risks related to **corruption**

**Statutory Audit Committee** consisting exclusively of **independent members**

4 Working Groups (WGs) **focused on sustainability**, with the participation of employees from a range of departments

Maintenance of a robust **Integrity Program**

**Executive meetings** to deal with countering climate change and discussing **Environmental, Social and Governance** issues on the financial market – companies that are early movers and deal with ESG challenges in their sectors will always be more structured and financially healthier

# Strategic management

In every deal and relationship, SIMPAR bases its management on People, Culture and Values – a tripod structure which, rooted in best corporate governance practices and strong cash generation, represents huge potential for sustainable growth. The holding company has been structured to contribute, support and accompany the planning, execution and achievement of the targets of all subsidiaries, which have independent governance and boards of directors. In this respect, the company's strategic focus is not to participate in the execution, but to enable and monitor its enhancement. On the other hand, SIMPAR is responsible for the group's consolidated strategic planning, assessing M&A opportunities, mergers or entry into new sectors.

The strategic targets and objectives are developed taking into account a three-year period, with major emphasis on the following business period. Each subsidiary draws up its plan based on the vision of the CEOs and corporate leaderships. Thereafter, the financial committees and boards of directors of each company give their approval for setting the annual and three-year targets. The Board of Directors of SIMPAR accompanies the strategic targets and issues on a monthly basis; all managers and leader convene on a quarterly basis to evaluate possible deviations or opportunities.

Within this, the aim of SIMPAR's strategic positioning is:



To evaluate, score and contribute to the development of human capital, ensuring the alignment and quality of people management at the subsidiary companies.



To create models and processes that ensure the perpetuation of the teams' values, culture and training.



To contribute to creating workforces consisting of excellent professionals in their fields of operation and consequent returns for the business.



To preserve the values, the management model and governance practices.



To foster the sustainable generation of value for shareholders, customers and society.



To plan and monitor the financial performance of the companies in the portfolio.



To command and control the implementation of its subsidiaries' business plans and to develop new businesses and segments of operations.



To constantly monitor the use of resources and the returns at the subsidiary companies.



To oversee the activities of the investor relations area, with the emphasis on ethical and transparent relationships.



To ensure the feasibility of the capital structure for the development and transformation of the corporation.



## STRATEGIC OPPORTUNITIES

Founded for the purpose of capturing opportunities using **agility, governance and motivated people to further diversify and ensure the sustainable development** do portfolio, a SIMPAR está atenta tanto a novos negócios com retorno atrativo quanto no desenvolvimento das controladas.



**JSL:** New cycle of sustainable growth, both organic and through acquisitions, taking the lead in consolidating the sector. Brazil depends on trucks to transport cargo, and these account for more than half of everything that moves around the country, especially essential goods like food and fuel. Furthermore, opportunities exist if we take into account the highly fragmented nature of the logistics market, with more than 150,000 players in Brazil, according to the National Agency for Land Transport (ANTT). Today, the challenges facing the perennial nature and sustainment of the company's business include the **constant search for competitiveness**, bearing in mind costs and prices, so as to increase the customer base and expand market share; the achievement of **greater economic results** every year, to maintain growth and expand market share and the customer portfolio; the maintenance of the base of third-party and partner truck drivers; **credibility in the financial and capital markets** and the failure to adopt innovative processes and new technologies

essential for the development of the industry (such as non-polluting fuel and electric vehicles). What is more, the **sustainable development of JS** could be interrupted by occasional risk factors described and factored in to the company's management process, such as errors in setting prices resulting from faults in calculating the estimated depreciation of the fleet in relation to its effective depreciation in the future; and risks related to outsourcing a substantial part of the services activities dedicated to the supply chain and transport of general cargo, among others described in the [Reference Form](#).



**Movida:** Growth driven by substituting ownership of assets with their use, **proximity to customers, agility and innovation**, responding to the growing demand for new products and markets. 2020 saw a change in consumer behavior, making adaptation and digital transformation essential for the business. One example is that the changes enabled car rental companies to offer 100% digital solutions, acting as multipliers of the innovation mindset. In addition, the development of vaccines and the start of immunization of part of the population could enable a gradual resumption of the market where Movida operates, while also indicating a trend toward standardization of the deliveries on the part of the car manufacturers during 2021. The company's operational challenges include the resale value of the assets used in its operations, which is essential for the

**returns expected from the contracts** since the business model of Movida consists of a cycle that begins with the financed purchase of the asset to be used in providing services to customers, and its subsequent resale when the contracts expire. Market price volatility may also reduce the resale value of the asset, creating a larger discount in relation to the acquisition price. Besides, in 2020 Movida identified climate risks for the **long-term success of the operation**, such as the damage to building structures arising from flooding in major urban centers, as well as regulatory and market risks that could push up internal costs in the face of a possible scenario of carbon pricing.

Other risks are described in the company's [Reference Form](#).



**Vamos:** To grow **profitably, while retaining market leadership**, in addition to accelerating growth through sales channels, gain **scalability by the intensive use of technologies** and expand the business model through marketing efforts are the company's opportunities. The high average age of trucks in Brazil, 20.7 years, shows the need to renew the fleet, as well as the addressable market 150 times the size of the current Vamos fleet, with a rented fleet penetration of 0.7%, represent huge opportunities for the rental market. **The company's growth capacity** depends on several factors, including: the ability to capture new customers or increase revenues from existing ones in the sectors where it operates; the ability to finance investments to **grow the**

**fleet** (whether through indebtedness, or not); and the increase operational capacity and the expansion of current capacity to attend to new customers. Other factors, too, could influence the **sustainable development**, such as the social and economic, political and business climate in Brazil; changes to laws and regulations, including those involving tax and labor issues; expenses with accidents, robbery and other claims; the prices prevailing in the market for new and used vehicles, machines and equipment, among others described in the [Reference Form](#).



**CS Brasil:** Intensify the **focus on excellence and better quality of the public service**, availing of best governance practices and transparency in the search for services-focused long-term contracts.

CS Brasil focuses on **fleet management and outsourcing** of light and heavy vehicles to public entities which, like in the private sector, show a growing trend towards fleet outsourcing due to **higher efficiency** in the use of public resources. The risks observed and managed include credit risk involving customer payments. As the operations of CS Brasil serve government clients and/or government-controlled, privately managed companies, balanced public accounts represent a factor of exposure to credit risk that must be permanently monitored.



**Original Concessionárias:** Expand vehicle sales and after-sales services of the dealerships, in addition to insurance through the brokerage house, Madre Corretora, and **strong synergy with the other businesses of SIMPAR**. The light vehicle dealership sector consists of several distinct groups, and the huge injection of emergency resources in the economy, plus the strength of agribusiness, have contributed to alleviating the losses arising from the closure, albeit partial, of plants and stores on account of the Covid-19 restrictions in 2020. Nevertheless, the National Association of Motor Vehicle Manufacturers (Anfavea) is predicting for 2021 an increase of 15% in the number of vehicles licensed, 9% in exports and 25% in production, rates that are insufficient to recover the (pre-pandemic) levels of 2019. The challenges mapped out for the **company's growth** include the variance in the macroeconomic conditions (such as the increase in the basic interest rate, the (non)-availability of consumer credit, scenarios of inflation, and a higher consumer tax burden, among other events that could trigger a loss of consumer purchasing power, with an adverse effect car sales.



**BBC Leasing & Conta Digital:** To be the **leading payment method for the** app-based and cargo transport **ecosystem** in Brazil, while expanding the offering of leasing to customers of the holding company's dealerships, thereby contributing to **creating customer loyalty**. Advancing on this front takes into

account that the digital business sector, initiated in 2019, is still underrepresented, with **huge potential for transformation**, given the synergies with SIMPAR. The opportunities also take into account the fact that the pandemic has accelerated digitalization, making the **digital market a necessity for all classes**, which facilitates the company's entry into this ecosystem; and the political agenda for looking after drivers (tax reductions and debureaucratization), which favors fintechs. Where challenges are concerned, there is the advance of Covid-19, since in the absence of effective vaccination there will be economic impacts that could lead to the renegotiation of contracts and the reduction in freight volumes and, consequently, of the market for BBC, while also increasing the delinquency rate; the growth of PIX as a method of payment, which requires BBC to be innovative in order **to maintain transaction-based revenues**.

Where all its businesses are concerned, SIMPAR continually evaluates the restrictions involving the availability of resources; the changes imposed by new technologies and new assets (bearing in mind contributions that can mitigate the adverse impacts of the emissions arising from the nature of its business); the impacts of extreme events, like pandemics; and regulatory changes within the industry and its own value chain, which could imply revising the [Business Model](#). Furthermore, the challenges to the perennial nature of the company's business model also include its dependence on the results of its subsidiaries, considering that the ability to

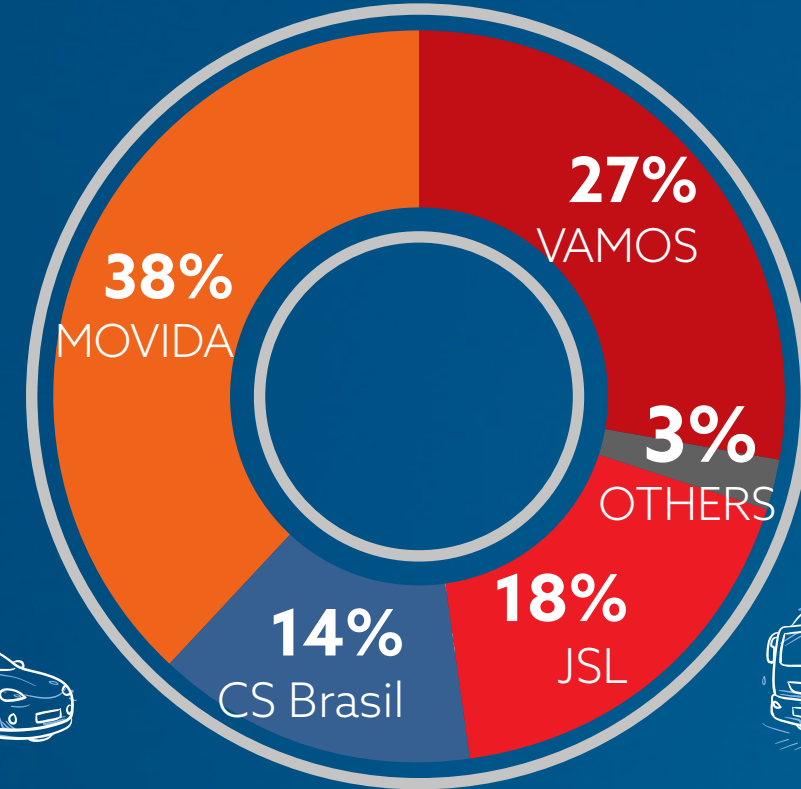
distribute dividends to shareholders depends on the operations, cash flow and profits of the subsidiaries; failure to make acquisitions, as well as unidentified and/or unidentifiable contingencies arising from the acquisition of other companies and higher-than-expected costs of integrating the company's business and activities with those of new subsidiaries; factors that can affect the growth strategy, like the ability to identify and satisfactorily close out opportunities for investment and for financing investments (whether through indebtedness, or not); the need for intensive long-term capital to finance the sustainable development strategy; the ability to **attract, hire, train, motivate and retain highly qualified professionals**, bearing in mind the competition for hiring qualified professionals in the sector where the holding company operates, and the scarcity of specialized and qualified labor; also, the loss of members of the senior management, which could affect the conduct of the business, among others described in the [Reference Form](#), which also includes the challenges risks related to the subsidiaries and affiliates of SIMPAR.

**Growth vectors  
(division based on  
the EBITDA)**

**79%**  
**Rentals-based  
business model**



- Leveraged growth by migrating to the rental model
- Know-how in maintenance and depreciation
- Predictability of results
- Capillarity in the sale of assets in the retail sector
- Scale in asset purchases (largest buyer of trucks and one of the largest in light vehicles in Brasil)



**18%**  
**Logistics  
services-based  
business model**



- Proven track record of incorporating the companies acquired
- The most extensive services portfolio
- Expertise accumulated over more than 60 years
- Brand associated with quality and reliability
- Prevalence of the Asset-Light model (more than 65% of Revenue)
- Growth associated with the economic activity of 16 different sectors of the economy



## INNOVATION AND TECHNOLOGY

GRI 103-1 | 103-2 | 103-3 - Innovation with a positive impact

SIMPAR monitors the market so that its subsidiaries continuously adopt solutions and standards that address the needs of the business and the strategic objectives, although the formal policy on innovation of processes and technology is still being drawn up. In this respect, if they are to be implemented, new technologies must increase revenue or reduce the costs of products and services. The commitment is to transform, improve and optimize in an innovative manner the routine of employees, drivers and customers.

Given the importance of the theme, management is monitored at weekly meetings between the executive board and the Innovation Committee of JSL consisting of two independent members and three executive officers. Information Technology (IT) area employees are also invited to sit in at some meetings.

## SUSTAINABILITY MANAGEMENT

GRI 102-26 | 102-27

**Sustainability is intrinsic to the operations of SIMPAR**, and it takes into account in the management and business of the subsidiaries the creation of value in the environmental, social and economic spheres. In this respect, one of the company's values is to grow with sustainability, being careful its own resources and those of its stakeholders, namely customers, creditors, investors and society in general.

The company believes that, bearing in mind the possibilities for generating positive impacts, businesses must support the **transformations that society needs for a prosperous future**, with less inequality, and environmental equilibrium. Within the context of its business, SIMPAR is therefore focused on proactively positioning itself on issues like climate change, innovation, respect for diversity and joint construction of good practices in business relationships.

**These issues are discussed by maintaining sustainability committees** at the holding company – founded in 2020, and which will hold bimonthly meetings beginning in 2021 – and at three of subsidiary companies, that convene monthly: JSL (in 2020, with an eye on CS Brasil which, in 2021, will set up its own Sustainability Committee, since the issue has now matured internally), Movida and Vamos. All committees consist of a coordinator, director Fernando Antonio Simões Filho, an independent member, Tarcila Ursini, and one of the executive leaders of each company, as well as the presence of executives from several areas

invited to deal with the topics and projects in depth. Besides fostering the **incorporation of sustainability into the strategy**, decisions and purpose of the company, the committees formulate recommendations to the Board of Directors about the sustainability strategy and oversee the implementation of policies, actions and projects referring to the sustainable development of the Company's business and that of its subsidiaries.

Furthermore, four Working Groups (WGs) were retained during the year, with the participation of employees from several areas: JSL, Movida, Vamos and CS Brasil. The WGs meet once a month to ensure that the **projects are moving ahead, and undertake a performance appraisal of the indicators** referring to sustainability at each company, such as customer satisfaction, measured by the Net Promoter Score (NPS); indicators of turnover, frequency rate in health and safety, consumption of natural resources and the generation of waste and atmospheric emissions, among other topics. Also, every three months the topic is presented for appreciation by the Board of Directors of SIMPAR. In this way the company empowers the executives of its subsidiaries for continuous improvement in sustainability-oriented management.

Additionally, SIMPAR has a **Corporate Sustainability Department and a Sustainability Policy** which is also corporate.

GOVERNANCE IN SUSTAINABILITY





TRAINING AND SHARING

Evolution during the year came in the form of concentration of executive meetings on sustainability at the Executive Sustainability Academy. So, where the aim before was to foster alignment among the subsidiaries based on presenting good practices, experiences, topics and trends within the sector, this will evolve into effective sustainability training for the leadership. Within this context, two meetings were held in 2020: at the first, the question of climate change was raised, with a presentation by a specialist on the theme, Tasso Azevedo, coordinator of the System for Estimating Greenhouse Gas Emissions of the Climate Observatory (SEEG) and the Project for the Annual Mapping Soil Cover and Use in in Brazil (MapBiomass). Azevedo connected the issue to the business reality of SIMPAR.

At the second meeting, specialists in Environmental, Social and Governance (ESG) issues in the financial market gave presentations in order to debate with the managers of the subsidiaries the opportunities and challenges of the corporate world in regard to the topic. During the virtual encounter in the presence of 60 executives, there was an analysis of the importance of incorporating ESG aspects into the business. This stems from the belief at SIMPAR that businesses that take an early lead in dealing with the ESG challenges in their sectors will always be better structured and financially healthier. During the year, training was provided to the senior management, members of the board and the audit committees on the subject "The role of senior management in business ethics and transparency".

Risk management

GRI 102-11 | 102-15 | 102-30 | 102-31

SIMPAR’s risk management methodology has been systematized in its own [policy](#) that establishes the principles, guidelines and responsibilities to be respected in the corporate risk management process, to enable proper identification, evaluation, treatment, monitoring and communication of the risks for which protection is sought and which could affect the strategic plan. The objective is to manage the appetite for taking risk within the decision-making process, seeking to deliver what was planned, in addition to the creation, preservation and growth of value.

As a result, **after the risks are identified, they are managed according to their criticality** (analyzed from the point of view of impact and likelihood), and the best methods for mitigating them are evaluated, defining the controls or accepting the risk – where the impact is less than the cost-benefit of managing it. Furthermore, to analyze the economic, environmental and social issues, the risks are assessed at (bimonthly) meetings of the Risks Committee and (monthly) meetings of the Audit Committee, when new risks are reported and, when necessary, assessed; and through ad hoc meetings with the Executive Board and/or the managers when a new risk is identified and/reported using process mapping, the complaints channel, actual deviations/failures, among others, where there is a need for a risk assessment. The mitigation controls are also submitted to testing.

Risk analysis

Impact		Description
High	●	Serious consequences for the company if the risk is incurred
Medium	●	Medium consequences for the company if the risk is incurred
Low	●	Minor consequences for the company if the risk is incurred
Probability		Description
High	●	It is almost certain that the risk will happen
Medium	●	The risk is more likely than not to happen
Low	●	Chances of the risk occurring are low

CORRUPTION-RELATED RISKS GRI 205-1

**In 2020, SIMPAR’s entire operations and those of its subsidiaries were assessed for corruption-related risks.** The assessment process involves the company monitoring the assurance – an expression of confidence that this risk has actually been mitigated. The risks shown in the SIMPAR risks and internal controls matrix include:

- Crimes committed by employees and/or contractor when providing services when engaging with the government;
- Partiality to entities for sponsorships and donations;
- Partiality to partners;



- Partiality to suppliers;
- Companies accountable for acts of corruption and image risk when hiring contractors who have not been vetted;
- Absence of reliability and security in relationships with suppliers;
- Maintaining links to suppliers with risks of association;
- Failure to assess legal and compliance aspects.

This robust structure provides for clarity in the **mapping process and risk management**, in addition to the role of each of those involved and their respective responsibilities.

MANAGEMENT PROCESS [GRI 102-30](#)

**SIMPAR adopts Integrated Risk Management**, a methodology based on the business environment, listing as key risks Financial, Operational, Compliance, Health and Safety, Environmental, Image and Climate-related risks. The process was created based on the Coso methodology (2017) of the Committee of Sponsoring Organizations of the Treadway Commission, signing up to ISO 9001 and ISO 31000 standards, and on the aspects of Information Technology (IT) governance and management aligned with the Control Objectives for Information and Related Technologies (Cobit). This robust structure provides for clarity in the mapping process and risk management, in addition to the role of each of those involved and their respective responsibilities. The responsibilities of the Board of Directors, managers, the Executive Board, the Internal Controls and Risks Department, the Internal Controls and Risks Committee, Internal Audit, the Audit Committee, the Ethics and Compliance Committee and the Finance Committee are set out in the [Risk Management Policy](#).

Additionally, **in line with best market practices**, the Internal Audit area, through the Audit Committee, reports to the Board of Directors. Moreover, risks are continually mapped and reviewed, for example compliance, image and corruption – the Internal

Controls, Risks and Compliance Department undertake biannual assessments of these risks with managers and officers to evaluate the likelihood of the risk, its consequences and impacts, and the controls are tested once a year. Specifically in the case of environment risks, the Health, Safety and Environment HSE/Integrated Management area monitors the matrix of operational environmental aspects and impacts using **specific, externally-audited processes**.

SIMPAR can also call on external, independent lawyers to assess give their opinion about actual tax risks being contested in both the administrative and the judicial spheres. The company has adopted as its **fiscal strategy strict compliance** with the tax legislation, both core and ancillary aspects, and mitigates risks by monitoring on a daily basis the fiscal legislation at the federal, state and municipal levels. Tax practices are defined by a **Taxation Committee composed of members from both inside and outside SIMPAR**. [GRI 207-1](#)

## THE BRAZILIAN GENERAL DATA ROTECTION LAW

GRI 418-1

In 2020, the company concluded mapping how it manages data at all its subsidiaries, an essential tasks given the creation during the year of the new Brazilian General Data Protection Law (local acronym, LGPD), and the huge amount of customer information held by the companies.

Extensive work was undertaken with the employees operating in the Customer Service units (CSUs) OF THE Group companies, with data protection training from professionals from legal department. In 2021, a video will also be provided containing key information about the new legislation, focusing on employees in the Human Resources area, in addition to the adoption of a data anonymization management tool in order to fully comply with the LGPD.

During the year there were no complaints about violations of privacy neither a loss of customer data.

## Corporate Governance

GRI 103-1, 103-2 and 103-3 – Corporate governance, ethics and transparency | GRI 102-20 | 102-27

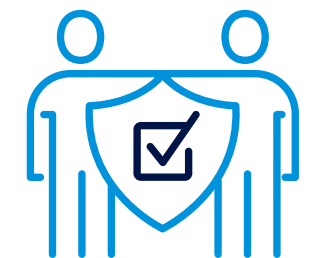
SIMPAR maintains a robust corporate governance structure and, since 2010, has been listed on the **Novo Mercado section of B3**, the Brazilian stock exchange. Consequently, it adopts the **highest standards of transparency, equity, corporate accountability and integrity**. Besides enabling the preservation our values and differentiated management model, this commitment qualifies decision making and allows for modern strategic planning that reflects best market practices.

For the company, maintaining recognized standards of governance is conducive to **professionalism, innovation and the attainment of the values** of the organization and its strategic objectives – and is, therefore, fundamental to the sustainability of the business. So it was then that during its corporate restructuring, SIMPAR also equipped its **subsidiaries with the necessary independence for developing their various activities**, including their own boards of directors and committees, including Sustainability, in the various companies of the portfolio. Within this context:

- Business guidelines, targets and strategies are always supervised and approved by the Board of Directors of each company.
- The person responsible for executing and delivering the plan approved by the Board of Directors will always be the chief executive officer (the business owner) and his business leaders (owners of the businesses).

- The Chief Executive Officer and leaders of SIMPAR are always sufficiently close to support, follow up and monitor the business plan while contributing to the sustainable corporate transformation of all the businesses through people, strategic planning, capital and controls that ensure that value is generated for customers, employees, society and the shareholders.

With this structure, SIMPAR aims **to encourage and promote constant enhancement of governance in its portfolio**. As an example, Movida is also listed on the Novo Mercado segment of B3, is part of the Corporate Sustainability Index (local acronym, ISE) and was also the world's first publicly-quoted car rental company to be awarded Company B certification, reflecting its differentiated positioning and strengthening its commitment to sustainability.



SIMPAR aims to encourage  
and foster **constant  
enhancement of  
governance in this portfolio.**



# GOVERNANCE STRUCTURE [GRI 102-18 | 102-19](#)

The corporate governance structure of SIMPAR is made up of the Board of Directors, the highest governance body, the Executive Board and the Fiscal Council. To enhance management, in addition to the **support of external auditors, there are support bodies that report directly to the Board of Directors:** the Finance and Supplies Committee, the Sustainability Committee, the Audit Committee, the Internal Controls and Risks Committee, and the Ethics and Compliance Committee. Complementing this all-in structure, **the company adopts differentiated practices**, like the extensive participation of independent board members at all levels.

## BOARD OF DIRECTORS [GRI 102-24](#)

- Consisting of five elected members, who can be removed from office by shareholders, at a general meeting of shareholders, with a unified term of office of two years, with reelection permitted.
- Members from different generations, with knowledge and experience in an extensive range of areas and sectors of

the economy, with a watchful eye on the management and valuing of human capital, bearing in mind diversity as a value.

- The chairperson of the entity is not an executive officer of the holding company. [GRI 102-23](#)
- Two independent members, as defined in the Regulations of the Novo Mercado segment of B3.
- Responsibilities carried out as governed by the [Bylaws](#), in order to oversee the overall guidance of the business.
- Responsible for defining, updating and approving the purpose, mission, vision and values of the companies, taking into account occasional recommendations from different areas or committees; overseeing the social and environmental performance of the subsidiaries, define policies, authorize financial transactions, permit the issuance of securities, evaluate reports and the balance sheet, and set performance targets and compensation. [GRI 102-26 | 102-29](#)
- Four general meetings per annum and special meetings as and when required. [GRI 102-31](#).

The corporate governance structure of SIMPAR is made up of the **Board of Directors**, the highest governance body, the **Executive Board** and **Fiscal Council**.



## Composition of the Board of Directors [GRI 102-22 | 405-1](#)

Member	Position	Term of Office	Experience
Adalberto Calil	CEO	From 04/29/2019 until the 2021 Annual General Meeting	He obtained a Law Degree from Pontifícia Universidade Católica de São Paulo (PUC-SP) in 1973. He was advisor and legal consultant to companies and economic groups across a range of segments such as chemicals, paper, forestry, transport & logistics, ceramics, metallurgy, port operations and hospitals. He was founding partner, in 1974, of law firm Radi, Calil e Associados, predominantly operating in corporate and tax law.
Fernando Antonio Simões	Director	From 04/29/2019 until the 2021 Annual General Meeting	A businessman, he has been with the company since 1981, having held the position of chief executive officer of SIMPAR since 2009.
Fernando Antonio Simões Filho	Director	From 04/29/2019 until the 2021 Annual General Meeting	Holds a Bachelor's Degree in Law from UMC, a Certificate in Holistic Sciences and Economics for the Transition from Schumacher College and International Certification in Social Business from the ESPM and Yunus Social Business, with an MBA from the Fundação Dom Cabral. He has been with JSL S.A. for 10 years, having spent time in the operations and corporate areas. He is currently a Director of SIMPAR (formerly JSL), heads up the Group's 5 Sustainability Committees, a member of the Consultative Council of the Black Jaguar Foundation, member of the Deliberative Council of the B Brazil System and Associate Director at Bemtevi Investimento Social.
Alvaro Pereira Novis	Independent Director	From 05/22/2019 until the 2021 Annual General Meeting	He holds a bachelor's degree in Economics from Universidade do Rio de Janeiro and a bachelor's degree in Government from Fundação Getúlio Vargas. He worked for 15 years at BankBoston, (1966/1980), having attained the position of vice president of the bank's domestic division in Brazil. He worked for 8 years (1980/1988) as an executive officer at Banco Iochpe de Investimentos. In 1992, he joined the Odebrecht Organization, where he worked until 2008, his last position being chief financial officer (CFO) of the holding company. He has sat on the board of directors of the companies: Braskem, ETH Bioenergia S.A., da Foz do Brasil S.A., Odebrecht Óleo & Gás and Banco Caixa Geral de Depósitos Brasil. He was deputy chairman of the board of Odeprev-Odebrecht Previdência Privada for 10 years. From 2008 to 2015, he was deputy chairman of the board of the American Chamber of Commerce (AMCHAM Brasil). In 2008, he became a shareholder of Valora Gestão de Investimentos Ltda. He has been an Independent Director and coordinator of the Company's Finance Committee since 2001.
Augusto Marques da Cruz Filho	Independent Director	From 04/29/2019 until the 2021 Annual General Meeting	Holds a degree in Economics from Faculdade de Economia, Administração, Contabilidade e Atuária at Universidade de São Paulo (FEA-USP), a graduate degree from Instituto de Pesquisas Econômicas, with a specialization at Institut Européen d'Administration des Affaires. He was chief executive officer of the Pão de Açúcar Group and Chief Financial Officer of the Bunge Group. He was a Director of Arafertil Fertilizantes S.A., the Pão de Açúcar Group, B2W (Submarino.com and Americanas.com), and member of the Consultative Council of Santa Bárbara Engenharia. He is currently a Director of General Shopping S.A., Deputy Chairman of the Board of Directors of BRF and Chairman of the Board of Directors of BR – Distribuidora. He is also a partner at MC&F Consultoria Financeira Ltda. and Director of the following companies: General Shopping S.A, BRF and BR – Distribuidora (Petrobras Distribuidora S.A.). Partner at MC&F Consultoria Financeira Ltda. At SIMPAR, he is also the coordinating member of the company's audit committee.



EXECUTIVE BOARD

- Consists of four officers elected by the Board of Directors.
  - Members with complementary experiences in the operations management sectors of the companies in the portfolio.
  - Weekly meetings.
  - Responsible for managing and operating the business in line with the strategic planning and the guidelines laid down by the Annual General Meeting or Board of Directors of the company, with due regard for the provisions of the [Bylaws](#).
- Responsible for drawing up and monitoring strategies and targets based on the deliberations of the Board of Directors, in addition to deliberating on the allocation of resources when accepting, waiving, assigning rights, admitting debt, entering into agreements or making commitments.
  - Responsible for validating the [materiality](#), content approved by the Sustainability Committee and the senior management, as well as the content of this Report. [GRI 102-32](#)

Composition of the Executive Board [GRI 102-22](#)

Member	Position	Term of Office	Experience
Fernando Antonio Simões	CEO	Two years, elected on 08/06/2020	A businessman, he has been with the company since 1981, having held the position of chief executive officer of SIMPAR since 2009.
Denys Marc Ferrez	Executive Vice President, Corporate Finance and Investor Relations Officer	Two years, elected on 08/06/2020	He holds an undergraduate degree in Business Administration and a graduate degree in Corporate Finance. He has had experienced as Investor Relations Officer of Redecard and Aracruz, where he also worked in Treasury. He worked for five years at Pricewaterhouse.
Samir Moises Gilio Ferreira	Officer	Two years, elected on 08/06/2020	He holds an undergraduate degree in Accounting Sciences and a graduate degree in Corporate Finance. He worked for 11 years at Deloitte Touche Tohmatsu and over the last six years was executive officer of the Controller's Department of International Meal Company. He joined the company as an executive officer in the Controller's Department.
Antônio da Silva Barreto Junior	Officer	Two years, elected on 08/06/2020	He holds a degree in Business Administration from Escola de Administração de Empresas de São Paulo of Fundação Getulio Vargas (Eaesp-FGV). He began his career in the financial market in 2006, working for an investment boutique in M&A and Private Equity operations. In 2009, while working for an American private equity fund, he took up a position in an investee company in the Renewable Energy (Ethanol and Biodiesel) industry as new business manager. From 2010 to 2018, he worked for the J&F Investimentos Group in several positions, ending up as Executive Officer for M&A.

STATUTORY AUDIT COMITTEE

- Consists of six members, three full members and three substitutes, all independent and elected at a Shareholders’ Meeting.
- Operates independently from the Board of Directors and the external audit department.
- Three general meetings per annum and special meetings as and when required.
- Responsible for reporting to the management bodies and the Annual General Meeting any errors, fraud or crimes detected, suggesting arrangement to ensure that the interests of SIMPAR are protected.
- Not permanently convened.
- Oversees the actions of the management, examines and offers opinions about the financial statements, always reporting its conclusions to the shareholders.

Composition of the Statutory Audit Committee [GRI 102-22](#)

Member	Position	Term of Office	Experience
Luiz Augusto Marques Paes	Full member	From 04/30/2020 until the 2021 Annual General Meeting	Holds a law degree from USP, and has been providing corporate, fiscal and financial consultancy to mid-size and large companies for thirty years, notably publicly-listed companies. Over the last 15 years he has been an associate director of Almeida Prado, Paes, Caruso e Colauto Consultoria Empresarial Ltda.. (a consulting company) since 1991 and member of the Statutory Audit Committee of Suzano Papel e Celulose S.A..
Luciano Douglas Colauto	Full member	From 04/30/2020 until the 2021 Annual General Meeting	Degree in Business Administration from Eaesp- FGV and in Law from USP. Partner at Almeida Prado, Paes, Ca-ruso e Colauto Consultoria Empresarial Ltda., he was a full member of the Statutory Audit Committee of Nordeste Química S.A. – Norquisa between April 2003 and August 2004. Member of the Statutory Audit Com-mittee of Tecnisa S.A. since April 2008.
Rafael Ferraz Dias de Moraes	Full member	From 04/30/2020 until the 2021 Annual General Meeting	Holds a degree in Government from Eaesp-FGV. Part-ner and member of the investments committee at Guepardo Investimentos. Was a buy-side analyst at Funcesp, Gas Investimentos and Pátria Investimentos. He was a member of the statutory audit committee of Magnesita S.A. and Randon S.A..
Marcio Alvaro Moreira Caruso	Substitute member	From 04/30/2020 until the 2021 Annual General Meeting	Holds an undergraduate and graduate degree in Business Administration from Eaesp- FGV. Worked as a consult-ant at Arthur Andersen and is currently a partner at Al-meida Prado, Paes, Caruso e Colauto Consultoria Em-presarial Ltda..
Marcos Sampaio de Almeida	Substitute member	From 04/30/2020 until the 2021 Annual General Meeting	Holds an undergraduate degree in Business Administra-tion from FGV. He has been working for 35 years in providing consultancy in corporate, fiscal and financial affairs at mid-size and large companies. Over the last 15 years he has been an associate director of Almeida Pra-do, Paes, Caruso e Colauto Consultoria Empresarial Ltda..
Roberto de Magalhães Esteves	Substitute member	From 04/30/2020 until the 2021 Annual General Meeting	Holds an undergraduate degree in Business Administration from Eaesp-FGV. Associate Director responsible for compliance with the rules, policies, procedures and internal controls and member of the investments committee at Guepardo Investimentos, verifying maximum limits and risk. He worked at Votorantim Asset Management.



SUPPORT BODIES

The corporate governance bodies of SIMPAR, especially the Board of Directors, which is the maximum decision-making level, relies on the support and advisory of committees on specific subject matters. This is to ensure quick, assertive and responsible decisions focused on ethics and the sustainability of the business and relationships with the company's various stakeholder groups:



Finance and Procurement

**Committee:** Provides support for analyses and decision making referring to purchases and financial aspects, by issuing opinions and recommendations. It consists of an executive officer and two directors, one of them an independent.



Ethics and Compliance Committee:

Works by dividing his time among all the subsidiary companies. There is an external member to ensure the impartiality of the recommendations. The resolutions are reported directly to the Statutory Audit Committee of SIMPAR and of the companies in the portfolio, to ensure that the [Code of Conduct](#) and the internal rules and regulations are complied with, divulged and updated. It is responsible, among other subject matters, for analyzing and imposing disciplinary measures, recommending and following up on preventive actions in cases where domestic legislation and the internal rules and regulations have been breached. It is also incumbent on the committee to follow up on and monitor the indicators of the [Compliance Program](#), to evaluate its efficiency and efficacy; analyze and validate suggested changes to the Anticorruption Policies and the Code of Conduct; and to analyze requests for donations and sponsorship to government bodies.



Sustainability Committee:

Corporate by nature, it is linked directly to the Board of Directors to which it reports the actions undertaken on a quarterly basis. Its responsibilities are set out in internal rules of procedure, the highlight being the support provided to senior management in compliance with legal obligations and the development of investments plans and projects from a financial and non-financial perspective, as well as on topics of an economic, environmental and social nature. Headed up by a director and an independent member, SIMPAR executives also participate in the bimonthly meetings to ensure that sustainability permeates [management and decision-making processes](#). **GRI 102-20**



Internal Controls and Risks

**Committee:** Created in 2018, its remit is to discuss [risk management](#) with the company's senior management. It consists of the financial officers of the portfolio companies and representatives of the Internal Controls, Risks and Compliance area.

# Ethics and compliance

GRI 103-1 | 103-2 | 103-3 – Corporate Governance, ethics and transparency | GRI 206-1

**To continually strengthen ethical principles and standards of transparency** is a commitment of SIMPAR covering every subsidiary company, and is a non-negotiable value in all relationships. Since 1997, the company has adopted corporate mechanisms with the aim of ensuring compliance in its business, including preventive actions and a focus on training and communication for its workforce. Moreover, it has an independent Internal Controls, Risks and Compliance (CRC) department reporting to the Statutory Audit Committee, in addition to consultative support from the Ethics and Compliance and Internal Controls and Risks committees. The holding company is **signatory of the Business Pact for Integrity and Against Corruption** of Instituto Ethos – *in 2020, all (100%) operations of SIMPAR and its subsidiaries were evaluated for [corruption risks](#)* – and the policies governing how its subsidiaries conduct their business are kept up to date. The Anticorruption Policy, for example, encompasses a set of other policies essential to ethical conduct: [GRI 205-1](#)



**Policy on Participation in Tenders:** Defines the guidelines, prohibitions and rules to be obeyed when participating in public tender processes.



**Donations and Sponsorships Policy:** Stipulates the guidelines required for ensuring the traceability of the process and compliance with the prevailing legislation and the assumptions established by SIMPAR for granting donations and sponsorships. In 2020, the policy was widely observed, and its determinations constantly evaluated on account of the [actions and donations](#) undertaken to alleviate the effects of the Covid-19 pandemic.



**Gifts, Presents, Entertainment and Amenities Policy:** Aims to put in place concepts, stipulate amounts and impose rules of conduct on employees when offering items and amenities of any nature.



**Government Relations Policy:** Imposes rules and instructions so that interactions with the government are ethical, transparent and abide by the legislation.

This structure meant that, **in 2020 no legal actions were filed for unfair competition, trust and monopoly practices** in which SIMPAR, and its subsidiary companies were identified as participants. [GRI 206-1](#)



## Code of Ethics and Conduct

GRI 102-16

Another document that controls activities is the [Code of Conduct](#), updated in August 2020 to reflect the standards of ethics and compliance within the context of the corporate restructuring – a task that will be strengthened in 2021 with a fresh review of the material. The Code of Conduct combines mandatory principles and guidelines that everyone must obey – senior management, employees, contractors and suppliers –, as well as guidelines for perpetuating and guaranteeing that the **values of SIMPAR that must always guide the operations of the subsidiaries prevail**.

### ETHICAL PRINCIPLES

The SIMPAR Code of Conduct da SIMPAR deals, among other issues, with:

Compliance with laws and regulations | Human rights | Labor relations | Employee conduct | Anticorruption | Conflict of interests | Donations and sponsorships | Presents, gifts, entertainment and amenities | External relations | Non-Compliance and disciplinary measures | the communication and complaints channel of the Compliance Program.

## Compliance Program

A robust Compliance Program **based on the Clean Company Law and on the best practices** proposed by the Office of the Federal Comptroller-General (CGU), while providing support for the relations and businesses of the SIMPAR companies. Under the responsibility of the CRC Department, the aim of the Program is to prevent, detect and remediate the occurrence of deviations, frauds, irregularities and illegal acts, primarily in where the government is concerned, while strengthening the ethical principles and standards of transparency.

In 2020, one of the program's points of enhancement was the review of the [Complaints Canal flow](#). With systematic use of the RMC (Risk Management and Compliance) tool, when winding down internal investigation processes the CRC produces forms for following up on the action plans arising and/or internal control forms, in order to reach out to that area to review processes that can be adjusted to prevent a recurrence of the fact that had led to the complaint, all of which is designed to act preventively. The tool allows the forms to be monitored and tracked to better control the area's requirements. Also worthy of mention is the continuous monitoring of labor risks from occasional failure to comply with the labor laws, whose results are submitted to the managers once a month.

### TRAINING AND COMMUNICATION [GRI 205-2](#)

The scope of the Compliance Program includes training and communication sessions. At the time they are onboarded (hired), all employees receive training about

the Code of Conduct and policies such as anticorruption, while also signing a term of commitment and conflict of interests questionnaire. Moreover, they are given annual **training about the Program itself**, including study materials, and they take a test at the end of each module with content covering: the Code of Conduct, the Complaints Channel, the Anticorruption Law, and the Anticorruption and Risk Management policies. Furthermore, certain areas receive specific training, according to their respective fields of operation. In 2020, SIMPAR provided training for the senior management (officers, general managers and members of the board), given by external consultants, about ethics, credibility and the role of the Compliance Program. Around **115 executives received training** on issues like the mission of sharing what they learn with their teams. **Compliance Dialogs**, also take place, dealing with the day-to-day operations while reiterating ethical values like "Employee Conduct", "Prohibition on Moral Harassment" and "Conflict of Interests", among others.

In 2020, 19,142 employees (88% of the total) received training on anticorruption policies and procedures. Among the members of the governance bodies, which include directors, committee members, officers and general managers, 72 persons received training, representing 82% of total. For 2021, the target is to provide training to 92% of the employees of SIMPAR and its subsidiaries. The breakdown of the training sessions is available in the [GRI Exhibits](#).



Members of the governance body who received training on anticorruption policies and procedures<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
Total number	2,120	1,899	72
Percentage	97%	96%	82%

1. The data cover SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. In 2018 and 2019, all management positions were included in the indicator: the executive board, managers, general managers and coordinators. In 2020, only board, committee, executive board and general manager levels were taken into account.

Employees that received training on anticorruption policies and procedures<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
Total number	20,382	19,597	19,142
Percentage	90%	90%	88%

1. The data cover SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The data for 2019 and 2018 took into account the history of the closure of the compliance indicator presented to the pertinent committees. In 2020, the data were aligned with the HR base in response to GRI disclosure 102-8.

In addition to training, notifications are sent from time to time by e-mail to all employees while other employees are deployed as “compliance facilitators” covering all companies, with responsibility for constantly divulging the company’s values and ethical principles. The Internal Controls, Risks and Compliance area also shares issues involving critical concerns with the Ethics and Compliance and Audit Committees at monthly meetings. However, in 2020, no highly material issues were recorded requiring special reporting and treatment. Nor were any corruption-related lawsuits filed. [GRI 102-33](#) | [102-34](#) | [205-3](#)



MONITORING

The Internal Controls, Risks and Compliance area is responsible for monitoring the actions of the Compliance Program by evaluating continuous and ad hoc indicators and actions. In addition, to ensure that obligations are met the area evaluates donations and sponsorships for government and private sector entities, as well as all compliance clauses in the company’s contracts; and provides guidance about the rules of the Program, issuing opinions about legal obligations applicable to the business. The indicators monitored on a monthly basis include data from the Complaints Channel, disciplinary measures imposed and action plans arising from the conclusion of the investigations and compliance audits undertaken at branches; the number of contractual compliance clauses evaluated, employees trained, and contractors certified, among others.



## COMPLAINTS CHANNEL AND TRANSPARENT LINE

GRI 102-17 | 406-1

The Complaints Channel processes were centralized in the same tool 2020, to enable **monitored and systemic accompaniment**. At the end of the investigation, a form is forwarded to the Internal Controls area which evaluates it, as well as the reason for the complaint and how to mitigate new incidents. During the year, this work included an evaluation of freight payments to JSL, for example.

The Complaints Channel, open to both the in-house and external stakeholders of SIMPAR and its subsidiaries, was created in 2010 and, since 2016, has been managed by a fully independent outside company. The complainant's **anonymity is guaranteed**, and they can accompany the progress of the investigations. The Channel functions around the clock, and contact can be made by telephone (0800-726-7111) or the [site](#). The conclusion of the investigation can produce three outcomes: justified, unfounded or partially justified. In justified or partially justified cases, the company defines the appropriate disciplinary measures based on its policies and on its preventive action plans – which may also be determined for unfounded cases (examples: training, communications, compliance dialogs). The [GRI Exhibits](#) show the cases by subsidiary company. The table on this page does not show all Complaints Channel cases received during the year; the numbers shown are exclusively cases classified as “moral harassment”.

### Cases of moral harassment and actions taken<sup>1</sup> [GRI 406-1](#)

	2018	2019	2020
Total number of cases received	135	118	118
Total number of cases analyzed	135	102	63
Total number of cases for which a plan of re-dress is being implemented	0	0	0
Total number of cases for which a plan of re-dress has been implemented and the results analyzed using routine internal management analysis processes	135	102	63
Total number of cases closed in the period	135	102	63
Number of cases pending analysis	0	16	55

1. The data cover employees of SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. We wish to point out that the figure shown for SIMPAR refer to complaints involving employees allocated and/or processes undertaken by corporate areas providing shared services with Group companies. The above numbers are sum total of the complaints investigated (justified and unfounded) and pending investigation. The numbers shown are exclusively cases classified as "moral harassment"; and there are no cases of discrimination to report.



Based on its principles of ethics, **SIMPAR ensures the rectitude in its decision-making processes.**



## PREVENTION OF CONFLICTS OF INTERESTS

GRI 102-25

SIMPAR uses its Code of Conduct, policies and Compliance Program to strive to ensure that all decisions that might result in some personal advantage for any of its managers, their families, entities or relatives are taken with complete fairness. In this respect, the Board of Directors has approved a [Policy on Transactions with Related Parties and Other Situations Involving Conflicts of Interest](#). In situations in which transactions with related parties require approval, the person who has a potential conflict of interest declare themselves disqualified from participating in the process, explaining their involvement in the transactions and, if requested, provide details of the transaction and the parties involved. Should that person not raise the issue, any other member of member of the body to which they pertain, and who is aware of the situation, may do so. The absence of voluntary manifestation by any decision maker will be considered a violation of the principles of good corporate governance, and such behavior shall be immediately notified to our Board of Directors.

Additionally, with due regard for Brazilian Company Law, shareholders in a conflict of interests with the subject matter on the order of the day are not permitted to vote, in accordance with the prohibition enshrined in Brazilian legislation.





Skillful competent employees who embrace SIMPAR values, and motivated to innovate

# 6. HUMAN CAPITAL

# Human capital

Actions dedicated to  
**perpetuating the**  
Group **culture**

Integrated Management System  
(IMS) – certified to **ISO 9001**  
**and ISO 14001**

Over **21,000** in-house  
**employees** and 844  
contractors

**The Ligado em Você**  
**Program**

to promote a  
more human and productive  
work environment. More than  
**4,000 people** were  
attended to at the height of the  
pandemic

**3,476**  
internal promotions



## Employee management

GRI 103-1 | 103-2 | 103-3 – Recognizing people’s value, perpetuating the culture and respecting diversity

The search for professionals who identify with the SIMPAR values begins with at selection and recruitment. In 2020, **with the focus on perpetuating the culture**, The holding company’s People Committee entered alignments with those responsible for searching for new professionals for all the subsidiary companies, to highlight the importance of hiring professionals who embrace **values like Devotion to Serving, People, Simplicity and an Owner’s Attitude**. The holding company also instructed the subsidiaries to work at communicating the values that have governed the companies for over 60 years in order to retain the essence that has made the sustainable development of the businesses possible over recent decades. The People Management area also does periodic assessments of new employees and carries out post-dismissal interviews to evaluate the reasons for people’s resignation. In addition, there is a **Family Valuing Program** focused on hiring family members, thereby emphasizing the bonds established between the employees and the companies.

To ensure an attractive environment that favors development, we provide benefits, some of which are extendible to family members: life insurance, healthcare plans and extended parenthood leave, with no discrimination between full-time and temporary employees. In 2020, 728 employees took parenthood leave, of whom 161 were women and 567 men. The rate of return (the percentage of those who returned after leave) was 96% for men, and 86% for women. As for the retention rate in 2020 – the percentage of employees still employed 12 months after returning – was 82% for men and 69% for women. The rates, per subsidiary company, are in the [GRI exhibits](#). [GRI 401-2](#) | [401-3](#)



### Parenthood leave<sup>1</sup> [GRI 401-3](#)

		2019	2020
Total employees who took parenthood leave	Men	589	567
	Women	193	161
Total employees who returned to work, in the report-ing period, when their parenthood leave ended	Men	568	542
	Women	176	139
Total employees who returned to work after their parenthood leave and who were still employed 12 months after returning to work	Men	383	463
	Women	82	122
Rate of return	Men	96%	96%
	Women	91%	86%
Retention rate	Men	-	82%
	Women	-	69%

1. The data cover the operations of SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The retention rate is not available for 2019, as the indicator began to be monitored in 2020.

In regard to the safety of the assets, SIMPAR and the subsidiary companies have a maintenance policy and commitment, scheduling the tire changes and corrective and preventive maintenance, as well as awareness campaigns for drivers about better driving, which include: awareness about driving in fog; awareness about holiday traffic on highways, covering the traffic on highways at the end of the year and during holiday periods. The subsidiary companies also provide the drivers with training.

With corrective and preventive maintenance of the assets, combined with training sessions at the branches

and the campaigns held during the year, SIMPAR aims to **reduce the risks associated with the operations** and, consequently, the number of claims and traffic accidents.  
[GRI 103-1, 103-2, 103-3 – Safety of people and assets](#)

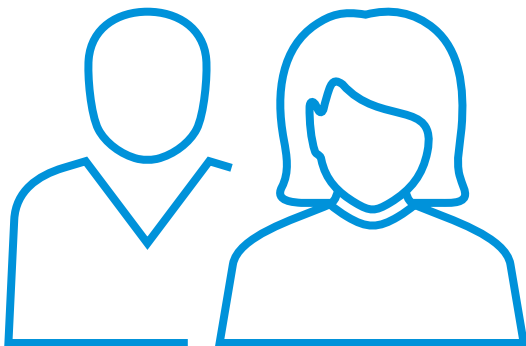
COMPOSITION

[GRI 102-8 | 401-1 | SASB TR-RO-320a.2](#)

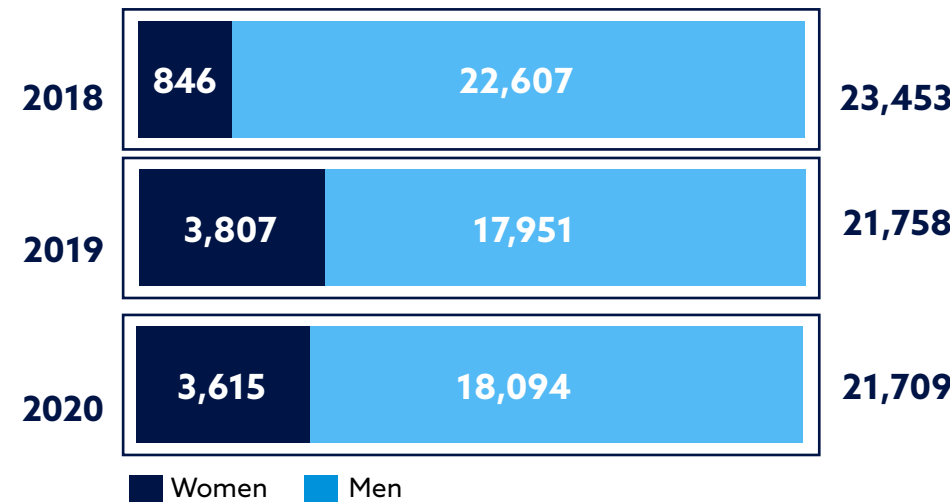
We ended 2020, factoring in the subsidiary companies, with **over 21,000 of its own employees** – of whom 83% men, and 17% women – and **844 outsourced staff**. Of the total own employees, 99% were hired on indeterminate work agreements and 95% full time. The greater majority, 63%,

work in the southwestern region of Brazil, while 14% were in the Northeast and 9% in the Midwest.

There were 9,309 hires in the period, a new hires rate of 0.43 (0.39 in 2019); and 9,430 dismissals, with a turnover rate of 0.43. The rates were calculated as the number of hires or dismissals for the year, divided by the number of active employees in the latest period. In the [GRI Exhibits](#), you will find a detailed data.



Number of employees by gender<sup>1</sup> [GRI 102-8](#)



1. The data for 2018 were restated in relation to the previous report.  
[GRI 102-48](#)

Number of employees by region<sup>1</sup> [GRI 102-8](#)

	2018	2019	2020
North	1,485	1,441	1,547
Northeast	2,388	2,541	2,973
Midwest	2,286	2,188	2,035
Southeast	15,481	13,769	13,583
South	1,813	1,819	1,571
Total	23,453	21,758	21,709

1. The data for 2018 were restated in relation to the previous report.  
[GRI 102-48](#)



Number of employees by type of contract of employment and gender<sup>1</sup> [GRI 102-8](#)

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Determinate period	457	389	846	519	398	917	145	114	259
Indeterminate period	19,053	3,554	22,607	17,432	3,409	20,841	17,949	3,501	21,450
<b>Total</b>	<b>19,510</b>	<b>3,943</b>	<b>23,453</b>	<b>17,951</b>	<b>3,807</b>	<b>21,758</b>	<b>18,094</b>	<b>3,615</b>	<b>21,709</b>

1. The data for 2018 were restated in relation to the previous report. [GRI 102-48](#)

Number of employees by type of employment and gender<sup>1</sup> [GRI 102-8](#)

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time	18,998	3,469	22,467	17,501	3,421	20,922	17,291	3,286	20,577
Temporary (part-time)	512	474	986	450	386	836	803	329	1,132
<b>Total</b>	<b>19,510</b>	<b>3,943</b>	<b>23,453</b>	<b>17,951</b>	<b>3,807</b>	<b>21,758</b>	<b>18,094</b>	<b>3,615</b>	<b>21,709</b>

1. The data for 2018 were restated in relation to the previous report. [GRI 102-48](#)



William Dos Santos Peres and Cinthia Dos Reis Baiao - Tender of CS Brasil (Mogi das Cruzes/ SP)



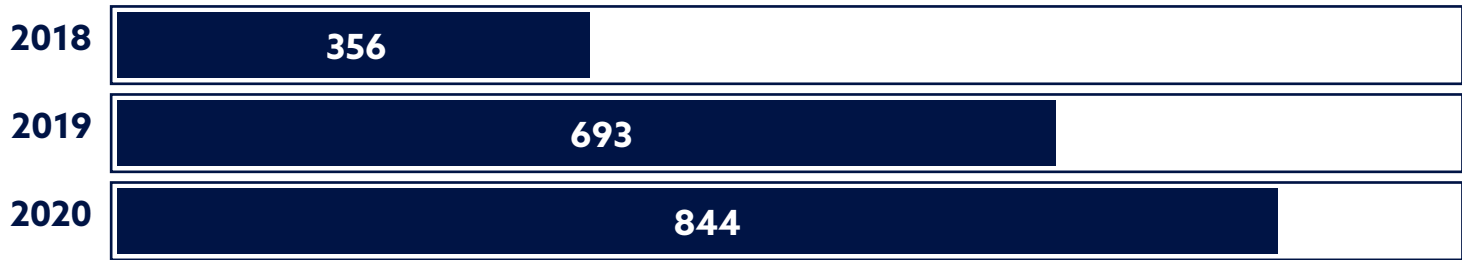
Caroline Barbosa- Used Car Trade Marketing Area

Number of employees by type of contract of employment and region<sup>1</sup> [GRI 102-8](#)

	2018			2019			2020		
	Determinate period	Indeterminate period	Total	Determinate period	Indeterminate period	Total	Determinate period	Indeterminate period	Total
North	65	1,420	1,485	64	1,377	1,441	42	1,505	1,547
Northeast	59	2,329	2,388	137	2,404	2,541	37	2,936	2,973
Midwest	122	2,164	2,286	139	2,049	2,188	29	2,006	2,035
Southeast	531	14,950	15,481	511	13,258	13,769	138	13,445	13,583
South	69	1,744	1,813	66	1,753	1,819	13	1,558	1,571
Total	846	22,607	23,453	917	20,841	21,758	259	21,450	21,709

1. The data for 2018 were restated in relation to the previous report. [GRI 102-48](#)

Number of outsourced personnel [GRI 102-8](#)





## RESPECT FOR DIVERSITY

[GRI 103-1](#) | [103-2](#) | [103-3](#) – Recognizing people’s value, perpetuating the and respecting diversity | [GRI 405-1](#) | [405-2](#)

### Recognizing the value of people is one of the priority topics of SIMPAR.

In this respect, in March 2020 the Respect for Diversity Program was rolled out, seeking to foster a **more inclusive and diverse work environment**, with the initial focus on female employees, although underrepresented in certain sectors in which the subsidiaries operate – women account for 17% of the Group’s workforce.

To set the program in motion, there was an awareness campaign about the topic among the employees through monthly meetings. Targets were also set, and Human Resource policies and procedures were reviewed, in addition to monitoring and analysis of the diversity indicators presented and discussed every month in the [Sustainability Committee](#).

The topic also received greater attention in the recruitment and selection area of the subsidiaries, with the People Committee stressing the importance of considering, for all positions, potential candidates **regardless of gender, race, ethnicity or age group, among other diversity indicators**. Thus, during the year, Movida created the 60+ for openings in stores and at the call center, o 60+ to hire professionals aged 60 or above. At the end of the period, four employees had been hired with this profile, in the home office regime, to work as a call center attendant. Of the total employees of SIMPAR and the subsidiaries, approximately 60% were aged between 30 and 50. Also, around 60% of the workforce and 28% of executive level employees were Afro, and approximately 2% were persons with disabilities (PWDs). During the year, there were no Afros or PWDs among the members of the governance bodies. Detailed data are available in the [GRI Exhibits](#).



## KNOWLEDGE MANAGEMENT

Given the atypical year due to the Covid-19 pandemic, SIMPAR concentrated its efforts in the search to guarantee the well-being of its employees. However, it continued to invest in employee training, an action that begins during the onboarding process, which took place online during the year, and covers issues of ethics, compliance and safety, as well as the fundamental requisite of each operation. There is an annual calendar of training events that combine behavioral and socioemotional aspects with training sessions of a technical nature. During the year, an average of 4.08 hours of training per employee was provided, making a total of 88,556 hours of training. The average training hours per company is shown in the [GRI Exhibits](#). [GRI 404-1](#)

## Average training hours per employee, by gender<sup>1</sup> [GRI 404-1](#)

	2018	2019	2020
Men	13.45	17.31	4.02
Women	10.76	8.52	4.35
<b>Total</b>	<b>12.99</b>	<b>15.76</b>	<b>4.08</b>

1. The data cover the operations of SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital

## Average training hours per employee, by functional category<sup>1</sup> [GRI 404-1](#)

	2018	2019	2020
Chief Executive Officer	4.75	11.00	0.00
Executive board (statutory and non-statutory executive officers and superintendents)	11.73	5.12	0.06
Management (managers and advisors, including executives and those linked to the operational areas)	4.64	10.02	5.64
Administrative (specialists, coordinators, supervisors, analysts, assistants and auxiliaries)	4.85	5.75	1.17
Operations	16.54	20.84	5.82
Interns	1.16	2.37	2.89
Apprentices	12.18	0.31	2.64
<b>Total</b>	<b>12.99</b>	<b>15.76</b>	<b>4.08</b>

1. The data cover the operations of SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital.

To perfect skills, SIMPAR has the **Mais Pra Você Program**, an arrangement with several teaching institutions and installment plans for obtaining the driver's license. The partnerships action arranges discounts and promotions in teaching institution (formal education, universities, language and IT schools and vocational courses), companies, traders and others. However, there are no specific activities to facilitate the continuity of employability in case of retirement or termination of the contract of employment. [GRI 404-2](#)

Following the corporate restructuring and the constitution of the People Committee, SIMPAR's objective over the years to come is **to structure career paths and a leadership development plan**. In the short term, the emphasis is on drawing up **a development and training plan for the lower echelon professionals** in preparation for attaining new leadership positions, thereby growing jointly with the subsidiaries and the holding company itself. That is why the intention exists to set up internship and trainee programs – the latter already functioning at Movida – at all the companies. For 2021, the programs have already been designed: the internship program is expected fill 50 vacancies. The trainee course will have 35 placements across all subsidiary companies. The aim of undertaking a performance appraisal, designed in 2019, was postponed on account of the scenario imposed by the coronavirus pandemic.

The process only went ahead at Movida (2,954 persons evaluated, representing 14% of the Group's entire staff), but for 2021, the commitment is to **undertake at all the subsidiaries a 90 degrees analysis, with self-assessment and evaluation by the manager, in addition to the calibration committees** to mitigate distortions in the evaluations. At Movida and Vamos, 100% of the personnel will be assessed at JSL, Original and CS Brasil, analysts, specialists and leaders in general will participate in the process. [GRI 404-3](#)



## Safety management

GRI 103-1 | 103-2 | 103-3 – Safety of people and assets

Given the characteristics of the operations of its subsidiaries, who require employees to be present at customers throughout the country and overseas, as well as the highways, **SIMPAR is adopting corporate health and safety management.** Thus, the Health, Safety and Environment areas (SSMA) and the holding company's Integrated Management support all the companies in the portfolio. Additionally, in every operation with the presence of employees on customers' premises, a HSE leader is designated SSMA, who must meet the standards defined by the company.

Since 2015 there has been an Integrated Management System (IMS) – **certified to ISO 9001 and ISO 14001**, with the intention of obtaining in 2021 ISO 45001 for health and safety – by mapping all processes within the various operations and the procedures, guidelines and policies, in addition to preventive and corrective actions for preserving occupational health and safety. In 2020, the advance of the IMS was due to the installation of SOC's software, which concentrates all health and safety-related documents, updated daily, allowing rapid access to the data.

Also in 2019, we adopted a **Health and Safety Management System**, based on monitoring the legal requisites and the branches and in operations. Using the tool, the indicators are continually monitored in order to fully comply with the applicable regulatory standards and laws. The data also provide inputs for the **Environmental Risks Prevention Program (PPRA)** and **the Medical**

**Control and Occupational Health Program (PCMSO)**, among other initiatives mitigating health and safety risks among our own and outsourced employees. **GRI 403-1**

And to support and promote the quality of the safety system, the company maintains an active Specialized Occupational Health and Safety Service (SESMT), as well as an Internal Accident Prevention Commission (Cipa), on which 100% of the employees are represented. For operations where there is no legal requirement to create the Cipa, a trained representative is indicated to ensure safety-focused preventive actions.

Another resource strengthened in the period was the **Incident Investigation Management System**, operating since 2015 and which last year began centralizing all information about accidents, focusing on investigating the root cause and the means to be adopted to prevent a recurrence.

With the same focus, and to raise awareness that promoting safety is everyone's responsibility, there is a **Point Out the Risk** channel so that employees can air their concerns about the issue. Managed by a specialized company, the tool is accessed on a 0800 line and is available seven days a week, 24 hours a day. In 2021, it is our intention to perfect the channel and facilitate access using a QR Code.

### IMS PROCEDURES

Application of Breathalyzers



Incident/Accident Notification and Investigation Process



Safety when Working at Height



Program for Preventing the Improper Use of Alcohol



Hazard Identification and Risk Assessment



Legislation on Transporting Hazardous Products



Safety when Working in Confined Spaces



Right of Refusal

## HEALTH PROMOTION GRI 403-6

To promote access by employees and their dependents (spouses and children up to the age of 18 or up to 24 years of age when proof of enrolment in higher education is produced) to medical and health services SIMPAR provides a regionalized medical plan that covers the list of procedures covered by the ANS.

Another highlight is the **Ligado em Você program**, of psychological support and general for employees in order to promote a more human and productive work environment. The program is a benefit open to all

professionals, their spouses and children up to the age of 24. This action provides **support on social issues, legal and psychological counselling**, covering for example, death, budget imbalance, chemical dependency and health problems, among others. In 2020, the channel was instructed to assist with socioemotional and health issues related to the Covid-19 pandemic.



Another highlight is the Ligado em Você program of **psychological support and general guidance for employees**, in order to promote a more human and productive work environment.

### Occupational health services GRI 403-3 | 403-10

SIMPAR staff includes professionals trained to provide proper and necessary support for the health of its employees: occupational physicians; specialist physicians (general practitioners, orthopedic surgeons, gynecologists, cardiologists); occupational nurses; nursing auxiliaries; dieticians; and a psychologist. It also makes available specialist partner clinics throughout Brazil to attend to employees. The medical records of all professionals are also kept and, to ensure the confidentiality of the information, access to the medical area is restricted only for the purpose of pertinent treatment or exams and when requested. No employee work-related health problems were identified at SIMPAR or its subsidiaries.

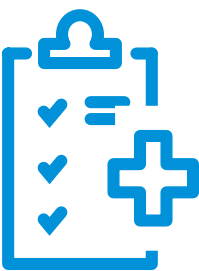




## PERFORMANCE

**Safety management is monitored and evaluated** using proactive and reactive indicators, undertaking audits of the processes and employee training. Always striving for continuous improvement, SIMPAR is investing in **new technologies** like apps for carrying out field audits, which optimizes time and improves the information filters. The objective, which we incessantly strive for, is to achieve **“zero accidents”**. In this respect, over the years, resources have also been channeled to training and awareness programs, in addition to setting accident-related targets.

Over recent years, SIMPAR has managed to reduce its accident rate. In 2020, there was a decline, but due to the pandemic, uncertainties and the stoppage of the in-field SSMA activities, the target established was not exceeded. In addition, there have been improvements in the controls at the branches an in operations regarding incident reporting, which has also been reflected in targets having been reached. The data, per company, is available in the [GRI Exhibits](#).



### Work-related injuries [GRI 403-9](#) | [SASB TR-RO-320a.1](#)

Employee health and safety rates <sup>1</sup>	2018	2019	2020
Number of deaths arising from work-related injuries	0	2	0
Death rate arising from work-related injuries	0.00	242.26	0.00
Number of highly consequential work-related injuries (excluding deaths)	63	55	49
Rate of highly consequential work-related injuries (ex-cluding deaths)	1.31	1.13	1.18
Number of reportable work-related injuries	0	42	34
Rate of reportable work-related injuries	0.00	0.85	0.82

1. The data cover the operations of JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The rates were calculated based on 1,000.000 hours worked. All the information was excerpted from the company’s accident indicators. The total number of hours worked was 41,575,499. This disclosure does not include outsourced workers and service providers. There is no provision for this control.

### Employees health and safety rates by gender<sup>1</sup> in 2020 [GRI 403-9](#) | [SASB TR-RO-320a.1](#)

	Mulheres	Homens
Number of deaths arising from work-related injuries	0	0
Death rate arising from work-related injuries	0.00	0.00
Number of highly consequential work-related injuries (exclud-ing deaths)	0	49
Rate of highly consequential work-related injuries (excluding deaths)	0.00	1.18
Number of reportable work-related injuries	0	34
Rate of reportable work-related injuries	0.00	0.82

1. The data cover the operations of JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The rates were calculated based on 1,000.000 hours worked. All the information was excerpted from the company's accident indicators. The total number of hours worked was 41,575,499. This disclosure does not include outsourced workers and service providers. There is no provision for this control.

### Employees health and safety rates by region<sup>1</sup> in 2020 [GRI 403-9](#) | [SASB TR-RO-320a.1](#)

	North	Northeast	Midwest	South-east	South
Number of deaths arising from work-related injuries	0	0	0	0	0
Death rate arising from work-related injuries	0.00	0.00	0.00	0.00	0.00
Number of highly consequential work-related injuries (excluding deaths)	1	5	2	35	6
Rate of highly consequential work-related injuries (excluding deaths)	0.31	0.95	0.43	1.39	1.85
Number of reportable work-related injuries	4	5	6	17	2
Rate of reportable work-related injuries	1.54	0.76	1.30	0.67	0.62

1. The data cover the operations of SIMPAR, JSL, Movida, Vamos, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The rates were calculated based on 1,000.000 hours worked. All the information was excerpted from the company's accident indicators. The total number of hours worked was 41,575,499. This disclosure does not include outsourced workers and service providers. There is no provision for this control.





Expresses the ability to share information to improve individual and collective well-being

7.

## SOCIAL AND RELATIONSHIP CAPITAL



# Social and relationship capital

**Over R\$ 301,000**

raised in the Caminho do Bem campaign, 27.7% more than in 2019

**72%** of purchases from **local companies**

**17,927** suppliers in the procurement base

Maintenance of the Julio Simões Institute to **create value in the communities**

Approval of the **Social Investment Policy**



# Supplier management

GRI 103-1, 103-2, 103-3 – Sustainability in the value chain  
| GRI 102-9 | 102-10

Following significant progress in managing the production chain in 2019, within the scope of the **Supplier Management Project**, in 2020 SIMPAR improved its supplier selection process by introducing vetting in which social aspects are evaluated. A further advance during the year was the corporate restructuring, with **strong companies under the umbrella of the same holding company**, guaranteeing a robust cash structure, security in its relations with suppliers and greater bargaining power. These differentials were fundamental for guaranteeing supplies of the items essential to the businesses of the subsidiaries within the context of the Covid-19 pandemic. Aware that it would be difficult to purchase inputs, SIMPAR listed the items most frequently used in their operations, closing supply contracts that guaranteed inventories for a six-month period. Among these materials considered critical for the Group's business are tires, replacement parts for vehicles and inputs, like lubricants. Given the quantity of items purchased, we were able to engage in specific negotiations resulting in an **approximate financial gain of R\$ 3.17 million**.

Besides these items, the company has business partners, such as car companies who provide fleet services (maintenance); offer benefits (meal and supermarket vouchers, healthcare plans, etc.); uniforms and PPE; OFFICE materials and software programs; among others. At the year-end, there were 17,927 suppliers on our supplies base, on whom we spent **R\$ 7.11 billion**, 4.4% more than the R\$ 6.81 billion in 2019.

The company works to drive the development of the states where its subsidiaries operate, for which reason it prioritizes partnerships with local companies, so much so that in 2020, of total purchases and expenditures on services, 72% was with local suppliers (from the states where the Group has its branches). Besides this commitment, SIMPAR, in order to maintain the **excellence of its production chain**, requires partners to abide by socioenvironmental requisites, respect for human rights, and high labor and health standards. In 2020, 90.23% of our new partners, totaling 3,140 suppliers, were selected based on social criteria. The breakdown by Group company can be found in the [GRI Exhibits](#). [GRI 414-1](#)

## DUE DILIGENCE PROCESS

[GRI 103-1 | 103-2 | 103-3 – Corporate governance, ethics and transparency | GRI 103-1 | 103-2 | 103-3 – Sustainability in the value chain](#)

During the registration process, SIMPAR makes enquiries to evaluate the good standing of its potential partners, for example the company's good standing based on its corporate taxpayer registration (CNPJ), state/municipal registration number and tax clearance certificates (municipal, state and federal taxes, and social security contributions). A search is also carried out on the registers of companies on the child or hard labor lists, and those sanctioned or barred from contracting with the government (National Register of





Unscrupulous and Suspended Companies – Ceis and the National Register of Sanctioned Companies – Cenep).

Also at registration time, the contractor responds to a questionnaire that aims to **identify the criticality of their activity and business they will do with holding company or the subsidiaries**. Furthermore, the potential supplier must warrant they are aware of the guidelines to the [Code of Ethics](#) and fill out a third-party diligence questionnaire that evaluates their engagement with the government and potential conflicts of interests. After registration is concluded, areas like Compliance, Health, Security, The Environment and Procurement monitor in real time the conditions of the suppliers.

Another **monitoring tool used is G-Certifica**, a third-party due diligence system. During the year, we embarked on the implementation phase of a tool that encourages periodic enquiries about tax and labor law good standing and compliance in general. An additional short-term development will be to define, for each category of purchase, the specific documentation requirements to ensure excellence throughout the entire production chain of SIMPAR.



## Social management

GRI 413-1 | 413-2

Through the [Julio Simões](#), Institute, SIMPAR and its subsidiaries channel social investments that **improve the relationships with the communities while fostering the creation of value in the locations** where they are to be found. In 2020, the Institute, under this commitment, engaged in [various assistance actions](#) vouagainst Covid-19.

Besides this valuable support for emergency actions, we have a series of own projects, like **Julio Cidadão (Doutores Palhaços)** which, since 2007 aims to encourage social engagement and the exercise of citizenship by the employees of the subsidiaries by creating “Hospital Humanizers”. The volunteers make visits to long-stay hospitals and institutions for the elderly (ILPI). During the year, to avoid interrupting these activities, the humanization actions took place by video, benefiting a total of 720 people.

Another stand-out program was **Natal de Emoções**, (Christmas Emotions), which seeks to involve the employees of the portfolio companies in social projects, encouraging volunteer work and solidarity. During the year, the campaign run by the professionals of the subsidiaries and the holding company donated non-perishable food and money, using a QR Code, for the purchase of food baskets. SIMPAR doubled the volume raised and, in all, **2,538.35 kilos of food were sent to social institutions and** socially vulnerable **families**. It is estimated that 670 benefited from the donations.

But the projects we hold annually, like **“Você quer? Você pode!”**, **“KM do Bem”** and **“Gincana Cultural”** did not take place in 2020 following determinations by the National Agency for Supplementary Health (ANS) to, within the context of the Covid-19 pandemic, guarantee the of the employees and the community. The description of how each program functions can be found on the site of the [Institute](#).

ENGAGEMENT

For its actions to be effective, SIMPAR **adopts engagement plans and assesses the impact of its Group’s operations** while also maintaining complaints channels for communicating with local communities. Metrics are also applied to the corporate programs, and these are evaluated using

specific indicators. To that end, a diagnosis carried out in 2019 served as the basis, in 2020, for mapping the needs of the municipalities in order to structure **action plans focused on sustainable development.**

Percentage of operations with engagement actions that produced positive impacts on the local communities<sup>1</sup> [GRI 413-1](#)

	2018	2019	2020
Social impact assessments, including gender impact assessments based on participative processes	9.91%	13.72%	39.26%
Environmental impact assessments and continuous monitoring	0.3%	0.3%	0.3%
Public disclosure of the outcome of environmental and social impact assessments	100.0%	100.0%	100.0%
Local development programs based on local community needs	100.0%	100.0%	100.0%
Stakeholder engagement plans based on mapping these parties	0.0%	0.0%	100.0%
Committees and processes for extensive consultation with the local community, including vulnerable groups	0.0%	4.9%	28.2%
Work councils, occupational health and safety commissions and oth-er entities representing employees to discuss impacts	12.0%	11.1%	11.1%
Formal processes for complaints by local communities	100.0%	100.0%	100.0%

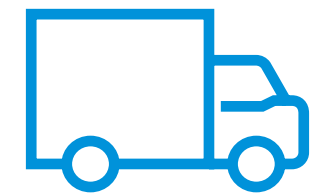
1. The operations were considered to be those locations where SIMPAR has branches and stores, based on their corporate tax registration (CNPJ).



Using the diagnostic, SIMPAR listed the main potential and actual adverse impacts involving the operations of the subsidiary companies. The most significant ones are linked to traffic accidents and people being run over; passenger transport accidents; highway wear and tear; emissions of pollutants; and possible sexual exploitation of minors along the highways. These risks are **mapped and managed to minimize the impacts**, especially the surrounding communities in situations of greater vulnerability:

- **Degree of physical or economic isolation of the local community:** The diagnostic analysis was carried out based on the work and income-related information gathered. According to the survey in July 2020, based on data disclosed by the Brazilian Census Office (IBGE) (2018), around 87% of the municipalities where the Group has operations show an average monthly wage of twice the basic wage. At the same time, to recognize the value of local labor, an analysis was done of the number of employees who work and live in the municipalities where the subsidiaries have branches, so as to understand and intervene to value and develop the local workforce, which will directly impact the local economy.
- **Level of socioeconomic development in the community and the state of the socioeconomic infrastructure (health, education):** Factoring into the diagnostic analysis the socioeconomic development and infrastructure conditions, over 50% of the municipalities can be classified as medium or low vulnerability in relation to the criteria of work, health, education and security. Within this context, SIMPAR will foster contact with the social assistance services and make visits to the more vulnerable municipalities to obtain in-depth knowledge of the local reality and to schedule interventions that directly impact the social indicators.

- **Soundness and quality of the governance of local and national institutions in the proximity of the local communities:** In 2020, the company held meetings with teams and visited the institutions it donates to, although it does not directly monitor the soundness and quality of the governance of those institutions, the degree of gender equality in the local communities and the level of social enterprise. However, the visits that were made enabled us to identify that, judging from their management, the work of the institutions was serious and socially meaningful. By the same measure, every institution supported is subject to analyses by the Compliance area of SIMPAR, which affords greater certainty in regard to governance quality issues. In addition, based on the diagnostic analysis of the communities, actions are contemplated for obtaining further knowledge about the structures of the local and national institutions for the purpose of direct interventions to minimize the vulnerabilities.



SIMPAP will obtain study in depth the local reality and schedule interventions that **directly impact social indicators.**

Operations with significant potential impacts or real adverse impacts on the local communities [GRI 413-2](#)

Impacts	Group operations/ companies where the impacts occurred	Intensity or severity of the impacts	Probable duration of the impacts	Reversibility of the impacts	Scale of the impacts and where they occur (States of Brazil)
<b>Traffic accidents (real impact)</b>	JSL e CS Transporte	Variable, deriving from the type of accident	Variable, deriving from the type of accident	Variable, deriving from the type of accident	Local: Alagoas, Amazonas, Bahia, Ceará, Distrito Federal, Espírito Santo, Goiás, Maranhão, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Pará, Paraíba, Pernambuco, Paraná, Rio De Janeiro, Rio Grande do Norte, Rio Grande do Sul, Santa Catarina, Sergipe, São Paulo, Tocantins
<b>Sexual exploitation of minors along the highways (potential impact)</b>	JSL	High	Variable	Reversible, considering that it is possible to intensify the discussion of the issue and awareness actions to bring about a change in behavior; and irreversible, from the point of view of the victim's rights having been violated	Local and/or regional, bearing in mind that drivers drive through various municipalities: Alagoas, Amazonas, Bahia, Ceará, Distrito Federal, Espírito Santo, Goiás, Maranhão, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Pará, Pernambuco, Paraná, Rio de Janeiro, Rio Grande do Norte, Rio Grande do Sul, Santa Catarina, Sergipe, São Paulo, Tocantins
<b>Wear and tear of the highway networks (real impact)</b>	All companies, with the exception of BBC Leasing & Conta Digital	Medium	Variable, because it will depend on road maintenance	Reversible	Local: Acre, Alagoas, Amazonas, Amapá, Bahia, Ceará, Distrito Federal, Espírito Santo, Goiás, Maranhão, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Parauapebas, Paraíba, Pernambuco, Piauí, Paraná, Rio de Janeiro, Rio Grande do Norte, Rondônia, Roraima, Rio Grande do Sul, Santa Catarina, Sergipe, São Paulo, Tocantins
<b>Passenger transport accidents (real impact)</b>	CS Transporte de Passageiros, Mogi Mob and TPG Transporte de Passageiros	Variable, deriving from the type of accident	Variable, deriving from the type of accident	Reversible	Local: Amazonas, Bahia, Ceará, Espírito Santo, Goiás, Pará, Paraíba, Pernambuco, Paraná, Rio de Janeiro, Rio Grande do Norte, Rio Grande do Sul, Santa Catarina, São Paulo
<b>Contribution to producing pollutants (real impact)</b>	All companies, with the exception of BBC Leasing & Conta Digital	High	High	Reversible, bearing in mind that actions exist for neutralizing the emissions	Regional, considerando que a fonte é móvel: Acre, Alagoas, Amazonas, Amapá, Bahia, Ceará, Distrito Federal, Espírito Santo, Goiás, Maranhão, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Parauapebas, Paraíba, Pernambuco, Piauí, Paraná, Rio de Janeiro, Rio Grande do Norte, Rondônia, Roraima, Rio Grande do Sul, Santa Catarina, Sergipe, São Paulo, Tocantins



POLICIES

To be ethical when undertaking its social actions, SIMPAR has a **Donations and Sponsorships Policy**, reviewed once a year, but which was not reviewed in 2020. The **Voluntary Service Policy**, scheduled for launch during the year, was postponed until 2021 on account of the atypical context and the emphasis on emergency assistance.

The **Social Investment Policy** was drawn up and published during the period, after approval by the Sustainability Committee. The document, which is aligned with the principles stipulated in the Global Compact and the Sustainable Development Goals (SDG) of the United Nations, as well as the values that Brazil has signed up to internationally, consolidates SIMPAR’s social investment strategy of continuous generation of value. Moreover, the allocation of resources and projects – developed through initiatives based on synergies with the business of the subsidiaries – take into account the real development needs of each location ascertained by ascertaining impacts on the main communities where they operate. Based on this study, the company created the **Social Vulnerability Index** (IVS), which in 2021 will enable discussion with social assistance services, engagement with various local players and inclusion in the various discussion forums actions aimed at guaranteeing human rights.



CAMINHO DO BEM

SIMPAR believes that fostering social impact depends on everyone collaborating and, since 2019, it has been running the Caminho do Bem campaign that provides employees with the opportunity to allocate 6% of their payable income tax to projects already supported by the Julio Simões Institute. It is expected that in em 2020, 10,656 people were affected by the action. In the 2nd edition, R\$ 301,590.00 were raised, 27.7% above the R\$ 236,200.00 raised in 2019. The estimate is that 18,000 people stand to gain from this campaign in 2021.



## COMMITMENTS

GRI 102-12 | 102-13

SIMPAR and its subsidiaries are signatories to commitments intended to generate socioenvironmental value, and they continue to endorse institutions and initiatives with which they share the ideals of sustainable development.

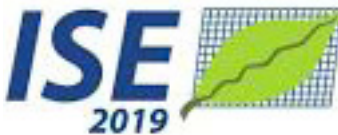
### WE SUPPORT



**The Global Compact and the UN:** The company became a signatory to the United Nations Global Compact in 2014 and, in 2020, the subsidiaries JSL, Movida, CS Brasil, Vamos Locação de Caminhões, Máquinas e Equipamentos and Original Veículos also joined the initiative of the United Nations Organization (UNO). Moreover, SIMPAR participates in the Integrity Working Group of the UN Global Compact – Brazil Network.



**Movimento Mulher 360:** SIMPAR signed up, in 2019, to the Movimento Mulher 360 whose aim is to contribute to the economic empowerment of Brazilian women by fostering, systematizing and disclosing advances in business policies and practices, with the emphasis on engaging the Brazilian business community and society in general on the issue.



**Corporate Sustainability Index (local acronym, ISE)** It was announced that Movida joined the 16th portfolio of the B3 ISE on 12/1/2020; the portfolio will remain in force from the period January 4, 2021 to December 30, 2021.

### Sistema



**B System:** In January 2020, Movida became the first Brazilian car rental company to receive Company B Certification, the second São Paulo B3-listed company and the 12th in the world.



**Business Pact for Integrity and Against Corruption:** SIMPAR will formally join the Business Pact for Integrity and Against Corruption, of the Instituto Ethos, in 2021. Since 2018, JSL, Movida, Vamos, CS Brasil e Original Concessionárias have been signatories to the commitment that seeks to foster a more honest and ethical market while eradicating bribery and corruption. In addition, SIMPAR participates in the Integrity Working Group of Instituto Ethos.



**Pacto Setorial DE INTEGRIDADE**  
DE LIMPEZA URBANA, RESÍDUOS SÓLIDOS E EFLUENTES

**Sectorial Pact for Honesty in Urban Cleaning, Solid Waste and Effluents:** in 2019, CS Brasil signed the Sectorial Pact for Honesty in Urban Cleaning, Solid Waste and Effluents. This is a collective action by businesses in solid waste, urban cleaning and effluent sector, and the class associations (Selurb, Abetre, ABLP, Abrager and Abrelpe), coordinated by the UN Global Compact and Instituto Ethos.





**GHG Protocol:** In 2020, SIMPAR became a member of the GHG Protocol (Cycle 2021); the JSL Group had joined the year before. The program provides a tool used for understanding, quantifying and managing GHG emissions. SIMPAR 's inventory is available for consultation by the general public, reinforcing transparency in the disclosure of its subsidiaries' emissions.



**Na Mão Certa Program:** Since 2007, JSL has been a signatory to the Na Mão Certa Program that aims to unite efforts to put an end to sexual exploitation of minors on Brazilian highways.



**Liberta Institute:** SIMPAR is a partner of Liberta Institute whose mission is to counter the sexual exploitation of minors in Brazil.



In 2019, Movida also signed up to **Conscientious Capitalism** and, during the pandemic, to several specific initiatives about the ESG agenda created to address the economic recovery by focusing on a more conscientious and sustainable economy.

## IMPERATIVE 21

**Reset Capitalism and Imperative 21:** Movida was the first publicly-listed Brazilian company to support the Reset Capitalism and Imperative 21 initiatives, an international initiative headed up by the B System.



**Recover Better Statement:** Movida was one of more than 150 large companies who signed the statement "Uniting companies and governments for a better recovery", a letter on sustainable recovery drawn up by the UN Global Compact, with an invitation to the member companies of the Science-Based Targets (SBTi) and Business Ambitions for 1.5°C initiatives.

## CoVida<sup>20</sup>

**CoVIDA Fund:** The subsidiary allocated resources and participated in creating a fund to finance positive impact businesses.



In 2020, Movida became the first signatory to the initiatives related to climate change – Business Ambition for 1.5°C (linked to the Global Compact), Action4Climate, Science-Based Targets (linked to the CDP and the Global Compact) and Net Zero 2030 (linked to the B System) – and diversity – WEPS (linked to UN Women) and Gender Equality (linked to the Global Compact).





Management for efficient use of natural and energy resources (water, fuel, electricity) and materials/minerals used in producing the vehicles and equipment of the subsidiaries

# 8. NATURAL CAPITAL



# NATURAL CAPITAL

**Emission reduction targets** in scopes 1, 2 and 3

Subsidiaries with **low average age of the fleets** – one of the youngest in Brazil

**Greenhouse Gas (GHG) Emissions Program** to measure and mitigate the environmental impact of the business

Reduction of **22.82%** in direct Greenhouse Gas Emissions

**83.6% of total waste reused**, recycled or treated using another type of recovery



## Natural capital

SIMPAR, in its activities as a holding company, **causes no significant** environmental interference. However, on account of the activities of the companies in the portfolio, the company maintains corporate processes, guidelines and programs that aim to mitigate adverse impacts on the environment and the adoption by its subsidiaries of best practices.

Since 2018, we have had an **Environmental Management System**, with a corporate manual providing guidance for the managers of the different units in regard to weak points and risks, as well as opportunities for continuous improvement through adaptation and process enhancement to reduce, mitigate or offset adverse environmental impacts. The first step of the environmental survey consists of preparing the diagnoses of the units by collating adverse environmental aspects and impacts, the legislation and the management measures required. After drawing up the **Environmental Control Plan**, which consists of systematizing all processes, inserting data on the consumption of resources (water, electricity, fuel, etc.), generation and disposal of waste and effluents, as well as their attendant control and monitoring processes. The subsidiaries forward the data to SIMPAR once a month.





## Climate change

[GRI 103-1](#) | [103-2](#) | [103-3 - Climate change](#) | [SASB IF-WM-110a.3](#) | [TR-RO-110a.2](#) | [TCFD Recommended Governance Disclosures a and b](#) | [CDP C1.1](#) | [C1.2](#) | [C1.3](#)

Among the impacts arising from the operations of its portfolio, SIMPAR believes the most sensitive to be those related to climate change. Thus, the issue appears in the [Sustainability Policy](#), where the focus is on the strategic discussions held each month by the sustainability committees, and submitted on a quarterly basis to the Board of Directors. This issue is primarily managed within the scope of the **Greenhouse Gas (GHG) Emissions Program**. The company's objective is to measure the actual environmental impact of its business, primarily within the context of the discussions about emission reduction plans in various forums around the world. In this respect, 2020 saw the adoption of measures to mitigate impacts, such as the rational use of fuel, continuous fleet renewal and indicator monitoring through emissions inventories based on the international methodology of the [GHG Protocol](#). In addition to publishing the study, **there are reduction targets that encompass scopes 1, 2 and 3** – the latter being somewhat challenging because it refers to emissions by outsourced fleets. In this case, the company is striving to enhance its influence, while monitoring and engaging with the entire value chain.

Scope 1 emissions are particularly associated with fuel consumed in our own operations and transportation activities controlled by the companies. Scope 2 is linked to the purchase of electricity, with the resulting

emission data monitored across the group and evaluated on a quarterly basis by the Sustainability Committee. In 2020, electricity purchase contracts with the free market were revised in order for the reductions in GHG emissions to be measured deducted them from the total amount ascertained. In addition, SIMPAR is aiming to **expand the share of renewable energy sources in its energy matrix** as a way of reducing the intensity of its GHG emissions – the company's key strategy for mitigating climate change.

Moreover, although climate change-related targets, they are not linked to the variable compensation of our professionals and management.

### Risk management, opportunities and strategy involving climate change

[GRI 103-1](#) | [103-2](#) | [103-3 - Climate change](#) | [TCFD Recommended Risk Management Disclosures a, b and c](#) | [Recommended Strategy Disclosures a, b and c](#) | [CDP C2.1](#) | [C.2.2](#) | [C3.1](#) | [C3.2](#) | [C.3.3](#) | [C3.4](#)

Given the consumption of fuel and the attendant air emissions, the logistics industry can interfere substantially with climate change. In this respect, besides adopting **actions to minimize GHG emissions** – primarily by maintaining a fleet with a low average age, one of the youngest in Brazil – SIMPAR monitors discussions in parliament, undertakes internal and external analyses and promotes domestic and international benchmarking and studies opinions by external agencies on ESG-related topics. In this way, the company keeps its climate risk matrix up to date in order to expand risk coverage against extreme events. The process, in line with [the other risks managed](#),

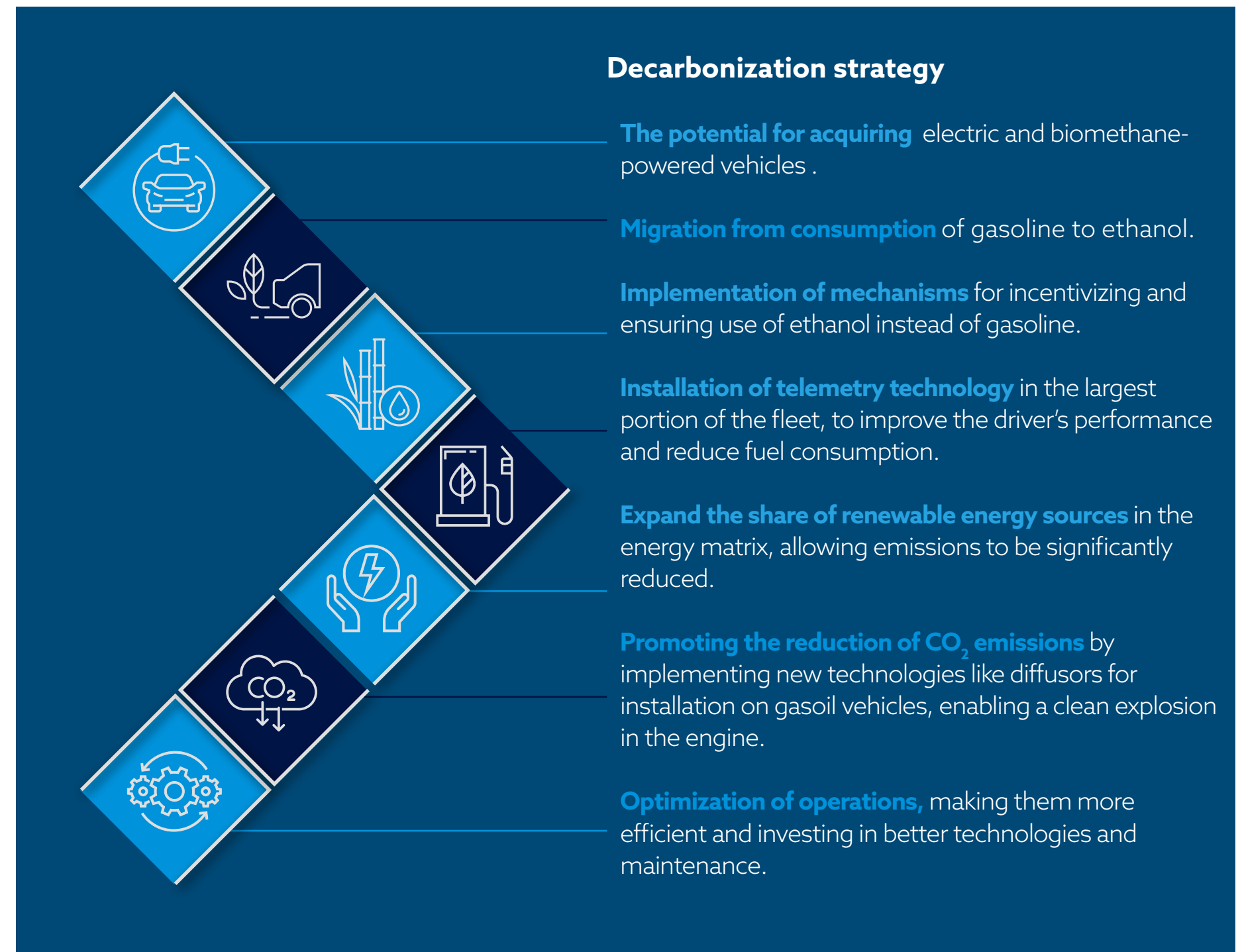


The company's objective is to measure **the actual environmental impact of its business**, primarily within the context of the discussions about emission reduction plans in various forums around the world.

was defined using COSO methodology and aims to incorporate the ISO 9001 and ISSO 31000. standards

Management also involves long-term targets (10 years), based on the Science-Based Targets guidelines defined following an in-depth study of current emissions and possible improvements in the years ahead. Within this context, three scenarios were constructed with the support of various areas, operations and companies approved by the Board of Directors. The structuring process took into account the different levels of complexity of the projects and investments required, implying possible emission reductions.

Additionally, climate-related risks and opportunities also influence financial planning at SIMPAR. Expenditures, allocation of and access to capital, as well as acquisitions and divestments, are evaluated at planning time and are related to climate risks.





# Financial implications and other risks and opportunities associated with climate change

GRI 201-2 | CDP C2.2 | C2.3 | C2.4 | TCFD  
Recommended Disclosures of Strategy a, b and c

## SIMPAR considers its role to be essential in disseminating and promoting good practices in society



### Engagement in climate change

CDP C4.3 | C12.1 | C.12.3

Although it does not engage with formulators of public policies or trade associations on climate change issues, **SIMPAR considers its role to be essential in disseminating and promoting good practices in society.** Having identified that the customers of the subsidiaries can be drivers of good practices in sustainability, the company undertakes action in education/sharing of information about in-house projects and seeking to enter into partnerships to minimize the climate change impacts arising from products, goods and/or services.

Within this context, **JSL seeks to assist its customers** in mapping emissions while offering opportunities for reducing/neutralizing them. And **Movida avails of its Carbon Free Program** (created to neutralize the carbon emissions generated by its rental vehicles) to divulge climate-related information to its customers at the time they rent the vehicle. And **Vamos launched its Zero Carbon Program at the end of 2020.**

Generally speaking, all our subsidiaries are willing to share sustainability projects with customers, because they understand that this action can trigger new ideas, while good practices can be shared and built.

What is more, SIMPAR analyzes its suppliers' environmental compliance data, although without specifically evaluating climate change criteria. An **evaluation of supplier emission information** is being put together.

### Carbon pricing

CDP C11.1 | C.11.2 | C.11.3

Aware of the risks and opportunities from climate change, SIMPAR is seeking to be an early mover on what could one become regulations. The company participates in initiatives and forums in this respect, while also embracing voluntary practices, such as **publishing its GHG inventory in accordance with the GHG Protocol**, while also reporting scope 3. In regard to carbon credits, here are the actions of the subsidiaries:

**Vamos** – in December 2020, SIMPAR and Ciclus Ambiental do Brasil – jointly fostered biogas project at the Santa Rosa Waste Treatment Hub (RJ) – the acquisition of carbon credits to offset the emission of 1,202 tCO<sub>2</sub>e, referring to the year 2019. As a result, 100% of the subsidiary's scopes 1 and 2 emissions were offset.

**Movida** – Partnered with the Black Jaguar Foundation whereby the saplings from the Carbon Free Program will be planted along the Biodiversity Corridor of the Araguaia River. So, a commitment was formalized to plant 1 million saplings by 2022, which will result in the restoration of 600 hectares of degraded areas and the sequester of 146,000 tons of CO<sub>2</sub>eq over the next 26 years.

Generally speaking, to neutralize emissions the **company prioritizes investments in carbon sequester projects** such as forest restoration in degraded areas. In these cases, complete fixing of the carbon



requires more time, but leads to higher generation of positive impacts for the planet by effectively removing carbon from the atmosphere and providing socioenvironmental benefits.

The issue is also well advanced at Movidá, which has adopted an internal pilot carbon pricing project that takes into account the amount payable to offset 1 ton of CO<sub>2</sub>e within the scope of the Voluntary Carbon Market. The aim here is to guide the decision making in choosing the alternatives existing on the voluntary carbon market for offsetting emissions, while also providing guidance on how to minimize them in our operations. Furthermore, the consideration of a current cost of carbon (adopted internal price) arose on account of the formalization of the Long-Term Public Climate Commitment to Achieve Carbon Neutrality in 2030, becoming Carbon Positive in 2040”.

## Emissions

[GRI 305-1](#) | [305-2](#) | [305-3](#) | [305-4](#) | [305-5](#) | [305-7](#) | [SASB IF-WM-110a.1.](#) | [IF-WM-120a.1.](#) | [TR-RO-120a.1](#) | [CDP C4.1](#) | [C4.2](#) | [C5.1](#) | [C5.2](#) | [C6.1](#) | [C6.2](#) | [C6.3](#) | [C6.4](#) | [C6.5](#) | [C6.7](#) | [C6.10](#) | [C10.1](#) | [C10.2](#) | [TCFD Recommended Disclosures of Metrics and Targets a, b and c](#)

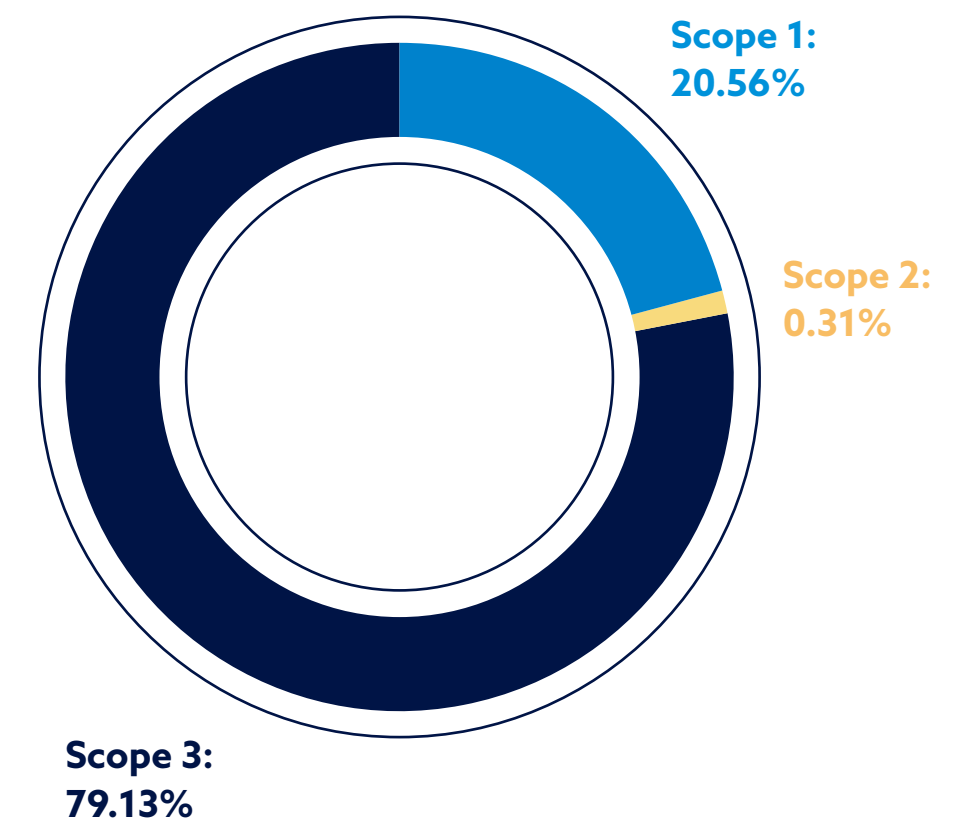
In 2020, on a consolidated basis in relation to 2019, the **Group achieved a reduction of 22.82% in direct Greenhouse Gas (GHG) emissions**, reflecting the social isolation imposed by the pandemic, the introduction of the electric fleet (CS Brasil/RJ) and discontinued commodities operations (agroforestry and mining).

In the case of indirect **Scope 2** emissions, **the decline was 3.61%**, driven by actions with efficiency gains in the consumption of electricity, but primarily by lower consumption (lighting, air conditioning devices and partially disconnected computers) since many operations saw their administrative activities substantially reduced.

In Scope 3, which covers other GHG emissions and accounts for almost 80% of the Group’s total emissions, there was a somewhat insignificant increase (0.4%) in comparison with 2019, for the most part because of the higher volume of business at Vamos. The breakdown, per company, is available in the [GRI Exhibits](#).

Reflecting its socioenvironmental commitment, SIMPAR has **a macro emissions reduction target of 15% between 2021 and 2030**. To that end, it is gradually implementing reduction projects according to the feasibility and impact on the KPI. In the case of Scope 2, the reduction target for para 2021 is 5% to the data for 2020.

Percentage by emission type





GHG Emissions(1)<sup>1</sup>

Greenhouse gas emissions (tCO <sub>2</sub> equivalent), by scope	2018	2019 <sup>2</sup>	2020
Scope 1 <a href="#">GRI 305-1</a>   <a href="#">SASB IF-WM-110a.1</a>   <a href="#">TR-RO-110a.1</a>	322,300.24	328,139.17	253,270.55
Scope 2 <a href="#">GRI 305-2</a>	3,435.92	3,975.56	3,832.09
Scope 3 <a href="#">GRI 305-3</a>	423,360.05	970,936.19	974,763.60
<b>Total</b>	<b>749,096.21</b>	<b>1,303,050.92</b>	<b>1,231,866.23</b>
Biogenic CO <sub>2</sub> emissions (tCO <sub>2</sub> equivalent) – Scope 1 <a href="#">GRI 305-1</a>	2018	2019	2020
	44,368.28	44,470.59	27,340.89
Biogenic CO <sub>2</sub> emissions (tCO <sub>2</sub> equivalent) – Scope 3 <a href="#">GRI 305-3</a>	2018	2019	2020
	13,241.10	14,165.47	136,206.49

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites or in home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

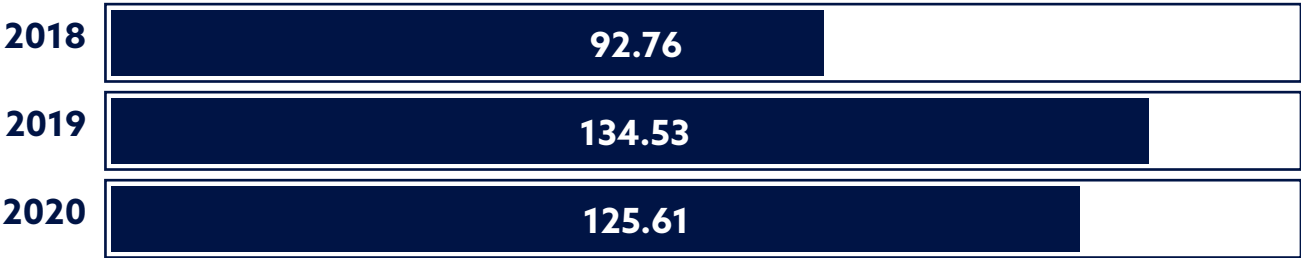
2. Commencing 2019, SIMPAR included in Scope 3 the emissions of the Vamos Group and CS Brasil.

The **emissions intensity also experienced a reduction of 1.6%** between 2020 and 2019. This result was achieved through ad hoc efficiency projects such as the introduction of electric fleets (CS Brasil), generation of photovoltaic solar energy (Vamos) and the opening of sustainable stores (Movida). The global reduction target is 15% by 2030 and, in the [GRI Exhibits](#), the data are broken down per company.



Intensity of GHG emissions (tCO<sub>2</sub> / Annual Net Revenues)<sup>1</sup>

GRI 305-4



1. The data do not include BBC Leasing & Conta Digital because its operations are located on shared sites or in home-office and because it does not generate significant emissions. The emissions of scopes 1, 2 and 3 were factored into the result.

There was also a **slight 0.72% reduction**, between 2020 and 2019, in emissions of pollutants primarily due to the restrictions imposed by the pandemic, with lower fuel consumption by the methods of transport (for example, like local passenger bus services). Moreover, a **100% electricity-powered operation** was rolled out, contributing substantially to lower emissions of all types of pollutants during the period:

NOX: 18.7 tons/year

Particle material (PM): 0.32 tons/year

CO: 53.81 tons/year

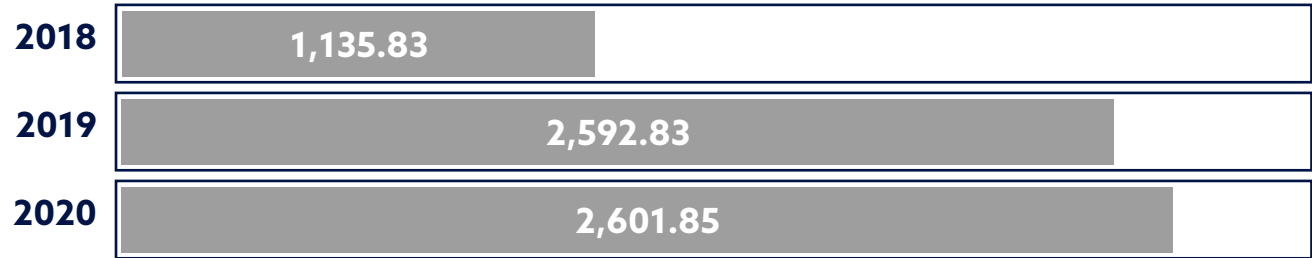
The data, per company, is available in the [GRI Exhibits](#).

NOx, SOx and other significant air emissions<sup>1</sup>

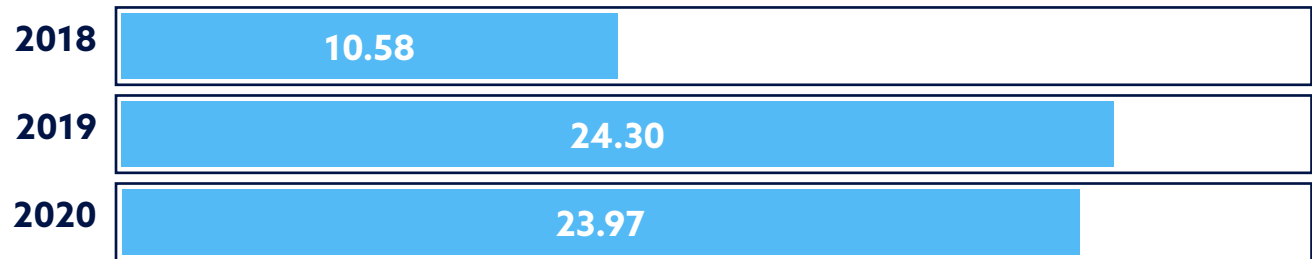
GRI 305-7 | IF-WM-120a.1. | TR-RO-120a.1

Significant air emissions (tons), by pollutant type

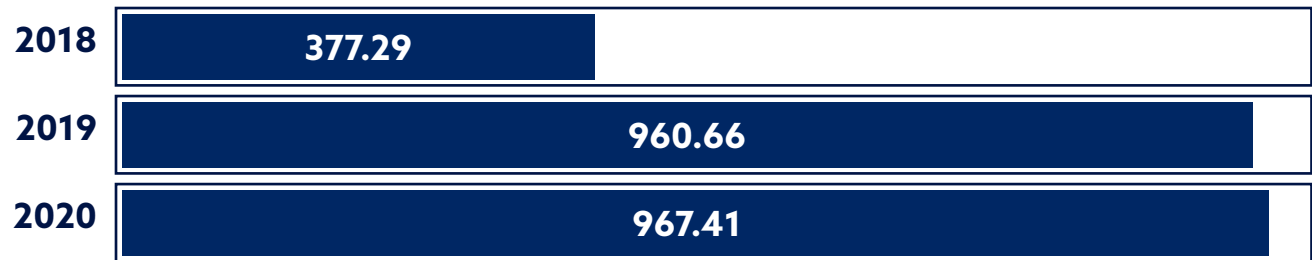
NOx



Particle material (PM):



Carbon monoxide



Total	1,523.70	3,577.79	3,593.23
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1. The data abide by the prevailing legislation, and the conversions were made based on the distances covered by the fleets (GHG inventory) and on the emission factors published annually by Cetesb. The emissions of BBC Leasing & Conta Digital have not been factored in because its operations are located on shared sites or in home-office and because it does not generate significant emissions. SIMPAR does not monitor SOx emissions, persistent organic pollutants (POP), volatile organic compounds (VOC) and hazardous atmospheric pollutants (HAP), because Cetesb does not require this.

## Natural resources management

### Energy

SIMPAR has **two branches certified to ISO 14001**, with established key performance indicators and targets for energy efficiency: the administrative headquarters – which in 2020 included in the certification scope Vamos Locação – and the JSL Intermodal UNIT. At the former, the target was to achieve 2.6 kWh/employee/day in 2020, resulting in 5.4 kWh/employee/day; at the Intermodal unit, the target of 6.8kWh/employee/day in 2020 resulted in 10.4 kWh/employee/day, the increase arising both from the duplication of the administrative buildings, and the higher energy demand from operating and building a new command tower. The employee headcount did not increase on account of the pandemic, which reduced the relative energy efficiency at both sites.

The rational consumption of electricity is governed by efficiency directives; dialog and accountability with providers of capital; the [Environmental Management System manual](#); and continuous monitoring of global electricity consumption, with managerial performance targets based on the kilowatt/employee/day metric. Additionally, **the company is striving to enhance its energy matrix**: in 2020, compared to 2019, the share of renewable sources rose from 74.38%, to 84.20%, while that of thermal electric sources fell from 25.6%, to 15.8%. Thus, there was an increase in the use of photovoltaic solar power in the energy matrix, with **three plants at Vamos (Transrio) operating with 100% photovoltaic solar energy**, amounting to around

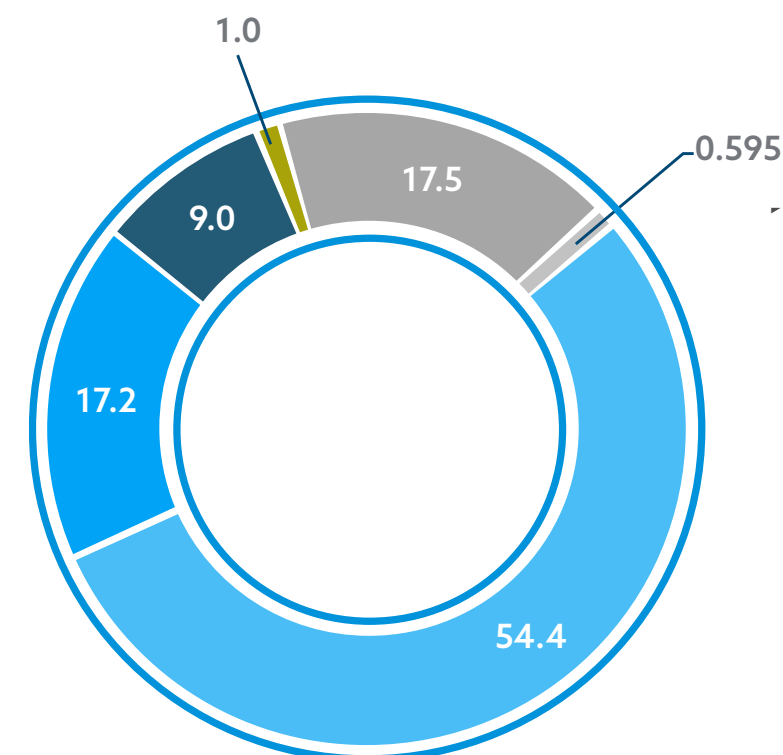
73,817 kWh/year and zero CO2 emissions (Scope 2).

**Movida signed a contract to install a 100% solar matrix by 2025** and the other subsidiaries have specific agendas aimed at gradually increasing the photovoltaic solar fraction in the units' energy matrix. Also, contributions from in-house projects amounted to 19% (2019) and 20.22% (2020). Contracting on the captive mater (hydro, wind and solar) rose from 55%, to 63.98%, with the inclusion of the units in Mogi das Cruzes (Av. Saraiva, 311) and Frei Damião, representing 391.92 MW annum, with a guarantee of 50% renewable energy. With the new contracts, the free market now

accounts for 17.5% of the energy supply, representing an advance over the 14% registered in 2019.

In 2020, **energy consumption was around 12% lower in comparison with 2019**, reflecting the pandemic and several ad hoc actions resulting in efficiency gains for the Group companies. Around 93% of the energy consumed comes from non-renewable sources, with diesel being the fuel most used. The breakdown, per company, is available in the [GRI Exhibits](#).

SIMPAR energy matrix (%)



#### December/2020

- Captive market - Hydro
- Captive market - Thermal
- Captive market - Wind
- Captive market - Solar
- ACL - Mix of renewables (Monthly average)
- Solar - Leased
- Solar - Self-generation





## Energy consumption within the organization (GJ)<sup>1</sup> [GRI 302-1](#) | [SASB TR-RO-110a.3](#) | [CDP C8.1](#)

Total energy consumed (GJ) <sup>1</sup>	2018	2019	2020
Non-renewable fuel sources	5,003,939.90	4,732,066.50	4,362,615.33
Renewable fuel sources	157,298.30	184,238.30	151,864.73
Energy consumed	163,358.89	196,428.69	183,843.74
Energy sold	0.00	0.00	0.00
<b>Total</b>	<b>5,324,597.09</b>	<b>5,112,733.49</b>	<b>4,698,323.79</b>
Consumption of non-renewable fuel sources (GJ), by fuel type <sup>1</sup>	2018	2019	2020
Gasoline	86,385.50	96,263.40	96,944.88
LPG	22.00	24.00	1,756.31
Diesel oil	4,916,035.50	4,634,387.00	4,263,496.89
Jet fuel	1,496.90	1,392.20	417.25
<b>Total</b>	<b>5,003,939.90</b>	<b>4,732,066.60</b>	<b>4,362,615.33</b>
Consumption of renewable fuel sources (GJ), by fuel type <sup>1</sup>	2018	2019	2020
Ethanol	157,298.30	184,238.30	149,169.05
Electricity	0.00	0.00	2,695.68
<b>Total</b>	<b>157,298.30</b>	<b>184,238.30</b>	<b>151,864.73</b>
Energy consumed (GJ), by type <sup>1</sup>	2018	2019	2020
Electricity	163,358.89	196,428.69	183,843.74
Heating	0.00	0.00	0.00
Refrigeration	0.00	0.00	0.00
Steam	0.00	0.00	0.00
<b>Total</b>	<b>163,358.89</b>	<b>196,428.69</b>	<b>183,843.74</b>

1. The data cover the operations of JSL, Movida, Vamos, CS Brasil, and Original Concessionárias. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites and home-office. The data were obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The sources of the conversion factors were <https://www.converter-unidades.info/conversor-de-unidades.php> and <http://www.anp.gov.br/arquivos/central-conteudos/anuario-estatistico/2019/anuario-2019-fatores-de-conversao.pdf>.





## Water consumption

**The rational use of water resources is a priority at SIMPAR,** which engages with its subsidiaries in managing the issue so that they adopt effective solutions, like systems for reuse. Seven branches and stores already use **closed cycle treatment systems** – after treatment, the water already used for washing and other processes return to the operation. Another good example is Movida, which is gradually installing dry washing at its operations. And the Intermodal unit has installed a system for capturing, treating and reusing rainwater at its new administrative facilities. In addition, several Vamos and Movida operations have looked into the feasibility of setting up **sustainable branches in which water efficiency is factored in right from when the projects are conceived.**

In 2020, the Group consumed 392,67095 megaliters of water – without catchment in water-stressed areas – an increase of 2.33% over the previous year, both on account of the cleanliness protocols imposed by the pandemic, and the growth of the company. For 2021, the target is a 5% reduction over consumption in 2020. The breakdown, by subsidiary, is available in the [GRI Exhibits](#). [GRI 303-5](#)

### Water consumption [GRI 303-5](#)

	2018	2019	2020
Total water consumption (Ml - megaliter) <sup>1</sup>	349.192	383.73	392.67

1. The data cover the operations of JSL, Movida, Vamos, CS Brasil, and Original Concessionárias. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites and home-office. The data are obtained from reports of each company's water bills paid, downloaded from the SAP. The amount spent per company is divided by the national average cost per m3 of treated water. The result obtained is divided by 2, thereby separating the costs of water treatment from the removal and treatment of sewage.



## Waste management

GRI 306-3 | 306-4 | 306-5

At the end of 2020, approval was on-going of a **specific waste management** project intended for installing a specific tool for mapping compliance with legislation, as well as the production of data that would enable better quality data and information. This will make it possible **to increase the revenue generated from commercializing the materials**. As a result of this project, the company aims to expand the Landfill Zero program already in place at the administrative headquarters and at the Intermodal.

Operating in accordance with the National Policy for Solid Waste and the requisites of NBR 12.235 standard that governs the storage of hazardous solid waste, SIMPAR through its subsidiary companies generated 6,075,59 metric tons of waste, the greater portion (40.6%) being automotive batteries, and 16.4% domestic/organic waste. Although this figure represents a **global reduction of 59.7% in waste generated in relation to 2019**, the actual results from waste management are not conclusive, because they require enhancements in data management and collation the data across all Group operations. Besides the management project, new requirements from the legislation will contribute, in this respect, by setting up Online MTR at all branches, a requirement of Ibama valid nationwide. The change will enable us to obtain more precise inventories about the volume of waste disposed of. The breakdown, per company, is available in the [GRI Exhibits](#).

### Waste generated, by composition<sup>1</sup> (t) GRI 306-3

	2019	2020 <sup>2</sup>
OLUC (Used Lubricating Oil)	467.44	411.97
Unserviceable used tires	1,610.60	1,028.16
Automotive batteries	5,156.48	2,809.33
Paper/cardboard/plastic	181.46	32.74
Metals	1,032.19	1,001.60
Class I Waste - Contaminated	396.72	505.58
Domestic/organic	2,745.54	1,135.87
<b>Total</b>	<b>11,590.43</b>	<b>6,925.25</b>

1. Data only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). Used lubricating oil (all companies, except BBC Leasing & Conta Digital) and tires, metals and batteries (JSL and CS Brasil).  
2. The data of JSL were obtained from the SAP. The data of the other companies were estimated based on the generation and the administrative headquarters in Mogi, on account of the employee headcount, since the KPI for waste management at that site is expressed as kg/employee/day. We do not yet have complete data for all the companies of the Group.

In 2020, approximately **83.6% of waste was not earmarked for final disposal**, having been reused, recycled or recovered in another manner. That is why there are several operations: lubricating oil is intended

In 2020,  
approximately **83.6%**  
**of waste** was not  
earmarked for final  
disposal.

for the re-refining process, returning to the market as synthetic lubricating oil; flat batteries are sent to the manufacturer for recovery, then reintroduced into the market after reconditioning; parts, empty packaging, cloths and PPE contaminated with oil, grease, solvents and other hazardous projects are earmarked for the blending and co-processing in cement factory kilns; used tires are first evaluated for the possibility of recovery (retreading), then reintroduced into the chain, while those that are unserviceable are sent for destruction and the recycling of their components (rubber and steel) with properly certified companies; while all metal waste generated is sent to companies that produce metal alloys. Common recyclable materials are sent to recycling companies and reintroduced into market as inputs for producing new paper, cardboard and plastic items.

In 2019, hazardous waste accounted for 68% of the total generated. In 2020, it accounted for 53.8%, a result partially explained by the restrictions imposed by pandemic, which reduced the number of vehicles under maintenance at the Group's dealerships (Original/Vamos). The same thing happened at **Movida, which registered a reduction in the volume of rentals and, consequently, in the number of changes of oil and other parts.**

Waste not destined for disposal (metric tons - t), by type<sup>1</sup> [GRI 306-4](#)

		2019	2020 <sup>2</sup>
Hazardous waste	Used Lubricating Oil (OLUC)	467.44	411.97
	Automotive batteries	5,156.48	2,809.33
	Waste contaminated with grease, oils, solvents, etc.	396.72	505.58
	<b>Total hazardous waste</b>	<b>6,020.64</b>	<b>3,726.88</b>
	Unserviceable used tires	1,610.60	1,028.16
Non-hazardous waste	Metals	1,032.19	1,001.60
	Paper/cardboard/plastics	181.46	32.74
		<b>2,824.25</b>	<b>2,062.50</b>
<b>Total</b>		<b>8,844.89</b>	<b>5,789.38</b>

1. Data only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). Used lubricating oil (all companies, except BBC Leasing & Conta Digital) and tires, metals and batteries (JSL and CS Brasil).  
2. The data of JSL were obtained from the SAP. The data of the other companies were estimated based on the generation and the administrative headquarters in Mogi, on account of the employee headcount, since the KPI for waste management at that site is expressed as kg/employee/day. We do not yet have complete data for all the companies of the Group.

Between 2019 and 2020, there was **a drop of 41.4% waste sent for disposal**, the result of the restrictions imposed by the context of the pandemic, since a significant portion of the employees started working from home office and/or were temporarily relieved of their duties. Furthermore, there was a reduction in the employee headcount. The data, by company, is available in the [GRI Exhibits](#).

Waste destined for disposal (t), by type<sup>1</sup> [GRI 306-5](#)

	2019	2020
Domestic/organic	2,745.54	1,135.87
<b>Total</b>	<b>2,745.54</b>	<b>1,135.87</b>

1. The data cover the operations of JSL, Movida, Vamos, CS Brasil, and Original Concessionárias. The generation and disposal of waste from BBC Leasing & Conta Digital is not yet monitored. In 2019, the data were only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). In 2020, used lubricating oil covers all companies, except BBC Leasing & Conta Digital. Tires, metals and batteries include JSL and CS Brasil. The disposal of all waste was burial in landfills.

From 2020 to 2019,  
the **volume of waste**  
destined for disposal  
**dropped by 41.4%**





9.

## FINANCIAL CAPITAL

Encompasses the resources invested by the shareholders, investor capital, revenues generated by the subsidiary companies, financial services (BBC Leasing & Conta Digital) and the allocation of value to investments linked to long-term contracts



# Financial capital

50%

Record Gross Revenues of  
**R\$ 10.9 billion**

Gross investment of  
**R\$ 5.8 billion**, of which  
**R\$ 3.4 billion in expansion** and **R\$ 2.4 billion in renovation**

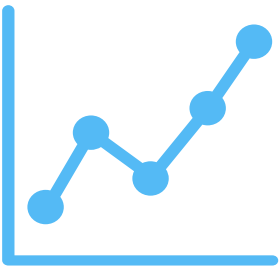
**Record Adjusted net income** of R\$ 522.1 million

**Record Adjusted EBITDA of** R\$ 2.3 billion



# Financial capital

GRI 103-1 | 103-2 | 103-3 - Financial equilibrium, capital allocation and business expansion



Focused on the **sustainable generation of value and predicting a dynamic**, constantly changing business **environment**, in 2020 SIMPAR continued to focus on the development of its subsidiaries operating in sectors with huge growth opportunities. The company has the expertise for defining investments and dividend policies for the entire portfolio, always in compliance with the applicable laws and regulations.

The year began with a positive scenario following a slight acceleration of the Brazilian economy in 2019, but in the first semester, the global economic scenario was marked by uncertainties following the evolution and dissemination of Covid-19. Even in this environment, **the company posted record Adjusted Ebitda of R\$ 2,319.6 million and record Adjusted Net Result of R\$ 522.1 million, growing, respectively by 9.6% and 66.8% over the previous year.**

## SIMPAR Results – Consolidated

(R\$ millions)	2019	2020	Y/Y
<b>Gross revenue</b>	<b>10,734.4</b>	<b>10,874.9</b>	<b>1.3%</b>
Deductions	(1,048.1)	(1,067.8)	1.9%
<b>Net revenue</b>	<b>9,686.2</b>	<b>9,807.1</b>	<b>1.2%</b>
Net revenue from services	7,082.9	6,945.5	-1.9%
Net revenue from asset sales	2,603.3	2,861.5	9.9%
<b>Costs</b>	<b>(7,626.8)</b>	<b>(7,787.0)</b>	<b>2.1%</b>
Costs of services	(5,102.6)	(5,168.9)	1.3%
Costs of asset sales	(2,524.2)	(2,618.1)	3.7%
<b>Gross Profit</b>	<b>2,059.4</b>	<b>2,020.1</b>	<b>-1.9%</b>
Gross Margin	21.3%	20.1%	-1.2 p.p.
<b>Expenses</b>	<b>(860.2)</b>	<b>(990.1)</b>	<b>15.1%</b>
<b>EBIT</b>	<b>1,199.2</b>	<b>1,030.0</b>	<b>-14.1%</b>
Margin (% NOR from services)	16.9%	14.8%	-.1 p.p.
Financial income	(768.0)	(374.8)	-51.2%
Taxes	(112.5)	(229.2)	103.7%
Loss from discontinued operations	(5.7)	(28.5)	-
<b>Net Income</b>	<b>313.0</b>	<b>397.5</b>	<b>27.0%</b>
Margin (% NOR)	3.2%	4.1%	+0.9 p.p.
<b>EBITDA</b>	<b>2,115.9</b>	<b>2,141.9</b>	<b>1.2%</b>
Margin (% NOR)	21.8%	21.8%	+0.0 p.p.

1 Encompasses the consolidation of Vamos, JSL, CS Brasil, Original Concessionárias, BBC and Movida, already taking into account the elimination of intercompany business.

### Net Revenue

Net Revenues amounted to **R\$ 9.8 billion, 1.2% over 2019**, proving the resilience of the business model against the challenging scenario imposed by the Covid-19 pandemic. SIMPAR remains well positioned, with the subsidiaries operating in sectors with high growth potential in Brazil, offering opportunities for expansion and diversification of the business with different customers and sectors of the economy.

### Gross Profit

In 2020, **the company's total costs amounted to R\$ 7.8 billion**, 2.1% up on the previous year. Total Gross Profit for the year stood at R\$ 2.0 billion, down by 1.9% in relation to 2019, with a gross margin of 20.1%, which means an increase of 1.2 p.p. year-on-year.

### Operating Expenses

**Operating Expenses amounted to R\$ 990.1 million**, an increase of 15.1% year-on-year. The increase is primarily due to the impacts of the pandemic on the operations of JSL in the automotive industry, and those of Movida in the RAC, which showed lower volumes and, consequently, less dilution of operating expenses.

### EBITDA

**Adjusted EBITDA amounted to R\$ 2.3 billion, an increase of 9.6% in relation to 2019**, while book EBITDA stood at R\$ 2.1 billion in 2020, growth of 1.2% in relation to 2019. The EBITDA Margin was 21.8%, the same as the previous year, showing stability even in the challenging scenarios imposed by the Covid-19 pandemic.

### Net Financial Income

**Net Financial Expenses amounted to R\$ 374.8 million, a reduction of 51.2%** in relation to R\$ 768.0 million recorded in 2019. The reduction is explained by the decline in interest rates (average CDI), as well as liabilities management, and the booking of revenue of R\$ 277.5 million from the early settlement of swaps of the bonds issued by JSL Europe (currently SIMPAR Europe) in the second quarter of 2020, due to the reorganization process and the allocation of obligations between JSL and SIMPAR. **The company liquidated six swap instruments in advance**, and the respective subject debt instruments of the hedge, which were liquidated on the same day and replaced by new instruments on the same conditions as before, therefore continuing hedged against exchange rate variances (principal and interest).

### Net Income

SIMPAR **recorded Adjusted Net Income of R\$ 522,1 million in 2020, 66.8% higher than in 2019. The Book Net Result was R\$ 397.5 million in 2020, 27.0% higher than in 2019**. The growth of the results was supported, above all, by the better performance of the companies who, following the organizational restructuring, began operating independently.

27% Increase  
in Net Income

### Indebtedness

Indebtedness (R\$ millions)	2019	2020	Y/Y
<b>Cash and Money Market Investments</b>	<b>5,774.5</b>	<b>8,477.9</b>	<b>46,8%</b>
Bank and Capital Market Debt – Short Term	2,007.7	2,008.4	0.0%
Drawee Risk	12.1	157.9	-
Bank and Capital Market Debt – Long Term	11,987.7	15,197.1	26.8%
Financial instruments and Derivatives	(670.6)	(415.0)	-38.1%
<b>Total Gross Bank and Capital Market Debt</b>	<b>13,336.8</b>	<b>16,948.5</b>	<b>27.1%</b>
<b>Total Net Bank and Capital Market Debt</b>	<b>7,562.3</b>	<b>8,470.0</b>	<b>12.0%</b>



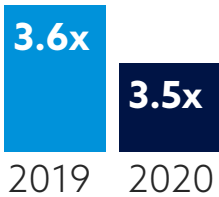
Net indebtedness amounted to R\$ 8.5 billion

in December 2020, an increase of 12.0% when compared to December 2019. As a result of the company's liabilities management process, we stretched the net debt profile from 4.1 to 4.3 years. The post-tax average cost of the Net Debt fell by 260 basis points year-on-year, from 5.7% p.a. in 4Q19, to 3.1% p.a. in 4Q20, reflecting the decline in the average SELIC rate when compared to the previous period, and to the company's liabilities management.

Taking into account SIMPAR's consolidated cash position at the end of 2020, **there are sufficient resources to cover the amortization of the short-term debt by 3.0x**, due to the scenario of caution and the liquidity actions established in the face of the pandemic, which shows that the subsidiaries are ready to finance a new cycle of growth.

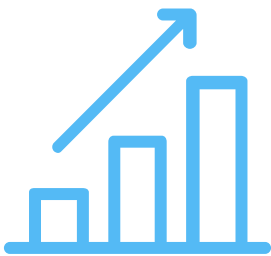
**Net debt-to-EBITDA ratio stood at 3.5x in 2020**, a decline against 3.6x ratio at the end of 2019, notwithstanding net investment of R\$ 2.9 billion during the year, which will translate into growth over the following quarters. In turn, the ratio of net debt to A-EBITDA was 1.77x in December 2020, against 1.6x in December 2019.

Indebtedness  
(net debt/EBITDA)



INVESTMENTS

**SIMPAR's gross investment was R\$ 5.8 billion**, of which R\$ 3.4 billion in expansion and R\$ 2.4 billion in renovation. Thus, net investment, following the sale of assets, amounted to R\$ 2.9 billion, namely: Movida (R\$ 1.2 billion), CS Brasil (R\$ 424 million), Vamos (R\$ 967 million) and JSL (R\$ 154 million).



Reconciliation of the EBITDA (R\$ millions)	2019	2020	A/A
Book Net Income	313.0	397.5	24.8%
Loss from discontinued operations	5.7	28.5	-
Financial Income	768.0	374.8	-51.2%
Income and social contribution taxes	112.5	229.2	103.7%
Depreciation and amortization	813.8	982.4	20.7%
Amortization (IFRS 16)	102.9	129.5	25.9%
Book EBITDA	2,115.9	2,141.9	1.2%
Movida – Impairment of assets	-	145.2	-
Movida – Impairment of accounts receivable	-	32.4	-
Adjusted EBITDA	2,115.9	2,319.6	9.6%
(+) Cost of asset sales	2,524.2	2,618.1	3.7%
Adjusted A-EBITDA*	4,640.1	4,937.7	6.4%

\*EBITDA-A se refere ao EBITDA Adicionado.

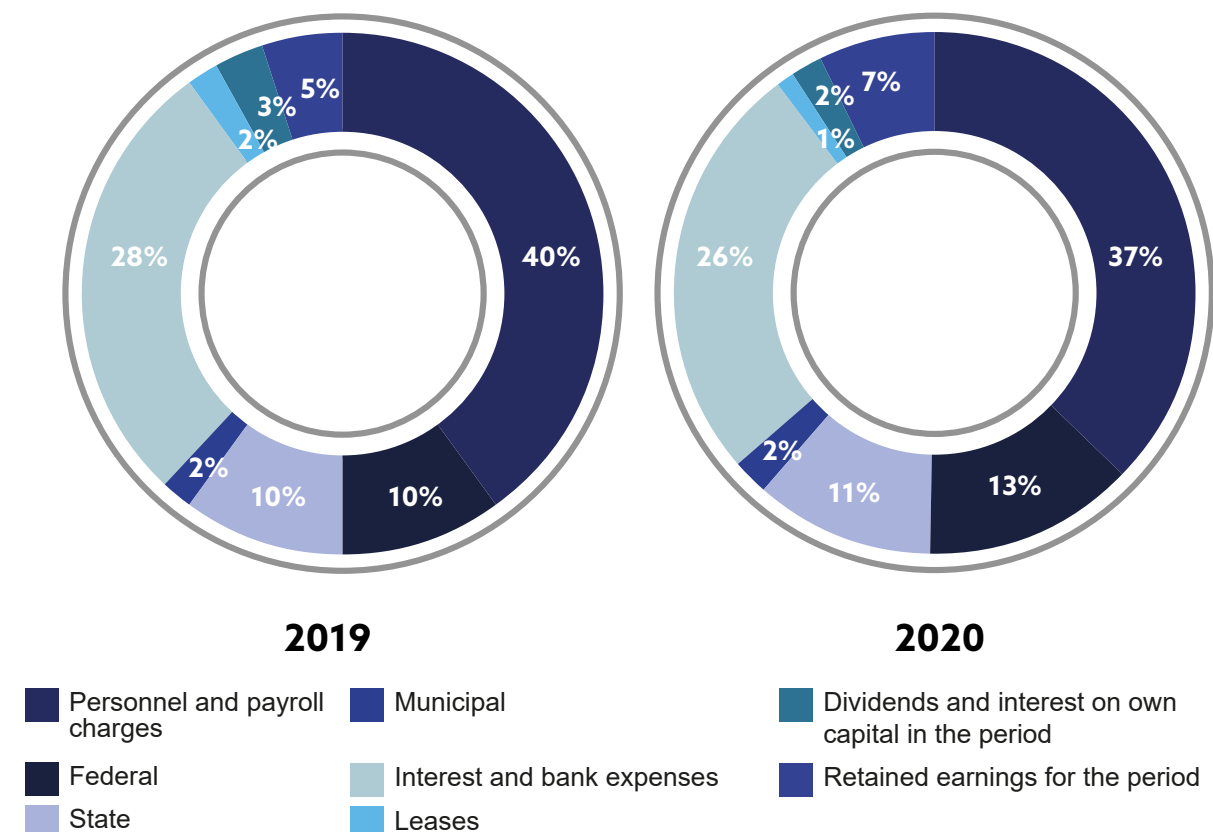
Reconciliation of Net Income (R\$ millions)	2019	2020	A/A
Book Net Income	313.0	397.5	27.0%
Movida – Impairment of assets	-	145.2	-
Movida – Impairment of accounts receivable	-	32.4	-
WHT/CS on adjustments	-	(53.1)	-
Adjusted net earnings	313.0	522.1	66.8%

## Statement of Value Added (in thousands of Reais) GRI 201-1

	31/12/2019	31/12/2020
Sale, rentals, services rendered, and sale of assets written down	10,734,355	10,874,860
Impairment of accounts receivable	(32,527)	(78,667)
Other operating revenues	108,944	98,396
	<b>10,810,772</b>	<b>10,894,589</b>
<b>Inputs acquired from third parties</b>		
Costs of sales and services rendered	(3,249,185)	(6,094,036)
Materials, energy, third-party services and other expenses	(2,968,632)	(198,726)
Impairment of non-financial assets	-	(145,249)
	<b>(6,217,817)</b>	<b>(6,438,011)</b>
<b>Gross value added</b>	<b>4,592,955</b>	<b>4,456,578</b>
<b>Retentions</b>		
Depreciation and amortization	(916,744)	(1,111,953)
<b>Net value added produced by the Group</b>	<b>3,676,211</b>	<b>3,344,625</b>
<b>Value added received via transfers</b>		
Result from the equity method from on-going operations	(1,201)	(515)
Result from the equity method from discontinued operations	(5,662)	(28,539)
Financial income	365,336	679,426
	<b>358,473</b>	<b>650,372</b>
<b>Total value added to be distributed</b>	<b>4,034,684</b>	<b>3,994,997</b>

Distribution of value added	31/12/2019	31/12/2020
Personnel and payroll charges	1,603,040	1,477,812
Federal	415,602	514,102
State	404,199	421,555
Municipal	93,303	82,144
Interest and bank expenses	1,133,375	1,054,202
Leases	72,202	47,682
Dividends and interest on own capital in the period	101,680	97,938
Retained earnings for the period	211,283	299,562
	<b>4,034,684</b>	<b>3,994,997</b>

## Distribution of value added (%) GRI 201-1





The background features a collage of business-related graphics. On the left, there are several donut charts with labels like 'G-1', 'G-2', 'G-3', and 'G-4' and percentages such as 11%, 15%, 27%, and 21%. In the center and right, there are multiple line graphs and bar charts with blue data series plotted on grid backgrounds. A black pen is visible on the right side, resting on one of the charts. The overall theme is professional and data-driven.

# 10. GRI AND SASB EXHIBITS



# GRI EXHIBITS

Number of employees by type of contract of employment and gender in 2020<sup>1</sup> [GRI 102-8](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Determinate period	65	45	62	54	2	3	16	12	0	0	0	0	0	0
Indeterminate period	11,928	1,575	1,925	1,287	750	193	2,996	239	301	187	32	17	17	3
Total	11,993	1,620	1,987	1,341	752	196	3,012	251	301	187	32	17	17	3

1. Numbers taken from the SAP.

Number of outsourced employees by gender in 2020, by company<sup>1</sup> [GRI 102-8](#)

JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
388	129	161	95	25	10	4	4	13	13	1	1	0	0

1. Numbers taken from the SAP.



Number of employees by type of contract of employment and region in 2020, by company<sup>1</sup> [GRI 102-8](#)

	JSL		Movida		Vamos		CS Brasil		Original		BBC Leasing & Conta Digital		SIMPAR	
	Determinate period	Indeterminate period	Determinate period	Indeterminate period	Determinate period	Indeterminate period	Determinate period	Indeterminate period	Determinate period	Indeterminate period	Determinate period	Indeterminate period	Determinate period	Indeterminate period
Northern Region	36	1,333	4	145	1	46	1	9	0	0	0	0	0	0
Northeastern Region	19	2,101	18	357	0	36	0	414	0	0	0	0	0	0
Midwest Region	16	1,539	11	222	1	146	1	99	0	0	0	0	0	0
Southeastern Region	33	7,458	76	2,191	3	573	26	2,666	0	488	0	49	0	20
Southern Region	6	1,072	7	297	0	142	0	47	0	0	0	0	0	0
Total	110	13,503	116	3,212	5	943	28	3,235	0	488	0	49	0	20

1. Numbers taken from the SAP.

### Total members of the governance body who received training on anticorruption policies and procedures, by region<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
North <sup>2</sup>	83	74	0
Northeast	203	182	1
Midwest	213	169	1
Southeast	1,454	1,328	69
South	167	146	1
<b>Total</b>	<b>2,120</b>	<b>1,899</b>	<b>72</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. In 2018 and 2019, all management positions were included in the indicator: the executive board, managers, general managers and coordinators. In 2020, only board, committee, executive board and general manager levels were taken into account.

2. There were no members of governance bodies in the Northern region in 2020.

### Percentage of members of the governance body who received training on anticorruption policies and procedures, by region<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
North <sup>2</sup>	99%	96%	n/a
Northeast	97%	98%	100%
Midwest	99%	98%	100%
Southeast	96%	96%	81%
South	97%	94%	100%
<b>Total</b>	<b>97%</b>	<b>96%</b>	<b>82%</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. In 2018 and 2019, all management positions were included in the indicator: the executive board, managers, general managers and coordinators. In 2020, only board, committee, executive board and general manager levels were taken into account.

2. There were no members of governance bodies in the Northern region in 2020.

### Total number of employees who received training on anticorruption policies and procedures, by region<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
North	1,415	1,419	1,517
Northeast	2,084	2,159	2,315
Midwest	2,131	2,071	1,947
Southeast	13,312	12,458	11,950
South	1,440	1,490	1,413
<b>Total</b>	<b>20,382</b>	<b>19,597</b>	<b>19,142</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The data for 2019 and 2018 took into account the history of the closure of the compliance indicator presented to the pertinent committees. In 2020, the data were aligned with the HR base in response to GRI disclosure 102-8.

### Percentage of employees who received training on anticorruption policies and procedures, by region<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
North	97%	98%	98%
Northeast	90%	90%	78%
Midwest	96%	94%	96%
Southeast	89%	90%	88%
South	83%	82%	90%
<b>Total</b>	<b>90%</b>	<b>90%</b>	<b>88%</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The data for 2019 and 2018 took into account the history of the closure of the compliance indicator presented to the pertinent committees. In 2020, the data were aligned with the HR base in response to GRI disclosure 102-8.



Total number of employees who received training on anticorruption policies and procedures, functional category<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
Administration	3,782	4,770	5,770
Apprentices	506	368	250
Commercial	619	786	605
Interns	30	21	3
Executives	1,960	579	1,347
Maintenance	146	1,561	134
Drivers	6,283	5,521	5,361
Operations	7,056	5,991	5,672
<b>Total</b>	<b>20,382</b>	<b>19,597</b>	<b>19,142</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The data for 2019 and 2018 took into account the history of the closure of the compliance indicator presented to the pertinent committees. In 2020, the data were aligned with the HR base in response to GRI disclosure 102-8.

Percentage of employees who received training on anticorruption policies and procedures, by functional category<sup>1</sup> [GRI 205-2](#)

	2018	2019	2020
Administration	84%	83%	89%
Apprentices	82%	86%	82%
Commercial	76%	82%	90%
Interns	86%	88%	43%
Executives	97%	93%	96%
Maintenance	96%	96%	96%
Drivers	93%	94%	84%
Operations	89%	92%	89%
<b>Total</b>	<b>90%</b>	<b>90%</b>	<b>88%</b>

1. The data cover SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. The data for 2019 and 2018 took into account the history of the closure of the compliance indicator presented to the pertinent committees. In 2020, the data were aligned with the HR base in response to GRI disclosure 102-8.

Members of the governance body who received training on anticorruption policies and procedures, by company<sup>1</sup> [GRI 205-2](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMP	PAR	Total
Total number	19	24	14	4	3	4	4	4	72
Percentage	86%	96%	82%	100%	100%	80%	33%	33%	82%

1. The data cover SIMP, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. Only board members, committee members, executive board members and general managers levels were considered governance body members.

Employees who received training on anticorruption policies and procedures, by company<sup>1</sup> [GRI 205-2](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMP	PAR	Total
Total number	12,183	2,964	811	2,677	455	42	10	10	20,382
Percentage	89%	89%	86%	82%	93%	86%	50%	50%	90%

1. The data cover SIMP, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital.



# Energy consumption within the organization (GJ)<sup>1</sup>

GRI 302-1 | SASB IF-WM-110b,1 | TR-RO-110a,3

Total energy consumed (GJ), per company, in 2020	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
Non-renewable fuel sources	3,827,689.40	27,535.46	24,543.42	479,485.94	3,361.10	4,362,615.33
Renewable fuel sources	3,837.51	139,251.11	1,615.60	4,580.12	2,580.39	151,864.73
Energy consumed	130,902.63	32,573.15	8,057.79	7,202.46	5,107.71	183,843.74
Energy sold	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3,962,429.55</b>	<b>199,359.72</b>	<b>34,216.81</b>	<b>488,572.84</b>	<b>11,049.20</b>	<b>4,698,323.79</b>
Consumption of non-renewable fuel sources (GJ), by fuel type and company in 2020	JSL	Movida	Vamos	CS Brasil	Original	Total
Gasoline	60,733.27	11,561.23	21,512.12	1,477.03	1,661.23	96,944.88
LPG	1,756.31	0.00	0.00	0.00	0.00	1,756.31
Diesel oil	3,764,782.58	15,974.23	3,031.30	478,008.91	1,699.87	4,263,496.89
Jet fuel	417.25	0.00	0.00	0.00	0.00	417.25
<b>Total</b>	<b>3,827,689.40</b>	<b>27,535.46</b>	<b>24,543.42</b>	<b>479,485.94</b>	<b>3,361.10</b>	<b>4,362,615.33</b>
Consumption of renewable fuel sources (GJ), by fuel type and company in 2020	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
Ethanol	3,837.51	139,251.11	1,615.60	1,884.44	2,580.39	149,169.05
Electricity	0.00	0.00	0.00	2,695.68	0.00	2,695.68
<b>Total</b>	<b>3,837.51</b>	<b>139,251.11</b>	<b>1,615.60</b>	<b>1,884.44</b>	<b>2,580.39</b>	<b>151,864.73</b>
Energy consumed (GJ), by type and company in 2020	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
Electricity	130,902.63	32,573.15	8,057.79	7,202.46	5,107.71	183,843.74
Heating	0.00	0.00	0.00	0.00	0.00	0.00
Refrigeration	0.00	0.00	0.00	0.00	0.00	0.00
Steam	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>130,902.63</b>	<b>32,573.15</b>	<b>8,057.79</b>	<b>7,202.46</b>	<b>5,107.71</b>	<b>183,843.74</b>

1, The data were obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations, Energy consumption of BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites and home-office, We will plan a way to account for this for the next reporting cycle, The sources of the conversion factors were <https://www.converter-unidades.info/conversor-de-unidades.php> and <http://www.anp.gov.br/arquivos/central-conteudos/anuario-estatistico/2019/anuario-2019-fatores-de-conversao.pdf>,

Water consumption [GRI 303-5](#)

Total water consumption (MI - megaliters), by company, in 2020 <sup>1</sup>	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
	133,29	150,93	18,02	69,806	20,62	392,67

Direct greenhouse gas emissions (tCO<sub>2</sub> equivalent), by type – Scope 1<sup>1</sup> [GRI 305-1](#)

	2018 <sup>2</sup>	2019	2020
Generation of electricity, heat or steam resulting from burning fuel in stationary (fixed) sources such as boilers, ovens and turbines and from other combustion processes, like burning	0	1,282.78	246.51
Physical and chemical processing resulting from the manufacture of processing of chemical products and materials, like cement, steel, aluminum, ammonium and waste processing	0.00	0.00	0.00
Transportation of materials, products, waste, employees and passengers resulting from burning fuel in mobile combustion sources belonging to or controlled by the company, like trucks, trains, ships, aircraft, buses, cars	343,673.64	325,415.83	251,547.84
Fugitive emissions resulting deliberate or unintentional releases, such as leakages in welds, seals, packaging and equipment gaskets; methane emissions from coal mines and ventilation systems; hydrofluorocarbon (HFC) emissions from using refrigerators and air-conditioners; and methane leakages from transporting gas	0.00	1,440.55	1,476.20
<b>Total gross CO<sub>2</sub> emissions</b>	<b>343,673.64</b>	<b>328,139.17</b>	<b>253,270.55</b>

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

2. The 2018 inventory identified no direct emissions from fugitive, effluent treatment and stationary sources



Direct greenhouse gas emissions (tCO2 equivalent), by company in 2020 – Scope 1<sup>1</sup> [GRI 305-1](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
Generation of electricity, heat or steam resulting from burning fuel in stationary (fixed) sources such as boilers, ovens and turbines and from other combustion processes, like burning	157.03	87.73	0.47	1.28	0.00	246.51
Physical and chemical processing resulting from the manufacture of processing of chemical products and materials, like cement, steel, aluminum, ammonium and waste processing	0.00	0.00	0.00	0.00	0.00	0.00
Transportation of materials, products, waste, employees and passengers resulting from burning fuel in mobile combustion sources belonging to or controlled by the company, like trucks, trains, ships, aircraft, buses, cars	220,917.07	1,589.30	1,195.10	27,664.44	181.93	251,547.84
Fugitive emissions resulting deliberate or unintentional releases, such as leakages in welds, seals, packaging and equipment gaskets; methane emissions from coal mines and ventilation systems; hydrofluorocarbon – HFC - emissions from using refrigerators and air-conditioners; and methane leakages from transporting gas	1,461.60	0.18	0.00	14.42	0.00	1,476.20
<b>Total gross CO<sub>2</sub> emissions</b>	<b>222,535.70</b>	<b>1,677.21</b>	<b>1,195.57</b>	<b>27,680.14</b>	<b>181.93</b>	<b>253,270.55</b>

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

Biogenic CO<sub>2</sub> emissions (tCO<sub>2</sub> equivalent), by company in 2020 – Scope 1<sup>1</sup> [GRI 305-1](#)

JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
23,744.59	230.10	264.72	3,072.06	29.42	27,340.89

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

Indirect emissions arising from the acquisition de energy (tCO2 equivalent), by company in 2020 – Scope 2<sup>1</sup> [GRI 305-2](#)

JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
2,721.81	685.66	161.10	158.73	104.79	3,832.09

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

Other greenhouse gas emissions (tCO2 equivalent), by type – Scope 3<sup>1</sup> [GRI 305-3](#)

	2018	2019 <sup>2</sup>	2020
<i>Upstream</i>			
Subtotal	0.00	0.00	0.00
<i>Downstream</i>			
Downstream transportation and distribution	155,467.14	148,464.88	146,004.98
Processing of products sold	0.00	0.00	0.00
Use of products sold	179,099.91	201,811.88	199,017.28
Treatment of products sold at the end of their useful life	0.00	0.00	0.00
Leased assets (downstream)	88,793.00	620,659.43	629,741.34
Franchises	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Subtotal	423,360.05	970,936.19	974,763.60
<b>Total</b>	<b>423,360.05</b>	<b>970,936.19</b>	<b>974,763.60</b>

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

2. Commencing 2019, SIMPAR included in Scope 3 the emissions of the Vamos Group and CS Brasil.



Biogenic CO2 emissions (t CO2 equivalent), by company in 2020 – Scope 3<sup>1</sup> [GRI 305-3](#)

JSL	Movida	Vamos	CS Brasil	Total
15,528.32	48,574.61	59,246.00	12,857.56	136,206.49

1. All the following data refer to the operations of JSL, Movida, Vamos and CS Brasil. BBC Leasing & Conta Digital is not monitored because its operations are located on shared sites home-office and because it does not generate significant emissions. Original is monitored for scopes 1 and 2, but has no significant scope 3 emissions. The data are obtained from the SAP data base (Procurement Department) and monthly reports submitted by the operations. The emission factors used are based on the Brazilian GHG Protocol Program. The chosen base year is 2019, on account of consistency since it was when the inventories began to be audited. The consolidation approach chosen for reporting the emissions is from operations control. Scope 1 emissions data includes the gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub> while scopes 2 and 3 encompass CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

Intensity of greenhouse gas emissions (tCO2/Annual Net Revenue), by company<sup>1</sup> [GRI 305-4](#)

JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
131.34	49.29	372.08	113.39	0.46	125.61

1. The emissions of scopes 1, 2 and 3 were factored into the result.

Significant air emissions (ton/km), by type of pollutant and company, in 2020<sup>1</sup>  
[GRI 305-7](#) | [SASB IF-WM-120a.1](#) | [TR-RO-120a](#).

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
NOx	933.33	18.09	1,492.69	157.46	0.27	2,601.85
Particle material (PM):	8.63	1.30	12.46	1.57	0.00	23.97
Carbon monoxide (CO)	168.14	474.21	210.33	114.12	0.61	967.41
<b>Total</b>	<b>1,110.11</b>	<b>493.60</b>	<b>1,715.48</b>	<b>273.15</b>	<b>0.89</b>	<b>3,593.23</b>

1. The data abide by the prevailing legislation, and the conversions were made based on the distances covered by the fleets (GHG inventory) and on the emission factors published annually by Cetesb. The emissions of BBC Leasing & Conta Digital have not been factored in because its operations are located on shared sites or in home-office and because it does not generate significant emissions. SIMPAR does not monitor SOx emissions, persistent organic pollutants (POP), volatile organic compounds (VOC) and hazardous atmospheric pollutants (HAP), because Cetesb does not require this.

Waste generated, by composition and company in 2020 (t)<sup>1</sup> [GRI 306-3](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
OLUC (Used Lubricating Oil)	136.98	1.08	46.56	55.27	172.08	411.97
Unserviceable used tires	814.16	0.00	0.00	214.00	0.00	1,028.16
Automotive batteries	2,052.08	0.00	0.00	757.25	0.00	2,809.33
Paper/cardboard/plastics	32.74	0.00	0.00	0.00	0.00	32.74
Metals	706.82	0.00	0.00	294.78	0.00	1,001.60
Class I Waste - Contaminated	505.58	0.00	0.00	0.00	0.00	505.58
Domestic/organic	1,135.87	0.00	0.00	0.00	0.00	1,135.87
<b>Total</b>	<b>5,384.23</b>	<b>1.08</b>	<b>46.56</b>	<b>1,321.3</b>	<b>172.08</b>	<b>6,925.25</b>

1. The data encompass Movida, Vamos, JSL, CS Brasil and Original. The generation and disposal of waste from BBC Leasing & Conta Digital is not yet monitored. In 2019, the data were only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). In 2020, used lubricating oil covers all companies, except BBC Leasing & Conta Digital. Tires, metals and batteries include JSL and CS Brasil.

### Waste not destined for disposal (t), by type and company in 2020<sup>1</sup> [GRI 306-4](#)

	JSL	Movida	Vamos	CS Brasil	Original	Total
<b>Hazardous waste</b>						
OLUC (Used Lubricating Oil)	2,694.64	1.08	46.56	812.52	172.08	3,726.88
Automotive batteries	0.00	0.00	0.00	0.00	0.00	0.00
Waste contaminated with grease, oils, solvents, etc.	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hazardous waste</b>	<b>2,694.64</b>	<b>1.08</b>	<b>46.56</b>	<b>812.52</b>	<b>172.08</b>	<b>3,726.88</b>
<b>Non-hazardous waste</b>						
Unserviceable used tires	0.00	0.00	0.00	0.00	0.00	0.00
Metals	1,553.72	0.00	0.00	508.78	0.00	2,062.50
Paper/cardboard/plastics	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total non-hazardous waste</b>	<b>1,553.72</b>	<b>0.00</b>	<b>0.00</b>	<b>508.78</b>	<b>0.00</b>	<b>2,062.50</b>
<b>Total (hazardous and non-hazardous)</b>	<b>4,248.36</b>	<b>1.08</b>	<b>46.56</b>	<b>1,321.30</b>	<b>172.08</b>	<b>5,789.38</b>

1. The data encompass Movida, Vamos, JSL, CS Brasil and Original. The generation and disposal of waste from BBC Leasing & Conta Digital is not yet monitored. In 2019, the data were only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). In 2020, used lubricating oil covers all companies, except BBC Leasing & Conta Digital. Tires, metals and batteries include JSL and CS Brasil. All waste recovery operations occurred within the organization.

### Waste not destined for disposal (t), by recovery operation and company in 2020<sup>1</sup> [GRI 306-4](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
<b>Hazardous waste</b>						
Preparation for reuse	136.98	1.08	46.56	55.27	172.08	411.97
Recycling	2,052.08	0.00	0.00	757.25	0.00	2,809.33
Other recovery operations	505.58	0.00	0.00	0.00	0.00	505.58
<b>Total hazardous waste</b>	<b>2,694.64</b>	<b>1.08</b>	<b>46.56</b>	<b>812.52</b>	<b>172.08</b>	<b>3,726.88</b>
<b>Non-hazardous waste</b>						
Preparation for reuse	814.16	0.00	0.00	214.00	0.00	1,028.16
Recycling	706.82	0.00	0.00	294.78	0.00	1,001.60
Other recovery operations	32.74	0.00	0.00	0.00	0.00	32.74
<b>Total non-hazardous waste</b>	<b>1,553.72</b>	<b>0.00</b>	<b>0.00</b>	<b>508.78</b>	<b>0.00</b>	<b>2,062.50</b>
<b>Total (hazardous and non-hazardous)</b>	<b>4,248.36</b>	<b>1.08</b>	<b>46.56</b>	<b>1,321.3</b>	<b>172.08</b>	<b>5,789.38</b>

1. The data encompass Movida, Vamos, JSL, CS Brasil and Original. The generation and disposal of waste from BBC Leasing & Conta Digital is not yet monitored. In 2019, the data were only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). In 2020, used lubricating oil covers all companies, except BBC Leasing & Conta Digital. Tires, metals and batteries include JSL and CS Brasil.



## Waste destined for disposal (t), by type and company in 2020<sup>1</sup> [GRI 306-5](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	Total
Domestic/organic	1,135.87	0.00	0.00	0.00	0.00	1,135.87
<b>Total</b>	<b>1,135.87</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,135.87</b>

1. The data encompass Movida, Vamos, JSL, CS Brasil and Original. The generation and disposal of waste from BBC Leasing & Conta Digital is not yet monitored. In 2019, the data were only available for JSL (paper/cardboard/plastic, wood, contaminated and domestic/organic waste). In 2020, used lubricating oil covers all companies, except BBC Leasing & Conta Digital. Tires, metals and batteries include JSL and CS Brasil. The disposal of all waste was burial in landfills.

## Total number and rate of new hires, by gender<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
Men	7,705	0.39	6,934	0.38	7,896	0.42
Women	1,717	0.42	1,607	0.40	1,413	0.37
<b>Total</b>	<b>9,422</b>	<b>0.40</b>	<b>8,541</b>	<b>0.39</b>	<b>9,309</b>	<b>0.43</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)

## Total number and rate of new hires, by region<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
Midwest	1,453	0.64	1,316	0.60	1,300	0.64
Northeast	798	0.37	845	0.39	1,651	0.56
North	434	0.25	543	0.32	598	0.38
Southeast	5,882	0.38	5,134	0.37	5,257	0.39
South	854	0.47	703	0.39	503	0.32
<b>Total</b>	<b>9,422</b>	<b>0.40</b>	<b>8,541</b>	<b>0.39</b>	<b>9,309</b>	<b>0.43</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)

## Total number and rate of new hires, by age group<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
25 years or less	2,562	0.65	2,407	0.67	2,068	0.65
Between 26 and 34 years	2,902	0.40	2,661	0.43	2,605	0.42
Between 35 and 44 years	2,528	0.34	2,307	0.32	2,921	0.40
Between 45 and 54 years.	1,080	0.30	930	0.25	1,372	0.36
55 years or older	350	0.26	236	0.19	343	0.27
<b>Total</b>	<b>9,422</b>	<b>0.40</b>	<b>8,541</b>	<b>0.39</b>	<b>9,309</b>	<b>0.43</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)

### Total number and turnover rate, by gender<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
Men	6,879	0.35	8,091	0.44	7,792	0.42
Women	1,371	0.34	1,666	0.42	1,638	0.42
<b>Total</b>	<b>8,250</b>	<b>0.35</b>	<b>9,757</b>	<b>0.45</b>	<b>9,430</b>	<b>0.41</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)

### Total number and turnover rate, by region<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
Midwest	1,813	0.79	1,529	0.69	1,487	0.73
Northeast	498	0.23	904	0.41	946	0.32
North	407	0.24	512	0.30	661	0.42
Southeast	4,742	0.31	6,091	0.44	5,614	0.41
South	790	0.44	721	0.40	722	0.46
<b>Total</b>	<b>8,250</b>	<b>0.35</b>	<b>9,757</b>	<b>0.45</b>	<b>9,430</b>	<b>0.41</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)

### Total number and turnover rate, by age group<sup>1</sup> [GRI 401-1](#)

	2018		2019		2020	
	Total number	Rate	Total number	Rate	Total number	Rate
25 years or less	1,806	0.46	2,046	0.57	1,885	0.55
Between 26 and 34 years	2,718	0.38	2,896	0.43	2,910	0.44
Between 35 and 44 years	2,435	0.33	2,930	0.43	2,871	0.38
Between 45 and 54 years.	939	0.26	1,334	0.39	1,231	0.31
55 years or older	352	0.26	551	0.45	533	0.40
<b>Total</b>	<b>8,250</b>	<b>0.35</b>	<b>9,757</b>	<b>0.45</b>	<b>9,430</b>	<b>0.41</b>

1. The data cover the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The method of calculating the historical series was revised in relation to the previous report. [GRI 102-48](#)



### Total number and rate of new hires, by gender and company [GRI 401-1](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate
Men	5,376	0.43	836	0.39	278	0.36	1,274	0.42	115	0.37	15	0.45	2	0.12
Women	661	0.38	528	0.37	78	0.38	90	0.35	50	0.25	6	0.33	0	0.00
<b>Total</b>	<b>6,037</b>	<b>0.44</b>	<b>1,364</b>	<b>0.41</b>	<b>356</b>	<b>0.38</b>	<b>1,364</b>	<b>0.42</b>	<b>165</b>	<b>0.34</b>	<b>21</b>	<b>0.43</b>	<b>2</b>	<b>0.10</b>

### Total number and rate of new hires, by age group and company [GRI 401-1](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate
25 years or less	1,285	0.66	524	0.64	107	0.71	111	0.51	38	0.62	3	3.00	0	0.00
Between 26 and 34 years	1,786	0.47	452	0.35	101	0.37	207	0.34	55	0.36	3	0.27	1	0.33
Between 35 and 44 years	1,983	0.42	285	0.33	98	0.32	493	0.42	51	0.30	11	0.58	0	0.00
Between 45 and 54 years.	812	0.35	84	0.29	34	0.21	419	0.46	18	0.23	4	0.29	1	0.25
55 years or older	171	0.23	19	0.31	16	0.29	134	0.36	3	0.13	0	0.00	0	0.00
<b>Total</b>	<b>6,037</b>	<b>0.44</b>	<b>1,364</b>	<b>0.41</b>	<b>356</b>	<b>0.38</b>	<b>1,364</b>	<b>0.42</b>	<b>165</b>	<b>0.34</b>	<b>21</b>	<b>0.43</b>	<b>2</b>	<b>0.10</b>

Total number and turnover rate, by gender and company [GRI 401-1](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate
Men	5,433	0.44	1,094	0.51	287	0.37	748	0.25	223	0.71	7	0.21	0	0.00
Women	697	0.40	634	0.44	90	0.44	88	0.35	125	0.63	3	0.17	1	0.33
Total	6,130	0.45	1,728	0.52	377	0.40	836	0.26	348	0.71	10	0.20	1	0.05

Total number and turnover rate, by region and company [GRI 401-1](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate
Midwest	1,223	0.79	145	0.62	75	0.51	44	0.44	0	0.00	0	0.00	0	0.00
Northeast	649	0.31	208	0.55	9	0.25	80	0.20	0	0.00	0	0.00	0	0.00
North	347	0.25	68	0.46	29	0.62	217	14.47	0	0.00	0	0.00	0	0.00
Southeast	3,450	0.46	1,121	0.49	205	0.36	479	0.18	348	0.71	10	0.20	1	0.05
South	461	0.43	186	0.61	59	0.42	16	0.34	0	0.00	0	0.00	0	0.00
Total	6,130	0.45	1,728	0.52	377	0.40	836	0.26	348	0.71	10	0.20	1	0.05



Total number and rate of turnover by age group and company [GRI 401-1](#)

	JSL		Movida		Vamos		CS Brasil		Original Concessionárias		BBC Leasing & Conta Digital		SIMPAR	
	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate	Total number	Rate
25 years or less	1,129	0.58	475	0.58	87	0.58	129	0.59	64	1.05	1	1.00	0	0.00
Between 26 and 34 years	1,842	0.48	655	0.50	128	0.46	177	0.29	106	0.69	1	0.09	1	0.33
Between 35 and 44 years	1,969	0.42	444	0.52	85	0.28	264	0.23	107	0.63	2	0.11	0	0.00
Between 45 and 54 years.	841	0.36	132	0.46	41	0.26	153	0.17	59	0.74	5	0.36	0	0.00
55 years or older	349	0.47	22	0.35	36	0.64	113	0.30	12	0.50	1	0.25	0	0.00
Total	6,130	0.45	1,728	0.52	377	0.40	836	0.26	348	0.71	10	0.20	1	0.05

### Parenthood leave in 2020 by company [GRI 401-3](#)

Parenthood leave in 2020 by company		JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMP
Total employees <b>entitles</b> to parenthood leave	Men	383	73	82	82	11	0	0
	Women	61	72	8	8	13	0	0
Total employees who <b>took</b> parenthood leave	Men	383	73	82	82	11	0	0
	Women	61	72	8	8	13	0	0
Total employees who <b>returned</b> to work, in the reporting period, when their parenthood leave ended	Men	366	68	80	80	10	0	0
	Women	49	67	4	4	12	0	0
Total employees who returned to work after their parenthood leave and who were still employed 12 months after returning to work	Men	308	63	68	68	8	0	0
	Women	41	63	2	2	11	0	n/a
Rate of return	Men	96%	93%	98%	98%	91%	n/a	n/a
	Women	80%	93%	50%	50%	92%	n/a	0

### Rates and numbers of employee health and safety, by company in 2020 [GRI 403-9 | TR-RO-320a.1](#) (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMP
Number of deaths arising from work-related injuries	0	0	0	0	0	0	0
Death rate arising from work-related injuries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Number of highly consequential work-related injuries (excluding deaths)	31	1	5	12	0	0	49
Rate of highly consequential work-related injuries (excluding deaths)	1.11	0.17	2.78	2.31	0.00	0.00	1.18
Number of reportable work-related injuries	31	2	1	0	0	0	34
Rate of reportable work-related injuries	1.11	0.34	0.56	0.00	0.00	0	0.82

### Average training hours per employee, by gender in 2020<sup>1</sup> [GRI 404-1](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMPAR
Men	3.20	10.73	12.01	1.32	0.45	1.30	0.00
Women	2.77	7.62	2.11	2.18	0.28	0.53	0.00
<b>Total</b>	<b>3.15</b>	<b>9.47</b>	<b>9.96</b>	<b>1.38</b>	<b>0.39</b>	<b>1.03</b>	<b>0.00</b>

1. The data includes the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC and Original.

### Average training hours per employee, by gender and company in 2020<sup>1</sup> [GRI 404-1](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMPAR
Chief Executive Officer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Executive board (statutory and non-statutory executive officers and superintendents)	0.00	0.26	0.00	0.00	0.00	0.00	0.00
Management (managers and advisors, including executives and those linked to the operational areas)	2.34	8.43	2.25	2.05	0.52	4.86	0.00
Administrative (specialists, coordinators, supervisors, analysts, assistants and auxiliaries)	0.37	2.35	0.81	1.77	0.27	0.46	0.00
Operations	4.24	159.32	29.27	1.34	0.74	0.00	0.00
Interns	0.00	3.05	5.00	0.00	0.00	0.00	0.00
Apprentices	0.00	5.57	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>3.15</b>	<b>9.47</b>	<b>9.96</b>	<b>1.38</b>	<b>0.39</b>	<b>1.03</b>	<b>0.00</b>

1. The data includes the operations of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC and Original.



### Percentage of governance body members, by gender<sup>1</sup> [GRI 405-1](#)

		Board of Directors	Statutory Audit Committee	Sustainability Committee	Audit Committee
2018	Men	95%	95%	95%	95%
	Women	5%	5%	5%	5%
2019	Men	93%	93%	93%	93%
	Women	7%	7%	7%	7%
2020	Men	100%	100%	67%	67%
	Women	0%	0%	33%	33%

1. The data cover the governance bodies of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original.

### Percentage of governance body members, by age group<sup>1</sup> [GRI 405-1](#)

		Board of Directors	Statutory Audit Committee	Sustainability Committee	Audit Committee
2018	Under 30	0%	0%	0%	0%
	Between 30 and 50 years.	74%	74%	74%	74%
	Over 50 years	26%	26%	26%	26%
2019	Under 30	0%	0%	0%	0%
	Between 30 and 50 years.	23%	23%	23%	23%
	Over 50 years	77%	77%	77%	77%
2020	Under 30	0%	0%	0%	0%
	Between 30 and 50 years.	20%	0%	67%	0%
	Over 50 years	80%	100%	33%	100%

1. The data cover the governance bodies of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original.

### Percentage of employees, by functional category and gender<sup>1</sup> [GRI 405-1](#)

		2018		2019		2020	
		Men	Women	Men	Women	Men	Women
Administration		62.76%	37.24%	61.88%	38.12%	61.60%	38.40%
Apprentices		45.66%	54.34%	45.41%	54.59%	41.45%	58.55%
Commercial		74.32%	25.68%	75.28%	24.72%	77.01%	22.99%
Interns		59.46%	40.54%	41.67%	58.33%	42.86%	57.14%
Executives		73.88%	26.12%	74.67%	25.33%	73.27%	26.73%
Maintenance		99.26%	0.74%	98.67%	1.33%	98.42%	1.58%
Drivers		98.84%	1.16%	98.76%	1.24%	98.69%	1.31%
Operations		92.35%	7.65%	93.13%	6.87%	92.95%	7.05%
Coordination		73.55%	26.45%	72.84%	27.16%	70.11%	29.89%
Supervisory		75.11%	24.89%	75.86%	24.14%	75.29%	24.71%
Total		83.19%	16.81%	82.50%	17.50%	83.35%	16.65%

1. The data cover the governance bodies of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original.

Percentage of employees, by functional category and age group<sup>1</sup> [GRI 405-1](#)

	2018			2019			2020		
	Under 30	Between 30 and 50 years.	Over 50 years	Under 30	Between 30 and 50 years.	Over 50 years	Under 30	Between 30 and 50 years.	Over 50 years
Administration	45.84%	49.27%	4.89%	44.82%	50.02%	0.00%	43.49%	51.02%	5.49%
Apprentices	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%
Commercial	19.12%	69.90%	10.98%	17.99%	71.24%	10.77%	19.70%	68.81%	11.49%
Interns	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%
Executives	7.65%	76.04%	16.31%	6.70%	77.29%	16.01%	5.48%	77.78%	16.75%
Maintenance	38.22%	51.14%	10.63%	34.88%	54.17%	10.95%	32.44%	56.29%	11.27%
Drivers	6.76%	71.92%	21.32%	6.31%	71.93%	21.76%	4.98%	72.18%	22.85%
Operations	32.39%	55.83%	11.78%	32.69%	56.24%	11.07%	31.26%	57.03%	11.71%
Coordination	12.95%	79.61%	7.44%	10.75%	80.60%	8.66%	10.06%	81.32%	8.62%
Supervisory	18.67%	74.68%	6.65%	19.18%	73.28%	7.54%	17.39%	75.29%	7.32%
<b>Total</b>	<b>29.54%</b>	<b>58.38%</b>	<b>12.07%</b>	<b>29.00%</b>	<b>60.51%</b>	<b>10.49%</b>	<b>26.51%</b>	<b>60.54%</b>	<b>12.95%</b>

1. The data cover the governance bodies of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original.

Percentage of Afro (black and brown-skinned) employees, by functional category and gender<sup>1</sup> [GRI 405-1](#)

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Administration	52.08%	39.93%	47.56%	53.23%	41.37%	48.71%	54.80%	41.16%	49.56%
Apprentices	54.93%	55.03%	54.98%	66.67%	58.82%	62.39%	68.25%	55.62%	60.86%
Commercial	43.19%	35.56%	41.23%	43.74%	41.09%	43.08%	46.32%	39.61%	44.78%
Interns	72.73%	40.00%	59.46%	50.00%	28.57%	37.50%	100.00%	25.00%	57.14%
Executives	29.73%	21.66%	27.62%	30.85%	21.29%	28.43%	29.89%	22.89%	28.02%
Maintenance	65.56%	78.57%	65.66%	64.00%	78.26%	64.19%	64.46%	69.57%	64.54%
Drivers	63.81%	52.50%	63.68%	64.61%	56.16%	64.50%	67.74%	56.63%	67.59%
Operations	65.36%	58.16%	64.81%	66.80%	62.73%	66.52%	70.76%	60.60%	70.04%
Coordination	40.82%	26.04%	36.91%	43.03%	23.08%	37.61%	47.13%	23.08%	39.94%
Supervisory	48.57%	31.03%	44.21%	51.42%	37.50%	48.06%	55.32%	42.59%	52.16%
<b>Total</b>	<b>59.71%</b>	<b>41.85%</b>	<b>56.70%</b>	<b>60.32%</b>	<b>43.34%</b>	<b>57.35%</b>	<b>64.45%</b>	<b>42.99%</b>	<b>60.04%</b>

1. The data cover the governance bodies of SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital and Original. The indicator calculates the ratio of total Afro employees to total employees in the category (functional category and gender).



Percentage of employees with disabilities, by functional category and gender<sup>1</sup> [GRI 405-1](#)

	2018			2019			2020		
	Homens	Mulheres	Total	Homens	Mulheres	Total	Homens	Mulheres	Total
Administration	6.15%	5.61%	5.95%	6.48%	5.32%	6.03%	6.88%	5.69%	6.42%
Apprentices	0.00%	0.00%	0.00%	0.00%	0.42%	0.23%	0.00%	0.00%	0.00%
Commercial	0.58%	0.56%	0.57%	0.65%	0.50%	0.61%	0.19%	0.65%	0.30%
Interns	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Executives	0.68%	0.00%	0.50%	0.88%	0.65%	0.82%	0.44%	0.00%	0.41%
Maintenance	0.32%	0.00%	0.32%	0.29%	0.00%	0.29%	0.21%	0.00%	0.21%
Drivers	0.19%	0.00%	0.19%	0.19%	0.00%	0.19%	0.11%	0.00%	0.11%
Operations	0.94%	0.00%	0.87%	0.69%	0.00%	0.64%	0.54%	0.00%	0.50%
Coordination	1.12%	0.00%	0.83%	0.41%	0.00%	0.30%	0.41%	0.00%	0.29%
Supervisory	1.43%	0.00%	1.07%	1.42%	0.00%	1.08%	1.82%	0.00%	1.37%
Total	1.75%	3.68%	2.08%	1.84%	3.68%	2.16%	1.74%	3.85%	2.09%

1. Os dados contemplam os colaboradores da SIMPAR, Movida, Vamos, JSL, CS Brasil, BBC Leasing & Conta Digital e Original. No indicador, é calculado o total de colaboradores negros sobre o total de colaboradores na categoria (categoria funcional e gênero).

Cases of moral harassment and actions taken<sup>1</sup> [GRI 406-1](#)

	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	SIMPAR
Total number of discrimination cases received	58	39	0	12	3	0	6
Total number of cases analyzed	38	20	0	5	0	0	0
Total number of cases for which a plan of redress is being implemented	0	0	0	0	0	0	0
Total number of cases for which a plan of redress has been implemented and the results analyzed using routine internal management analysis processes	38	20	0	5	0	0	0
Total number of cases closed in the period	38	20	0	5	0	0	0
Number of cases pending analysis	20	19	0	7	3	0	6

1. The data cover employees of SIMPAR, Movida, Vamos, JSL, CS Brasil, Original Concessionárias and BBC Leasing & Conta Digital. We wish to point out that the figure shown for SIMPAR refer to complaints involving employees allocated and/or processes undertaken by corporate areas providing shared services with Group companies. The above numbers are sum total of the complaints investigated (justified and unfounded) and pending investigation. The numbers shown are exclusively cases classified as “moral harassment”; and there are no cases of discrimination to report.

New suppliers selected, based on social criteria, in 2020<sup>1</sup> [GRI 414-1](#)

New suppliers selected, based on social criteria, in 2020	JSL	Movida	Vamos	CS Brasil	Original Concessionárias	BBC Leasing & Conta Digital	Total <sup>1</sup>
Total new suppliers wo were considered for contracting	1,536	1,303	413	460	0	34	3,480
Total new suppliers contracted based on social criteria	1,367	1,176	397	422	0	33	3,140
Percentage of new suppliers contracted based on social criteria (%)	89.00%	90.25%	96.13%	91.74%	n/a	97.06%	90.23%

1. Total suppliers for 2020 cannot be the sum total of the companies’ suppliers because the same supplier may attend to different companies.

# SASB EXHIBITS

## Fleet fuel consumed

(IF-WM-110b.1) Fleet fuel consumed, (2) percentage natural gas, (3) percentage renewable natural, (3) percentage renewable

	2018	2019	2020
Total fleet Fuel consumed(GJ)	1,013,504.93	760,448.33	484,066.06
Percentage of fleet fuel consumed that is natural gas (%)	0.00%	0.00%	0.00%
Percentage of fleet fuel consumed that is renewable fuel (%)	0.46%	1.83%	0.95%

## Alternative fuel vehicles

IF-WM-110b.2. Percentage of alternative fuel vehicles in the fleet

	2018	2019	2020
Percentage de fleet vehicles that are alternative fuel vehicles	0.0%	0.0%	84.1%

## Fleet use rate

TR-CR-410a.2. Fleet use rate

	2018	2019	2020
	78%	79%	83%

## Consumption of renewal fuels [SASB TR-RO-110a.3.](#)

	2018	2019	2020
Total fuel consumed (GJ)	4,459,650.83	4,851,474.44	3,831,527.08
Percentage of fuel consumed that is natural gas (%)	0.00000000%	0.00000000%	0.0000044%
Percentage of fuel consumed that is renewable fuel (%)	0.506%	0.407%	0.100%

## Employee turnover rate [TR-RO-320a.2.](#) (1) Voluntary and (2) involuntary turnover rate for all employees

Employee turnover rate	2018	2019	2020
<b>Voluntary turnover rate<sup>1</sup></b>	0.05	0.06	0.06
<b>Involuntary turnover rate<sup>2</sup></b>	0.32	0.40	0.37

1 Must be calculated as the number departures initiated by employees – like dismissal or retirement – during the year, divided by the total number of employees during the year.

2 Number of departures initiated by the entity – such as dismissal, reduction, redundancy or non-renewal of contract- during the year, divided by the total number of employees during the year.





11

• **SASB AND GRI**  
CONTENT SUMMARY

GRI CONTENT SUMMARY

| [GRI 102-55](#)

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 102: General Disclosures 2016					
GRI 102: General Disclosures 2016	102-1 Name of the organization	13			
	102-2 Activities, brands, products and services	15			
	102-3 Location of headquarters	13			
	102-4 Location of operations	13, 15			
	102-5 Ownership and legal form	14			
	102-6 Markets served	15			
	102-7 Scale of the organization	13, 15			
	102-8 Information on employees and other workers	52, 53, 54, 93, 94			
	102-9 Supply chain	63			
	102-10 Significant changes to the organization and its supply chain	4, 13, 63			
	102-11 Precautionary Principle or approach	36			
	102-12 External initiatives	69			
	102-13 Membership of associations	69			
	102-14 Statement from senior decision-maker	8			
	102-15 Key impacts, risks and opportunities.	8, 36			
	102-16 Values, principles, standards and norms of behavior	13, 45			16.3
	102-17 Mechanisms for advice and concerns about ethics	47			16.3
	102-18 Governance structure	39			

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 102: General Disclosures 2016	102-19 Delegating authority	39			
	102-20 Executive-level responsibility for economic, environmental and social topics	38, 43			
	102-21 Consulting stakeholders on economic, environmental and social topics	5			
	102-22 Composition of the highest governance body and its committees	40, 41, 42			5.5, 16.7
	102-23 Chair of the highest governance body	39			16.6
	102-24 Nominating and selecting the highest governance body	39			5.5, 16.7
	102-25 Conflicts of interest	48			16.6
	102-26 Role of the highest governance body in setting purpose, values and strategy	34, 39			
	102-27 Collective knowledge of the highest governance body	34, 38			
	102-28 Evaluating the highest governance body's performance	SIMPAR has no procedure for evaluating the highest governance body's performance.			
	102-29 Identifying and managing economic, environmental and social impacts	39			16.7
	102-30 Effectiveness of risk management processes	36, 37			
	102-31 Review of economic, environmental and social topics	36, 39			
	102-32 Highest governance body's role in sustainability reporting	41			



GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 102: General Disclosures 2016	102-33	Communicating critical concerns	46		
	102-34	Nature and number of critical concerns	46		
	102-40	List of stakeholder groups	5		
	102-41	Collective bargaining agreements	All SIMPAR employees (100%) are covered by collective bargaining agreements.		
	102-42	Identifying and selecting stakeholders	5		
	102-43	Approach to stakeholder engagement	5		
	102-44	Key topics and concerns raised	5, 6		
	102-45	Entities included in the consolidated financial statements	4		
	102-46	Defining report content and topic Boundaries	6		
	102-47	List of material topics	5, 6		
	102-48	Restatements of information	4, 52, 53, 54, 104, 105		
	102-49	Changes in reporting	4		
	102-50	Reporting period	January 1st to December 31st 2020		
	102-51	Date of most recent report	This is the first Report of SIMPAR following the corporate restructuring in 2020. The last document, still based on the JSL Group, was published on May, 22, 2020.		
	102-52	Reporting cycle	Annual.		
	102-53	Contact point for questions regarding the report	4		
	102-54	Claims of reporting in accordance with the GRI Standards	4		
	102-55	GRI content index	118		
	102-56	External assurance	4, 137		

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
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## MATERIAL TOPICS

### Financial equilibrium, capital allocation and business expansion

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	88		
	103-2	The management approach	88		8, 9, 12
	103-3	and its components	88		
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	91		8.1, 8.2, 9.1, 9.4, 9.5
	201-2	Financial implications and other risks and opportunities due to climate change	76	SIMP does not yet disclose the financial implications and financial costs of the risks and opportunities.	13.1

### Climate change

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	74		
	103-2	The management approach	74		13
	103-3	and its components	74		
GRI 302: Energy 2016	302-1	Evaluation of the management approach	82, 98		7.2, 7.3, 8.4, 12.2, 13.1

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	78, 79, 99, 100		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-2 Indirect (Scope 2) greenhouse gas (GHG) emissions from the acquisition of energy	78, 79, 101		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-3 Other indirect (Scope 3) greenhouse gas (GHG) emissions	78, 79, 101, 102		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-4 GHG emissions intensity	78, 80, 102		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2
	305-5 Reduction of GHG emissions	78			13.1, 14.3, 15.2
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	78, 80, 102		7, 8, 9	3.9, 12.4, 13.1, 14.3, 15.2



GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
<b>Corporate governance, ethics and transparency</b>					
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	38, 44, 63		
	103-2	The management approach and its components	38, 44, 63		16
	103-3	Evaluation of the management approach	38, 44, 63		
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	36, 44	10	16.5
	205-2	Communication and training about anti-corruption policies and procedures	45, 46, 95, 96, 97	10	16.5
	205-3	Confirmed cases of corruption and actions taken	46	10	16.5
<b>GRI 206: Anti-competitive behavior 2016</b>	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	44	1, 5	16.3
<b>GRI 207 – Tax 2019</b>	207-1	Approach to tax	37		1.1, 1.3, 10.4, 17.1, 17.3

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
<b>GRI 307: Environmental compliance 2016</b>	307-1 Non-compliance with environmental laws and regulations	In 2020, there were no significant fines or non-pecuniary sanctions due to non-compliance with environmental laws and regulations. There are also no records of non-compliance related to the topic		7, 8, 9	16.3
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	SIMPAR and its subsidiaries did not make political contributions in 2020.		10	16.5
<b>GRI 417: Marketing and Labeling 2016</b>	417-3 Incident of non-compliance concerning marketing communications	In 2020, neither SIMPAR nor its subsidiaries incurred non-compliance in the marketing area.		10	16.3
<b>GRI 419: Socioeconomic compliance 2016</b>	419-1 Non-compliance with laws and regulations in the social and economic area	Over the last three years, neither SIMPAR nor its subsidiaries have incurred significant fines and non-pecuniary sanctions due to non-compliance with the laws and regulations in in the social and economic area .		10	16.3

## Valuing of people, perpetuation of the culture and respect for diversity

<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	51, 55		
	103-2	The management approach	51, 55		5, 8
	103-3	and its components	51, 55		
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	52, 104, 105, 106, 107, 108	6	5.1, 8.5, 8.6, 10.3
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	51		3.2, 5.4
		Parental leave	51, 109	6	5.1, 5.4, 8.5

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	55, 56, 110			4.3, 5.1, 8.2, 8.5, 10.3
	404-2 Programs for upgrading employee skills and transition assistance programs	56			8.2, 8.5
	404-3 Percentage of employees receiving regular performance and career development reviews	56		1, 6	5.1, 8.5, 10.3
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	40, 55, 111, 112, 113, 114			5.1, 5.5, 8.5
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	47, 115		1, 2, 3, 4, 5, 6	5.1, 8.8

## Sustainability in the value chain

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	63			4, 5, 8, 10
	103-2 The management approach	63			
	103-3 and its components	63			
GRI 303: Water and effluents 2018	303-5 Evaluation of the management approach	83, 99			6.4
GRI 306: Waste 2020	306-3 Waste generated	84, 102			3.9, 11.6, 12.4, 12.5
	306-4 Waste diverted from disposal	84, 85, 103			3.9, 11.6, 12.4, 12.5
	306-5 Waste directed to disposal	84, 85, 104			3.9, 11.6, 12.4, 12.5



GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Suppliers' environmental aspects are evaluated manually at SIMPAR, unlike social verification undertaken on the system. Thus, it is not yet possible to calculate the percentage of new suppliers that have taken this evaluation. Suppliers' environmental aspects are only inspected when the need arises to formulate and agreement and sign the draft, as in the case of companies providing services on SIMPAR's premises. This verification takes place following a request by some technical area, such as legal department, Work Safety, SSMA, etc.		7, 8, 9	
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SIMPAR does not classify suppliers at significant risk for incidents of child labor or forced or compulsory labor, but to be admitted to the base of providers, companies submit to verification on a specific platform, with automatic consultations in which one of the items is the employers' register, known as the "blacklist", a data base created by the government that lists companies at which people were rescued from conditions similar to forced labor, or incidents of child labor.		1, 2, 6	8.7, 16.2

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SIMPAR does not classify suppliers at significant risk for incidents of child labor or forced or compulsory labor, but to be admitted to the base of providers, companies submit to verification on a specific platform, with automatic consultations in which one of the items is the employers' register, known as the "blacklist", a data base created by the government that lists companies at which people were rescued from conditions similar to forced labor, or incidents of child labor.		1, 2, 3	8.7
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using environmental criteria	63, 115			5.2, 8.8, 16.1

## Safety of personnel and assets

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	52, 57		
	103-2	The management approach and its components	52, 57		3
	103-3	Evaluation of the management approach	52, 57		

GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	57			8.8
	403-3 Occupational health services	58			
	403-6 Promotion of worker health	27, 58			3.3, 3.5, 3.7
	403-9 Work-related injuries	59, 60, 109	Disclosure does not cover third parties		3.6, 3.9, 8.8, 16.1
	403-10 Work-related ill health	58	Disclosure does not cover third parties		3.3, 3.4, 3.9, 8.8, 16.1
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	64, 65			
	413-2 Operations with significant actual and potential negative impacts on local communities	64, 67			1.4, 2.3
Renewal of the Brazilian fleet					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25			
	103-2 The management approach and its components	25			3, 13
	103-3 Evaluation of the management approach	25			



GRI Standard	Content	Page numbers and/or URL(s) and/or direct response	Omission	Principles of the Global Compact	SDG
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## Innovation with a positive impact

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	34		
	103-2	The management approach and its components	34		9
	103-3	Evaluation of the management approach	34		

# SASB SUMMARY

## CAR RENTAL AND LEASING (applicable to Movida)

### Sustainability Disclosure Topics and & Accounting Metrics

Topic	Code	Accounting Metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
Customer Safety	TR-CR-250a.1	Percentage rental fleet vehicles rated by NCAP programs with an overall 5-star safety rating, by region	Quantitative	Percentage (%)	In 2020, 24.51% of the cars rented by Movida were rated by NCAP programs with an overall safety rating of 5 stars. It was not possible to report by region because the rented car can circulate in different regions of Brazil.
	TR-CR-250a.2	Number of vehicles recalled	Quantitative	Number	In 2020, no area/department monitored this process. There will be meetings between the operations, maintenance and CSU areas to define the process for the next cycle.
Fleet Fuel Economy & Utilization	TR-CR-410a.1	Day-weighted average rental fleet fuel economy, by region	Quantitative	Mpg, L/km, gCO2/km, km/L	In 2020, no area/department monitored this process. There will be meetings between the operations, maintenance and CSU areas to define the process for the next cycle.
	TR-CR-410a.2	Fleet utilization rate	Quantitative	Rate	The fleet utilization rate was 83% in 2020, exceeding the figure for 2019 (79%) and 2018 (78%). To calculate this indicator, we did not use the SASB metric, rather our own metric which is calculated using the ration of the rented fleet to the operating fleet.

CAR RENTAL AND LEASING (applicable to Movida)

Activity Metrics				
Code	Accounting Metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
TR-CR-000.A	Average vehicle age	Quantitative	Months	12
TR-CR-000.B	Total available rental days	Quantitative	Days	Movida does not use the total available rental days in its metric, rather the vehicle occupancy rate.
TR-CR-000.C	Average rental fleet size	Quantitative	Number of vehicles	71,041



ROAD TRANSPORTATION (applicable to JSL)

Sustainability Disclosure Topics and & Accounting Metrics					
Topic	Code	Accounting Metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
Greenhouse gas emissions	TR-RO-110a.1	Gross global Scope 1 emissions	Quantitative	Metric tons (t) of CO2-e	79
	TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, reduction targets and an analysis of performance against those targets	Discussion and Analysis	n/a	74
	TR-RO-110a.3	(1) Total fuel consumed, (2) percentage natural gas, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	82, 98, 116
Air Quality	TR-RO-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx and (3) particulate matter (PM10)	Quantitative	Metric tons (t)	78, 80
Driver working conditions	TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	59, 60, 109
	TR-RO-320a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	Quantitative	Rate	52, 116
		Description of approach to managing short-term and long-term driver health risks	Discussion and Analysis	n/a	JSL monitors short-term and long-term driver health rates through annual periodic examinations, and evaluations with a GP and dietician. No long-term risks were reported, that is, chronic cases among the drivers.

Accident and Safety Management	TR-RO-540a.1	Number of road accidents and incidents	Quantitative	Number	In 2020 there were 163 accidents and a road accident rate of 0.70
	TR-RO-540a.2	Safety Measurement System BASIC Percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/ Alcohol, (5) Vehicle Maintenance and (6) Hazardous Materials Compliance	Quantitative	Percentile	Not applicable to Brazilian reality.
	TR-RO-540a.3	(1) Number and(2) aggregate volume of spills and releases to the environment	Quantitative	Number, Cubic meters (m³)	Over the last three years, there have been no spillages on the ground and/or into water

ROAD TRANSPORTATION (applicable to JSL)

Activity Metrics

Code	Accounting Metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
TR-RO-000.A	Revenue ton miles (RTM)	Quantitative	RTM	Indicator is not monitored in this manner by JSL.
TR-RO-000.B	Load factor	Quantitative	Number	Indicator not reported on the company's decision.
TR-RO-000.C	Number of employees, number of truck drivers	Quantitative	Number	13,613 employees; around 2 thousand added drivers And over 10 thousand contract drivers.

## WASTE MANAGEMENT (partially applicable to CS Brasil)

### Sustainability Disclosure Topics and & Accounting Metrics

Topic	Code	Accounting metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
Greenhouse gas emissions	IF-WM-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions- limiting regulations and (3) emissions-reporting regulations	Quantitative	Metric tons (t) of CO <sub>2</sub> -e, Percentage (%)	78, 79
	IF-WM-110a.2	(1) Total landfill gas generated, (2) percentage flared, (3) percentage used for energy	Quantitative	Million British Thermal Units (MMBtu), Percentage (%)	Does not apply to CS Brasil.
	IF-WM-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 and lifecycle emissions, reduction targets and an analysis of performance against those targets	Discussion and Analysis	n/a	74
Fleet Fuel Management	IF-WM-110b.1	(1) Fleet fuel consumed, (2) percentage natural gas, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	98, 116
	IF-WM-110b.2	Percentage of alternative fuel vehicles in the fleet	Quantitative	Percentage (%)	116
Air Quality	IF-WM-120a.1	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) volatile organic compounds (VOCs) and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tons (t)	78, 80, 102
	IF-WM-120a.2	Number of facilities in or near areas of dense population	Quantitative	Number	Does not apply to CS Brasil.
		Number of incidents of non-compliance associated with air emissions	Quantitative	Number	Does not apply to CS Brasil.
Management of Leachate & Hazardous Waste	IF-WM-150a.1	(1) Total Toxic Release Inventory (TRI) releases, (2) percentage released to water	Quantitative	Metric tons (t), Percentage (%)	Does not apply to CS Brasil.
	IF-WM-150a.2	Number of corrective actions implemented for landfill releases	Quantitative	Number	Does not apply to CS Brasil.
	IF-WM-150a.3	Number of incidents of non-compliance associated with environmental impacts	Quantitative	Number	Does not apply to CS Brasil.



Labor Practices	IF-WM-310a.1	Percentage of active workforce covered under collective bargaining agreements	Quantitative	Percentage (%)	Does not apply to CS Brasil.
	IF-WM-310a.2	(1) Number of work stoppages and (2) total days idle	Quantitative	Number, Days Idle	Does not apply to CS Brasil.
Workforce Health & Safety	IF-WM-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Quantitative	Rate	Does not apply to CS Brasil.
	IF-WM-320a.2	Safety Measurement System BASIC Percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/ Alcohol, (5) Vehicle Maintenance and (6) Hazardous Materials Compliance	Quantitative	Percentile	Does not apply to CS Brasil.
	IF-WM-320a.3	Number of road accidents and incidents	Quantitative	Number	Does not apply to CS Brasil.
Recycling & Resource Recovery	IF-WM-420a.1	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	Quantitative	Metric tons (t), Percentage (%)	Does not apply to CS Brasil.
	IF-WM-420a.2	Percentage of customers receiving (1) recycling and (2) composting services, by customer type	Quantitative	Percentage (%)	Does not apply to CS Brasil.
	IF-WM-420a.3	Amount of material (1) recycled, (2) composted, and (3) processed as waste-to-energy	Quantitative	Metric tons (t)	Does not apply to CS Brasil.
		Amount of electronic waste collected; percentage recovered through recycling	Quantitative	Metric tons (t), Percentage (%)	Does not apply to CS Brasil.

WASTE MANAGEMENT (partially applicable to CS Brasil)

Activity Metrics

Code	Accounting Metric	Category	Unit of measure	Page numbers and/or URL(s) and/or direct response
IF-WM-000.A	Number of customers by category: (1) municipal, (2) commercial, (3) industrial, (4) residential and (5) other	Quantitative	Number	In 2020, there were 222 customers, of whom 64 were municipal and the others classified in other Categories.
IF-WM-000.B	Vehicle fleet size	Quantitative	Number	20,286
IF-WM-000.C	Number of: (1) landfills, (2) transfer stations, (3) recycling centers, (4) composting centers, (5) incinerators and (6) all other facilities	Quantitative	Number	Does not apply to CS Brasil.
IF-WM-000.D	Total amount of materials managed, by customer category: (1) municipal, (2) commercial, (3) industrial, (4) residential and (5) other	Quantitative	Metric tons (t)	Does not apply to CS Brasil.



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## Limited assurance report issued by independent auditors

To the Board of Directors and Shareholders of  
**SIMPAR S.A.**  
São Paulo - SP

### Introduction

We were engaged by SIMPAR S.A. ("SIMPAR" or "Company") to apply limited assurance procedures on the sustainability information disclosed in SIMPAR's Integrated Annual Report 2020 ("Report"), in the accompanying information to this report related to the period ended December 31, 2020.

### Responsibilities of SIMPAR's Management

The Management of SIMPAR is responsible for adequately preparing and presenting the sustainability information in the Integrated Annual Report 2020 in accordance with both the Standards for Sustainability Report of Global Reporting Initiative – GRI, with Orientation CPC (Brazilian Accounting Pronouncements Commite) 09 - Integrated Report (which is correlated with the Basic Conceptual Framework of the Integrated Report prepared by the International Integrated Reporting Council - IIRC), and the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

### Independent auditors' responsibility

Our responsibility is to express a conclusion about the information in the Report based on a limited assurance engagement conducted in accordance with Technical Communication (TC) 07/2012, which was prepared based on NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), both issued by the Brazilian Federal Accounting Council - CFC equivalent to international standard ISAE 3000, issued by the International Federation of Accountants and applicable to Non-Financial Historical Information. These standards require compliance with ethical requirements, including independence ones, and the engagement is also conducted to provide limited assurance that the information disclosed in the Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of questions and interviews with the Management of SIMPAR and other professionals of the Company involved in the preparation of the information disclosed in the Report and use of analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent





auditor acknowledges issues which may lead them to believe that the information disclosed in the Report taken as a whole could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the Report, on other engagement circumstances and also on our considerations regarding areas and processes associated with material sustainability information disclosed where relevant misstatement could exist. The procedures consisted of:

- a. engagement planning: considering the material aspects for SIMPAR's activities, the relevance of the information disclosed, the amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the SIMPAR's Report. This analysis defined the indicators to be checked in details;
- b. understanding and analysis of disclosed information related to material aspects management;
- c. analysis of preparation processes of the Report and its structure and content, based on the Principles of Content and Quality of the *Standards* for sustainability report of the Global Reporting Initiative - GRI (GRI - Standards) and with Orientation CPC (Brazilian Accounting Pronouncements Committee) 09 - Integrated Report (which is correlated with the Basic Conceptual Framework for Integrated Report, prepared by the The International Integrated Reporting Council (IIRC));
- d. evaluation of non-financial indicators selected:
  - understanding of the calculation methodology and procedures for the compilation of indicators through interviews with management responsible for data preparation;
  - application of analytical procedures regarding data and interviews for qualitative information and their correlation with indicators disclosed in the Report;
  - analysis of evidence supporting the disclosed information;
- e. analysis of whether the performance indicators omission and justification are reasonable to be accepted associated to aspects and topics defined as material in the materiality analysis of the Company.
- f. comparison of financial indicators with the financial statements and/or accounting records.

We believe that the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.

#### **Scope and limitations**

The procedures applied to a limited assurance engagement are substantially less extensive than those applied to a reasonable assurance engagement. Therefore, we cannot provide reasonable assurance that we are aware of all the issues that would have been identified in a reasonable assurance engagement, which aims to issue an opinion. If we had conducted a reasonable assurance engagement, we may have identified other issues and possible misstatements within the information presented in the Report.



Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretation of the data's materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we have not examined data related to prior periods, to evaluate the adequacy of policies, practices and sustainability performance, nor future projections.

### **Conclusion**

Based on the procedures performed, described in this report, we have not identified any relevant information that leads us to believe that the information in SIMPAR's Integrated Annual Report 2020 is not fairly stated in all material aspects in accordance with the Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI- Standards) with Orientation CPC (Brazilian Accounting Pronouncements Committee) 09 – Integrated Report (which is correlated with the Basic Conceptual Framework for Integrated Report prepared by the International Integrated Reporting Council – IIRC), and with the records and files that served as the basis for its preparation.

São Paulo, March 31<sup>st</sup>, 2021

KPMG Auditores Independentes  
CRC 2SP014428/O-6  
*Original report in Portuguese signed by*  
Sebastian Yoshizato Soares  
Accountant CRC 1SP257710/O-4

# 12. CREDITS AND CORPORATE INFORMATION

## **COORDINATION AREAS**

Sustainability, Corporate Communication and Investor Relations

## **MATERIALITY PROCESS AND GRI CONSULTANCY**

Avesso Sustainability

## **TEXT, EDITING AND REVISION**

KMZ Conteúdo

## **GRAPHIC PROJECT AND LAYOUT**

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## **ENGLISH LANGUAGE VERSION**

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