

# Management model

## Strategic management

**SASB FN-AC-410a.2.**

**SIMPAN's** strategy is to direct the constant development of its subsidiaries, ensuring operational efficiency, high standards of governance, strategic alliances and new businesses and segments for the Group. Portfolio management considers, among others, the return for investors, the training and development of employees, the growth of customers' and suppliers' businesses, in addition to the diversification and balancing of businesses for more efficient capital structure. The Group also directs investments to actions focused on socio-environmental return, such as the use of clean energy, through the installation of photovoltaic panels or purchases on the free energy market and the use

of reclaimed water and dry cleaning of vehicles – among other financial aspects that have also been oriented from the perspective of climate risks and opportunities.

The Group operates under a unique management model, in which the subsidiaries have independence in operations and rely on the holding company to monitor the business to ensure agility in decision-making and performance in line with the strategic planning defined by the Boards of Directors of each business. The main pillars of development and growth are **WORK** and the focus **UNDERSTANDING** to **SERVE CUSTOMERS**, with the perpetuation of commercial relationships and, consequently, promoting businesses that contribute to customer growth.

## Customer in the focus of the

**GRI 3-3 - Strategy - Customer relationship**

**SIMPAN** considers in its strategic planning to guarantee, through its subsidiaries, the best relationship in the journey with customers, also encompassing operationally innovative and economically profitable solutions. The Company provides full support so that different business areas can meet demands with quality and safety and anticipate the needs of its customers. Furthermore, it aims to engage them in projects with a positive impact, such as professional qualification of minority groups - like women, and environmental conservation, such as the reduction and neutralization of Greenhouse Gas (GHG) emissions and guidance on the use of less polluting fuels.

With **SIMPAN's** guidelines and the actions of its subsidiaries, the Group is committed to creating a sustainable and long-term relationship with its stakeholders. There are also ongoing relationship and engagement mechanisms, such as the Customer Service (SAC), Reporting Channel, Transparent Line, social networks and documents such as this Integrated Report. Potential negative impacts are managed through negotiations, with close and diligent monitoring. Mitigation and prevention of impacts occurs through active listening and satisfaction and NPS surveys – which were 73 for **VAMOS** and 82 at **Movida**, in 2023 –, always focusing on continuous improvement.

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The bases to support **SIMPAR**'s planning by 2030 include:



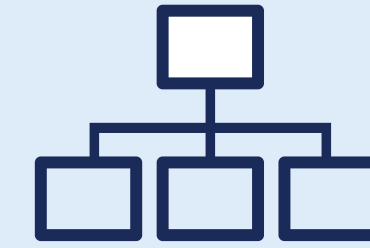
Possibility of listing more companies (Novo Mercado) with IPOs that strengthen governance and capital structure, accelerating the development of companies and the generation of value for shareholders;



Development and prospecting of new businesses with high potential for growth and profitability (resilient revenue) with ESG commitment;



Possibility of disinvesting in some businesses to strengthen or develop others, contributing to the continued growth of the Group;



Continuous evolution of the organizational structure to support development;



Permanent strengthening of leading independent companies in their markets, dedicating efforts and resources to ensure the transformation of subsidiaries with adequate return, which may have less than 50% of participation, keeping control;



Responsible internationalization that contributes to revenue diversification.

The long-term strategy considers short- and medium-term actions. In 2023, **SIMPAR** revisited the next planning steps, the result of which, in line with the commitment to transparency, was presented on *SIMPAR Day*. The different stages and business objectives of each company were analyzed in order to define strategic priorities for the next three years (between 2024 and 2026).

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## STRATEGIC PLANNING

Focus on **EFFICIENCY** with maximum capture of **VALUE** and continuous improvement of **RESULTS**, resulting in growth.

Companies ready to take advantage of the foundations built and which gave rise to their transformation cycles, without needing additional capital

**Efficiency + Profitability = Result compatible with everything that was built**



Companies ready to take advantage of the bases and capture growth opportunities (strategic movements)



Asset maturation + evolution in capturing synergies and possible strategic movements to add value in line with planning.



To ensure the execution of its strategic planning and that of its companies, promoting sustainable development, **SIMPAR:**

» Contributes to the execution of strategic planning with optimization of invested capital, liability management and operational efficiency, enabling sustainable growth of subsidiaries;

» Ensures operational bases through acquisitions and investments in high-quality assets, which enhance gains of scale and synergies, contributing to the advancement of organic growth and the evolution of returns and continuous generation of long-term value;

» Maintains a solid capital structure, robust cash flow and extended debt profile, with discipline in planning to balance the leverage of subsidiaries and focus on reducing the holding company's net debt;

» Develops ESG practices aligned with business strategy, in order to expand companies' ability to develop sustainably, generating relevant competitive differences, considering both current and future socio-environmental challenges.

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JSL administrative office

## Strategic planning by business

### JSL

**JSL's** strategy aims to expand its leadership in road freight transport and logistics operations. This occurs both through current businesses and companies and through acquisitions with which it shares the value of qualified service and in accordance with the demands of customers from the most varied economic sectors (at the end of 2023, the Company operated in 16 different sectors of the economy). **JSL** also seeks to strengthen its international operations, with the successful operational models adopted in Brazil. To achieve this strategy, among others, we count on the maintenance of a robust balance sheet to meet specialized services, management efficiency, scale and access to capital, in addition to contracts priced with an adequate cost of capital and debt issues with lower spreads. All of this, added to the interest rate reduction cycle, will directly contribute to obtaining profits.

### Movida

In 2023, **Movida** began a new phase of its strategic planning, improving operational and financial efficiency to maximize the generation of value from everything built during the expansion period, enhancing growth capacity for the coming years. The strategic rationale at this stage includes a mature operating model with consolidated margins; greater resilience in cash flow and results; and addressable market with high growth potential.



Movida administrative office



VAMOS administrative office

## VAMOS

With a resilient business model and predictable revenues, which encompasses long-term contracts and operations in the purchase, sale, exchange and rental of heavy vehicles, agricultural machinery and implements, **VAMOS**, leader in its segment, has the strategy of accelerating the speed of new lease and sales contracts. The pillars of its growth strategy are scale and capillarity in all regions of Brazil; wide network of dealerships and used heavy vehicle stores. It is the only used car network with national coverage and the structure to leverage the desired growth, keeping a modern fleet, with high liquidity and appreciated market value.



CS Brasil administrative office

## CS Brasil

**CS Brasil's** strategy was based on fulfilling commitments, making vehicles available to customers and quality in contracts. In the transport area, the company defined short and medium-term goals as follows: expand control of operational vehicles to reduce fuel consumption and allow analysis of asset idle indicators (stopped/on); and carry out 100% of corrective maintenance on heavy vehicles in our own repair shops.

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## Automob

Group with the largest portfolio of light vehicle brands and one of the largest dealership networks in Brazil, **Automob**'s strategic pillars are inorganic development, with increased capillarity, and the sale of used cars, through **Seucarro.com**, a network specialized in the segment and launched in 2023. The objective is to expand nationwide, always selling used cars with origin, guarantee and the know-how of those who already operate in dealerships. In addition to opening new stores, **Automob**'s value generation will also occur with investments in the sale of added products, with an exclusive team for marketing consortiums, insurance, shielding, etc., as well as with the centralization of after-sales services, such as bodywork and painting, in dedicated centers. With this front of action, dealerships have exclusive focus on the automotive sales of brand new vehicles, with more efficiency and dedication to the brands represented. To qualify decision-making, a Project Advisory Committee was created in 2023, which carries out, among others, analysis of sales performance, NPS survey results and quality issues of store facilities, in addition to monitoring the journey and experience of customers.

### Our brands





BBC Digital administrative office

## Banco BBC Digital

With solid foundations for new development cycles, **BBC** maintains competitive and personalized financial products and services to ensure the best customer experience. Its strategy is anchored in launching products to expand operations; in generating consistent financial results; contribute to the activities and relationships of **SIMPAR** and its subsidiaries; and prospect operations outside the Group and in line with the businesses carried out in **SIMPAR** Group. Conservatism in credit management and the consequent low default rates contribute to the execution of this strategy; as well as the vision of the future and potential for long-term value creation; the capacity for customization and knowledge in the mobility ecosystem, with scalable products; the achievement, in 2023, of self-sustainability, with a projection of R\$165 million in contributions by 2025, without the need for large future investments; and the expectation of achieving ROE (Return On Investment) compatible with large banks in the medium and long term.



CS Infra employees at the port of Aratu

## CS Infra

Focusing on improving the provision of services and increasing the productivity of structured concessions in sectors of the real economy, the company's strategy also encompasses the operation of pre-operational concessions or concessions in the initial stage of development with great potential after the maturity of the allocated resources. The search encompasses concessions with quick return on investment (brownfield) and long-term contracts, with resilient revenues protected by inflation adjustments. In services, segments and locations with strong growth prospects in strategic sectors in Brazil and with the capacity to generate value and promote sustainable development.

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## SUSTAINABILITY STRATEGY SASB FN-AC-410a.2

The planning and execution of the strategy, at **SIMPAR** and its subsidiaries, consider the sustainable development of businesses and stakeholders (see the *highlights on Sustainability* closely linked to each business), with direct and indirect contributions to economic growth, the well-being, mobility and logistics, individually and collectively, of goods/products. A *Sustainability Policy* is maintained, which represents the commitment to permeate the topic in Culture, in business decisions and strategies, as well as in daily practices, serving as a reference for all activities carried out.

Additionally, the Company maintains a sustainability strategy to directly contribute to the generation of value and

to manage positive and negative impacts of operations. As *public goal*, linked to the Sustainability-Linked Bond (SLB) issued in a pioneering way in the sector in the world in 2021, is the commitment to reduce emissions intensity by 15% by 2030, limited to 114.37 tCO<sub>2</sub>e /R\$ MM (Scopes 1, 2 and 3).

Already in search of continuous improvement, in 2023, in meetings with the Group's Sustainability Committees, assessments were carried out to identify cross-cutting themes across the business, connected to the Values and material topics raised in a broad process promoted in 2022 within the scope of the holding and of the three publicly traded companies (**JSL**, **Movida** and **VAMOS\***). The work resulted in

the definition of themes to guide the sustainability strategy in a long-term vision:

- » **Environmental management and climate change** – considers the topic material “Climate strategy and environmental management”, throughout the Group.
- » **Health and safety** – which encompasses safety in all operations and on the roads and is correlated to the material topic “People’s health and safety”.
- » **Productive inclusion** – among the projects are the training of minority populations, such as young people and women, for example, and the

fight against sexual exploitation on the roads, linked to the material topics “Valuing people and human rights”, of the holding company; “Respect, development and appreciation of people” of **JSL**; **Movida’s** “Development, inclusion and appreciation of employees”; and “Valuing employees and respecting diversity”, from **VAMOS**.

- » **Quality of life for truck drivers** – closely linked to the origins of the Group and **JSL’s** business, with the material topic “Valuing the truck driver”, emphasizing the projects of the Julio Simões Institute.

\*Material topics **JSL**: Economic-financial performance and business expansion; Respect, development and appreciation of people; Technological and sustainable innovation; Corporate governance, ethics and compliance; Customer relationship; Valuing truck drivers; Climate strategy and environmental management; People’s health and safety; Impacts on communities and the value chain; Movida: Ethics, corporate governance and responsibility in the value chain | Customer Experience | Climate strategy and environmental management | Development, inclusion and appreciation of employees | Economic-financial performance | Traffic safety and inclusive mobility | Innovation | Positive impact on communities; **VAMOS**: Ethics, compliance and good corporate governance practices; Climate strategy and environmental management; Valuing employees and respecting diversity; People’s health and safety; Economic-financial growth, innovation and diversification of services; Development of the Brazilian fleet; Impact on communities and the value chain.