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Covering the entire national territory, **SIMPAR** Group companies contribute to income generation and social development around their operations through the hiring of labor, services and goods. Additionally, in line with legislation, quality and respect for human rights in its supply chain, there is an indirect incentive for local companies to adopt good management and governance practices. In 2023, the percentage of monetary value of purchases in states where the Company has branches of its companies reached 63.9% (it was 51.7% in 2022).

To ensure synergy and better negotiations within the Group, considering cost, quality and availability, **SIMPAR** has a corporate Supplies area, responsible for quotes for almost all purchases of assets, services, materials

and inputs – the main contracting segments are automakers, benefits, fuel, uniforms, Personal Protective Equipment (PPE), tires, office supplies, software, IT equipment and technology services. Market intelligence tools are used to monitor the average prices charged for the main products, also considering the inputs used in the manufacture of the items, enabling more assertive planning. **GRI 2-6**

For greater efficiency, since 2021 the area has worked to guarantee purchasing processes by contract, that is, in advance, which allows for longer-term relationships with commercial partners and more agile quotations and purchases compared to spot acquisitions. In 2022, **SIMPAR** had 1,823 active contracts and in 2023 it had 2,177 active contracts.

With this positioning, it reached 58.3% of commercial transactions of materials by contract in 2023, 21.8 percentage points above the 36.5% recorded in 2022. In relation to services, spending through contracts was 64.8%, 5.7 percentage points higher than the 59.2% recorded in 2022.

Other advantages of the contract acquisition model are better service to requesting internal areas and the optimization of the supplier base which, in relation to last year, showed a drop of 2.1%. That enables qualifying and simplifying approval and accounts payable processes. During the period, business was carried out with 5,539 supplier companies for a total of R\$3.4 billion.

Responsibility for local development expressed in local purchases

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Ethics and sustainability in the value chain

GRI 2-24 | 408-1 | 409-1

In 2023, **SIMPAR**'s Supply, Sustainability and CRC areas began work to develop a criticality matrix with criteria to evaluate and approve suppliers. The focus is to ensure a base of partner companies approved and qualified in compliance, financial and socio-environmental requirements to meet requests with the best deadlines, quality and sustainability.

This matrix will improve the selection process, which considers the specificities of each Group business, but with attention to topics such as environmental compliance, non-

occurrence of child, forced, compulsory or slave-like labor, among other issues related to human rights and of fiscal and financial legality, in accordance with the *Compliance Program*. The rigor in approval considers the criticality of the supplier. Public consultations are carried out through due diligence on the G-Certifica platform, such as in the Brazilian Federal Revenue registry; regarding the regularity of state/municipal registration, with Municipal, State and Federal public treasuries and with Social Security There is also research into the list of companies punished or prevented from contracting with the Public Administration (Ceis and Cnep) and on the "dirty list" of the Employers Register of the Ministry of Labor and Social Security. Furthermore, in line with its Human Rights Policy, **SIMPAR** can carry out due diligence reassessment of active critical suppliers. Risks related to child and slave labor, which may occur in vulnerable areas, considering that

the Group's operations are nationwide, are greater in the exercise of vehicle maintenance by workshops, car washes, metal repair and painting services, accessories, tires and glass (outsourced). However, there is no administrative and/or legal action regarding the issue in question.

Suppliers, still at the registration stage, must also commit to the provisions of **SIMPAR**'s *Code of Conduct for Third Parties*. Created in 2022, the document was widely disseminated in 2023 and is the basis for reassessment actions in due diligence of critical suppliers with which acquisitions are made. Due to its relevance, in 2023 the Code had updates to compliance clauses.

Innovations in supplier approval

At the end of 2023, an e-procurement system was also being implemented at **SIMPAR** Scheduled for delivery in the first quarter of 2024, the innovation aims to facilitate routine Procurement processes and their relationship with other areas of subsidiaries. In this regard, the tool will serve as a "virtual catalog" of products and services offered by suppliers already approved by **SIMPAR**. The proposal is that the system contains data such as description and images/photos of the material or service to be purchased.

New matrix will be developed with a focus on ESG assessment

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Social management

GRI 3-3 - Impact on communities and the entire value chain | 203-1 | 203-2 | 413-2 |

SIMPAR's work in favor of the development of communities surrounding the operations of its subsidiaries also occurs through projects carried out via incentive laws and owners of the subsidiaries. The allocation of resources is directed by the *Social Investment Policy*, updated in 2023, focused on ensuring the execution of projects and promoting positive impacts on society. The document determines investment in actions that are in synergy with the business identity, but that are also relevant to contribute to the improvement of main socio-environmental issues and whose learning can support, whenever possible, the formulation and improvement of public policies. Additionally, Sustainability, Human Rights and Stakeholder Engagement policies contribute to social management.

SOCIAL INVESTMENT SIMPAR GROUP GRI 203-1

Category	Total percentage of costs	Total percentage of costs	Value (R\$)	Description of the item considered
	2022	2023		
Donations from employees	58.2%	17.4%	R\$ 735,294.13	Caminho do Bem (donations by individuals), donations from employees to IJS (Christmas and Good Winter campaigns)
Group donations		75.6%	R\$ 3,146,474.76	Incentive Law, IC Donation, and Belém Marvel Mission (JSL), JSL donations, TPC - Casa TPC, Donation of basic food baskets Rodomeu, Donation of CS Easter eggs Brasil, Donations CS Grãos; VAMOS - BMB Donations, Comodato VAMOS, Comodato JSL
Social investment	41.6%	7.0%	R\$ 353,811.80	Women behind the Wheel and costs with the platform Caminho do Bem, Movida - Libras training (sign language), Movida SP+B, and Movida por Elas (Movida for them)
Commercial initiatives	0.2%	0.02%	R\$ 662.59	Tarifa Social Movida
TOTAL	100%	100%	R\$ 4,236,243.28	-

PHILANTHROPIC CONTRIBUTIONS - SIMPAR GROUP SIMPAR GRI 203-1

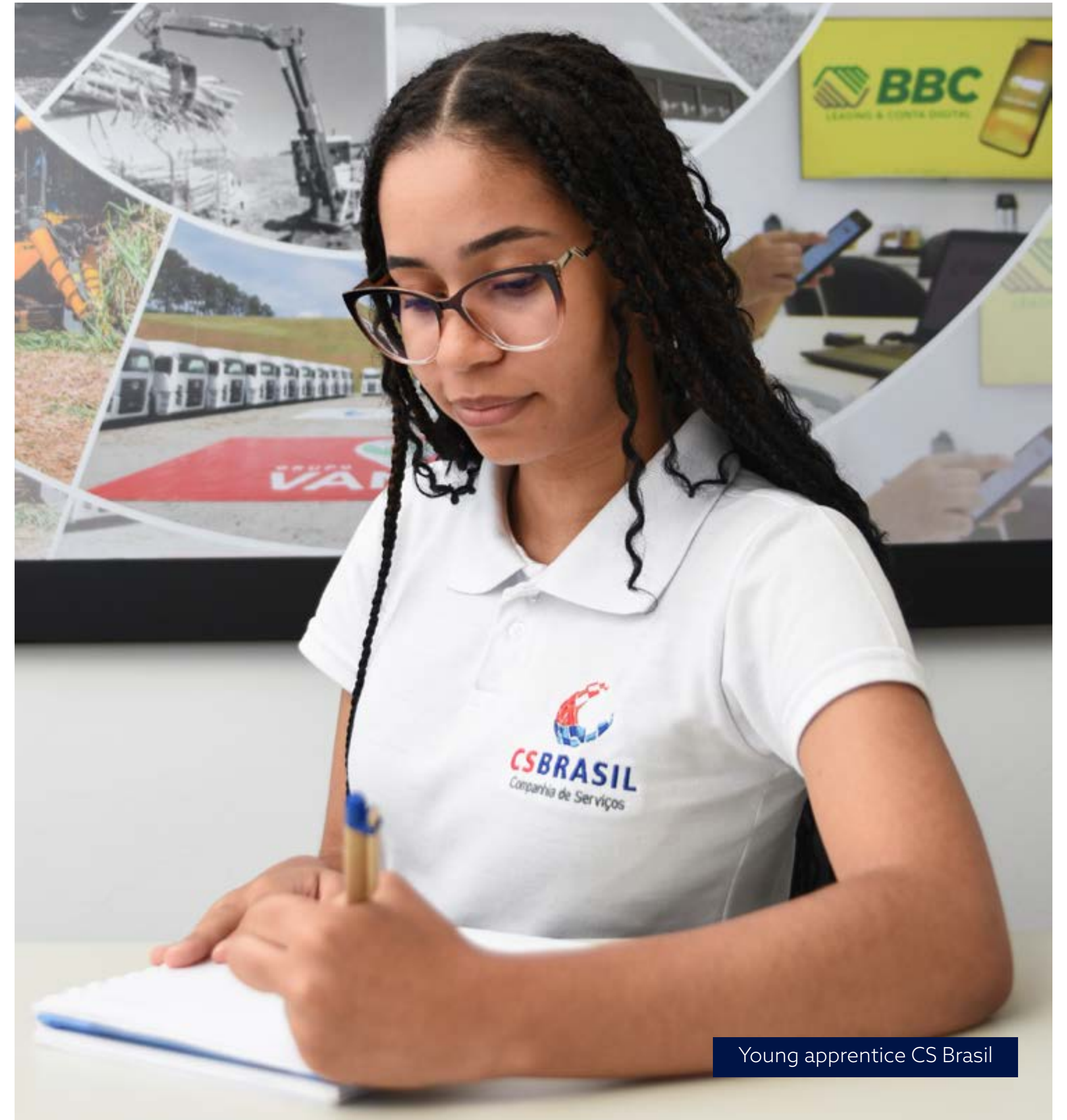
Category	Value (R\$)		Description of the item considered
	2022	2023	
Cash contributions	R\$ 5,674,491.43	R\$ 3,211,468.66	Incentive Law, IC Donation, and Belém Marvel Mission (JSL), JSL donations, TPC - Casa TPC, Movida Libras and Movida por Elas training, CS Grãos Donations, and Movida IJS donation. VAMOS - donations BMB
Time: volunteering provided by employees during their paid work period	R\$ 6,866.40	R\$ 0.00	-
Donations in kind (in products/services, projects, partnerships or similar)	R\$ 252,473.00	R\$ 289,480.49	Donation of basic food baskets Rodomeu, Donation of CS, CS BRASIL Easter eggs, Comodato VAMOS, Comodato JSL, Tarifa Social Movida
Administration costs	R\$ 805,158.42	R\$ 392,747.48	Administrative cost - IJS
TOTAL	R\$ 6,738,989.25	R\$ 3,893,696.63	-

The actions and allocation of resources are supported by local diagnoses to understand social demands and by the Social Vulnerability Index (IVS), formulated based on public information from municipalities in the areas of education, health, income and security. In 2023, the IVS included diagnoses in ten cities where the companies **CS Grãos** and **CS Portos** operate, which were added to other municipalities mapped in previous years, totaling 260 locations covered. The expectation is to update the index in 2024, considering all companies in the Group.

Until 2023, based on the diagnoses and data collected, **SIMPAR** worked primarily on the topics of road safety, youth training, professional qualification and combating sexual exploitation. However, during the year, in work led by the Sustainability

Committee and considering the most relevant issues for the strategic audiences of the holding company and its subsidiaries, the sustainability strategy included social action and the promotion of permanent and shared generation of value.

In addition to the allocation through tax incentive laws, the Group maintains funds defined in the annual budget, managed following the criteria pre-established by the Sustainability Policy. In 2023, R\$ 1,371,804.43 were invested through own resources and R\$ 2,131,272.13 million through tax incentive laws.



Young apprentice CS Brasil

Impact management GRI 203-2

SIMPAR works to resolve both the potential negative impacts of the Group's operations (such as the generation of noise, dust, vibration, road safety/accidents, linked to the circulation of vehicles; changes in infrastructure, through new facilities for employees and drivers; contamination of water and soil through waste from port industrial activities; and the sexual exploitation of children and adolescents on highways) as well as the real impacts (such as the emission of polluting gases and Greenhouse Gases

(GHG), in addition to the generation of waste). As mitigating measures, it carries out constant maintenance and renews its vehicle fleet, as well as promotes waste management, focusing on waste reduction and environmentally appropriate disposal. There are public targets to reduce emissions, linked to a Sustainability-Linked Bond, in addition to a plan under development considering existing actions, such as the prioritization of ethanol, low average age of the fleet and evaluation of alternative vehicles

and fuels, and acquisition of vehicles and electrical equipment, etc.

The Company also recognizes and seeks to maximize the positive impacts on the surrounding area, which include, among others, professional training, hiring local suppliers, generating income and paying taxes, which drive the local economy. These topics are managed through measurement indicators, monitored by the relevant areas.

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Proprietary programs

Caminho do Bem 2023: since 2019, **SIMPAR** has carried out campaigns to encourage solidarity in its teams, such as contributing so that its employees allocate up to 6% of the Personal Income Tax due, with full refund (reduction or reimbursement) of the amount by the 2024 income tax declaration. In the 2023 edition, around R\$708 thousand were raised.

Você Quer? Você Pode! (Do you want it? You can!): the action aims to include young people in socially vulnerable situations by offering training in technical skills for professional practice and socio-emotional skills. In 2022, more time was needed to train the team dedicated to the program, which is why the training of young people had to be postponed. In addition, an initial diagnosis was carried out in each region to customize the project according to local demands and business, which required more time than expected. In the three years of the project, 624 young people were trained and 276 are still expected to be trained.

Mulheres na Direção/ Women Behind the Wheel (JSL): as a way of contributing to the inclusion of women in the job market in transport and logistics movement, **JSL** keeps the Mulheres na Direção program, providing theoretical and practical training for truck drivers and forklift operators professionals. In 2023, three editions of the program were carried out, with 54 women trained, totaling 102 since its creation in 2021.

Casa TPC Murici: the Casa TPC pilot project, carried out in Murici, Alagoas, develops the community that lives around the Distribution Center the company owns in the municipality, preparing them for the job market and facilitating their hiring, also by **TPC**. Murici, with 25,187 inhabitants, has 10% formal workers and limitations in professional training, which is why the project is strategic for the company, which currently employs 1,000 employees in the region.



JSL employee

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Incentive laws

Within the scope of allocation of incentive laws based on the Tax on the Circulation of Goods and Services (ICMS) and the Tax on Services (ISS), the following stood out:

City Food – Paulista Gastronomic Traditions: allocation of R\$ 100,000.00, through Proac, offering a free gastronomy course and the publication of a book with traditional recipes from the State of São Paulo, presented by chef Sérgio Barbosa.

Cidadançania: allocation of R\$ 211,729.63, through Proac, for the project of free ballet workshops for children, young people and teenagers, lasting 10 months, twice a week, during school hours.

Som de Guizo: allocation of R\$ 88,000.00, through Proac, to record an album by singer Rosa Rosah. Composed of six musical tracks and called “Som de Guizo”, the album brings the sounds of samba and Afro-Latinity and includes three free social shows.

Osesp 2023 – Annual activity plan: allocation of R\$66,366.00, through Proac, to promote musical education for children bringing them close to an orchestra to experience a concert; teacher training on the universal history of music, the functioning and sound organization of an orchestra, in addition to the historical, architectural and technological aspects of the Sala São Paulo.

Tietê Verdadeiro: allocation of R\$ 60,150.80, through LIC Mogi in a project that aims to identify the future of the Tietê River and its impact on the lives of residents of the regions of Salesópolis, Biritiba Mirim and Mogi das Cruzes. Includes the feature-length documentary “Tietê: Águas Verdadeiras”, “Águas Verdadeiras”, which proposes exploring the river from its birthplace, in Serra do Mar in Salesópolis, passing through Biritiba Mirim, to the border between Mogi das Cruzes and Suzano, corroborating the debate on its protection and new sustainable ways to preserve it and enjoy it.

Music schools and citizenship 2023: two editions, with allocations of R\$61,503.14 and R\$127,995.01, through ISS Rio. The project aims to maintain community music teaching centers, primarily community centers and orchestra instrument centers, to serve 200 low-income children and young people, between 7 and 17 years old, free of charge.

School Museum – MAM: allocation of R\$ 100,000.00 through ISSO Rio for a program of multidisciplinary cultural events, workshops with different themes, short and long-term courses, exchanges, residencies, conferences and meetings aimed at training, mediation and education of different audiences in arts and culture. The project aims to create an inclusive and intergenerational training and events program, ensuring a place of creation, meeting and learning for children, young people, the elderly, people with disabilities and the general public in the city center.

Projects linked to the Childhood and Adolescence Fund (FIA – four projects) were covered by income tax amounts owed; the Rouanet Law (five); to the Sports Incentive Law (LAW – two) and the Elderly Law (four), totaling more than R\$ 1.3 million.

Infoavec: allocation of R\$ 51,968.13 through the FIA to promote the digital inclusion of children and adolescents in situations of social vulnerability in Belo Horizonte, impacting 200 students from the municipal public education network.

Passaporte Digital: R\$ 91,280.22 allocated by the FIA for professional training of young people in the area of Technology and Innovation, benefiting 300 students from public and low-income schools in the regions of Lagoa de Itaenga, Recife, Jaboatão dos Guararapes, Ipojuca, Cabo de Santo Agostinho and Moreno.

Hospital Angelina Caron: R\$ 110,224.24 contributed through the FIA. The project aims to humanize and improve the quality of pediatric care. This is done by offering a personalized physical environment, with technological conditions and trained and dedicated professionals who allow children to be recover safely and as efficiently as possible.

Pequeno Príncipe: allocation of R\$ 40,217.84 through FIA to promote quality hospital and outpatient care, the training and continuing education of health professionals and the promotion of innovation and scientific research, contributing to improving the quality of life and reduction of infant mortality. The estimate is that 25 thousand children and adolescents will be benefitted.

Bienal: with the Rouanet Law, R\$ 68,140.47 were allocated to the Annual Plan of the Fundação Bienal de São Paulo, which includes maintenance of the headquarters building, the Ciccillo Matarazzo Pavilion, the maintenance of the institution's organizational and administrative structure and the

maintenance of the Archive Historical Wanda Svevo.

Cantando na Chuva/Singing in the Rain: R\$ 148,900.67 through the Rouanet Law for the staging of a season of the musical theater show "Singing in the Rain", at Teatro Sérgio Cardoso (SP), in the first half of 2024. In return, 827 social tickets, or one social session, were donated for distribution to NGOs indicated by the sponsor.

Instituto Bacarelli: R\$ 49,255.06 allocated through the Rouanet Law to the Baccarelli Institute, which offers educational programs for professionalization in music for children and young people aged 4 and over.

Minha Aldeia: contribution of R\$51,085.07 through the Rouanet Law to provide free face-to-face audiovisual training for 40 young people between 16 and 25 years old in the city of Rio de Janeiro. As a result, four short films written by the students will be produced.

Butiá: allocation of R\$ 110,280.62 through the Rouanet Law. The main

objective of the project is to present, in the month of Christmas, local residents and those in the region of Novo Hamburgo, in Rio Grande do Sul, with performing arts, literature, visual arts, theater, dance and musicality.

Sports Center Network: R\$ 137,093.83 through the LIE, focusing on keeping and developing centers that, through the sports educational process, aim to enhance the integral development of human beings, expanding qualified access to the practice of physical education and sports, contributing to the formation of critical and participatory citizens in different territories.

Rede Bantu: allocation of R\$ 159,993.52 through the LIE for capoeira and judo workshops for children and adolescents in socially vulnerable situations. In total, 360 people were directly and indirectly impacted.

A Casa do Vovô: R\$ 83,955.87 allocated through the Elderly Law to Casa do Vovô. With more than 50 years of experience, it is a Long-Term Institution for the Elderly.

De Casa Nova: allocation of R\$ 55,140.31 through the Elderly Law to make Casa Santa Zita a Long-Term Institution for the Elderly and a national reference in serving this public, promoting the physical restructuring of the site and the hiring of specialist professionals.

De Olho na Visão: contribution, through the Elderly Law, to carry out 500 ophthalmological services, 250 cataract surgeries, 1,500 vision exams and supply of 120 prescription glasses for low-income elderly people in Morrinhos, in Goiás.

Assistance to Cancer Patients: allocation of R\$ 94,636.63 through the Elderly Law for assistance to elderly cancer patients at the Pernambuco Cancer Hospital (HCP). The objective is to get medications, chemotherapy drugs, furniture for pharmacies and equipment to modernize HCP's hospital logistics.

Instituto Julio Simões

Created in 2006 in the city of Mogi das Cruzes (SP), the Julio Simões Institute (IJS) aims to direct **SIMPAR's** social investments towards sociocultural projects, both its own and carried out by other institutions with which the Group shares ideals of social development. Therefore, IJS also promotes the relationship between the Company, its companies and its employees with the communities. In 2023, investments of more than R\$1.6 million were made through the Institute. Such investments include internal and maintenance expenses of the IJS itself; the maintenance of the Manuel Maria Asylum in Mogi; monthly transfers to seven social institutions in Brazil that serve children, young people, the elderly, People with Disabilities (PwDs) and vulnerable drug addicts; in addition to the donation of freight and medicines to victims of the rains in February on the North Coast of São Paulo and in

September/October in the South Region of the country. The Institute also looks after the historical and cultural heritage of companies by taking care of the collection of the Julio Simões Memory and Culture Center.

Furthermore, the following projects/programs were promoted during the year:

Você Quer? Você Pode! (Do you want it? You can!): visit of 2,837 4th year elementary school students from the Mogi das Cruzes public school system to the Julio Simões Memory Center, with an essay competition and prizes. Launched in 2012, it allows you to learn about the story of Julio Simões, as well as the development trajectory of the subsidiaries, an experience that allows you to stimulate and improve skills and competencies to expand achievement possibilities.



Interior of the Memory Center

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Julio Cidadão: training 36 employees as clown doctors and managing the network of volunteers in Mogi das Cruzes and the region. They reached over 3 thousand people with their actions. Held since 2007, it allows employees to develop behavioral skills (soft skills) impacting on the family and social environment, including work and social engagement in solidarity actions and getting a more positive perspective in relation to life's challenges. To this end, it includes 30 hours of classes and 20 hours of internship in hospitals, nursing homes and communities.

Solidarity campaigns: carried out in winter and Christmas, covering the entire **SIMPAR** Group in the national territory. A total of over 21 thousand items. was collected. The Winter for Good Campaign surpassed the 2022 result by 80%, collecting more than 3,600 coats and blankets. The Solidarity Christmas Campaign collected more than 7.5 thousand toys and panettones in the year.

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Julio Cidadão program graduation