

## Internal Audience

At the end of 2020, our team had 948 professionals — 79% men and 21% women — in addition to 35 contractors, all covered by collective bargaining agreements and managed by a corporate policy common to all SIMPAR companies, which has a People and Culture Department in its structure. Of the staff, 99% were hired under permanent employment contracts, 98% worked full time and 61% were concentrated in the Southeast Region. In terms of diversity, approximately 60% of the team was between 30 and 50 years old and 47% were Black. Integration between employees is ensured by respecting our values, which are widely publicized in the onboarding process and in meetings to assess results. Our values include simplicity, portrayed in the act of listening and welcoming and in learning from example. GRI 405-1

We also have an internal promotion and recruitment policy in place to fill senior positions. We offer continuous and multidisciplinary training to promote professional development and to facilitate the transition between areas. We also have training in skills for everyday life that are not job specific, such as financial education and English as a second language. (See the <u>GRI Attachment</u> for a detailed profile of our employees, data on hiring, turnover, and diversity) GRI 103-1 | 103-2 | 103-3 - Valuing people, their well-being and respecting diversity | GRI 102-8 | 102-43 | 401-1

Dedicated to the qualification and continuous improvement of the services we provide, the team has a remuneration policy, adopted by the jobs and salaries area, which considers the market average for fixed



Percentage of Black employees (Black and Pardo*) by employment category and gender GRI 405-1	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive Board	0%	0%	0%	8%	0%	8%	0%	0%	0%
Management	33%	50%	34%	38%	17%	36%	36%	14%	34%
Head of department/ coordination	29%	22%	27%	42%	20%	34%	38%	18%	32%
Technical/ supervision	29%	25%	28%	45%	25%	41%	44%	44%	44%
Administrative	47%	38%	44%	46%	43%	45%	47%	43%	46%
Operational	53%	63%	53%	50%	55%	50%	56%	54%	56%
Total	47%	37%	45%	46%	41%	45%	48%	41%	47%

\* In Brazil, Pardo is an ethnic and skin color category used by the Brazilian Institute of Geography and Statistics (IBGE) in the Brazilian censuses.

Number of employees by gender	2018	2019	2020
Men	563	753	752
Women	156	196	196
Total	719	949	948

Number of employees by region	2018	2019	2020
North	64	61	47
Northeast	31	33	36
Midwest	0	113	147
Southeast	466	566	576
South	158	176	142
Total	719	949	948

remuneration and provides variable pay to the leadership level according to individual and business performance. In the year, the ratio of standard entry level wage to the local minimum wage was 105% for men and 108% for women. GRI 202-1

The benefits package includes, in addition to other items determined by law, life insurance, disability benefits, and extended maternity/paternity leave, with no difference in these benefits between full-time and part-time employees. In the year, 25 employees took leave, and the return rate at the end of the period was 100% for men and 86% for women, while the retention rate (professionals who remained employed 12 months after their return) was 94% among men and 67% among women (see <u>GRI Attachment</u> for more details). To facilitate access to medical and health services, we also offer health plans to all professionals, which include the same list of procedures provided by the National Supplementary Health Agency (ANS) and are extended to spouses and children up to 18 years of age or up to age 24 when enrolled in a higher education institution. GRI 401-2 I 401-3

We also have the  $Ligado\ em\ Voc\hat{e}$  (Connected to You) program, which since the beginning of the pandemic has been the channel for support to and direct communication with employees and their families 24/7, to answer questions and provide all the necessary support in this new context. GRI 403-6

Another ongoing initiative is the *Mais Pra Você* program, a platform with nearly 3,000 partner organizations including educational institutions, companies, and service providers that offer discounts and promotions to employees in pharmacies, restaurants, fitness centers, etc.



Our professionals are also honored with a gift and/or celebration that includes family members when they complete 5, 10, 15, 20, 25, and 30 years at the company. We also encourage professional development through resources such as the Learning Program, which is being improved.

Training is continuous and covers several operational and behavioral aspects. In 2020, the average number of training hours per employee was 9.96, with more than 9,000 hours of training offered, a reduction compared to the previous year due to the need to interrupt on-site events because of the pandemic. See the <a href="GRI Attachment">GRI Attachment</a> for data on training. GRI 404-1

All our professionals have access to the Whistleblower Channel — which is also available to third parties, service providers, and customers — to report actions, omissions, irregularities, non-conformities, or any fact that violates current legislation and regulations and/or standards set out in our Code of Conduct and other internal policies and standards or actions that may cause damage to any activities, employees, shareholders, and other stakeholders. The channel is disclosed in the Code of Conduct and is periodically disclosed through internal communications and training.

The outsourced company that manages the channel receives and records the reports in a digital system. The Internal Controls, Risks, and Compliance area accesses the system, analyzes and classifies the records, and escalates the case for investigation. Once the process is

completed, the area (if necessary) either reclassifies the grievance or maintains the initial classification of the whistleblower. The conclusion of the investigation can have three results: well founded, unfounded, or partially founded. In well founded or partially founded cases, appropriate disciplinary measures are defined based on internal policies. In the year, no complaints were filed related to discrimination or harassment of any kind. GRI 406-1



## **Health and Safety**

In the area of safety, in addition to initiatives resulting from the pandemic, we promoted intense campaigns geared toward truck drivers, which led some of our branches to set a record number of days with no accidents. Increased awareness was noted in the need to use Personal Protective Equipment (PPE).

The centralized Health, Safety, and Environment (HSE) area, composed of one representative from each SIMPAR company, worked on the adoption of SOC software in 2020, which is a part of the Integrated Management System (SGI) and centralizes all documents related to health and safety. It is updated daily and available with quick access. The SGI is certified by the ISO 9001 and ISO 14001 standards, and the plan is to obtain the ISO 45001 certification in health and safety in 2021.

Another resource that was strengthened in the period was the Incident Investigation Management System, which centralizes all information concerning accidents in order to investigate the root causes. It registers the date, time, shift, period, and other variables, along with measures to be taken to avoid new incidents.

Additionally, every SIMPAR company has a WhatsApp group, through which managers or persons responsible for operations can rapidly communicate emergencies with standardized information. This way, company leadership becomes aware of the fact and can track the assessment and investigation through the integrated system.

Similarly, the *Aponte o Risco* channel was created in partnership with the Compliance area and acts as a compliance channel. It allows any professional to access the *Contato Seguro* website — the partner responsible for managing this resource — and communicate a perceived risk. The goal is for the channel to be perfected in 2021 to facilitate

access using a QR Code, which is already used by professionals in some of our customer companies to identify levels of job satisfaction. By pointing the cell phone's camera at the luggage compartment above their seat on the buses that provide daily transportation to the operational unit, employees capture the signal and have a satisfaction survey available to be answered quickly and practically.

Under this structure, we have been steadily decreasing our accident rates. In 2020, however, we maintained the same reduction rate reached in 2019; due to the uncertainty caused by the pandemic and interruptions in HSE activities in the field, we did not surpass those results. However, we managed to consolidate our processes so that in 2021 we will reap the rewards of this effort. See the accident indicators registered in the year, in the GRI Attachment.





## **Combating Covid-19**

With a focus on our People, we dedicate efforts to ensure the health of our employees and their families. The Ligado em Você program, which provides support in psychological, social, or medical problems, has become a 24/7 support and direct communication channel, and, at the peak of the pandemic, helped more than 4,000 people. Through this channel, it was possible to track those who had symptoms of Covid-19, provide all the necessary support and guidance, and answer questions regarding this new context. A team of physicians and psychologists is also available for remote care throughout Brazil. In addition, priority was given to working from home, national and international travel was suspended, and collective events (training sessions, trade fairs, etc.) moved to videoconferencing. Return to the workplace, except for people who are part of risk groups, was also controlled and gradual, respecting the decision of the professionals who preferred to continue working remotely. Plexiglass barriers were installed on the counter in store spaces, separating and protecting attendants and customers.

In the offices, spaces were demarcated with the minimum distance required by health protocols and the priority was given to work rotation schemes, reducing the number of people in the same environment. Additionally, the workplaces are more thoroughly disinfected and cleaned, and the temperatures at the entrances and exits of the units are checked.

