



*Green
Attitude*

Sustainability Program Localiza

BUILDING
THE FUTURE
OF MOBILITY
WITH YOU





CREDITS

PUBLISHING, COPY AND GRI CONSULTING

WAY CARBON

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We thank all Localiza employees who contributed to the drafting and publishing of our first Sustainability Report. The report marks an important step in improving the transparency of our operations and inspiring us always to do more and better.

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1. PREFACE





The publishing of our first corporate report dedicated to sustainability, which covers our activities from January 1 to December 31, 2017, reinforces our efforts towards sustainable growth and ensures the transparency of our sustainability practices. To ensure the quality and excellence of this report, as we do in all other dimensions of our operations, it was prepared based on the framework of the Global Reporting Initiative (GRI) – core option, a pioneering methodology that is the most adopted worldwide for reporting corporate sustainability [102-50; 102-51; 102-52; 102-54].

Our motivation in publishing this sustainability report reflects the maturation of our understanding of sustainability as a new strategic driver of our business. As part of this process, we are formalizing through this report and communicating to our stakeholders the practices already adopted in areas such as ethics, governance, water and energy consumption management, environmental and labor compliance, entrepreneurship and community engagement. We also have formalized our commitments to future improvements, many of which already have been implemented in 2018.

We are undertaking to report annually our sustainability practices through a formal report. By drawing on this first publication, we will be able to improve over the coming years the monitoring of our practices and the respective reporting, always striving for a reporting format that creates more value and is relevant to our stakeholders.

So it is in this context that we share the results that drive us.

2. MESSAGE FROM THE CEO



Localiza takes yet another important step in its constant pursuit of exceptional results. The publication of this first sustainability report is a milestone in our history and elevates the topic to make it a strategic driver of our business that is firmly incorporated into the values upheld by the Company.

At Localiza, we always work with the vision that our social role is to create wealth, jobs, development and value for society in the short, medium and long term. We know that to deliver these results, we must invest and focus on innovative, efficient and sustainable solutions.

Our company is committed to economic results, rights of shareholders and investors and competitiveness of our business. To achieve these commitments, we adopt the highest business and corporate governance standards, which add value and ensure equitable treatment, compliance, accountability and transparency for all shareholders and the market in general.

In our activities, we adopt responsible conduct in our environmental interactions and protection through measures such as using renewable resources, adopting eco-efficiency, managing waste and air emissions, always seeking to reduce and mitigate our environmental impacts. We are constantly promoting conscientious consumption, encouraging attitudes to reduce consumption and promoting the smart use of water, energy, paper and various materials.

We also organize a series of social initiatives to foster entrepreneurship, community engagement, social balance and professional training and qualification, while always upholding ethical conduct and respect for human rights and diversity. We proudly exercise our role of a citizen company.

The publishing of this report objectively and clearly presents to the market the way we direct our efforts to measure the performance of our practices and to integrate sustainability into Localiza's corporate culture by managing as effectively as possible our positive and negative impacts.

In 2017, our team imposed bold targets for growth, value creation, customer satisfaction and brand positioning, despite an adverse macroeconomic scenario and a highly competitive environment. The team embraced the challenge, innovated and delivered exceptional results.

This would not have been possible without the strong commitment, sense of urgency, passion for serving and owner spirit of our more than 7,000 employees. In today's world of rapid evolution and social transformation, Localiza remains attentive to best practices and international trends, while investing in the development of its employees to support future challenges and meet our customers expectations.



We are ending this cycle satisfied with the results we have attained in key aspects of the business, which further encourages us to advance in a management strategy focused on the future, while seeking advances in sustainable performance, business growth and dedication to continue expanding our market leadership. [102-14]

Eugênio Mattar, CEO

We direct
our efforts to measure the performance of our practices and to integrate sustainability into Localiza's corporate culture

3. LOCALIZA

Localiza Rent A Car S.A. is a Brazilian company that was founded in 1973 with only six cars in a small car rental store in Belo Horizonte, the capital of Minas Gerais state. Since we first launched our operations, our strategy has been to ensure high quality, good service and an exceptional experience. Guided by these three principles for 44 years, we have followed a successful path to become the largest car rental chain in South America. [102-1] [102-3]



WE CLOSED 2017
WIDE CHAIN
OF RENTAL

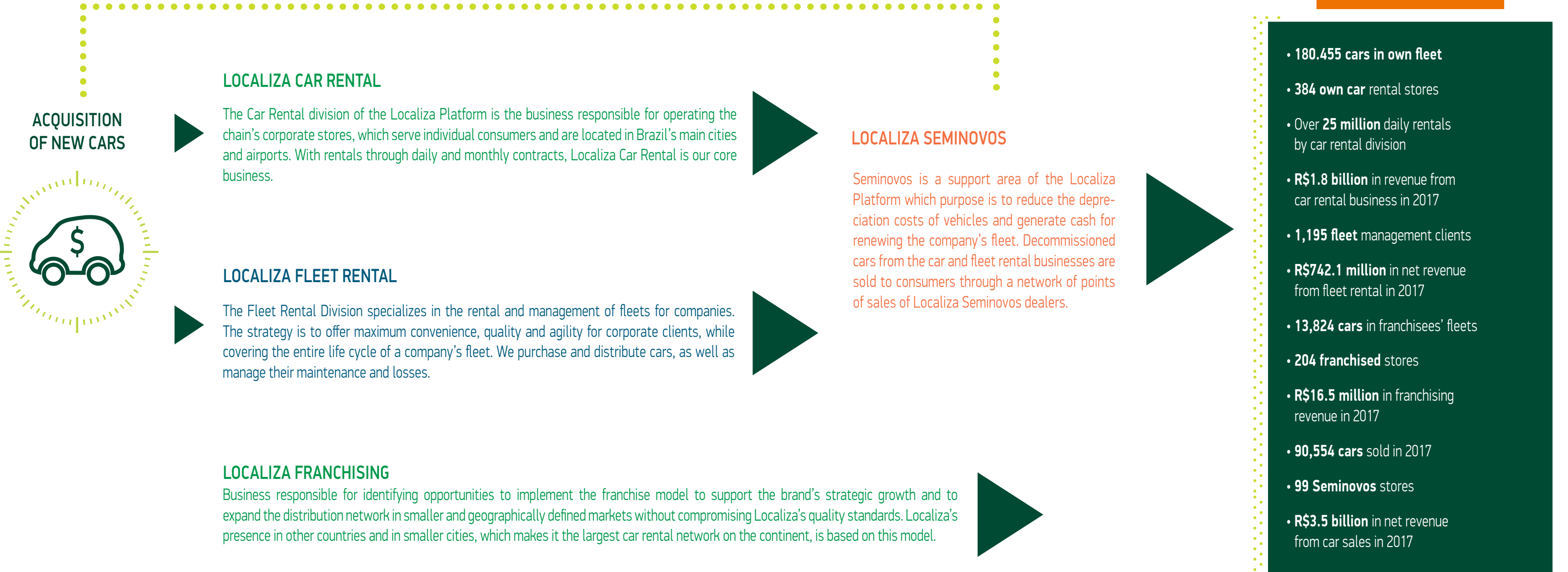
588
CAR RENTAL
LOCATIONS

LOCATED IN
402
CITIES
DISTRIBUTED ACROSS
BRAZIL, ARGENTINA,
CHILE, COLOMBIA,
ECUADOR, PARAGUAY
AND URUGUAY.

TOTAL OF
7
COUNTRIES
[102-4]; [102-6]

MEET OUR
NETWORK

With convenient mobility solutions for individuals and companies, Localiza strives to meet its customers' needs by offering the best car rental experience in the world, for which it has a business platform that operates on four strategically complementary fronts. [102-2;102-7]



► Numbers in 2017

R\$ 14.7

BILLION IN MARKET
CAPITALIZATION

R\$ 563.4

MILLION IN NET
INCOME¹

R\$ 6,058.3

MILLION IN NET
REVENUE

7,121

EMPLOYEES

90,554

CARS SOLD

194,279

CARS IN FLEET

7.6

MILLION
CUSTOMERS

R\$ 2,600.7

MILLION IN
SHAREHOLDERS' EQUITY

32.3%

SHARE OF CAR
RENTAL MARKET

¹ Adjusted value considering non-recurring costs and expenses related to the acquisition of the Hertz Brasil operation and the integration of franchised stores.

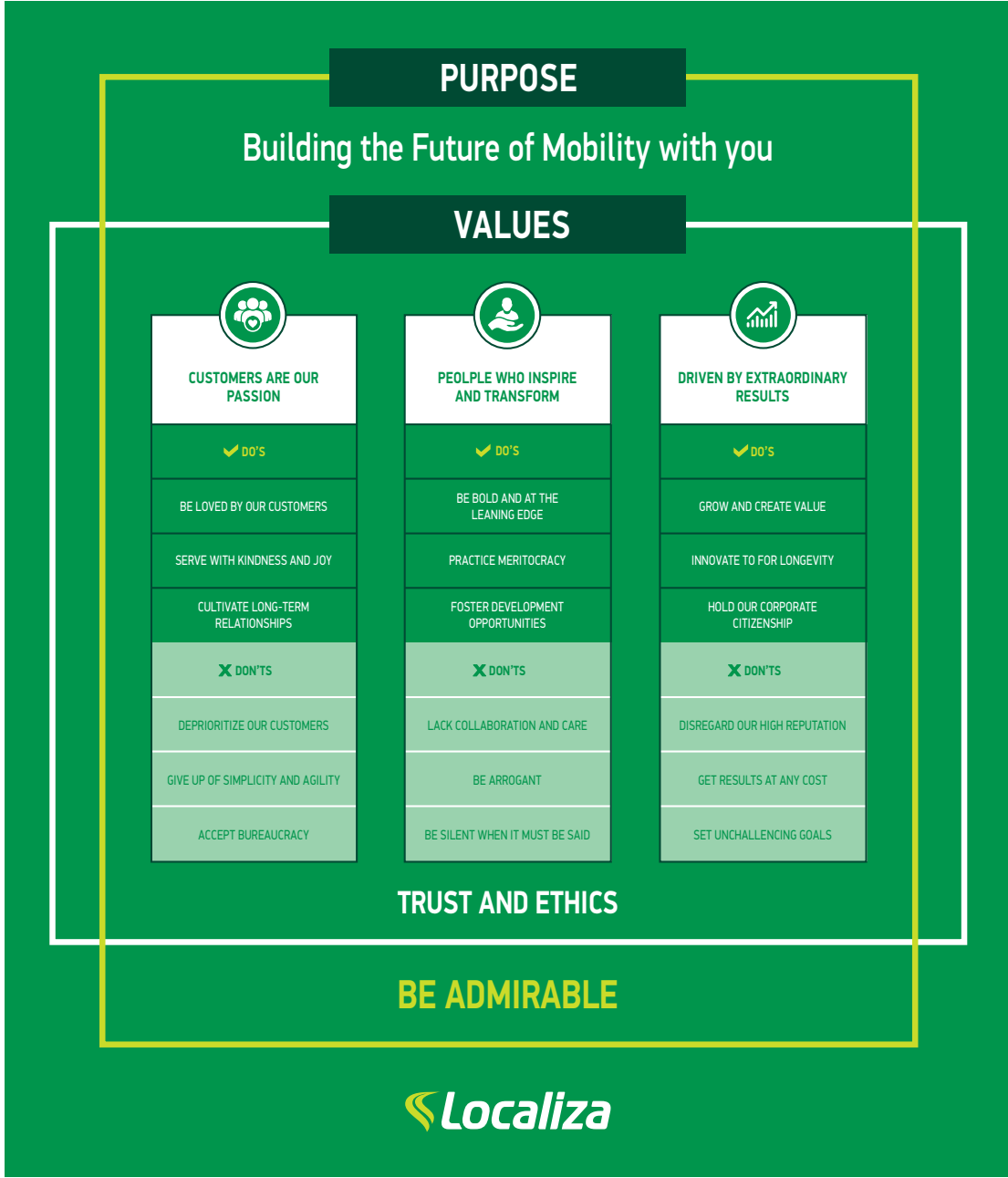
With a platform of integrated businesses and through our efforts and dedication, we have built a solid and valued company that always strives to be an admired brand and to deliver exceptional results to our shareholders and other stakeholders. Localiza's performance in 2017 reflects the success of our strategy, which has added even more value to our business. [102-7]

>>>>

3.1 CORPORATE ATTITUDE

At Localiza, our business consists in facilitating mobility and caring for people’s paths at all times and in all ways. We believe that, more important than the destination, is how we travel that path. We are experts in making it easier, more comfortable and safer, whether by renting a car or managing corporate fleets. Always close to you, we are dedicated to serving attentively and transparently while developing smart and sustainable ways to come and go. We are attentive to the changes around us to discover solutions that improve mobility for all of us. Over these 45 years of operations, we have built a company with a strong and unique corporate attitude, the Localiza way of being and doing, and with a consistent and inspiring identity. Our values constructed over these years repre-

sent our best qualities and undoubtedly have served as the foundation for our growth. We are certain that, by following them, we will continue to move in the right direction and will remain a modern, innovative and sustainable company that is constantly creating value. That is why we value so much our Code of Ethics and Conduct, because it clearly and precisely guides our ethical and professional attitude. Our Code of Ethics and Conduct, which must be followed by all our employees, franchisees, third-party service providers and suppliers, covers topics involving the workplace, personal conduct, conflicts of interest and relations with customers, shareholders, suppliers, partners, financial institutions and competitors. The entire code is public and available on our website.



Helping to uphold our solid reputation, the sustainability of our business, the commitment to mitigate the material and socio-environmental impacts of our operations and the integrity of our stakeholder relations, our Code of Ethics and Conduct was revised to update the understanding of certain topics and to include new important topics. The

new document modernizes and expands the principles that strengthen our integrity and reputation, with the inclusion of topics related to information security, intellectual property, discrimination, harassment, incentives, support and sponsorships and combatting corruption, among others.



Awards and recognition 2017

Confirming the strength of our values and principles, over the years, we have received many awards and accolades in various areas and from various market surveys and analyses. In recent years, some of our most important awards have been for the good performance of our operations and activities. These recognitions motivate us to continue advancing and strengthening our corporate attitude.

GOVERNANCE

- Awards for Best CEO, Best CFO, Best Investor Relations program, Best IR Professional, Best IR Team and Best Website in the Institutional Investor Ranking 2017
- Named one of the Most Admired Brands by HR professionals in Brazil and Latin America, with one of the Ten Most Admired HR teams in Brazil and one of the Best Companies in the Organizational Human Development Index, according to the magazine Gestão & RH.

Other awards:

- Human Being Award from the Brazilian Human Resources Association (ABRH) in the category Diversity and Social Responsibility and People Development.

CUSTOMERS

- One of the Best Companies for Consumers in the categories "Car rental and dealerships" and "Car dealerships," in the Época Reclame Aqui Awards.
- One of the 100 Best Companies in Customer Satisfaction, placing 15th in the ranking compiled by the MESC Institute.

Other awards:

- 3rd place in the Services category of the Estadão Empresas Mais Award.

FRANCHISING

- Best Company in Internal Expansion of Franchises, in the category Brazilian Franchises, according to the ranking compiled by the Dom Cabral Foundation (FDC).
- Holder of the Excellence in Franchising Seal granted by the Brazilian Franchising Association.

TRANSPARENCY AND ETHICS

- Winner of the Transparency Award 2017 from the National Association of Finance, Administration and Accounting Executives (Anefac).
- Recognized by the São Paulo Court of Appeals as a Friend of Justice Company.

RESULTS

- Named one of the companies with the highest capacity to create and protect value, according to the Highest Value Created ranking compiled by Dom Strategy.
- 11th company with the highest return on equity (ROE) in the past five years, and one of the stocks with returns above 100% in 2017, according to rankings compiled by Economática.

Other awards:

- One of the 50 most traded stocks on the São Paulo Stock Exchange, according to the Brazil 50 Index (IBrX50).
- Investment-grade rating of AAA(bra) on the national scale and BB+ on the global scale from Standard & Poor's.
- Winner in the transportation category of the Architecture Excellence Awards, sponsored by iCMG Consulting.
- 11th place in the Mobility Index 2017, sponsored by Pontomobi in 2017.

REPUTATION AND RECOGNITION

- Considered the 24th Most Valuable Brazilian Brand, according to the InterBrand Ranking 2017, and the 42nd Most Valuable Brand in Brazil in 2017, according to the ranking compiled by IstoÉ Dinheiro and Brand Analytics.
- Named Brazil's Best Car Rental Company, according to the Viaja São Paulo Awards sponsored by Datafolha/Folha de São Paulo Institute, and figured in the Biggest and Best Ranking 2017 compiled by the magazine Transporte Moderno.

Other awards:

- Figured in the ranking of the 1,000 largest companies in Brazil compiled by IstoÉ Dinheiro, in 121st place.
- Company of the Year in the XXI ranking of companies in Minas Gerais state compiled by the magazine Mer-

3.2 GOVERNANCE STRUCTURE

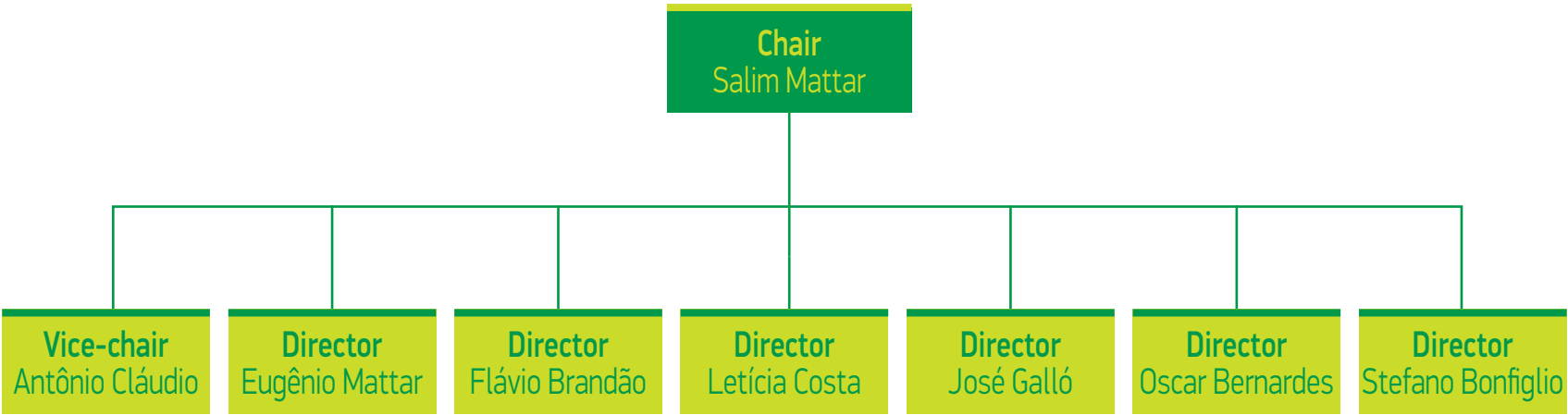
One of our strategic drivers is to be a reference in terms of management model. Localiza is a public corporation listed since 2005 on the São Paulo Stock Exchange (B3), with its stock trading in the Novo Mercado segment, which has the highest corporate governance standards of Brazil’s capital markets. [102-5]

To ensure a solid and efficient governance structure, since **2011**, we have followed the **ABRASCA** Code of Self-Regulation and Good Practices for Public Corporations.

Our governance structure has always followed highly differentiated standards that add value and ensure equitable treatment, compliance, accountability and transparency for our stakeholders. Our practices are examples of excellence and the foundation of our capacity to generate value and results. [102-18] [102-22]

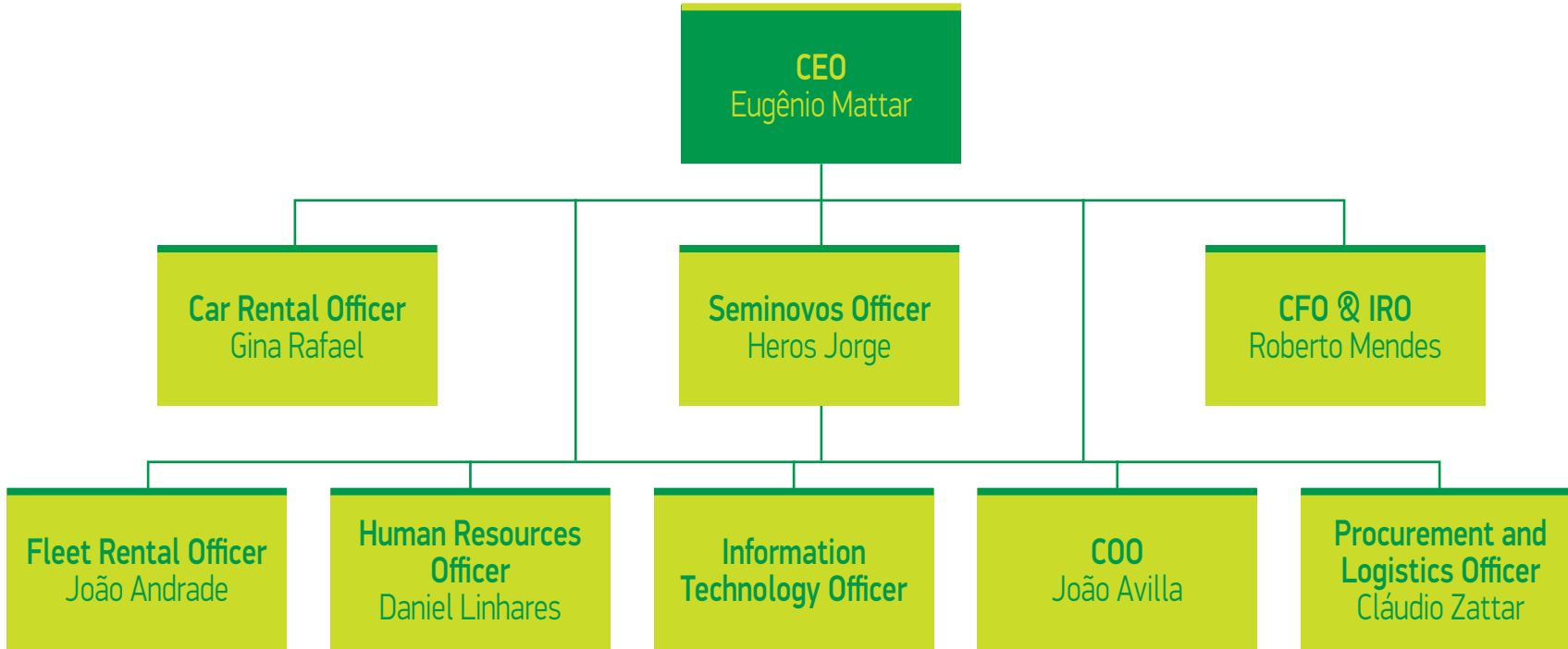
Our Board of Directors is responsible for establishing the guidelines and general policies of our businesses. It is also responsible for determining, supervising and monitoring the activities of our executive officers, for choosing the independent auditor and for creating committees by establishing the respective charters and duties. In 2017, the board was formed by eight members, with one Chair, one Vice-Chair and six Directors (four of whom independent), all elected by the Shareholders Meeting to serve a unified term of two years. [102-23; 102-24]

Organizational structure of the Board of Directors



In December 2017, the Executive Board of Localiza, which is responsible for managing the business, was formed by eight officers, four of whom are specified officers established in the bylaws and elected by the Board of Directors, and four executive officers².

Organizational structure of the Executive Board



² The Technology and Information Officer position is currently vacant while a professional is being recruited.

The following committees are subordinate to the Board of Directors: Strategy Committee, People Management Committee and Audit, Risk Management and Compliance Committee. The Company also has a Disclosure Committee, which reports to the Chief Financial and Investor Relations Officer, and an Ethics Committee, which reports to the Chief Executive Officer.

In the first half of 2018, we formalized the strategic importance of sustainability to our business by creating a Sustainability Committee. The committee, which was implemented upon approval by the Board of Directors, is subordinated to the CEO and addresses matters related to performance indicators and the goals identified in our sustainability program. The committee is also responsible for identifying, addressing and monitoring matters involving sus-

tainability that represent risks or that could have a relevant impact on our business activities, image and reputation, long-term results and relations with customers or employees. The committee operates based on the principle of precaution to mitigate the potential public or environmental impacts. [102-11] [102-29] [102-20]

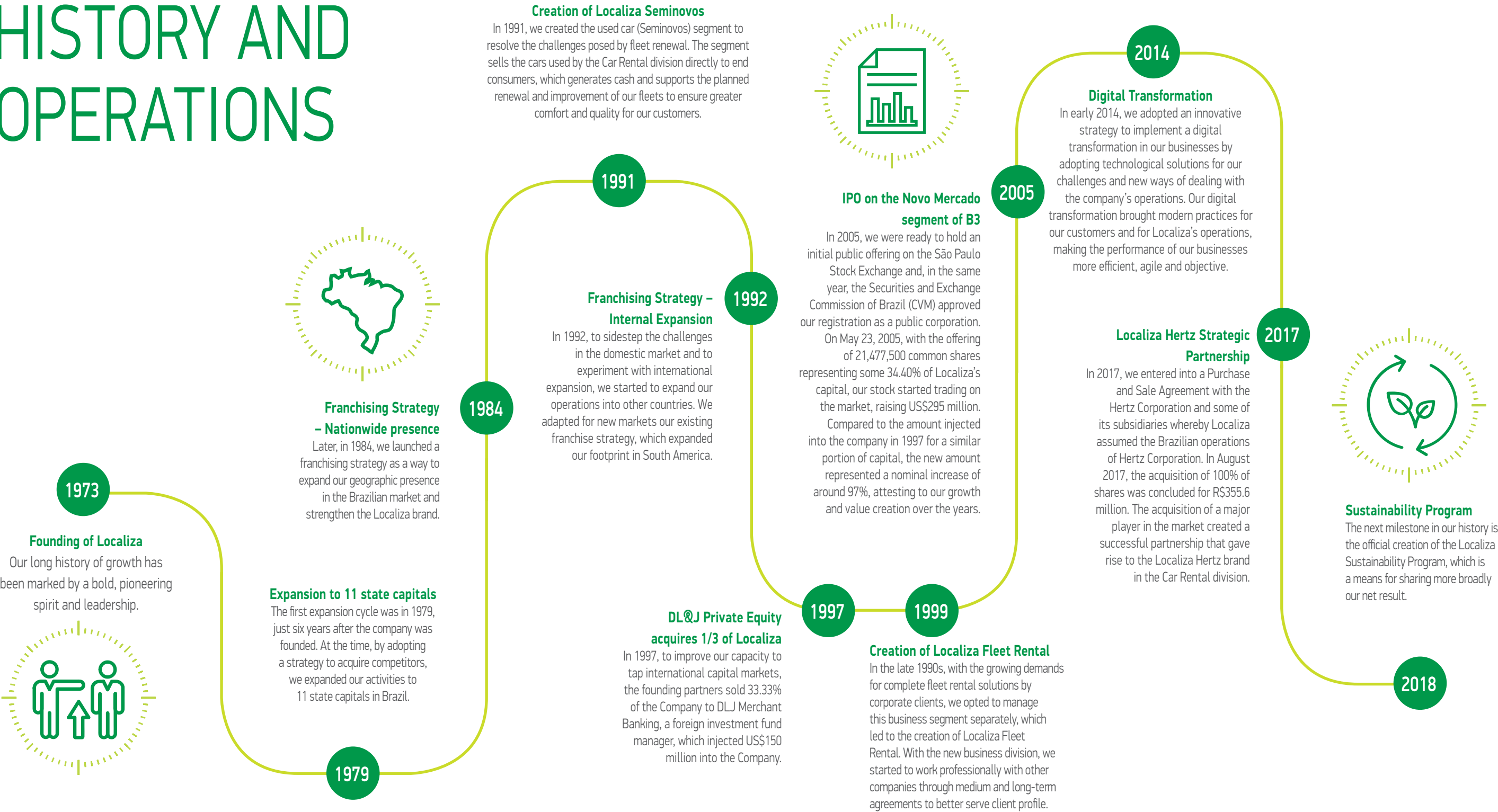
The existence of these committees attests our efforts to ensure the observance of and compliance with our ethical principles and values, and for their continuous dissemination, as well as to conduct our business in accordance with the principles of corporate sustainability and governance and to decide in the best interest of the company, irrespective of the specific interests of the shareholders or group of shareholders.

► Executive-level offices and functions responsible for economic, environmental and social matters with access to the highest governance bodies.



THE SUSTAINABILITY
COMMITTEE
WAS CREATED IN THE FIRST HALF OF 2018.

3.3 HISTORY AND OPERATIONS



Aware of our transformational role as an economic agent with the capacity to create jobs and income, promote innovation and efficiency in processes and support advances in society and its well-being, we try to conduct our business activities in a way that creates value for all our stakeholders. In our pursuit of better results, we are not concerned solely with our short-term performance, but also with the survival and continued growth of our company. We believe that having a sustainability program helps to ensure our financial success and solid market positioning, while also enabling us to maximize the sharing of our results.

Historically, sustainability has always been a part of our operations, although without centralized planning, which resulted in practices and actions that, albeit genuine and effective, were not integrated. Various areas of the company carry out projects and programs internally to obtain advances related to inclusive hiring practices, optimizing processes, energy efficiency, the more efficient use of water resources, the recycling of materials and waste, and more. Externally, our involvement with local communities, participation in programs to promote culture and sports, and support for entrepreneurship are hallmarks of our activities. We actively participate in important initiatives to fulfill our role as a citizen company.

In recent years, however, with the maturing of discussions on corporate sustainability, coupled with a heightened awareness of the socio-environmental

impacts of our operations and a broader vision of international trends and demands in favor of sustainable development, we have perceived the need to reassess our approach and to understand sustainability as a broader, more complex and invaluable element. We believe that the integration of sustainability into the business strategy is an indicator of a company's positioning with regard to its future and, as such, should be pursued and treated as comprehensively as possible in the Company's planning.

Over the course of 2017, we focused our efforts on structuring a sustainability program that not just was aligned with our business strategy, but that also functions in tandem with our activities. To mark the launch of this program, entitled "Green Attitude Program," we created the "Localiza Manifesto for Sustainability," which presents our new approach to sustainability and communicates the strategic direction for the future of our business.

In 2017, we structured under this program a sustainability plan aligned with the company's activities and, as of 2018, we now have a corporate strategy that integrates sustainability into our businesses. The next step, formulating our Sustainability Policy, will effectively confirm our commitment and serve as a public declaration of our positioning on what we believe and seek in terms of sustainability.

LOCALIZA'S MANIFESTO FOR SUSTAINABILITY

"Seeing up close"

Green is our **brand**.

And it's in **our stores**, which are **100% green**.

It's worn by each of our **employees**.

It's on **60% of our headquarters**, which is the **face of sustainability**.

It courses through the veins of those who **drive our history forward**.

And it even became a hashtag, **#GREENBLOOD**

But green means much more:

It's our way of being and acting.

It's also an **attitude**: a **Green Attitude!**

Which symbolizes **prosperity, innovation and growth**.

With **purpose, principles and responsibility**, as well as union:

After all, it is by integrating the economic, social and environmental dimensions of our company that we deliver the best that sustainability has to offer to all society.

That is how we contribute to a more balanced, conscientious, fair and inclusive economy, and to the good use of natural resources.

Green means **mobilizing people, companies and all society**.

Cultivating **a sustainable future for the next generations**.

Green means **making the world a better place**.

Rest assured: **green is much more than a color to us**.

It's part of **our essence and our nature**.

With Green Attitude, we make the future of mobility even better.

4. SUSTAINABILITY AT LOCALIZA

We launched our sustainability program, which involved seeking references to support our actions and building the tools needed to incorporate sustainability as a strategic element of our business. With our incorporation of sustainability and efforts to pursue exceptional results, we identified the opportunity to create and share value with our shareholders, clients, team, suppliers and society and in turn attain even more robust and consistent results.



SUSTAINABILITY
IS A STRATEGIC ELEMENT FOR OUR BUSINESS

As part of the program's strategy, we linked its pillars with the main goals and values of Localiza. Our sustainability program is based on the concept that exceptional results depend on creating shared value, on exercising our role as a citizen company and on investing in innovation as a way to perpetuate our practices. Furthermore, we believe

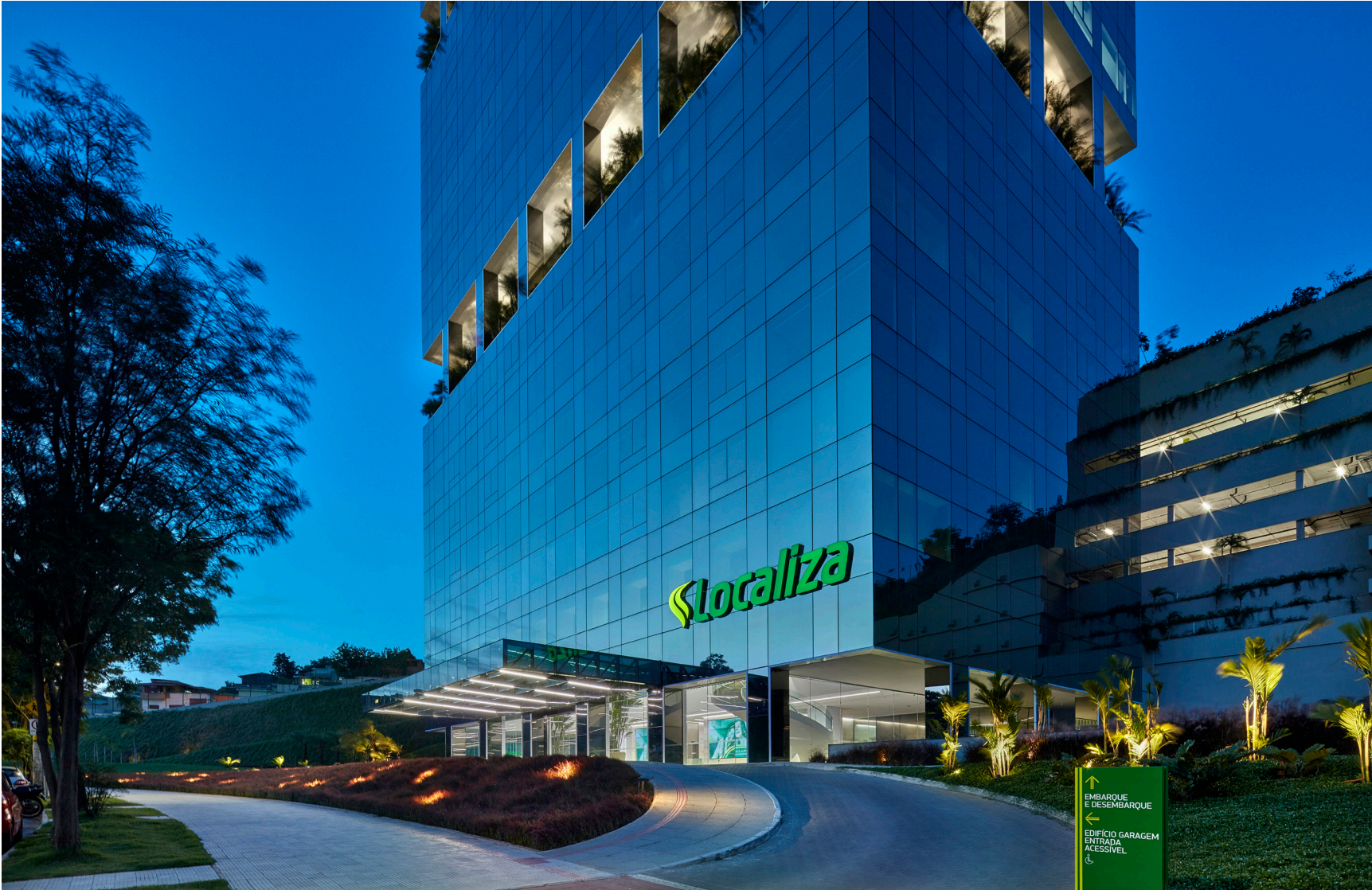
that this only is possible if we have synergy created by an exceptional, accomplished and valued team (People who inspire), the exemplary execution of our practices, processes and services (Attitudes that transform) and satisfied and loyal customers who engage with us in attaining sustainable growth (Clients who engage).

► Concept of the Green Attitude Program



At Localiza, we lead by setting an example and by adopting attitudes that go beyond our walls and provoke positive transformations. We want to be the greenest car rental company in the world and support mobility solutions for a low-carbon economy. We want to transform the world through people who

inspire, are bold, play a lead role and grow with each accomplishment. As a company, we assumed our role of creating fair opportunities internally and externally so that people can grow and be able to practice sustainability in their daily activities, achieve their full potential and participate in the Company's



growth and in the sustainable development of society. In addition to supporting our employees and all the other links in our value chain, we never lose sight of our customer. We seek the admiration of our customers, since the sustainability of our business depends on building this relationship and on its longevity. We want to create ways to invite our clients to engage, such as by acting and consuming more sustainably, participating more and exer-

cising their citizenship. To support this effort, we have mapped our existing practices, actions, policies and processes and identified our strengths and opportunities for improvement in order to assess the potential of our sustainability program. We also created mechanisms for managing indicators that can monitor the evolution in our performance and provide a structure for the content presented in this report.

Observing best international practices and seeking to strengthen our guidelines to generate positive social and environmental impacts, in 2017, we became signatories to the United Nations Global Compact. The voluntary initiative mobilizes the international business community to adopt in their business practices fundamental and internatio-

nally accepted values in the areas of humans rights, labor relations, the environment and combatting corruption. These values are translated into 10 Universal Principles that enrich and complement corporate social responsibility practices [102-12; 103-13]

IN 2017

WE BECAME SIGNATORIES OF THE COVENANT GLOBAL OF THE NATIONS UNITED

Through the Global Compact, we accessed the 2030 Agenda for Sustainable Development, an international action plan developed collaboratively by governments, academia, civil society and the private sector that established 17 Sustainable Development Goals (SDGs) with 169 targets that address environmental, social and economic aspects in an integrated and indivisible manner [102-13]

► Get to know the 17 UN Sustainable Development Goals



We worked to converge the scenario mapped within Localiza with this global sustainable development agenda for the coming decades. As a signatory to the Global Compact, we seek ways to integrate the 10 Principles and the 17 Sustainable Development Goals (SDGs) into our practices and to direct our efforts to

contribute to the advancement of this agenda and to promote sustainable growth and citizenship. You can see the results of this integration throughout the report, which indicates the Principles and SDGs related to our material topics and how they were contemplated by our sustainability program in 2017.



1. HUMAN RIGHTS
Businesses should support and respect the protection of internationally proclaimed human rights; and



2. HUMAN RIGHTS
make sure that they are not complicit in human rights abuses.



3. LABOUR
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;



4. LABOUR
the elimination of all forms of forced and compulsory labour;



5. LABOUR
the effective abolition of child labour; and



6. LABOUR
the elimination of discrimination in respect of employment and occupation.



7. ENVIRONMENT
Businesses should support a precautionary approach to environmental challenges;



8. ENVIRONMENT
undertake initiatives to promote greater environmental responsibility; and



9. ENVIRONMENT
encourage the development and diffusion of environmentally friendly technologies.



10. ANTI-CORRUPTION
Businesses should work against corruption in all its forms, including extortion and bribery.

4.1 MATERIALITY OF SUSTAINABILITY TOPICS



Sustainability is composed of numerous aspects. Addressing topics that truly create value and results for our business and stakeholders is fundamental for ensuring a sustainability program that is effective, successful and integrated into our corporate strategy.

With that in mind, and to support the preparation of our report, we conducted our first materiality analysis of sustainability topics, in accordance with the internationally recognized and respected

framework of the GRI. Through a structured listening and analysis process, we sought to better understand which sustainability topics are most relevant to our priority stakeholders, as well as their impact on our business. The materiality analysis also took into consideration the current economic, environmental, social and cultural context by assessing how our activities can generate positive impacts, which must be maximized, and negative impacts, which must be mitigated and, when possible, avoided. [102-42; 102-48; 102-49]



The information used to determine the relevance of the material topics presented in this report were collected through the following activities:

- on-site interviews with senior management, including the CEO and other officers;
- internal satisfaction survey of employees;
- on-site interviews and questionnaires with clients (individuals and companies), suppliers, financial institutions, investors, insurers, franchisees and local communities, as well as the employees responsible for the relationship with these stakeholders, including the Investor Relations department;
- analysis of internal documents, including the report of engagement with local communities, investors' assessments and global trends;
- benchmarking of the car rental and insurance industries.

IN ALL,

nine categories

of stakeholders were involved, namely:

- executive board – 8
- employees – 4,962
- customers – 600
- suppliers – 48
- financial institutions – 4
- investors – 6
- insurers – 8
- franchise owners – 20
- and local communities – 1.336

This consultation of stakeholders helped us to identify the risks posed and opportunities offered to the business by the sustainability topics. [102-21; 102-29; 102-40; 102-43]

As a result of the assessment, we identified 27 topics that are relevant to our stakeholders and that can, in one way or another, impact our business. Of this total, 10 topics, which encompass our internal and external environment, were considered material by our stakeholders with regard to our business strategy for 2022. [102-46]

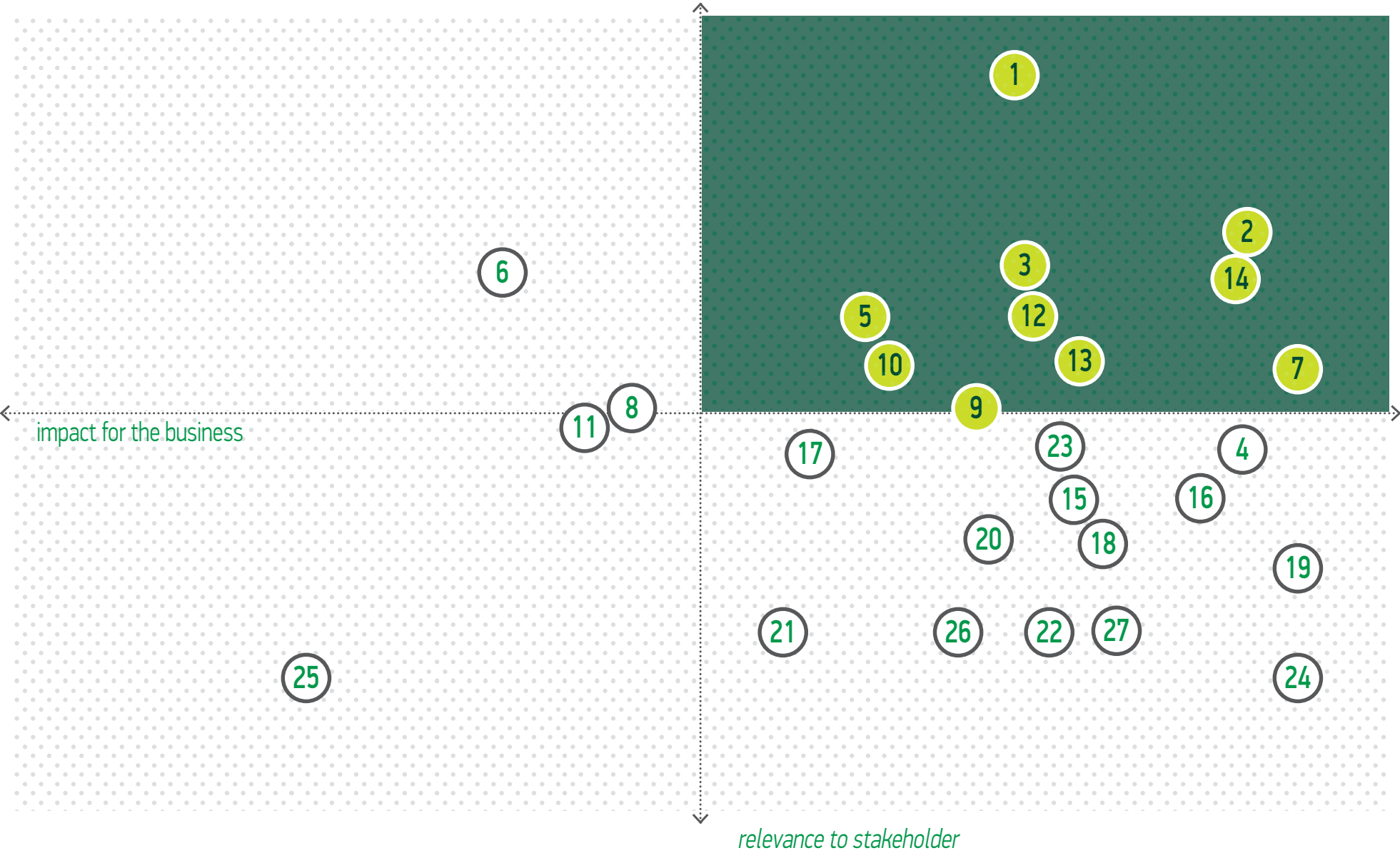
The relevance of the material topics was assessed based on a critical analysis conducted by our senior leaders considering three key variables: i) if the impact is short-, medium- or long-term; ii) if the impact occurs directly or indirectly; and, lastly, iii) what is our capacity to respond to the impacts, risks and opportunities identified. [102-29; 102-47]

Based on the identification of materiality, we developed various indicators to translate the effectiveness of our management practices and actions within the context of each material topic. A complete

list of indicators can be found in the GRI content index at the end of the report. [102-44]

The material topics were organized in the report to properly represent our Green Attitude and how sustainability is approached in our businesses. The work on our material topics also seeks to contribute to the achievement of the Sustainable Development Goals by aligning our sustainability program with this agenda.

MATERIALITY MATRIX



- | | |
|---|--|
| 1 Promoting a culture of sustainability across the value chain | 15 Supporting innovation |
| 2 Purpose of employee's work and professional growth | 16 Customer satisfaction |
| 3 Compliance, structured management, risk management and communication of socio-environmental practices | 17 Managing air emissions |
| 4 Labor compliance | 18 Data security and customer privacy |
| 5 Biofuel-powered fleet | 19 Supporting operating efficiency |
| 6 Investments in infrastructure, services and inclusion of the local community | 20 Building a legacy for society |
| 7 Business growth | 21 Good corporate governance practices in the Board of Directors |
| 8 Managing administrative waste | 22 Managing human rights throughout the value chain |
| 9 Managing car maintenance waste | 23 Promoting energy efficiency in the fleet |
| 10 Combatting discrimination and promoting diversity | 24 Product/service quality |
| 11 Managing occupational health and safety | 25 Vulnerability and adaptation to climate change |
| 12 Managing consumption and prioritizing the use of renewable power sources | 26 Urban mobility |
| 13 Transparency and ethics in business activities | 27 Promoting traffic safety |
| 14 Efficient and rational use of water | |



MATRIX OF MATERIALITY

Each of the ten material topics contributes directly and/or indirectly to as many as two SDGs. We believe that the quality of our contribution is enhanced when we act more objectively and purposefully. In this first materiality cycle, we worked to support improvement in 11 of the 17 SDGs [102-44]

The contents of the report was not subjected to external assurance and is divided into four sections, namely [102-56]:

- i) exceptional results;
- ii) clients who engage;
- iii) people who inspire;
- iv) attitudes which transform.

Each chapter presents and discusses the content that associates them with the information of the GRI standard selected for reporting the material topics.

	GENDER EQUALITY Achieve gender equality and empower all women and girls
	CLEAN WATER AND SANITATION Ensure access to and the sustainable management of water and basic sanitation for all
	AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy
	DECENT WORK AND ECONOMIC GROWTH Promote inclusive and sustainable economic growth, full employment and decent work for all
	INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote sustainable industrialization and foster innovation
	REDUCING INEQUALITIES Reduce inequality among and within countries
	RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns
	ACTION AGAINST GLOBAL CLIMATE CHANGE Take urgent action to combat climate change and its impacts
	TERRESTRIAL LIFE Protect, recover and promote the sustainable use of land ecosystems, sustainably manage forests, combat desertification
	PEACE, JUSTICE AND EFFECTIVE INSTITUTIONS Promote fair, peaceful and inclusive societies for sustainable development, enable access to justice for everyone and build eff
	PARTNERSHIPS AND MEANS OF IMPLEMENTATION Strengthen implementation mechanisms and revitalize the global partnership for sustainable development

4.2 EXCEPTIONAL RESULTS

8
DECENT WORK
AND ECONOMIC
GROWTH

10
REDUCED
INEQUALITIES

9
INDUSTRY,
INNOVATION AND
INFRASTRUCTURE

16
PEACE, JUSTICE
AND STRONG
INSTITUTIONS

17
PARTNERSHIPS
FOR THE GOALS


1. HUMAN RIGHTS


5. LABOUR


2. HUMAN RIGHTS


8. ENVIRONMENT


4. LABOUR


10. ANTI-CORRUPTION



Exceptional results drive us and transcend their financial value. Because we are sharing value, our results also incorporate our role as a citizen company, which is driven by innovation and is growing transparently and sustainably. We believe this is the best way to create value for our business and for all stakeholders, including shareholders.

We create value through a tireless effort to surmount challenges and achieve targets, which we achieve through consistent and disciplined management. The constant pursuit of exceptional results has made us the leader and a case study of success in our industry, and we are considered one of the five Brazilian brands which value increased the most in 2017, according to the annual ranking compiled by Interbrand.

Our exceptional results are fundamental for expanding our leadership and we believe that we must innovate to ensure perpetuity. Therefore, investing in new technologies and cutting-edge solutions are essential for the growth and sustainability of our business in the coming years. We want to be one of the most innovative companies in the industry and to remain at the forefront in competitive advantages, digital changes and innovation. We have been investing substantially in information technology in the operations of the Car Rental and Fleet Rental divisions. We use innovation to improve our customer experience and our processes and to make them more sustainable [103-2; 103-3]

On this front, 2017 marked an important transformation for our company. The construction of our new headquarters, which brought Localiza's entire corporate management under the same roof, is a symbol of our constant pursuit of modernity, efficiency and sustainability, of the attention we give to people and of the boldness and greatness of our business. With 26 stories and 18,000 square meters of green areas, our new headquarters is fully automated and accessible and features cutting-edge technology to promote synergies and fully integrate the team and to enhance the productivity and quality of our performance.

Much importance was given to coexistence and sustainability, with three covered balconies with gardens, a 4,000-square-meter square, 280 fruit trees and a reflecting pool setting off the landscaping design, which captivates all visitors. The building also has two auditoriums with capacity for 140 people and features various amenities and services, including a restaurant, diner, gym, bank, printing facilities, bicycle parking with locker rooms, car park and helipad.

More than a new home, the new building is a symbol of the trust we have in our future and the paths we plan to blaze to achieve sustainable growth with the creation of value shared among customers, investors, employees, local communities and society.

How do we create value?

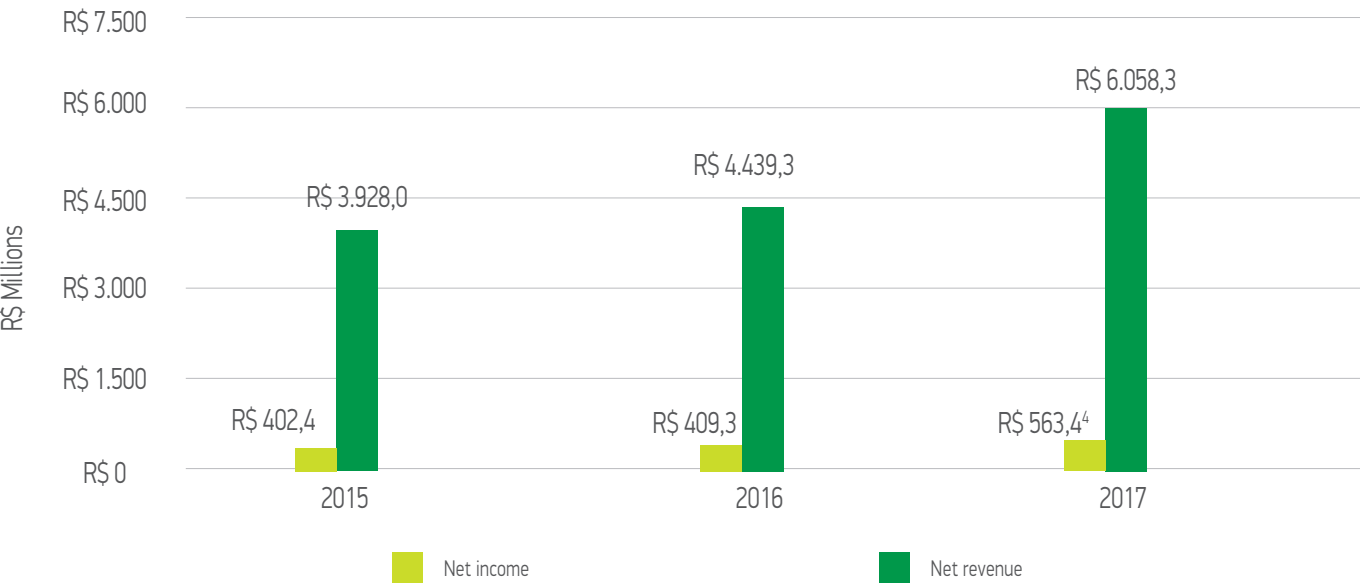
- Pursuing exceptional financial results
- Strengthening our values
- Attracting new customers
- Training our employees and suppliers
- Enhancing our productivity and efficiency in processes
- Reducing costs
- Developing improvements in fleet quality
- Encouraging innovation

ECONOMIC VALUE

The year 2017 was marked by a series of positive changes in Brazil’s economic scenario, despite the uncertainty regarding political reforms and the political environment. According to the Brazilian Institute of Geography and Statistics (IBGE), Gross Domestic Product (GDP) grew 1.0% in the year, compared to negative GDP growth of 3.5% in the prior year, the basic interest rate (SELIC) fell from 13.75% to 7.0% and inflation slowed from 6.28% to 2.95%, remaining within the range of the inflation target for the first time since the launch of the inflation targeting system. However, the federal

budget deficit remained an important issue for the country, which has been directly affecting government spending and consequently the country’s sustainable growth.

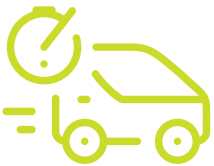
Despite this challenging macroeconomic scenario of economic recovery, our team set bold targets to grow and create value. We welcomed challenges, achieved substantial results and have been reaping the rewards of our long-term strategies implemented over the previous years.¹



⁴ Adjusted value considering non-recurring costs and expenses related to the acquisition of the Hertz Brasil operation and the integration of franchised stores.

We have faced adversities with determination, commitment and perseverance. And we remain driven by our passion to serve our customers and pursue excellence in everything we do.

Net revenue **advanced 36.5%** in 2017 compared to 2016, driven by the growth of:



24.3% in revenue from **Car Rental, Fleet Rental and Franchising**;



47.3% in revenue from **sales of decommissioned cars** for fleet renewal;



Growth of **27.1% %** in the number of **daily rentals** (Car Rental + Fleet Rental);



In 2017, net **income increased 37.6%**, compared to 2016.²

⁵ Adjusted value considering non-recurring costs and expenses related to the acquisition of the Hertz Brasil operation and the integration of franchised stores.



In 2017, we concluded yet another important step in our growth trajectory: the acquisition and integration of the Hertz Brazil operations. The integration added to our assets a total of 8,162 cars (3,541 in the fleet rental business and 4,621 in the car rental business). The integration process was carried out in accordance with best market practices, reflecting Localiza’s operational excellence and exceptional results. In just two months after the acquisition, the Car Rental, Fleet Rental and Seminovos operations already were fully integrated, ensuring the continuity of the businesses . **[102-10; 102-45]**

We also advanced in our strategic partnership with The Hertz Corporation, which enables our customers to be served around the world (with the exception of the South American countries where Localiza operates via franchisees) through the Hertz network and for Hertz

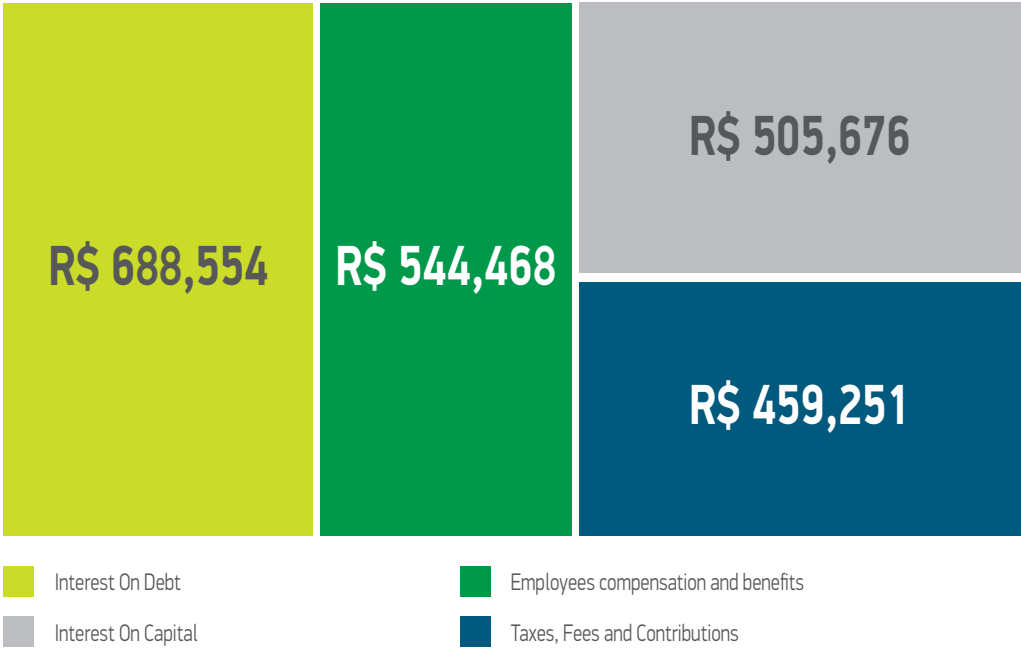
customers to be served by Localiza in Brazil. Furthermore, as part of the partnership, we are using the combined brand “Localiza Hertz” in Brazil, and Hertz will use the “Localiza” brand in the key destination airports of Brazilian customers.

Both the acquisition of operations and the long-term agreements with Hertz will help to expand the businesses and know-how of the global car rental industry. The strategic partnership with The Hertz Corporation is valid for 20 years and may be renewed for another 20 years.

SHARED VALUE CREATION

We are concerned with growing the value that we create for the environment in which we operate and for our stakeholders. In 2017, we were responsible for distributing to society R\$2.2 billion in economic value, or 21% more than in 2016 (R\$1.8 billion). **[201-1]**

► Distribution of added value (R\$ mil)



We worked to build a culture that recognizes the value of sustainability, ethics and transparency to contribute to the development of new practices

and to help improve existing practices, which includes operating and creating value beyond the internal boundaries of our company. We believe that acting ethically means striving to preserve our assets, image, facilities, colleagues, customers, suppliers and society. Our culture, values and behavior are widely disclosed to facilitate their dissemination and awareness of them, which helps to mitigate the occurrence of unethical attitudes and behaviors. [\[414-1; 414-2\]](#)

To disseminate the culture of sustainability across our chain, all suppliers must observe and respect diversity and prohibit any form of discrimination. They must ensure a safe and healthy workplace, comply with all occupational health and safety regulations and combat any form

of forced labor. They also must comply with all applicable environmental licenses and permits, as well as adopt our anticorruption standards and ensure compliance in their activities. Moreover, 100% of our suppliers must fully comply with our code of conduct and undertake to always operate in compliance with our guidelines. We consider suppliers, service providers and partners to be any partner organization that contributes to the execution of our business activities and collaborates in the development and sale of our products and services. [\[102-9; 103-2; 103-3; 412-1\]](#)

These are the essential pre requirements for executing and maintaining service agreements with Localiza. The growing adoption of sustainability practices in our value chain represents a competitive advantage that has a direct impact on our results and on value creation for our stakeholders. We repudiate the hiring of child or slave labor and believe in inclusive labor relations and respect for human rights. Although the value chain of our business model is not considered to be at high social risk, we know that child labor and slave labor are a reality in Brazil. As part of our actions with suppliers, we strive to engage them and raise awareness on the importance of eliminating slave labor and combating child labor. [\[103-2; 103-3; 408-1; 409-1\]](#)

Also seeking to reinforce our ethical conduct, we developed an Integrity and Anticorruption Program that is applicable to all employees, franchisees and suppliers, especially “intermediaries,” i.e., those who represent Localiza or act on our behalf before government agencies. [\[103-2; 103-3; 205-2; 308-1; 308-2; 414-1; 414-2\]](#)

This group of “third-party intermediaries” includes: lawyers, clearance agents, freight carriers, tow services, construction companies, consulting firms and car recovery firms, with a focus on those responsible for larger financial volumes and consequently higher risks.

DUE DILIGENCE PROCESS FOR INTERMEDIARIES [205-1]:

For these stakeholders, we conduct regular monitoring and due diligence procedures, through which we obtain key information on suppliers. We also administer training programs, especially for third-party intermediaries.

The Integrity Program also provides for the inclusion of anticorruption clauses in agreements signed with the third-party intermediaries contracted by the Company and the signing of a Declaration of Commitment to

the Integrity Program to formalize that they fully understand and comply with its rules.

The Internal Audit and Compliance area is responsible for assessing the information obtained in the due diligence process and for issuing a report recommending the approval (qualified or unqualified) or suspension of the supplier.

In 2017, 120 third-party intermediaries were analyzed.

CONFIDENTIAL CHANNEL

Our Integrity Program was developed to advise our employees and managers on the acceptable standards of conduct. One of our concerns is to ensure that this information and orientations reach all our employees, irrespective of their hierarchical position or location. [205-2]

We regularly disseminate and share our anticorruption policies through communication campaigns designed to reach all internal stakeholders. In 2017, 1,281 employees, including members of the Executive Board and Board of Directors, underwent training on the Company’s anticorruption policies and procedures, whether on-site or online. Of all our 7,121 employees (excluding franchisees), 18% have participated in anticorruption training. On the Board of Directors, 100% of directors were notified and received training on our anticorruption policies and procedures. [103-2; 103-3; 205-2]

To facilitate the identification of cases involving

violations of our values, our Code of Ethics and of the applicable legislation, we have a whistleblowing channel (Confidential Channel) that employees, franchisees, customers, suppliers, investors and people who interact with us in some way can express themselves freely. All reports, which can be made anonymously or identified, are received and handled confidentially by an independent firm to ensure unbiased treatment and to lend greater credibility to our channel. The Confidential Channel also is structured to answer questions or respond to requests for clarifications and guidance on any ethical dilemmas. [102-17]

In 2017, ten cases of fraud or improper cash receipts or payments were confirmed involving both employees and suppliers. Considering all situations, the disciplinary measures led to the termination of seven employees and the disqualification of seven suppliers, as applicable. [205-3]

CONFIDENTIAL CHANNEL



DISCLOSURE MEANS:

- Intranet
- Website, in Portuguese, Spanish and English
- Internal communication campaigns
- Purchase Orders for suppliers and service providers
- Agreements with suppliers and service providers

In 2017, **85%** of our internal stakeholders said they were in favor of the existence of a reliable whistleblowing channel maintained by the company.



RESPONSIBILITY:

- Investigation of reports: Internal Audit and People Management departments

SANCTIONS:

After confirming any irregularities or violations, disciplinary measures are applied to those involved. The measures are

applied consistently, irrespective of hierarchical level, including the Board of Directors. Punitive measures depend on the severity of the case and/or conduct and could include **re-orientation, formal warning and temporary suspension. In severe cases of illegal activity or breaches of our ethical standards, the employment contract or franchise contract, in the case of franchisees, could be terminated.**

NON-RETALIATION:

Non-retaliation policy: prohibits and does not tolerate any form of retaliation by employees. No whistleblower or witness involved in an investigation shall suffer any threats, disciplinary measures or termination of their employment.



389 REPORTS MADE IN 2017:

- 75% resolved within the year
- 39% considered “valid” or “partially valid”



ACCESS:

Click [here](#) to access the Confidential Channel page on our website. The Confidential Channel also accepts reports made via the telephone number **0800 979 2055** or the e-mail localiza@canalconfidencial.com.br

SOCIAL VALUE

We are aware of the impact of our activities on society. We believe that we play an active role and that our actions must leave a legacy for society. Our participation in social programs, which focuses on cultural, social, education and entre-

preneurship actions, always selects institutions with good track records and reputations. In 2017, around R\$2.5 million originating from income tax incentives was allocated to social institutions.

The following social projects were sponsored in

	Project	Description	Total invested (R\$ '000)
Cultural Actions	<ul style="list-style-type: none">• Instituto Inhotim (MG);• Riachuelo Theater, various theatrical and musical performances (RJ).	We supported projects that disseminate the country's culture and promote its beauty in any form of cultural expression: arts, dance, music, photography, cinema, etc. The company supports theatrical and musical performances on tours throughout the	R\$ 1.200
Education Actions	<ul style="list-style-type: none">• Junior Achievement; Ramacrisna, Minas Tênis Clube (MG);• ATP Rio Open Tournament (RJ);	We supported projects that encourage entrepreneurship and leadership in the development and education of our youth by encouraging, developing and training students for the job market and by improving their capacity to apply new ideas to practical projects.	R\$ 800
Social Actions	<ul style="list-style-type: none">• Cidade Ozanam Home; and Paulo de Tarso and Mário Penna Hospitals (MG);• Cancer Hospital of Barretos (SP);• Angelina Caron and Pequeno Príncipe Hospitals (PR).	We supported projects that promote improvement in people's quality of life both by investing in cooperation with local communities to support their development and by encouraging adequate health treatment and better health conditions for the public.	R\$ 500

As part of our actions to promote entrepreneurship, in 2017 we invested R\$350,000 to sponsor Órbi Conecta, a collaborative space in Belo Horizonte, Minas Gerais that focuses on connecting startups with large companies and supports the acceleration and generation of new businesses.

The initiative offers in one location coworking services with permanent and temporary work areas for startups as well as areas for courses, workshops, business meetings and events.

We also support initiatives that focus on the deve-



lopment of our students. We are one of the sponsors of Junior Achievement, an educational project that takes entrepreneurship and a vision of the business world to public schools. Our CEO, Eugênio Mattar, is the chair of the initiative's Advisory Board in Minas Gerais. The project "Connected with Tomorrow," supported in 2017, had 300 volunteers, reached 71 schools and benefitted some 7,000 students.

In July 2017, after we moved to our new headquarters located in a region classified as having high social vulnerability, we saw an opportunity to develop a series of projects to integrate the local community. Although the construction of the headquarters

itself created job and income opportunities, spurred appreciation in property prices and generated demand for services and improvement in public safety and infrastructure, we believe we can do more to leave a legacy for society. One of the initiatives in 2017 was to promote digital inclusion in the community by providing free Wi-Fi internet access at bus stops near our new headquarters and concept store, which are located in the district of Savassi. Meanwhile, the project Acolher - Oásio Vila Nova Cachoeirinha is an example of how we are seeking to support the development of the local community.

PROJECT ACOLHER – OÁSIS VILA NOVA CACHOEIRINHA

Conducted in the Community of Vila Nova Cachoeirinha, located close to our new headquarters, with the goal of developing good and lasting relations with the local community and its development. The project was conceived in partnership with Bridge Consultoria, the Nossa Cidade Association and Oasis Belo Horizonte.

We count on the fundamental support of volunteers, who have forged relationships of affection with the local residents to identify their dreams for transformation. The local population itself defined the path and priorities to be addressed, while offering their talent to make things happen and transform their reality.

Six main needs were identified, which will be the target of various projects and actions over the coming years. They were:

- Reducing the impact from drug trafficking and use
- Preventing and combating dengue fever

- Improving public safety
- Creating job opportunities
- Improving public lighting
- Valuing and promoting youth

In the initial phase of the project, two days of collaborative work produced the following results:

- Construction of a leisure area for children;
- Painting of alleyways, construction of gardens and improvements to lighting;

The project is still ongoing and, in 2018, we are planning three programs involving the community near the headquarters, in partnership with Junior Achievement. **The programs, which according to estimates will impact some 270 people**, are described below:



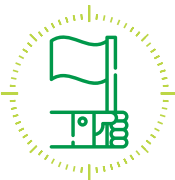
ENTREPRENEURIAL WOMEN:

The initiative aims to promote entrepreneurship in women living in socially vulnerable conditions by encouraging them to create their own company and teaching them how to use management and financial control tools, prepare cost and price spreadsheets for their products and formulate marketing, leadership and teamwork strategies.



CONNECTED WITH TOMORROW:

The program Connected with Tomorrow gives students an opportunity to reflect on their future and prepare for the job market by presenting career prospects and information on the main behavioral skills sought by employers.



SKILLS FOR SUCCESS:

Offers engaging and academically rich classes and practical lessons for the job market and career prospects. The main objectives of each class is to present the skills and knowledge the students will acquire during the program.

4.3 CUSTOMERS WHO ENGAGE

Customers are our passion. Business sustainability depends on forging lasting relationships, which has driven us to adopt the permanent goal of improving the quality of our services and increasing customer satisfaction. In this constantly changing world, we work to strengthen our customer-cente-

red culture by adapting and accompanying global trends to meet the needs of customers today and tomorrow. This ensures that we create value for all customer profiles, build loyalty and generate results for the business.



Localiza Fidelidade,

THE LARGEST LOYALTY PROGRAM
IN LATIN AMERICA’S CAR RENTAL
INDUSTRY, REACHED THE MARK OF
7.6 MILLION
MEMBERS IN 2017.

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS



8. ENVIRONMENT



9. ENVIRONMENT

LOCALIZA CAR RENTAL INNOVATIONS



EXPRESS CHECK-IN:

Technology that makes it faster and simpler to pick up cars. The tool allows customers to check their reservation information, choose their car and arrive at the counter with the rental already pre-authorized.



LOCALIZA FAST:

Innovative technology, available exclusively in Latin America, that enables car pick-ups without having to go through the counter. With Localiza Fast, customers gain access to the vehicle's key by taking a selfie and signing via the mobile app.



MOBILE CHECK-OUT:

Solution that allows customers to close contracts in the yard of the store, making the car-return process faster and simpler.



CHATBOT LOCALIZA:

Solution that allows customers to change their personal information and to place or cancel reservations directly through Facebook Messenger using simulated human dialogue to provide service. Chatbot makes using our services easier and more intuitive for customers.

INNOVATIONS LOCALIZA FLEET RENTAL



MANAGER PORTAL:

The MyFleet portal offers managers a number of fleet control features in an easy and intuitive interface. For example, they can access dashboards with indicators, generate personalized reports with information on the tickets, accident history and service performed for each car, manage billing, indicate drivers who violated traffic laws and other points of concern.



USER PORTAL:

The #meucarro (#mycar) website offers real-time information on reservations, traffic law violations and the services contracted from Localiza. The website was developed collaboratively with users, fleet managers and Localiza's internal teams with a view to create value and facilitate day-to-day routines for users.



MOBILE APPLICATION:

Smartphone app that enables car users to schedule maintenance and recommended preventive maintenance and, for cars equipped with GPS trackers, it also offers real-time location and alerts if the car is started. The app creates value by providing car users with greater convenience and security.



CONNECTED CAR:

System developed to connect the cars to a host of information that enables the rented fleet to be used as a competitiveness intelligence tool. The data extracted enable fleet managers to work with information on productivity, monitoring, cost reduction, sustainability and user safety.

► OUR CUSTOMERS ARE MORE CONNECTED AND THEIR DECISIONS ARE GUIDED BY NEW VALUES

SUSTAINABLE DRIVING:

We distribute booklets with tips on sustainable driving to Fleet Rental customers. These tips help to increase the cars' efficiency and to reduce their negative impacts. Practical examples include keeping tires properly inflated, using air conditioning conscientiously, fueling up with ethanol, waterless car washing and fleet maintenance. The tips also are available via an online training course.

TRAFFIC SAFETY:

Our commitment to the experience of our customers transcends the physical borders of our operation. We invest in awareness campaigns on the topic and offer defensive driving courses. Since 2013, when the training program was launched, more than 600 people have taken it.



CITIZEN COMPANY:

We invest in practices that reinforce our ethical, citizenship-oriented and environmentally responsible posture by strengthening our values and those that guide the decisions of new customers.

INNOVATING TO PERPETUATE:

We have been making significant investments in innovation and digital transformation to bring innovative solutions that create value, increase the agility and simplicity of our services and improve the experience of our customers.



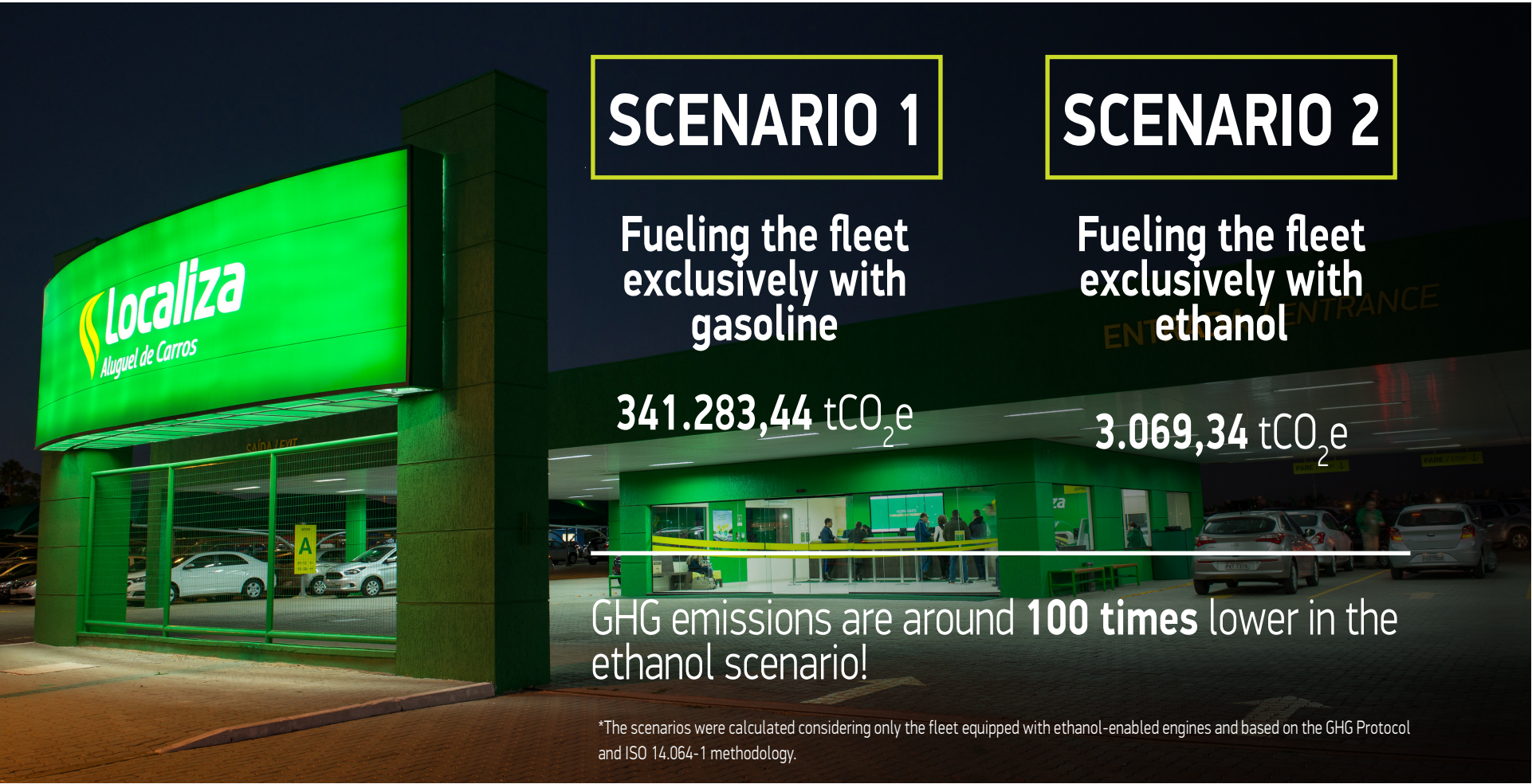
YELLOW MAY

Around 37,000 people in Brazil and 1.25 million worldwide die from traffic accidents each year, according to DataSUS and to the World Health Organization (WHO), respectively. In light of this crisis and our responsibility as a citizen company, we support Yellow May, an international movement to raise awareness on and promote traffic safety. Every year, in May, we engage our employees and customers in a campaign to promote safer driving habits, to call society's attention to the high numbers of traffic-related deaths and injuries and to encourage coordinated action between government and society. The goal is to mobilize all segments of society to discuss and disseminate the topic and to engage in actions.

We are co-responsible for the environmental impacts associated with the use of our fleet by our customers and work to mitigate them. In an international scenario guided by the Paris Agreement and a domestic scenario guided by the Brazil's Nationally Determined Contributions (NDCs) and by RenovaBio, our engagement to promote the use of biofuels

is indispensable. We hold vast potential to help mitigate climate change in Brazil and it is our duty, as a citizen company, to make it happen. We fuel around 98%⁶ of our fleet with ethanol and will invest in raising awareness among our customers to do the same, which in turn creates value for our brand and for society.

► GHG EMISSIONS FROM THE USE OF CARS BY CUSTOMERS IN THE CAR RENTAL DIVISION IN 2017



⁶ Approximately 2% of our fleet is represented by cars that cannot be fueled with ethanol, which means that the entire fleet is not ethanol-enabled.

PARIS AGREEMENT, BRAZILIAN NDC, RENOVABIO AND LOCALIZA

The Paris Agreement, which was approved by the 195 member nations of the United Nations Framework Convention on Climate Change (UNFCCC), was adopted in the 21st Conference of Parties (COP) in 2015 and establishes the target of limiting the average increase in global temperature to 2°C by the end of the century, with efforts to keep it within 1.5°C in relation to pre-industrial levels. To achieve this goal, various countries presented Nationally Determined Contributions (NDCs) with their targets for reducing greenhouse gas emissions. Through its NDCs, Brazil committed to reduce by 37% its GHG emissions by 2025 and indicated its intention to increase the reduction to 43% by 2030 compared to 2005 emissions. To comply with this commitment, the Brazilian NDCs propose, among other actions, “to increase the share of sustainable bioenergy in Brazil’s energy profile to approximately 18% by 2030, expanding the consumption of biofuels, increasing the supply

of ethanol, including through an increase in the share of advanced biofuels (second generation), and increasing the percentage of biodiesel in the diesel blend.” As part of its efforts to comply with the NDC, in December 2017, Brazil approved the National Biofuels Policy, or RenovaBio, whose goal is to encourage the production of renewable biofuels, promote a reduction in CO2 emissions and increase the country’s energy efficiency. RenovaBio is expected to promote the use of renewable fuels and consequently improve the potential for ethanol to offer advantages for consumers. We are engaged in local and international efforts to reduce GHG emissions and promote the use of biofuels. We fuel approximately 98%⁷ of our fleet with ethanol and, with the launch of our Sustainability Program, we will invest in raising awareness among our customers and encouraging them to fuel our cars with ethanol during their rental period.

⁷ Approximately 2% of our fleet is represented by cars that cannot be fueled with ethanol, which means that the entire fleet is not ethanol-enabled.

4.4 PEOPLE WHO INSPIRE

People who inspire and transform play a lead role in exceptional results. Talented employees who are committed to our values and recognized based on meritocracy achieve superior performance and grow in step with the results. We strive to offer an inspiring and challenging workplace that creates opportunities for people to realize their potential. Our efforts include investing in training, quality of life and a good organizational climate, while fostering in our employees a sense of purpose in their work.

We have conducted an annual organizational climate survey since 2011. Using performance drivers adapted to our business priorities, the survey measures the

effectiveness of employees, which is characterized by engagement (“committed and loyal people willing to go beyond”) and by organizational support (“the right people in the right positions, in the right workplace”). Our employees are increasingly engaged in the survey, with a growing participation rate that reached 86% in 2016. Some of the results achieved include operational excellence, customer satisfaction, financial performance, attracting and retaining talent and strong employer brand.

In 2017, we invested 325,850 hours and around R\$2.5 million in the development and training of 3,274 employees. We promoted 652 employees during the year, achieved a satisfaction rate of 86% and registered a turnover rate of only 11.8%. Considering Brazil’s current political scenario, marked by corruption scandals and uncertainties regarding the future, exercising citizenship and developing leaders who are aware of the important economic and social role they play in the country takes on even greater importance. We invest to ensure that our leaders are references as professionals and citizens, which includes offering them specialized training.

[404-1; 404-2]

Our employees receive regular feedback through a well-structured process of performance analysis and career development. Our performance management cycle lasts one year and includes establishing targets and expected competencies, orientation and follow-up, performance reviews and drafting a development plan for the employee. In 2017, 100% of the employees participated in our performance management process.

[103-2; 103-3; 404-3]



5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

1. HUMAN RIGHTS

2. HUMAN RIGHTS

3. LABOUR

6. LABOUR

WE CREATE OPPORTUNITIES FOR EVERYONE ON OUR TEAM TO REACH THEIR FULL POTENTIAL AND REALIZE THEIR ASPIRATIONS! [404-2]

QUALIFICATION PROGRAM:

Training program to develop the team’s technical and behavioral competencies. The training plan is chosen by the employees themselves, jointly with their direct managers, based on an analysis of the improvement gaps identified in their performance assessment and on the values and competences of Localiza. Since it was launched, in 2013, the Qualification Program has administered training to **11,169 people, 1,111 of whom in 2017.**

WELCOME TO LOCALIZA

To have an inspiring team also means having a team that knows our purposes, values and culture! We introduce new employees to Localiza’s corporate DNA through the program “Welcome to Localiza.” In the program, lecturers from the Human Resources department and representatives of the business areas present to new team members our culture, values, mission and business platform. Integrating our team with our culture is essential for achieving exceptional results!!

INTERN DEVELOPMENT PROGRAM:

Our interns are our future employees and are part of our team! We invest in their development so they can become inspiring and transforming professionals. With a schedule of internal and external training courses, the Intern Development Program enables the development of technical and behavioral competencies. Today, we receive some 100 young professionals who are still in college.

MINOR APPRENTICE HIRING PROGRAM:

In partnership with vocational training institutions, our Minor Apprentice Hiring Program is dedicated to recruiting young professionals from age 16 to 20 who have graduate from or are attending high school with the aim of supporting their inclusion in the labor market. The youth receive vocational training and mentoring and then apply in practice what they have learned at Localiza. Today, we have around 70 apprentices on the team.

HAVING WORLD-CLASS LEADERSHIP IS A STRATEGIC GOAL OF OUR BUSINESS! [404-2]

LEADERSHIP PROJECT:

Specific training on people management practices offered to our leaders. Internal multipliers from our Human Resources department administer the program, which already has trained **150 leaders at Localiza.**

NEW LOCALIZA LEADER:

Training of employees promoted to leadership positions or professionals hired to work as leaders. The program, which involves training courses, technical visits and monitoring by the HR team, aims to ensure that our leaders are well familiarized with the business and have the competencies that will enable them to apply our people management practices.

► We invest in the quality of life and well-being of our team!



Social Services

Support for employees and their spouses or children to regain emotional balance after a social crisis. Offered preventively, correctively or on an emergency basis during crises, difficulties and conflicts. From 2014 to 2017, we registered an increase of 108% in the number of demands received, which attests to the program's growing engagement and importance. In 2017, 739 people used the service nationwide.



Support for Pregnant Employees

Pre-birth accompaniment by a multi-professional team, which provides everything required for the health and well-being of the baby and expecting mother. The support is given through orientation on various matters related to pregnancy through weekly meetings and 24-hour service. In 2017, 218 women (employees and their dependents) were assisted by the program.



Living Better

Awareness and engagement campaigns and lectures offered to our employees on various matters that help to improve quality of life. In 2017, we conducted medical check-ups and vaccination campaigns, during which 86 senior management employees underwent preventive examinations 100% paid for by Localiza and 1,500 employees received flu vaccinations, with 50% of the cost subsidized by Localiza.



Green Seed

Volunteering is an important form of self-fulfillment and promotes a sense of purpose at work. That is why we encourage the practice through Green Seed, a program through which employees can support pre-selected institutions by donating food, personal care products and school materials.



Medical Control of Occupational Health

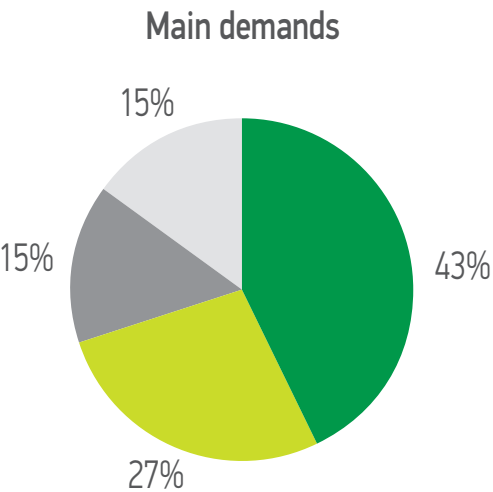
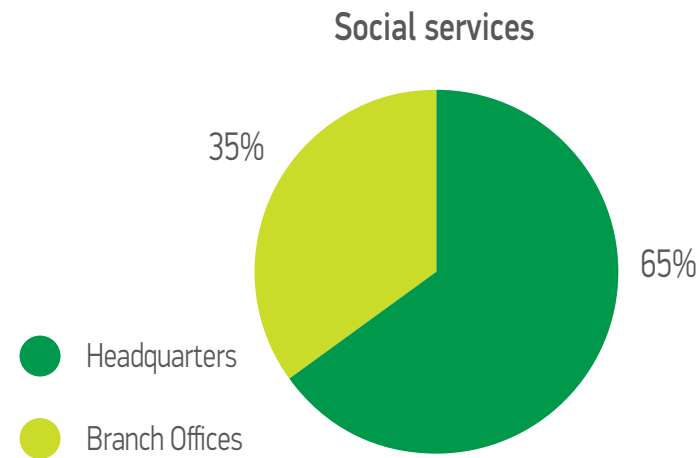
To help prevent and diagnose early any health problems caused by work, we make available to our employees a team of doctors and nurses specializing in safety engineering and occupational medicine at our headquarters.



Daycare Assistance

We offer our employees (parents who are widows and widowers or divorced and who are the legal guardians of their children) reimbursement of a portion of their expenses with daycare or schools for children up to 3 years old. For employees admitted before December 2014, the benefit is offered for children up to 6 years old.

► Social Service numbers in 2017



- Health problems
- Mental health
- Accident insurance (life insurance)
- PCD Tracking

WE ARE PIONEERS

IN DEVELOPING A STRUCTURED
PROFIT-SHARING PROGRAM

Workplace Safety

Our business activity is classified under the lowest level of risk of workplace accidents in the NR4 of the National Classification of Economic Activities. This low risk is confirmed by the low injury frequency rate registered by our employees in 2017, of only 0.6%, which has been declining in the last three years (0.8% and 0.9% in 2016 and 2015, respectively). Nevertheless, we reinforce our commitment to preserve life and to promote the health of our team through our area called Specialized Service in Safety Engineering, Health and Workplace Medicine (SESMT).



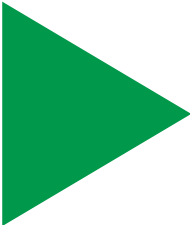
Our development programs also train employees in competencies that they can apply to new positions in the market. These competencies are developed through specific training in financial management, personal financial planning and economic scenario and trends. We also conduct succession planning for key positions in the Company, in which executives who are leaving the company help to train and accompany their successors for a period (depending on the case), while they prepare for a new position in the market or for retirement. We also help to prepare our employees for retirement by offering a Private Pension Plan to complement the government’s social securi-

ty (INSS). The accumulated amount can be redeemed by the employee upon retirement to complement their income or when they leave Localiza. Through these initiatives, we promote the well-being and quality of life of our employees after their work at Localiza . [103-2; 103-3]

One of our principles is to recognize the performance of our employees. We periodically conduct salary surveys to assess the competitiveness of Localiza’s compensation compared to the industry and update our policies addressing the matter. We were one of the first companies to offer a structured profit sharing program, in 1990, and offer several benefits to our employees. We also uphold and guarantee all labor rights to ensure dignified work. [102-36; 404-2]

[102-41]
We comply with all Brazilian labor laws and even exceed legal requirements.

- 100% of our employees are covered by collective bargaining agreements, with 79% through conventions and 21% through agreements.
- We offer our employees benefits that include food voucher, transportation voucher, health plan, life insurance and private pension plan.
- The monthly compensation of our employees is composed of the base salary, additional pay for time of service (ATS), minimum guarantee or commissions, fixed salary, monthly bonus and campaigns – with some of these items exclusive to certain positions.
- Every year, our employees receive a share in our profits as part of their compensation.
- We ensure that our employees are entitled to paid vacation and a 13th monthly salary.
- Our employees work 44 hours a week and overtime is either offset or paid, in accordance with the collective agreement for the region.



NEW HIRES IN 2017 [401-1]

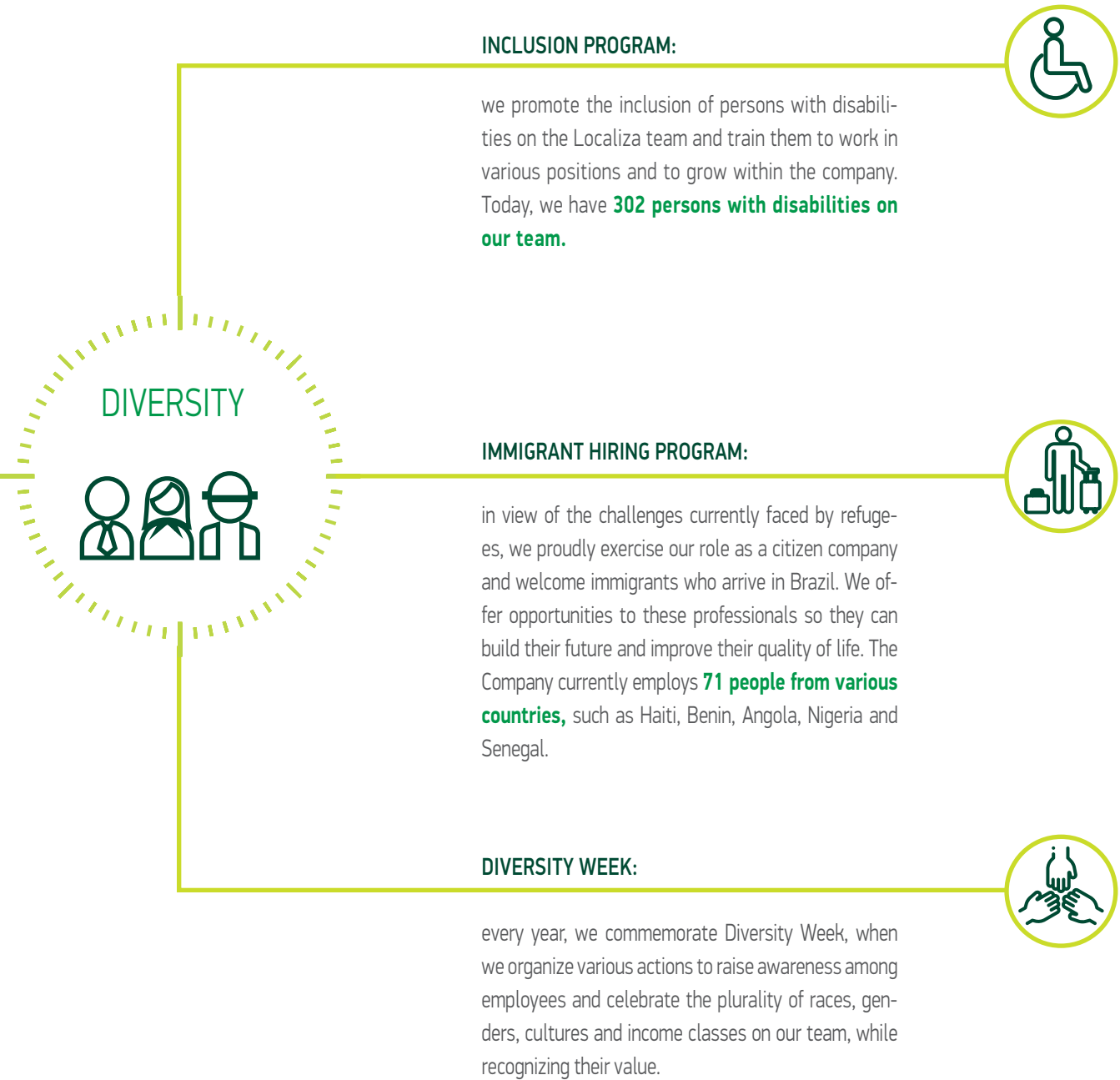
Men	Men	1,174
	Women	807
Age bracket	Under 30 years	934
	Over 50 years	34
	From 30 to 50 years	1,013
Region of Brazil	South	283
	Southeast	1,248
	Midwest	129
	Northeast	234
	North	87
TOTAL	1.981 (28% of all employees)	

EMPLOYEES BY TYPE OF EMPLOYMENT [102-8; 405-1]

TYPE OF EMPLOYMENT	WOMEN	MEN	TOTAL
Full time	2,634 (41%)	3,821 (59%)	6,455
Part time	453 (68%)	213 (32%)	666
Total	3,087 (43%)	4,034 (57%)	7,121

WE ARE IN COMPLIANCE
WITH LABOR LEGISLATION AND WE
GO BEYOND WHAT IS REQUIRED BY LAW

Diversity programs strengthen the sense of purpose at work, pride in the company and the well-being of our employees. We are proud of the bold and leading role of our initiatives in this area. The Company already has enjoyed many benefits from its programs to promote diversity, such as a more motivated team, the breaking of paradigms, better results and a more people-oriented and diverse workplace.

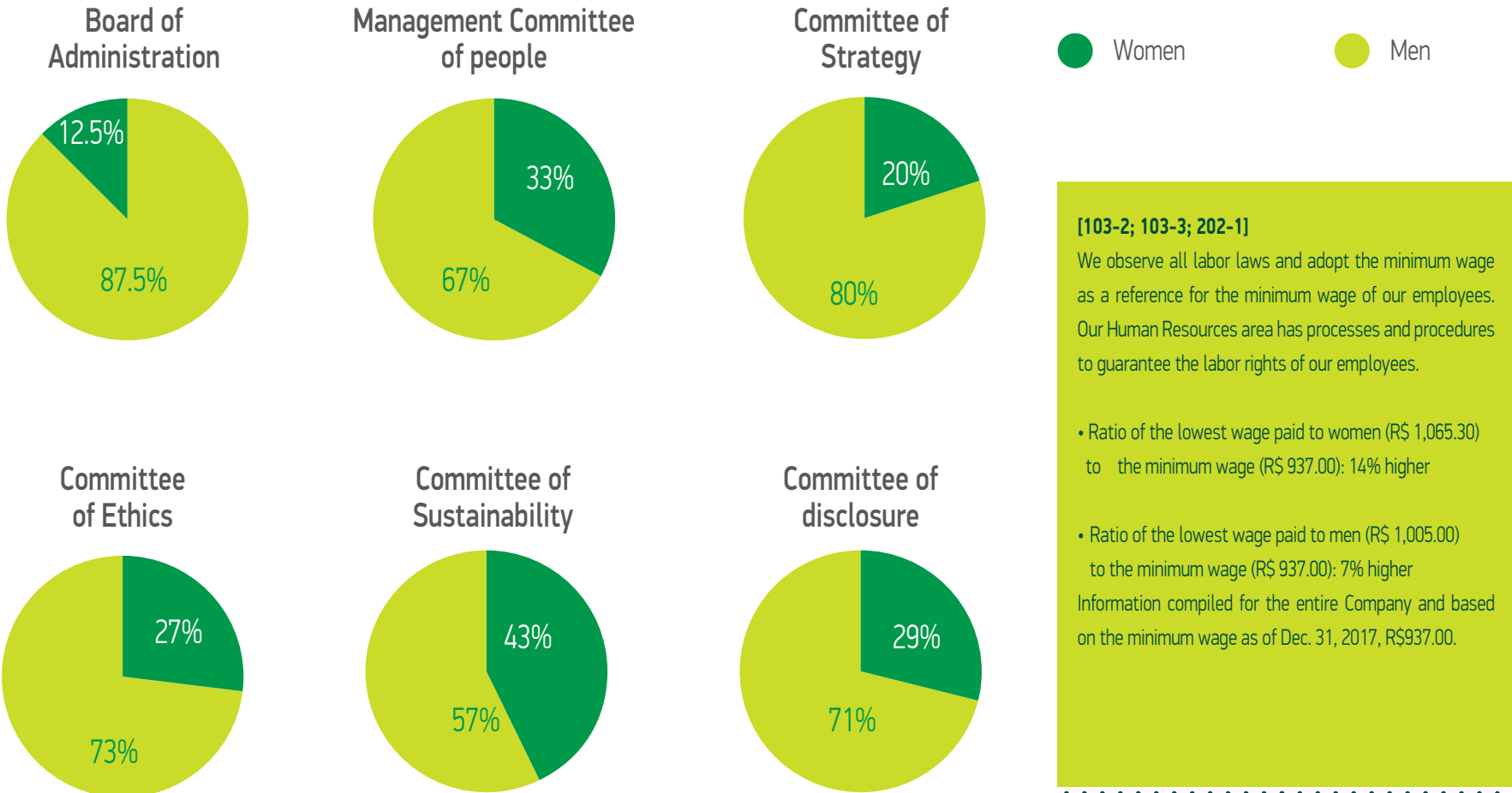


[405-1]
IN 2017, OUR TEAM COUNTED ON **838 CONTRIBUTORS**
WITH MORE THAN 45 YEARS, WHICH REPRESENTS 12% OF THE TOTAL

At the end of 2017, women represented 43% of our workforce and held 309 leadership positions, including on our Board of Directors and on five of our six committees. We currently do not request that our employees self-declare their race. We are working to better understand the diversity of our employees with regard to the different minority groups and to expand the scope of our actions to promote diversity. **405-1]**

In 2017, nine cases of discrimination were recorded in our Whistleblowing Channel. Of this total, three reports were considered valid and applicable measures were adopted. We are working continually to reduce this figure in 2018. **[406-1]**

► Presence of women on the board and our committees [405-1]



Functional category*	Ratio of base wage** of men to women (M/W)	Ratio of compensation *** of men to women (M/W)
Senior Management	13%	10%
Analyst/Specialist	7%	6%
Coordinator	4%	6%
Officers	2%	-4%
Managers	0%	5%
Midlevel Managers	-2%	1%
Professionals	-18%	-13%
Professionals - sales	-5%	-2%
Supervisors	4%	14%

*Considering employees hired under the CLT regime (excludes apprentices, interns, specified officers, directors and employees who work less than 220 hours/month)
**Base wage = base wage or minimum guaranteed pay to commissioned employees
***Compensation = base salary + Additional for Time of Service (ATS) or the greater between the minimum guaranteed + ATS and commission + ATS for commissioned employees or Base Salary + ATS + bonus for employees with mixed compensation + proportional per month profit sharing target + proportional per month monthly 13th salary + 1/3 additional vacation pay + Benefits
[405-2]



We also strengthen our employees’ sense of purpose by engaging them in support of the environment and urban mobility. In 2017, we implemented the program “Give a Ride,” which is a form of mobility that connects work colleagues who share daily commuter routes. Around 30% of employees at the headquarters have engaged in the program, which represents 531 employees, 2,830 rides and over 40,500 km traveled with rides. As a result, we helped to remove 903 cars from the street and to avoid air emissions of some 10.3 tons of CO₂e . By engaging in initiatives such as these, our employees inspire and transform our society.

⁸ CO₂ equivalent: measure that considers the global warming potential of GHG gases and calculates how much carbon dioxide (CO₂) would be emitted if all GHGs were emitted as this gas.



A word from our CEO, Eugênio Mattar

We see the capacity to inspire as inherent to the role of leaders. All of these initiatives strengthen our value of having people who inspire and transform, which started with our founders! Following the example set by our founders, we inspire young entrepreneurs to follow their dreams!

“The world and society are undergoing major transformations. Every day, more companies integrate with society as a whole and become corporate citizens. This awareness is global and we are connected in every way, so we also need citizenship actions to complement the core business objectives of generating results, wealth and work. A citizen company is a company that goes beyond merely creating wealth. A company that helps the global community develop as a whole. We strive to develop professionals, schools, people, to develop citizens, to promote Brazilian culture... these are the aspects we want to address.

We work by setting examples. A teenager who is starting to think about entrepreneurship can be inspired by our example. In the beginning, we were young entrepreneurs ourselves, with a small car rental store. So, our story can transform the lives of young entrepreneurs by setting an example, which is why we work so intensely in initiatives to promote entrepreneurship. We want creating value for society to be part of our day-to-day routine and to be incorporated into our culture. Just like it is part of our corporate DNA to surpass targets, we are working to incorporate into our DNA a sense of caring for Localiza’s sustainability in the social, environmental

“THE GENERATION OF VALUE FOR SOCIETY
MUST BE PART OF OUR DAY-TO-DAY LIFE AND
OUR CULTURE”

4.5 ATTITUDES THAT TRANSFORM

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



7. ENVIRONMENT



8. ENVIRONMENT



9. ENVIRONMENT

2017

[307-1]

In 2017, there were no cases of significant fines or non-monetary sanctions arising from environmental violations.

[419-1]

In 2017, there were no cases of violations of laws or regulations in the economic or social areas.

[416-2]

In 2017, there were no cases of violations of regulations or voluntary codes related to the impacts caused by products or services regarding health and safety

Green attitudes for building the future of mobility:

that is the value that converges our initiatives focusing on social and environmental management and on controlling sustainability performance indicators. We strive to implement concrete actions to mitigate our main negative impacts and to maximize our positive impacts. We believe that, through our attitudes, we can contribute to a more environmentally balanced and socially just society. Building a culture of sustainability throughout the business demands a mature discourse that is strengthened by the Company's practices and reflected in positive results with tangible returns. In this way, we seek to position ourselves

as an important agent in the debate on mobility, the smart use of vehicles, fleet efficiency, prioritizing renewable energy, optimizing water resources and managing automotive waste, which are topics associated with our main impacts and that, if duly addressed, will lead to solutions for a low-carbon economy. We believe that to become the world's greenest car rental company, we must act as a citizen company and play an active and transformational role focused on innovation and creating value for society. And, to make that happen, we work to ensure that our activities and socio-environmental practices, firstly, comply with all legal requirements.

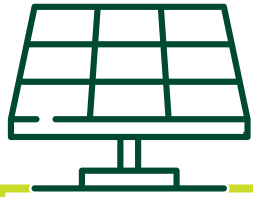
Our operations follow environmental management guidelines that promote sustainable and innovative initiatives in terms of energy, water and waste. We have been pursuing innovations in our processes to optimize the use of the resources associated with our activities and to ensure continuous improvement in the services we offer . [103-2; 103-3]

ENERGY

We believe in the sustainable development of the planet and work in various ways to ensure our contribution. Our business is based on transporting people using cars, which means that our concern with the quality and mechanical efficiency of the fleet has direct impacts on energy consumption. As such, we have assembled our fleet so as to offer our customers modern, economic, flexfuel models within the most efficient period of their useful lives. Our fleet renewal policy establishes that cars must be replaced after one year of use, which ensures that the available fleet always complies with the highest operational standards of the automotive industry [103-2; 103-3]

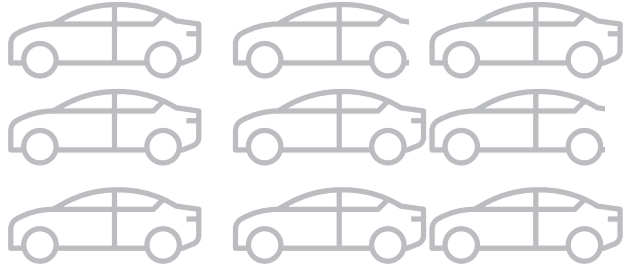
In addition to energy consumed by the car engines, we also devote attention to the electricity consumption of our stores and headquarters. Always innovating to perpetuate our business, we undertook the commitment to become the first company in the car rental industry to adopt solar power at all our branches in Brazil. In a pioneering action, we are investing in the construction of solar power plants and installing photovoltaic panels on our branches and stores with the goal of generating our own, clean and renewable energy, which in turn reduces costs and contributes to a more sustainable and well-distributed energy profile.

Our solar power plants will be fully operational in 2018, and by 2019 all our branches will be powered 100% by solar energy.



WITH NUMBERS ON THE SOLAR POWER PROJECT

SOLAR POWER PLANTS IN FOUR STATES IN BRAZIL (MG, RJ, GO AND PE).



Number of eligible units (car rental and Seminovos) served: **497**



Deadline: end of **2019**



Power generation: **12,700 MWH /YEAR**



CO₂ savings: **3,000** tons/year



Corresponds to: offsetting the CO₂ emissions produced by our fleet traveling 11.9 million kilometers per year; **76,000 TREES PLANTED**, which corresponds to 180 soccer fields the size of Mineirão Stadium per year.

In addition to the innovations at our headquarters, our business divisions also adopt energy efficiency practices. We develop various solutions for monitoring the fleets that help us to identify effective measures for improving the energy efficiency of the cars.



Localiza Fleet Rental: our Fleet Rental solutions include online portals, apps to make fleet management easier and the connected car.



Localiza Car Rental: at car rental stores, we encourage reductions in power consumption through campaigns and informational material. We also manage our consumption by conducting monthly monitoring of fixed costs, with a focus on saving energy and cutting costs.



Localiza Seminovos: at Localiza Seminovos, we conduct various campaigns to reduce the energy consumption of stores and, to monitor their progress, we compile a ranking after the campaigns that highlights best practices. We also analyze the light bulbs and reactors used in the stores and replace inefficient ones. In the first quarter of the first edition of this project, we obtained an average reduction of 20% in energy consumption at Seminovos stores.

KEY INNOVATIONS OF THE HEADQUARTERS – EFFICIENT ELECTRICITY USE

- Smart elevators that generate power when braking and reduce energy consumption by up to 30%;
- Building automation system that controls the intensity of artificial lighting based on the amount of natural light received;
- Optimization of the use of natural lighting through automated window blinds;
- LED lighting enabling a reduction in energy consumption of up to 70%;
- Use of water from well to cool the air conditioning system.

► Energy consumption outside Localiza [302-1; 302-3] ⁶

Fuel types used	Fuel	GJ	Activity
Non-renewable fuels	Diesel / Brazil	35,400.35	Transportation of vehicles between regional units using semi-trucks, moving the fleet in store parking lots (unproductive kilometer), use of vehicles under the responsibility of the sales team and use of generators at offices
	Gasoline / Brazil	102,685.96	
Purchase electricity	Electricity / Brazil	50,269.89	Consumption of electricity from the grid
Total		188,356.20	
Energy intensity (kJ/R\$ net revenue)		31,09	

⁹The information presented was prepared based on the standard NBR ISO 14064 and on the Brazilian GHG Protocol Program. The GHG emission factors adopted were taken from the literature and based on recognized and revised data. Priority was given to emissions factors that were local, recent and reflected the type of technology of the activities of the organization's value chain. In 2017, no emissions were offset through the purchase or sale of offsets.

► Energy consumption outside Localiza [302-2; 302-3] ⁷

Fuel types used	Fuel	GJ	Activity
Non-renewable fuels	Diesel / Brazil	362,954.16	Employee commuting (private vehicle and transportation voucher), business trips
	Gasoline / Brazil	81,038.70	
	Jet fuel	7,862.84	
Solid waste	Lubricant oil	29.84	Incineration of solid waste contaminated with oil
Total		451,885.53	
Energy intensity (kJ/R\$ net revenue)		74.58	

¹⁰The information presented was prepared based on the standard NBR ISO 14064 and on the Brazilian GHG Protocol Program. The GHG emission factors adopted were taken from the literature and based on recognized and revised data. Priority was given to emissions factors that were local, recent and reflected the type of technology of the activities of the organization's value chain. In 2017, no emissions were offset through the purchase or sale of offsets.

WATER

The highest water consumption in our operations is associated with washing the cars in our fleet. Committed to promoting the efficient and rational use of water, in 2015, we innovated our processes by implementing waterless car washing in our entire chain in Brazil. While a normal wash consumes around 83 liters of water per vehicle, Localiza’s waterless washing system uses around 100 ml of water per car and the product used is biodegradable. Water-based washing is used only when the cars are very dirty.

KEY INNOVATIONS OF THE HEADQUARTERS – EFFICIENT AND CONSCIENTIOUS WATER USE

Like the technological innovations to promote conscientious energy consumption, our new headquarters also adopts various practices to promote efficient water use:

- Reusing gray water (water used in bathrooms, toilets and sinks);
- Gray water treatment station;
- Dual flush toilets;
- Faucets activated by sensors or touch;
- Smart and automated irrigation of gardens;
- Irrigação inteligente e automatizada dos jardins.
- 10% of area with permeable coverings, exceeding legal requirements;
- Interlocking block system flooring that enables rainwater to return to the water table.



Localiza Car Rental: At car rental stores, we use campaigns and informative material to encourage saving water and smart solutions to reduce water consumption. As we do for energy consumption, we conduct monthly monitoring of fixed costs, with a focus on saving water and cutting costs.

Water consumption [303-1]

	2015	2016	2017
Supplied by public and private water services (m³)	394,683.90	440,406.23	499,693.39

Since this is the first year that we are gathering information on water consumption in our units, the values presented are merely estimates calculated with the objective of creating a basis for comparison and preliminary assessment on the activities conducted in 2017. All the water consumed comes from the public supply or from specialized companies. Based on the amount consumed by units and the average tariff for water and sewerage services as of June 2017 for the state of Minas Gerais, we were able to arrive at an approximate value of what was consumed in recent years. We are committed to investing in improving our water consumption indicators in order to have more precise data for monitoring our commitment to use water rationally and efficiently [103-2; 103-3; 303-3]

SOLID WASTE [103-2; 103-3]

Most of the solid waste generated by our operations come from car washing and maintenance. Aware of the negative impacts this waste can cause, at stores whose activities have the potential to cause significant environmental impacts, such as aerial fuel tanks and internal areas reserved for the maintenance and preventive maintenance of cars, plans and guidelines are established for the use of practices that are environmentally correct, productive and profitable. For example,

OIL PROJECT

The initiative aims to advise, guide, monitor and assess the managerial acts related to the changing and storage of oil bottles.

Under the Oil Project, surprise visits are made to stores to inspect the maintenance and storage area as well as the fleet washing area. The actions helps to map the needs and deficiencies of our stores, as well as to recognize all their good practices.

we developed the Oil Project, which promotes the use of sustainable practices for supplying and handling oil. Some of our larger stores conduct the preventive maintenance of cars internally. In such cases, the stores were adapted to enable the waste to be collected in partnership with certified companies. We also administer training to our team on the handling of materials to be discarded. We also created a program to expand the participation of tire suppliers to ensure their products are adequately disposed of in our chain.



[306-3] IN 2017, THERE WAS NO INCIDENTS INVOLVING LEAKS REPORTED FACILITIES OR OPERATIONS.

We also devote attention to the generation of solid waste by our administrative operations. To reduce paper waste, we carry out awareness campaigns with tips on saving paper, which encourage the use of alternatives such as flash drives, printing on both sides of the paper and reusing sheets. At Localiza Fleet Rental, for instance, we implemented a process to recycle paper and cardboard waste, toners and ink cartridges. All pieces of IT equipment are scrapped and recycled. To reduce the generation of solid waste intelligently and innovatively, we developed a process to convert all supplier invoices to electronic form, which centralizes, digitizes and modifies the process of receiving, processing and filing invoices from car maintenance suppliers at the stores. With the project, our Operations area achieved an annual reduction in paper of approximately 22 tons and savings of R\$2.5 million.

► Total weight of waste by type and disposal method [306-2]

Waste	Disposal method	Total weight
Oil	Re-refinery	434,424.40 kg/m³
	Incineration	180,579.40 kg

[306-4] IN OUR OPERATIONS, ALL THE WASTE, INCLUDING HAZARDOUS WASTE, IS TRANSPORTED AND TREATED BY **LOCAL THIRD-PARTY** SERVICE PROVIDERS.

GREENHOUSE GAS EMISSIONS (GEE)

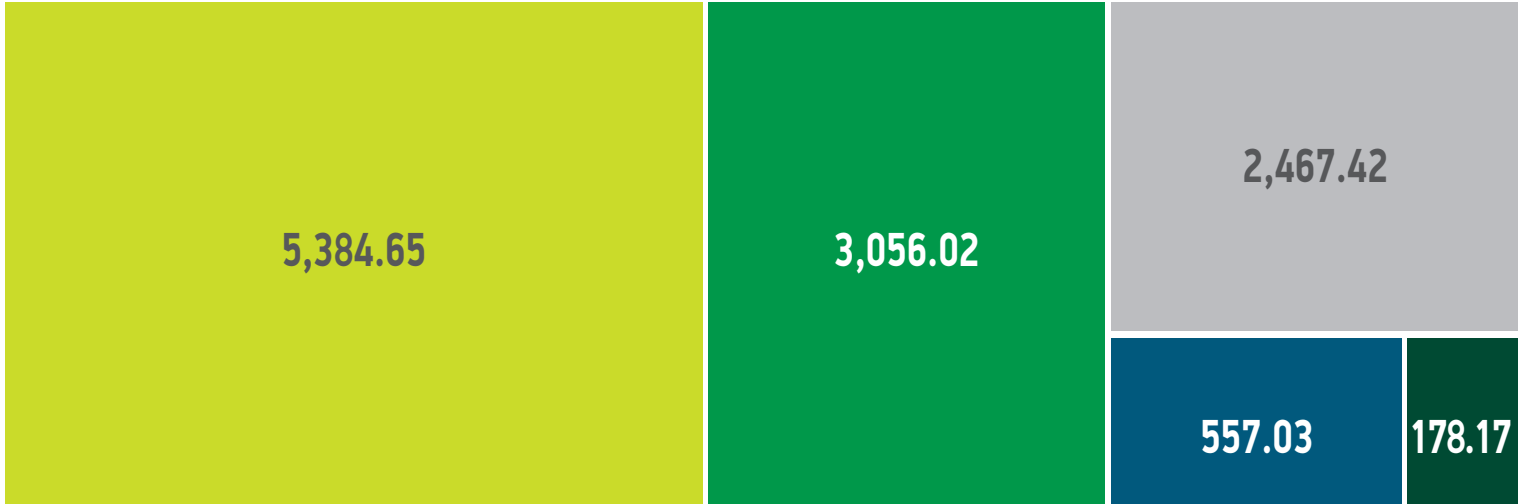
Another important concern addressed by our sustainability strategy is the commitment to understanding better the impacts of our operations on global warming, which involves measuring greenhouse gas emissions to support efforts to reduce and control them. In 2017, we conducted our first GHG inventory following internationally recognized methodologies, namely the Brazilian GHG Protocol Program and the standard ISO 14064-1. Emission sources were identified and classified by hierarchy within our organizational structure, following the control approach of responsibility for GHG emissions of operations over which we have operational control.

Consistent with practices and committed to excellence in all we do, we measure the emissions that must be reported (Scope 1 and Scope 2) as well as the emissions whose reporting is optional (Scope 3).

- **Scope 1:** Direct GHG emissions from sources that belong to or are controlled by the organization.
- **Scope 2:** Indirect GHG emissions from the purchase of electricity that is consumed by the organization.
- **Scope 3:** optional reporting category, considers all other indirect emissions not falling under Scope 2. They are a consequence of the organization's activities, but occur at sources that it does not own or control.

In 2017, Localiza's total emissions amounted to 19,104 tCO2e, of which 11,653 tCO2e were Scope 1; 1,305 tCO2e were Scope 2; and 6,146 tCO2e were Scope 3.

► Main Scope Sources 1 (tCO2)



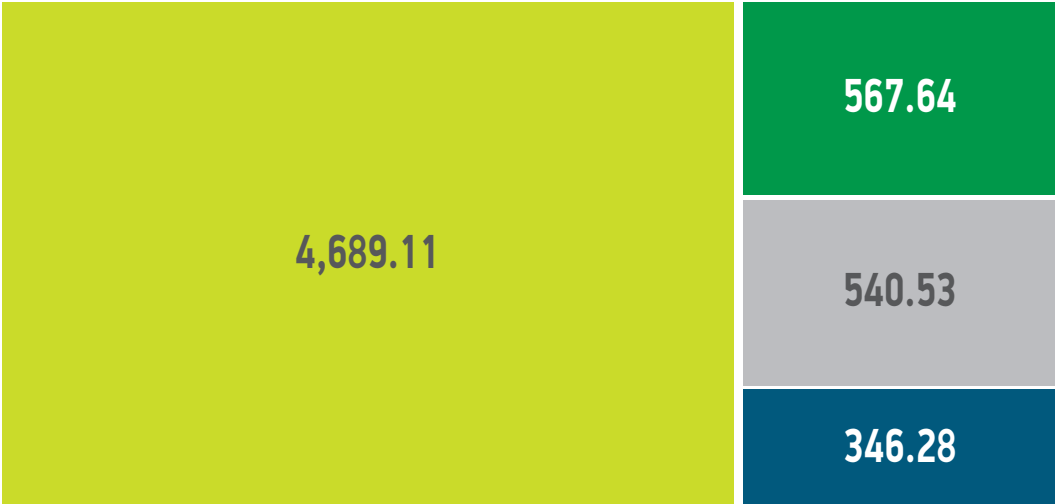
- Own fleet / unproductive km
- Air conditioning of the fleet
- Trolley for transport of vehicles between regional
- Company vehicles under the responsibility of the sales team
- Cooling equipment for administrative units

► Scope 2 (tCO2)



- Electricity

► Main Scope Sources 3 (tCO2)



- Displacement of home-work employees (private vehicle)
- Business air travel
- Solid waste contaminated with incineration oil
- Displacement of home-work employees (transportation-voucher)

Our goal in quantifying and managing the GHG emissions from our operations is to identify opportunities for reducing emissions, set reduction targets and create mechanisms and tools to achieve the desired reductions. To meet these goals with excellence, we will continually improve our reporting of GHG emissions by expanding the scope of our inventory, improving the monitoring of data and submitting the inventory to external assurance.

4.6 NEXT STEPS

We are very proud to publish our first sustainability report, presenting to our stakeholders, in a transparent way, the value we create and share with society, and not only the economic value, but also the social and environmental value. This is an important step towards integrating sustainability into our business strategy. Over the course of the information-gathering process, we were able to identify the main risks to and opportunities for the sustainable growth of the business. Starting with this first publication, we will work on the material topics identified by building on the activities performed in 2017 and continually improving our performance, while constantly working with our stakeholders. With each new cycle, we will adjust the aspects that reinforce and enhance our sustainability strategy. We closed 2017 satisfied with the results achieved, which motivates us for the years ahead. We

believe in our role as a citizen company and in our potential to transform and inspire and to transcend the physical boundaries of Localiza. With bold targets, investments in innovation and devotion to the customer, we aim to maintain our excellence in results, efficiency and productivity, while promoting the sustainable growth of our business. We will remain engaged in continuing to structure a corporate strategy that integrates sustainability into our business. We will develop our sustainability policy, while reaffirming our commitment and declaring our positioning on the topic. We are proud of what we are developing, but also aware of the work that must be done to get where we want. We kindly thank our customers, employees, investors, suppliers and partners for the trust they place in us and reaffirm our determination to write yet another chapter of exceptional growth and results in 2018.



WE WILL REMAIN ENGAGED IN CONTINUING
TO STRUCTURE A CORPORATE STRATEGY
THAT INTEGRATES SUSTAINABILITY INTO
OUR BUSINESS

5 MATERIAL TOPICS AND GRI CONTENT INDEX



5.1 MATERIAL TOPICS

[102-40; 102-42; 102-44; 103-47; 103-1]

Material topic	Stakeholder impacted	Limit of the material topic		
		Where the impact occurs		Why this topic is material to Localiza
		Outside Localiza	Inside Localiza	
Promoting the culture of sustainability across the value chain	Senior leadership Franchisees Employees Suppliers			Localiza inspires and transforms by setting an example, which means it has great potential to foster a culture of sustainability in its value chain and business relations. The main links to be engaged with the topic are suppliers, employees and franchisees.
Purpose of work and professional growth	Senior leadership Employees			Localiza is responsible for investing and promoting professional growth and inspiring a sense of purpose in the work of its employees. Therefore, the impact occurs exclusively within the boundaries of the company.
Structured socio-environmental management	Investors Senior leadership Corporate clients Creditors			Structuring environmental management is a practice that Localiza must adopt in its operations to enable it to identify, monitor and manage the socio-environmental impacts of its activity in a systematic and formal way. The efficiency and excellence of Localiza's processes and procedures with socio-environmental matters depend on structuring such management.
Sustainable business growth	Investors Senior leadership Insurers Franchisees Employees Community Customers and corporate clients			Sustainable business growth is the result of Localiza's practices and management. Although influenced by the external scenario, Localiza has been growing despite Brazil's crisis scenario. Business growth impacts not just the company, but also the region where it operates, promoting economic and social development.

Material topic	Stakeholder impacted	Limit of the material topic		
		Where the impact occurs		Why this topic is material to Localiza
		Outside Localiza	Inside Localiza	
Management of consumption and prioritizing the use of renewable power sources	Investors Senior leadership Franchisees Customers and corporate clients			Localiza is responsible for managing and reducing electricity consumption in its operations and for prioritizing the use of renewable sources. The company's activity directly impacts the topic, which produces a global impact, since it addresses challenges and goals set nationally and internationally.
Transparency and ethics in the business	Investors Senior leadership Insurers Suppliers Franchisees Customers and corporate clients Employees Creditors			Localiza is entirely responsible for adopting a transparent and ethical attitude in its business activities, which impacts not just the company's activity, but also society.
Efficient and rational use of water	Investors Senior leadership Corporate clients Suppliers			Car washing and other activities pertaining to the operations of stores and administrative offices of Localiza have potential for water consumption, which can be controlled by the company. The efficient and rational use of water impacts the resource's availability for society, and Localiza is responsible for managing the impact of its operations.
Management of car maintenance waste	Investors Senior leadership Corporate clients Suppliers Creditors			Managing car maintenance waste is very important for Localiza, given the size of its fleet and, consequently, the magnitude of the impact from not addressing the topic. Localiza's operation is intrinsically related to this impact, which must be managed to avoid any damage to the environment and to society.
Biofuel-enabled fleet	Investors Customers and corporate clients Suppliers Franchisees			Given the nature of its business, Localiza has great potential to help promote fueling vehicles with biofuels, and can influence and engage its customers in the topic. Promoting biofuels is part of the national strategy to mitigate greenhouse gas emissions, therefore, the topic impacts the national and international scenarios.
Combatting discrimination and promoting diversity	Investors Senior leadership Employees			Localiza is a citizen company and pursues social inclusion in the communities where it operates, promoting gender diversity and including immigrants and persons with disabilities in its workforce. By combatting discrimination and promoting diversity internally, Localiza positively impacts all of society.

5.2 GRI CONTENT INDEX

GRI indicators	Description of indicator	Material topic	SDG	Page
GRI 102: GENERAL DISCLOSURES				
1. Organizational profile				
102-1	Name of the organization			5
102-2	Activities, brands, products and services			9
102-3	Location of the headquarters			8
102-4	Location of operations			
102-5	Nature of ownership and legal form			13
102-6	Markets served			
102-7	Scale of the organization			9, 10
102-8	Information on employees and other workers			
102-9	Supplier chain			25
102-10	Significant changes to the organization and its supply chain			24
102-11	Precautionary Principle or approach			14
102-12	External initiatives			19
102-13	Membership in associations			19
2. Strategy				
102-14	Statement from senior decision-maker			
3. Ethics and integrity				
102-16	Values, principles, standards, and norms of behavior			11
102-17	Mechanisms for advice and concerns about ethics			26

GRI indicators	Description of indicator	Material topic	SDG	Page
4. Governance				
102-18	Governance structure			13
102-20	Executive-level responsibility for economic, environmental, and social topics			14
102-21	Consulting stakeholders on economic, environmental, and social topics			
102-22	Composition of the highest governance body and its committees			13
102-23	Chair of the highest governance body			13
102-24	Nominating and selecting the highest governance body			13
102-29	Identifying and managing economic, environmental, and social impacts			14,21
102-36	Process for determining remuneration			35
5. Engagement of stakeholders				
102-40	List of stakeholder groups			
102-41	Collective bargaining agreements			
102-42	Basis for identifying and selecting stakeholders			20
102-43	Approach to stakeholder engagement			
102-44	Key topics and concerns raised			21,22
6. Reporting practice				
102-45	Entities included in the consolidated financial statements			24
102-46	Defining report content and topic boundaries			20
102-47	List of material topics			21
102-48	Restatements of information			20
102-49	Changes in scope and boundaries			20
102-50	Reporting period			5
102-51	Date of most recent report			5
102-52	Reporting cycle			5

GRI indicators	Description of indicator	Material topic	SDG	Page
102-53	Contact point for questions regarding the report			
102-54	Claims of reporting in accordance with the GRI Standards			5
102-55	GRI content index			
102-56	External assurance			22
SERIES 200: ECONOMIC				
GRI 201: ECONOMIC PERFORMANCE				
103-1	Explanation of the material topic and its boundary			
103-2	The management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
201-1	Direct economic value generated and distributed	Sustainable business growth	9 - 8	24
GRI 202: MARKET PRESENCE				
103-1	Explanation of the material topic and its boundary			
103-2	The management approach and its components			53
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Combatting discrimination and promoting diversity	5 - 10	23, 25, 26, 32, 35, 37, 39, 40, 42, 4337,
GRI 205: ANTICORRUPTION				
103-1	Explanation of the material topic and its boundary			
103-2	The management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43
205-1	Operations assessed for risks related to corruption	Promoting the culture of sustainability across the value chain / Transparency and ethics in the business	17 - 12 / 16 -10	35

GRI indicators	Description of indicator	Material topic	SDG	Page
205-2	Communication and training about anti-corruption policies and procedures	Purpose of the work and professional growth / Transparency and ethics in the business	8 - 10 / 16 - 10	25,26
205-3	Confirmed incidents of corruption and actions taken	Transparency and ethics in the business	16 - 10	26
SERIES 300 - ENVIRONMENTAL				
GRI 302: ENERGY				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
302-1	Energy consumption within the organization	Management of consumption and prioritizing the use of renewable power sources / Biofuel-enabled fleet	13 - 7	41
302-2	Energy consumption outside the organization	Management of consumption and prioritizing the use of renewable power sources / Biofuel-enabled fleet	13 - 7	41
302-3	Energy intensity	Management of consumption and prioritizing the use of renewable power sources /	13 - 7	41
GRI 303: WATER				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43
303-1	Water consumption by source	Efficient and rational use of water	12 - 6	42
303-3	Recycled water reused	Efficient and rational use of water	12 - 6	42

GRI indicators	Description of indicator	Material topic	SDG	Page
GRI 306: EFFLUENTS AND WASTE				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
306-2	Waste by type and disposal method	Management of car maintenance waste	15 - 6	43
306-3	Significant spills	Management of car maintenance waste	15 - 6	
306-4	Transport of hazardous waste	Management of car maintenance waste	15 - 6	
GRI 307: ENVIRONMENTAL COMPLIANCE				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
307-1	Non-compliance with environmental laws and regulations	Structured Socio-Environmental Management	9 - 16	39
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
308-1	New suppliers that were screened using environmental criteria	Promoting the culture of sustainability across the value chain / Efficient and rational use of water	17 - 12 / 12 - 6	34
308-2	Negative environmental impacts in the supply chain and actions taken	Promoting the culture of sustainability across the value chain / Efficient and rational use of water	17 - 12 / 12 - 6	34

GRI indicators	Description of indicator	Material topic	SDG	Page
SERIES 400 - SOCIAL				
GRI 401: EMPLOYMENT				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43
401-1	New employee hires and employee turnover	Combating discrimination and promoting diversity	5 - 10	
401-3	Parental leave	Combating discrimination and promoting diversity	5 - 10	
GRI 404: TRAINING AND EDUCATION				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
404-1	Average hours of training per year per employee	Purpose of the work and professional growth	8 - 10	32
404-2	Programs for upgrading employee skills and transition assistance programs	Purpose of the work and professional growth	8 - 10	32, 35
404-3	Percentage of employees receiving regular performance and career development reviews	Purpose of the work and professional growth	8 - 10	32
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25
405-1	Diversity of governance bodies and employees	Combating discrimination and promoting diversity	5 - 10	37
405-2	Ratio of basic wage and compensation of women to men	Combating discrimination and promoting diversity	5 - 10	

GRI indicators	Description of indicator	Material topic	SDG	Page
GRI 406: NON-DISCRIMINATION				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
406-1	Incidents of discrimination and corrective actions taken	Combating discrimination and promoting diversity	5 - 10	37
GRI 408: CHILD LABOR				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43
408-1	Operations and suppliers at significant risk for incidents of child labor	Promoting the culture of sustainability across the value chain	17 - 12	25
GRI 409: FORCED OR COMPULSORY LABOR				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Promoting the culture of sustainability across the value chain	17 - 12	25
GRI 412: HUMAN RIGHTS ASSESSMENT				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43

GRI indicators	Description of indicator	Material topic	SDG	Page
412-1	Operations that have been subject to human rights reviews or impact assessments	Promoting the culture of sustainability across the value chain	17 - 12	37
GRI 414: SUPPLIER SOCIAL ASSESSMENT				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
414-1	New suppliers that were screened using social criteria	Promoting the culture of sustainability across the value chain	17 - 12	25
414-2	Negative social impacts in the supply chain and actions taken	Promoting the culture of sustainability across the value chain	17 - 12	25
GRI 416: CUSTOMER HEALTH AND SAFETY				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 32, 35, 37, 39, 40, 42, 43
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Structured Socio-Environmental Management	9 - 16	39
GRI 419: SOCIOECONOMIC COMPLIANCE				
103-1	Explanation of the material topic and its boundary			
103-2	Management approach and its components			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
103-3	Evaluation of the management approach			23, 25, 26, 32, 35, 37, 39, 40, 42, 43
419-1	Non-compliance with laws and regulations in the social and economic area	Structured Socio-Environmental Management	9 - 16	39

GRI Indicators	Category	Description of indicator
GRI 102: GENERAL DISCLOSURES		
1. Organizational profile		
102-1	Core	Name of the organization
102-2	Core	Activities, brands, products and services
102-3	Core	Location of the headquarters
102-4	Core	Location of operations
102-5	Core	Nature of ownership and legal form
102-6	Core	Markets served
102-7	Core	Scale of the organization
102-8	Core	Information on employees and other workers
102-9	Core	Supplier chain
102-10	Core	Significant changes to the organization and its supply chain
102-11	Core	Precautionary Principle or approach
102-12	Core	External initiatives
102-13	Core	Membership of associations
2. Strategy		
102-14	Core	Statement from senior decision-maker
102-15	Comprehensive	Significant impacts, risks and opportunities
3. Ethics and integrity		
102-16	Core	Values, principles, standards, and norms of behavior
102-17	Comprehensive	Mechanisms for advice and concerns about ethics

GRI Indicators	Category	Description of indicator
4. Governance		
102-18	Core	Governance structure
102-19	Comprehensive	Delegation of authority
102-20	Comprehensive	Executive-level responsibility for economic, environmental, and social topics
102-21	Comprehensive	Consulting stakeholders on economic, environmental, and social topics
102-22	Comprehensive	Composition of the highest governance body and its committees
102-23	Comprehensive	Chair of the highest governance body
102-24	Comprehensive	Nominating and selecting the highest governance body
102-25	Comprehensive	Conflicts of interest
102-26	Comprehensive	Role of highest governance body in setting purpose, values, and strategy
102-27	Comprehensive	Measures to improve collective knowledge of highest governance body
102-28	Comprehensive	Evaluating the highest governance body's performance
102-29	Comprehensive	Identifying and managing economic, environmental, and social impacts
102-30	Comprehensive	Effectiveness of risk management processes
102-31	Comprehensive	Review of economic, environmental, and social topics
102-32	Comprehensive	Highest governance body's role in sustainability reporting
102-33	Comprehensive	Communicating critical concerns
102-34	Comprehensive	Nature and total number of critical concerns
102-35	Comprehensive	Remuneration policies
102-36	Comprehensive	Process for determining remuneration
102-37	Comprehensive	Stakeholders' involvement in remuneration
102-38	Comprehensive	Annual total compensation ratio
102-39	Comprehensive	Percentage increase in annual total compensation ratio

GRI Indicators	Category	Description of indicator
5. Engagement of stakeholders		
102-40	Core	List of stakeholder groups
102-41	Core	Collective bargaining agreements
102-42	Core	Basis for identifying and selecting stakeholders
102-43	Core	Approach to stakeholder engagement
102-44	Core	Key topics and concerns raised
6. Reporting practices		
102-45	Core	Entities included in the consolidated financial statements
102-46	Core	Defining report content and topic boundaries
102-47	Core	List of material topics
102-48	Core	Restatements of information
102-49	Core	Changes in scope and boundaries
102-50	Core	Reporting period
102-51	Core	Date of most recent report
102-52	Core	Reporting cycle
102-53	Core	Contact point for questions regarding the report
102-54	Core	Claims of reporting in accordance with the GRI Standards
102-55	Core	GRI content index
102-56	Core	External assurance
SERIES 200: ECONOMIC		
GRI 201: ECONOMIC PERFORMANCE		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components

GRI Indicators	Category	Description of indicator
103-3		Evaluation of the management approach
201-1	Materiality	Direct economic value generated and distributed
GRI 202: MARKET PRESENCE		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
202-1	Materiality	Ratios of standard entry level wage by gender compared to local minimum wage
GRI 205: ANTICORRUPTION		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
205-1	Materiality	Operations assessed for risks related to corruption
205-2	Materiality	Communication and training about anti-corruption policies and procedures
205-3	Materiality	Confirmed incidents of corruption and actions taken
SERIES 300 - ENVIRONMENTAL		
GRI 302: ENERGY		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
302-1	Materiality	Energy consumption within the organization
302-2	Materiality	Energy consumption outside the organization
302-3	Materiality	Energy intensity
302-4	Materiality	Reduction in energy consumption
302-5	Materiality	Reductions in energy requirements of products and services

GRI Indicators	Category	Description of indicator
GRI 303: ÁGUA		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
303-1	Materiality	Water consumption by source
303-3	Materiality	Recycled water reused
GRI 306: EFFLUENTS AND WASTE		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
306-2	Materiality	Waste by type and disposal method
306-3	Materiality	Significant spill
306-4	Materiality	Transport of hazardous waste
GRI 307: ENVIRONMENTAL COMPLIANCE		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
307-1	Materiality	Non-compliance with environmental laws and regulations
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
308-1	Materiality	New suppliers that were screened using environmental criteria
308-2	Materiality	Negative environmental impacts in the supply chain and actions taken

GRI Indicators	Category	Description of indicator
SERIES 400 - SOCIAL		
GRI 401: EMPLOYMENT		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
401-1	Materiality	New employee hires and employee turnover
401-3	Materiality	Parental leave
GRI 404: TRAINING AND EDUCATION		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
404-1	Materiality	Average hours of training per year per employee
404-2	Materiality	Programs for upgrading employee skills and transition assistance programs
404-3	Materiality	Percentage of employees receiving regular performance and career development reviews
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
405-1	Materiality	Diversity of governance bodies and employees
405-2	Materiality	Ratio of basic salary and remuneration of women to men
GRI 406: NON-DISCRIMINATION		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components

GRI Indicators	Category	Description of indicator
103-3		Evaluation of the management approach
406-1	Materiality	Incidents of discrimination and corrective actions taken
GRI 408: CHILD LABOR		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
408-1	Materiality	Operations and suppliers at significant risk for incidents of child labor
GRI 409: FORCED OR COMPULSORY LABOR		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
409-1	Materiality	Operations and suppliers at significant risk for incidents of forced or compulsory labor
GRI 410: SECURITY PRACTICES		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
410-1	Materiality	Security personnel trained in human rights policies or procedures
GRI 412: HUMAN RIGHTS ASSESSMENT		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
412-1	Materiality	Operations that have been subject to human rights reviews or impact assessments
412-2	Materiality	Employee training on human rights policies or procedures

GRI Indicators	Category	Description of indicator
412-3	Materiality	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening
GRI 414: SUPPLIER SOCIAL ASSESSMENT		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
414-1	Materiality	New suppliers that were screened using social criteria
414-2	Materiality	Negative social impacts in the supply chain and actions taken
GRI 415: PUBLIC POLICIES		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
415-1	Materiality	Political contributions
GRI 416: CUSTOMER HEALTH AND SAFETY		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
416-2	Materiality	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 419: SOCIOECONOMIC COMPLIANCE		
103-1		Explanation of the material topic and its boundary
103-2		The management approach and its components
103-3		Evaluation of the management approach
419-1	Materiality	Non-compliance with laws and regulations in the social and economic area

