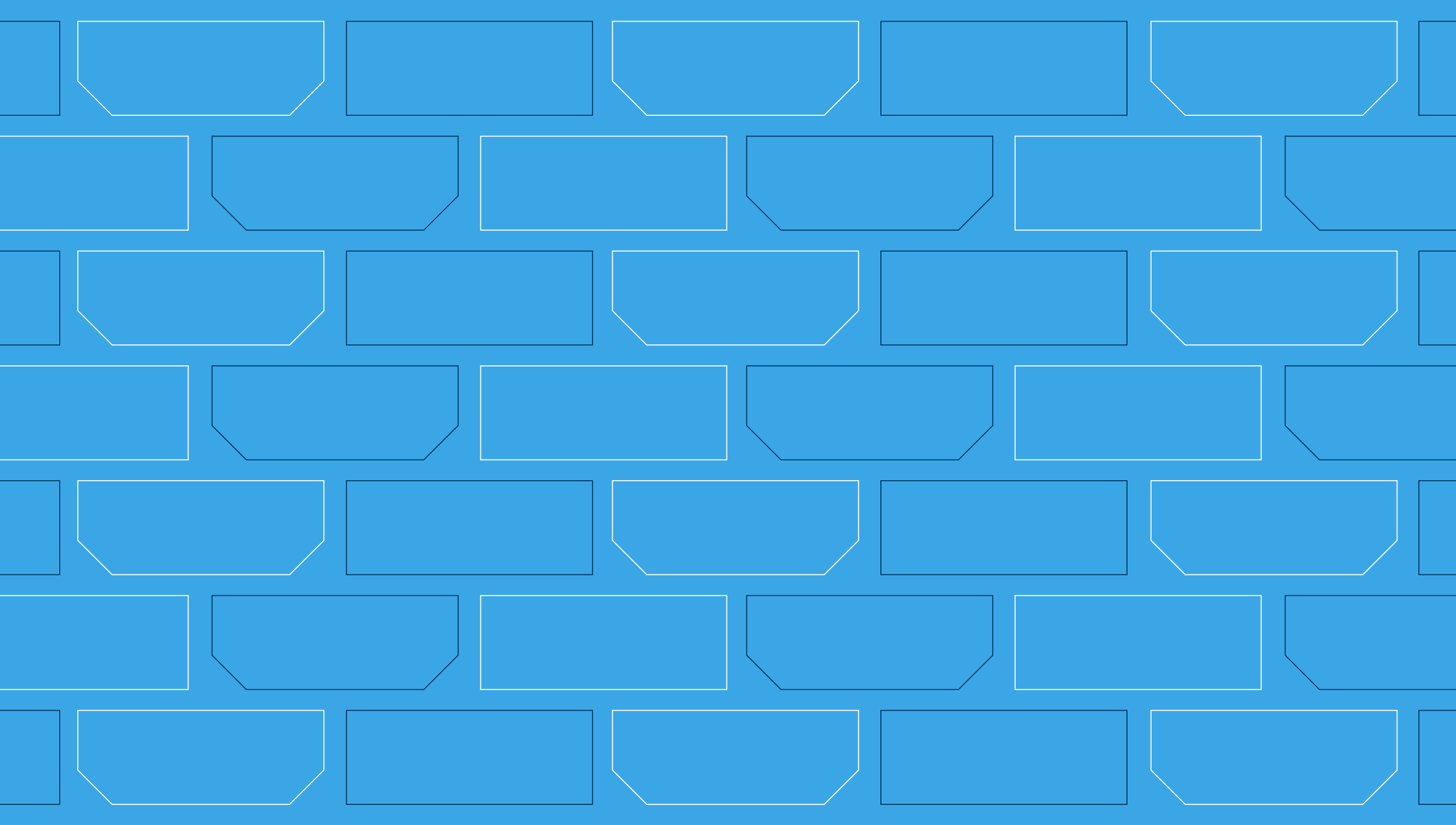


rumo



**We are Brazil
in motion**

2020 SUSTAINABILITY REPORT



2020 SUSTAINABILITY REPORT



HIGHLIGHTS
OF THE YEAR

RELATIONSHIP
WITH COMMUNITY

MESSAGE FROM
MANAGEMENT

ALLIES IN FUTURE
GENERATIONS

ABOUT
THIS REPORT

APPENDIX OF
GRI AND SASB
INDICATORS

VALUE ADDED TO
ALL STAKEHOLDERS

GRI AND SASB
CONTENTS

GROWING WITH
THE COUNTRY

CORPORATE
INFORMATION/
CREDITS

ETHICS LEADING
BUSINESS

BOOST TO
INFRASTRUCTURE

- North Operation
- South Operation
- Ports



Operation and expansion



COMPLETION OF THE CONSTRUCTION work and start of commissioning operations on the first stretch of the Central Network, **FIVE MONTHS AHEAD OF SCHEDULE**



DECREASE IN THE NUMBER OF RAILWAY ACCIDENTS by **17%** (MM Train/km) compared to 2019

DECREASE IN FUEL CONSUMPTION by **-5.3%** (liters/GTK)



Start of operation with **120-RAILCAR TRAINS** in the North Operation



100% OF THE TRAINS in the North Operation running with **TRIP OPTIMIZER TECHNOLOGY** (semi-autonomous trains)



EXPANSION of the Rondonópolis Terminal (July 2020)

DELIVERIES OF TRANSFORMATIONAL WORK in Santos:

densification of Macuco, Paquetá's third line, remodeling of the export routes (June/21)



DECREASE IN THE NUMBER OF PERSONAL ACCIDENTS by **40%** (MM Accidents/HHT) compared to 2019



EARLY RENEWAL of the Paulista Network concession until 2058

Economics/financials



Issue of the **1st GREEN BOND** in the history of freight railways in Latin America

THIRD CAPITAL INCREASE:
R\$ 6.4 BILLION raised in August 2020



1st COMPANY IN BRAZIL to perform a Sustainability-Linked Debenture (SLD) transaction in the local market, supported by Law 12,431/11

Socioenvironmental



INCLUSION OF THE CORPORATE ESG GOAL for 2021, which reflects in the variable compensation of all employees



Remodeling of the volunteer program **"TREM DO BEM"**, with our financial contribution



Expansion of **FEMALE PARTICIPATION** at the various hierarchical levels: three female directors¹ in our Board, nine female executive managers, four female engineers and 12 female conductors

▲ 9.4% REDUCTION IN emissions per ton per revenue ton kilometer (RTK) compared to 2019



ADHESION TO THE GLOBAL COMPACT of the United Nations (UN)



STRUCTURING OF the Rumo Institute



CREATION of the Diversity & Inclusion Strategy and respective area to deal with this topic



87% APPROVAL in the employee satisfaction survey



CORPORATE SUSTAINABILITY POLICY under development



ADHESION to the Brazilian Business Council on Sustainable Development (CEBDS) and the Brazil Coalition



ADHESION to the UN Women



1. Since March 2021

Suppliers and clients

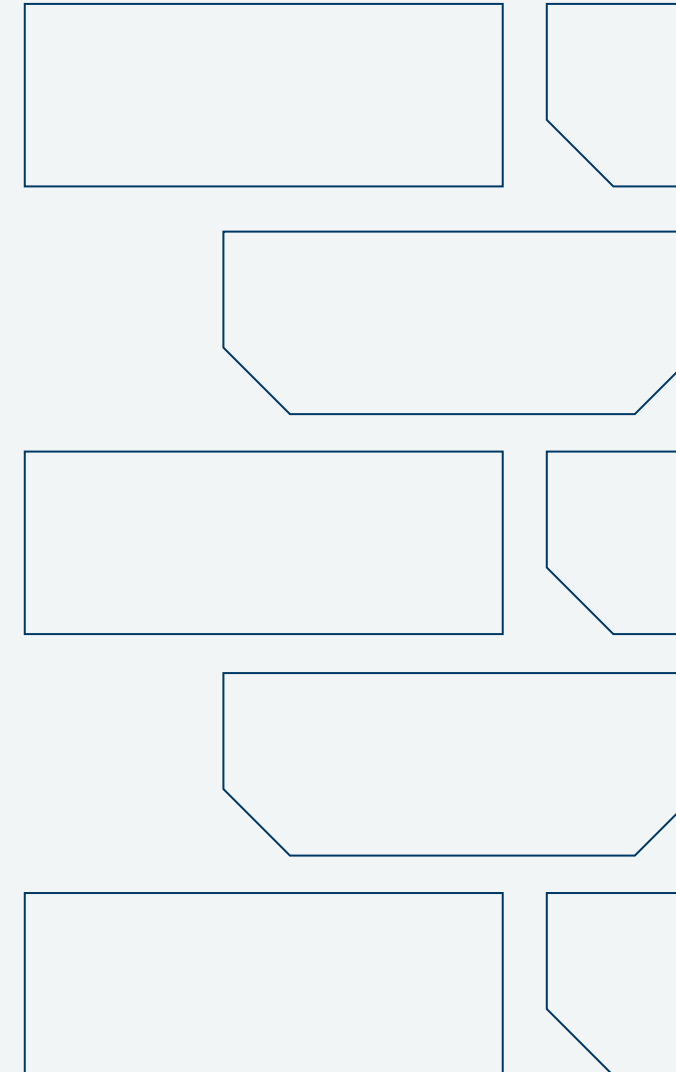


CREATION OF "PARCERIA EM MOVIMENTO", a supplier recognition program

ESG MONTHLY REPORT including information on emissions avoided by transport with rail compared to other modes of transport and initiatives



Development of **PARTNERSHIPS WITH CLIENTS** to monitor the value chain and trace the transported product, ensuring sustainable soybeans





1.

Message from Management

GRI 102-14

Driven to build our DNA, we adhered to the UN's Global Compact, besides advancing our target of reducing emissions



30%
financing
facilities through
green and
sustainable
emissions



3
female
executives
in our Board
of Directors

OUR BUSINESS FACES A NUMBER OF CHALLENGES AND REQUIRES COMMITMENT AND FOCUS ON RESULTS. WE NEED TO TAKE A LOOK AT EVERYTHING WE HAVE BUILT SO FAR AND IDENTIFY LONG-TERM OPPORTUNITIES FROM THIS SOLID FOUNDATION.

The Covid-19 pandemic has made us grow and learn considerably about adversity. We are an essential company that moves the country's economy, and we could not stop. In several initiatives we have supported more than 50 institutions in the fight against Covid-19. Among all the actions we also performed almost 31,000 tests on our employees and their families, donated food baskets, hand sanitizers, personal hygiene and cleaning products, hospital equipment, and promoted awareness campaigns with the truck drivers who work at our terminals.

Resilience was key for us to ensure that our trains continue to cross the borders of Brazil. In addition to securing the jobs of our employees, our strong performance in the Central Network, mainly evidenced by the construction of the new São Simão and Rio Verde Terminals, allowed us to hire more than 3,000 direct and indirect jobs. This is how we honor our commitment to bring sustainable development, infrastructure, and job creation to the most diverse regions of the country.

Through the launch of the Rumo DNA, which guides all of our actions and our culture, we adhered to the UN Global Compact in order to always be focused on our sustainable development goals. Based on the emission reduction target, we have raised 30% of the financing facilities through green and sustainable emissions, and our goal is to reach up to 50%. In addition, we brought even more weight to the ESG goals tied to our employees' variable compensation.

As signatories of the Women's Empowerment Principles of UN Women, we have consolidated yet another commitment that values women's presence in the labor market. We currently have three female executives in our Board of Directors. We are still on a journey of evolution, and we have started to make a difference by hiring women drivers and shunting operators for our operations, who are increasingly showing their differential when taking on these functions. We also agreed on the goal of making Rumo a reference in diversity and inclusion in the port-rail sector by 2025.



Beto Abreu
CEO of Rumo



Still on the subject of people, our investments in technology to ensure more safety and sustainability in operations are noteworthy. One of these initiatives is the new traffic control and monitoring system: PTC 2.0. Its architecture was built to eliminate the possibility of collisions between trains, acting proactively in the braking of the compositions, avoiding possible human failures.

With the Fuse project, which accelerates innovative initiatives across the railway and logistics sector, we are fostering actions to reduce collisions and pedestrian crashes at our level crossings. As a result of the project, the Safety on Rails course was created, promoted by Lastro to community leaders from Curitiba and city councilors from cities in the interior of São Paulo. We also have other practical examples that involve our actions in partnership with city governments and state agencies. Still focusing on communities, we are investing more than R\$1 billion in improvements and infrastructure works that will reduce the impacts that we eventually generate inside our operations.



We also updated our materiality matrix, in which we identified eight major themes that translated into two more commitments to sustainable development, in addition to the nine commitments made in the previous report. The first focuses on encouraging our supply chain to promote sustainability in their businesses, and the second is to promote sustainability actions together with clients through traceability, which aims to ensure that the cargo we transport does not come from regions impacted by deforestation. Actions like these have allowed us to reduce our specific CO2 emissions by 33% over the past 6 years. And we still have a lot of work to do to reduce this rate even more.

I close this message by emphasizing that we will continue to focus on fulfilling another commitment we made, which is to reduce CO2 emissions by 21% by 2030. It is a very audacious goal that encourages us even more to pursue it. And we will meet it. It is with this determination that we continue on our path, certain that we are making a difference in Brazilian logistics, in people's lives and, even more: acknowledging our responsibility with the social, environmental, and governance aspects of our operations.



2.

About this Report

This document was improved by including SASB indicators from analyses of ISE and DJSI questionnaires

FOR THE FIFTH CONSECUTIVE YEAR WE ARE PUBLISHING OUR SUSTAINABILITY REPORT TO ENDORSE OUR COMMITMENT TO TRANSPARENCY, COMPLIANCE OF OPERATIONS AND ACCOUNTABILITY TO OUR MAIN STAKEHOLDERS: EMPLOYEES, BUSINESS PARTNERS, SUPPLIERS, CUSTOMERS, COMMUNITIES, INVESTORS AND THE MARKET IN GENERAL.

GRI 102-40

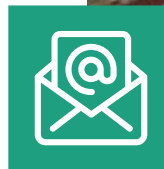
This document, which was prepared in accordance with the Global Reporting Initiative (GRI), Standards, Core option, and for the first time includes indicators from the Sustainability Accounting Standards Board (SASB), addresses the performance and results of the operations of the North, Paulista, South, Central and West networks and Brado Logística between January 1 and December 31, 2020.

GRI 102-40 | GRI 102-45 | 102-50 | 102-52 | 102-54

In relation to the previous report for the year 2019, published in July 2020, there is no change in scope and boundaries, nor any reformulation of information. However, its content, as well as the elaboration process, was improved based on analyses of the questionnaires of the Corporate Sustainability Index (ISE) and the Dow Jones Sustainability Index

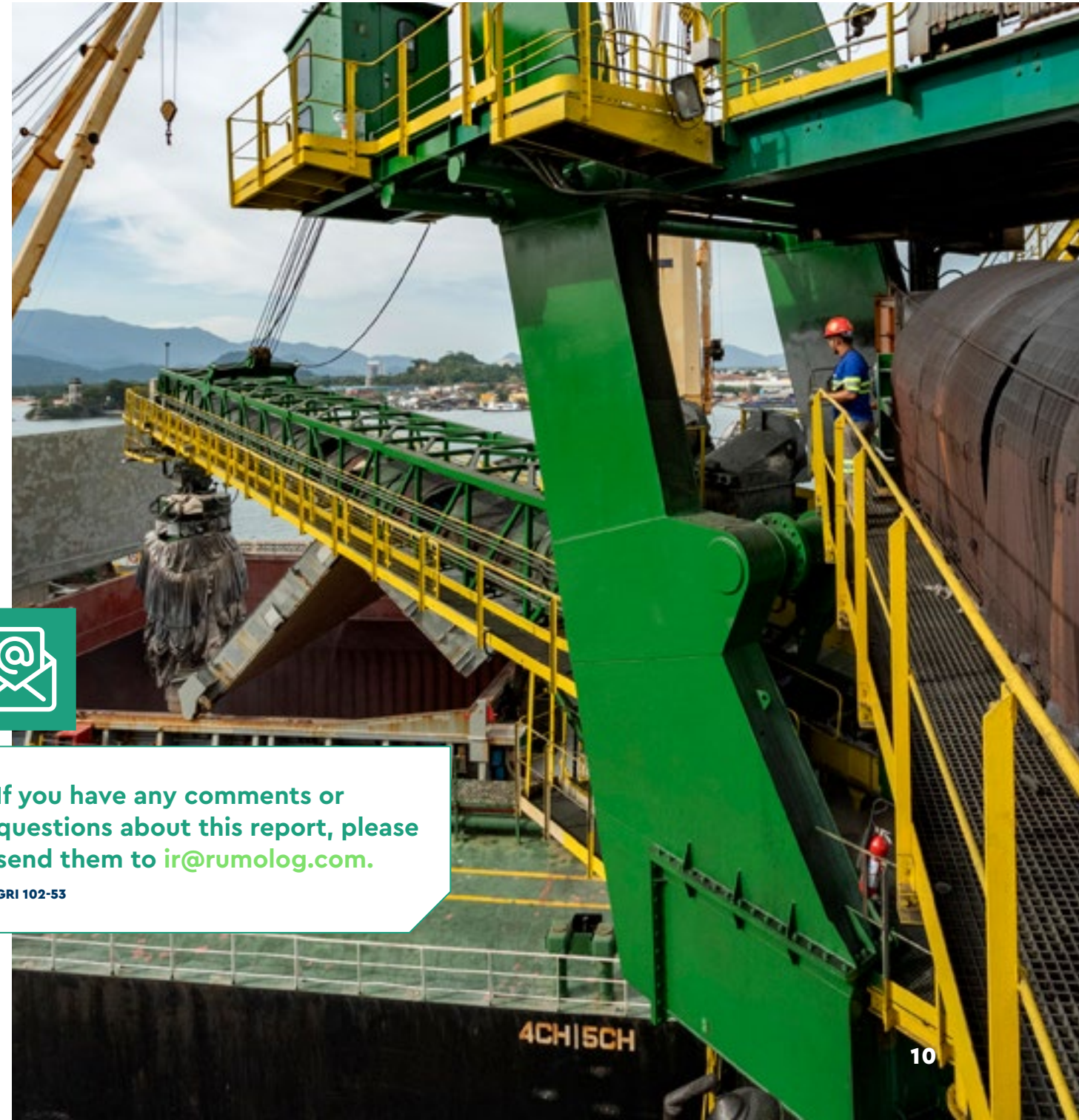
(DJSI), and interactions with organizations working in ESG (Environmental, Social and Governance) and interactions with ESG (Environmental, Social and Governance) organizations, such as Sustainalytics, the International Institute for Sustainability (IIS) and MSCI (Morgan Stanley Capital International). We have also started a study on the adequacy of reporting to the Task Force on Climate-related Financial Disclosures (TCDF) and of our emissions reduction target to Science Based Targets (SBTi). All the content gathered in this document was subject to external verification, conducted by the company Ernst & Young. Over the course of the year, we also held dialogues and captured the perceptions of internal departments and the market, with the purpose of further improving the document.

GRI 102-48 | 102-49 | 102-51 | 102-56



If you have any comments or questions about this report, please send them to ir@rumolog.com.

GRI 102-53



Materiality




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

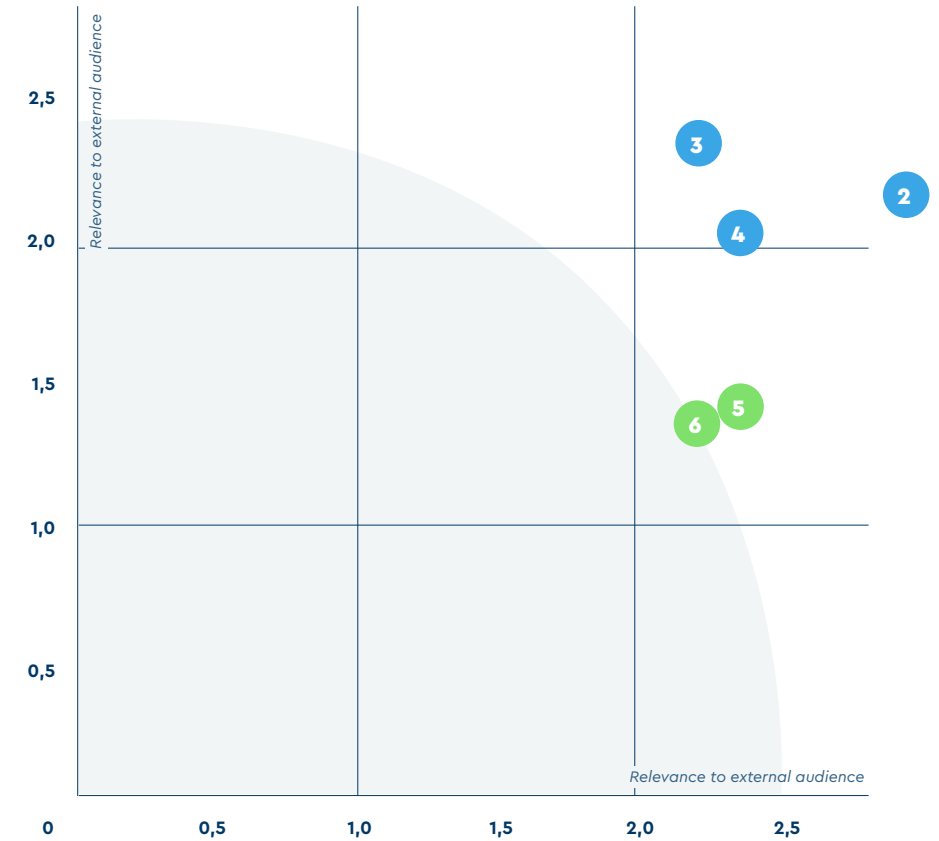
To identify the most relevant issues for our main stakeholders, we conducted a review and restructuring process of the Materiality Matrix, which included four phases:

- 1. IDENTIFICATION
- 2. PRIORITIZATION
- 3. ANALYSIS
- 4. RESULTS VALIDATION

In the first stage, the contents of 18 internal documents were studied and considered, including policies, strategic guidelines, diagnostics, and communication materials, and 13 external documents (peer and competitor strategies, papers, ranking and index questionnaires, and sector studies). The Prioritization phase involved 154 consultations/ interviews, with nine leaders and five external stakeholders, in addition to responses to online questionnaires filled out by 140 stakeholders, including 127 employees and 7 clients. From the analysis of all the results and the definition of weights for the interviews, eight material themes were identified, validated by the Investor Relations and Sustainability departments, as well as senior management. **GRI 103-1**

In addition to guiding the content of this report, this materiality restructuring process also motivated us to review our commitments, which include:

- 
 - ENSURING 100% TRACEABILITY OF AGRICULTURAL COMMODITIES TRANSPORTED BY 2025;
- 
 - REDUCING FREIGHT LOSS IN THE LOGISTICS PROCESS, AVOIDING WASTE OF NATURAL CAPITAL; AND
- 
 - PROMOTING ACTIONS WITH CUSTOMERS TO REDUCE GHG EMISSIONS IN THE PRODUCTION CHAIN.



- | | |
|--|--|
| <ul style="list-style-type: none"> <li style="margin-bottom: 10px;">1 RISK MANAGEMENT OF THE OPERATION, SAFETY AND INTEGRITY <li style="margin-bottom: 10px;">2 RELATIONSHIP WITH COMMUNITIES, IMPACT AND SOCIAL INVESTMENT <li style="margin-bottom: 10px;">3 EMISSIONS AND CLIMATE CHANGE <li style="margin-bottom: 10px;">4 INVESTMENT IN AND EXPANSION OF INFRASTRUCTURE, RAILWAY AND PORT | <ul style="list-style-type: none"> <li style="margin-bottom: 10px;">5 VALUE CHAIN AND TRACEABILITY OF THE TRANSPORTED PRODUCT <li style="margin-bottom: 10px;">6 CUSTOMER RELATIONSHIP AND SERVICE QUALITY <li style="margin-bottom: 10px;">7 PEOPLE AND DIVERSITY <li style="margin-bottom: 10px;">8 CORPORATE GOVERNANCE |
|--|--|



3. Value Added to All Stakeholders

We ended 2020 with 9,235 employees and +90 customers, we posted a net income of R\$305 million and EBITDA of R\$3,664 million

Profile

WE ARE BRAZIL IN MOTION! WE ARE RUMO S.A., THE LARGEST RAILWAY OPERATOR IN BRAZIL, RECOGNIZED FOR OUR EFFICIENCY IN PROVIDING LOGISTICS SERVICES FOR RAIL TRANSPORTATION, PORT LOADING AND PRODUCT STORAGE. GRI 102-1 | 102-2

To serve our more than 90 clients from various economic sectors, especially agricultural commodities, we maintain a robust infrastructure, which includes 13,600 kilometers of railway lines, 1,500 locomotives, and 35,000 railcars. We operate in the Midwest, South, Southeast and North regions, where four of the most active ports are located, through which 26% of the national grain production is shipped overseas. **GRI 102-4**

We also operate distribution centers, facilities, and transshipment terminals that add up to a static storage capacity of approximately 900,000 tons. In this context, the Rondonópolis (MT) logistics complex stands out, with a monthly loading capacity of more than 1 million tons. We also control two port terminals and have interest in three others in the Port of Santos (SP).

Since 2004 we have been listed on the Novo Mercado segment of the national stock exchange, B3, committed to maintaining high standards of corporate governance. From our operational headquarters, in the capital city of the state of Paraná, as well as from our administrative headquarters in São Paulo (SP), we manage our business with ethics, transparency, and the dedication of our 9,235 employees, who played a key role in helping us achieve net profit of R\$305 million and EBITDA of R\$3,664 million in 2020. **GRI 102-3 | 102-7 | 102-8**



DNA GRI 102-16

To reinforce our moment of consolidation of future projects, in 2020 we created our DNA, guidelines that should guide our performance, defined from our initials.

 **Resolving with efficiency**

We do not postpone our resolutions; we resolve. In the simplification of processes, language, and responsible attitude, we always seek the most intelligent way for resolution. Because we know that the best for the client and for the business is being efficient.

 **United by safety**

We are one Rumo. For us, security goes beyond physical integrity to build a collaborative and inclusive environment. We trust and care for each other because we know that together we will always be better.

 **Motion towards the future**

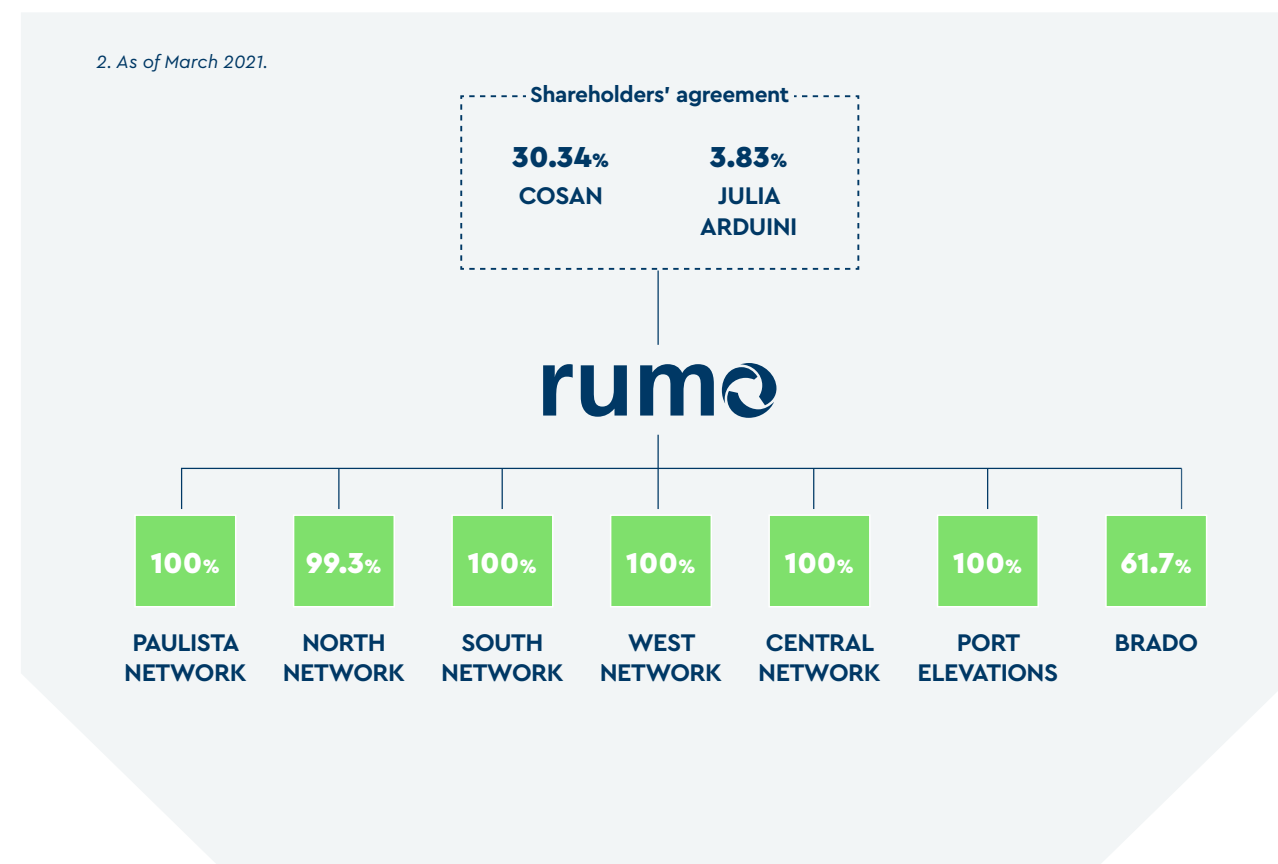
What we do today impacts our tomorrow. We are committed to growth and to the consequences of our choices. Therefore, we explore new paths with technology, planning and investment to continue moving our careers, Brazil and the world.

 **Oriented towards our clients**

Yes, our business is made for people. Knowing the client behind the protocols helps us sell better by offering what they really need. Therefore, with knowledge, exchange, and openness among the teams, we think of solutions that can make a difference in the businesses of the entire chain.

Corporate Structure² GRI 102-5

2. As of March 2021.



Businesses

GRI 102-6 | 102-7



North Operation

Includes the railway concessions of the North and Paulista Networks, transshipment terminals in the states of São Paulo and Mato Grosso, and a loading terminal in Santos (SP), with two berths. Transports agricultural commodities, fertilizers and industrial products. Also comprising the Central Network, it connects the country from the Southeast to the North, transporting agricultural production cargo from Goiás, Tocantins, and eastern Mato Grosso, as well as general and industrial cargo in containers.



South Operation

Involves the railway activities of the West and South Networks and the transshipment terminals in Paraná. Also transports agricultural commodities, fertilizers and industrial products.



Container Operation

Through Brado, it comprises export and import activities and the domestic market. Transports agricultural products, industrial products, and consumer goods.

Subsidiaries

GRI 102-4 | 102-7

RUMO MALHA PAULISTA



Exclusive rights, until 2058, to operate and explore 2,039 kilometers interconnecting the agricultural and mineral production regions in the Midwest and the industrial and agricultural centers in São Paulo to domestic and foreign consumer centers. It maintains interconnection points with the ports of Santos (SP), Pederneiras (SP) and Panorama (SP), and with the railways MRS Logística S.A., Centro-Atlântica S.A., Rumo Malha Sul, Rumo Malha Oeste, Rumo Malha Norte and Rumo Malha Central.

RUMO MALHA CENTRAL



Sub-concession agreement, in force until 2049, for operation of a 1,537-kilometer railway network located between Porto Nacional (TO) and Estrela D'Oeste (SP).

RUMO MALHA NORTE



The concession contract ends in 2079 and provides for the construction, operation, conservation and exploration of the railway, which is 735 kilometers long, between Aparecida do Taboado (MS) and Rondonópolis (MT).

RUMO MALHA SUL



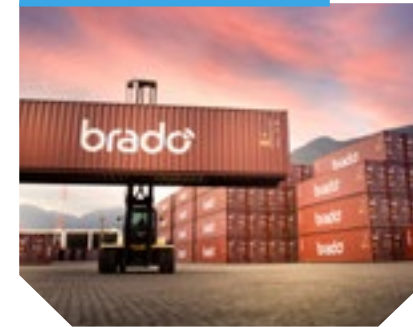
Exclusive right of operation and exploration until 2027, renewable for another 30 years, to operate 7,208 kilometers of railway network in the South Region, connecting three of the main local ports: Paranaguá (PR), São Francisco do Sul (SC) and Rio Grande (RS).

RUMO MALHA OESTE



Exclusive right to operate and explore, until 2026, renewable for another 30 years, 1,951 kilometers of railway connected to the waterway terminals in Porto Esperança and Ladário, in Mato Grosso do Sul, and to the network operated by Rumo Malha Paulista, in Bauru (SP), and to the Bolivian railroad network Ferrovía Oriental, in Corumbá (MS).

BRADO LOGÍSTICA S.A.



Dedicated to the operation of intermodal container logistics operations, especially rail transportation, warehousing, and terminal activities.

Ten Commitments to Sustainable Development

GRI 103-1

LAUNCHED IN 2019, OUR THEN NINE COMMITMENTS TO SUSTAINABLE DEVELOPMENT WERE WORKED ON INTENSIVELY AT ALL INTERNAL LEVELS.

In 2021, we revised our commitments and, aware of the relevance of clients and suppliers as stakeholders to our business, we added one more commitment for each of the themes, with its respective target, related to the traceability of the transported product, particularly agricultural commodities - a topic also considered as material by our stakeholders consulted during the materiality process for the development of this report.

GRI 102-40 | GRI 102-42

We also created working groups with coordinating leaders, to propose and monitor the implementation of initiatives and the respective indicators for achieving each of the commitments. For these teams, we set individual and collective goals and objectives for the short and medium terms.



1.



2.



3.



4.



5.



COMMITMENT

- Ensure the safety of the teams, processes and operations, reflected in our LTIF index, which must be 0.15 on average, in the period up to 2025

- Promote and encourage energy efficiency, seeking to mitigate the impacts on climate change
- Reduce emissions by 15% per RTK by 2023

- Promote gender diversity in the selection processes and succession map, as well as develop people continuously. In this regard, we commit to increasing our employee satisfaction level from 78% in 2019 to 82% by 2025

- Disseminate ethical values to the entire team and in the value chain

- Search for forms of financing linked to sustainability criteria (Green/Social/Transition/ ESG-related)

2020 ACTIONS

- Implementation of the 7 rules of life
- Virtual reality training
- Integration of information systems and security processes

- Issue of a green bond
- Remote monitoring of trains
- 100% semi-automated locomotives
- Annual verification and publication of the Emissions Inventory

- Implementation of inclusive recruiting for various positions
- Respeito Importa Campaign

- Training programs and compliance pills available in the internal e-learning system
- Training in person and by videoconference to managers from several locations
- Instructive communications on the Code of Conduct and internal policies

- Issue of a green bond

2020 RESULT

- LTIF ended the year at 0.14

- 5% reduction in fuel consumption
- Quantification and auditing of scope 3 emissions
- First company in Brazil to be verified by the largest certifier in 2021
- Clima Paraná Ouro Plus Seal received
- 9.4% reduction in specific emissions
- 6% reduction in absolute emissions

- Increase of 12% in the number of women
- PraVC Program

- Over 90% reach of employees trained in the Code of Conduct
- More than 100 managers trained on conduct and anti-corruption rules
- Greater reach of employees with the disclosure of compliance pills via internal communication

- US\$500 million raised, which will be allocated to eligible green projects to make railway transport cleaner and more efficient

6.



COMMITMENT

- Contribute to the sustainable development of Brazil, protecting natural resources, with attitudes that seek the perpetuity of the business and the generation of a positive impact on the communities surrounding the operations

2020 ACTIONS

- Prioritization in hiring local labor
- Support to actions that fight the effects of Covid-19
- Incentive to social projects in all of Brazil

2020 RESULT

- 75% local labor in the construction of the railway and terminal of the Central Network
- 70% of local labor in the operation of the railway and terminal of the Central Network
- 57 institutions supported in the fight against the effects of Covid-19 in 2020
- 18 institutions served, totaling 2.4 million allocated for social projects in 2020
- Early renewal of the Paulista Network

7.



Promote transparency regarding business management and in alignment with sustainability aspects

- Publication in the GHG Protocol
- Responses to CDP Reports in the Clima Paraná Seal
- Integrating the ICO2 portfolio

- GHG Protocol Gold Standard Seal
- B- Rating on CDP (D in 2019)
- First proactive response to DJSI
- Response to IAF (Railway Environmental Index) of ANTT

8.



Encourage innovation in the business and its stakeholders

- Adhesion to the Global Compact
- Adhesion to CEBDS (Brazilian Corporate Council for Sustainable Development)
- Adhesion to the Brazil Coalition
- Adhesion to UN Women

9.



NEW COMMITMENTS

- Boost the supply chain to promote Sustainability

MAIN FOCUS OF OPERATION

- Monitor the supply chain with a focus on sustainable actions
- Encourage suppliers to perform the assessment aiming at sustainability criteria

10.



- Promote sustainability actions together with clients

- Ensure 100% traceability of agricultural commodities transported by 2025;
- Reduce cargo loss along the logistics chain;
- Reduction of the Brazil Cost, enabling the arrival of goods in various regions of Brazil and the world.

Medium and long-term goals

SENSITIZED AND CONCERNED WITH THE ADVANCE OF THE IMPACTS RELATED TO CLIMATE CHANGE, IN 2020 WE DEFINED AND PUBLISHED THE FIRST GOAL RELATED TO THE REDUCTION OF GREENHOUSE GAS EMISSIONS.

In May 2021, connected to a Sustainable Linked Bond and aiming to link sustainability aspects to financial funding, we revised the 15% reduction target to 2023.

In addition to this goal, analyzing the ever-changing internal scenario, we established a new challenge with the purpose of further reducing emissions, considering a long-term horizon. Therefore, we have set a goal to reduce specific emissions by 21% by 2030, based on 2020 efficiency. This means that in 2030 we expect to reach emissions of 11.24 gCO₂eq/RTK, making railway an even cleaner, more efficient and sustainable transportation mode.

Also considering our responsibility to guarantee access to clean energy sources, as well as to slow down the causes of climate change, we have set ourselves the goal of reducing Scope 2 emissions. To this end, we have committed to constantly increase the purchase of energy from certified renewable sources, in search of a more sustainable energy matrix, and to plan the implementation of projects with the use of solar energy in the operation.

Aligned with the need to foster a sustainable supply chain and aiming to contribute to the eradication of the use and deforestation of illegal areas, we have determined to ensure the traceability of 100% of the agricultural commodities transported by our networks by 2025.

Acknowledgement



500 MAIORES DO SUL

For the third consecutive year, we occupied the first position in net revenue in the Transportation Logistics sector of the award, conferred by Grupo Amanhã.



MAIORES & MELHORES

Rumo Malha Norte received the award in the Rail Freight Transport category, organized by OTM Editora, one of the most important in the transport sector.



CARBON DISCLOSURE PROJECT (CDP)

In the organization's climate management ranking, we moved up from D+ to B-, which reflects our commitment to the continuous journey of evolution and adoption of good practices that contribute to a low carbon economy.



GREEN SEAL

Our Itirapina Terminal received certification from the Department of Environment and Tourism of Itirapina (SP), which awarded us 85 points for our sustainable practices.



ÉPOCA 360° YEARBOOK

We were recognized for the first time, in the publication, as the best infrastructure company in Brazil. In the four dimensions that define the values of each sector, we are in the lead in two: Vision of the Future and People. The survey is conducted by the magazine Época Negócios, in partnership with Fundação Dom Cabral.



SESI ODS 2020 SEAL

Awarded to Rumo Logística and Rumo Malha Sul in recognition of the good practices of Covid-19 prevention and post-pandemic actions carried out in Paraná related to the Sustainable Development Goals (SDGs).



EMPRESAS MAIS 2020

The award was conferred by the newspaper O Estado de S. Paulo to Rumo Malha Norte, which came in first place in the Estadão Impact Coefficient (CIE) Midwest Region ranking.



GHG PROTOCOL

First public reporting to the Brazilian GHG Protocol Program, Gold Seal, conferring to companies with complete GHG inventories and with third party validation, promoting recognition for the voluntary initiative and transparency to the results of the participating organizations.



CLIMA PARANÁ SEAL

Encourages companies in the state of Paraná to reduce their carbon footprint to fight climate change and increase competitiveness in the context of the low-carbon economy. Rumo was awarded in the Gold Plus category, given to companies that submit their Emissions Inventories to third-party verification accredited by Inmetro and have proven emission reductions. Brado received the Golden Seal in its first year of participation.



“JUSTICE-FRIENDLY COMPANY” CERTIFICATE FROM THE SÃO PAULO COURT OF JUSTICE AND INSTITUTIONAL PARTNER OF THE “JUSTICE-FRIENDLY COMPANY” PROGRAM

The body certifies companies committed to consensual conflict resolution methods, such as mediation and conciliation, involving their clients or users.



LEADER IN LOGISTICS AND TRANSPORT

Award granted to our CEO by Grupo de Líderes Empresariais – Lide



NA MÃO CERTA

Rumo received the Childhood Brazil Trophy for the actions taken by Programa na Mão Certa in the Year 2020. Several awareness campaigns have been carried out with employees, emphasizing the importance of reporting any suspected activity of sexual exploitation of children and adolescents on Brazilian highways.





4.

Growing with the Country

As Brazil's largest railway operator, we aligned our strategy with our goal to transform the Brazilian infrastructure

Strategy



R\$ 4 billion

Expected investment level in 2021

TO ENSURE OUR POSITION AS THE LARGEST NATIONAL RAILWAY OPERATOR AND CONTINUOUSLY INCREASE EFFICIENCY IN SERVICE PROVISION, WE SEEK TO ANTICIPATE CHANGES IN THE MARKET AND IN THE DEMAND SCENARIO, IN ORDER TO KEEP OUR VALUE OFFER UPDATED AND CONSOLIDATE OUR LONG-TERM STRATEGY. GRI 103-1 | 103-2 | 103-3

To overcome this challenge, besides having a unique and qualified team, we invest in innovation to capture and process information that will help us anticipate trends. Examples in this regard in 2020 were the advances in the areas of pricing and market intelligence.

We have also evolved in the construction of our portfolio, which involved the expansion of terminal capacity in Rondonópolis, the early renewal of the Paulista Network concession until 2058, and the conclusion of investments to make the Central Network operational in 2021 - when, for the first time, the states of Goiás and Tocantins were connected by rail to the Port of Santos, in the state of São Paulo.

To make all these movements possible, our capex reached R\$2,979 million in the period, in line with our investment plan, reflecting the R\$ 711 million allocated to the operationalization of the Central Network. A large part of this volume was allocated for innovation and technology and for initiatives to improve the structure and activities at the Port of Santos and to expand our capacity in order to make the system more efficient and freer.

We continue to invest in tracks, replacing rails and ties; in the expansion of yards to adapt to the 120-railcar train; and in infrastructure improvements. Besides increasing capacity, these initiatives provide a higher level of efficiency, which allows, among other gains, the reduction of fuel consumption, key for the reduction of specific Greenhouse Gas (GHG) emissions.

Accredited by the positive balance of our investments, we project another period of evolution for 2021, with an investment level of around R\$4 billion, aligned with the purpose of transforming the Brazilian infrastructure.



See below our commercial and technological initiatives



Commercial

GRI 103-1 | 103-2 | 103-3

IN ITS FIRST FULL YEAR OF OPERATION, THE COMMERCIAL VP REINFORCED OUR SALES STRUCTURE AND GAVE US GREATER DECISION SPEED TO FACE A NEW GROWTH CYCLE THAT WE EXPECT TO BE BASED ON OUR OPERATIONAL CAPACITY AND LATENT MARKET DEMAND.

One of the gains was the feasibility of partnerships that drive results - like those signed with Caramuru Alimentos, for the construction of the São Simão Terminal, in which we have a 51% interest, and with Usina Coruipe for the implementation of a sugar terminal in Iturama (MG). Another aspect that has improved is the decision process for repositioning prices and the granularity with which we define pricing to ensure that railway cost competitiveness is passed on to clients and used to increase our profitability.

We increased the stability of operations and the assurance to customers regarding our capacity to meet the contracted demand, ensuring both the fulfillment of contracts and the expected results. This acceleration in the speed of sales reflects the combination of agility and flexibility in day-to-day commercial operations with the capacity to carry out structuring projects - a characteristic evidenced in 2020, when we reached record investment. Highlights in this front included the progress towards the conclusion of the North-South Railway, which, in February 2021, shipped the first train from the São Simão Terminal; the expansion of the Rondonópolis Terminal; and the set of works at



the Port of Santos to be able to increase operations, whether from the Central Network or from our natural expansion in São Paulo and Mato Grosso.

Our results were satisfactory, despite the impacts of Covid-19, especially in industries such as fuels; vastly different scenarios regarding grain volumes; traffic interruptions caused by landslides due to excessive rainfall; and the hacker attack on Cosan's systems, which impacted all the group's companies.

In addition to operational gains, the reformulation of the commercial strategy allowed us to maintain a longer-term vision, which contributes to a strategic dialogue with customers regarding shared investments, entry into new markets, and installation of terminals, for example. This way, relationships are strengthened and tend to last longer, since they are no longer exclusively transactional.

As part of this new vision, the new business area was also strengthened during the year, now acting as a hub with diverse and complementary experiences and knowledge, not only on commercial aspects, but also directed at strategic planning and financial management. The idea is that the combination of competencies can help materialize long-term plans of new structuring projects.



Freight diversification

Our potential to work with various cargo makes us sufficiently competitive to take advantage of volume opportunities up to 2025 in four addressable markets.



FERTILIZERS

Our intention is to reach the 13.2-million-ton mark (today it is 3.2) in this market, which follows the grain market and develops with the increasing use of technology.



SUGAR

We plan to go from the current 7.9 million tons to 16.4, considering that Brazil is the producer with the lowest costs in the world, and that the states of São Paulo and Paraná are major players in this scenario.



PAPER

The goal is to expand the volume from 3.0 million tons to 13.7. Similarly, to sugar, Brazil is the producer with the lowest global cost, and, in addition, the main new projects are concentrated in our area of influence.



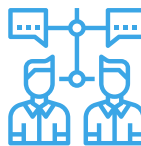
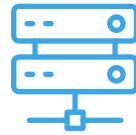
FUEL

By 2025, the goal is to reach 10.2 million tons (today we handle 5.2 million tons), which is feasible since our networks connect the most important refineries in the country with the South, Southeast, and Midwest regions.



Innovation

IN 2020, ALTHOUGH THE PANDEMIC AND THE CYBER-ATTACK WE SUFFERED REQUIRED A GREAT DEAL OF EFFORT TO REESTABLISH THE OPERATIONAL ROUTINE, AND STRESSED OUR TECHNOLOGIES TO THE LIMIT, WE FACED THESE CHALLENGES EFFICIENTLY, FOLLOWING THROUGH WITH RELEVANT INVESTMENTS IN INNOVATION.



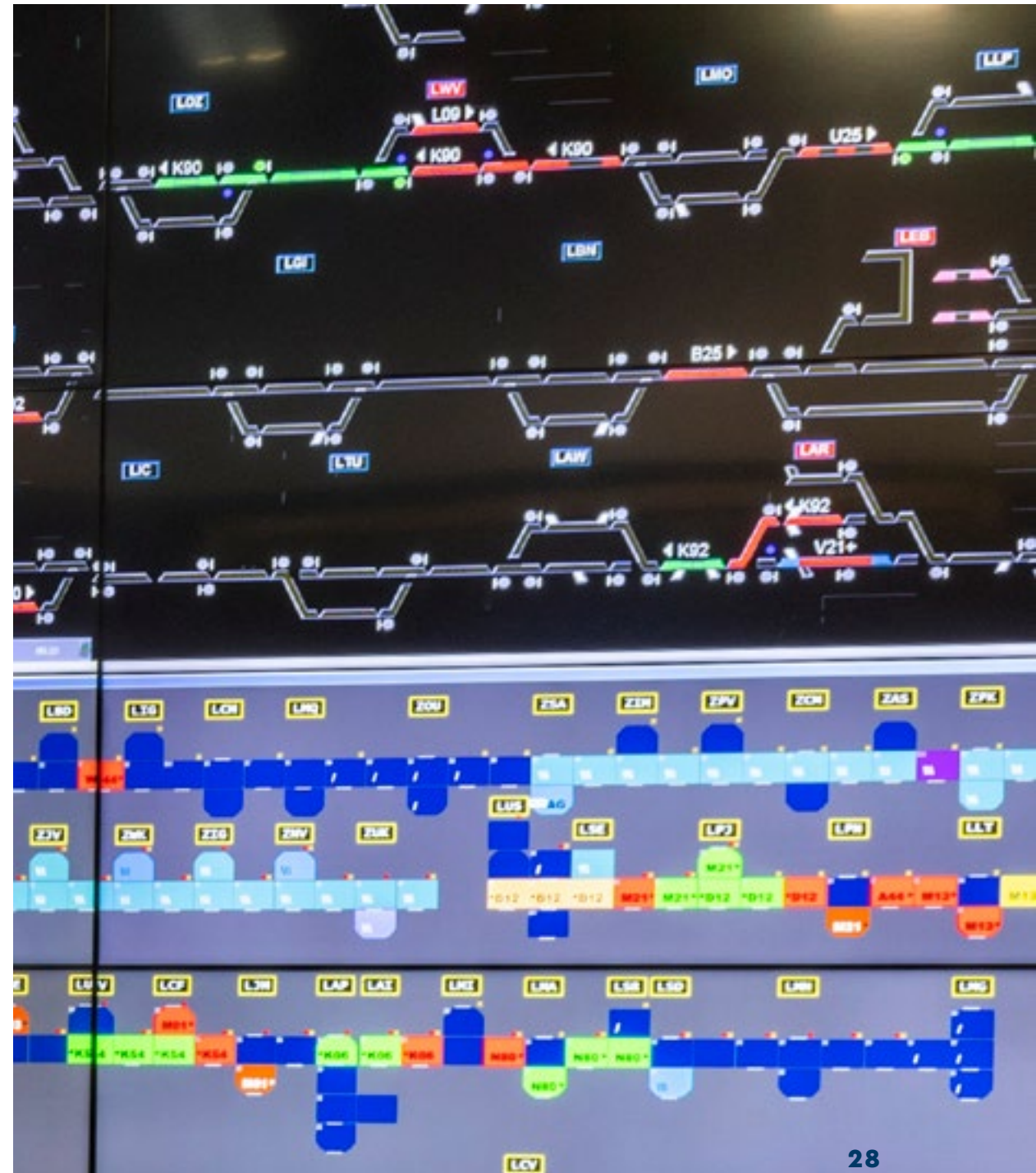
- Creation of a new Corporate Information Security structure, composed of a multidisciplinary team known as the Cyber Defense Center (CDC), which includes 24x7 SOC, RedTeam, BlueTeam and Cyber Risk Management.

- In addition to the CDP, each company of the Cosan group has an Information Security Manager to handle its specifics. Currently, we also maintain local teams to support the information security maturity of the business units. We have already implemented and are working on effective fronts for the treatment of vulnerabilities, acting in security testing routines (pentest), redesigning security architecture, protection for Cloud systems, endpoint and infrastructure security.



- Despite being recent, and the many challenges to be faced in order to increase our maturity, we worked hard on onboarding and awareness campaigns about information security among employees.

Among the various actions taken after the information security incident, implementing and strengthening security in the use of information technology, we highlight the following:



In addition, we restructured the Technology Directorate and, in the last quarter of 2020, created the Technology Governance Management. The department's objectives are to ensure the correct management of projects, budget management, both Opex and Capex, compliance with the internal procedures of the Technology Board, and focus on customer service.

The Management comprises four pillars:

PROJECTS AND STUDIES

Focusing on ensuring the proper physical and financial management of technology projects according to internal practices, fostering the construction of strategic planning and budgeting cycle according to the Board of Executive Officers' strategic map, based on the maturity and feasibility of projects and studies mapped in the technology demand channel.

GOVERNANCE AND PROCESSES

With the objective of adding value by mapping, creating and implementing processes and good technology practices for the management of physical and logical assets, ensuring compliance with processes and procedures, conducting audits to identify improvements and detect possible risks, bringing efficiency and effectiveness.

FINANCIAL MANAGEMENT

Which ensures the fulfillment of the Technology Office's procurement process by managing contracts and purchase orders, recommending solutions to client areas and seeking the fulfillment of obligations acquired through this process, as well as supporting the Board of Executive Officers' budget visibility and management.

CUSTOMER SERVICE

With a focus on the Call Center, Field Services (service to units according to the geographical presence of the company) and Micro informatics (maintenance and distribution of computers and mobile telephony).

**R\$ 200
million**

**Allocated
to the
development
of disrupted
processes**

During the year, nearly R\$200 million were allocated to the development of disrupted processes, which go beyond the concept of classical technology. Two fronts stood out in the application of resources: automation based on Artificial Intelligence and the expansion of our processing capacity.

An example of a paradigm shift in the railway was the change in the locomotives' communication system, as a result of an agreement signed the previous year with Globalsat and Embratel. The interaction between drivers and the Operational Control Center (OCC) team was full during the year, but the number of units equipped with the resource, about 100, was still insufficient for us to measure the improvement in transit time, that is, the time it takes to load, go from point A to B, and unload. Starting in 2021, when we get a continuous flow, the gains can be calculated more consistently. Another similar example was the consolidation of the trip optimizer, a semi-automatic locomotive system.



75%

Success rate
in locating
accidents

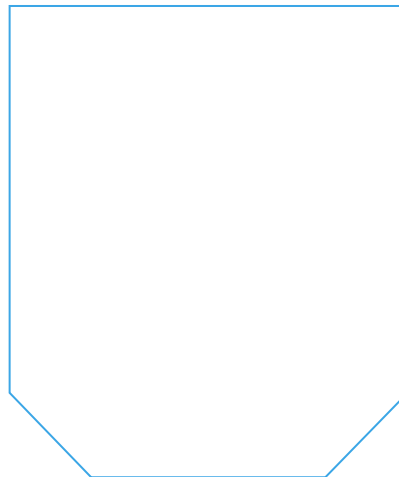
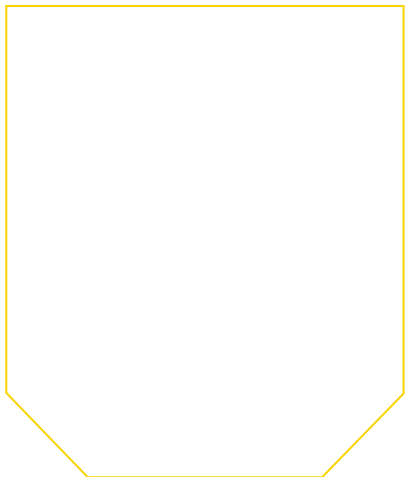
We also made progress in the development of two other solutions. One of them is the traffic optimizer, which will be able to issue warnings about congestion points on the tracks. Another will improve yard circulation - a job currently done by a team of professionals, as is the case with air traffic control. Control will be done automatically, by means of an algorithm that will indicate the necessary movements in the yard to obtain the most appropriate train composition (number of railcars, type of locomotive, etc.) to transport each cargo. Additionally, the algorithm indicates how the trains should be sequenced so that there is cadence from their departure, in Rondonópolis, to their arrival at the Port of Santos, without facing each other. The solution is expected to become operational in 2021.

The instrumented railcars will also be fully running by the end of 2021. The technology consists of a pool of sensors installed on the bottom of the wagon, capable of detecting, for example, if one of the train's wheels is too hot or too cold - which could mean a brake problem - or if, due to the vehicle's rocking, maintenance is needed on a certain stretch of track. The possibility of the so-called smart railcar to automatically communicate with the CCO demanded four years of study and was already in place in 2020 in a first block of Brado's fleet, totaling 400 railcars. In an experiment to measure its effectiveness, we selected a stretch of the railway and analyzed 700 trips made on it, where four accidents had been recorded. On the control-car data from these trips we applied the algorithm, identifying the combination of variables at the time the accidents occurred.

Testing the system on another stretch (300 trips), where we had also recorded four accidents, we obtained 75% of success in locating the occurrence: of the four, two were exactly in the indicated locations, and a third was nearby the indicated kilometer. This ability to predict accidents is key to minimize them, because it allows us to anticipate measures such as speed reduction on certain stretches of road.

As for functionalities for the improvement of operations, we have started the extension of Chave da Mão - an application initially created for calling up and scheduling machinists - to workshops, in order to allow work orders and equipment inspections to be controlled. We are also continuing the studies for the insertion of new functionalities in the tool.

Another new feature of the exercise was Fuse, an open acceleration program with the focus of reducing crashes and running over. A variable of the 2019 internal program Acelera, the call notice launched in 2020, pioneer in the railway sector, had a distinguished approach and great repercussion: it reached 3 million views in the distribution campaign with a paid media strategy, and received entries from more than 180 companies from Brazil and four other countries.





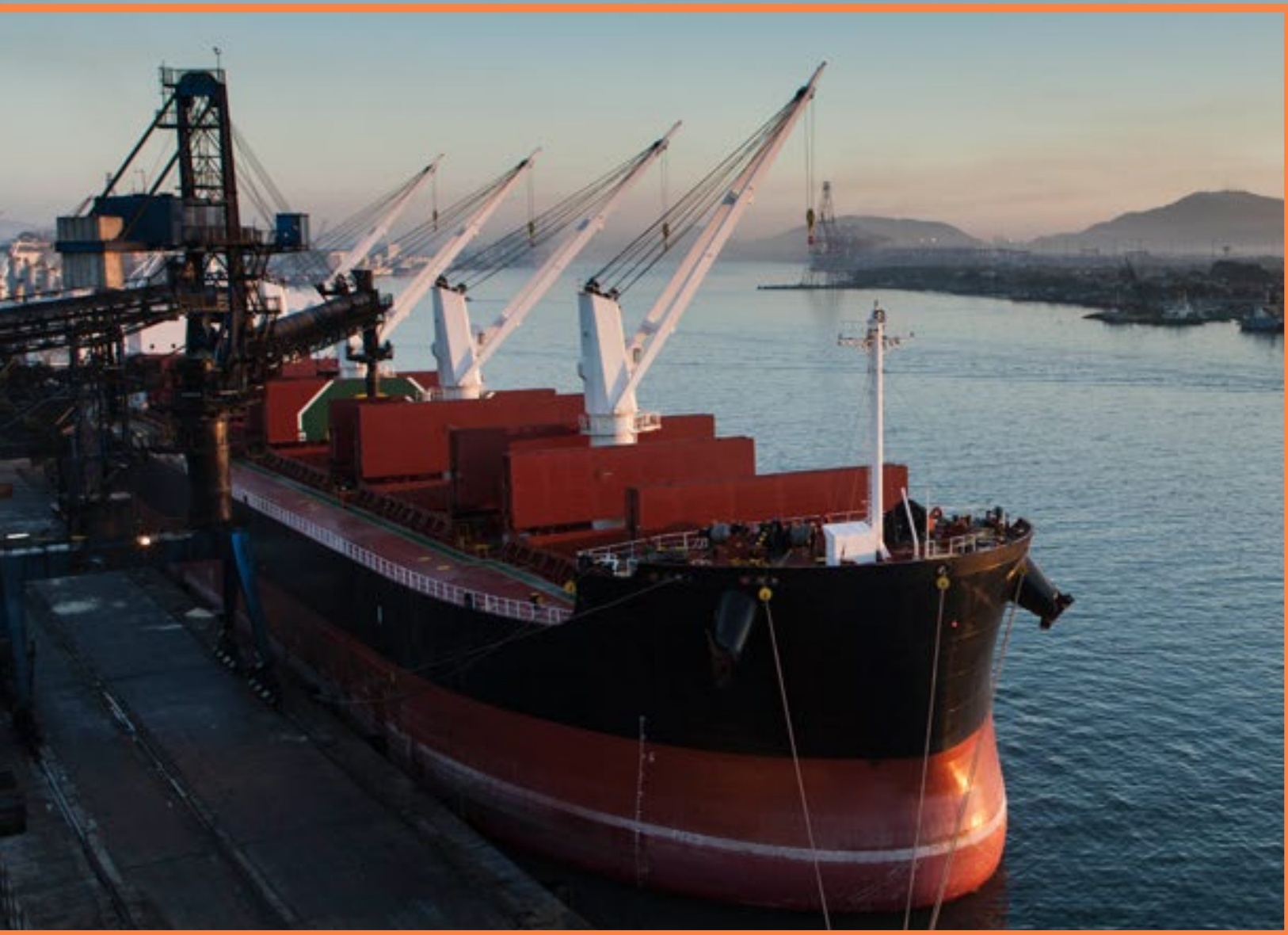
Four of them were selected to receive mentoring during the year, which led to the maturation of the proposed solutions, which started being tested in 2021. Also in the line of partnerships, the agreement with the National Industrial Learning Service (Senai) and the Social Service for Industry (Sesi) of Maringá (PR) was maintained for research into lighter and more resistant materials for the railway industry. In partnership with a company from Campinas (SP), we also started a study of welding technology for rails to replace the combustion technology currently in use.

Other challenges that came up in the year were also addressed, such as the installation of a broken rail detector; the adjustment of train speed to commercial demand, which requires identifying the best value for money based on variables such as early arrival of the vehicle at the port for cargo shipment and fuel savings provided by the slower route; the study on the quality of parts and the consequent possibility of avoiding their replacement, thus reducing the volume of waste in the environment; and the migration of our data center to the cloud, which also helps reduce energy consumption.

Our continuous investment in innovative solutions has been recognized by the market. In addition to our growing media exposure, at the end of 2020 one of our projects involving the application of an artificial intelligence algorithm to optimize the train formation operation at the Port of Paranaguá (PR), was selected to receive the support of one of the world's most renowned universities and scientific research centers: the Massachusetts Institute of Technology (MIT). The goals of the partnership project are to reduce costs and increase the efficiency of turnover of railcars that unload on dock and need to return quickly to the terminals in the interior.

In 2021, Rumo will be a world pioneer in the large-scale implementation of the newest train traffic monitoring and control technology provided by Wabtec, PTC 2.0. The project will bring more safety to the railway, its employees, and the surrounding communities, and will contribute to the reduction of more than 20,000 tons of CO₂ annually.





5. Ethics Leading Business

GRI 103-1 | 103-2 | 103-3

Besides adhering to the B3's *Novo Mercado*, we are voluntarily committed to CVM's additional measures

OUR GOVERNANCE IS SOLID, WITH ACTIVE ADVISORY COMMITTEES, COMPLIANCE AND AUDIT DIVISIONS ALIGNED TO THE CORPORATE STRUCTURE, AND TOOLS AND CHANNELS THAT ENSURE ETHICS AND TRANSPARENCY IN DEALING WITH STAKEHOLDERS. ADDITIONALLY, AS A COMPANY LISTED ON B3'S NOVO MERCADO SEGMENT, THE HIGHEST STANDARD IN CORPORATE GOVERNANCE, WE MAINTAIN A VOLUNTARY COMMITMENT TO THE ADOPTION OF MEASURES ADDITIONAL TO THOSE LEGALLY ESTABLISHED BY THE SECURITIES AND EXCHANGE COMMISSION OF BRAZIL (CVM).

In 2020, we started the adaptations to comply with Law 13,709 - General Data Protection Law (LGPD), undergoing the first stage of process improvements identified in Data Mapping. The feature consists of mapping the life cycle of internal personal data, i.e., who the data is collected from (data subjects), how the data is collected (source), how and for what purpose it is used (processing), and where it is sent (destination). Interviews were conducted with employees to understand the processes and assess the risks of irregular data processing.

Our data processing is related to data of employees and contractors, as well as those who use our operational structure, such as drivers at the terminals. Since the beginning of the project, many initiatives were taken to raise awareness among all employees in communication channels, through training sessions, workshops, advertisements on in-house televisions and RumoNews (our internal newspaper that is published weekly), to disclose the application of the Law in corporate and everyday activities.

We also have a privacy channel for contractors and former and current employees, as well as a channel for questions and guidance, and the contact e-mail of the Data Protection Officer (DPO). We also published a Privacy Policy on our website and in internal channels. In phase two of the project to meet LGPD requirements, all data processing is being reviewed and restructured from start to finish processes, increasing business security and reliability. Our structure includes the Code of Conduct, which establishes the rules of behavior expected from all professionals, including training on the subject in e-learning format available in the internal system and mandatory for all employees, and the Ethics Channel, through which reports of misconduct can be registered by telephone (0800-725-0039) or e-mail (canaldeetica.com.br/cosan). The tool is managed independently by an outsourced company, which ensures the anonymity of the whistleblower and the

confidentiality of the reports - classified and forwarded to the respective departments for resolution. In 2020, the channel received 1,015 complaints and communications that were 100% dealt with, resolved, or deemed unfounded. **GRI 102-17**

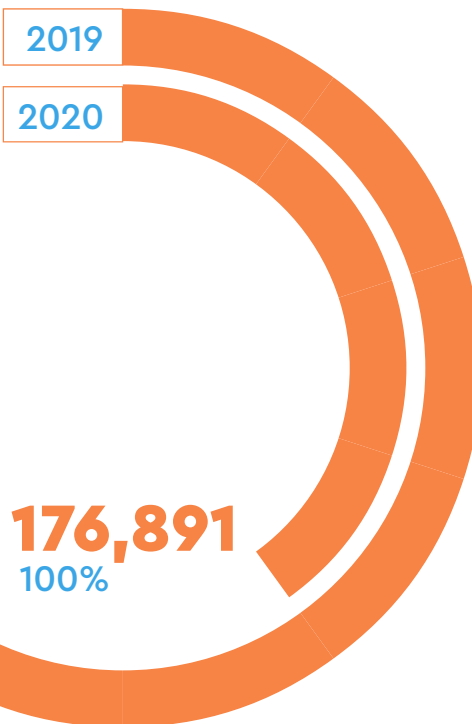
We also maintain as behavioral guidelines the Anti-Corruption Program, and the Antitrust, Related-Party and Conflicts of Interest Policies. Additionally, we are supported by internal and external auditors, which report to a Statutory Audit Committee and to the Internal Controls and Legal Compliance departments.

All our payments (100%) follow a specific control flow established by system, supervised by the Internal Control department and audited internally and externally. The significant corruption-related risks identified are undue, unapproved and duplicate payments, payments to unregistered partners, and payments with altered amounts. We consider all payments made by us to be significant transactions.

GRI 205-1

349,000
100%

Total number and percentage of operations subject to corruption-related risk assessments



In 2020, we advanced in good practices by integrating an independent executive to the Board of Directors, for the first time in our history, which will enrich the discussions around business strategies in view of her broad management experience. Another pioneering initiative was turning the Human Resources department into a People & Culture Office, when we had the first woman as head of an executive body, reporting directly to the CEO.

Both measures attest to our commitment to enhancing diversity among our employees. So much so that, in the annual Pulse Check survey for 2020, which evaluates a series of aspects related to satisfaction, diversity, and inclusion, we received 87% of positive responses among more than 7,000 respondents - a record participation. The index is nine percentage points higher than in the previous year and positions us as the leader among Cosan Group companies. It is also 13 percentage points higher than the market's average.

Externally, we maintain collaborative and respectful institutional relationships both with regulatory bodies, such as Brazil's National Land Transportation Agency (ANTT) and the National Agency for Water Transportation (ANTAQ),

and with public policy makers for railroads and ports, such as the Ministry of Infrastructure, the National Transport Infrastructure Department (DNIT) and Valec. We also interact with the managers of the ports in which we operate, such as Companhia Docas of the State of São Paulo and Administração dos Portos de Paranaguá e Antonina (APPA). **GRI 102-13**

Every year, we also participate in events organized by sector entities, such as the Gathering for Railways promoted by Brazil's National Rail Transportation Agency (ANTF), and the International Congress on Port Performance (Cidesport), which had its VII edition in 2020 conducted in a hybrid format, that is, part online and part in person - which included a visit of the participants to our Rondonópolis Terminal, following all the sanitary protocols required due to the pandemic. **GRI 102-12**

Governance Structure

GRI 102-18

THREE MAIN BODIES COMPRISE OUR GOVERNANCE STRUCTURE: THE BOARD OF DIRECTORS - WHOSE CHAIRMAN DOES NOT HOLD ANY OTHER POSITION AND/OR FUNCTION INTERNALLY -, THE FISCAL COUNCIL, AND THE BOARD OF EXECUTIVE OFFICERS. WE ALSO MAINTAIN SEVEN THEMATIC COMMITTEES THAT SUBSIDIZE AND ADVISE THE MANAGEMENT'S DECISIONS.

Economic, environmental, and social topics must be approved as determined in the Bylaws, with the respective rituals of governance. They are examined and approved by the Board of Directors or the Board of Executive Officers, according to the responsibilities of each body. The Internal Rules of the Board of Directors establish the procedure to be followed by Directors in case of conflicting situations, and the Directors involved must abstain from expressing any opinion on the matter.

GRI 102-19 | 102-20 | 102-23 | 102-25

Board of Directors

Currently composed of ten sitting members and one alternate (minimum of nine and maximum of 17, as established in the Bylaws), elected in a Shareholders' Meeting, one being chairman, one vice-chairman and three independent directors, with tenure until April 2023, and reelection allowed. All have in-depth knowledge about our market and are experts in different areas that complement each other: financial, sustainability, logistics, people, fuel, gas/energy, regulatory, renewable, and agricultural. Our Board Nomination Policy determines that nominations should seek to achieve diversity of expertise among members. The body meets ordinarily every three months, acting to protect our assets, pursue the achievement of our corporate purpose, and guide the Board of Executive Officers in order to maximize the return on the investment made by shareholders, adding value to the activities in such a way as to consolidate our interests and those of shareholders in the long term. The Board's attributions also include the evaluation of plans and projects proposed by the Board of Executive Officers; the verification of results obtained each year; the evaluation and approval of the Code of Conduct and the review and approval of internal policies for compliance with governance rules, economic, environmental and social guidelines, in addition to other attributions set forth in the Bylaws. In 2020, the body was joined by a woman for the first time ever. In 2021, two other female directors joined the executives.

GRI 102-24 | 102-26 | 102-27

Composition on 12/31/2021 GRI 102-22 | 102-23



Click on the names to see the bios of the members.

3. Left the Board of Directors on February 12, 2021.
4. Left the Board of Directors on May 13, 2021.
5. Left the Board of Directors on April 27, 2021.

Fiscal Council

Composed of five members, with one chairman and four sitting members and their alternates, all re-elected on April 27, 2021, for one-year tenures. The body has the attribution of supervising the accounting statements and Management's activities. It reports directly to shareholders.

Click on the names to see the bios of the members.



Board of Executive Officers

Composed of a CEO and five officers, with tenures until the 2022 Shareholders' Meeting, with reelection allowed. The executives are responsible for the ordinary management of operations and for implementing the policies and actions necessary to reach the goals set by the Board of Directors. The CEO is also responsible for reviewing and formally approving our Sustainability Report and ensuring that all material topics are covered by it. **GRI 102-32**

6. Left the Board of Executive Officers on May 31st, 2021.



Advisory Committees

1 AUDIT COMMITTEE

Composed of three members with one-year tenures, whose duties are to advise the Board of Directors in monitoring and controlling the quality of the Financial Statements, in internal controls and in risk and compliance management, all in compliance with Law 6,404/1976 (Brazilian Corporations Law), the Bylaws, the Novo Mercado Listing Regulation (Novo Mercado Regulation) and the respective instructions of Securities and Exchange Commission of Brazil (CVM). Its members meet ordinarily every three months and report directly to the Board of Directors.

2 PEOPLE COMMITTEE

Composed of four members with two-year tenures, coinciding with the Board of Directors' tenure, and responsible for supporting the strategic decisions related to human resources, such as fixed and variable compensation of managers, members of the Fiscal Council and other employees; the definition and control of targets; and issues related to diversity, development, succession, and leadership. Its members meet ordinarily every three months and report directly to the Board of Directors.

3 OPERATING COMMITTEE

Composed of seven members with two-year tenures that coincide with the Board of Directors' tenure, aiming to establish and control internal operational indicators. Its members meet ordinarily every three months and report directly to the Board of Directors.

4 RELATED-PARTY COMMITTEE

Composed of three members, all independent with two-year tenures, coinciding with the Board of Directors' tenure, whose attributions are to ensure the equal and non-discriminatory treatment of applicants regarding service commissioning, pricing, and provision, in addition to the level of rail transport, transshipment, storage, and port loading services. Its members meet ordinarily every three months and report directly to the Board of Directors.

5 STRATEGIC AND SUSTAINABILITY COMMITTEE

Composed of three members, one of them independent, with two-year tenures that coincide with the Board of Directors' tenure. It addresses aspects related to strategies for mergers and acquisitions (M&A), investment allocation, associations and strategic partnerships, compliance with legal duties related to the sustainability of business through the monitoring and implementation of policies, strategies, actions and projects that are related to the sustainable development of operations, including social and environmental management and communication, and the evaluation of reports issued by regulatory agencies on our performance, in aspects that can impact our sustainable development. It is also the highest governance body that identifies and manages impacts, risks and opportunities, analyzing on a quarterly basis some of the main sustainability related KPIs, especially those related to long-term commitments (emissions, safety, employee satisfaction, etc.). Its members also determine the aspects related to risks and opportunities of economic, environmental, and social topics, suggesting that the areas involved (usually the CEO, the CFO, and representatives of Investor Relations and Environment and Sustainability participate in the committee) develop projects and evaluate certain metrics, prompting them to bring results and status at subsequent meetings for constant evaluation. The Committee also receives the main feedback from stakeholders, such as feedback from investors, companies that promote ESG ratings, communities, and members of government agencies. The body reports to the Board of Directors and meets every three months. **GRI 102-29 102-31**

6 FINANCIAL COMMITTEE

Composed of three members, with two-year tenures that coincide with the Board of Directors' tenure. It is responsible for addressing cash flow, investments and available funds, fundraising opportunities, and others made available by the capital markets. The body meets ordinarily every three months and reports to the Board of Directors.

7 NEGOTIATION AND REPORTING COMMITTEE

Created in 2021, it may be composed of up to five members, including, mandatorily, the Investor Relations officer as chairman and our CEO, who may appoint the other members. It is currently composed of the two mandatory executives. The committee's roles include advising the IR Office on decisions regarding the disclosure of material facts and information to the market, clarifying doubts regarding the negotiation of shares by people subject to the Securities Trading Policy and the Information Disclosure Policy, among others. It meets whenever convened by the IR Officer.

This year, we also installed a Safety Committee, which reports directly to our CEO and addresses the issue of safety on the operational and strategic levels, including significant progress in railway safety. In this regard, we invested in improving the processes and expanding the training of employees, besides having implemented a procedure called Pointing and Calling, based on a Japanese occupational health and safety technique of gesturing and talking aloud the procedures in order to reduce errors.

Relationship with Investors

GRI 102-43

IN 2020, EVEN AS A RESULT OF THE PANDEMIC, WHICH IMPOSED, AMONG OTHER CHALLENGES, THE INTENSIFICATION OF THE USE OF TECHNOLOGY TO MAINTAIN OUR RELATIONSHIP WITH STAKEHOLDERS, WE SEEK TO FURTHER STRENGTHEN OUR COMMUNICATION WITH THE MARKET.

Thus, in addition to accessing our Investor Relations (IR) area through Contact IR, available on the website ri.rumolog.com/ via e-mail at ir@rumolog.com, we held approximately 400 meetings and participated in ten conferences, six non-deal virtual roadshows and other events promoted remotely, in addition to the annual event for investors, which is held in March, together with the other companies in the Cosan group.

In our IR website, we keep updated the financial information and the Results Center, which contains quotes and charts and quarterly releases and conference calls. Investors can also refer to institutional presentations, governance structure, analyst coverage, notices and material facts, and access services such as the events calendar and the download center.

OUR COMMUNICATION CHANNELS



HOVER YOUR CURSOR OVER AND CHECK





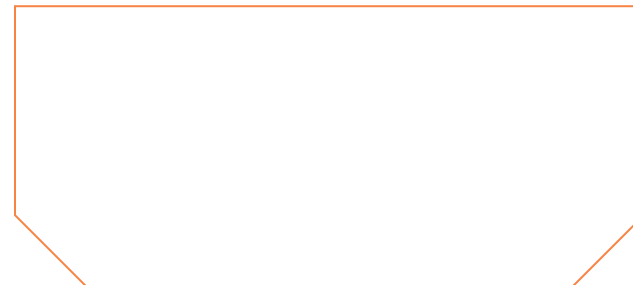
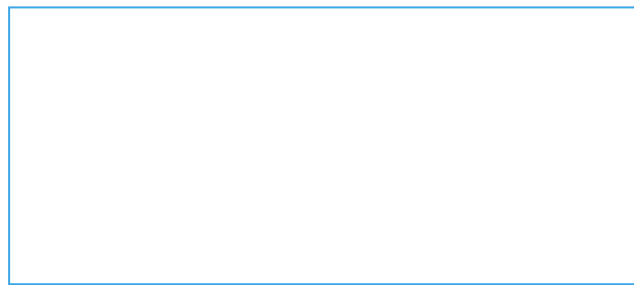
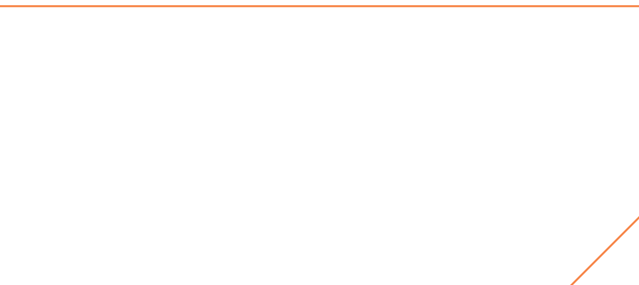
Risk Management

GRI 102-11 | GRI 102-13 | 102-30 | 103-1 | 103-2 | 103-3

TO MANAGE THE RISKS TO WHICH WE ARE EXPOSED, WE RELY ON THE SUPPORT OF THE INTERNAL AUDIT, RISKS, AND CORPORATE LEGAL COMPLIANCE DEPARTMENTS AND COSAN'S COMPLIANCE COMMITTEE, WHICH ACT IN AN INTEGRATED MANNER FOR THE BENEFIT OF ALL SUBSIDIARIES.

These bodies work together with our Internal Controls and Legal Compliance departments and the Ethics Committee to enact, monitor and promote risk management and maintain internal controls and integrity and compliance programs. Understanding risks and acting in response, however, is the responsibility of all managers.

This structure operates under the Risk Management Procedure, which has the purpose of identifying, evaluating, and managing risks inherent to our activities, by mapping and identifying opportunities. The idea is to seek protection from all and any type of risk that can negatively impact the achievement of the goals set for the business. The mapped risks and their treatment are taken to the Audit Committee for discussion and knowledge. Each risk receives specific treatment, determined by the operational divisions together with the dedicated divisions and Management.



The risks to which we are exposed are classified as follows:

STRATEGIC RISKS:

Associated with top management decision making; can generate substantial loss in our economic value.

OPERATING RISKS:

Related to the possibility of losses (of production, assets, clients, revenues) resulting from failures, deficiencies, or inadequacy of internal processes, people, and systems, as well as from external events such as natural disasters, fraud, strikes, and terrorist acts. Operational risks usually lead to reduction, degradation or interruption, in whole or in part, of activities, with a negative impact on the company's reputation, besides the potential generation of contractual, regulatory and environmental liabilities.

COMPLIANCE RISKS:

Refer to exposure to non-compliance with laws and regulations established by governments, regulatory entities, or even internally. Associated to money laundering prevention, integrity, etc.

FINANCIAL RISKS:

Linked to the exposure of our financial operations, classified as:



FOREIGN EXCHANGE:

linked to market volatility, can affect us if we have assets or liabilities tied to foreign currency.



INTEREST:

also tied to market volatility. We may occasionally contract debt and derivatives indexed to fixed or floating interest rates. However, changes in the risk perception of market agents can generate volatility in the yield curves, increasing our financial expenses.



LIQUIDITY:

when we find it difficult to meet the obligations associated with financial liabilities.



CREDIT:

associated with our counterparties, who may eventually fail to honor their commitments and obligations.

Our hedge instruments include structures dedicated to the management of operational and strategic risks, such as Internal Controls, HSE (Health, Safety and Environment), departments that operate with the support of sophisticated operational systems with specific security features. They include blocking access to key systems, pre-determined parametrization of segregation of duties, activity logging in the system, among others, seeking mitigation. The departments working together help promote an integrated vision of the risks and controls, which results in a better evaluation of the actions adopted to address the risk. They consider the level of impact and the probability of occurrence to establish the most effective instrument of protection, which includes:



AVOIDING

Eliminating the risk-generating fact, discontinuing a certain process or leaving a specific market, for example.



REDUCING

In this case, internal controls (approval, review, segregation of duties, reconciliation, access profiles, etc.) are applicable so that the potential damage of the risk is substantially reduced.



SHARING

When the risk is shared with an external counterparty. Examples include hedge operations (foreign currency, prices, interest) and insurance policies.



ACCEPTING

If the risk's impact/probability ratio is considered irrelevant, a decision is made to accept the risk, since the cost of the control action would be greater than the potential risk itself.



In the scope of financial risks, we have adopted specific hedge instruments, classified as follows.

Risk Type	Hedge Instrument
Foreign Exchange	Non-Deliverable Forward (NDF)
	Swap
	Foreign Exchange Future Contract
	Foreign Exchange Contract
	Foreign Currency Call and/or Put Options Contract
	Cash and Cash Equivalents in Foreign Currency
Interest	Swap
	Interest Rate Future Contract
Liquidity	Cash and Cash Equivalents Invested in Short-term Fixed Income Bonds
	Contracting limits for withdrawals (Standby Credit Facility and Guaranteed Account)
Credit	Cash and Cash Equivalents invested in financial institutions considered investment grade on a national scale by the rating firms Standard & Poor's, Fitch and Moody's
	Derivative Contracts negotiated with financial institutions considered investment grade on a national scale by the rating firms Standard & Poor's, Fitch and Moody's



R\$ 10 billion
in cash

In 2020, in face of the pandemic scenario, and after adopting internal measures to ensure the integrity and well-being of our professionals, we sought to protect them from possible financial difficulties and lack of liquidity by raising R\$6.4 billion in debt. Thus, with speed and efficiency, our financial sector secured cash flow and sufficient funds for us to conduct our operations smoothly. At the end of the fiscal year, we had R\$10 billion in cash.



R\$ 3
billion

Funds invested in
actions to bolster
operating efficiency

Climate Change

GRI 103-1 | 103-2 | 103-3

WE HAVE BEEN ACTING PREVENTIVELY, WITH INVESTMENTS OF MORE THAN R\$3 BILLION IN INITIATIVES THAT HELP CONTROL, PREVENT AND MITIGATE RISKS, AND RESULT IN GAINS IN OPERATIONAL EFFICIENCY, CONSIDERING REVITALIZATION OF THE TRACKS, EXPANSION WORKS, EXPANSION OF YARDS, TECHNOLOGIES SUCH AS SEMI-AUTONOMOUS TRAINS, USE OF ARTIFICIAL INTELLIGENCE, DERAILMENT DETECTORS, ETC.

We work intensively to improve energy efficiency in our operations, investing to reduce diesel consumption, which directly impacts the reduction of greenhouse gas emissions, thus contributing to a cleaner transportation matrix. Increased efficiency results in increased transport capacity, showing robustness when compared to other modes that have higher emissions and pollutant indicators.

This type of commitment is also represented by the fact that this report was conceived based on the Task Force on Climate-related Financial Disclosures (TCDF); that our emissions reduction target sought alignment with Science Based Targets (SBTi); and that our CEO signed the Climate Neutrality letter, together with 32 other business leaders, encouraging Brazil to commit to more ambitious emissions neutrality targets by 2050.

Our operations, as well as our revenues and expenses, can be impacted by climate change. Therefore, we identified the following risks, opportunities and impacts associated with excessive rainfall, temperature range and landslides. **GRI 201-2**



Risks and opportunities arising from climate change with the potential to create substantial changes in operations, revenues or expenses



Classification	Excess or lack of rainfall	Temperature range	Landslides	Global food distribution
Description of the risk or opportunity and its classification	Physical risk	Physical risk	Physical risk	Opportunity
Description of the impact associated with the risk or opportunity	The excess or lack of rainfall can directly impact the production of grains, which represents 80% of the cargo we transport	Exceptionally high temperatures can cause buckling of the rails, which causes deformation of the structure, and exceptionally low temperatures can cause the rails to break. These events, associated with the track components, can cause the derailling of trainsets, negatively impacting the operation	Intense rainfall can cause landslides on the sides of the tracks, as well as rockfalls	Despite the possible impacts on grain production, global supply is necessary when it comes to the food supply chain
Financial implications of the risk or opportunity before action is taken	Changes in grain productivity directly impact rail transportation, which in addition to large volumes represents 80% of the total volume transported	After an accident occurs, there is an interruption of train circulation on the stretches, directly impacting productivity	These events cause interruption of the tracks, in addition to damages to the rolling stock and risk to the driver's physical integrity	For this, a market analysis was carried out to understand the demand and the need for investments to expand the transportation capacity
Methods used to manage the risk or opportunity	We seek to expand transportation capacity and diversify the cargoes transported, such as fuel, sugar, cement, pulp, etc.	We constantly invest in technologies that help prevent occurrences, such as derailment detectors and track inspections to evaluate the condition of the components	We invest in technologies such as landslide detectors, interconnected to the Operational Control system	The construction of new hoppers, warehouses, and tumblers allows for faster receipt of cargo and increased shipping capacity, with the possibility of loading three trains simultaneously
Financial costs of managing the risk or opportunity	We have no control over climate change, but we invest in technologies that help us act preventively, such as weather stations	In the last few years, we invested more than R\$10,000,000 in derailment detectors, which send out a warning in the event of an accident, thus avoiding greater losses	We invested in landslide detectors that allow preventive actions to be taken, allowing teams to be called for maintenance and correction of the locations with risks	R\$230 million have been invested in the expansion of the Rondonópolis terminal, with a considerable increase in idle capacity



6.

Boost to Infrastructure

103-1 | 103-2 | 103-3

We maintain several advantages to operate, such as 120 railcars, semi-automatic locomotives, a 53-foot container and double-stack railcars



IN 2020, WE TRANSPORTED 62.5 BILLION RTK, 3.9% MORE THAN IN 2019, WHICH REFLECTS THE 7.0% INCREASE IN THE NORTH OPERATION AND THE IMPACT ON VOLUMES IN THE SOUTH OPERATION, DUE TO LOWER GRAIN PRODUCTION AND A DROP IN DEMAND FOR INDUSTRIAL PRODUCTS - AS A RESULT OF COVID-19 - WHICH ALSO AFFECTED THE CONTAINER OPERATION. CHECK OUT THE HIGHLIGHTS OF EACH OPERATION BELOW.

North Operation

ALTHOUGH GRAIN IS THE FLAGSHIP OF OUR TRANSPORTATION OPERATIONS, TWO OTHER PORTFOLIOS HAVE STOOD OUT WITHIN THE MARKET

One of them is fertilizers, which allows the use of the same asset, that is, the railcar that transports grain can make the return trip carrying fertilizer, therefore diluting the cost of the operation. Another promising market is the pulp market, which has been expanding, with new projects underway, especially in the interior of Mato Grosso and Mato Grosso do Sul, and for which we plan to expand to reach 13.5 million tons by 2025.

In addition to ensuring portfolio diversification, we continue to improve the use of assets we already have. In this regard, in 2020 we concluded one of the phases of the extension of 17 crossing yards to enable our operation with 120-railcar vehicles - it was already operational at the end of 2020 for cargo origination in São Simão (GO) and Rondonópolis (MT), ending in Santos (SP).

We also made possible, at the beginning of the year, the expansion of Rondonópolis, whose train loading capacity grew by 50% with the construction of more warehouses - there are now three of 37.5 kton each. This way, the trucks spend less time stopped and inside the terminal, which benefits traffic and drivers.

We also advanced in the construction of Macuco, an export route on the right bank of Santos, which for a long time was a bottleneck that restricted the circulation of trains in the oldest part of the port, which is being revitalized. We also signed a memorandum of understanding with Grupo DP World to study the installation of a new complex for grain exports and fertilizer imports on the left bank of the Port of Santos.

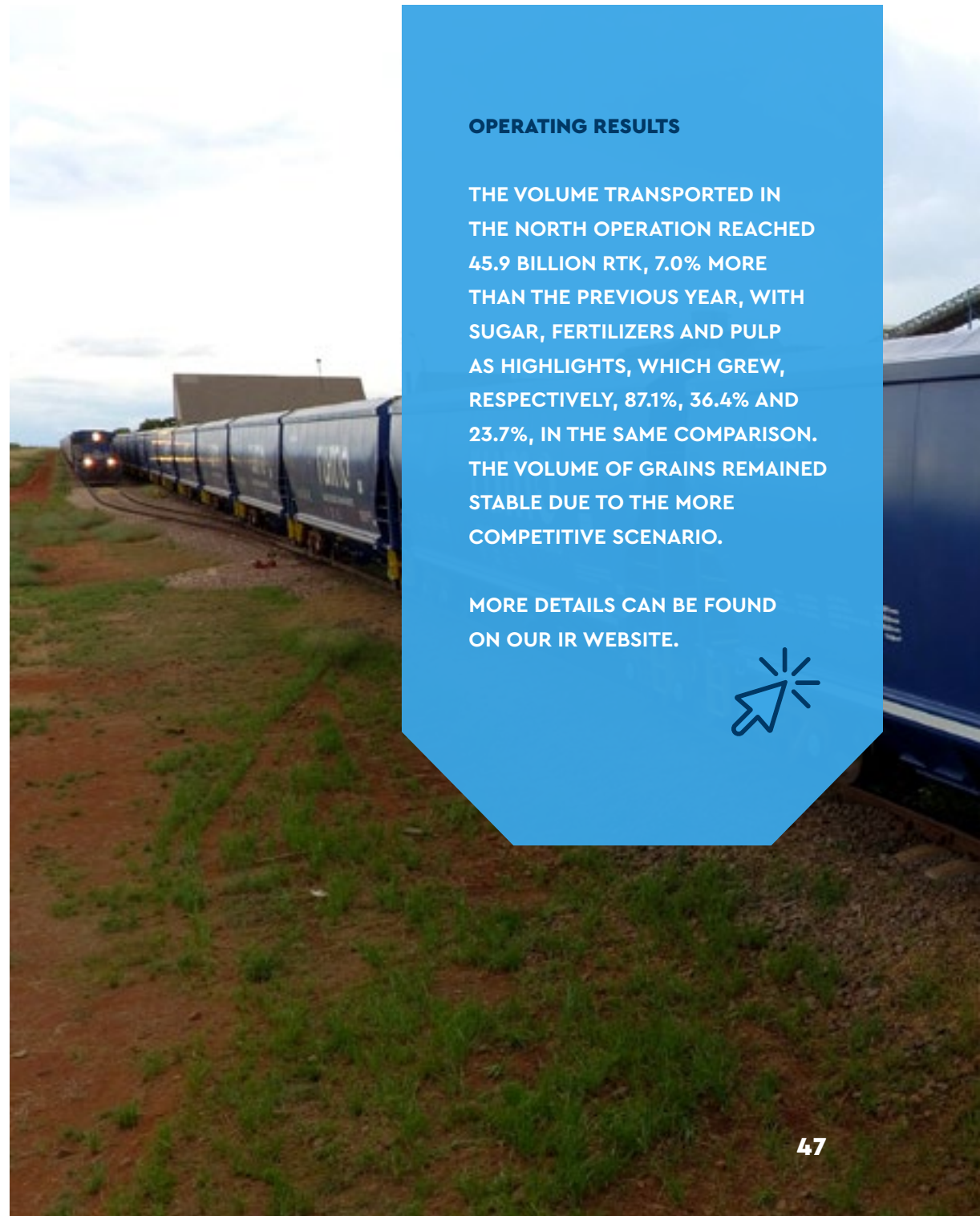
The new structure will be built in an area owned by DP World Santos, increasing the handling of these cargos by 11 million tons. According to preliminary studies, construction could begin as early as 2022, with operations starting between 2023 and 2024.

We have also extended our resources to improve circulation throughout the entire North Network, through which 130 trains of 80-railcars pass, expanding remote monitoring and the use of solutions such as the broken rail detector. We also concluded the installation of the trip optimizer system, meaning that all our operations are conducted by semi-automatic locomotives, which, by the end of the year, even without having fully seized the benefits of the system, as it was not established during the entire period in 100% of the vehicles, it has already had an impact of 20% in total diesel savings and increased energy efficiency.

In addition, we have paid special attention to overhauling all aspects of our property security and asset protection, especially the railways - which are more challenging because they are spread over thousands of kilometers. The work was motivated by the criminal attack we suffered in July, in the region of Chapadão (MS), which resulted in the blocking of the circulation of trains for three consecutive days and the loss of some days of operational capacity.

Besides the investments, a highlight of the year was the approval for the construction of the third Paqueta railway, on the right bank of the Port of Santos, to be concluded by mid-2021. This additional access railway for the entry and exit of railcars will provide a better flow for the trains, especially those used to transport the corn crop.

In parallel, and despite the difficulties imposed by the pandemic, we fulfilled our commitment in the concession to carry out the works on the Central Network. Thus, we ended the year with the first stretch already delivered, which connects the São Paulo corridor to São Simão, as well as the São Simão Terminal, which started operating in March 2021, receiving cargo from the south of Goiás. The upcoming deliveries of the year under the project are two remaining stretches and the Rio Verde Terminal.



OPERATING RESULTS

THE VOLUME TRANSPORTED IN THE NORTH OPERATION REACHED 45.9 BILLION RTK, 7.0% MORE THAN THE PREVIOUS YEAR, WITH SUGAR, FERTILIZERS AND PULP AS HIGHLIGHTS, WHICH GREW, RESPECTIVELY, 87.1%, 36.4% AND 23.7%, IN THE SAME COMPARISON. THE VOLUME OF GRAINS REMAINED STABLE DUE TO THE MORE COMPETITIVE SCENARIO.

MORE DETAILS CAN BE FOUND ON OUR IR WEBSITE.





South Operation

IN ADDITION TO THE SIGNIFICANT INCREASE OF 65% IN THE VOLUME OF TRANSPORTED SUGAR COMPARED TO 2019, THE SOUTH OPERATION STOOD OUT IN THE YEAR BY HANDLING 1,187 MILLION TONS OF PRODUCTS, FROM CASCAVEL (PR) TO THE PORT OF PARANAGUÁ, BETWEEN FEBRUARY - WHEN WE SIGNED THE SPECIFIC OPERATION CONTRACT (COE) WITH FERROESTE - AND DECEMBER.

The performance represents an expansion of 31% in comparison to the previous year, which was not the only gain from the agreement that solved one of the main logistical bottlenecks in Paraná in the last decades. With the strengthening of our equipment in operation in the West, we recorded a 25% improvement in the efficiency index: the Cascavel/Panaraguá/Cascavel cycle was completed in 9.6 days, compared to a previous average of 12 days.

We had two other record achievements in the unloading operation, which went from a level of 492 railcars/day to 537 railcars/day already in September, and the increase in cargo volume in the fuel import operation, which, from the Port of Paranaguá, follows to the inland locations. In this sense, the improvement work conducted in conjunction with third-party terminals contributed to this, which increased the assertiveness of the communication between our railroad operations and the unloading operations of customers, resulting in the optimization of maneuvers for the delivery and removal of railcars. In addition, we expanded the volume of Brado's container operations by 30% in comparison with 2019, as the result of the joint effort of the commercial divisions of the two businesses.

During the year we also maintained the planned investment volume of R\$700 million, of which R\$550 million were allocated to recurring maintenance, both of tracks and rolling stock, and R\$150 million in expansion, by means of improvements to the railcars.

An example was the riveting of 420 railcars, which were turned into hoppers, with optimized unloading and requiring no manpower. Another R\$60 million were invested in permanent energy, mainly in the Uvaranas/Iguaçu stretch, which has more traffic intensity. In the corridor, besides track replacement, we have conducted a revitalization plan covering the Paranaguá Yard and the area between Km 5 and the Dom Pedro Yard. These initiatives, added to previous investments, were key for the 10% rise in the unloading operation.

Another gain of about R\$15 million/year was provided using instrumented wagons, which, by eliminating the intervals for the installation of track gauging equipment - a task conducted by the vehicles themselves - provided an increase of 50% in our inspection capacity. Consequently, there is effective improvement in road geometry. So much so that we recorded a 60% reduction in railroad accidents in the year, due to the increase in leveling problem detection added to a continuous maintenance and correction program. The achievement brings our indicators on par with those of North American Class A railroads.

Another achievement in the period was the tactical plan in the operations and maintenance division to improve the assets that, upon arrival at the transshipment terminal, are operated by contractor teams.

In response to customer demand, we promoted a series of improvements in the railcar loading and unloading operation, which resulted in the reduction of asset turnover, both in the transshipment and the unloading terminal.

These actions qualify us as the first railroad in Brazil to operate the loading and unloading system from third party terminals - Cotriguaçu and Rocha - providing clients with greater agility and safety, adequate maintenance and immediate corrective measures, which increase railcar efficiency. The service can definitely be inserted in our business model, particularly because we have verified in internal tests that asset turnover can reach an improvement of about 15% when we operate unloading at third-party terminals.

To live up to the commitment to reduce emissions, three Progress Rail locomotives are being tested which, because they have 20% more effort gain than conventional locomotives, can transport the same volume in fewer units, reducing diesel consumption. Two other locomotives of that brand are also being tested, as they suit the characteristics of the tracks we operate in terms of axle load/weight equation.

Thus, by projecting the replacement of roughly 80% of our fleet with these models, we estimate a 60% reduction in the amount of assets, which represents a potential drop of 30% to 40% in the emission of Greenhouse Gases (GHG).

For the same purpose, 46 locomotives already run with a start/stop device, whose engine is automatically shut down during longer stops and restarted as soon as the machine starts running again without drive, i.e., without driver intervention and traction demand - also related to fuel consumption.

Faced with the approval, in December, of the Investment Partnerships Program (PPI) for the renewal of the South Network, we entered the stage of negotiations with the government endowed with aspects that ratify our thesis of growth, such as the capacity to make large investments over a longer concession period, to grow in volume and strengthen our presence in areas where we can gain competitiveness.

OPERATING RESULTS

WITH 13.6 BILLION RTK CARRIED IN THE YEAR, THE SOUTH OPERATION HAD A 5.8% DECREASE IN VOLUME COMPARED TO 2019. THE 10% REDUCTION IN THE GRAIN SEGMENT WAS DUE, IN THE CASE OF SOYBEAN, TO LESS COMPETITIVENESS IN RELATION TO THE ROAD MODAL, MAINLY BECAUSE OF THE LOWER FUEL PRICES AND THE CROP FAILURE IN RIO GRANDE DO SUL, AND, IN THE CASE OF CORN, TO LOWER PRODUCTION IN PARANÁ AND MATO GROSSO DO SUL AND THE FACT THAT THE PRODUCER HELD BACK ON EXPORTS. INDUSTRIAL PRODUCTS HAD A DECREASE OF 21.7%, IMPACTED BY THE DROP IN THE TRANSPORTATION OF FUEL AND OTHER INDUSTRIALIZED CARGO, CAUSED BY THE REDUCTION IN INTERNAL CONSUMPTION DUE TO THE PANDEMIC.

MORE DETAILS CAN BE FOUND ON OUR IR WEBSITE.





Container Operation

THE EFFECTS OF THE COVID-19 PANDEMIC BOOSTED BRADO'S OPERATIONS IN THE DOMESTIC MARKET - A GOAL THAT WAS PART OF ITS BUSINESS STRATEGY, REFLECTED IN THE PURPOSE OF "BEING THE SHORTEST DISTANCE BETWEEN THOSE WHO PRODUCE AND THOSE WHO CONSUME."

The company aims to increase to 45-50% the share of this more stable segment in business volume. By the end of 2020, it was 20% of the 160,000 containers transported by the country, a significant percentage considering that the entry into the domestic market only occurred in 2018.

Facing the change in the consumption profile due to the health crisis, the company quickly adapted to the new market dynamics to understand and meet the clients' needs.

At the same time, it sought to cut costs to mitigate the impact on import and export operations of refrigerated products, caused by the shutdown of Chinese ports in April. This fact reinforces the conviction that export should not be the flagship of a container company, not least because it restricts the so-called carousel - an operation in which the container goes full to the destination, is unloaded, reloaded, and then returns full to the point of departure. The model, which requires great intelligence in the definition of dates and deadlines and in the affinity of the round-trip carloads, was adopted in 10% of the volume transported in the year, or 8,000 containers. It enables cost savings in that the container does not circulate with idle capacity.

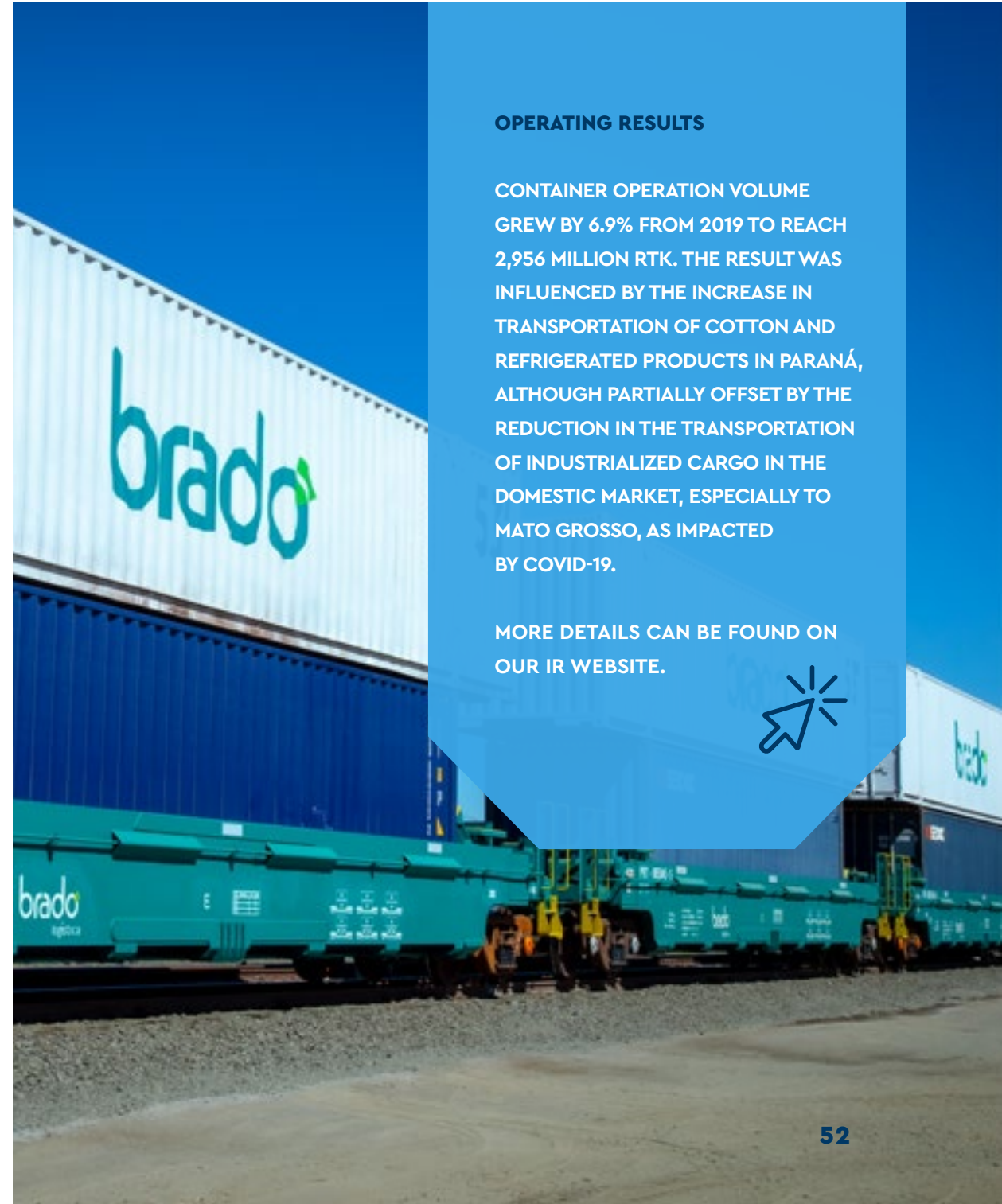
Brado also maintained its schedule of planned investments for the year, amounting to R\$100 million, the focus of which was innovation. In this scope, it launched the 53-foot container, with 33% more capacity than the 40-foot ones, which can transport diversified products such as stoves, refrigerators, among others, replacing sider trucks. Part of the funds invested during the year was allocated to the purchase of rolling stock and the modernization of terminals, which included the installation of independent gates and actions to maintain safety protocols in the face of the pandemic, such as segregation of areas and adaptation of the cafeteria. In addition, the number of double-stack railcars in circulation was increased to 298 in the year, which enabled an average growth of 42% in the amount of cargo per train.

The construction of the Davinópolis Terminal (MA) has also started. It will be concluded in the second half of 2021 and will connect the city of Maranhão, near Imperatriz, to Sumaré (SP), neighboring Campinas (SP), by means of 2.7 thousand kilometers of rails. Other initiatives were adopted in the period for operational improvement in various terminals, such as those in Araraquara (SP), where water potability management was regularized; Cambé (PR), where noise and air emissions were monitored and an effluent reuse system implemented; Cubatão

(SP), which had its oil and chemical products storage regularized; Ponta Grossa (PR), which now has a selective waste collection system; Rondonópolis (MT), where a project for operations with hazardous products was implemented; and Sumaré (SP), which began monitoring air emissions.

Another Brado differential, the tool that quantifies the Greenhouse Gas (GHG) emissions of the route between its terminals and calculates the emissions avoided by opting for intermodal transport, concluded that, in the year, 229,260 tons of CO2 equivalent were not emitted. To strengthen this effect and, considering that the railways will always be connected by highways, the company has been developing, in partnership with Comgás, a project for the installation of natural gas suppliers in its terminals. The idea is to complement the operations with trucks powered by cleaner fuel - the first such vehicle will be on the road as early as 2021.

In the same sense, the complete elimination of machines that use fossil fuel is planned for the next few years in the terminals, with gradual replacement with gantry cranes, which, in addition to being environmentally advantageous, have lower operational costs.



OPERATING RESULTS

CONTAINER OPERATION VOLUME GREW BY 6.9% FROM 2019 TO REACH 2,956 MILLION RTK. THE RESULT WAS INFLUENCED BY THE INCREASE IN TRANSPORTATION OF COTTON AND REFRIGERATED PRODUCTS IN PARANÁ, ALTHOUGH PARTIALLY OFFSET BY THE REDUCTION IN THE TRANSPORTATION OF INDUSTRIALIZED CARGO IN THE DOMESTIC MARKET, ESPECIALLY TO MATO GROSSO, AS IMPACTED BY COVID-19.

MORE DETAILS CAN BE FOUND ON OUR IR WEBSITE.



Competitive Advantages

120-RAILCAR TRAINS

- Higher capacity
- Best use of the railway due to rationalization
- Reduced fuel consumption compared to a conventional 80-railcar train
- Decrease of Greenhouse Gas (GHG) emissions into the atmosphere

SEMIAUTOMATIC LOCOMOTIVES

- Smoother conducting
- Prevention of exceeding a certain speed
- Safety controls
- 10% less diesel consumption compared to non-automated ones
- 30% shorter turnaround, i.e. time it takes to load go from point A to B and unload (transit time)

53-FOOT CONTAINER

- 30% higher capacity compared to 40-foot container
- Capacity equivalent to that of a sider truck, but with all the advantages over it: speed, safety, lower fuel consumption, and less GHG emissions

DOUBLE-STACK RAILCARS

- Capacity to load up to three containers (one 40-foot and two 20-foot) stacked on two levels
- Carload increase without the need to extend train lengths
- Cost reduction due to higher volume shipped in the same number of railcars



Financial Results

AMONG THE ECONOMIC-FINANCIAL RESULTS OF 2020, WE RECORDED EBITDA OF R\$3,664 MILLION, WITH A MARGIN OF 52.6%.

Adjusted EBITDA was R\$3,533 million, down 8.4% from 2019, reflecting the stiffer competition environment due to the paving of the BR-163 highway and lower fuel prices. The adjusted EBITDA margin reached 50.7%, 3.7 percentage points less than the previous year.

Net income, meanwhile, totaled R\$305 million, lower than the R\$786 million in 2019, as a result of lower EBITDA and higher financial expenses arising from the non-cash impact of mark-to-market (MTM) and the Central and Paulista Network grants, which incurred in more months than in 2019.

The year 2020 was marked by important advances in the capital structure, with the completion of the follow-on, the pre-payment of grants, and the ongoing process of liability management. As a result, net debt closed the year at R\$7.2 billion and leverage reached 1.9x comprehensive net debt/adjusted LTM EBITDA, while shareholders' equity reached R\$15 billion and net operating revenue for the year was R\$7 billion. **GRI 102-7**

Capex for the period was R\$2,979 million, in line with the investment plan, reflecting the progress in the construction work on the Central Network to make it operational in the first quarter of 2021, which totaled R\$711 million in the year.



R\$ 3,533 million

Adjusted EBITDA and 50.7% EBITDA margin

R\$ 305 million

Annual net income

DVA GRI 201-1

Direct economic value generated (R\$ million)		
Generated	2019	2020
Revenue (R\$)	7,503	7,804
Economic value distributed (R\$ million)		
Distributed	2019	2020
Operating Costs	2,292	2,717
Depreciation/Amortization and Impairment	1,716	1,716
Personnel and charges	807	809
Return on third-party capital	1,519	1,795
Return on equity	786	305
Taxes, fees and contributions	608	653
Investments in community	6,032,778	9,778,160
Total	7.728	7.995
Retained economic value (R\$ million)		
Retained	2019	2020
"Direct economic value generated" minus "economic value distributed"	225.00	191.00
Economic value distributed (%)		
Operating Costs	30%	34%
Depreciation	22%	21%
Personnel and charges	10%	10%
Return on third-party capital	20%	22%
Return on equity	10%	4%
Taxes, fees and contributions	8%	8%
Total	100%	100%



7.

Relationship with community

We reinforced the diversity & inclusion structure, we maintained programs that control the impacts of our operations on communities

Internal Stakeholders

GRI 103-1 | 103-2 | 103-3

IN JANUARY 2020, WITH THE CREATION OF THE PEOPLE, CULTURE AND COMMUNICATION DEPARTMENT, WHICH REPORTS DIRECTLY TO THE CEO, WE UNIFIED OUR TEAM WITH BRADO'S AND STARTED THE EMPLOYER BRAND PROJECT, WHICH INCLUDED THE DEFINITION OF THE SCOPE OF EACH PROFESSIONAL AND DIAGNOSES OF THE ESSENCE AND CORPORATE CULTURE, AMONG OTHER PRACTICES.

Based on this work, we reviewed the evaluation, performance and development calendar and the communication processes, establishing how we want to interact with employees and on social networks.

agreement with the trade associations representing the workers, we have kept all jobs and protected a group of 264 professionals most at risk to Covid-19, not only by ensuring that they have all the same conditions as the others, but also by interacting remotely every two weeks to offer emotional support.

Our staff ended the year with 9,235 people), all of which took part in the performance evaluation carried out via the digital people management platform, on which the annual bonus in the scope of the Profit-Sharing Program (PPR) is based. Precisely because the cultural diagnosis has indicated the need to adapt the compensation model, we have started considering the variables "result" and "behavior," with 70% and 30% participation, respectively, in the variable income - a composition that will already be applied in the March 2021 payment, referring to 2020.

Another advance was the creation of the Diversity & Inclusion department to strengthen work on the topic, which has been addressed internally since 2019, when the first group of employees trained in the theme was formed to promote forums and other forms of approach. The installment of the People & Culture Office in 2020 gave even more visibility to the cause in the context of the employer brand.



9,235
employees



Therefore, with its own department and the support of senior staff, the team that was already working gained strength and its members, referred to as the Diversity & Inclusion ambassadors, started mapping out a series of ambitions, based on our internal climate survey.

The survey unfolded into actions, all concentrated in the Diversity & Inclusion Strategy until 2025. Many of them have already moved forward in 2020, focusing on gender identity and sexual diversity. We adhered to the Women's Empowerment Principles, created by UN Women, and the Global Compact to promote gender equity in all social and economic activities; we promoted structural adjustments for women to join our operations; we parameterized the support systems for people management in order to contemplate the social name of transgender people; and we disclosed our positioning of welcoming and ensuring a safe and respectful professional environment for all on our social media pages.

To further emphasize this principle, we conducted the Respect Matters program, which covers health, diversity, and compliance - related to the prevention and combat of mobbing and sexual harassment and hate crimes in the internal environment. Our employees' trust that it is safe to speak out led our Ethics Channel to receive 20 reports of harassment in 2020 (there were four in 2019), all analyzed by the Diversity & Inclusion department, which was responsible for determining how to support the victims and the treatment to be given to the reported person.

The work around the theme of diversity and inclusion has extended to other fronts. In the scope of Pra Você, professionals assistance, we included a service to support people who are victims of domestic violence; we have shared a guide of good practices on homophobia and transphobia with our employees; and we began to install breastfeeding rooms in all our units. In order to work on unconscious biases, we gathered the top leadership in a workshop on diversity and inclusion, in which we established gender equality goals for 2021. We also organized the Equity Journey, with more than 20 forums and lives on topics such as cultural misogyny and toxic masculinity; developed a learning path on diversity and inclusion; and launched the LGBTQ+ Pride month.

All our efforts towards inclusion are reflected not only in the increased presence of women in our staff - we ended 2020 with three female directors, two female officers, nine female executive managers, four female engineers, and twelve female shunting drivers -, but also in the dissemination of concepts that we have adopted and wish to be consolidated throughout society: equality, respect, and safety.

In the same vein and aligned to the development of our local communities, we give preference to hiring local labor. An example was the announcement of an opportunity to fill 150 vacancies in the Central Network, in which we used the reach of local radio stations, resulting in many people joining. We also seek to provide advancement opportunities through internal recruitment - a practice that will be improved in 2020, with greater disclosure of vacancies, the participation policy, and the selection process. If we also consider the jobs created at our suppliers, we reached more than 2,000 opportunities.

Together with the other Cosan Group companies, we have adopted the Transit of Executives, in which people departments share available positions and appoint professionals to fill them. The practice helps strengthen the teams in the case of expansion or entry into a new location.

Besides diversity and inclusion, we invest in solidarity by supporting the Volunteer Program conducted by our professionals who, among other initiatives, maintain the Trem do Bem program to help communities.

All our initiatives in the context of people management have been acknowledged by professionals. So much so that the annual pulse check survey, which measures the team's level of engagement, revealed an increase of nine percentage points in relation to the previous survey, raising our indicator from 78% to 87%, the highest among all Cosan Group companies.

Attracting and Retaining Talents

To integrate new talents to our team, we maintain the Internship Program, which added 31 people in 2020 and 65% of them were women. In 2021, the program underwent changes in its format, with the inclusion of a specific online Training Matrix for youths, monthly meetings with officers, and the opportunity to apply the knowledge acquired in college and in training programs in an Improvement Project defined together with colleagues from their respective departments.

We also conducted the Young Engineers Program, in which 34 new professionals, 47% of them women, were selected. As soon as they took up their posts and were welcomed, they had to return to their places of origin due to the social distance imposed by the pandemic. Despite the distance, we kept the team engaged with the program.

Both in these selection processes and in the internal recruitment or search for professionals in the market, we contemplate the gender issue, which led to the approval of 51% women at all levels in 2020, including the hiring of the first female drivers. At the end of the year, 12 shunting drivers had completed the online course that we applied during the pandemic and had already taken the position. Four other women were also promoted to executive managers. After accepting our invitation, all leaders were trained to welcome the professionals joining the team and to take the position of our spokesperson in dealing with their teams.





51%
Women approved at all levels

Our compensation policy contemplates fixed and variable incomes - fixed under the Profit-Sharing Program (PPR). As of 2021, not only have safety indicators remained among the criteria for the composition of variable compensation, but, for all employees, the performance related to ESG aspects will also be included in the definition of the bonus.

We also have benefits in addition to those determined by law, such as life insurance, available to employees, apprentices, interns, and those on leave; health plan, which impacts 23,000 people; allowance for employees with custody of children up to 7 years old and children with disabilities, regardless of age; maternity leave of 120 days and paternity leave of five days; private pension plan for everyone, with only employees with

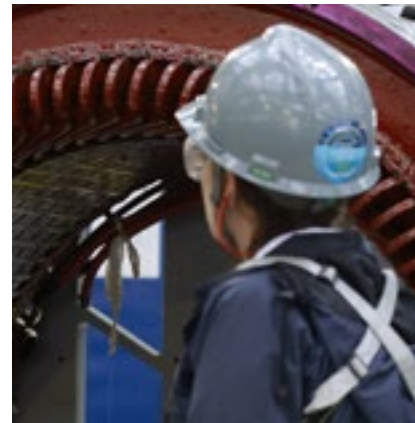
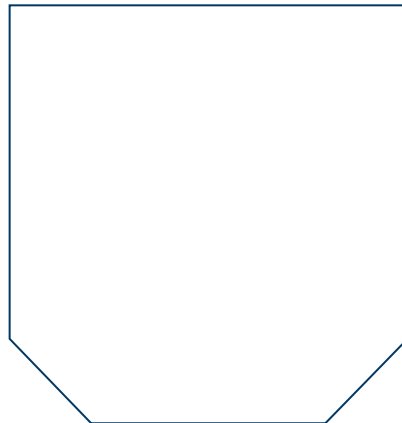
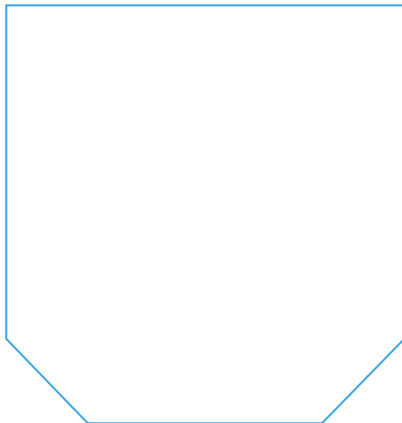
salaries above the 10UR receiving a 100% company matching contribution; stock option plan for employees with outstanding performance and considered key to achieving strategic goals; adhesion dental plan, with our contribution to the cost; and pharmacy aid for all active employees and those on injury or maternity leave, in which we subsidize the amount. **GRI 401-2**

In addition, throughout the year we give out maternity-bag kits for all employees with newborns up to four months old. At the end of each year, we give employees, apprentices and interns a Christmas basket and a frozen goods kit, as well as toys for children up to 12 years old. At the beginning of each year we also give out school kits for children of employees up to 14 years old.

There is no difference between benefits offered to full- and part-time employees, except for the food benefit and voucher, which apprentice positions receive only 50% of the value due to the shorter working hours. **GRI 401-2**

In addition, motivated by the pandemic scenario, we launched the Pra Você [For You] program in the year, offering remote assistance to employees and their families on four fronts: social, financial, psychological, and legal. In September we added the support of domestic violence victims to the program.

As a way of recognizing their efforts and dedication, we implemented the Rumor Mais Pontos program, a platform through which managers award points to their teams, which can be exchanged in our internal store for Rumo and Brado brand products (jacket, shirt, footwear, backpack, squeeze bottles, etc.). The store has a new format, colors and products this year.



Development and Training

In 2020, the ongoing operational training was revamped due to the contingency scenario arising from Covid-19, as were the hirings made to replace the professionals who had to stay on leave because they were part of risk groups, conducted online.

The POC system implemented in the period, which integrates all departments, facilitated communication about all available training - mandatory and recommended -, which also increased access, including by professionals working from home.

The so-called people cycle, according to its annual calendar, ended in January 2021 with the establishment of new goals. In 2020, those that had been outlined in the previous period were spread to all areas, which ascertain the priorities and adopt a tree of indicators as a tool. Also in the first half of the year, calibrations are carried out, that is, evaluations of employee performance in relation to the value added to the result and from the behavioral point of view. The process also includes a feedback period, the last step before establishing the variable income to be paid.

The people cycle also included, during the year, a series of live streams that strengthened the relationship between leaders and those being led by discussing the vision of the future, outlooks, and the cultural change that had been occurring internally. There were also online conferences attended by our president and the first digital convention in September.

Facing the challenges of interaction imposed in the period, more than ever the Chave na Mão tool was one of our strengths. The app received several features and made communication with 100% of the team possible.



296
hours
of training
in the year

74.06
training
hours
Average
performed per
woman in
the year

In addition, all our employees involved in potential acceleration actions integrated the internal strategic projects conducted during the year. Similarly, the group of 20 executive managers from all Cosan companies participating in the LiderAção knowledge journey worked on structuring projects, including M&A projects.

We also organized the entire evaluation process for the Y career team and developed a specific development grid, with several technical courses, in order to stimulate advancement among the expert levels.

In the year, we offered more than 296,000 hours of training, an average of 34.45 hours when dividing the total hours by employees. Women performed an average of 74.06 hours, while men performed 30.27. Total training hours were lower compared to 2019 due to the pandemic, which required us to work on new online content formats. They make it possible to reduce module time and at the same time provide more objective teaching and content.

Health & Safety GRI 103-1 | 103-2 | 103-3

Health & safety comprise one of our values, emphasized during the year by an intense campaign involving the operational leaders of all the networks in diagnoses, as part of the Daily Safety Dialogues (DDS), which were the basis for the preparation of a control map. In parallel, we intensified the care for the communities, acting strongly to prevent and combat Covid-19.

Since 2015, we have had an occupational health and safety management system focused on meeting applicable legal requirements and regulatory guidelines such as ISO45001, OHSAS18001 and Cosan group programs. We also conduct the Rumo Zero Accident Program, which includes computerized behavioral tools that generate data for directing preventive efforts. **GRI 403-1**

We also identify the risks related to our activities by means of the Environmental Risk Prevention Program (PPRA), the Occupational Health Medical Control Program (PCMSO), and monthly inspections and audits of all own and outsourced leader. For each accident that occurs, a Cause and Action Definition (ACD) document is developed to reinforce learning and replicate internal blocking measures to prevent reoccurrences.

All employees and contractors are governed by our Safety Principles and the Seven Rules of Life:



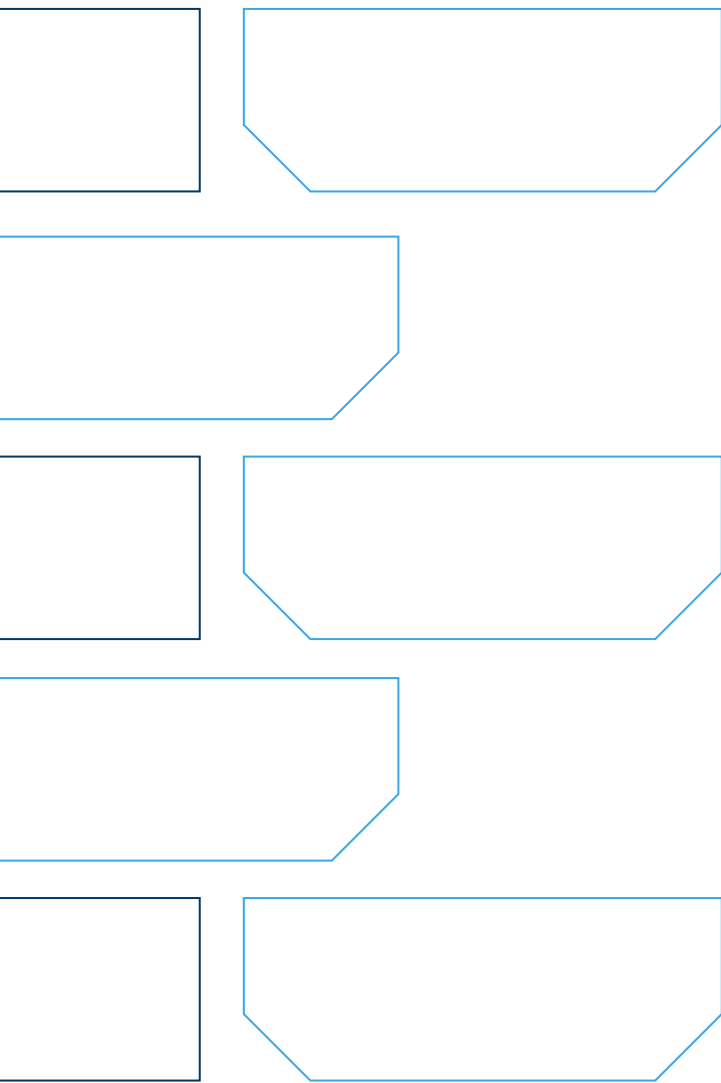
Safety Principles

- SAFETY is a value. Only do it if it is safe
- SAFE PRODUCTION is everyone's commitment
- PROACTIVE risk intervention
- RESPECT the seven rules of life

Seven Rules of Life

- Do not work under the influence of alcohol and other drugs
- Follow boarding and anchoring procedures
- Transpose coupling correctly
- Align coupling correctly
- Respect rules for railways under maintenance
- Block rolling stock under maintenance
- Do not climb or step on products.





The seven rules were developed and widely disseminated in 2020. They are basic rules of the operation that, if disregarded, can put at risk the physical integrity and the lives of those involved in the railway or terminal operation. Compliance with these rules is mandatory for all Rumo employees.

They also have an occupational health team available, composed of occupational medical coordinators, occupational physicians, nurses, nursing technicians, as well as outsourced physical therapists, a physical trainer, and a speech therapist. The PCMSO and the management of all occupational exams are carried out under contract with an occupational health management company. Access to the medical records and health data of workers and their third parties is aligned with the best practices and the criteria of the Brazilian Data Protection Law (LGPD). We have contractual clauses related to confidentiality and data security. **GRI 403-3**

The Rumo Zero Accident program aims at constantly reducing accidental losses. The set of tools implemented credits the employee with risk analysis and risk perception. They are also involved through our training platforms, such as the POC and applications for consulting occupational health and safety data.

We also maintain Internal Accident and Incident Prevention Commissions (CIPIAs), which, in addition to providing guidance on the operational rules and risks, act preventively and correctively in the events and accidents that occur in our operations, outlining strategies and actions to avoid reoccurrences. **GRI 403-4**

Employees also undergo periodical training on related themes and take the Health and Safety Integration/Recycling and the Operational Regulation (ROI, ROII or ROIII) every year. Classes, training and refresher courses on the regulatory norms of the Ministry of the Economy are offered every year. **GRI 403-5**

We also have a recording procedure for incidents and accidents. The process of investigating occurrences is conducted by the manager responsible for the employee/ third party involved. After data collection, a tree of causes is created to guide actions in order to avoid reoccurrences and formalized under DCA. Between 2016 and 2020, with the implementation of Rumo Zero Accidents, we made considerable achievements related to the topic, reducing LTIF by 83% and TRCF by 94%.

GRI 403-2

To identify the work-related risks that represent a chance of high consequence injury, we adopt Risk Assessment, through which we establish a matrix of hazards and risks for the most critical and frequent activities in our operations, observing personal consequence/impact, internal impact/environment/society.

Especially in 2020, all our initiatives resulted in the achievement of the goal, established for 2025, of registering an average of 0.15 in the LTIF indicator (Lost Time Injury Frequency) for employees and contractors, considered in the composition of the variable compensation of all employees, through the safety bonus, and reflected in the variable compensation of the Board of Executive Officers.

Suppliers

GRI 103-1 | 103-2 | 103-3

WE ENDED 2020 WITH 3,000 SUPPLIER COMPANIES PROVIDING SERVICES (RAILCAR AND LOCOMOTIVE MAINTENANCE, EQUIPMENT RENTAL AND MAINTENANCE, SECURITY, FACILITIES, CONSTRUCTION, MAINTENANCE AND EXPANSION, ENGINEERING AND TECHNOLOGY) AND MATERIAL (ROLLING STOCK SUCH AS RAILCARS AND LOCOMOTIVES, AND OTHERS FOR RAILWAY MAINTENANCE, CARGO TERMINAL OPERATIONS AND RAILWAY SIGNAGE).

With them we seek to share our ethical values through access to internal policies and our Code of Conduct. To be incorporated as partners, they must accept the document, which addresses diversity among other issues. We also replicate employee informative e-mails to these stakeholders, so that they can follow the progress of our actions and business. They can also resort to the Ethics Channel to forward any complaints or reports of misconduct. **102-9**

As part of our Procurement Policy, we have a Supplier Portal, where those interested in doing business with us can enter by forwarding the required documents, according to the good or service to be supplied, and demonstrating compliance with our requirements.

In our partner approval process, we establish as criteria not only compliance with legislation and respect for industry standards, but also issues related to the health and safety of their workers and labor management - which includes the commitment not to use child and slave labor. Should they fail to comply with the pre-established rules - as verified in the audits we promote on the working conditions of contractors on our sites - the supplier can be warned, punished, suspended, or blocked. **GRI 409-1**



During the course of the contract, we use other resources to ensure service quality, such as the frequency indicator, which must be above 95%, otherwise the supplier will be subject to action plans; the Non-Compliance Request, a tool that can be used by any employee who detects deviations and non-compliance by contractors; and the Contractor Management Committee, responsible for identifying obstacles and difficulties in operations and deliberate on measures to remedy them, which includes recovery or replacement of the supplier.

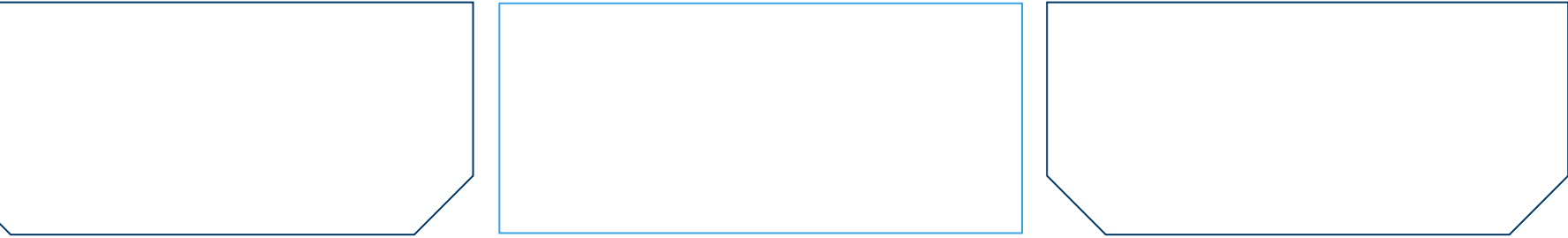
Internally, we have adopted the term "critical suppliers" for those that perform activities related to environmentally sensitive topics, such as solid waste management, effluent treatment and destination, and management of large construction sites. Depending on the service to be carried out, we take on the role of co-responsible, which is why the policies and procedures applicable to our own employees are replicated to third-party employees and suppliers, aiming at the compliance of guidelines, also intensified with training.

Suppliers considered critical are submitted to document evaluation at the time of approval and to monthly performance evaluations. In 2021, a pilot project was started to evaluate the monthly documentation of four suppliers, two waste management companies, and two construction management companies. Besides the monthly monitoring of environmental documents by the Bernhoeft system, documents covering sustainability aspects, such as policies and procedures adopted, are also requested. We still cannot specify the number of suppliers that perform critical activities, but we have found more than 100 services to be considered critical.

At the beginning of 2021, the supplier management department started sending a newsletter to suppliers addressing issues such as sustainability - in which good practices provided by other suppliers with the possibility of being replicated will be presented. **GRI 308-2**

The commitment of suppliers to meet all our requirements, as well as their performance and the quality of the product or service provided, started to be formally recognized in 2020 with the creation, in October, of the *Parceria em Movimento* [Partnership in Movement] program, structured by the Supplier and Supply Management area. The initiative includes a series of indicators - environmental, social, safety, and compliance - under the Supplier Performance Index (IDF), which we have maintained for more than five years to base the monitoring of our partners. **GRI 308-2**

With the new program, top performers will be officially recognized, receiving a trophy and seal of approval, and the disclosure of their achievement on our website and social network pages - which represents an important competitive advantage. The evaluations will be categorized into two groups: material suppliers, in the subcategories Rolling Stock and Track Materials; and service suppliers, subdivided into Maintenance Services, Administrative Services and Materials, Capex - Projects and Investments, and Strategic Capex. In each subcategory, two winners will be chosen - a total of 12 - who have distinguished themselves during the year, for example, by being exemplary regarding safety, not having registered any environmental deviations, or having maintained a high level of documental regularity. The first award is expected for August 2021. **GRI 308-2**



More than a supplier recognition program, *Parceria em Movimento* is a driver for the quality of the material or service provided. This is because, in addition to the usual treatment of anomalies and performance meetings already conducted with the partners, they now have monthly webinars on specific topics that boost professionalization and qualify performance, such as standardization of material delivery, labor safety, employee compensation, among others. In 2020, three of these webinars were about Covid-19, to answer questions and support the adoption of the integrity protocols. **GRI 308-2**

For us, getting closer with suppliers will allow us to identify the strategic ones who make an effort to stand out and strengthen the partnership with them. This is because we believe that we are not able to grow to the extent we want to without partners of the same size contributing to sustain this expansion.

Still in the line of promoting supplier development, especially in the locations where we have operations, we have adopted several specific initiatives.

An example in 2020 was the virtual meeting promoted in Rio Verde (GO), in which 80 companies participated, promoted by the local government to attract suppliers to meet the needs of our terminal, which has not even been inaugurated. We introduced the company to them, its mode of operation, and instructed them on how to register to become a partner.

To encourage partners to engage in ESG aspects, in 2020 we selected a group of companies with which we have large contracts - about 6,000 contractors - among which we disseminate concepts and good practices related to work safety and respect for the environment, among other topics. We are planning an award initiative for them, to take place in mid-2021, in which we will select exemplary suppliers, according to a series of socio-environmental, safety, and quality criteria.



6,000
Companies with large contracts

95%
Demands answered within our SLA

To prevent and mitigate impacts on occupational health and safety linked to commercial relations, we maintain procedures and a guide for suppliers containing all the health and safety requirements to be met. To start working with us, they must register the company's and their workers' documents in Bernhoeft's company portal, which is responsible for analyzing the documents in compliance with the legal requirements established in the regulatory norms.

After the documents are approved, contractors must take the integration and operational regulation training at ICEC, in addition to being up to date with the documents PPRA, PCMSO, PCMAT, PPE delivery form, training certificates, diplomas, and other requirements set forth in the supplier's guide.

Our SLA (Service Level Agreement) determines 95% within 72 business hours and 5% before that. In 2021, our goal is to achieve at least 95% service to the 72-hour SLA. **GRI 403-7**

Clients

GRI 103-1 | 103-2 | 103-3

WE SEEK TO ADD VALUE TO OUR CLIENTS THROUGH A COMPETITIVE AND MORE EFFICIENT LOGISTICS SOLUTION, BOTH FROM AN OPERATIONAL AND ENVIRONMENTAL POINT OF VIEW.



**17%
less**

Emissions through the Port of Santos compared to the Arco Norte

Our exports through the Port of Santos generate about 17% less CO₂ emissions (considering the route from the product's place of origin in Mato Grosso to the arrival of the ship at its final destination) compared to the logistics through the Arco Norte, as it is called the area that concentrates terminals in the North and Northeast regions and the ports located above the 16oS parallel. Even though we are already the most efficient route in terms of emissions reduction, we continuously seek to establish partnerships with our clients to act together regarding the carbon footprint.

At this year's Cosan Day event we made a public commitment to track 100% of most of the cargo transported by our logistics system by 2025. This initiative evidences that we and Brado are not limited to our own activities, but are also engaged in reducing emissions across the production chain.

Still with the purpose of creating value for clients, we maintained constant investments in technology to make our transactional platform as light, agile and simple as possible. Customized service is another differential, which is in line with our profile as a relational company, which seeks to build customer loyalty through long-term partnerships.

At the end of 2020 we began to implement a commercial digital platform (entitled ORI - derived from "Customer Oriented", one of the pillars of our DNA). Through ORI, with the first modules already available in 2021, we established a fully digital commercial communication model that will facilitate client operations, from the hiring process to day-to-day management.

This feature extends to various stages of the client's journey, such as scheduling trucks to be unloaded at our terminals, monitoring loading and unloading activities, inventories, and viewing tax and accounting documents, among others.

Still within the topic of technological innovation, in 2021 we will launch Rumo Tracking, a web and mobile tool that makes it possible to follow the cargo's entire route, from receipt at our terminals to arrival at destination; all of this remotely and in real time. The purpose of Rumo Tracking is to allow our customers to follow the transit of their cargo and plan with greater assertiveness and agility.

We also seek to be close by means of interaction tools, such as our institutional website and social media pages, where we disclose our achievements and challenges. The Ethics Channel is another means available for sending complaints or comments, which are forwarded to the respective departments for appropriate treatment. Our ethical behavior is also expressed in the contracts, which are subject to monthly monitoring and contain confidentiality clauses to ensure the security of client information.

We also conduct satisfaction surveys, according to the Net Promoter Score (NPS) methodology, through which customers identify gaps and suggest opportunities for improvement.

In the same survey, Brado went from 12 points of satisfaction, in 2017, to 47 points in 2020, that is, close to being recognized at the quality level, which requires 50 points - a goal set for 2021. This result positions the company as the best rated in the logistics sector.

Communities

GRI 103-1 | 103-2 | 103-3

WE MAINTAIN IMPACT ASSESSMENT PROGRAMS THROUGHOUT OUR NETWORK - WHICH TAKES US TO INTERACT WITH ABOUT 500 MUNICIPALITIES - IN ORDER TO EXAMINE THE EFFECTS OF OPERATIONS ON COMMUNITIES AND IDENTIFY THE MOST APPROPRIATE MEASURES TO MITIGATE OR OFFSET THEM.



R\$ 8.7 million

Amount used in the execution of activities in indigenous lands

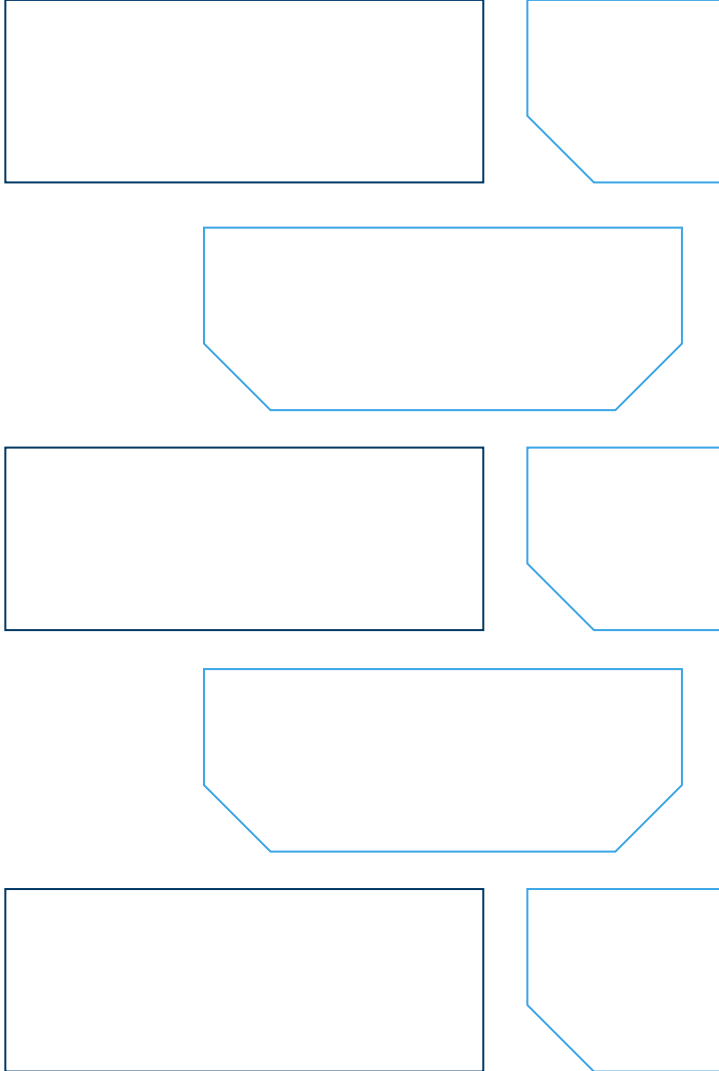
For this, the municipalities are classified into groups according to their criticality, considering accidents involving people; history of complaints related to the railway; lawsuits; and municipalities that have railways in extensive territorial occupation. The actions are prioritized according to each person's needs.

Through the Legal department, we monitored nine cases that deal with indigenous communities, eight of which have the same object: compliance with the activities provided for in the IC-BEP, linked to condition 2.16 of Environmental Installation License N°. 998/2014, issued by Ibama for the Paulista Network. In May 2020, we signed an unprecedented commitment term in the country with the communities of the Tenondé Porã, Itaoca, Rio Branco de Itanhaém, Guarani do Aguapeú and Tekoa Mirim indigenous lands, represented by the indigenous association *Comitê Interaldeias*⁷, the National Indigenous Foundation (Funai), the Federal Prosecution Office (MPF) and the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA). The commitment term has the

7. Organization created by the indigenous people to manage activities linked to the commitment term

objective of enabling the best way to fully execute the 94 activities foreseen in the IC-BEP, which will benefit the 14 indigenous villages in the capital and southern coast of the State of São Paulo, and part of the obligations will be executed by the indigenous people themselves through the transfer of financial resources, ensuring the autonomy of the peoples. Last year the amounts used in the execution of activities totaled R\$8.7 million. The nine cases monitored were filed in 2021, with only the MPF's administrative procedure prevailing, aimed at monitoring compliance with the Commitment Term.

The Legal Department is also monitoring the Public Civil Action proposed by the MPF with the purpose of investigating the regularity of the installation and operation of the railroad inside the Queimadas Indigenous Land, located in Ortigueira (state of Paraná). The Federal Court recognized that there was no irregularity in the conduct of the procedure at the time conducted by the Union for the installation of the railway at the site. The case is currently awaiting a decision by the higher courts. **GRI 411-1**



We also carry out initiatives that contribute to the economic development and improvement of the infrastructure of the locations, giving their residents opportunities for leisure, tourism, and culture. An example of this is the Trem Caiçara project, developed in 2020 in partnership with the Brazilian Association for Railway Preservation (ABPF). It consists of weekend rides in a steam locomotive manufactured in 1884 that travels between the towns of Antonina and Morretes, on the coast of Paraná. It is a 16-kilometer route through the Atlantic Forest, crossing river and mangrove areas. To enable the initiative, which has already provided 2,800 people with moments of fun, we invested more than R\$700,000 in revitalizing the stretch.

We also renewed our sponsorship of União Esporte Clube, one of the main soccer teams in the state of Mato Grosso, based in Rondonópolis, which stood out in competitions in 2019.

Another action that demonstrates our commitment to social responsibility was the completion, during the year, of the Integrated Center for Neurological Recovery of the Angelina Caron Hospital, in Campina Grande do Sul, Metropolitan Region of Curitiba (state of Paraná). Started in 2017, the space, located in the hospital complex, has about 200m², including outpatient clinics and a gym equipped with the necessary materials for the recovery of patients. We supported the project with the allocation of R\$60,000.00.



NATAL EM CASA

Because of the pandemic, we did not promote the *Rumo ao Natal* project this year, which includes the circulation of decorated locomotives and theater presentations. The events have been replaced by photo exchanges and insights from previous editions on social media. Natal em Casa had three weekly posts, totaling 12 publications, with the following reach: Facebook – 129,000 users, with 4,903 reactions, 580 comments and 349 shares; Instagram – 61,000 users, with 1,949 reactions, 46 comments and 9,609 views.

Interaction with communities also includes the following actions, which in 2020 had to be adapted due to the Covid-19 pandemic:

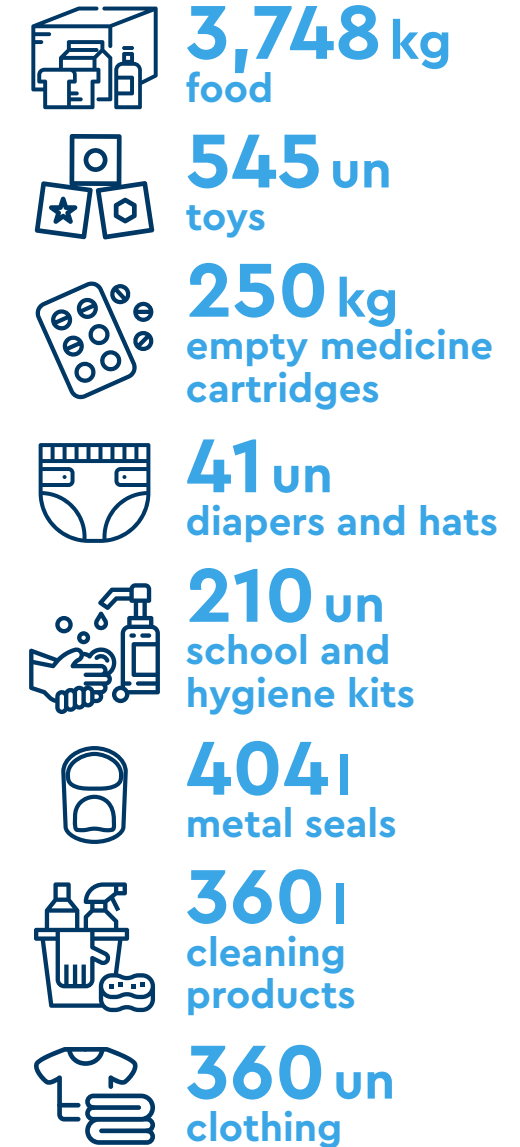
CONECTADOS

English classes in the second semester, in online format.

TREM DO BEM

The volunteer program was reformulated during the year together with Brado - which, like us, started to make financial contributions to make the projects proposed by the employees viable, benefitting around 7,000 people, assisted by 30 institutions in ten municipalities. In addition, as part of *Trem do Bem*, our team took part in the *Tampinha Solidária* Project by Associação das Acácias Emiliano Pernetá, from Curitiba (state of Paraná), which resulted in the collection of 40,674 kilos of bottle caps, whose income was used to purchase 59,725 geriatric diapers, donated to homes for the elderly.

DONATIONS RAISED BY RUMO'S VOLUNTEERS VIA TREM DO BEM





Through tax incentive laws, we also invest in a series of initiatives to benefit the communities in our areas of operation. In 2020, the incentive funds totaled R\$663 thousand, directed, among others, to the areas of culture and sports, as shown in the following table. Still in the year, we have already selected the organizations and projects that will be helped in 2021 and will require more resources of R\$568 thousand.

ICMS-SP Cultura	R\$ 48,000	<ul style="list-style-type: none"> • Trem Caipira: Trips through Ihe Traditional Culture of São Paulo State (São José do Rio Preto) • The History of our History (Campinas)
ICMS-SP Esporte	R\$ 40,000	<ul style="list-style-type: none"> • Art and Life (Santos)
IR Cultura (Rouanet)	R\$ 200,000	<ul style="list-style-type: none"> • Ciranda Mundo Orchestra (Rondonópolis) • Rumo ao Natal (Paraná) • Every place has a story to tell (Cruz Alta)
IR Esporte	R\$ 50,000	<ul style="list-style-type: none"> • Volleyball at Rede Instituto Compartilhar (state of Paraná)
IR Social (Elderly)	R\$ 50,000	<ul style="list-style-type: none"> • Project 60+ The benchmark path in hospital treatment of the elderly (Jauregui do Sul)
IR Social (Pronas)	R\$ 50,000	<ul style="list-style-type: none"> • Walking and Playing. Rehabilitation of children with cerebral palsy (São José do Rio Preto)
IR Social (Pronon)	R\$ 50,000	<ul style="list-style-type: none"> • National Research Center of Energy and Materials (Campinas)
<i>Fundo da Infância e Adolescência - FIA</i>	R\$ 50,000	<ul style="list-style-type: none"> • Icities Kids Curitiba
<i>Fundo da Infância e Adolescência - FIA</i>	R\$ 25,000	<ul style="list-style-type: none"> • Dedicar Project - Defense of the Rights of Children and Teenagers

OUR PRIVATE SOCIAL INVESTMENT IN 2020 AMOUNTED TO R\$4,368,393.14, FOCUSING ON THREE FRONTS:

1

ACTIONS TO FIGHT COVID-19

check the topic below.

2

DONATION TO COMUNITAS

for the acquisition of food cards, to assist vulnerable families and help move the local economy. A total of 57 institutions were benefited in 35 municipalities.

3

CONTRIBUTIONS TO THE NA MÃO CERTA [ON THE RIGHT TRACK] PROGRAM

of which we are supporters; to the *Conectados* [Connected] Program, to fund English classes for students from the Durival de Brito municipal school, in Curitiba (state of Paraná), enabling them to participate in international competitions; and to the Paranaiguara (state of Goiás) prison for the purchase of equipment and renovation of the room that holds sewing workshops for the training of female inmates.

The financial contributions through tax breaks made it possible to benefit 14 institutions in 13 municipalities, with an expected reach of more than 255,000 people.

By means of a sub credit from the BNDES, it was also possible to remodel and expand the Surgical Center of the Pequeno Príncipe Children's Hospital, a national reference in childcare. Hospital equipment was also acquired for the Rondonópolis Emergency Care Unit (UPA), including two reverse osmosis machines, which made it possible to open semi-ICU beds to relieve hospitalization in local hospitals, which were overloaded due to the Covid-19 cases.



57
institutions

Were benefited and received food cards in 35 municipalities

Private Social Investment (R\$)		
	2019	2020
Direct Investment	400,000.00	1,797,336.09
Investment made through incentive laws	440,000.00	663,000.00
Others - BNDES Sub credit	472,844.60	1,908,057.05
Total	1,312,844.60	4,368,393.14



Positive impacts of the operations

GRI 203-2

CHANGES IN THE PRODUCTIVITY OF ORGANIZATIONS, SECTORS, OR THE ECONOMY AS A WHOLE

Support to the *Conectados* project.

ECONOMIC DEVELOPMENT IN AREAS WITH HIGH POVERTY RATES

Donation of old uniforms to the institution *Anjos da Cidadania*, which promotes sewing training workshops.

IMPROVEMENT OR DETERIORATION OF SOCIAL OR ENVIRONMENTAL

Investment, through a BNDES sub credit, in the *Cultivar* project, which enabled the revitalization of a Seedling Nursery in the city of Cubatão.

AVAILABILITY OF PRODUCTS AND SERVICES FOR LOW-INCOME PEOPLE

Providing spaces for growing community gardens - a project that received the ODS Seal in 2019.

CHANGES IN THE LOCATION OF OPERATIONS OR ACTIVITIES

Partnership with the prisons of Quirinópolis and Paranaiguara with the supply of equipment and inputs for sewing training workshops for the inmates.

USE OF PRODUCTS AND SERVICES

In the fight against Covid-19, we prioritize the purchase of products in the locations where the donation was made to help move the local economy. Also through a sub credit from BNDES, we invested in the acquisition of equipment for an industrial bakery in the *Dikaion* Project, providing training and income generation. Also via sub credit, we built the ramp at the *Santa Casa de Rondonópolis*, making the hospital's services safer.

Fighting Covid-19



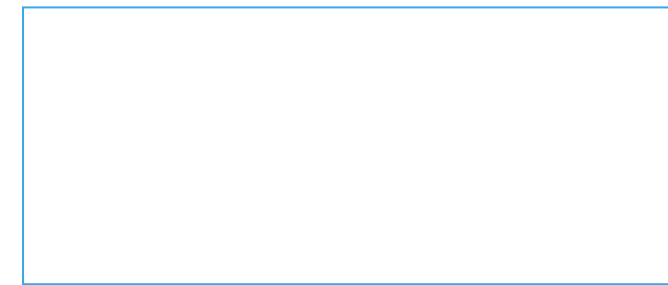
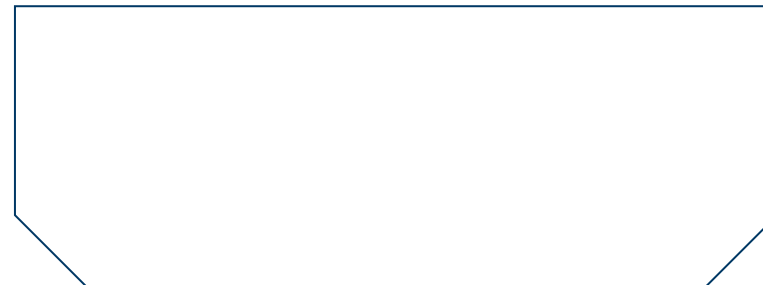
**R\$ 1.77
million**

**Resources
benefitting 57
organizations
from 35 cities**

As an ambidextrous company that balances business and human care, in 2020 we reacted immediately to the declaration of a pandemic by the World Health Organization (WHO) by structuring four internal committees.

One of them, focused on health, oversaw identifying the necessary measures to safeguard the integrity of our professionals - a purpose in which we were successful, judging that our contamination rate in the year was 2.6%, much lower than the national average. A second committee oversaw guaranteeing our liquidity, providing fundraising in the market to give continuity to the planned investments; a third committee oversaw ensuring the continuity of operations, without disruptions; and the fourth committee looked for ways to provide social assistance, especially to the communities in the regions where we operate.

Internally, we launched the *Pra Você* (For You) program, to assist employees in matters related to health - including psychological - legal and financial issues, which even included initiatives to prevent domestic violence. We also isolated the population at risk - about 240 professionals who, by the end of the year, had not returned to their units; we distributed masks and hand sanitizer; we instituted a home office regime for administrative employees; We restructured the functioning of collective spaces, such as cafeterias, in order to ensure social distancing; we promoted the application of about 20,000 tests on professionals in 2020; and kept our outpatient area available





24 hours a day to answer questions and provide guidance on the necessary care to avoid infection. In addition, our overnight workers are now staying in single - rather than shared - rooms, and this has also occurred with the transportation system. To illustrate this care, we conducted two campaigns throughout the year: *Pode Contar com a Gente* [You Can Count on Us] and the reinforcement with a second phase involving the family: *Pode Contar com a Gente para Cuidar da sua Saúde e da sua Família* [You can count on us to take care of your and your family's health]. The objective is to supply the employees with official company information.

In parallel, we joined forces with society in actions to prevent and combat Covid-19, establishing procedures to safeguard the health and integrity of truck drivers and donating resources to charities: R\$1.77 million benefitting 57 organizations from 35 cities in Mato Grosso, Mato Grosso do Sul, Goiás, São Paulo, Santa Catarina, Paraná and Rio Grande do Sul. We also donated 250 liters of 70% alcohol to the Santos Port Authority (SPA), used for sanitizing the environments and cleaning the equipment and machinery of companies that operate at the Port of Santos. We also donated R\$30,000 to Doctors Without Borders, as part of the online campaign coordinated by the technology companies Payly and Pling. For our actions against the pandemic, we received, as did the South Network, the Sesi ODS Paraná 2020 Seal

Actions for truck drivers - Terminals

	Rondonópolis	Alto Araguaia	Sumaré	Jaú	Itirapina	Cubatão	Santos	Cambé	Ponta Grossa
24-hour nursing staff to take the temperature and provide information	X								
Separate space to retrieve Invoices	X	X		X					
Information material hung at the Terminal and at the main access locations	X	X	X	X	X	X	X	X	X
Use of a sound car to announce information in the Yard	X		X						
Information via Trizy - an app used to schedule loading	X					X		X	X
Partnership with Rota do Oeste to distribute cleaning kits and meals	X								
Installation of hand sanitizer dispensers	X	X	X	X	X	X	X	X	X
Temperature check when entering the Terminal	X	X	X	X	X	X	X	X	X
Social distancing in the cafeteria	X	X	X	X	X	X	X		
Disinfection of workshops and changing rooms	X	X	X	X	X	X	X	X	X
Intensified cleaning in common areas	X	X	X	X	X	X	X	X	X
Instructions from the health department	X	X	X	X	X	X	X	X	X

Donations – States	R\$ 235,687.45	R\$ 453,171.84	R\$ 747,806.97	R\$ 212,518.59	R\$ 41,751	R\$ 44,217	R\$ 19,183	R\$ 17,500
	Mato Grosso 2 cities 5 institutions	Goiás 4 cities 7 institutions	São Paulo 13 cities 20 institutions	Paraná 8 cities 15 institutions	Santa Catarina 3 cities 5 institutions	Rio Grande do Sul 3 cities 3 institutions	Mato Grosso do Sul 1 city 1 institution	Maranhão 1 city 1 institution
70% Alcohol	X	X	X	X	X	X	X	
Cleaning products	X		X	X	X	X	X	
Hospital equipment	X	X	X	X				
Covid Tests	X	X	X					X
Food		X	X	X				
Personal Protective Equipment		X	X	X				
Clothing		X	X	X				
Financial resources			X					
Shirts					X			



8.

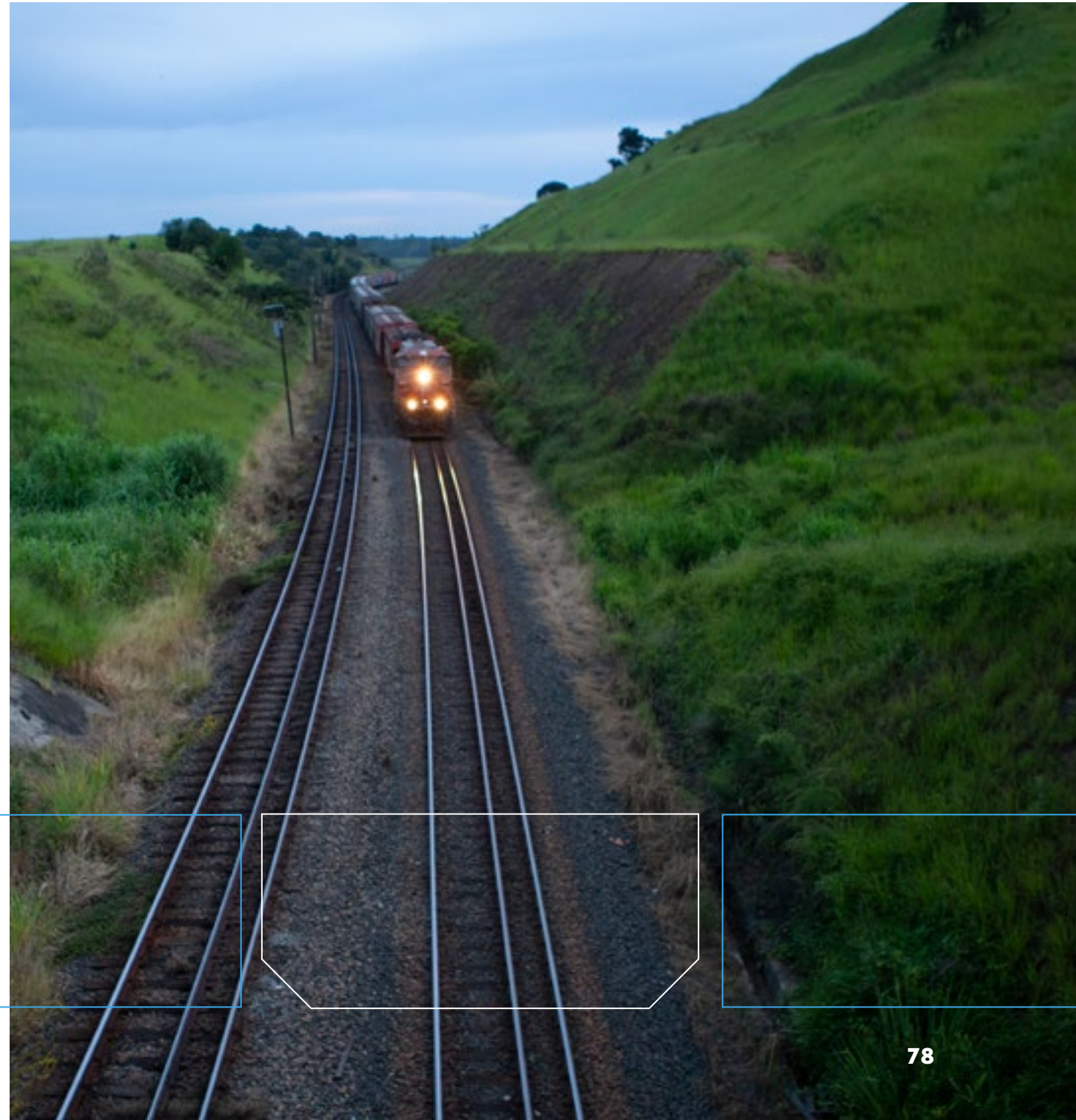
Allies in Future Generations

We adopted areas recovery, emissions reduction, waste management initiatives, and the conscious use of resources and green bonds issue

**OUR RAILWAY NETWORK
CROSSES VARIOUS BIOMES
AND URBAN CENTERS, THUS,
OUR MISSION IS TO ENSURE
THE COMPANY'S SOCIAL
AND ENVIRONMENTAL
MANAGEMENT,
IMPLEMENTING GOOD
ENVIRONMENTAL
PRACTICES, AND BECOME A
TRANSFORMATIONAL AGENT
WHEREVER WE GO.**

In compliance with the law and the conditions of the operating licenses, we have social and environmental programs in place in our network, seeking to minimize and mitigate the adverse impacts caused by our operations. These are initiatives involving the preservation and recovery of areas, the reduction of atmospheric emissions, the conscientious use of resources, waste and effluents management and a continued awareness along with our stakeholders.

In 2020, this commitment was further endorsed by the issue of the first green bond in the history of freight railways in Latin America, through which we raised US\$500 million, to be invested in eligible green projects to make rail travel cleaner and more efficient. The operation was certified by the Climate Bonds Initiative (CBI), an international organization that works to engage the securities market in climate change solutions. The main requirement is to emit less than 21 grams of CO₂ per ton and kilometer transported. Currently, our operations average 14.34 grams of CO₂ per ton and kilometer transported.





GOALS

Since 2019 we have implemented the Environmental Performance Indicator (EPI) which aims at guiding the environmental management of operating Units and Terminals to comply with Rumo's Environmental Policy Principles and laws, seeking a continued improvement of processes. In 2019, we reached 63 points out of 100, in 2020, we reached 80 and our goal in 2021 is to reach 86 points. Specifically concerning waste, our long-term target for the South Operation is to reduce by 15% the generation of waste Class I by 2027.



ENVIRONMENTAL LIABILITIES

We declared in the Reference Form the existence of 59 environmental liabilities, 23 of them in the North Operation and 36 in the South Operation - all of them are in progress and have budgets allocated to be solved. The environmental liabilities refer to occurrences of soil contamination due to operational conditions or accidents. The steps for the recovery of an affected area consist first of investigating the soil to confirm the real contamination, followed by the remediation step, and then monitoring for a specified period. The monitoring is carried out by the environmental agency by means of reports.



EXTERNALITIES ON PROFIT

We conduct analysis of our environmental impacts, including operations, accounting for ecosystem services, as well as direct and indirect negative impacts on the environment.

As operational risks we have the increase in fuel costs, and as an opportunity the reuse of track replacement materials, which are reapplied elsewhere or sent for recycling/reuse.

Considering regulatory risks, we have the application of fines in cases of non-compliance with environmental laws or in case of environmental incidents, and as an opportunity the development of public policies with organizations and business institutions.

For reputational risks, we are subject to negative campaigns and disclosures involving the operations, considering possible impacts that may be caused, while as an opportunity is the fact that we can disclose the policies and procedures implemented, making our business guidelines transparent.

Market and product risks include issues related to competition and loss of customers with the capture of cargo by other modes, due to operational and territorial availability, opportunities include the use of competitive advantage in comparison with other modes, covering issues related to the reduction of GHG emissions, reduction of accidents on the roads, large transport capacity, etc.

From a financial standpoint, the risks include stricter credit measures, and the opportunities include more favorable credit and the possibility of financing tied to sustainability criteria.



US\$ 500 million

Resources raised to be invested in green projects, making rail travels more efficient

Biodiversity

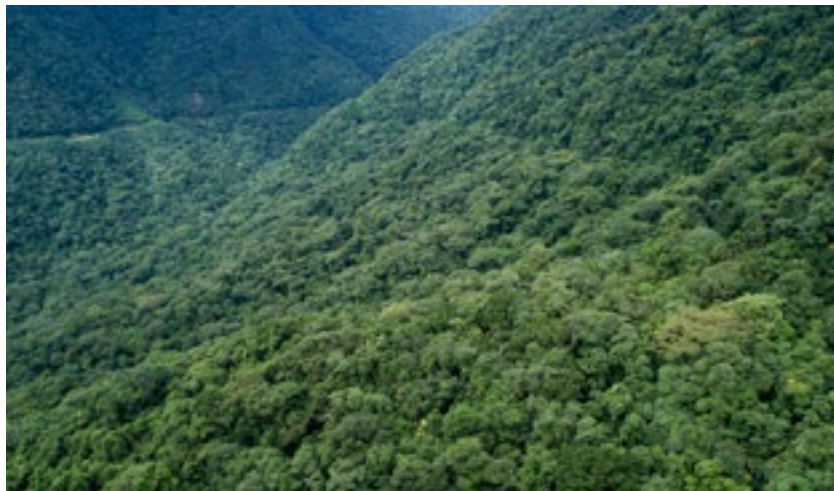
WE DEVELOP ONGOING PARTNERSHIPS WITH CONSERVATION UNITS (CU) SURROUNDING OUR OPERATIONS. OUR PARTNERSHIPS FOCUS THE CONSERVATION BY MEANS OF RECOVERY OF DEGRADED AREAS THROUGH COMPENSATORY PLANTING AND THE ERADICATION OF EXOTIC SPECIES TO REDUCE THE ENVIRONMENTAL PRESSURE OF THESE SPECIES ON THE REGENERATION OF NATURAL ENVIRONMENTS AND THEIR ECOLOGICAL CYCLES.

Our goal is to eradicate, within a decade, the exotic species inventoried in the right-of-way overlapping the Conservation Units based on an adequate management plan.

In 2020, 50,500 seedlings were planted. Our planting meets the commitments made to restore native areas, with development, maintenance, and monitoring according to plan. The goal is to cultivate seedlings as planned for each biome, so as to allow the evolution of the ecological processes of the forest fragments,

with the entrance of new species from nearby fragments and the visitation of animals in search of habitat and food, enabling the formation of ecological corridors, which are key to the sustainability of the system.

Our concern with protecting the animals that inhabit the regions where we operate is revealed in initiatives such as the *Faunoduto*, tunnel passages installed underneath the access roads to our terminal in Itirapina. They link forest restoration areas and ensure that animals can cross safely, with no risk of being run over. By means of cameras installed at the crossings, we have already recorded crossing of capybaras, agoutis, maned wolves, armadillos and red deer. Our posts on social media about the initiative received more than 106,300 views.



Along the same lines, in Rio Grande do Sul, in regions of lakes or rivers near the track, we installed 205 crossings between sleepers, specific for D'Orbigny's sliders, an endemic and endangered species of turtle that is prevalent in the state. These animals can get stuck between the rails when trying to cross the railroad and end up dying from heat and dehydration. In order to improve the signaling of the passages for the ballast maintenance team, 20 signs were installed. In two monitoring campaigns after the measures were implemented, no deaths of the species were recorded at the sites.

We also installed, in September, the first ten artificial nests in the surroundings of the Roça Nova station, at the beginning of Paraná's Serra do Mar, as prototypes to test the birds' acceptance. The goal of the initiative is to expand the shelter spaces for birds in places close to the areas where vegetation suppression activities are carried out. In the last inspections carried out to check the nests and install cameras, we have already registered the appearance of a green-billed toucan and a cocoa woodcreeper.

In 2020, 2,567 animals were rescued and chased away from our work fronts. As for the list of species included on the IUCN Red List and on national conservation lists with habitats located in areas affected by operations, it has remained unchanged since 2017, when the Monitoring and Mitigation Program was discontinued. The species *Trachemys dorbigni*, previously considered of low concern (LC) on the national list, is now classified as near threatened (NT). The species is the target of the Plan for Roadkill Mitigation in the South Network. Regarding the IUCN, no critically endangered species were recorded. As for endangered, two species were identified, in addition to 13 vulnerable, 15 near threatened, and 281 of little concern. On the national MMA list, two critically endangered, three endangered, 20 vulnerable, one near threatened, and 44 of low concern were recorded. **GRI 304-4**

Emissions

AGAINST THE BACKDROP OF THE GROWING DEMAND FOR DEVELOPMENT COMBINED WITH SUSTAINABILITY, RAIL TRANSPORTATION PLAYS AN IMPORTANT ROLE IN COMPARISON WITH OTHER MODES.

By transporting mainly agricultural commodities, we play a relevant role in the development of the local economy, positioning us as an ally in the transition to a low-carbon economy, in view of our effective logistics solution, seeking to minimize the environmental impacts caused.

Since 99.15% of our emissions come from diesel consumption by the locomotives, we have an energy efficiency department, divided into North and South Operations, to monitor the specifics of each operation, analyze the scenarios, and develop strategies to reduce consumption, linked to investments in fleet renewal, track revitalization, technology equipment, and expansion of terminal capacity.

In the year, we already reached a 9.4% reduction. For 2021, the volumes are being revised in order to make the target more challenging, and we are also evaluating the possibility of inserting a target for scope 2. We also promoted a study of tools and criteria contained in the Science Based Target Initiative (SBTi) for the adequacy of our target, which should occur in 2021.

The railway can transport large quantities with lower emissions in relation to other modes. An example are agricultural commodities, which account for about 80% of our total transported cargo, whose production increases every year, but with lower emissions. In 2020, even with production 4% higher, there was a 6% drop in absolute emissions.

We have also constantly evolved in the aspect of emissions management and reporting, establishing targets, reporting on relevant indexes, internal and external communication of the railway's competitive advantage in relation to other modes and, mainly, demonstrating the advance in relation to energy efficiency. In 2020, we expanded the disclosure of emissions, with quantitative reporting of relevant indexes, such as the first report of 2019 in the GHG Protocol, in the Gold Category; response to the CDP questionnaire with a score upgrade from D+ to B-; reporting and composition of the ICO2 portfolio; and reporting for the second consecutive year in the Paraná Climate Seal, with the achievement of the Gold Plus category, applied to companies that have their inventories validated by a third party, with proven emission reductions.

Among our actions and commitments we published in 2020, two of them are related to emissions management:



Check and annually publish the GHG inventory

Reduce emissions by 15% per revenue ton kilometer (RTK)

Operating Efficiency

In the North Operation, the circulation of 120-railcar trains, the optimized use of locomotives on empty trains, the reduction of stops, and the record use of semi-autonomous driving resulted in savings of 11.4 million liters of fuel in relation to the volume budgeted for the period. This represents R\$29 million less than expected for the year, considering the efficiency impact calculated with the value of diesel set by the 2020 budget. Thus, compared to 2019 we had the following reductions in emissions:

57,269
tons of CO₂ equivalent

10% OF THE 15% OF OUR ESG COMMITMENT

EQUIVALENT TO
THE EMISSION OF:



6,605
HOMES PER YEAR



12,369
CARS PER YEAR



Adding the emissions reduction with energy efficiency gains since 2015, we have avoided approximately 1.2 million tons of CO₂ equivalent in the atmosphere.

Also considering the competitive advantage that railways have over roads, with emissions about seven times more efficient, if the entire volume transported by trains were transported by trucks, the emission would be more than 6 million tons of CO₂ equivalent into the atmosphere. With more efficient and cleaner transportation, we avoid more than 5 million tons.

Indirect emissions also decreased in the year compared to 2019, as a result of the reduction in the monthly emission factor, based on the values released by the GHG Protocol and the Ministry of Science, Technology and Innovation. There was, however, an increase in total consumption in the North Operation and a reduction in the South Operation, which may be due to the 4% expansion in total production and in the receiving and loading capacity of the terminals that operate on a 24-hour regime.

Another highlight of the year was the start of accounting for our scope 3 emissions with data for 2020, which comprise emissions arising from our activities, but from sources that are not owned or controlled by us. The initiative is not mandatory and enables organizations to analyze and develop actions to improve management and identify opportunities for cost reduction, process optimization, and the consequent reduction of GHG emissions.

Due to the characteristic of service provision, the categories applicable to us were analyzed and calculation assumptions were considered for the items that are most relevant, verified by external auditors that confirm the credibility of the information for public reporting. These are: goods and services acquired, capital goods, waste generated in operations, business travel, and employee commuting. **GRI 305-3**

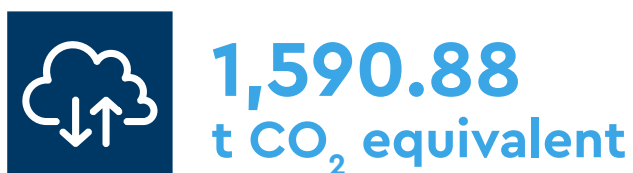


**1.2
million**

**Tons of CO₂
equivalent we
have avoided
in the atmosphere**

Other Greenhouse Gas emissions (t CO ₂ equivalent) ⁸ GRI 305-3	
2020	
Goods and services acquired	
Capital goods	240,706.45
Energy-related activities (those not included in Scope 1 or 2 emissions) and fuels	317,198.73
Upstream transport and distribution	.00
Waste generated in operations	3,672.91
Business travel	12,758.36
Employee commuting	2,914.20
Assets leased (upstream)	264.66
Other activities (upstream)	N/A
Outras atividades (a montante)	N/A
Subtotal	577,514.51

8. Data audited by an independent third party (Instituto Totum).



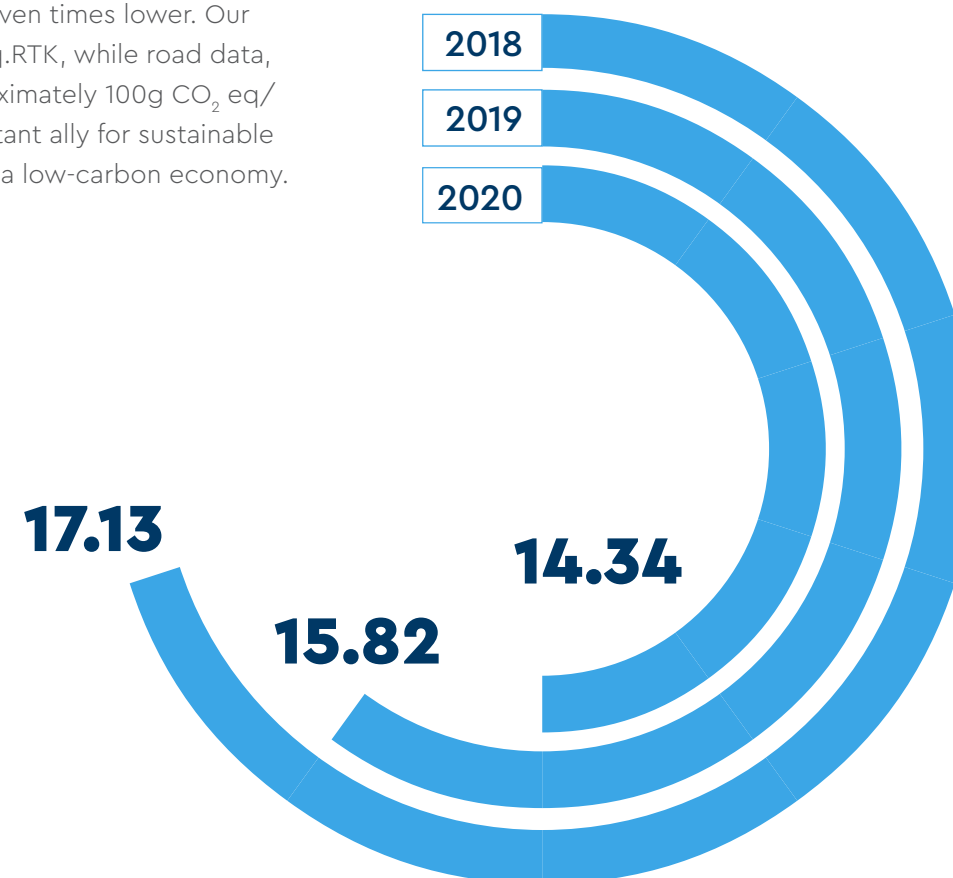
Biogenic emissions
of CO₂ em 2020 ³⁰⁵⁻³

1) Gas emissions reported under scope 1 have been included. The specific metric used was MMRTK, with 55,881 for 2018; 60,096 for 2019 and 62,458 for 2020.

As for energy intensity, it is calculated - in gCO₂ eq/RTK - from the absolute emissions, considering the production data of the year, compared to previous years.

In addition to the significant gains recorded in 2020, with a 33% reduction in specific emissions since 2015, we maintain a competitive advantage in relation to other modes of transport, especially road transport, in which emissions are about seven times lower. Our emission factor is 14.34 gCO₂ eq.RTK, while road data, according to the IPCC, is approximately 100g CO₂ eq/RTK, and railroads are an important ally for sustainable development and for achieving a low-carbon economy.

Intensity of Greenhouse Gas Emissions (gCO₂ eq/RTK)¹ GRI 305-4



We also carry out air quality measurements at the Itirapina, Jaú and Sumaré terminals, a requirement of the terminals' operating licenses and the characteristics of the environment where the loading and unloading of trains takes place.

At the Rondonópolis Terminal, the monitoring of emissions is done in Chimney 1 and 2 of the Fertilizer Unloading Hopper, according to Cetesb's methods, equivalent to those standardized by the Brazilian Association of Technical Standards (ABNT) and the United States Environmental Protection Agency – Usepa.

At the Jaú and Itirapina Terminal, two points, P1 and P2, were designated for air sampling, performed every other day for 24 hours, totaling seven collections per point. The selected points followed the criterion of being representative of the region and its surroundings, respecting logistical, infrastructure, and environmental aspects.



The terminals of Jaú, Itirapina, Santos and Rondonópolis are the main terminals for loading and unloading our cargo. Because of the movement of trucks, cargo, and trains, it is possible that particulate matter accumulates in the air. Therefore, this material is monitored to ensure compliance with the legislation, allowing for the well-being of employees and the surrounding populations.

Brazil's National Environmental Board (Conama) does not establish maximum emission limits for air pollutants from this type of source. Monitoring aims to measure any contribution of emissions to air quality.









The mass of particulate material collected is quantified by gravimetric analysis. The concentration is obtained by the ratio between the mass of particulate material and the volume of the sampled gas. The results of the measurements performed on the terminals are as follows.

GRI 305-7 | SASB TR-RA-120A.1.








RONDONÓPOLIS TERMINAL

Point 1: **10.15** mg/Nm³ 
 Point 2: **9.43** mg/Nm³ 








PORT LOADING TERMINAL

Point 01: **3.30** mg/Nm³ 
 Point 02: **2.82** mg/Nm³ 
 Point 03: **15.80** mg/Nm³ 
 Point 04: **2.88** mg/Nm³ 
 Point 05: **14.71** mg/Nm³ 
 Point 06: **5.23** mg/Nm³ 
 Point 07: **3.67** mg/Nm³ 
 Point 08: **7.28** mg/Nm³ 

JAÚ TERMINAL

Point 01: **166.3** ug/m³ 
 Point 02: **50.3** ug/m³ 
 Point 03: **65.2** ug/m³ 
 Point 04: **25.7** ug/m³ 
 Point 05: **111** ug/m³ 
 Point 06: **30.3** ug/m³ 
 Point 07: **78.0** ug/m³ 

ITIRAPINA TERMINAL

Point 01: **469.3** ug/m³ 
 Point 02: **159.8** ug/m³ 
 Point 03: **126.5** ug/m³ 
 Point 04: **13.7** ug/m³ 
 Point 05: **156.2** ug/m³ 
 Point 06: **62.3** ug/m³ 
 Point 07: **203.1** ug/m³ 

Waste

OUR PERFORMANCE IS DEDICATED TO THE ADEQUATE MANAGEMENT OF WASTE, FOCUSED ON MINIMIZING ENVIRONMENTAL IMPACTS, SEEKING SUSTAINABLE DESTINATION ALTERNATIVES WITH PARTNERS.

Based on compliance with the current legislation and technical standards applicable to correct waste management, relevant aspects and impacts of the operation are periodically evaluated and control measures are taken.

The management is divided by sections and units to facilitate the understanding of the operational reality of each location, with monthly monitoring of the aspects, guided by a standard performance based on corporate procedures, in addition to training and qualification. In 2020, due to the pandemic, online training was intensified for the dissemination of practical guidelines applied to day-to-day activities.

The volume of waste generated in 2020 was in line with the previous year. Applying the circular economy concept, the materials sent for recycling - 82% of the total - remained the most significant, considering the inputs used in the track, such as scrap rails, ties, and rolling stock.

In the case of ties, we follow the environmental authorization issued by IAT for the commercialization and donation of the pieces for noble purposes. The customers interested in the tie batches must have their documents approved, and the parts are submitted to reports to assure us that they have not been treated with chemical products. The scrap metal, on the other hand, is sold to companies that promote its recycling, and the used oil is sent for re-refining.



Water & Effluents

OUR WATER AND EFFLUENTS MANAGEMENT IS BASED ON MONITORING THE QUALITY OF SUPPLY WATER UNDER OUR RESPONSIBILITY, AS WELL AS THE TREATMENT OF EFFLUENTS THROUGH OUR SEWAGE TREATMENT STATIONS.

In 2020, the amount of effluents generated was lower than in 2019 due to production and harvest variability, which impacts locomotive and railcar washing activities.

The effluent treatment stations (ETE) are installed in the units where locomotives, railcars and parts are washed, thus generating effluents with oil or organic waste, in the case of railcar washing for the exchange of the product to be transported. The ETE operation is carried out by third-party companies that perform monthly analyses and follow-ups of the effluents that, after being treated, are discharged into the rainwater system.

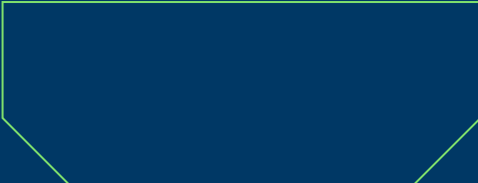
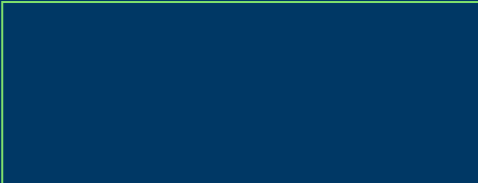
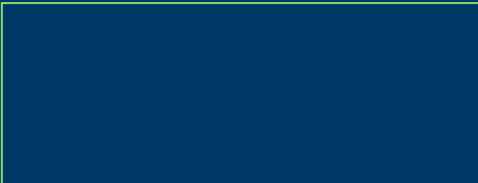
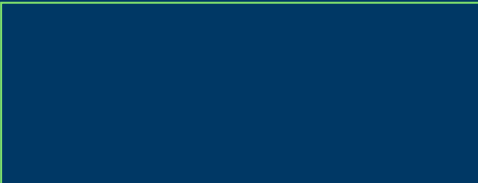
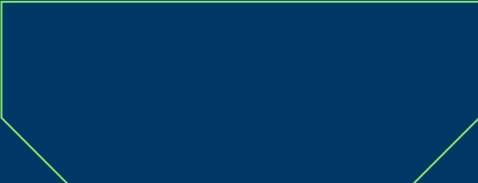
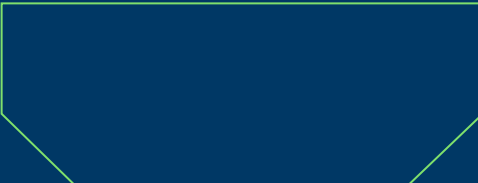
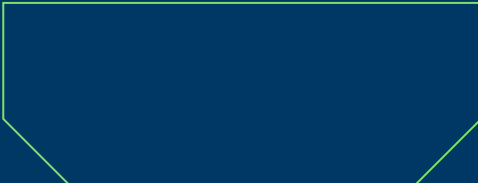
The effluents receive physical-chemical treatment, in accordance with the quality standards defined by the legislation and by the environmental agencies, and the data are presented annually to Ibama, in compliance with the licensing conditions.

Regarding water, we do not operate in areas of water stress, and all our disposal is fresh water. In 2020 we recorded a reduction in water consumption of about 5,000 m³ compared to 2019,

as a result of factors such as changes or optimization of the production process and the reduction of administrative staff in the units due to the adoption of a home office regime.

We often promote internal campaigns and publications to encourage reduced consumption and care for natural resources, including practices to reduce water consumption. In 2020 we created training encouraging conscientious consumption actions that have already been carried out by 1,588 employees.

Appendix of GRI and SASB



Indicators Appendix

Total number of employees by employment contract and gender GRI 102-8						
	2019			2020		
	Men	Women	Total	Men	Women	Total
Definite time	278	149	427	283	158	441
Indefinite time	7,582	588	8,170	8,114	680	8,794
Total	7,582	149	8,597	8,397	838	9,235

Total number of employees by employment contract and region GRI 102-8						
	2019			2020		
	Definite time	Indefinite time	Total	Definite time	Indefinite time	Total
North Region	0	0	0	0	22	22
Northeast Region	0	0	0	1	117	118
Midwest Region	69	1,083	1,152	121	1,220	1,341
Southeast	175	3,358	3,533	123	3,735	3,858
South	183	3,729	3,912	196	3,700	3,896
Total	427	8,170	8,597	441	8,794	9,235

Total number of employees by employment type and gender GRI 102-8						
	2019			2020		
	Men	Women	Total	Men	Women	Total
Full time	7,736	624	8,360	7,258	738	7,996
Part time	124	113	237	1,139	100	1,239
Total	7,860	737	8,597	8,397	838	9,235

Total number of contractors GRI 102-8		
	2019	2020
	5,609	8,341

Total number and ratio of new hires by gender ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
Men	995	12%	706	8%
Women	262	3%	229	2%
Total	1,257	15%	935	10%

1. The ratio considers the number of new hires divided by the total number of employees.

Total number and ratio of new hires by age group ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
Under 30	733	9%	396	4%
Between 30 and 50	507	6%	520	6%
Over 50	17	0.2%	19	0.2%
Total	1,257	15%	935	10%

1. The ratio considers the number of new hires divided by the total number of employees (9,235).

Total number and ratio of new hires by region ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
North Region	0	0%	0	0%
Northeast Region	0	0%	8	0,1%
Midwest Region	286	3%	279	3%
Southeast	444	5%	333	4%
South	527	6%	315	3%
Total	1.257	15%	935	10%

1. The ratio considers the number of new hires divided by the total number of employees (9,235).

Indicators Appendix

Total number of dismissals and turnover rate by gender ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
Men	1,096	13%	852	9%
Women	206	2%	194	2%
Total	1,302	15%	1,046	11%

1. The ratio considers the number of dismissals divided by the total number of employees (9,235).

Total number of dismissals and turnover rate by age group ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
Under 30	639	7%	474	5%
Between 30 and 50	581	7%	514	6%
Over 50	82	1%	58	0.6%
Total	1,302	15%	1,046	11%

1. The ratio considers the number of dismissals divided by the total number of employees (9,235).

Percentage of members of the Board of Directors by gender ¹ GRI 405-1		
	2020	
	Men	Women
	92%	8%

1. Considering the composition on 12/31/2020

Total number of dismissals and turnover rate by region ¹ GRI 401-1				
	2019		2020	
	Total number	Ratio	Total number	Ratio
North Region	0	0%	0	0%
Northeast Region	0	0%	15	0.2%
Midwest Region	286	3%	232	3%
Southeast	444	5%	362	4%
South	527	6%	437	5%
Total	1,257	15%	1,046	11%

1. The ratio considers the number of dismissals divided by the total number of employees (9,235).

Percentage of employees by functional category and gender ¹ GRI 405-1		
	2020	
	Men	Women
Chairman and vice-chairman	100%	0%
Officers	89%	11%
Managers	82%	18%
Coordinators and Experts	80%	20%
Analysts and technicians	77%	23%
Operators	95%	5%
Total	92%	8%

1. Currently, we do not have any self-declared black and brown people connected to the position, only a general number collected in 2019 via climate survey. The number also lacks gender representation. In September 2021, we will conduct a survey to gather this information.

Percentage of employees by functional category and age group GRI 405-1			
	2020		
	Under 30	Between 30 and 50	Over 50
Chairman and vice-chairman	0	50%	50%
Officers	0%	94%	6%
Managers	4%	90%	6%
Coordinators and Experts	11%	80%	9%
Analysts and technicians	34%	56%	10%
Operators	22%	56%	12%
Total	22%	66%	12%

Percentage of employees with disabilities by functional category and gender GRI 405-1			
	2020		
	Men	Women	Total
Chairman and vice-chairman	0.0%	0.0%	0.0%
Officers	0.0%	0.0%	0.0%
Managers	0.0%	0.0%	0.0%
Coordinators and Experts	0.6%	0.8%	0.6%
Analysts and technicians	2.9%	4.3%	3.2%
Operators	1.4%	3.5%	1.5%
Total	1.5%	3.3%	1.7%

Indicators Appendix

Ratio between the base salary for women and men by functional category¹ GRI 405-2

	2020
Officers	0.68
Managers	0.89
Coordinators and Experts	0.96
Analysts and technicians	1.10
Operators	0.99
Total	0.76

1. We are starting an analysis on pay equity to base a plan for adjusting this differential. For the salary indicator, we considered the average salary in December 2020 for each functional category. The total refers to the average of all compensation in December. The positions of Chairman and Vice-chairman were not considered.

Percentage of senior management of major operating units hired from the local community GRI 202-2

	2018	2019	2020
Total senior management members	21	21	22
Senior management members hired from the local community	21	21	22
Percentage of senior management hired from the local community	100%	100%	100%

Average training hours per employee by gender GRI 404-1

	2019		2020	
	Training hours	Average training hours	Training hours	Average training hours
Men	359,362.96	45.22	235,550.00	30.27
Women	30,900.00	40.77	60,876.00	74.06
Total	390,262.96	44.83	296,426.00	34.46

Average training hours per employee by functional category GRI 404-1

	2020	
	Horas de treinamento	Média de horas de treinamento
Chairman and vice-chairman	21	3.50
Directors and executive officers	0	0.00
Officers	232	12.89
Managers	4,327.00	25.60
Coordinators and Experts	18,680.00	29.14
Analysts and technicians	20,693.00	28.12
Operators	229,227.00	34.14
Other	23,246.00	73.56
Total	296,426.00	34.46

Health and safety rates and numbers for employees¹

GRI 403-9 | GRI 102-48 | SASB TR-RA-320A.1.

	2019	2020
Number of deaths as a result of work-related injuries	0	1
Ratio of deaths as a result of work-related injuries	0.00	0.04
Number of work-related injuries of high consequence (excluding fatalities)	4	2
Ratio of work-related injuries of high consequence (excluding fatalities)	0.17	0.09
Number of reportable work-related injuries	8	4
Ratio of reportable work-related injuries	0.34	0.17

1. Total hours worked by employees recalculated for 2019 was 23,811,314; in 2020, it was 23,423,580. All the ratios calculated in this report are considering 1,000,000 hours worked as a reference. The current rates do not consider the initial Central Network Operation in 2020, since this is a specifically non-railway activity (construction) in the period of assessment.

Indicators Appendix

Employee health and safety rates by operation - North and South GRI 403-9 GRI 102-48				
	2019		2020	
	North	South	North	South
Number of deaths as a result of work-related injuries	0	0	0	1
Ratio of deaths as a result of work-related injuries	0	0	0	0.04
Number of work-related injuries of high consequence (excluding fatalities)	2	2	2	0
Ratio of work-related injuries of high consequence (excluding fatalities)	0.08	0.08	0.09	0
Number of reportable work-related injuries	4	4	2	2
Ratio of reportable work-related injuries	0.17	0.16	0.09	0.08

1. Total hours worked by employees recalculated for 2019 was 23,811,314; in 2020, it was 23,423,580. All the ratios calculated in this report are considering 1,000,000 hours worked as a reference. The current rates do not consider the initial Central Network Operation in 2020, since this is a specifically non-railway activity (construction) in the period of assessment. In the rates by region, we have only the division by North and South Operation, which correspond to: North Operation: states of São Paulo and Mato Grosso; and South Operation: states of Paraná, Santa Catarina, Rio Grande do Sul, Mato Grosso do Sul, where we have operations, respectively.

Employee health and safety ratio by gender GRI 403-9 GRI 102-48				
	2019		2020	
	Men	Women	Men	Women
Number of deaths as a result of work-related injuries	0	0	1	0
Ratio of deaths as a result of work-related injuries	0	0	0.04	0
Number of work-related injuries of high consequence (excluding fatalities)	4	0	2	0
Ratio of work-related injuries of high consequence (excluding fatalities)	0.17	0	0.09	0
Number of reportable work-related injuries	8	0	4	0
Ratio of reportable work-related injuries	0.34	0	0.17	0

1. Total hours worked by employees recalculated for 2019 was 23,811,314; in 2020, it was 23,423,580. All the ratios calculated in this report are considering 1,000,000 hours worked as a reference. The current rates do not consider the initial Central Network Operation in 2020, since this is a specifically non-railway activity (construction) in the period of assessment.

Health and safety ratios and numbers for all workers who are not employees, but whose work and/or workplace is controlled by the organization GRI 403-9 GRI 102-48		
	2019	2020
Number of deaths as a result of work-related injuries	0	0
Ratio of deaths as a result of work-related injuries	0.00	0.00
Number of work-related injuries of high consequence (excluding fatalities)	1	3
Ratio of work-related injuries of high consequence (excluding fatalities)	0.07	0.16
Number of reportable work-related injuries	7	6
Ratio of reportable work-related injuries	0.52	0.33

1. Total hours worked by contractors in 2019 was recalculated to 13,444,906; in 2020, the figure was 18,461,412. All the ratios calculated in this report are considering 1,000,000 hours worked as a reference. The current rates do not consider the initial Central Network Operation in 2020, since this is a specifically non-railway activity (construction) in the period of assessment.

Total number of employees, broken down by gender and functional category, who received regular performance and career development evaluations GRI 404-3						
	2019			2020		
	Men	Women	Total	Men	Women	Total
Chairman and vice-chairman	5	0	5	5	0	5
Directors and executive officers	2	0	2	1	0	1
Officers	12	0	12	14	2	16
Managers	108	20	128	126	25	151
Coordinators and Experts	413	91	504	654	123	777
Analysts and technicians	1,165	310	1,475	331	209	540
Operators	5,699	135	5,834	6,369	373	6,742
Total	7,404	556	7,960	7,500	732	8,232

Total number and percentage of members of the governance body who have been informed and trained on anti-corruption policies and procedures						
GRI 205-2						
	2018	2019	2020			
	Informed	Trained	Informed	Trained	Informed	Trained
Total number of members informed/trained	16	0	16	4	0	0
Percentage of members informed/trained	69.57%	0.00%	69.57%	17.39%	0.00%	0.00%

Total number and percentage of employees who have been informed and trained on the policies and procedures, by functional category						
GRI 205-2 102-48						
		2019		2020		
Functional category	Employees	Informed	Trained	Informed	Trained	
Officers	total number of employees informed/trained	-	-	24	9	
	percentage of employees informed/trained	-	-	100%	38%	
Managers	total number of employees informed/trained	85	85	166	66	
	percentage of employees informed/trained	-	-	100%	40%	
Experts and Coordinators	total number of employees informed/trained	-	-	635	160	
	percentage of employees informed/trained	-	-	100%	25%	
Analysts and Technicians	total number of employees informed/trained	-	-	1,595	329	
	percentage of employees informed/trained	-	-	100%	21%	
Assistants	total number of employees informed/trained	85	85	6,815	1,351	
	percentage of employees informed/trained	0.99%	0.99%	100%	20%	
Total	total number of employees informed/trained	170	170	9,235	1,915	
	percentage of employees informed/trained	1.98%	1.98%	100%	21%	

Note: The reporting methodology was changed in 2020. In 2020, the main anti-corruption trainings were "Compliance - What is it", "Compliance - How to do it", "Code of Conduct" and "Moral Harassment Workshop". One training session per employee was counted, regardless of the number of participations in the anti-corruption training sessions.

Indicators Appendix

Activity Metrics SASB TR-RA-000		
	2019	2020
TR-RA-000.A: Number of carloads transported	57,674	58,985
TR-RA-000.B: Number of intermodal units transported	82,182	82,771
TR-RA-000.C: Route km	13,592	13,592
TR-RA-000.D: Revenue per ton km (RTK)	60,096	62,458
TR-RA-000.3E: Number of employees	8,597	9,235

Suppliers with negative social impacts GRI 414-2			
Suppliers with negative social impacts	2018	2019	2020
Number of suppliers evaluated in social impacts	2,673	2,807	3,012
Number of suppliers identified as having significant actual and potential negative social impacts	78	154	193
Number of suppliers identified as having significant actual and potential negative social impacts, with which the improvements were agreed upon as a result of the evaluation	74	147	190
Percentage of suppliers identified as having significant actual and potential negative social impacts, with which the improvements were agreed upon as a result of the evaluation	94.87	95.45	98.45
Number of suppliers identified as having significant actual and potential negative social impacts, with which the relationship was ended as a result of the evaluation.	4	7	3
Percentage of suppliers identified as having significant actual and potential negative social impacts, with which the relationship was ended as a result of the evaluation.	5.13	4.55	1.55

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Percentage of operations with local community engagement, impact assessments, and/or development programs GRI 413-1			
	2019	2020	Initiative Description
Social impact assessments, including gender impact assessments, based on participatory processes	0%	20%	A Participatory Socio-Environmental Diagnosis is underway
Assessment of environmental impacts and ongoing monitoring	100%	100%	In all operations we carry out impact assessments as part of the operation's conditions
Public disclosure of the results of environmental and social impact assessments	60%	60%	Publication of the Sustainability Report, Annual Reports for environmental agencies and social media posts
Local development programs based on the needs of local communities	60%	70%	Cultivar Project – Development of a nursery in Cubatão Paranaiguara Prison – training project for the female inmates Dikaion – industrial bakery, resources for the project for underprivileged children Community gardens - aimed at hunger eradication and income generation Santa Casa of Rondonópolis – construction of an access ramp for patients
Stakeholder engagement plans based on stakeholder mapping	40%	100%	DSP – Diagnóstico Socioambiental Participativo Parceria com o Detran – PR (segurança ferroviária) Setran – PR (sinalização ferroviária) Secretaria de Educação (educação ambiental) Programa de Voluntariado (ações com instituições próximas a linha ferrea)
Committees and processes of wide consultation with the local community including vulnerable groups	40%	40%	Participatory Socio-environmental Diagnostic Environmental Education Workshops Rumo Institute Participation in the groups of the Advisory Office for People with Disabilities in Curitiba
Labor councils, occupational health and safety committees, and other employee representative bodies to discuss impacts	40%	100%	Cipa Cípias Covid Committee PN Multidisciplinary Group Peseg Committee – Community Working Group – Horns
Formal complaints and grievance processes by local communities	20%	100%	Implementation of the Relationship Channel via a toll-free telephone number available 24/7

Indicators Appendix

Operational units within or adjacent to protected areas and areas of high biodiversity value outside protected areas GRI 304-1						
Name of Conservation Unit	Crosses the Railway	Network	CU Category	Scope	Created in	Legal Act of Creation
MUNICIPAL NATURAL PARK OF PIRAPUTANGAS	Yes	West	Park	local	2003	Decree no. 078 from 05/22/2003
ECO-STATION OF ITIRAPINA	Yes	Paulista	Eco Station	state	1984	Decree no. 22,335 from 06/08/1984
SERRA DO MAR STATE PARK	Yes	Paulista	Park	state	1977	Decree no. 10,251 from 08/31/1977
NATIONAL PARK OF CAMPOS GERAIS	Yes	South	Park	federal	2006	Decree from 03/24/2006
BIOLOGICAL RESERVE OF ARAUCÁRIAS	Yes	South	Biological Reserve	federal	2006	Decree from 03/24/2006
FOREST RESERVE OF MORRO GRANDE	Yes	Paulista	Forest Reserve	state	1949	Law no. 1949 from 04/04/1979
CAXAMBU STATE PARK	Yes	South	Park	state	1979	Decree no. 6,351 from 03/01/1979
PICO DO MARUMBI STATE PARK	Yes	South	Park	state	1990	Decree no. 7,300 from 1990
MUNICIPAL NATURAL PARK OF MATA RIO URUGUAI TEIXEIRA SOARES	Yes	South	Park	local	2008	Municipal Law from June 5, 2008
SERRA DA BAITACA STATE PARK	Yes	South	Park	state	2002	Dec. 5,765 from 07.05.2002
IGUAÇÚ ENVIRONMENTAL PROTECTION AREA	Yes	South	Environmental Protection Area	local	1991	Decree no. 410 from 07/25/1991
APA CORUMBATAÍ BOTUCATU TEJUPA BOTUCATU AREA	Yes	West	Environmental Protection Area	state	1983	Decree no. 20,960 from 06/08/1983
APA RIO BATALHA	Yes	Paulista/West	Environmental Protection Area	state	2001	Law no. 10,773 from 03/01/2001
STATE ENVIRONMENTAL PROTECTION AREA OF ESCARPA DEVONIANA	Yes	South	Environmental Protection Area	state	1992	Decree no. 1,231 from 03/30/1992
LAGOA VERDE ENVIRONMENTAL PROTECTION AREA	Yes	South	Environmental Protection Area	local	2005	Law no. 6,084 from 04/22/2005
PEDERNEIRAS STATE FOREST	Yes	Paulista	Forest	state	2002	Decree no. 47,099 from 09/19/2002
PIRAPUTANGA PARK ENVIRONMENTAL PROTECTION AREA	Yes	West	Environmental Protection Area	state	2000	Decree no. 9,937 from 06/06/2000
APA CORUMBATAÍ, BOTUCATU AND TEJUPÁ CORUMBATAÍ AREA	Yes	Paulista	Environmental Protection Area	state	1983	Decree no. 20,960 from 06/08/1983
PIRAQUARA STATE ENVIRONMENTAL PROTECTION AREA	Yes	South	Environmental Protection Area	state	1996	Decree no. 1,754 from 05/06/1996
APA TIETÊ	Yes	West	Environmental Protection Area	state	1983	Decree no. 20,959 from 06/08/1983
MUNICIPAL ENVIRONMENTAL PROTECTION AREA OF CAPIVARI-MONOS	Yes	Paulista	Environmental Protection Area	local	2001	Law no. 13,136 from 06/12/2001
STATE ENVIRONMENTAL PROTECTION AREA OF SERRA DA ESPERANÇA	Yes	South	Environmental Protection Area	state	1992	Law no. 9,905 from 01/27/1992
APA PIRACICABA JUQUERI MIRIM AREA I	Yes	Paulista	Environmental Protection Area	state	1991	Law no. 7,438 from 07/16/1991
APA JUNDIAÍ	Yes	Paulista	Environmental Protection Area	state	1984	Law no. 4,095 from 06/01/1984

Indicators Appendix

Operational units within or adjacent to protected areas and areas of high biodiversity value outside protected areas GRI 304-1						
Name of Conservation Unit	Crosses the Railway	Network	CU Category	Scope	Created in	Legal Act of Creation
APA ITUPARARANGA	Yes (Paulista)	Paulista/West	Environmental Protection Area	state	1998	Law no. 10,100 from 12/01/1998
IPANEMA NATIONAL FOREST	Yes	West	Forest	federal	1992	Decree no. 530 from 05/20/1992
A.P.A R. ARAG. C RR. RICO, C. MAG., R. ARAGUAINHA	Yes	North	Environmental Protection Area	local	2001	Law no. 1,318/01 rom 11/29/01
APA ARAGUAIA RIVER SPRING	Yes	North	Environmental Protection Area	local	2002	Law no. 314/02 from 08/19/2002
APA RIBEIRÃO DO SAPO	Yes	North	Environmental Protection Area	local	2002	Law no. 314/02 from 08/19/2002.
MUNICIPAL APA OF SUCURIU RIVER SPRING	Yes	North	Environmental Protection Area	local	2005	Municipal Decree no. 3464
MUNICIPAL APA OF SUCURIU RIVER BASIN	Yes	North	Environmental Protection Area	local	2005	Municipal Decree no.1250 2005
MUNICIPAL APA OF CEROULA AND PIRAPUTANGA STREAMS	Yes	West	Environmental Protection Area	local	2005	Municipal Decree no. 1831 2005
MUNICIPAL APA OF LAJEADO STREAM SOURCE	Yes	West	Environmental Protection Area	local	2001	Municipal Decree no.8265
MUNICIPAL APA SUB-BASIN OF APOREÍ RIVER	Yes	North	Environmental Protection Area	local		
APA DELTA DO JACUÍ	Yes	South	Environmental Protection Area	state	2005	State Law no. 12,371/2005
METROPOLITAN STATE FOREST	Yes	South	Forest	state	1988	Decree no. 4,404
MUNICIPAL NATURAL PARK OF MORROS	Yes	South	Park	local	2016	Decree no.74/2016 from 09/06/2016
APA Lago de Palmas	Yes	Central	Environmental Protection Area	state	1999	Law no. 1,098 from 10/20/1999
APA João Leite	Yes	Central	Environmental Protection Area	state	2002	Decree no. 5,704 from 2002; Decree no. 5,845 from 2003
APA Serra da Jibóia	Yes	Central	Environmental Protection Area	state	2000	Decree 5,176 from 02/29/2000
PE da Serra de Jaraguá	Yes	Central	State Park	state	1998	Law no. 13,247 from 01/13/1998
APA FAZENDA PRIMAVERA	Yes	Central	Environmental Protection Area	local	2018	Decree no. 206/2018 from 09/30/2018
RPPN Fazenda Palmeira	Yes	Central	Private Reserve of Natural Heritage	Federal	0	
RPPN Fazenda Santa Branca	Yes	Central	Private Reserve of Natural Heritage	Federal	0	

Indicators Appendix

Significant impacts of activities, products and services on biodiversity GRI 304-3

Aspect	Description of related direct and indirect impacts
Construction or use of factories, mines, and transportation infrastructure;	<p>The main direct impacts on biodiversity are related to the railway's expansion and operation projects, all licensed by Ibama and environmental agencies, where its development is supported by specific environmental programs, in order to mitigate and minimize impacts, both environmental and social, and the related environmental compensation.</p> <p>The direct impacts are the reduction of vegetation cover directly related to the new projects, and with this, indirect impacts on fauna, such as the reduction of the area available for habitat, nesting, and gene exchange through ecological corridors.</p>
Pollution (introduction of substances that do not naturally occur in the habitat, from point and non-point sources);	The main issue in Rumo's operations is the pollution arising from air emissions from rail operations, where the company has been working promptly on improving and modernizing its operational fleet and modeling more efficient trains.
Species reduction;	<p>Fauna: The process of reducing the biodiversity of wild fauna is due to the fragmentation of habitats, the barrier effect caused by the infrastructure, with a reduction in the gene flow and the loss of individuals due to being run over, caused by the railway operation. Rumo has already started implementing mitigation measures for fatalities involving D'Orbigny's slider (terrapin) and tortoises. This year will see the start of the Plan to Mitigate Wildlife Roadkill in the North Network, focused on medium and large mammals, with the installation of strategic fences in critical stretches, in addition to wildlife crossings. These measures will be implemented throughout the years.</p> <p>Flora: Regarding the flora, the reduction of species is related to vegetation suppression to carry out projects and maintenance, culminating in the reduction of species numbers and possible impacts on the gene flow between adjacent areas that remain.</p>
Habitat conversion	Habitat conversion is related to the establishment of new areas for the railway's expansion projects, but the areas are very much related to previously anthropized and degraded environments, mainly due to their location and proximity to urban centers or agribusiness hubs, so that the impacted areas do not correspond to highly relevant locations for habitats of native flora and fauna species.
Changes in ecological processes outside the natural range of variation, such as salinity or changes in the water table.	These types of impacts do not result from the activities carried out at the moment, where these impacts are evaluated in the construction of new railroads and terminals, being an indispensable aspect in the licensing phase of this type of venture.

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Aspect	Description of related direct and indirect impacts
Species affected	Fauna: Among the wild species most affected by railway operations are the six-banded armadillo, the nine-banded armadillo, the South American tapir, the giant anteater, the D'Orbigny's slider and the tortoise.
Extension of impacted areas	The impacted areas are all restricted to the right-of-way in place, serving the railway's expansion and maintenance projects. The total area volume for the period was about 30 hectares of intervention for the expansion projects.
Duration of impacts	The impacts on area conversion are permanent, as the sites become baseline infrastructure. This change generates environmental compensation, in order to offset the impact.
Reversibility or irreversibility of impacts	The environments impacted by the projects are reversible if the sites are no longer operational or with scope for deactivation, with restoration plans. However, it is currently not the company's scope to carry out these activities, as they conflict with the activity performed.

Protected and restored habitats GRI 304-2

Aspect	Itirapina Terminal	Flona do Ipanema	Rebio Planting
Size of habitat areas protected or restored, in km ² .	Planting of 40.8 hectares in Cerrado	Planting of 22 hectares in Atlantic Forest/Cerrado	Planting in 50-hectare islands in Pantanal
Location of the areas with protected or restored habitat	Rumo's rural area in APA Corumbataí Botucatu (state of São Paulo) (Sustainable Use-SP)	Ipanema National Forest (CU of Sustainable Use-SP)	Biological Reserve Marechal Cândido Rondon (CU of Full Protection-MS)
Whether the success of the restoration measures has been approved by independent external experts	Approved by Cetesb	Approved by Ibama and ICMBio	Approved by Ibama and SMMA Miranda/MS.
Whether there are partnerships with third parties to protect or restore habitat areas other than those in which the organization has overseen and implemented restoration or protection measures	Project execution by a contracted company	Project execution by a contracted company, area protected by Flona/ICMBio	Project execution by a contracted company, area protected by the Environmental Department of Miranda (state of Mato Grosso do Sul)
Status of each area based on its condition at the end of the reporting period	Planting completed, in the monitoring and maintenance phase	Planting completed, in the monitoring and maintenance phase	Planting completed, in the monitoring and maintenance phase
Standards, methodologies and assumptions adopted	Direct planting of seedlings in total area, following Ceterb's restoration guidelines	Direct planting of seedlings in total area, following ICMBio's restoration guidelines	Planting seedlings in islands of diversity, following the guidelines of the Mato Grosso do Sul environmental agency and Ibama (Federal District)

Indicators Appendix

Direct Emissions GRI 305-1 SASB TR-RA-110A.1. SASB TR-RA-110A.2.			
Direct Greenhouse Gas Emissions (t CO ₂ equivalent)	2018	2019	2020
Generation of electricity, heat or steam	670.00	362.00	571.00
Physical-chemical processing	0.00	0.00	0.00
Transportation of materials, products, waste, employees and passengers	954,149.00	947,602.00	892,330.00
Process emission	2,661.00	2,494.00	2,077.00
Fugitive emissions	7.00	299.00	388.00
Total gross emissions of CO ₂	957,487.00	950,756.00	895,366.00

1. The following gases were considered in the calculations above: CO₂ - Carbon dioxide; CH₄ - Methane; N₂O - Nitrous Oxide; HFCs - Hydrofluorocarbons. The reference year chosen for accounting is 2020, due to the continuity of emissions accounting. In that year, total emissions were 897,530 CO₂ equivalent. The methodology and emission factors are based on the GHG Protocol and audited annually by an independent third party (Instituto Totum). The consolidation chosen for the emissions is that of operational control.

Direct Greenhouse Gas Emissions (t CO ₂ equivalent) ¹						
	2015	2016	2017	2018	2019	2020
Total gross emissions of CO ₂	957,675	817,749	923,581	957,487	950,756	895,366

1. The following gases were considered in the calculations above: CO₂ - Carbon dioxide; CH₄ - Methane; N₂O - Nitrous Oxide; HFCs - Hydrofluorocarbons. The reference year chosen for accounting is 2020, due to the continuity of emissions accounting. In that year, total emissions were 897,530 CO₂ equivalent. The methodology and emission factors are based on the GHG Protocol and audited annually by an independent third party (Instituto Totum).

Indirect Emissions (t CO ₂ equivalent) ¹ GRI 305-2						
	2015	2016	2017	2018	2019	2020
	3,062.00	1,859.00	2,309.00	2,265.00	2,418.00	2,164.00

1. Gases included in the above calculation include CO₂ - Carbon dioxide; CH₄ - Methane; N₂O - Nitrous oxide; NF₃ - Nitrogen trifluoride. The reference year selected is 2020. Total emissions were 2,164.00t of CO₂ equivalent. The calculations are made according to the guidelines of the GHG Protocol Program, and the emission factors are updated monthly. The data was audited by an independent third party (Instituto Totum). The consolidation chosen for the emissions is that of operational control. To calculate electricity consumption, the Facilities department controls more than 380 consumer units, corresponding to support units, offices, track headquarters, overnight stays, etc. The invoices are received or extracted from the websites of the different concessionaires, due to Rumo's territorial extension, and controlled in a consolidated spreadsheet considering the financial aspect and consumption.

Intensity of Greenhouse Gas Emissions (gCO ₂ eq/RTK) ¹ GRI 305-4			
	2018	2019	2020
	17.13	15.82	14.34

1. Gas emissions reported under scope 1 have been included. The specific metric used was MMRTK, with 55,881 for 2018; 60,096 for 2019 and 62,458 for 2020.

GHG emission reductions achieved as a direct result of emission reduction initiatives (t CO ₂ equivalent) ¹ GRI 305-5		
	2019	2020
Reductions from direct emissions (Scope 1)	6,731.00	55,092
Reductions from indirect emissions of energy acquisition (Scope 2)	0.00	254.00
Reductions from other indirect emissions (Scope 3)	0.00	0.00
Total reductions of GHG emissions	6,731.00	55,346.00
Reductions from offsets	0.00	0.00

1. Gases included in the above calculation include CO₂ - Carbon dioxide; CH₄ - Methane; N₂O - Nitrous oxide; NF₃ - Nitrogen trifluoride. The reference year selected is 2018. In 2021, we started accounting for scope 3 for the years 2019 and 2020, considering the applicable categories for Rumo.

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Consumption of fuel from non-renewable sources (GJ) <small>GRI 302-1</small>		
	2019	2020
Diesel	14,141,666.00	11,876,114
Automotive gasoline	23,925.00	21,943
LPG	141.00	200.00
Lubricants	180,619.00	150,430.00
Total	14,346,351.00	12,048,687

Consumption of fuel from renewable sources (GJ)		
	2019	2020
Ethanol	10,231.00	7,249.83
Biodiesel	1,364,962.00	1,590,467.24
Total	1,375,193.00	1,597,717.08

Energy consumed (GJ)		
	2019	2020
Electricity	116,530.00	126,818.00
Heating	0.00	0.00
Refrigeration	0.00	0.00
Steam	0.00	0.00
Total	116,530.01	126,818.01

Total energy consumed (GJ)		
	2019	2020
Fuels from non-renewable sources	14,346,351.00	12,048,687.07
Fuel from renewable sources	1,375,193.00	1,597,717.08
Energy consumed	116,530.01	126,818.01
Energy sold	0.00	0.00
Total	15,838,074.01	13,773,222.16

Percentage of fuel consumed from renewable sources <small>SASB TR-RA-110A.3.</small>		
	2019	2020
	9.59%	13.26%

Reductions in energy consumption achieved directly as a result of conservation and efficiency improvements (GJ) <small>GRI 302-4</small>		
	2019	2020
Diesel	0.00	672,346.00
Gasoline	0.00	1,983.00
Ethanol	0.00	3,309.00
Lubricants	0.00	30,190.00
Electricity - South Operation	0.00	857.00
Total	0.00	708,685.00

The conversion factors from the National Energy Balance, also the source of 2019 data, were used. In 2019, there was no reduction in energy consumption. We included the data of GHG emission source inputs into a tool that follows the GHG Protocol guidelines and calculates the emissions from the volumes consumed and released, by its emission factor. To calculate the consumption of energy-related inputs, we considered information passed on by the departments responsible for control and centralized the data in the GHG inventory tool.

Total water discharge, broken down by destination (ML) <small>GRI 303-4</small>				
	2019		2020	
	All areas	Water-stressed areas	All areas	Water-stressed areas
Surface water, including wetlands, rivers and lakes	38.16	0.00	32.30	0.00
Groundwater/water tables	0.00	0.00	0.00	0.00
Seawater	0.00	0.00	0.00	0.00
Water from third parties, and the volume of that total sent for use in other organizations, if applicable.	0.00	0.00	0.00	0.00
Total	38.16	0.00	32.30	0.00

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Total water consumption GRI 303-5				
	2019		2020	
	All areas	Water-stressed areas	All areas	Water-stressed areas
Total water consumption in cubic meters (m ³)	167,485.00	0.00	162,907.00	0.00
Total water consumption in megaliters (ML)	167.49	0.00	162.91	0.00

Waste by composition, in metric tons (t) GRI 306-3	
	2020
Light bulbs	7.36
Health waste	0.21
Batteries	0.13
Contaminated solids	2,315.67
Construction	288.76
Organic waste	2,337.41
Various solids	3,755.30
Plant waste	292.02
Wood	547.27
ETE sludge	511.07
Used oil	1,252.00
Plastic scrap	47.22
Rubber scrap	44.73
Track scrap	14,099.16
Unusable tie scrap	3,434.69
Mixed iron scrap	28,380.48
Cardboard scrap	34.10
Metal drums	4.64
Total	57,352.2182

Waste not destined for disposal, in metric tons GRI 306-4		
		2020
Hazardous waste	Used oil	1,252.00
	Batteries	0.13
	Total	1,252.13
Non-hazardous waste	Organic waste	1,371.09
	Plastic scrap	47.22
	Rubber scrap	44.73
	Track scrap	14,099.16
	Unusable tie scrap	3,434.69
	Mixed iron scrap	28,380.48
	Cardboard scrap	34.10
	Metal drums	4.64
Construction	288.76	
Total	47,704.87	
Total		48,956.99

Waste not destined for disposal by recovery operation, in metric tons (t) GRI 306-4		
		2020
Hazardous waste	Preparation for reuse	0.00
	Recycling	1,252.13
	Other recovery operations	0.00
Total		1,252.13
Non-hazardous waste	Recycling	288.76
	Other recovery operations	47,416.11
	Total	47,704.87
Total		48,956.99

Note: all recovery operations were performed outside our premises. In our Good Practices guide there are several actions performed with materials that would be destined for final disposal and were reused internally, such as pallets, which were repurposed and used as benches for the coffee/break area. However, there is still no quantitative measurement of this indicator. All waste is recovered outside our operations.

Indicators Appendix

Waste destined for disposal, in metric tons GRI 306-5		
		2020
Hazardous waste	Light bulbs	7.36
	Health waste	0.21
	Batteries	0.008
	Contaminated solids	2,315.67
	Total hazardous waste	2,323,248
Non-hazardous waste	Organic waste	966.32
	Sundry waste	3755.3
	Plant waste	292.02
	Wood	547.27
	ETE sludge	511.07
	Total non-hazardous waste	6,071.98
Total		8,395,228

Waste destined for disposal by recovery operation, in metric tons (t) GRI 306-5		
		2020
Hazardous waste	Incineration (with energy recovery)	0.00
	Incineration (without energy recovery)	0.00
	Landfill containment	2,315.67
	Other disposal operations (Treatment and coprocessing)	7.58
	Total	2,323.25
Non-hazardous waste	Incineration (with energy recovery)	0.00
	Incineration (without energy recovery)	0.00
	Landfill containment	5,105.66
	Other disposal operations (coprocessing)	966.32
	Total	6,071.98
Total		8,395.23

Note: all disposals were done outside of Rumo's operations.

Additional environmental information		
	2019	2020
Percentage of recyclable materials used by the Company (in relation to total materials used)	83%	82%
Percentage of reused/recycled water (in relation to total water used)	15%	15%

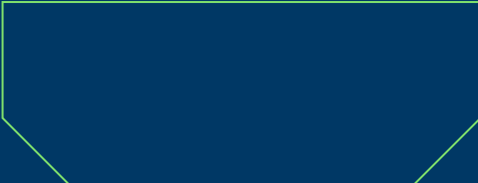
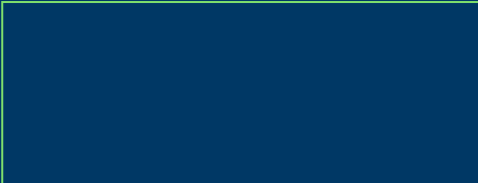
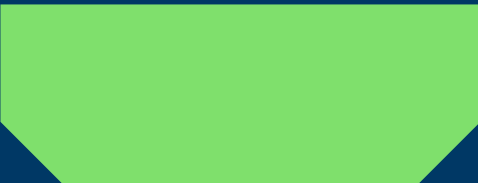
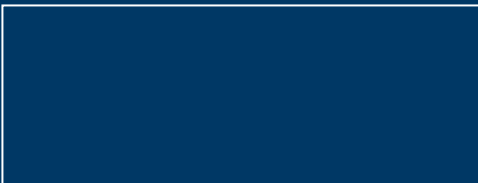
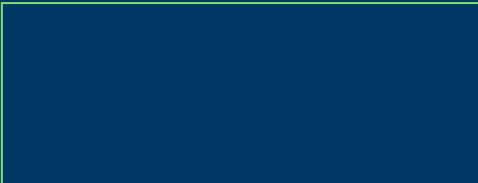
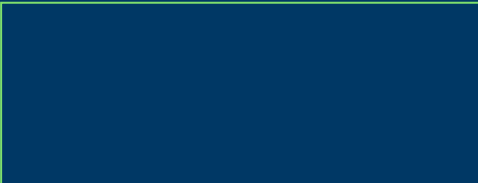
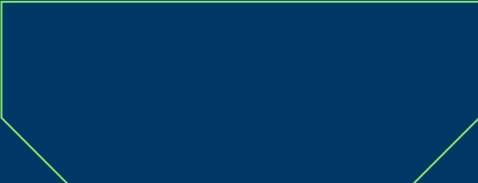
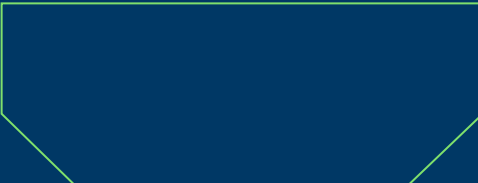
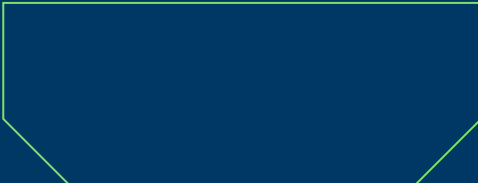
About hazardous cargo transportation, report the quantity of dangerous products by type

	2019 (m ³)	2020 (m ³)
Diesel	3,507,420.00	3,227,766.00
Alcohol	1,998,539.00	1,965,482.00
Gasoline	892,764.00	786,770.00
Biodiesel	333,172.00	379,840.00
Total	6,731,895.00	6,359,858.00

About hazardous cargo transportation, report the quantity of dangerous products by quantity

	2019	2020
In m ³	6,731,895.00	6,359,858.00
In ton	0.00	0.00

GRI and SASB Contents



GRI 101: Foundation 2016

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG	
GRI 102: General disclosures 2016	102-1	Company name	RUMO S.A.			
	102-2	Activities, brands, products and services	<u>13</u>			
	102-3	Location of the company's headquarters	Operational headquarters: Rua Emílio Bertolini, 100 Bairro Cajuru – CEP: 82920-030 Curitiba (PR). Administrative headquarters: Av. Pres. Juscelino Kubitschek, 1327 - Itaim Bibi, São Paulo - SP, 04543-011			
	102-4	Operations site	<u>13, 16</u>			
	102-5	Nature of ownership and legal form	<u>14</u>			
	102-6	Markets served	<u>15</u>			
	102-7	Company size	<u>13, 15, 16, 54</u>			
	102-8	Information about employees and other workers	<u>13, 90</u>			8, 10
	102-9	Supplier chain	<u>65</u>			
	102-10	Significant changes in the company and its supply chain	There were no significant changes in the organization and its supply chain in the reporting period.			
	102-11	Precautionary principle or approach	<u>40</u>			
	102-12	External initiatives	<u>34</u>			
	102-13	Participation in associations	<u>34, 40</u>			
	102-14	Statement from the top senior executive	<u>7</u>			
	102-16	Values, principles, standards and codes of behavior	<u>14</u>			16
	102-17	Mechanisms for guidance and concerns regarding ethics	<u>34</u>			16
	102-18	Governance structure	<u>35</u>			
	102-19	Delegation of authority	<u>35</u>			
	102-20	Responsibility of executive level positions and roles by economic, environmental and social topics	<u>35</u>			
	102-21	Stakeholder survey on economic, environmental, and social topics	<u>11</u>			
	102-22	Composition of the highest governance body and its committees	<u>35, 36</u>			5, 16
	102-23	Chairman of the highest governance body	<u>35</u>			16
	102-24	Selection and appointment to the highest governance body	<u>35</u>			5, 16
	102-25	Conflicts of interest	<u>35</u>			16

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 102: General disclosures 2016	102-26	Role of the highest governance body in defining purpose, values, and strategy	<u>35</u>		
	102-27	Collective knowledge of the highest governance body	<u>35</u>		
	102-28	Performance evaluation of the highest governance body	We do not have an evaluation policy for the members of the Board of Directors, a practice that will be adopted until the 2022 Annual Shareholders' Meeting, in accordance with the B3 rules for companies listed on the Novo Mercado segment.		
	102-29	Identification and management of economic, environmental and social impacts	<u>37</u>		16.7
	102-30	Effectiveness of risk management processes	<u>40</u>		
	102-31	Analysis of economic, environmental and social topics	<u>37</u>		
	102-32	Role of the highest governance body in sustainability reporting	<u>36</u>		
	102-33	Communication of material concerns	Urgent requests received at the Relationship Channel are conducted by the responsible managers, through multidisciplinary work groups, to solve the cases. The urgent processes are defined directly with ICTS, the company responsible for receiving all the requests. If the process needs to be taken to the Board of Executive Officers, it will be forwarded by the Responsibility department. In 2020, only three cases were forwarded to the Board.		
	102-34	Nature and total number of material concerns	During the year, we had a report of an employee infected with coronavirus; questions about a supplier; and problems with a Curitiba Crossing.		
	102-40	List of stakeholder groups	<u>10, 17</u>		
	102-41	Collective bargaining agreements	The collective bargaining agreements contemplate, in all clauses, the equivalent to 90.90% of the company's employees, whose positions are grouped in this report in functional categories represented by analysts, technicians and operators.		8
	102-42	Stakeholder identification and selection	<u>17</u>		
	102-43	Approach to stakeholder engagement	<u>11, 39</u>		
	102-44	Main concerns and topics raised	<u>11</u>		

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 102: General disclosures 2016	102-45	Entities included in the consolidated financial statements:	10		
	102-46	Definition of report content and topic boundaries	11		
	102-47	List of material topics	11		
	102-48	Reformulations of information	10 , 92 , 93 , 94		
	102-49	Changes in reporting	10		
	102-50	Period covered by the report	January 1 to December 31, 2020		
	102-51	Date of the last report	Published in July 2020		
	102-52	Reporting cycle	Annual		
	102-53	Contact for questions about the report	ir@rumolog.com		
	102-54	Reporting statements in compliance with the GRI Standards	Document prepared in compliance with GRI standards		
	102-55	GRI content index	109		
102-56	External verification	All the content gathered in this document was subject to external verification, conducted by the company Ernst & Young.			

Material topics

Risk management of operation security & integrity

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	40 , 62		
	103-2	Management approach and its components	40 , 62		
	103-3	Evaluation of management approach	40 , 62		
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	62	1, 3	8
	403-2	Hazard identification, risk assessment	64	1, 3	8
	403-3	and incident investigation	64	1, 3	8
	403-4	Occupational health services	64	1, 3	8, 16
	403-5	Worker participation, consultation and communication with workers regarding occupational health and safety	64		8

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 403: Occupational health and safety 2018	403-6	Worker training in occupational health and safety	We make health plans available to employees and carry out campaigns and health actions (blitz) in our units, with procedures such as bioimpedance, BMI, Covid tests and vaccination campaigns (H1N1), among others.		3
	403-7	Worker health promotion	<u>67</u>		8
	403-8	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	All of our 17,576 employees and contractors (100%) are covered by an occupational health and safety management system that is internally audited.		8
	403-9	Workers covered by an occupational health and safety management system	<u>92, 93</u>		3, 8, 16
	403-10	Workplace accidents	In 2020, we kept the number of cases of reportable work-related illnesses at 7 and recorded no deaths as a result of work-related health problems.		3, 8, 16
GRI 409: Forced or compulsory labor 2016	409-1	Work-related illnesses	<u>65</u>	1, 2, 3	8
GRI 418: Customer privacy 2016	418-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	In 2020 there were no substantiated complaints regarding violation of privacy and loss of customer data.		16
Relationship with communities, impact and social investment					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>69</u>		
	103-2	Management approach and its components	<u>69</u>		
	103-3	Evaluation of management approach	<u>69</u>		
GRI 202: Presence in the market 2016	202-1	Ratio between the lowest wage and the local minimum wage, broken down by gender	In 2020, the lowest wage we paid was equivalent to the national minimum.		1, 5, 8
	202-2	Ratio of senior management members hired from the local community	<u>92</u>		1, 5, 8, 10

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 203: Indirect economic impacts 2016	203-1	Investments in infrastructure and support to services	In addition to the various actions focused on local communities, our business is strictly linked to the positive impact on the country's infrastructure. In 2020, we invested almost R\$3 billion in improving rail and port infrastructure, including duplication, yard extensions, technology initiatives, new locomotives, new wagons, etc. In the period, there were approximately R\$1.9 billion in expansion investments and R\$1.1 billion in recurring investments.		5, 9, 11
	203-2	Significant indirect economic impacts	<u>73</u>		1, 3, 8
GRI 411: Rights of indigenous people 2016	411-1	Cases of violation of indigenous peoples' rights	<u>69</u>	1, 2, 4	2
GRI 413: Local communities 2016	413-1	Operations with engagement, impact evaluations	<u>96</u>		
	413-2	and development programs aimed at the local community	The aspects arising from railway operations that, in particular, can negatively impact local communities are urban mobility, train horns, and mowing services on the right-of-way. To facilitate communication with the community, Rumo has a 0800-channel dedicated to responding to requests from the community, which is available 24 hours a day, 7 days a week.		1, 2
Emissions and climate change					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>43</u>		
	103-2	Management approach and its components	<u>43</u>		
	103-3	Evaluation of management approach	<u>43</u>		
GRI 201: Economic performance 2016	201-2	Financial implications and other risks and opportunities arising from climate change	<u>43</u>		13

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 302: Energy 2016	302-1	Energy consumption within the organization	<u>101</u>		7, 8, 12, 13
	302-4	Reduction in energy consumption	<u>101</u>		7, 8, 12, 13
GRI 305: Emissions 2016	305-1	Direct emissions (Scope 1) of greenhouse gases (GHG)	<u>100</u>	7, 8, 9	3, 12, 13, 14, 15
	305-2	Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	<u>100</u>	7, 8, 9	3, 12, 13, 14, 15
	305-3	Other indirect emissions (Scope 3) of greenhouse gases (GHG)	<u>84, 85</u>	7, 8, 9	3, 12, 13, 14, 15
	305-4	Intensity of greenhouse gas (GHG) emissions	<u>85, 100</u>	7, 8, 9	13, 14, 15
	305-5	Reduction in greenhouse gas emissions	<u>100</u>	7, 8, 9	3, 12, 14, 15
	305-7	NOX, SOX and other significant air emissions	<u>86</u>	7, 8, 9	3, 12, 14, 15
Investment and expansion of railway and port infrastructure					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>45</u>		
	103-2	Management approach and its components	<u>45</u>		
	103-3	Evaluation of management approach	<u>45</u>		
Value chain and traceability of product transported					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>65</u>		
	103-2	Management approach and its components	<u>65</u>		
	103-3	Evaluation of management approach	<u>65</u>		
Customer relationship and service quality					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>68</u>		
	103-2	Management approach and its components	<u>68</u>		
	103-3	Evaluation of management approach	<u>68</u>		

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
People and diversity					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	<u>56</u>		
	103-2	Management approach and its components	<u>56</u>		
	103-3	Evaluation of management approach	<u>56</u>		
GRI 401: Employment 2016	401-1	New hires and employee turnover	<u>90, 91</u>	6	5, 8, 10
	401-3	Parental leave	In 2020, 230 employees took leave, of which 24 were on maternity leave and 206 on paternity leave. 100% of the women and 96% of the men returned to work after the leave period. The retention rate 12 months after the end of the leave was 89% for men and 82% for women.	6	5, 8
GRI 402: Labor relations 2016	402-1	Minimum notice period regarding operational changes	The time frame for disclosure of operational changes depends on relevance and confidentiality factors. We do not have this type of term established in a Collective Bargaining Agreement (CBA).		8
GRI 404: Training and education 2016	404-1	Average training hours per year, per employee	<u>92</u>	1, 6	4, 5, 8, 10
	404-2	Employee skills enhancement and career transition assistance programs	We maintain programs to improve employees' skills, such as scholarships for undergraduate and graduate programs, career coaching and mentoring, training modules at external institutions. We do not have a specific assistance program for career transition.	1, 6	8
	404-3	Percentage of employees receiving regular performance and career development evaluations	In 2020, the percentage of employees who received a performance evaluation was 94%, considering the employee base of August/2020.	1, 6	5, 8, 10
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity in governance bodies and workforce	<u>91</u>		5, 8
	405-2	Ratio between the basic salary and compensation received by women and those received by men	<u>92</u>		5, 8, 10

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 406: Non-discrimination 2016	406-1 Cases of discrimination and corrective measures taken	In 2020, we identified 10 reports received through Rumo's Ethics Channel, which could be related, but did not directly or exclusively address occurrences of discrimination. After receipt by Internal Controls and verification with other stakeholders in the process, such as managers and the Human Resources department, we found no evidence of discriminatory practices in any of them. The investigation of complaints related to the theme was based on search criteria in the reports base, by keywords associated with race, color, gender, religion, political opinion, nationality, or social origin. In addition, the company is constantly working on diversity campaigns, such as "Respeito Importa" [Respect Matters], in addition to providing training, live streams and notices in its internal communication channels, such as e-mail, POC and Rumo News, and external ones, such as social networks. As of 2021, the Ethics Channel is being restructured and improved, with the support of a specialized consulting firm.		1, 2, 3, 4, 5, 6	5, 8
Corporate governance					
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its boundary	24 , 25 , 32		
	103-2	Management approach and its components	24 , 25 , 32		
	103-3	Evaluation of management approach	24 , 25 , 32		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	34	10	16
	205-2	Communication and training on anti-corruption policies and procedures	94	10	16
	205-3	Confirmed cases of corruption and actions taken	In the year one confirmed case of corruption/favoritism/conflict of interest was identified, related to suppliers, which resulted in the dismissal of employees and termination of contracts with business partners.	10	16

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 206: Anti-competitive behavior 2016	206-1 Lawsuits for unfair competition, trust practices and monopoly	In 2020 there were no lawsuits involving unfair competition, trust practices and monopoly. There is an administrative process in place with the allegation that there has been an infringement of the economic order due to the shutdown of the railway yard that gives access to the client terminal lines. However, the shutdown resulted from accidents that occurred in the terminal due to its lack of maintenance. We are waiting for Cade's decision on the topic.		1, 5	16
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	Fines for non-compliance with environmental laws and regulations in the year amounted to R\$380,084,825.35. Non-monetary sanctions amounted to 155 warnings. It is worth mentioning that the activities developed by the railway transportation concessionaires, due to their extension and complexity, can be subject to infraction notices. The most relevant ones are informed in the Reference Forms. These are notices that protect the natural, urban, and cultural environment comprehensively. The companies, guided by socio-environmental responsibility and commitments, always seek to develop new technologies and employ the best and safest practices available for the industry, in order to mitigate and avoid impacts to the environment.		7, 8, 9	16
GRI 415: Public policies 2016	415-1 Political contributions	We do not make contributions to political parties and politicians. Donations are forbidden, as per article 24 of Law N° 9.504, of September 30, 1997. Furthermore, we maintain a Donations and Sponsorship Policy that prohibits politically motivated donations.		10	16
GRI 419: Socio-economic compliance 2016	419-1 Non-compliance with socioeconomic laws and regulations	In the year, we received no significant fines and non-monetary sanctions due to non-compliance with laws and regulations in the social and economic spheres. There was only one case reported, which involves discussion of the issue in the competitive environment. There were also no sanctions for non-compliance with social and/or economic laws and regulations.		10	16

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
Non-material topics, but Rumo deems relevant to report					
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	-	Rumo does not report in this indicator the total amount invested in communities to maintain a standardization with financial reports. This information is reported in GRI 203-1.	8, 9
GRI 303: Water and effluents 2018	303-4	Water disposal	<u>101</u>		8, 9 6
	303-5	Water consumption	<u>102</u>		8, 9 6
GRI 304: Biodiversity 2016	304-1	Operational units owned, leased or managed within or adjacent to environmental protection areas and areas of high biodiversity value located outside of environmental protection areas	<u>97</u>		8, 9 6, 14, 15
	304-2	Significant impacts of activities, products and services on biodiversity	<u>99</u>		8, 9 6, 14, 15
	304-3	Protected or recovered habitats	<u>98</u>		8, 9 6, 14, 15
	304-4	Total number of IUCN Red List species and national conservation lists with habitats in areas affected by operations	<u>81</u>		8, 9 6, 14, 15
GRI 306: Waste 2020	306-3	Waste generated	<u>102</u>		7, 8, 9 3, 6, 12, 14, 15
	306-4	Waste not destined for final disposal	<u>102</u>		7, 8, 9 3, 12, 14
	306-5	Waste destined for final disposal	<u>103</u>		7, 8, 9 6, 14, 15

GRI Standard	Disclosure	Answer/Page	Omission	Global Compact	SDG
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	<u>66, 67</u>		7, 8, 9	
GRI 414: Supplier social assessment 2016	414-2 Negative social impacts in the supply chain	<u>95</u>			5, 8, 16

Transport: Railway Transportation

Topics for Sustainability Report and Accounting Metrics

Topic	Code	Accounting Metrics	Category	Measurement Unit	Answer/Page
GHG Emissions	TR-RA-110a.1	Gross global emissions Scope 1	Quantitative	Metric ton (t) CO ₂	<u>100</u>
	TR-RA-110a.2	Discussion of the long and short-term strategy or plan for managing Scope 1 emissions, emission reduction targets, and an analysis of performance against these targets	Analysis and discussion	N/A	<u>100</u>
	TR-RA-110a.3	Total fuel consumed, renewable percentage	Quantitative	Gigajoules (GJ), percentage (%)	<u>101</u>
Air quality	TR-RA-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O) and (2) material particulado (PM10)	Quantitative	Metric ton (t)	<u>86</u>
Health and safety rates and numbers for employees	TR-RA-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate and (3) near-miss frequency rate (NMFR)	Quantitative	Ratio	<u>92</u>
Behavior	TR-RA-520a.1	Total value of monetary losses as a result of lawsuits associated with anti-competitive behavior regulations	Quantitative	Reporting currency	In 2020 we had no monetary losses as a result of lawsuits associated with anti-competitive behavior regulations.

Topic	Code	Accounting Metrics	Category	Measurement Unit	Answer/Page
Raw material supply	TR-RA-540a.1	Number of accidents and incidents	Quantitative	Number	In 2020, the total numbers of accidents and incidents in which we were involved were 349 and 2,787, respectively.
	TR-RA-540a.2	Number of (1) accidental releases and (2) non-accidental releases (NARs)	Quantitative	Number	Indicator not reported.
		Federal Railroad Administration (FRA) recommended number of defective violations	Quantitative	Number	Information not available. The only themes that have ANTT regulations applicable to us and our concessionaires are accidents and dangerous products. Regarding accidents and hazardous products, there were no penalties applied by ANTT in 2019 and 2020.
	TR-RA-540a.4	Frequency of internal railway integrity inspections	Quantitative	Ratio	The frequency of internal inspections for rail integrity in 2020 was 6,941, higher than the 5,023 in 2019, due to the inclusion of more people dedicated to track inspection, increased productivity of mechanized equipment inspection, purchase of semi mechanized inspection equipment, training of the inspection workforce, and purchase of autonomous inspection equipment.

Food and Beverage: Agricultural Products

Metrics of Activities	Code	Accounting Metrics	Category	Measurement Unit	Answer/Page
	TR-RA-000.A	Number of carloads transported	Quantitative	Number	95
	TR-RA-000.B	Number of intermodal units transported	Quantitative	Number	95
	TR-RA-000.C	Route km	Quantitative	Mileage	95
	TR-RA-000.D	Revenue per ton km (RTK)	Quantitative	RTK	95
	TR-RA-000.E	Number of employees	Quantitative	Number	95

Corporate Information

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STAFF

General coordination and project management
Rumo – Investor Relations

ADVISORY ON INDICATORS AND MATERIALITY (GRI AND SASB)

Avesso Sustentabilidade

WRITING

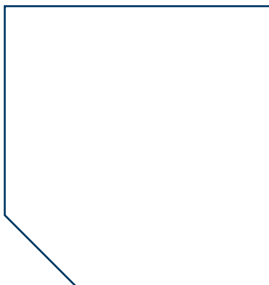
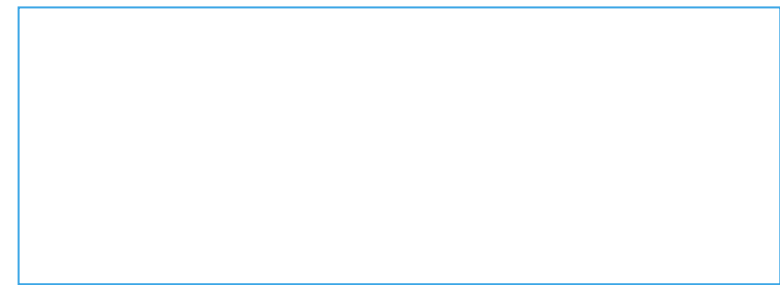
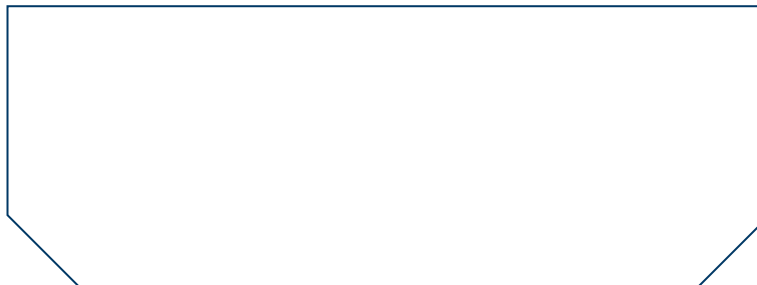
KMZ Conteúdo

GRAPHIC DESIGN AND LAYOUT

Márcia Godoy

TRANSLATION (ENGLISH VERSION)

InspIR



rumo

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