

SUSTAINABILITY REPORT

2021

sequoia





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Contents

3 | **About this report**

4 | **Letter from the CEO**

6 | **Our group**
Our brand

14 | **Identity and culture**

17 | **Governance and management**
Advances in innovation
Our journey in sustainability
Materiality process

33 | **ESG strategy and agenda**
Commitments to the sustainability of the business

39 | **Environmental efficiency**
The path towards carbon neutrality
Management of waste and circularity

47 | **Promotion of sustainable urban mobility**

50 | **A look inside our relations**
Our Team
Creating a safer and healthier environment
Local communities
Hand in hand with the drivers and delivery workers

67 | **Performance in figures**

69 | **GRI Summary**

75 | **Annex**


About this report

Letter from the CEO

Our group

Identity and culture

 Governance and
management

 ESG strategy
and agenda

 Environmental
efficiency

 Promotion of
sustainable
urban mobility

 A look inside
our relations

 Our performance
in figures

GRI Summary

Annex



In this, our first report, we highlight the advances the company has made with its strategic agenda and ESG practices

About this report

GRI 102-45, 102-46, 102-50, 102-52, 102-53, 102-54

This is the first edition of our *Annual Sustainability Report*, bringing together Sequoia's market, economic-financial, operational and socio-environmental information relating to the period between January 1 to December 31, 2021.

Developed in accordance with the directives of the Core Option of the Global Reporting Initiative (GRI), and the SASB Standards set forth by the Value Reporting Foundation (VRF), and validated by the Executive Board and the Board of Directors, this publication summarizes our results, advances and actions focused on the implementation of our vision for the future: to be the preferred logistics supplier, with integrated and innovative technologies, becoming the most extensive sustainable logistics ecosystem in the country.

As such, the integration of ESG practices into the business planning has been at the center of our activities over the last year, with a strategy that takes shape in the form of commitments and targets for the next four years relating to issues such as emissions, waste, mobility, and communities and drivers, in line with the United Nations'

Sustainable Development Goals (SDGs).

The report covers all of the company's business units, including the companies acquired during the last fiscal year, and the calculation of the financial indicators meets the international accounting standards approved by the Brazilian Securities Commission (CVM). The mapping of the GRI disclosures can be found throughout the text, in line with the materiality matrix, and there is a summary containing descriptions at the end of the report. The material topics that guide the report (read more on page 28) are: Emissions and Climate Change; Mobility and sustainable cities; Reduction of inequalities and Community relations; Impacts on drivers; Waste and circularity; and Health and Safety.

The full version of this report can be consulted at any time on our website, in the Investor Relations section (*see more [here](#)*). To find out more about the content of the publication, please contact our staff at sustentabilidade@sequoialog.com.br.

We hope you enjoy the report!



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

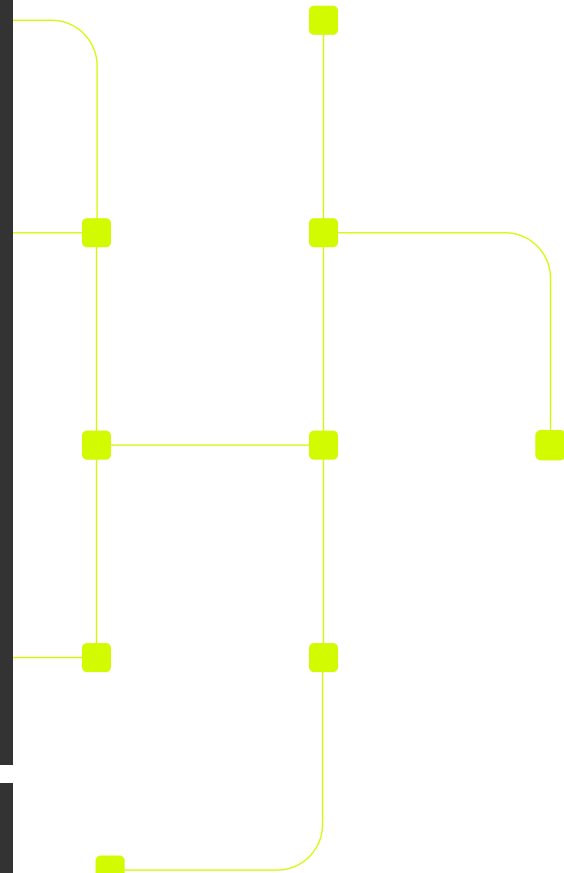
Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



Letter from the CEO GRI 102-14

The year 2021 required great resilience from all of us. As well as the Covid-19 pandemic, within a macroeconomic scenario, we had to deal with an extremely atypical inflationary situation, with high interest rates putting pressure on working capital, to an extent we have not seen for a long time. Internally, the acquisition of new companies has brought along important challenges in terms of the integration of processes and personnel, for the continued construction of a strong and consistent culture.

Despite the complex external and internal situation, our results proved to be extremely satisfactory, with our revenue reaching R\$ 1.8 billion, a historical record. In the fourth quarter, a period that included 'Black Friday', we also hit important figures in terms of processed volume, clients served and deliveries - 18.6 million orders, a jump of 51.1% when compared to the same period in 2020. We closed the year with a growth in revenue of 53.3% and a 28.6% rise in the number of orders, compared to the previous year. Considering these figures, there can be no doubt that: 2021 was a positive year for the consolidation of Sequoia's activities, with gains in scale and a strengthening of our operations, factors that are extremely

important for the continuity of our growth and expansion plan.

To understand how we arrived at this result, we need to look at our sector and the path taken through until now. The transportation and logistics market in Brazil is relatively large, accounting for almost 11% of the GDP, when considering all transportation and logistics activities, and 3% when calculating just general highway cargo transport. Different to the scenario in other countries, Brazil's main transport option is the highway system, responsible for more than 60% of the transportation of all inputs, raw materials and finished products.

The scenario since 2020 has, however, been extremely challenging: increases in the prices of fuels and supplies in general, a drop in the volume of physical retail, a reduction in industrial manufacturing, and a restriction of electronic components, amongst other factors, have led to a reduction in market volume. At the same time, we have seen enormous growth in the electronic commerce sector, which is closely aligned with our activities, with the result that we have managed to transform challenges into opportunities. As a result of this balance, in

We are certain that ESG practices will transform our businesses over the coming decade



2021 we were able to speed up our operations through the acquisition of four new companies, which contributed to our closing the year with 53.1 million orders delivered.

Within this context, one specific issue has always been and always will be of utmost importance: the health and safety of our employees, drivers and delivery personnel. Considering that our activities were classified as 'essential', we did not stop working during the pandemic, although we did have to establish reduction measures for the amount of staff frequenting our offices and control center, with the adoption of a series of protocols. The result was that our management of these measures was very successful. We kept our operations up and running, ensuring that our work environment experienced



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

low levels of contamination and that our staff were all kept safe.

2021 was also extremely important for Sequoia from the perspective of ESG practices, in line with our long-term strategic plan. The second quarter of the year was particularly intense and interesting, since it was during this period that we reformulated our strategy, tying it to and aligning it with our environmental, social and corporate governance objectives, and prioritizing initiatives and projects on these fronts.

Also in the area of ESG, we undertook a number of significant projects. We began activities involving our electric fleet, with the acquisition of ten vehicles that will start operating in 2022, intensified the use of bicycles in the 'last mile', and invested in 'Drops', a company that was founded as part of the concept of a shared economy (read more on page 24), involving small, local businesses as reverse logistics centers and final distribution points. As well as generating business flow and revenue for these establishments, the network has reduced the environmental impact of our operations, since deliveries and collections in the final leg of the operation can be performed by electric motorcycles, bicycles, or even on foot. We also ramped up our '*Sementes Sequoia*' program, focused on young people with potential living in the communities located in the regions where we operate, offering training in logistics support.

We ended the year with an ecosystem that was even more complete than it had been,

offering solutions for the B2C and B2B markets, as well as services being offered within each segment, based upon the client's individual perspective. We offer a wide range of services, including long-distance, urgent deliveries, fast deliveries, reverse logistics, and collections, amongst others. All these services are connected to a network of digital platforms. We believe that by using technology and by integrating physical and digital services, we can facilitate a logistics service that is that much more efficient and sustainable, with a lower environmental impact and positive social contributions, whilst providing small and medium-sized retailers with the same level of service available to large businesses.

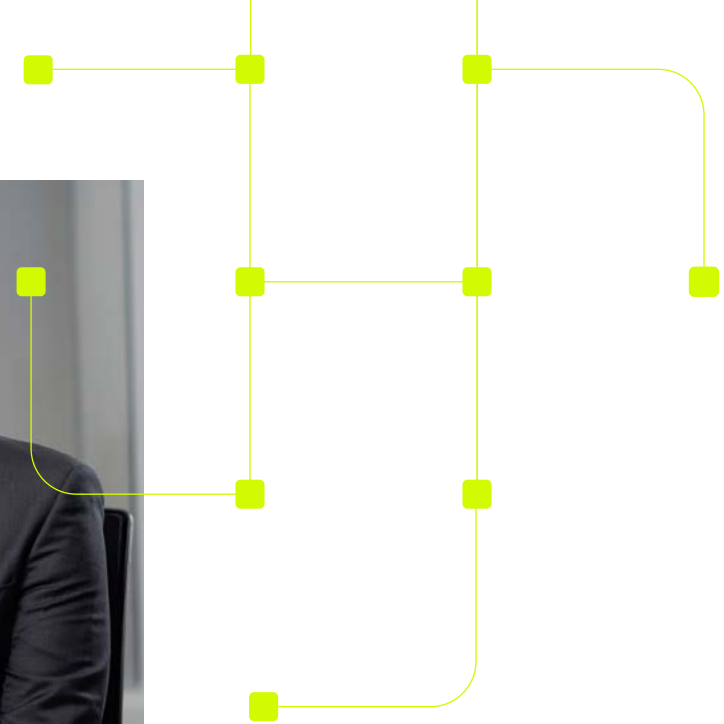
In relation to the future, we believe that the macroeconomic scenario will continue to follow an extremely complex course, creating a challenging environment that will require a more integrated long-term perspective. Specifically in the logistics sector, we envision a more dynamic context, with an increase in electronic commerce, the adoption of new technologies, and a rise in disruptive products and services, which will require a high-level ability to adapt.

To successfully face these challenges and seize the opportunities that exist, we rely on a diverse, committed and motivated team of more than 9,000 employees, passionately working together to provide more than a simple delivery. We are certain that ESG practices will transform our businesses over the coming decade and believe in the choices we have made so far.



Armando Marchesan Neto
CEO

Aiming to achieve sustainability, in the broadest sense of the term, has always been an integral part of our growth, and when, in 2021, we included environmental, social and governance aspects into our strategies, the company's business perspective was brought that much more into focus. For 2022, we are committed to continuing along this path towards greater consistency, thus ensuring the longevity and success of Sequoia in the most integrated way possible.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Our group

GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-9, 102-12, 102-13



IN THIS CHAPTER

> Our brands



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

With our innovative business platform, we are transforming the sector through different and personalized solutions based upon the client's vision.



Founded in 2010, Sequoia Logística e Transportes S.A., with head offices in the municipality of Embu das Artes, in the state of São Paulo, is a 3PL (*Third-party Logistics*) company, specializing in logistics and distribution, with a listing in the 'Novo Mercado' category of the B3, the highest level of governance on the stock exchange, operating under the ticker 'SEQL3'. Our activities are guided by technological advances and are notable for their flexibility and the designing of innovative solutions for our clients. Over the last 12 years, we have created a success story, with important acquisitions of companies within the sector, which have added a wide range of specialties to our portfolio (*read more on page 13*).

We operate all over the country, in different sectors of the market, providing services for eight of the country's ten biggest e-commerce organizations. We offer complete services in the B2C Transport, B2B Transport, Logistics and Field Services segments, with a special focus on express deliveries, and we operate with a proprietary and scalable technological platform. This has positioned us as a logistics operator that is dedicated to offering customized and flexible solutions for every type of business and client, ensuring operational efficiency and reliable levels of service at each stage of the delivery chain.

Our distribution network is currently made up of 17 hubs (14 of which are our own) and 11 distribution centers (DCs), all of which are strategically located, with easy access to Brazil's main highways and cargo transportation terminals, including the ports of Santos (SP), Navegantes and Itajaí (SC). In 2021, we made 53.1 million deliveries, covering more than 4.3 million towns and cities throughout the country.

As an "asset light" company, we also pay close attention to the 500,000 or so suppliers which make up the group's value chain. We recognize the participation of each one of these suppliers in the achievement of the business results and we are looking to mature the ratification processes, most importantly in relation to the acquired companies.

Our operations involve a wide range of different contracts; of all the segments, the area of Freight is responsible for around 50% of our base. Included in this group are our partner transporters, drivers and those attached to these activities. Another important category is that involving the suppliers of materials, which supply us with inputs such as 'stretch', boxes, sealing materials, bags, labels and fuel.





Sequoia in figures

About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex





TIMELINE

2021
SUSTAINABILITY
REPORT

About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

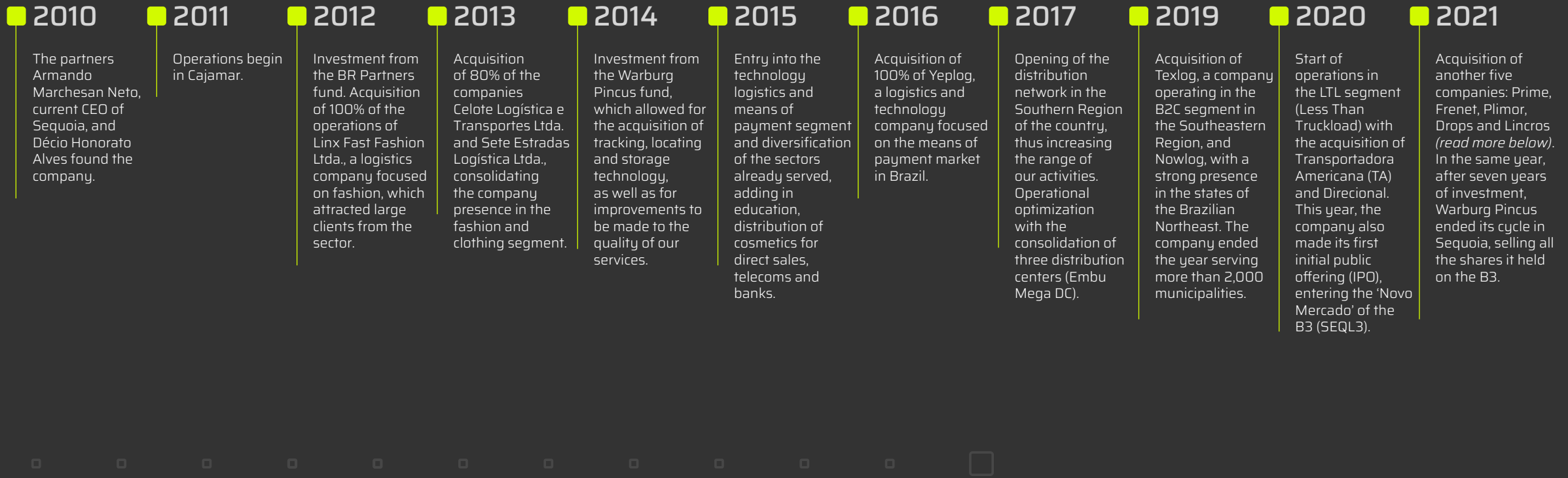
Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex




[About this report](#)
[Letter from the CEO](#)

Our group

[Identity and culture](#)
[Governance and management](#)
[ESG strategy and agenda](#)
[Environmental efficiency](#)
[Promotion of sustainable urban mobility](#)
[A look inside our relations](#)
[Our performance in figures](#)
[GRI Summary](#)
[Annex](#)

BUSINESS MODEL

Sequoia is a logistics company that employs technology in its services and is a leader amongst private companies, considering the number of deliveries performed in the Brazilian e-commerce market. We offer a full range of services in the transport and logistics segment, with a focus on express deliveries. Our proprietary and scalable platform allows us to provide customized and flexible solutions for every type of business and client, ensuring operational efficiency and reliable levels of service at each stage of the delivery chain.

Amongst our e-commerce express delivery solutions, we provide a full range of aggregated value services, including last mile delivery to end consumers (business-to-consumer - B2C); 'less-than-truckload' (LTL) services, that use only part of the vehicle's capacity; 'full-truckload' (FTL) services, in which the entire capacity of the vehicle is employed; 'field services' (deliveries involving the installation, exchange and dismantling of mobile equipment; and 'internal logistics' (storage, handling, separation, packaging and shipping).

Our business model, under which 97% of the fleet of vehicles and infrastructure is outsourced or leased, provides the company with operational flexibility, reducing the volume of capital expenses necessary to conduct the operations.

A flexible model that allows the company to adapt its operations to the needs of the market





An integrated ecosystem of FIGITAL¹ services to support market penetration

About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

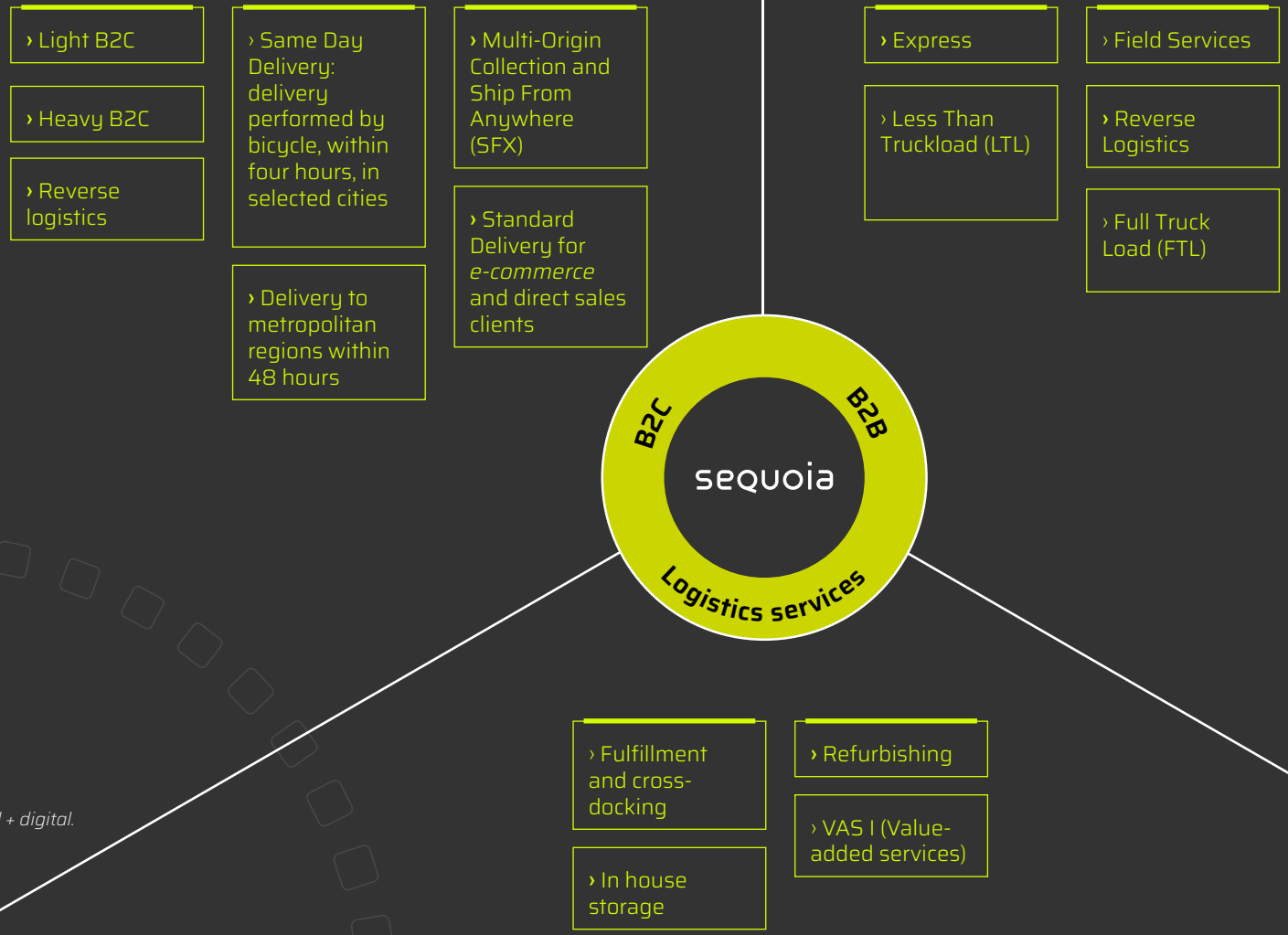
Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex



¹ Joining of physical + digital.



OUR DIGITAL PRODUCTS

- › **SFx**: an e-commerce platform for small and medium-sized sellers, as well as large sellers which operate in the 'shipping from anywhere' category;
- › **Drops**: pick-up and drop-off ("PUDDOs") points and a logistics operation involving delivery and return services by means of small retailers;
- › **Frenet**: a digital freight solutions platform for the B2C market, that connects small sellers' websites with transporters, calculating freights, delivery deadlines and opportunities for logistics business;
- › **Lincros**: a route planning, control tower and tracking system.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

Our brand

The Sequoia brand name refers to the coniferous tree famous for its size. As well as being one of the biggest trees in the world, in terms of both weight and height, a single tree can live for thousands of years. This name, which has a universal meaning and unique resonance, conveys the strength of the company with strong roots, a firm trunk and extensive canopy, that resists the changing weather, persevering and constantly developing.

Our group was founded and has grown out of the idea that the sum of the parts should always be bigger than the whole (just like a forest of sequoia trees) and this is fully connected to our way of viewing our business: an ecosystem that is strengthened by bringing in brands that complement each other.

Our brand was founded and strengthened within the B2C market, winning great respect in the operation of e-commerce, but we have not stopped there. With a pioneering vision of development, we decided to expand our activities to also offer cutting-edge logistics solutions to the B2B market. By

taking this step, we have been able to facilitate the logistics development of both large and small-scale companies.

In 2015 we started to develop our know-how connected to a portfolio of clients that crosses numerous sectors, sizes and needs in the consumer goods, telecommunications, financial services, large-scale retail, education and pharmaceutical markets, amongst others. As well as this diversification, in order to introduce complementary visions and approaches into our ecosystem, we began a process of inorganic expansion that led to more than 13 mergers and acquisitions by the second semester of 2021.

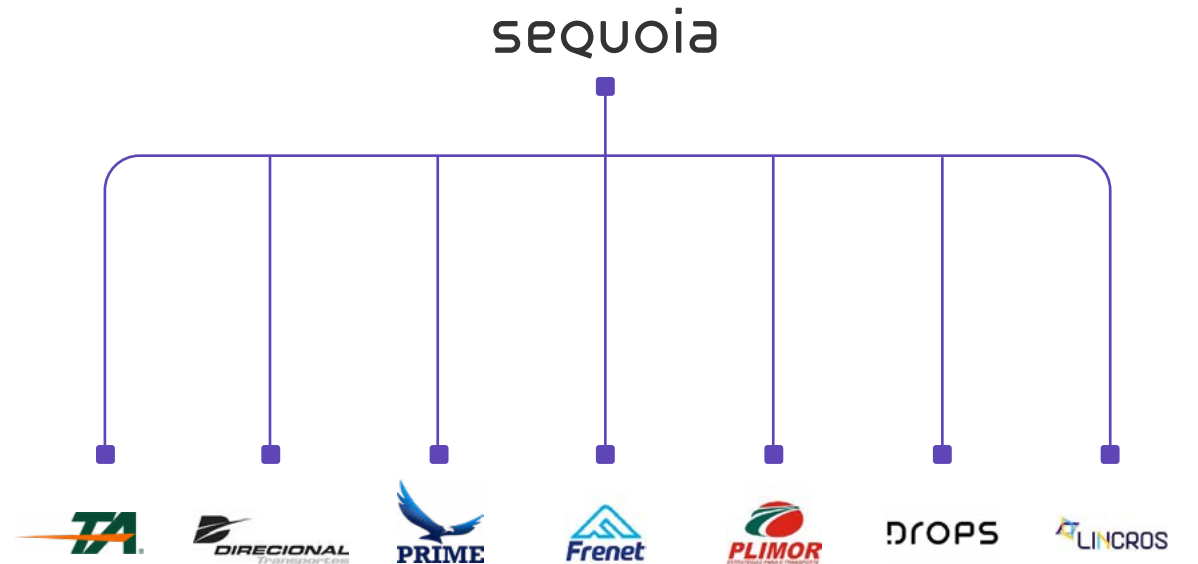
We headed into the market focused on growth and the diversification of our services and solutions portfolio, with acquisitions of constituted and consolidated brands, added to investments in our infrastructure and technology.

We succeeded in making the essence of our performance model increasingly more tangible: an ecosystem of parts that complement each other for the development of

an even more complete, integrated, robust and inclusive flow of logistics, focused on advancing the best logistics solutions, for the realities of our large, medium-sized and small clients.

Outlined below are the brands acquired over the last two years and their value deliveries.

A flow of logistics that is even more complete, integrated, robust and inclusive





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

MERGERS AND ACQUISITIONS IN THE LAST TWO YEARS GRI 102-10



Transportadora Americana - TA
Acquisition: February, 2020

Having been in existence for more than 80 years, **TA is one of the oldest companies in the Brazilian cargo transport sector.** The brand occupies a strategic position in our portfolio, with highway transport, logistics and express businesses.



Direcional
Acquisition: October, 2020

Direcional has, for more than 20 years, **been a benchmark in the less-than-truckload and e-commerce segment, and in the less-than-truckload highway transportation of dry cargoes area,** operating *cross docking, door to door* and reverse logistics for B2B and B2C models.



Prime Express
Acquisition: January, 2021

Prime is one of the most highly-respected highway transport operators in the Southern and Southeastern regions, as well as in the state of Goiás in the e-commerce, **medium-load and heavy-load segments,** complementing the services offered by Direcional.



Frenet
Acquisition: April, 2021

A Brazilian logtech **specializing in software for the B2C segment of micro, small and medium sellers (32,000 active sellers),** connecting transporters and operators, as well as e-commerce and ERP platforms.



Plimor
Acquisition: May, 2021

With more than 45 years of history, Plimor is **a standout company in the transport sector in the Southern Region of the country, focusing on the light e-commerce (volumes of up to 30kg) and LTL (Less Than Truckload) segments.**



Drops
Structuring: September, 2021

The major differential offered by Drops, a company founded in partnership with Gigahub, **is the provision of the pick-up and drop-off (PUDOs) points it offers and its reverse logistics operation,** structured in a manner that is highly innovative for the Brazilian market.



Lincros
Acquisition: November, 2021

A Brazilian logtech **specializing in the SaaS platform (Software as a Service) for end-to-end logistics in the B2B segment,** supporting Brazilian shippers in their transport operations, thereby ensuring greater efficiency.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



Identity and culture

GRI 102-16





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

With a history notable for consistently striving for service excellence, we are driven by growth and evolution, as we are always faced with the challenge of ensuring our team's adherence to our way of doing business and, on the other hand, with the countless opportunities to strengthen our characteristics, identify the cultural elements that are necessary for the future, and consolidate an identity that is coherent with the complexity and impact of the group.

At Sequoia, we are building a culture of business development which, based upon the desire to offer the very best solution to our clients, has invested in innovation and the

development of strategic skills for the business, operational excellence, management, and the leadership of our team and our partners. We are driven by the mission of building a positive legacy in society (logistics that go beyond deliveries), and, as such, we seek to do more and better every day.

This is why the company's plans involve the implementation of a program of excellence for the recognition of skills and good practices aligned with Sequoia's organizational culture.

Over recent years, we have worked on maturing the group to ensure that our

strategy is in line with the ESG agenda - a forward-looking journey both in our sector and in society. One of our guiding principles is to innovate sustainably and, based upon this, to consistently create and distribute value for every one of the stakeholders who make the business work.

With the rebranding project (currently in its implementation phase), innovation, which has always formed a part of the business, is now even more important. We are transforming the company with advances designed to meet the needs of our clients, take care of our employees, and contribute to improvements in society.



MISSION

To create and execute the best logistics solution for our clients.



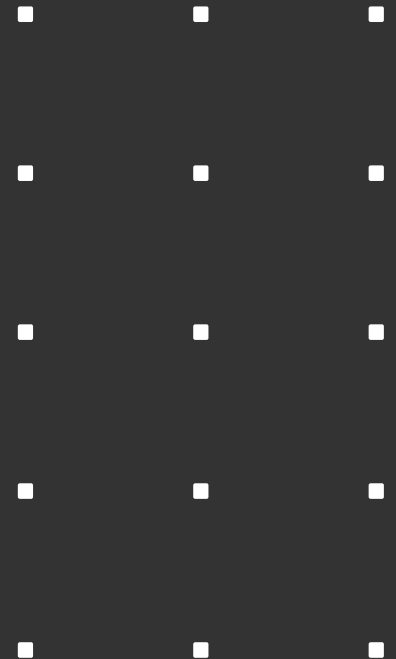
VISION

To be the preferred logistics supplier, with integrated and innovative technologies, becoming the most extensive sustainable logistics ecosystem in the country.



OUR AMBITION

To be the leading logistics provider in the 3PL market in terms of size, results and client experience, and in the pioneering of ESG and innovation, with a positive impact for its ecosystem and employees.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

OUR MANIFESTO

We were born out of the desire to realize dreams. To be the best connection between two points. To unite clients and people. And to transform expectations into smiles and satisfaction.

Our seed was planted in fertile and resistant ground! Fed by technology and innovation.

And cultivated by a team of leaders that brings together talent and collaboration.

We evolve by investing in quality and agility. And we are focused on flexibility and excellence.

To create the solutions that make time flow in our favor.

We are the eyes, arms, legs and wings of our clients.

More than just paths, we are responsible for destinies.

We turn miles of distance covered into valuable experiences.

We are passionate about our work. Our greatest achievement is making our clients happy. And making our clients' clients happy.

Our dedication and size increases with every order. This is the strategy designed for us to sustainably grow together. We deliver more and better because this is part of who we are.

Our dedication and our ability know no bounds. We are Sequoia Logística. Growing and evolving are in our DNA.

OUR PRINCIPLES



The best solution for our clients

› We work to OFFER THE BEST solution to our CLIENTS



Passionate about logistics

› We are passionate about delivering MORE and delivering BETTER



Flexibility with excellence

› We operate with flexibility and excellence to MAKE A DIFFERENCE



Responsibility in practice

› We work with sustainability, aiming to have a positive impact on the ecosystem, society and the environment



A team of leaders

› We work as a team and this is OUR STRENGTH



We grow together

› We encourage your development so that WE GROW TOGETHER



Technology that drives

› We invest in innovative and technological solutions for the development of our ecosystem



About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Torre de Controle

ENTREGAMOS MAIS

sequoia

Governance and management

GRI 102-18

IN THIS CHAPTER

- > Advances in innovation
- > Our journey in sustainability
- > Materiality process



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

Listed on the B3's Novo Mercado since 2020, our Company has been working to establish corporate governance that is guided by good market practices, guaranteeing greater transparency and control of our activities, whilst always keeping the sustainable development of our business in sight.

Our decision-making structure currently consists of the General Shareholders Assembly, the Executive Board, the Audit Committee and the Board of Directors. The routines, practices, responsibilities and qualifications required for these bodies are set forth in our Bylaws and in our set of management policies, that includes the following documents:

- › Policy of Related-Party Transactions
- › Indication Policy;
- › Remuneration Policy;
- › Risk Management Policy;
- › Disclosure Policy;
- › Negotiating Policy.

The Board of Directors and the Audit Committee also follow specific systems that set out their responsibilities and processes. Read more about Sequoia's management policies on our [Investor Relations](#) website.

Sequoia's administrative bodies are outlined in more detail below.

General Meeting

This is the shareholders' forum for discussion and decision making. Amongst its basic duties are: the examination and approval of financial statements; decisions on the allocation of the net income and distribution of dividends; the election and dismissal of members of the Board of Directors and the Audit Committee; and approval of operations involving mergers and acquisitions, spin-offs and incorporation of shares. More details on this can be found in Chapter IV of the [Bylaws](#).

In 2021, the Sequoia General Assembly held four Ordinary General Meetings and eight Extraordinary General Meetings.

Board of Directors

This is the body responsible for establishing Sequoia's general business guidelines. Amongst its responsibilities are: the approval and monitoring of the annual business plan, the annual budget, the expansion plans and the investment programs; assessment of the quarterly results; and providing opinions on corporate restructuring, increases of capital and other operations that could lead to an alteration in control. It also holds the prerogative of electing and dismissing the Board of Directors and supervising the work of the Directors.

In 2022, of the six board members making up the Company's Board of Directors, five are independent. They hold a single mandate of

two years, with reelection being permitted. As good governance practice, different individuals hold the positions of Company CEO and Chairman of the Board of Directors.



Name	Position(s)	Start of Mandate	Renewal of mandate
Gregory Louis Reider	Independent Board Member, Chairman of the Board of Directors and Member of the Audit Committee	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Armando Marchesan Neto	Member and Chief Executive Officer (CEO)	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Marcelo Lopes Cardoso	Independent Member of the Board of Directors and Coordinator of the Audit Committee	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Sonia Regina Hess de Souza	Independent Member	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Elisabete Waller Alves	Independent Member	05/2021	Under approval by the 2022 Ordinary General Assembly (OGA)
Sérgio Saraiva Castelo Branco de Pontes	Independent Member	05/2021	Under approval by the 2022 Ordinary General Assembly (OGA)
Américo da Cunha Pereira Filho	Independent Member of the Board of Directors and Member of the Audit Committee	12/2021	Under approval by the 2022 Ordinary General Assembly (OGA)

**Two-year mandate*



FIND OUT MORE

Access [here](#) to read more about the Internal Regulations of the company's Board of Directors



About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Audit Committee

The members of the Board of Directors decide upon the creation of the Audit Committee and elect its members. The Audit Committee is a non-statutory advisory body, connected to the Executive Board, to which it responds, acting independently to the Board of Directors. Its main purpose is to continually assess the Company's risk identification and systems and internal controls, thereby monitoring its exposure to risk.

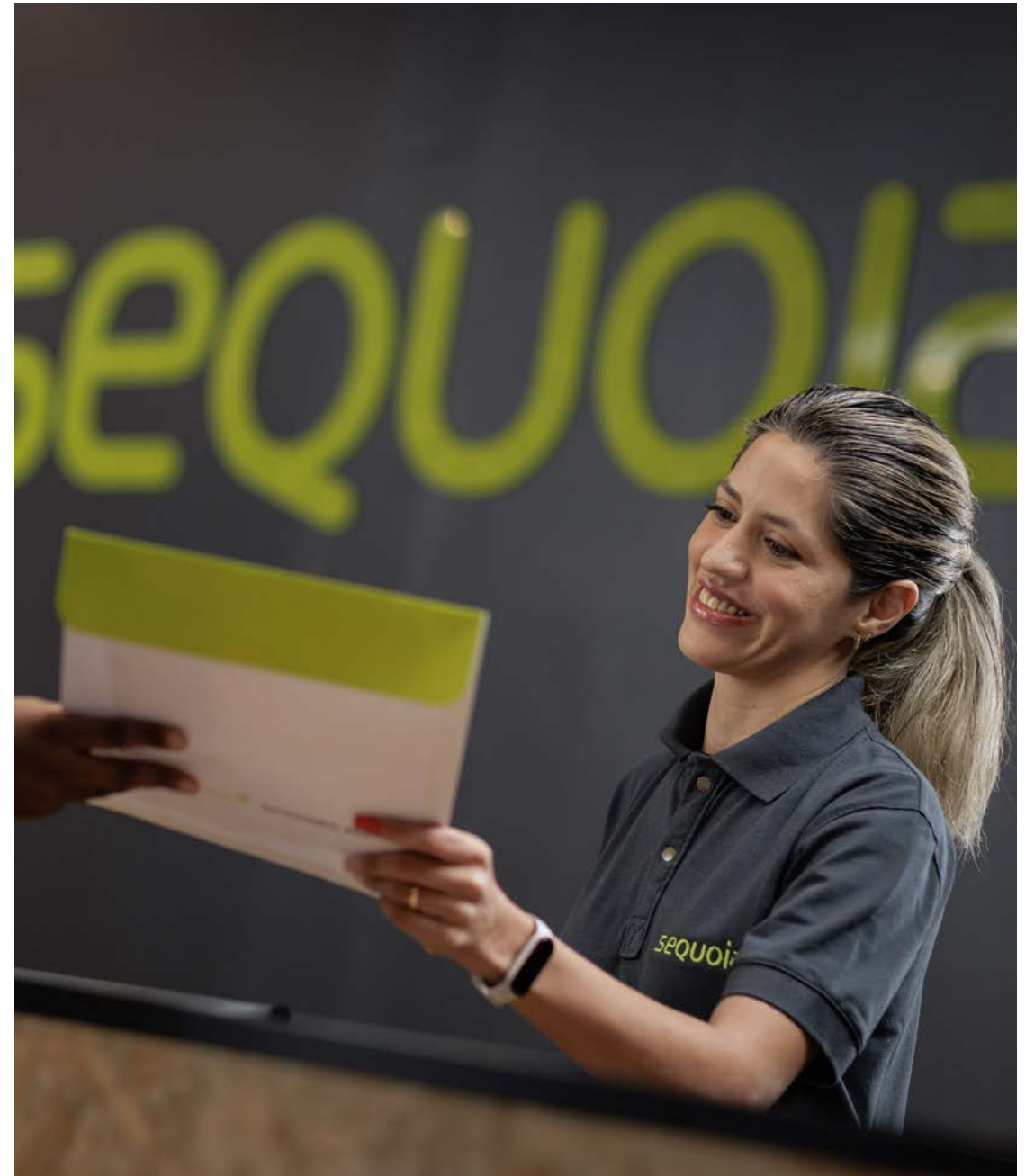
The Audit Committee is responsible for providing opinions on the contracting and dismissal of the independent auditing services, assessing the quarterly information, intermediate statements and financial statements, and monitoring the activities of the internal auditor and the Internal Controls department, amongst other functions. The body is guided by its own Internal Regulations, which are approved by a meeting of the Board of Directors.

In 2022, the Audit Committee is made up of three members, respecting the eligibility criteria established in the Regulations for the *Novo Mercado*. The members hold a one-year mandate, which is renewable for another equal period of time.



FIND OUT MORE

Access [here](#)





About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Board of Directors

The Board of Directors is responsible for the general management of the company business, and the practicing, therefore, of all necessary or convenient acts, except for those which, due to legislation or the company's Bylaws, are the responsibility of the General Assembly or the Executive Board. In the exercising of its functions, the Directors may perform all the operations and practice all the ordinary acts of administration necessary for the accomplishment of the objectives of their position, in observance of the provisions set forth in the Company's Bylaws concerning the form of

representation, to the remit for the practice of certain acts and the general guidance of the business activities, as established by the Board of Directors.

The Directors are elected by a majority vote of the members of the Board of Directors, and hold a single mandate of two years, with reelection being permitted. Currently, Sequoia's Statutory Board of Directors is composed of nine members, including the CEO, who is also a member of the Executive Board.

Our Board of Directors is elected by the Executive Board and ensures the fulfillment of the business directives



FIND OUT MORE

Access [here](#)

Name	Position(s)	Start of Mandate	Renewal of mandate
Armando Marchesan Neto	Chief Executive Officer (CEO)	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Bruno Henrique Souza	Vice-President of Operations	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Rogério Fonseca de Macedo	Commercial Vice-President	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Fernando Stucchi Alegro	CFO and Director of Investor Relations	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Diná Ribeiro de Carvalho	Personnel and Sustainability Management Director	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Luiz Fernando de Biazzi	Logistics and <i>Field Service</i> Director	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Eric Toshiyuki Ichikawa	Director of Transportation Planning	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)
Paulo Edson Guedes	B2C Director	08/2020	Under approval by the 2022 Ordinary General Assembly (OGA)



About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



We are supported by a Compliance department, which, alongside the Internal Auditor and under the supervision of the Audit Committee and the Board of Directors, is responsible for Sequoia's compliance standards and internal controls, within the limits of its responsibilities. In addition to this, it is also responsible for receiving and investigating any accusations concerning conduct and any other possible illegal acts involving the company, its management, employees or outsourced parties, together with other internal departments, depending upon the nature of the accusation,

The Compliance area also provides training for the management, employees and outsourced workers, and develops and reviews any regulations, codes or directives relating to Compliance. This issue also involves the Audit Committee, which makes periodic reports to the Board of Directors on the efficacy of the Integrity and Compliance system, risk management and internal controls.

Currently, as well as the Code of Ethical Conduct, we have a number of policies focused on related-party transactions, indications, remuneration, risk management, procurement, disclosure and negotiation (*read more [here](#)*).

As part of the 2022 agenda, and within our commitment to maturing the corporate governance structure, we aim to expand these policies, starting with an anti-corruption and anti-bribery policy. Another challenge for the coming fiscal year is the dissemination of our new compliance hotline.

Code of Ethical Conduct

We have a Code of Ethical Conduct that focuses on values, principles, responsibilities and norms. It is expected that this set of guidelines, together with the other internal policies that compliment it, will guide the execution of the daily activities of everyone who works or represents the company, including employees, management and directors, and third parties who have any form of business relationship with Sequoia.

In 2021, the Code of Ethical Conduct was revised to incorporate improvements, such as the issues of anti-bribery and anti-corruption, information security, and the General Personal Data Protection Law (LGPD). We have developed a course designed for the employees that addresses the general guidelines of the code, the responsibilities of Sequoia employees, and our commitment to the security of information.

One of the targets of the Compliance department in 2022 is to provide training for all our employees, with the aim of further engaging our stakeholders in guaranteeing the ethical standards of our activities.



FIND OUT MORE

Click [here](#) to access our Code of Ethical Conduct in full.



In 2022, we will be implementing improvements to our complaints and doubts registration channels.

Ombudsman GRI 103-2

Currently, any violations or suspected irregularities relating to the directives of our Code of Conduct or policies should be communicated directly to the Ombudsman by e-mail: ouvidoria@sequoialog.com.br. Every issue received through this channel is treated confidentially by the Executive Board and by the CEO, fully respecting legal provisions and company policies, regulations and procedures. More complex matters, that could present risks to Sequoia's reputation, are directed to the Audit Committee.

The Ombudsman is an impartial, safe, and transparent channel, which ensures that the identity of those involved remains confidential, and treats each matter in line with current legislation and the rights, policies, norms and procedures established by Sequoia. In 2021, five cases were registered and resolved, two of which were linked to "personal matters" and three to suggestions and improvements. Since 2018, the company has registered and concluded 30 cases.

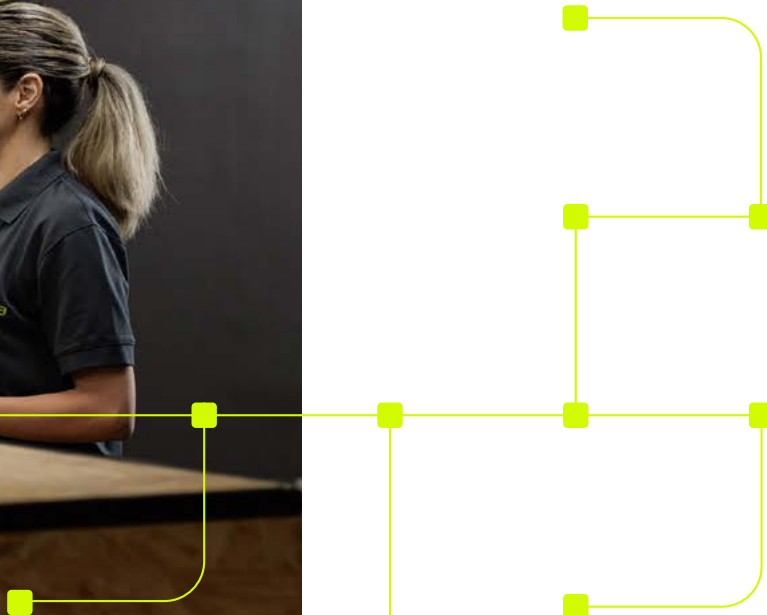
In 2022, the company is planning to implement a compliance hotline using technology and tools for independent management, which will replace the current Ombudsman process. With this change, the Company intends to centralize all internal and external messages in a single location, improve their handling and upscale the relationship with all its stakeholders.

Risks Management GRI 102-11

Sequoia has a Risk Management Policy that was approved at a meeting of the Board of Directors held on July 29, 2020, and modified on September 14, 2020 ("Risk Policy"). This policy is designed to establish the directives and responsibilities relating to the company's risk management, especially that concerning the creation of mechanisms for the identification and analysis of the risks that could affect the company, as well as the controls and procedures used for monitoring, as a means of preventing them from occurring or minimizing their impact.

The risk management process involves all departments and is an integral part of the strategic goals and objectives of their business. The risk management requires the active participation of all the employees and the dissemination of the culture and knowledge of risk mitigation at all levels.

We perform a survey of risks, named the Risk Matrix, in which we gauge the most important adverse effects to which the company may be subject, according to the probability of their occurrence and their potential impact, whilst also mapping their causes and origins. Based upon this work, action plans are developed to address, mitigate or eliminate the risks to which we are exposed, prioritizing those identified as critical to our activities, for example risks arising from freight or information technology processes.





The Risk Policy aims to protect against all types of risk, factors that can influence investment decisions and fulfillment of the company's objectives, especially the following: (i) Business and/or strategic risks; (ii) Operational Risks; (iii) Financial Risks; (iv) Image and Reputation Risks; (v) Environmental Risks; (vi) Compliance Risks; (vii) Capital Stock Management Risks; and (viii) Demand Risks.

The evaluation of other risks will be the subject of the next discussions to be held on the matter.

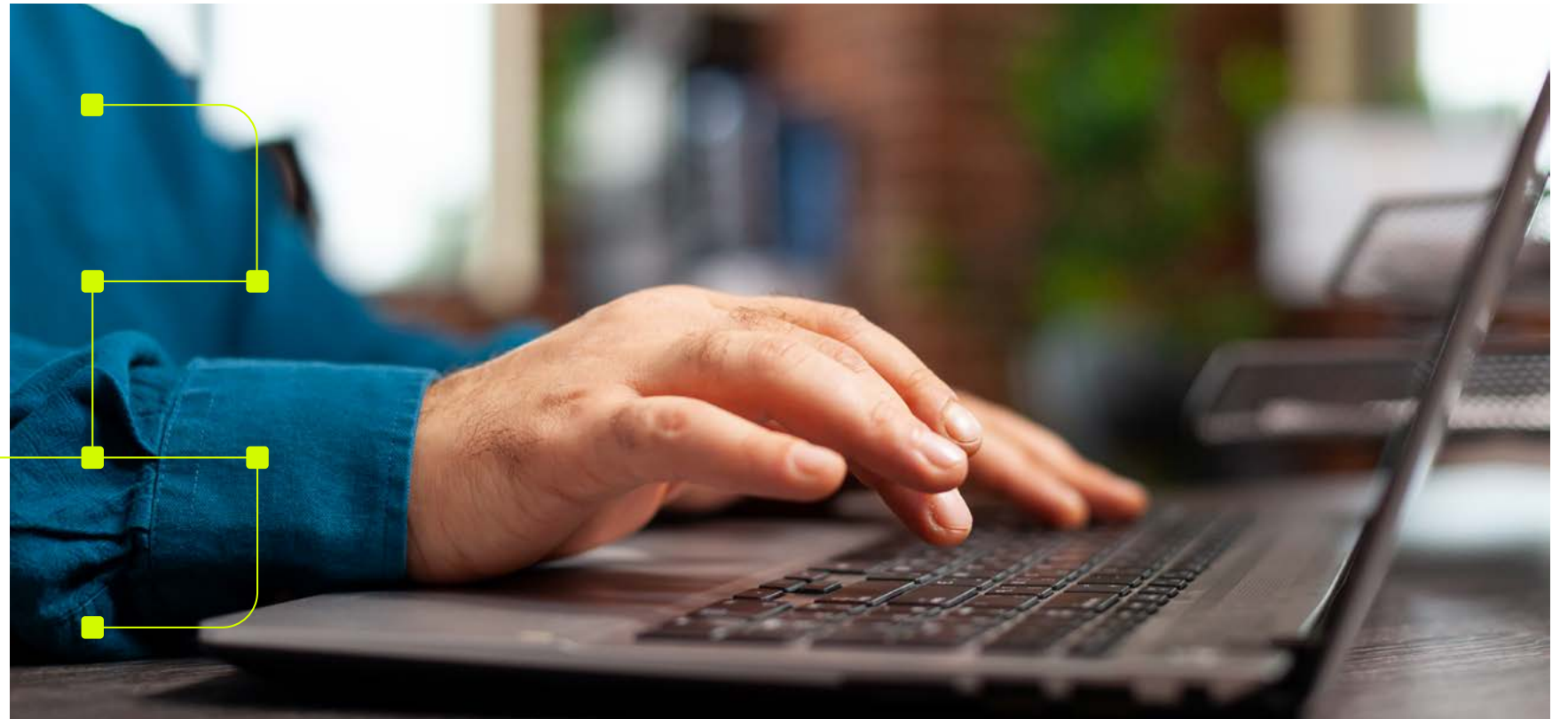
The risk management is performed by the Audit Committee and the Executive Board, together with the Board of Directors. We believe that this process also requires the active participation of all the employees and that the dissemination of the culture and knowledge of risk mitigation should occur at all levels.

INFORMATION SECURITY AND DATA PROTECTION

Aligned with the premises of information security and environmental efficiency, we are planning to centralize our data centers in a cloud, a move that will improve the security of the company's data due to the greater ability to integrate the approaches to security. Through this centralization, that is scheduled for 2022, we will be consuming less energy and reducing the amount of equipment (hardware) used, which will also lead to positive environmental impacts, since the later disposal of waste will be less.

To ensure the security of our clients' and partners' data, the entire process was developed in accordance with the premises of the General Personal Data Protection Law (LGPD) whilst adhering to the ISO 27002:2013 standard, with different levels of data security constructed to safeguard our structure. As part of this, we have invested approximately R\$ 2 million in security projects designed to increase the essential capacities for prevention and a pro-active approach to cyber-attacks. Actions undertaken together with the legal department include the mapping and readjustment of the practices of all the operations involving the handling of personal data.

The definition of the Data Privacy Office (DPO) put into motion a series of structuring actions designed to create a culture focused on data protection, and special mention should be made of the training program conducted via the 'Digital Academy', which has allowed training to be provided to employees, managers and senior management on issues involving the issues of Privacy and Information Security. There exists a plan to update the support and keep knowledge active within the company. For the forthcoming cycle, we are also planning an awareness raising campaign during International Information Security Week, to be held on November 30.





About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**ESG strategy
and agendaEnvironmental
efficiencyPromotion of
sustainable
urban mobilityA look inside
our relationsOur performance
in figures

GRI Summary

Annex

Advances in innovation

Our vision is that innovation will allow Sequoia to grow in scale, whilst maintaining our base-line levels of service and efficiency. The pairing of Innovation and Scale has been directly tied to our business planning for the past decade.

Investing in our ecosystem of innovation and information technology (IT), for the construction of digital platforms aligned with good ESG practices, is one of the commitments that we assumed in performing our initial public offering (IPO) on the B3, in October 2020, and this aligns with our 2030 Ambition to generate opportunities for growth in efficiency and positive impact.

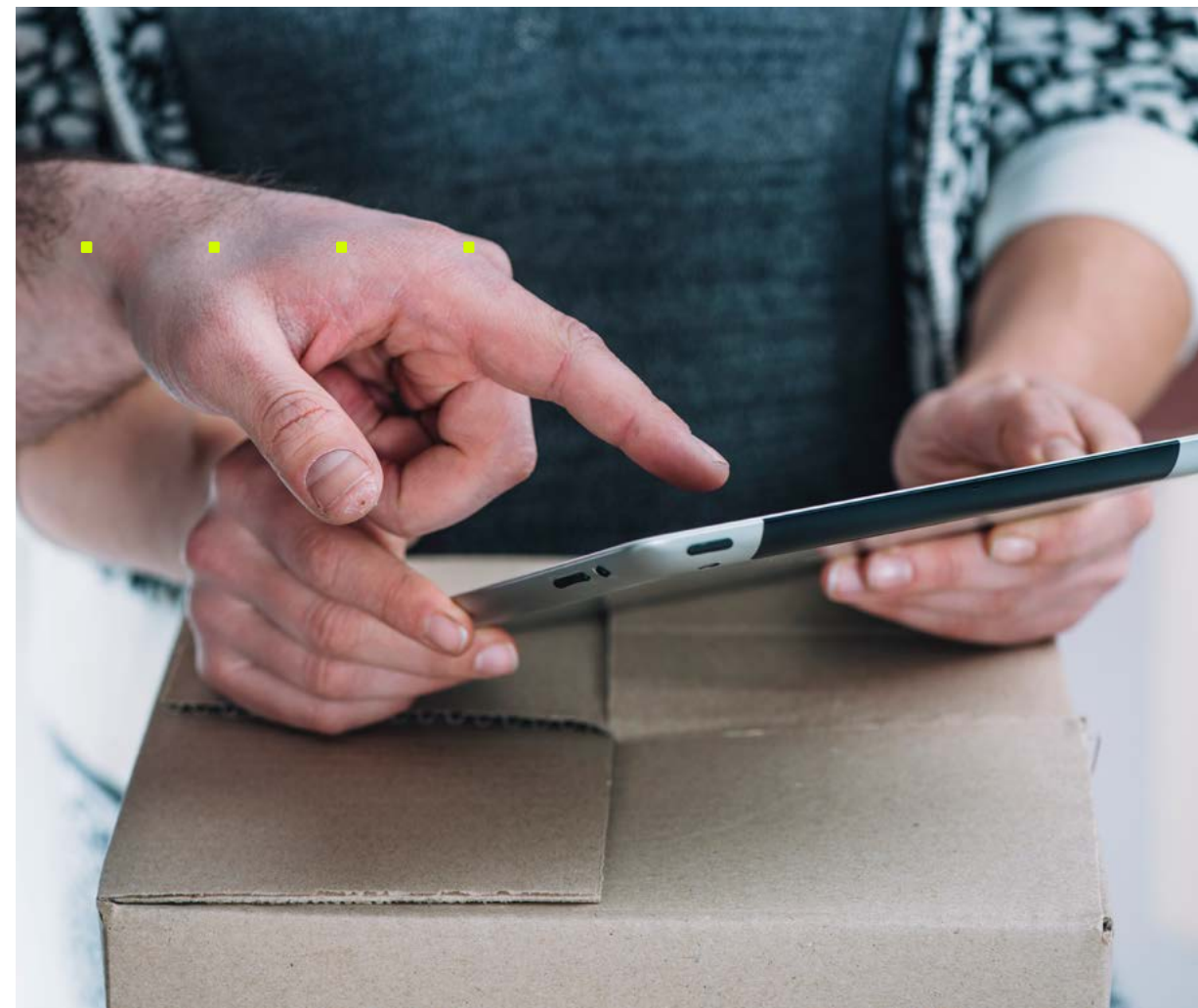
We currently have 14 sorters at our distribution centers, along with innovative software and equipment. We also use modern WMS (warehouse management) and TMS (transport management) systems developed to streamline the processing of electronic commerce. In addition to this, we are working to develop our ecosystem of fully-integrated digital platforms, including SFX, Drops, Frenet and Lincros.

We believe that the technology that we develop is crucial to our growth and for our

ability to gain new clients. As such, we have worked to incorporate innovation into our organizational culture and to strengthen our positioning and identity as a company providing ideas and solutions - not just services.

This process is driven by the dissemination of the culture of innovation across all the company's departments and by the exchange of knowledge with the market. We are partners in the '*Comunidade Distrito*' ('Community District'), which connects startups, whilst we also participate in sector events and closely monitor our clients' initiatives. In our portfolio, we have highly innovative organizations, above all in the areas of e-commerce and payment methods.

Internally, in the 'Personnel & Management' department, for example, we are constructing partnerships to bring in young apprentices from the communities and train them in technology, an area offering a great number of opportunities. By doing so, at the same time that we train the workforce, we are generating professionalization and income for the families of these young people, who are often in a socioeconomically vulnerable situation.



The culture of innovation covers internal projects and partnerships, driving the renewal of the business



Ecosystem integrated with digital platforms

Solutions that are integrated and connected to each phase of the client's journey.

About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

SFx

SFx (Ship From Anywhere) is a platform that connects omni-channel digital businesses with the physical world. It was created to reduce product collection and delivery times and can be accessed by small and medium sellers, offering competitive freight prices. By using the SFx platform, Sequoia was placed 15th in the “100+ Innovators in IT Use in 2021” ranking, published by IT Mídia.

The platform works like this: the moment the order is placed, the collection of the product is requested and directed to the driver most closely located to the seller. Next, the order is taken to the Sequoia distribution center closest to the delivery address, connecting it to our network before moving on to the final destination.

The process is entirely digital, without packing lists (documentation that provides information on the transported product) or delivery relations. The platform provides collection requests, freight price simulations, operating procedures and performance appraisals, and allows sellers and clients to track the orders. SFx can provide services for any size of store, without volume or

weight restrictions. By the end of 2021, the platform had already become our leading channel of scale in the B2C segment, with 7 million orders being handled by 28,000 collection points in 3,384 towns or cities.

From the ESG perspective, the platform allows democratic access to a top-quality private logistics solution that is normally only available to large e-commerce businesses, thus contributing to the development of small sellers and entrepreneurs, and promoting the businesses and their communities. Furthermore, by delivering these products as part of our network, taking advantage of trips that would have been made anyway, the system allows for a significant reduction in the carbon footprint through operational efficiency.

Drops

This solution provides an alternative option by making pick-up and drop-off (PUDO) points available, whilst developing reverse logistics operations, structured in a highly innovative manner for the Brazilian market.

Frenet

The Brazilian technology-guided logtech offers a transport software platform for the B2C market that allows Sequoia to access small, medium and large sellers, connecting them to transporters and operators, as well as e-commerce and ERP platforms. The acquisition represents an enormous shortcut for the scale strategy used by sellers (32,000 active sellers) to SFx services.

Lincros

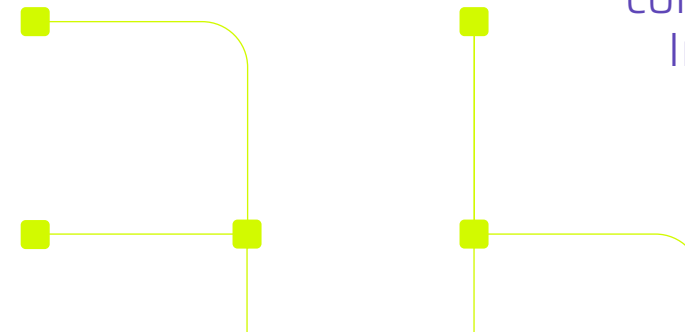
This logtech is a leader in the SaaS (‘Software as a Service’) segment for B2B companies. It provides more efficiency in transportation, assisting shippers from Brazil in their transport operations, It offers services including route planning, freight optimization, tracking in real time and TMS (Transportation Management System) shipping.

The connection of the Lincros solutions with the Sequoia ecosystem, as well as leading to strategic and financial gains, provides great potential for integration between the SFx, Frenet and Drops businesses.

■ The acquired *Logtechs* streamline our offer of products and services and ensure the integration of processes



15th most innovative company in the “100+ Innovators in IT Use in 2021” awards





About this report

Letter from the CEO

Our group

Identity and culture

**Governance and
management**

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



In 2021, we consolidated and matured our sustainability management even more, evolving in our strategy focused on ESG issues

Our journey in sustainability

We understand that achieving our 2030 Ambition requires attentive analysis: where we want to get to, what we have learned and what we need to evolve in.

One notable point in our journey came in 2019, when we created the 'Raíces Sequoia' ('Sequoia Roots') program, aimed at developing the the culture of sustainability in the company, strengthening our commitment and the responsibility of our employees in actions that lead to improvements in the three principle: social, environmental and economic.

2020 saw the publication of the first letter from our CEO focused on sustainable development. In the letter, he stressed our connection with the leading socio-environmental challenges at global level, as well as our commitment to the evolution of our businesses on questions of sustainability.

We have also established a Sustainability Committee, composed of representatives from all of the company's departments, with the responsibility of disseminating, applying, monitoring and reporting issues related to corporate sustainability.

This increased maturity was consolidated in 2021. Simultaneously with the work performed to disseminate the issue by the Sustainability Committee, a Corporate Sustainability department was also created, dedicated to ESG issues. With this governance blueprint, we began discussions to formulate an ESG strategy, anchored in the material topics and business needs.

This made a decisive contribution to the success of our first materiality cycle, in which we mapped out the key business topics and impact on the perception of our stakeholders (*read more below*).

In 2022, we will be working on public disclosure and definition of the key-indicators to gauge our progress in our ESG commitments, which are presented over the course of this report.





Materiality process

GRI 102-40, 102-42, 102-43, 102-44, 102-47, 103-1

As a means of studying our materials topics, we consulted the stakeholders who form an integral part of the Sequoia ecosystem

About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

During the second semester of 2021, as part of our commitment to implementing ESG practices into Sequoia's day-to-day activities and business, we structured our materiality matrix. The mapping was undertaken in accordance with best corporate sustainability practices, including analyses of documents and indexes, on-line surveys, and telephone interviews, as a means of collecting insights and perceptions.

The interviews stage involved the CEO, executives, board members, employees, clients, the community, market specialists, banks, shareholders, investment funds, suppliers, transport service providers (transporters, outsourced drivers and delivery workers). In the interviews the main topics and concerns raised by our stakeholders were:

› **CEO, executives and board members:** ethical posture; data privacy; client satisfaction and innovation in business models; reverse logistics; recovery of losses; conscientious consumption; and emissions;

› **Employees:** extended support to families; health; collective safety and well-being; recognition; remuneration and benefits; training; qualification and education; structuring of career plans; and internal usefulness.

› **Clients:** health, safety and well-being of drivers; impact of the acquisitions; communication with clients; respect for human rights and diversity; employment opportunities and training for the local population; NPS;

› **Members of the community:** attraction and development of people; respect for human rights; reduction of inequalities; inclusion; community relations; safety of transported items;

› **Market specialists:** waste management and circularity; energy efficiency and reduction of emissions; and mobility and sustainable cities;

› **Banks:** low-emissions transport; innovation; safety-first; energy consumption control at Distribution Centers; and reduction of operational risks arising from a possible water shortage;

› **Shareholders and investor:** the amount of plastic used in product packaging; extension of the chain and co-responsibility; best practices; mitigation of risks; safety of the third parties who work within the operation; Compliance Hotline; employment opportunities and training for the local population; improvement in the communication with the client, covering explanations of the acquisitions; and limitations on the working hours for all drivers in the value chain;

› **Investment Funds:** a more transparent and diverse environment; synergy between personal development and technology; innovation; concern over suppliers and tackling informality; and environmental impacts on the outsourcing of the fleet;

› **Suppliers:** client satisfaction; health, safety and well-being; and ethical stance;

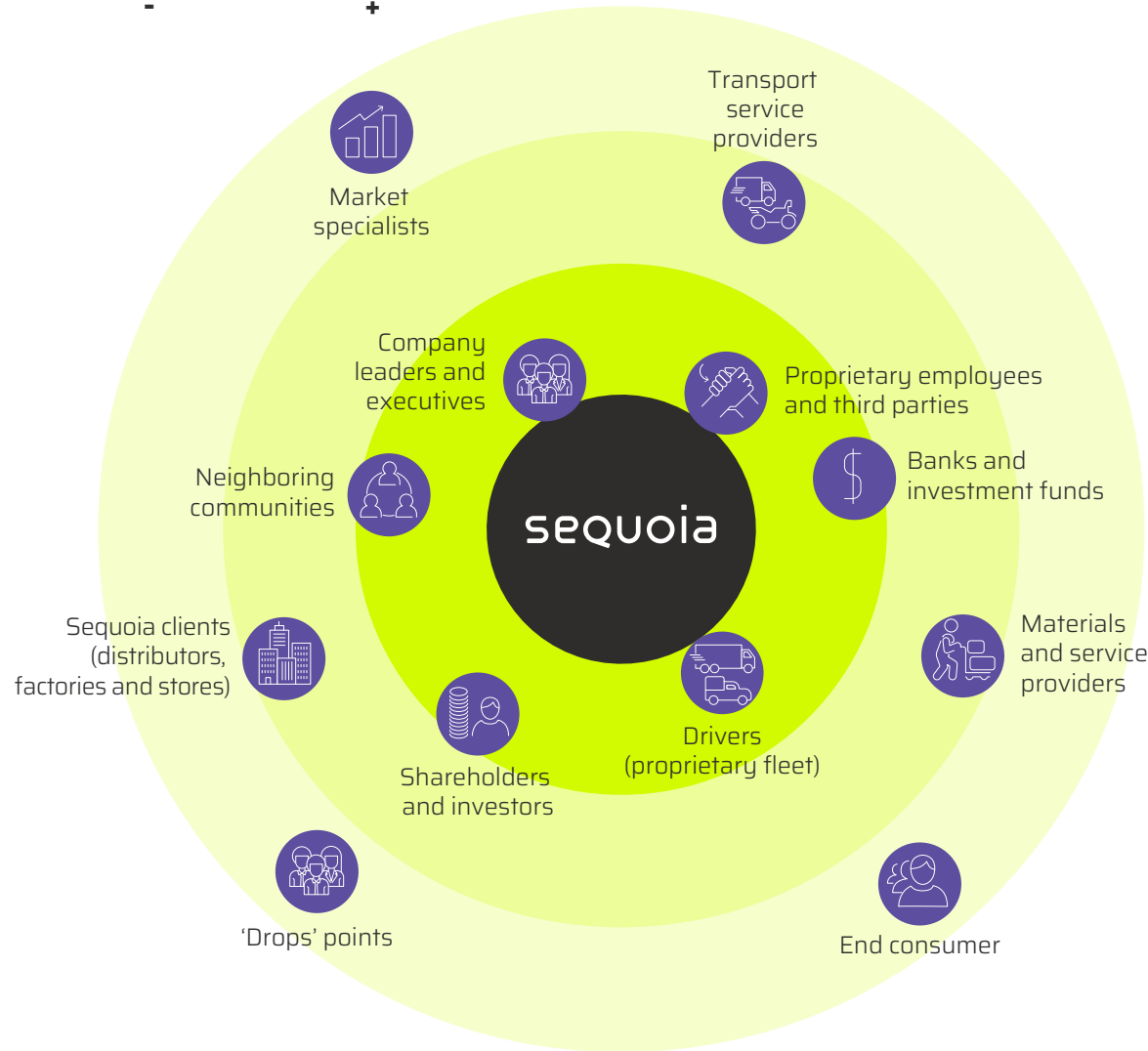
› **Transport service providers:** quality of life of people; operational efficiency; reverse logistics; family visits to the company; safety at work; recognition of the work of outsourced drivers; prioritization of the health and well-being of the employees.

Following this dialog with our stakeholders, we established a long list of 19 issues, of which six were prioritized, taking into account the evaluation of the impacts and external factors over the course of the value chain, and these became the material topics and basis for the construction of the ESG Strategy presented in this report (*read more on pages 30 and 31*).

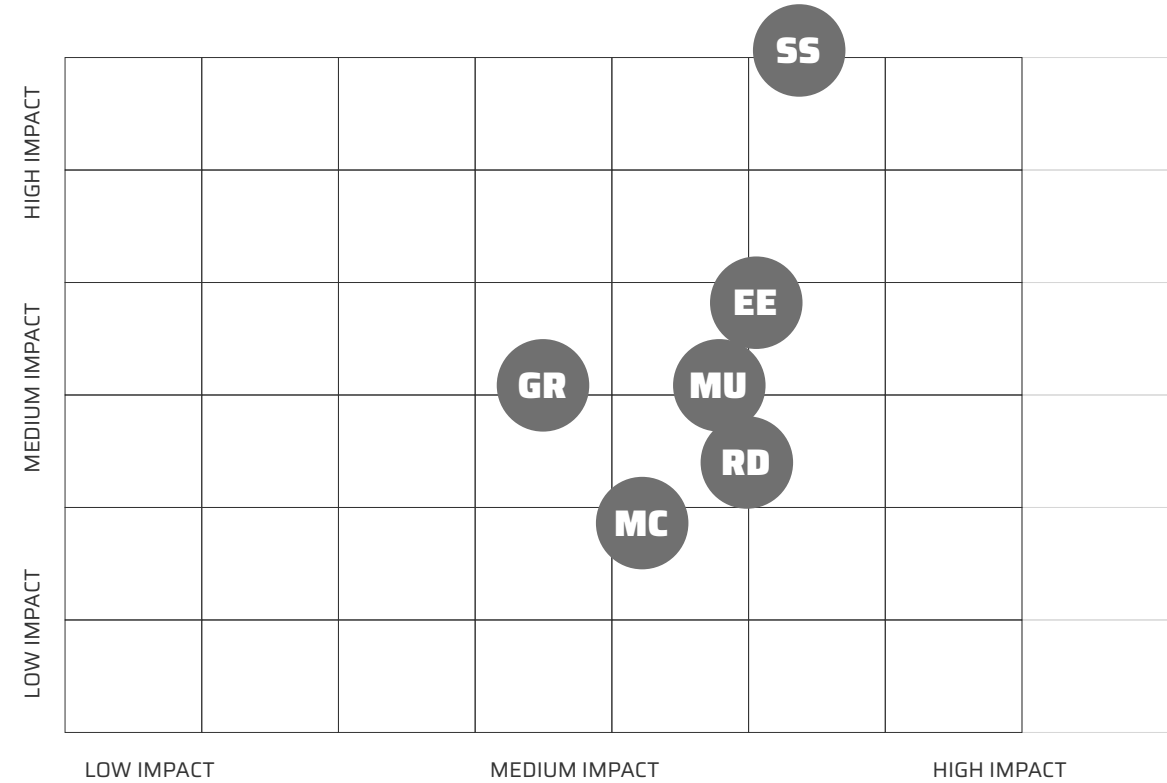


Our stakeholders

And our range of influence and impact



MATERIAL TOPICS



- EE Energy efficiency and reduction of GHG emissions
- MC Climate change
- MU Mobility and sustainable cities
- RD Reduction of inequalities and community relations
- GR Waste management and circularity
- SS Health, safety and well-being of employees and drivers

- Impact on the business over the next five years (**axis X**)
- External vision stakeholders (**axis Y**)

About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex



Material issue	Reason	Our axes of impact	Nature of the impact*	Connection with the SDGs
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Emissions and climate change

The impacts of emissions arise principally from the burning of fuels in our own and aggregated vehicles, with the emission of GHGs and pollutants, and the consumption of electricity for lighting, refrigeration and sorters. There also exist emissions from stackers and derivatives of the waste generated. Changes to the climate and their effects (rising temperatures, more severe events) will bring with them physical and transition risks, whilst also requiring more refrigeration should there be a rise in energy prices.

Intensity of emissions in the fleet; Significant energy consumption in the operations.



Mobility and sustainable cities

Urban mobility and the environment in our cities influence and are influenced by Sequoia. Whilst decentralized logistics favors agility, access and the elimination of bottlenecks also transforms the limited infrastructure of cities and smaller establishments. As well as a reduction in the volume of traffic, it is hoped that the use of cleaner and inclusive technologies will increase the efficiency, connectivity and intelligence of cities.

The issue of traffic and mobility creates opportunities for innovation in alternative modes of transport which contribute to the health of the environment, whilst also collaborating with the public and third sectors for urban solutions. Mobility as a means of promoting the quality of life, since with the programming of routes and deliveries, it is possible to reduce traffic and the waiting times of drivers at DCs and clients.

Traffic in the areas nearby distribution centers; Intensity of the flow of light vehicles in the last-mile; Decentralization of the logistics (Drops Points); Promotion of the quality of life.











Reduction of inequalities and promoting of community relations

There are broad socioeconomic impacts that go beyond the creation of jobs. The employees' access to a higher level of education and training of the local workforce represent a break in the cycle of reproduction of inequalities. The good relationship with the community can mitigate dissatisfaction due to the impacts of traffic and noise. On the other hand, there is an acceleration in consumption and possible increase in informal employment. By putting more drivers on the roads, this also increases pressure in terms of structural issues, such as child prostitution and drug trafficking. From the perspective of the PUDDOs, there is an important role to play in the access to logistics services by the sellers and the possibility of a generation of income between partner establishments.

The generation of both direct and indirect local employment and income; Professional development and training; Contribution to the creation of small businesses; Access to logistics services (consumers and sellers).





Material issue	Reason	Our axes of impact	Nature of the impact*	Connection with the SDGs
 <p>Impact on drivers</p>	<p>Drivers form one of Sequoia's core groups. The working, health, safety and well-being conditions of this group can optimize or compromise their services. Excessive journey times have an impact on drivers' tiredness and increase the risk of traffic accidents and injuries,</p> <p>The operations at PUDOs make control that much more complicated in terms of how the handling of cargo is performed and the working conditions of outsourced drivers on a large scale.</p> <p>There is room for development through dialog and training concerning issues such as health, safety, wellbeing, sustainability, financial discipline, etc.</p>	<p>Contribution to the generation of employment and income amongst drivers and delivery workers; Development; Working conditions; Risk of traffic accidents and fair working conditions.</p>	<p>+</p> <p>-</p>	  
 <p>Waste and circularity</p>	<p>The generation of waste arises, above all, from the use of cardboard and plastic film for the protection of cargo during storage and transportation. There is a significant use of pallets and these need to be continually recycled. The biggest challenge lies in the management of hazardous waste (e.g. In the storage of batteries and unserviceable materials) and organic waste directed to industrial landfills. The external factors mainly concern the costs of the direction of the waste generated by Sequoia clients and the final consumers.</p>	<p>Promotion of circularity and conscientious consumption; significant volume in the consumption and generation of waste (plastic film, cardboard and pallets); Storage of hazardous substances; Co-responsibility of post-consumption waste.</p>	<p>+</p> <p>-</p>	
 <p>Health, safety and well-being</p>	<p>The impacts on the health and safety of our stakeholders are felt in cargo loading and handling operations (ergonomics and accidents at the DCs).</p> <p>The concentration of vehicles in traffic leads to impacts connected to air and sound pollution and, mainly, the risk of traffic accidents (addressed in the pillar entitled 'Impact on the Drivers'). The PUDOs reduce the concentration of vehicles, but make the operation more complex in terms of control over the handling of cargo in small, partner establishments and can place pressure on the infrastructure and safety of small towns.</p> <p>Working to ensure the full health of employees, including their physical, emotional and mental health, to ensure the safety of the internal public, outsourced workers and partners.</p>	<p>Promotion of health and wellbeing and working conditions; risk of accidents.</p>	<p>+</p> <p>-</p>	

* All the topics listed have repercussions both within and outside the Company.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

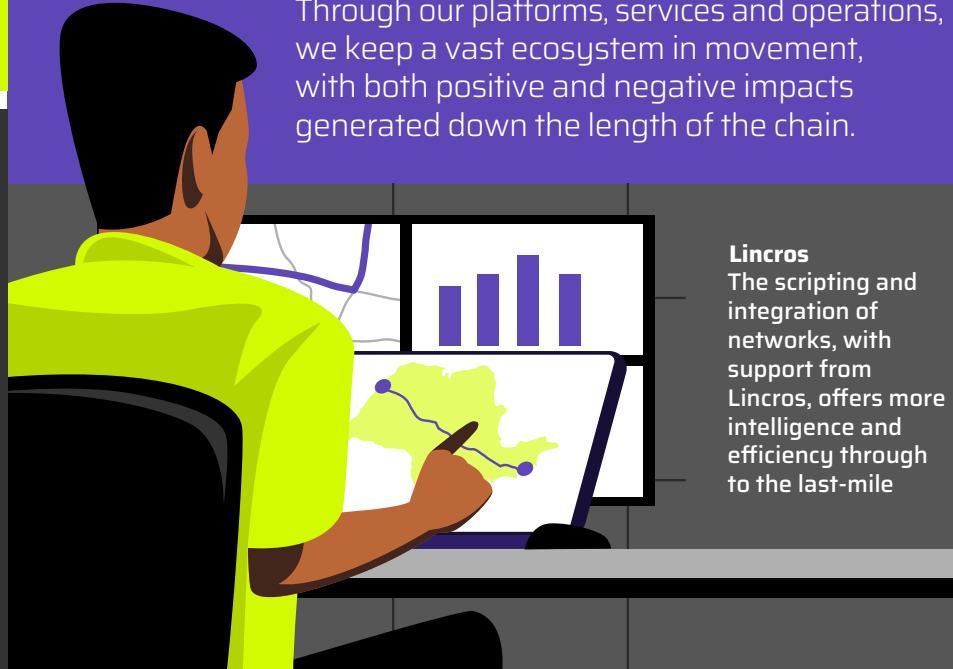
Our performance in figures

GRI Summary

Annex

Our value chain

Through our platforms, services and operations, we keep a vast ecosystem in movement, with both positive and negative impacts generated down the length of the chain.



Lincros
The scripting and integration of networks, with support from Lincros, offers more intelligence and efficiency through to the last-mile

Sellers 9 10
Small business are inserted into the market to deliver their products by means of our platforms

SFx 2 6 11 12 13
Sellers register their collection on the SFx platform and drivers and delivery workers collect and digitally track the orders

Employees 9
DCs/Hubs 3 4 6 8 11

Pick-up
'Drops' points 5 7 9 10
Decentralize the deliveries and enable extra revenue for small establishments

Frenet 13
The connection between our own and third-party sellers and transporters, by means of Frenet, increases the delivery options

Clients 10 13
Clients can rely on delivery solutions suited to their realities, with access to digital platforms and strong networks

Transport operations 1 2 4 5 6 11 12 13
B2C and B2B solutions for companies of different sizes and structures, adjusting services forms of service and experience

Neighboring communities 8 9 10 11 13
Opportunities for local work and growth, especially amongst young people

Last Mile 2 6 11 12 13
The stage during which our operations directly serve points of sale and companies, with more solutions focused on the delivery and contact with the end consumer

End consumer 2 3 4
DRIVERS
11 Risk of accidents
12 Professional development
13 Generation of employment and income

Principal impacts

EMISSIONS + WASTE

- 1 GHGs emitted by our proprietary fleet
- 2 GHGs emitted by our outsourced fleet
- 3 Energy consumption
- 4 Waste generation

MOBILITY

- 5 Increased the circulation of people
- 6 Increased traffic congestion
- 7 Decentralized logistics

COMMUNITY

- 8 Improvement in the traffic flow around our operations
- 9 Training of local labor
- 10 Development of small businesses



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

**ESG strategy
and agenda**

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

ESG strategy and agenda

IN THIS CHAPTER

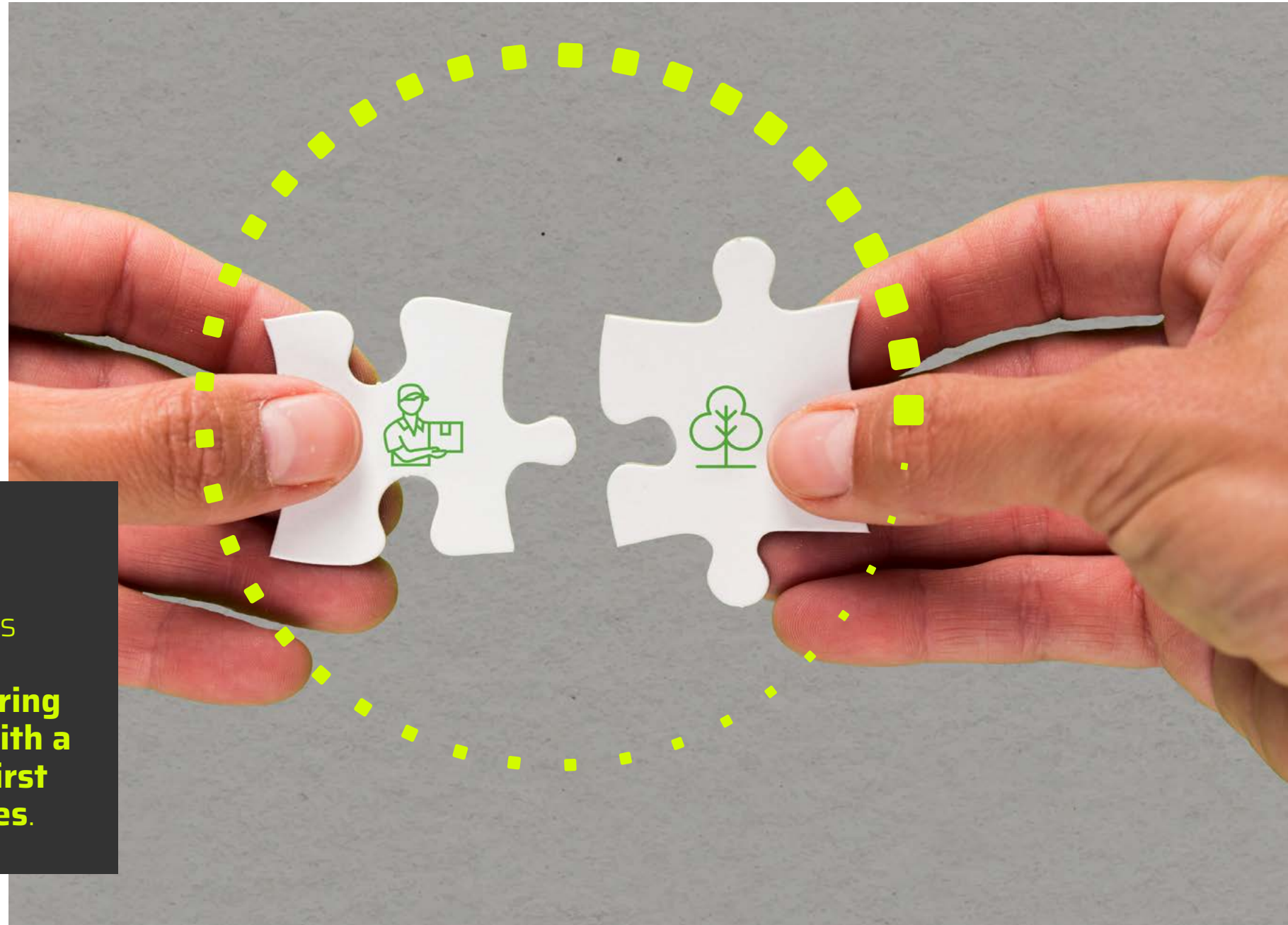
> Commitments to the sustainability of the business

[About this report](#)[Letter from the CEO](#)[Our group](#)[Identity and culture](#)[Governance and
management](#)**ESG strategy
and agenda**[Environmental
efficiency](#)[Promotion of
sustainable
urban mobility](#)[A look inside
our relations](#)[Our performance
in figures](#)[GRI Summary](#)[Annex](#)

The strategic planning of the business has been developed in such a way as to integrate the ESG strategy over the next three years. As such, we have drawn inspiration from the key sustainability issues expressed in our materiality and in the ambitions for growth of the business.

Our Ambition is connected to the challenges faced by the sector, the planet and the leading sustainability agendas, including the 2030 Agenda and the Sustainable Development Goals (SDGs), set out by the United Nations. The work performed in 2021 resulted in the construction of the ESG strategy outlined below.

Our Ambition is to be the leading logistics provider in the 3PL market in terms of size, results and client experience, in the **pioneering of ESG** and innovation, with a **positive impact for our first ecosystem and employees.**





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

**ESG strategy
and agenda**

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



Commitments to the sustainability of the business



Our ambitions and our pillars mobilize the construction of KPIs with which to monitor progress

Below, you can read more about Sequoia's ambitions and its most important commitments aligned with the business strategy for the coming four years. Based upon these, over the course of 2022, we are dedicated to constructing key performance indicators with which to report our progress and implement the initiatives and projects by each strategic pillar.



Our ESG strategy



Pillars¹ » **Emissions + Waste**

Mobility

Community

Drivers and delivery workers

2030 Ambitions » Aiming to be carbon neutral

Favoring sustainable urban mobility in priority cities

To raise human development within the Sequoia ecosystem

To ensure safety, development and fair labor for drivers and delivery workers

Public commitments » To reduce emissions with targets that are in line with the Paris Agreement

Engaging in local forums and offering alternative, less polluting means of transport

To create impact evaluation bases within the Sequoia ecosystem with a focus on employees, sellers and partners

To establish a single safety standard and model for assessing working conditions

- By 2022, adhesion to the Carbon Disclosure Project (CDP) and alignment with the *Science Based Targets initiative* (SBTi)
- By 2024, to establish a Climate Resilience Plan
- By 2025, to offer low emission deliveries or 100% offsetting on deliveries
- By 2025, to achieve zero dumping in our proprietary operations

- By 2025, to ensure that 15% of our proprietary fleet are using clean technology.
- By 2025, to ensure that in urban areas, 40% of our coverage is performed through Drops (PUDOs)

- By 2023, to model a Human Development Index (HDI) for employees from our neighboring communities
- By 2024, expand the '*Sementes Sequoia*' program
- By 2025, train 25% of our small sellers and partners on issues of management and sustainability

- By 2023, to model a Human Development Index (HDI)
- By 2024, to establish a Positive Social Impact Program
- By 2025, to establish a single standard for road safety in the last mile

¹A cross-sectional approach is taken to the material topic of health, safety and well-being in the pillars entitled 'Community' and 'Drivers and Delivery Workers'.

About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

**ESG strategy
and agenda**

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

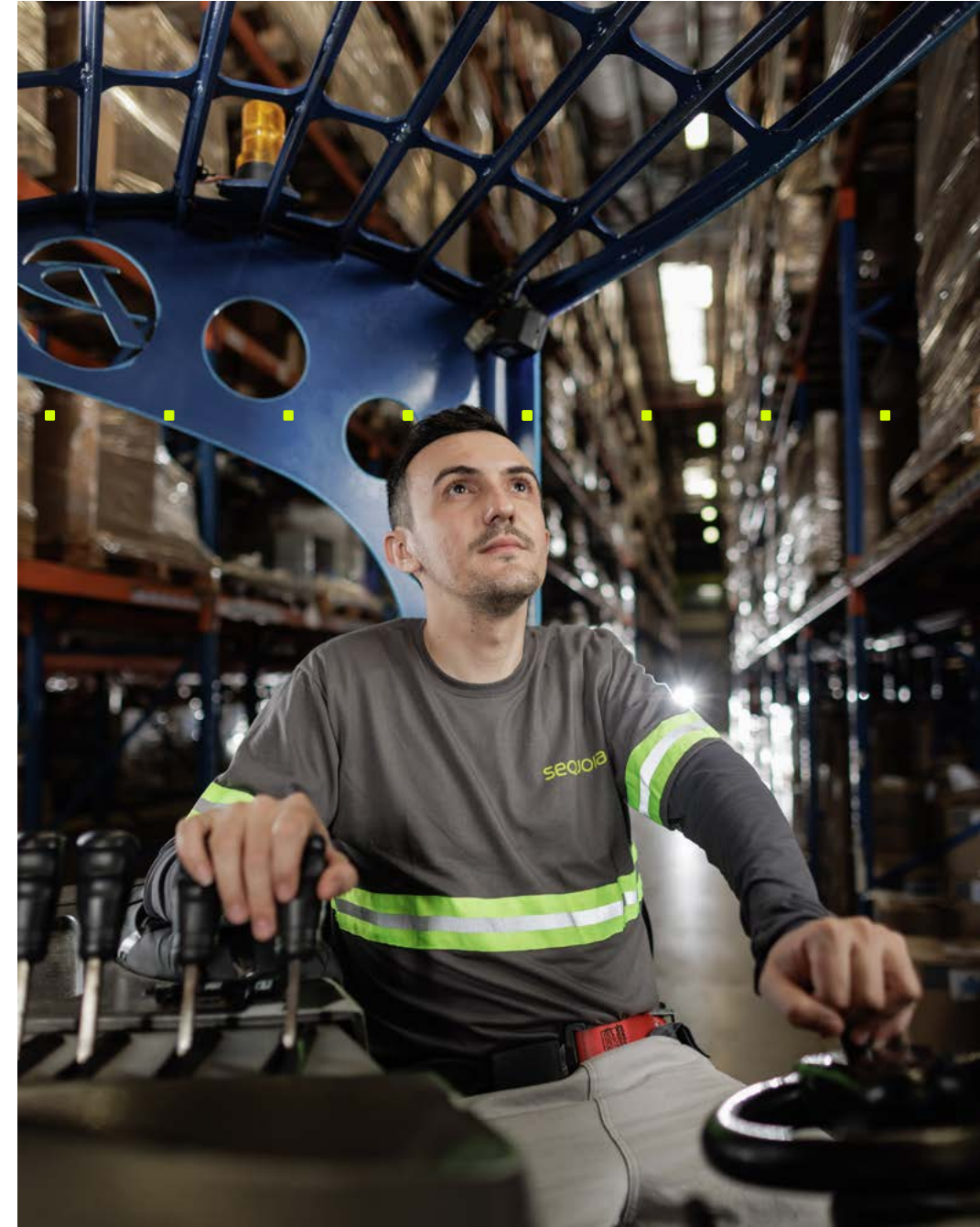
Moving forward with this process, we have established a plan named “the paths we will be taking” for each pillar, that will be implemented during the 2022-2025 cycle in response to the commitments assumed and the strategic business objectives for the next three years. The tactical plan was founded on the premises of mitigating the business’ socio-environmental impacts, boosting the connections of our ecosystem, and ensuring consistency in ESG practices, in order to guarantee that our business has a positive impact and we achieve the 2030 ESG ambitions.

From a business perspective, through the exploration of our competitive advantages, we work to implement an organization that is increasingly more resilient in the macro-economic and market scenarios, with our own, scalable technology, intelligent allocation of capital under an asset light model, activity in segments presenting potential, such as e-commerce, and a combination of organic and inorganic growth. By means of this structure, we hope to generate results that are in line with our capital providers and all the stakeholders in our value chain.

Our business stands out in the segment due to its flexibility, asset-light model and administrative expertise

Our competitive advantages

- › We have our own, scalable technology, that offers a distinctive and customized experience, with high operational efficiency.
- › Exposure to the e-commerce market in Brazil, which is growing fast and is full of opportunities.
- › A value proposal with a business model that requires little capital, being asset light, scalable and flexible.
- › Experienced management, supported by partners with experience in the sector and high standards of governance.
- › High levels of organic growth and profitability leveraged by new acquisitions.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

**ESG strategy
and agenda**

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



**AN ESG PERSPECTIVE IN OUR
ACQUISITIONS**

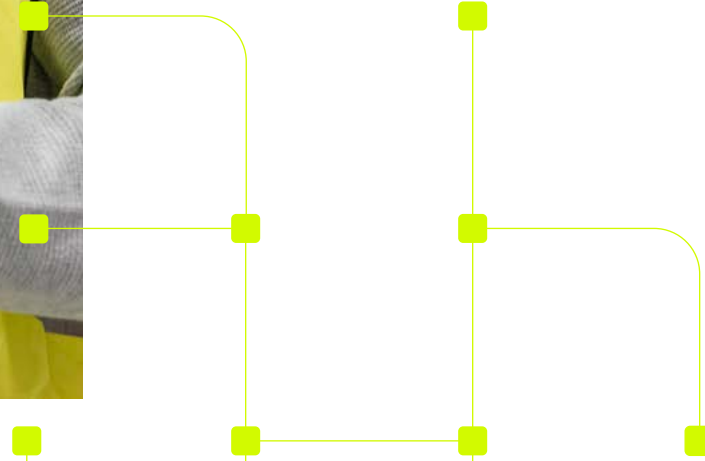
The evolution in the supply of services connected with ESG practices is also found in mergers and acquisitions. Sequoia has professionals who are dedicated to M&A processes, focused on monitoring the market in the search for opportunities, so that we can bring innovative solutions into our portfolio with potential that is aligned with our sustainability targets.

In line with our strategy, for example, in 2021, we acquired 41% of the shares of the software solutions company Lincros. This is a logtech that is a benchmark in the SaaS ('Software as a Service') segment for B2B companies. The strategic differential of the business is its integration in competitive solutions in relation to tracking in real time and TMS Shipping (Transport Management Systems).

Lincros also offers services that have a significant and positive environmental impact, such as the optimization of freight and route planning, which allows for savings on journeys, fuel and overtime. This solution can also benefit companies that transport cargo by air, since it allows comparisons to be made as to whether or not this form of transportation is more beneficial than arranging for their cargo to "get a ride" on Sequoia trucks which have space available.

With the partnership that has been established with Gigahub, a company in which Sequoia now holds a 51% share, we have inserted the 'Drops' solution into the market. This involves a PUDDO network, meaning 'pick up and drop off', referring to a location where consumers can collect products purchased online. This ensures greater freedom in terms of time and avoids numerous attempts to make a delivery; small sellers can leave their orders, which will be collected on a single journey made by one of the drivers from our network; these work as points for the reverse logistics of items that need to be returned or exchanged.

As well as being efficient and economical, the adoption of PUDDO networks has a number of positive impacts on the environment, amongst which are the reduction of the number of vehicles circulating on the roads and the mitigation of greenhouse gas emissions. The system also allows for a greater flow to small businesses which operate as points within the network, thus strengthening the economies of the communities *(read more on page 64)*.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

**Environmental
efficiency**

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



Environmental efficiency

GRI 103-2, 103-3 |

IN THIS CHAPTER

- > The path towards carbon neutrality
- > Waste management



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

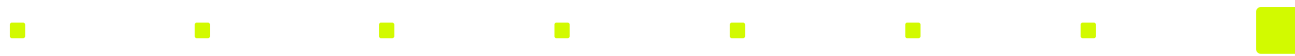
Our efforts are focused on more efficient and innovative operating models, on compliance with regulations and legislation, and on the use of systems and tools designed to properly manage the impacts. In line with our ESG strategy, we understand the importance of keeping our processes and operations in compliance with the environmental laws and requirements. We also abide by our Environmental Quality Policy, the premise of which is to seek high levels of business excellence.

In 2021, our 'Mega DC' (our central distribution center) and our branch located in Americana were both re-certified in the ISO 9001 and ISO 14001 norms. This means that the operations at both the centers are in compliance with the very highest management quality standards and pursue a correct and efficient environmental management system. Sequoia is a pioneer in this area: TA was the first Latin-American company in the highway cargo segment to be awarded the NBR ISO 9001 certification, in 1994.

We started implementing a platform to monitor our partners' environmental compliance in their waste management, thus centralizing and integrating the information relating to a portion of the group's branch units. In 2021, there were no recordings of cases of non-compliance with laws and/or relevant environmental registrations (of above R\$ 10 million).

Real and potential negative impacts of the operations GRI 413-2

Location of the operation	Location of the impact	Real and potential negative impacts of the operations	
		Real impacts	Potential impacts
Operation and neighboring community	Cargo transport and transportation of employees	Real impacts	Air pollution
		Potential impacts	Alteration of the quality of the air, greenhouse effect, depletion of the ozone layer and increase in the global temperature
Operation and neighboring community	Consumption of natural resources (water, energy and raw materials)	Real impacts	Scarcity of resources
		Potential impacts	Lack of availability, leakages, contamination, reduction of habitats and biodiversity
Operation and neighboring community	Direction of waste to landfills and incineration of non-recyclable and hazardous waste	Real impacts	Air pollution
		Potential impacts	Alteration in the quality of the earth, water and air; depletion of the ozone layer



In accordance with the Global Compact, we are in the Action Decade (2020-2030) with the aim of fulfilling the Sustainable Development Goals, and we have undertaken commitments to qualify our systems and performance on environmental fronts



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

**Environmental
efficiency**

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

The path towards carbon neutrality

GRI 103-2, 103-3 | 305, 305-1, 305-2, 305-3

The climate agenda is a key-issue in our sector of activity and is being addresses as a priority within the group. As part of our maturing process, we opted to do our homework using standardized and world-class instruments for the gauging of emissions. This is done by means of our first diagnosis of greenhouse gas (GHG) emissions, performed in 2021, the first CO₂ inventory.

Our emissions inventory is divided into three scopes, considering our activities, using the following sources:

› **Scope 1:** stationary sources (burning of fuel for the generation of electricity), mobile sources (use of fuels in our own vehicles), and fugitive emissions (emissions inherent to the escaping of gases in refrigeration and air-conditioning equipment);

› **Scope 2:** consumption of acquired electricity;;

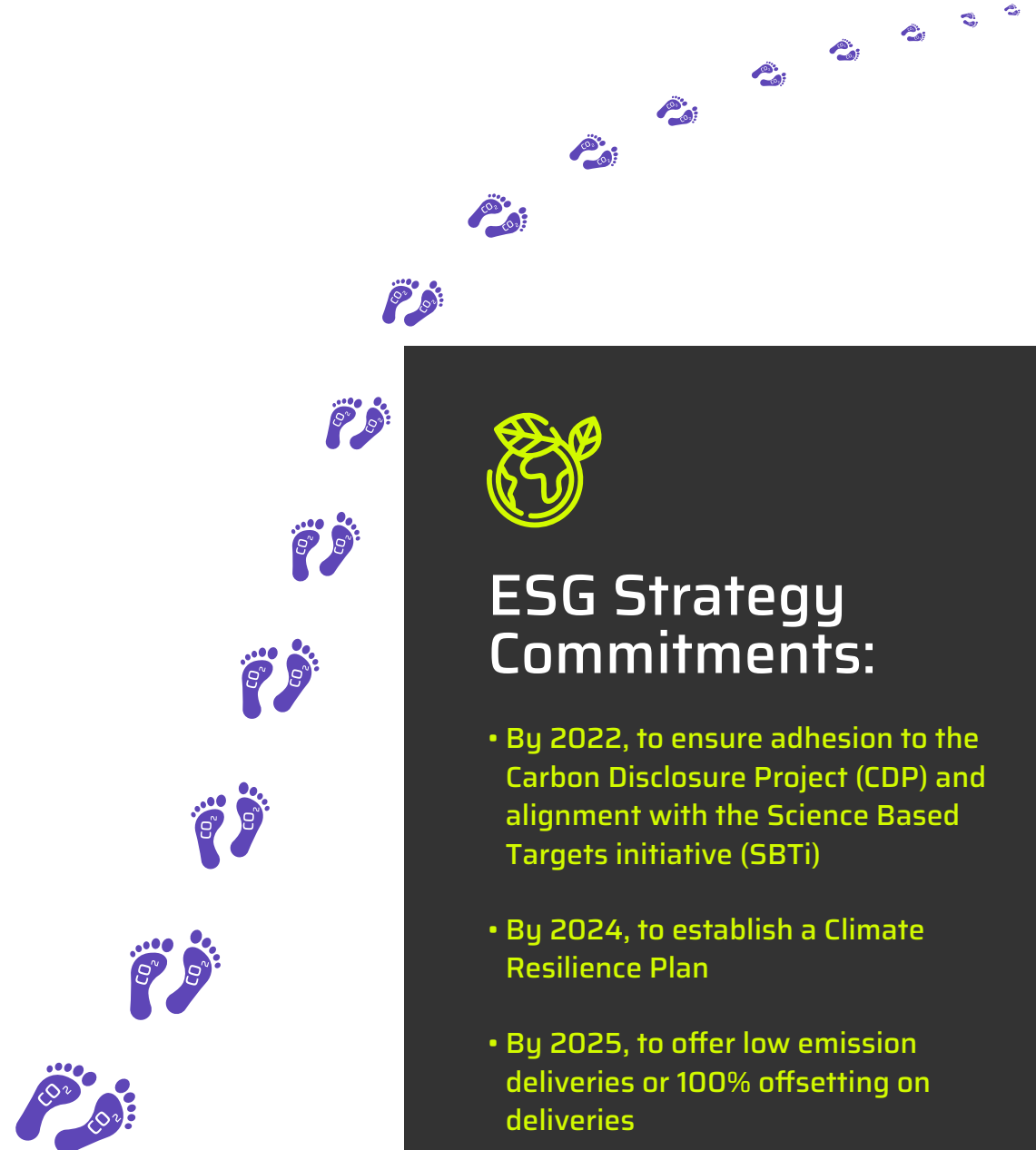
› **Scope 3:** upstream transportation and distribution by outsourced vehicles.

Read more about our performance in 2021, measured by the emissions inventory, below:



ESG Strategy Commitments:

- By 2022, to ensure adherence to the Carbon Disclosure Project (CDP) and alignment with the Science Based Targets initiative (SBTi)
- By 2024, to establish a Climate Resilience Plan
- By 2025, to offer low emission deliveries or 100% offsetting on deliveries





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex



FIND OUT MORE

Find out more about all of our GHG emissions data in the **Annex**.

Direct emissions of greenhouse gases - Scope 1 (t CO ₂ equivalent)* ** ** GRI 305-1	2020	2021**
Electricity generation (heat or vapor)	9.52	10.69
Transportation of materials, products, waste, employees and passengers	17,574.36	14,974.74
Fugitive emissions*	85.61	85.61
Total gross emissions of CO₂	17,669.49	15,071.04

* Calculations based upon the mileage traveled by our proprietary fleet on the collection and transfer routes, relating to Sequoia, TA, Plimor and Prime.
 ** Reduction in the emission of GHGs due to the inorganic growth of the company, reduction of the proprietary fleet, and integration of the networks pertaining to the companies of the Sequoia Group.
 *** The source of the emission factors is based on the Brazilian GHG Protocol.
 **** Gases considered: CO₂, CH₄, N₂O and HFCs.

Indirect emissions of greenhouse gases - Scope 2 (t CO ₂ equivalent) GRI 305-2	2020	2021
Energy acquisition	493.10	1,155.04

* Increase in energy consumption due to the inorganic growth of the company with new acquisitions and installation of new DCs (Distribution Centers), greater coverage of the management of energy and changes in the emission factors for calculation of Scope 2, leading to a significant increase in emissions in 2021.
 *** The source of the emission factors is based on the Brazilian GHG Protocol.
 **** Gas considered: CO₂.

Other indirect emissions of greenhouse gases - Scope 3 (t CO ₂ equivalent)*** GRI 305-3	2020	2021**
Upstream transportation and distribution*	62,354.02	63,121.87

* Outsourced fleets of the Sequoia Group companies that perform collection, transfers, last mile, field service and SFx.
 ** Increase in the emissions due to the reduction of the company's own fleet and expansion of the network of transport service providers, as well as the significant increase of orders in the B2C segment.
 *** Information unavailable: business trips, transportation of employees, upstream assets, solid waste directed to landfills or incinerated, and miles traveled by vessels operating in the 'field service' area.
 **** Gases considered in the calculation: CO₂, CH₄, N₂O.
 ***** The source of the emission factors is based to the Brazilian GHG Protocol.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

**Environmental
efficiency**

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



We work hard to be more aware
of the company's GHG impacts
and management



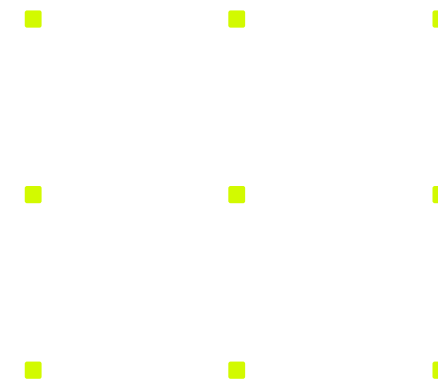
THE CHALLENGE PRESENTED BY SCOPE 3

Our sector is constantly having to contend with an important challenge at this level of decentralized management, that measures the emissions relating to the fleets that are not directly controlled by the organization. In our case, we are speaking here of the fleet of outsourced and delivery vehicles, that can be organized into the following categories:

- › **'Collection and Transfer'**, involving a division of the business in which our orders are collected from the clients and transferred to other locations using outsourced heavy vehicles.
- › **'Last Mile'**, involving the delivery of orders that are sent out from the Distribution Centers (DCs), advanced posts or PUDOs, directly to the end consumer, being performed by drivers and outsourced delivery workers using light commercial vehicles, or alternative modes of transport in the case of PUDOs.

› **SFx**, a platform in which the micro or small seller, as well as different sized stores and companies, can request collection of their products by light commercial vehicles, thus connecting the transfer lines and the company's network.

› **Field Service**, a branch of the business in which deliveries are performed using POS payment machines (via bankcards). As with the 'last mile' segment, the deliveries are made based upon the operations and sent directly to the end consumer using commercial vehicles, including a small portion transported by motorcycles and boats (in areas without road access, especially in the Northern Region).



Through the *'Serviço Social do Transporte' / 'Serviço Nacional de Aprendizagem do Trabalho'* (Sest/Senat) and 'CNT', we run the *'Programa de Avaliação Ambiental Veicular'* (Vehicle Environmental Assessment Program), that assesses and certifies the exhaust fumes emitted by our proprietary fleet. In 2021, 185 vehicles were approved by 'Despoluir'.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

**Environmental
efficiency**

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

ENERGY MANAGEMENT GRI 103-2, 103-3, 1302

By means of our Quality and Environment Policy, we address the rational use of natural resources, including the management of the consumption of energy by the Sequoia Group's branch units. We will be gradually increasing the use of the clean energy grid, including sources such as solar energy. As part of this, the first shift to a solar plant is planned to take place in the second quarter of 2022.



**THE PATH
WE WILL BE TAKING**

To advance in the management and mitigation of the emissions associated with our activities, the initial step involves the undertaking of the Emission of Greenhouse Gases Inventory in the Silver category, during the 2022-2023 cycle. The process will be monitored by the establishment of internal emissions reduction targets, in line with the criteria of the Science Based Target Initiative (SBTi), a coalition made up of the Global Compact, the Carbon Disclosure Initiative (CDP), the World Resources Institute and the World Wide Fund for Nature.

Following this, the desired improvements include the automation of the collection of the GHG emissions, by means of a carbon management platform, and the surveying of certified mechanisms available on the market for the offsetting of carbon and

creation of services with their emission offset for our clients. In addition to this, we will be looking for opportunities to increase the use of renewable fuels in the 'Facilities' operations, by means of long-term energy negotiation contracts (or our own systems).

The creation of a marginal abatement cost curve (MACC), relating the use of technology to the potential reduction of emissions, will allow Sequoia to direct funds into technologies with greater potential for reduction.

As of 2024, our aim is to evolve in the presentation of the Emissions Inventory, obtaining the GHG Gold Seal, which is awarded to organizations that stand out in terms of transparency and completeness in the disclosure of their emissions. For the same year, we plan on launching our Climate Resilience Plan, in compliance with the regulations of the Task Force on Climate Related Financial Disclosures (TCFD), thereby aligning the company with the leading Brazilian and international benchmarks on the issue.



FIND OUT MORE

*MORE information on the consumption of energy within the organization can be found in the **Annex**.*





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
managementESG strategy
and agenda**Environmental
efficiency**Promotion of
sustainable
urban mobilityA look inside
our relationsOur performance
in figures

GRI Summary

Annex

Management of waste and circularity

GRI 103-2, 103-3 | 301, 103-2, 103-3 | 306, 306-1, 306-2

Keeping an eye on the waste that we generate requires a combination of management systems and behavioral practices. Different projects and improvements already underway contribute to mitigating our impacts and encouraging the mapping of the waste generated. Our aim is currently to establish definite and comprehensive metrics for all the branches.

The generation of waste at Sequoia arises, above all, from the use of cardboard and plastic-film for the protection of cargo during storage and transportation. There is a significant use of pallets and these are reused in part of our processes. One of the biggest challenges lies in the management of hazardous waste - in the storage of batteries and unserviceable materials, for example - and in our ability to direct these materials for recycling and co-processing. Our external challenges mainly involve the generation of packaging amongst Sequoia's clients and the end consumption.

Some of the highlights and initiatives of our operation include:

› **Management Manual:** this establishes the directives for the correct management and directing of recyclable waste, non-recyclable waste (residues) and hazardous waste, orienting each department of the company on how to manage their waste in the operation and workshops.

› **Practical Guide to Selective Collection:** this guides the leaders and employees on correct disposal and on the implementation of selective collection at the branch units, and on its importance according to the types of waste. We also provide training on the issue on our EAD platform.

› **Recycling Program at the Mega DC (central distribution center):** this establishes a set of initiatives to guarantee environmental compliance in the transportation and directing of waste, implementation of selective collection, engagement of employees, and partnership with cooperatives and companies assessed and ratified by our ESG department.



› **Sustainability Kit:** we have delivered 900 kits designed to replace plastic cups with reusable recipients, such as squeezable bottles and mugs. This is a simple but effective initiative, that encourages a change in attitude concerning the waste of resources. In relation to the operations where we have not yet delivered the kits, we started structuring a pilot circular economy project aiming to recycle plastic cups through reverse logistics at our Mega DC (central distribution center), involving recycling cooperatives.

› **Reduction of Plastic:** we use returnable lashing straps for the storage of our orders, maintaining a high level of quality in the movement of cargo, and avoiding the use of 14 tons of stretch plastic film in the process.

› **'Baixa Mobile':** this is a cellular phone app that allows downloaded orders to be signed for electronically, thus drastically reducing the use of paper. Since the app started being used, we have already registered a reduction of 33.6 tons of paper in our 'last mile' deliveries, the equivalent of conserving 673 sustainable forest management trees.

Reduction of plastics and digitization of processes are actions that minimize our waste-related impact



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

› **Co-processing of Banking Objectives:** we treat confidential documents as alternatives fuels in the production of the cement of cards and checks, with a volume of 28 tons.

› **Reuse of Pallets:** we have restructured a new area for the revamping of used pallets, with the potential of conserving 36,000 sustainable forest management trees. We have also tested a mobile selective collection station constructed using the pallets from our operations.

› **Biodigestor:** we have implemented a process focused on treating and recycling leftover food at the Mega DC (central distribution center), thereby generating biogas and bio-fertilizers.



THE PATH WE WILL BE TAKING

The first step in the evolution of our waste management is the expansion of the recycling program, started at the Mega DC (central distribution center). The plan is to implement the initiative at the group's own branches, including the actions involving selective collection, awareness raising and partnerships with recycling cooperatives and companies. The process will be coordinated by a working group to be created in 2022, that will be focused exclusively on the planning and execution of waste management actions and promotion of the circular economy. The work will also include the creation of a waste and zero landfill policy, as well as the structuring of an auditing process concerning the directing of all the waste generated by the branches. In relation to



FIND OUT MORE

Discover more information on recycled materials and reclaimed packaging in the **Annex**.

this final issue, we are going to be developing a systematization project to standardize and unify the group's waste management.

Management of materials GRI 301-1

Materials used in the 2021 operations*

Name of the material	Unit of measurement	Quantity**	Source (renewable or non-renewable)
Cardboard Boxes	Units	2,518,128	Renewable
Stretch	Metric tons	396,000	Renewable
Raffia Bags	Units	286,968	Non-renewable
Seal	Units	33,000	Non-renewable
Pallets	Units	26,250	Renewable

* The materials and volumes listed refer to part of what is used in the group's operations.

** The materials and values reported relate to the Sequoia and TA companies. Other companies are in the process unification phase.

Raw materials or recycled materials used GRI 301-2

Percentage of raw-materials or recycled materials used in the manufacture of the products and services

Material	2021
Boxes	100
Pallets	90

* Information provided by the materials suppliers

** Information relates to part of the materials used by the Sequoia and TA companies. Other companies within the Group are in the process unification phase.

2021 recycling performance in figures



R\$ **416,000**
revenue



497 tons
of waste from the branches with a large amount of recyclable materials



ESG Strategy Commitments:

- Zero landfill dumping in our proprietary operations by 2025.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

**Promotion of
sustainable
urban mobility**

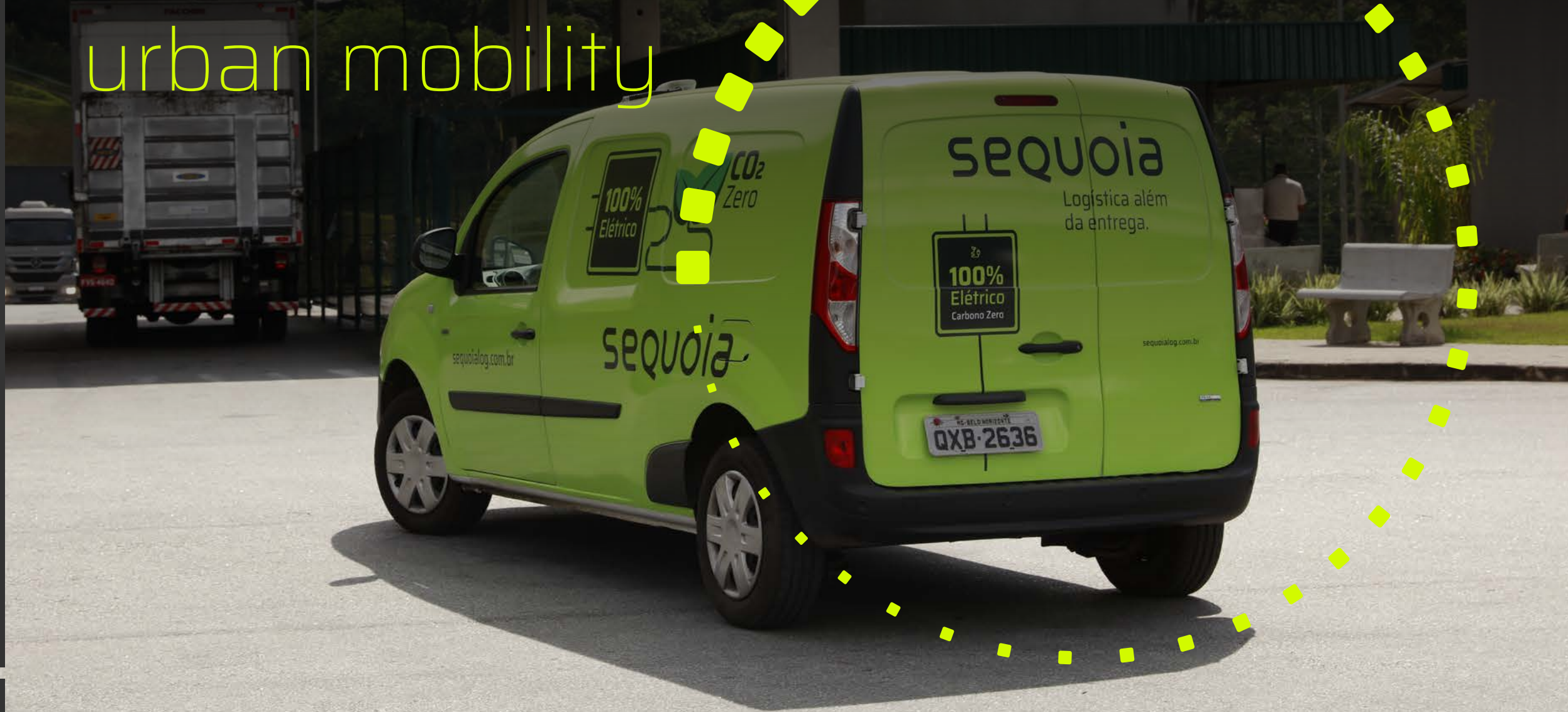
A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Promotion of sustainable urban mobility





About this report

Letter from the CEO

Our group

Identity and culture

 Governance and
management

 ESG strategy
and agenda

 Environmental
efficiency

**Promotion of
sustainable
urban mobility**

 A look inside
our relations

 Our performance
in figures

GRI Summary

Annex

Urban mobility and the environment of our cities influence and are influenced by the Sequoia's activities. As such, we have used new technologies to create a business platform that offers solutions in line with the needs of the company's B2B and B2C clients and which favors mobility in the towns and cities served by our distribution network.

Actions such as SFx and Drops are examples of how our business can be given new meaning. Within these models, rather than moving around a neighborhood to deliver orders to different addresses, the delivery personnel travel less, making a single journey to the closest collection point. The buyers, in turn, can then go there to pick up the order, often by foot. As well as this, the PUDO can be a place where an order can be dropped off if the buyer cannot be located, thus avoiding having to return it to the distribution center.

The promotion of sustainable urban mobility also involves investigating safer and more efficient modes of transport. It is worth mentioning the positive impacts that the 'Same Day Delivery' project has had. This project was created in 2021 and involves delivery by bicycles as a form of sustainable micro-logistics in the large urban centers of São Paulo (SP), Rio de Janeiro (RJ), Recife (PE) and Porto Alegre (RS). As well as directly reducing carbon emissions, it contributes to the reduction of noise pollution and traffic. The project meant a reduction in emissions of 224 tCO₂ in 2021. Our biggest challenge currently involves an increase in scale.

Favoring sustainable urban mobility in priority cities is one of our ambitions for 2030

We have also acquired ten light electric vehicles which will start operating in 2022, with the ability to reduce annual emissions of CO₂ by almost 1,000 tons. Elsewhere, through the partnership with the Urban Mobility Department of the Municipality of Embu das Artes (SEMOB), we have started participating in the 'Yellow May Movement', an action designed to raise employees' and drivers' awareness of the issue of mobility and safety on the roads, due to the high traffic-related death and accident rates around the world.

These initiatives are connected to the commitments outlined in our ESG Strategy (*see the chart*), which guide the ecosystem into seeking alternatives and acting in ways that make the operations safer and more efficient.



ESG Strategy Commitments:

- To have 15% of our proprietary fleet using clean technology by 2025
- To ensure that in urban areas, 40% of our coverage is performed by means of Drops (PUDOs) by 2025



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

**Promotion of
sustainable
urban mobility**

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



**THE PATH
WE WILL BE TAKING**

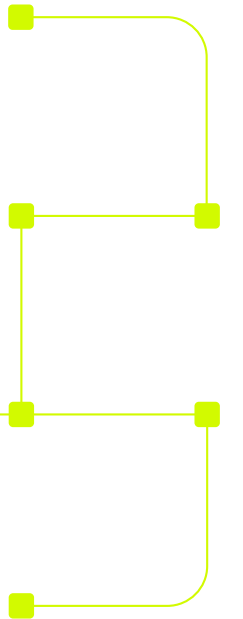
In relation to our own fleet, our commitment for 2022-2023 is to create a working group focused on mobility, innovation and alternative technologies and the development of less-polluting delivery prototypes, as well as establish our targets for this area.

Also on our list of commitments is the definition of our priority cities (amongst those where we already operate) for implementation of future projects and expansion of our Drops coverage. Launched

in 2021, this project is one of the tools with the most potential for contributing to urban mobility in the areas surrounding our distribution centers.

We aim to study the impacts on the mobility of the areas in which we operate and incorporate them into the Routes and Deliveries Program, thereby better optimizing the operations. On another front, as of 2023, we will be basing our actions on the criteria of the '*Índice de Mobilidade Urbana Sustentável Sequoia*' ('Sequoia Sustainable Urban Mobility Index' / 'IMUS').

Through our business, we can have a positive impact on urban mobility with dynamic, flexible and low impact solutions for the delivery of products.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

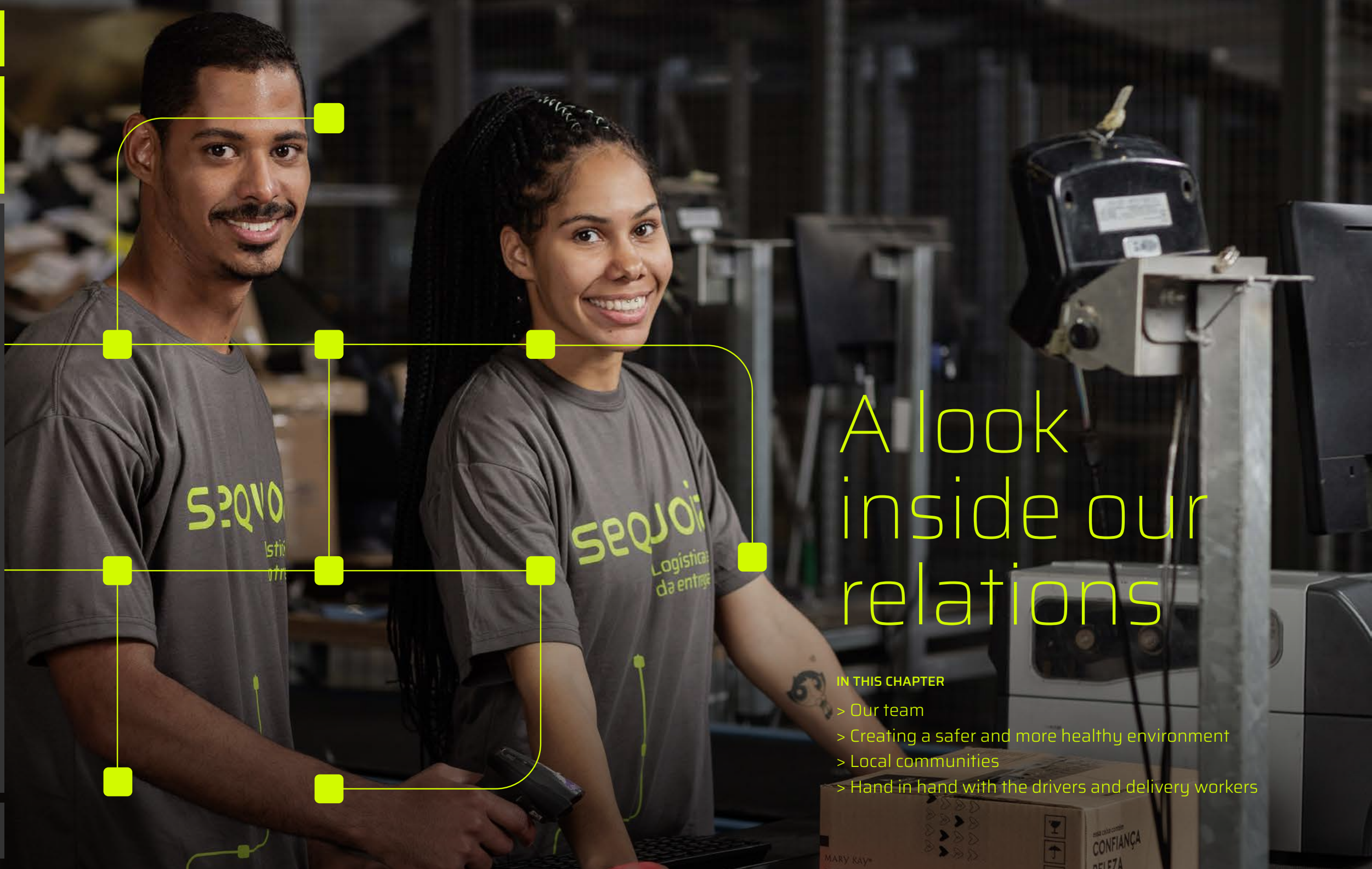
Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex



A look inside our relations

IN THIS CHAPTER

- > Our team
- > Creating a safer and more healthy environment
- > Local communities
- > Hand in hand with the drivers and delivery workers


[About this report](#)
[Letter from the CEO](#)
[Our group](#)
[Identity and culture](#)
[Governance and management](#)
[ESG strategy and agenda](#)
[Environmental efficiency](#)
[Promotion of sustainable urban mobility](#)
[A look inside our relations](#)
[Our performance in figures](#)
[GRI Summary](#)
[Annex](#)

Our Team GRI 102-8

Our objective in 'Personnel and Management' is to put people at the center of Sequoia's management, with the result that engagement and productivity are the leading factors enabling the success of the business. Growing and evolving are in our DNA, and these are aspects that have been a feature of our history as a company over recent years.

When we look at the business from the perspective of personnel management, the integration of new teams from different corporate cultures, regions and working systems, has undoubtedly been one of the greatest challenges over this period. Sequoia finalized three more company acquisitions (Prime Express, Frenet and Plimor), one *joint venture* with Gigahubs (Drops), and assumed one equity stake (Lincros). As such, our permanent and temporary workforce closed the year with 9,318 employees, of which 66% were men and 34% women.

Our 'Personnel & Management' performance model establishes three different areas: Business Players - this being the Personnel & Management that runs the business, implements the Personnel & Management strategy

in line with the company strategy, and applies Personnel & Management solutions to bring about an increase in performance and results; Center of Expertise or Program Development departments - these being the areas that consider products or programs that bring in the best market practices applicable to the business, ensuring application and management by means of performance indicators; and an area focused on the execution of the transactional activities, aiming for a high level of efficiency, quality in the processes, optimized costs, and the precision and accuracy in the procedures for which it is responsible, being gauged by the level of agreed upon services. Below we will outlining some of the programs and initiatives involved in the cycle of employees on their journey with the company:

We have assumed a commitment to generate value and development for all those who form part of our ecosystem - leaders, employees, sellers (SFx), partners ('Drops' points), drivers and delivery personnel.





- About this report
- Letter from the CEO
- Our group
- Identity and culture
- Governance and management
- ESG strategy and agenda
- Environmental efficiency
- Promotion of sustainable urban mobility
- A look inside our relations**
- Our performance in figures
- GRI Summary
- Annex



Amongst the standout actions of our diversity program is our appreciation of disabled persons

ACQUISITION OF TALENTS

Through our Talent Acquisition department, we pursue a strategic approach, aiming to identify, attract and integrate the best professionals for our company and efficiently meet our business needs, or in other words, place the right talents in the right positions, at the right time, and with the right skills.

Some programs were very important in our mission to acquire talents, including: **TAQE** - this program uses artificial intelligence for the hiring of operational positions; **'Sementes Sequoia' ('Sequoia Seeds')** - this is a program focused on identifying and developing young people with potential within the communities of the areas where we operate; **'Talentos Sequoia' ('Sequoia Talents')** - this program plans for the identification and development of young university students, offering them their first career opportunities, whilst also inspiring a genuine movement of change in the life of those who take part; **'Cresce Sequoia' ('Sequoia Grows')** - a program in which we create opportunities to take advantage of the skills we already have within the company, because we believe that Sequoia's growth is only possible if we grow together; and the **'Mapa de Talentos' ('Talents Map')** - a program which involves a process that allows for the evolution and/or change in the career direction of our professionals, with the aim of ensuring, planning and constructing an assertive pipeline of succession to overcome the current challenges and demands facing the company's growth.

The programs are outlined in more detailed below.

Diversity - Inclusion and equity

Being the Brazilian company that we are, we are proud to have a team that reflects the wide range of equity that enriches the culture of our country. Here, the differences of race, geographical location, gender, age, beliefs, values, nationality and religion, amongst other aspects, are appreciated and accepted naturally.

Diversity for Sequoia means promoting the creation of a working environment that is respectful and inclusive, appreciating individual differences, ensuring that each individual has conditions for the full development of their talents and potential, inspiring diversity to contribute to Sequoia with their aspirations through the desired culture, thus generating value for the entire ecosystem. Below you will find our Inclusion Program for disabled persons, one of the pillars of the Sequoia Diversity Program.

The aim of the program is to develop an environment that appreciates and includes Disabled and Rehabilitated Persons, ensuring opportunities in line with the business and the Sequoia Culture and, consequently, compliance with current Brazilian quotas legislation.

For development of this program, we received support from the consultants at Seanai de Itu (SP), a national benchmark on the subject, for structuring of the program into the following



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

stages: review of policies and practices, training and dissemination of knowledge amongst those involved, external mapping together with local entities, internal mapping in productive environments and work stations, communication & awareness-raising concerning inclusion “in practice”, hiring, integration, monitoring and retention.

Special mention should go to the awareness-raising process that provides the employee with experimental experience of disabilities, aiming to raise their awareness, prepare them, and avoid improper behavior and attitudes with respect to disabled persons.

In addition to this, we host the *Café com Inclusão* (“Inclusion Coffee Mornings”), an initiative that aims to tighten the relationship between employees with disabilities and the company’s senior management, establishing connections and holding crucial conversations in which everyone plays an active role in the identification and resolution of opportunities for improvement in terms of interaction and the working environment, whilst also reinforcing a sense of belonging and pride in forming the team of ‘*Sequoialogers*’.

We also have an Inclusion Committee, which holds monthly meetings with the senior management to keep the program active, and we have a bank of talents of disabled professionals.

On another front, we provide sign language classes at our head office for the administrative

and operational areas. The aim of this is to facilitate our employees’ communication with the hearing impaired, as a means of ensuring inclusion and productivity.

It is important to stress that inclusion is a journey taken step-by-step. When we first started the program in 2017 we had 14 disabled persons on our workforce and we now employ 170 disabled persons. We understand the challenge of implementing this Diversity Program in each company acquired, in order to guarantee the continuity and longevity of this important initiative for Sequoia.

Collective agreements GRI 102-41

Currently, 38% of our employees are specifically covered by collective labor agreements (ACT in the Portuguese acronym), negotiated directly between the company and union organizations, with these agreements covering solely one specific group of workers and location. Sequoia is in strict compliance with union regulations, and the remaining percentage of employees (68.2%) are covered by a Collective Bargaining Agreement (CCT in the Portuguese acronym) - an agreement made directly between the unions which represent the labor category in the respective geographical region. As such, 100% of the company's workforce is covered by collective regulations.

Integration

With the aim of accelerating the process of integrating the employee into the company environment, optimizing their adaptation into the institutional processes, and generating a sense of belonging, we have an integration program divided into operational, administrative and management groups.

Learning sign language is one of our inclusion actions; we currently have 170 disabled persons on the team




[About this report](#)
[Letter from the CEO](#)
[Our group](#)
[Identity and culture](#)
[Governance and management](#)
[ESG strategy and agenda](#)
[Environmental efficiency](#)
[Promotion of sustainable urban mobility](#)
[A look inside our relations](#)
[Our performance in figures](#)
[GRI Summary](#)
[Annex](#)

Engagement

The purpose of the Internal Communication department is to provide the means for our teams to achieve better results, guaranteeing the dissemination and in-depth understanding of information at the right time, so that everyone can perform their jobs to the best of their ability, feeling good about themselves and engaged in what they do. We have a number of channels of communication specifically divided by theme and public, with the result that the employee is able to stay abreast of all the actions under way within the company. We have email-based communication channels, corporate TVs distributed throughout the branches, intranet, an intranet app for the operational public, murals, and communication agents who are allocated to the branches and collaborate with dissemination and for the engagement of the general public. We carry out campaigns on commemorative dates, such as Women's Day, Mother's Day, Father's Day, Driver's Day, Children's Day and Christmas, when the employee leads the celebrations. In addition to this, the employees are presented with gifts on these dates, and cultural competitions are held relating to Sequoia's principles. There are also specific actions related to Diversity and Inclusion (World Autism Awareness Day, National Day of Persons with Disabilities and International LGBTQIA+ Pride Day, amongst others).

As a means of gauging the climate and engagement of our stakeholders, we hold regular Coffee Mornings, these being an important tool for establishing connections, bringing

people together, exchanging information and ideas, and even suggesting opportunities for improving our daily routines. The programs currently being run are listed below:

- › '*Café com Presidente*' ('Coffee with the CEO') (strengthening relations between the CEO and the company's senior management).
- › '*Colaborador Diretor*' ('Employee Director') (strengthening relations between the employees and department directors).
- › '*Café com Colaborador*' ('Coffee with the Employees') (strengthening relations between the employees and the department managers).
- › '*Café com PcDs*' ('Coffee with Disabled Persons') (bringing disabled employees and the company's senior management together).

The meetings are held monthly and, in 2021, these crucial discussions brought up our **strengths**, the strong points appreciated by employees and our **development opportunities**, suggestions or requests, that are transformed into action plans. These action plans are monitored and resolutions are quickly communicated. In total, 89 events were held, with the involvement of more than 900 employees. By means of this initiative, we have been able to monitor the internal environment on a monthly basis and act promptly to ensure the engagement of our employees in active and leading roles for the overall improvement of our Sequoia.





- About this report
- Letter from the CEO
- Our group
- Identity and culture
- Governance and management
- ESG strategy and agenda
- Environmental efficiency
- Promotion of sustainable urban mobility
- A look inside our relations**
- Our performance in figures
- GRI Summary
- Annex



EVALUATION

The strategy for retaining talents is grounded in the culture of learning, development and internal promotion. The **map of talents** is our main process for the development of our leadership. The process involved in the map of talents sets out seven stages designed to ensure excellence, these being:

- 1 Mapping critical positions
- 2 Mapping the bank of talents
- 3 Personnel Committee
- 4 Sequoia Succession Plan
- 5 Feedback for those evaluated
- 6 Managers' Development Plan
- 7 Management of the Process

In the final cycle, more than 40 Personnel Committees were held, with 226 individuals being evaluated, receiving feedback and the means to start their own Individual Development Plans (IDPs).

The commitment established in the MAP OF TALENTS aims to:

- › Guarantee use in each move;
- › Focus on Post-Committee Actions;
- › Provide feedback aligned with the results of the committees;
- › Contract the Individual Development Plan (reinforcing the responsibility of the employee and the manager);
- › Execute and monitor the Development Plan contracted;
- › Adopt the development of the potential successors to important positions as a daily target.

After the committees have met and the succession plan has been defined, the employees evaluated receive feedback and start their Individual Development Plans (IDPs).

The **IDPs** pave the way for an open conversation about careers between the leader and the employee, so that they can align expectations with the aspirations and preferences of the professional. This process also allows us to define specific actions to speed up the development of the employee, with support and commitment from the leader.

The development actions are incorporated into the plan as follows:

- › Consolidated Development Plan - Evaluated in the Map of Talents;
- › Development Plan for Emerging Talents - Mapped in the Talents map;
- › Development Plan specifically for those occupying important positions and their successors.

In more than 40 meetings during the most recent cycle, our personnel committees evaluated 226 people



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

DEVELOPMENT GRI 103-2, 103-3 | 404

Our development strategy is based upon encouraging employees to strive for improvement and development, adopting a leadership stance, with a unified and accessible language, providing synergy, improvements in organizational efficiency, and productivity - striving for Excellence. The Sequoia Academy is divided up as follows: Academy of Leadership, Academy of Employees, and Digital Academy. Their content is based upon the three Organizational Skills: Leadership, Relationship Management and Operational Excellence. Each pillar involves a base of knowledge, that can be applied to the in-person and online versions.

Over the last year, we provided more than 11,000 hours of training and development at the **Leadership Academy**, where the leaders, from the level of supervisor up, take part in an average of six days of training.

Within the **Employees' Academy** - that aims to improve organizational efficiency and productivity through training focused on encouraging employees to adopt a leadership approach and growing with the company, 3,900 hours of training and development were provided for administrative personnel and more than 4,000 hours for the operational employees, as well as 'on-the-job' training.

As part of this academy, we also have schools focused on training assistants, checkers and stacker operators, these being the most numerous positions at the company.

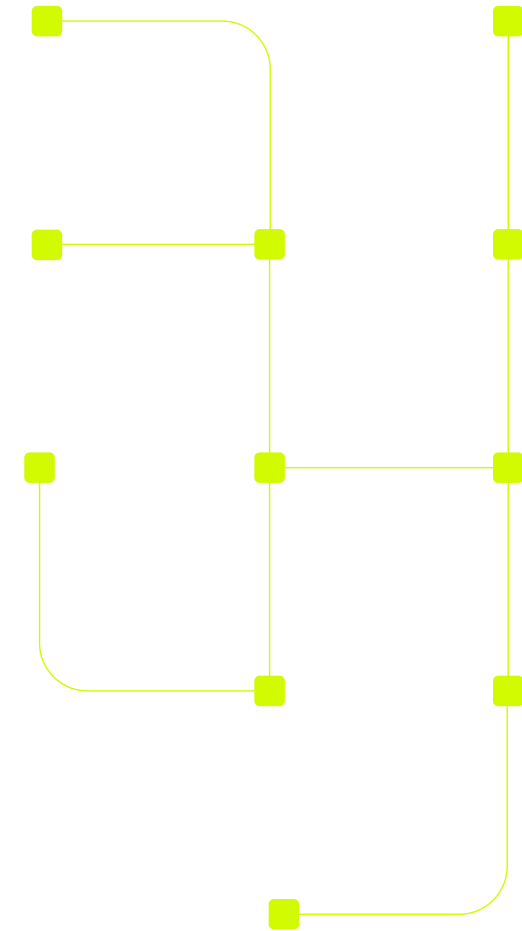
Completing this scenario of development, since 2020 we have had an **Academia Digital** ('Digital Academy')(soft and digital skills). Integrated into the Distance Learning platform, the Digital Academy was made even more accessible and user-friendly in

2021, as it was adopted for use on mobile devices. As a result, we provided more than 23,000 hours of distance training, meaning an average of more than 9.5 hours for each eligible employee.

We have created opportunities for internal promotion, since we believe that Sequoia's growth is only possible if we grow together, preparing and training through these academies. We are also proud to present our **Cresce Sequoia Program**, that aims to provide support for each one of our talents, at all levels of the company, in their process of evolution and career development.

In 2021, the *Cresce Sequoia Program*, achieved a total of 72.6% of internal promotion, this being a program that receives great praise as one of the company's strengths at all our coffee meetings with employees.

We provided almost 8,000 hours of training for our administrative staff and operational employees at the Employees' Academy.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

As well as internal promotions, we have two other initiatives that form part of the *'Transformando Potenciais em Talentos'* ('Transforming Potential into Talent') program. These are: The *'Sementes'* program and the *'Talentos'* program.

The *'Sementes'* ('Seeds') Program is based upon the continual development of behavioral skills, professional training and the Sequoia Culture. The aim of the program is to identify young people with potential, adolescents from families in socially vulnerable situations in the communities in the areas where we operate, to offer opportunities and prepare them for the professional market, as well as train professionals to assume positions in the company in the future. Read more about the structure of the program in local communities on page 62.

The 'Seeds' and 'Talents' programs strengthen the company's culture and encourage the building of careers



The *'Talentos'* ('Talents') Program, meanwhile, offers a dynamic environment full of opportunities, aiming to identify young people with potential and prepare them for the professional market. The Sequoia Talents Program is based upon continual development, involving more than 90 hours of technical and behavioral training and certification of professionals to allow them to assume positions within the company in the future. The journey starts with a tough selection process, involving online exams, tests, group dynamics, interviews and case presentations. 2021's Class III attracted more than 580 candidates for 12 places. The interns are prepared technically and challenged to work with projects in different areas of the company, leading to an improvement in process and quality, a reduction in cost and an increase in productivity, thereby ensuring financial return on all the investment made in the program, which is why we say that the program is self-sponsoring. In addition to this, the Sequoia Talents Program has the continual support of the senior management and the Continued Improvement department to

direct and prepare our talents to take control of their careers, whilst also directly taking part in their development. At the end of the day, we believe that the potential and willingness to learn found in these young people, associated with the opportunity, experience and training offered by the company, are combinations that enable growth and development in a wide range of areas.

Honored in 2019 as the Best Internship Program in Brazil by the Euvaldo Lodi Institute, this represents important recognition for our program, bestowing credibility on all that we aim to achieve. Following the award, we saw a significant increase in the attraction of young professionals, as well as a unique desire amongst our talents to take part in an unrivaled development program that drives and accelerates their careers. We understand that deciding upon one's first job is extremely challenging in the professional life of a talented young person, and we at Sequoia are certain that we are making a huge difference in their lives.



Sequoia Talents Class II (2020)

9 young people hired

42 projects with a return of 4.3 times the amount invested in the program

Technical training focused on projects realized: Six Sigma (Yellow Belt), Lean Thinking, PDCA, DMAIC and Framework Scrum.

Sequoia Talents Class III (2021)

8 young people hired

30 projects with a return of 6.3 times the amount invested in the program

Technical training focused on projects realized: 5S, Kaizen, Six Sigma (Yellow Belt), Lean Thinking, PDCA, DMAIC and Framework Scrum.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex

The integration of the new companies acquired was one of the challenges in which we made headway during the year



REWARDS AND RECOGNITION

To guarantee the internal and external balance of the remuneration of our employees, we follow the guidelines of our Remuneration Policy, which aims to align positions and salaries with the company's strategy, facilitating the correct remuneration of our professionals, and thereby contributing to their attraction, retention and engagement.

DISMISSAL POLICY AND INTERVIEWS

The dismissal of an employee is a delicate process that should be performed calmly and respectfully. The decision to make a dismissal should always be the last alternative to be considered, except in cases involving a proven lack of discipline, bad conduct or an infraction of the Sequoia Code of Ethical Conduct.

Prior to the decision, all the managers are advised to follow the Personnel Dismissal Policy, ensuring that the employee has received feedback on their rerouting, that they were properly trained for the position they occupied and whether their transfer or reassignment has been considered.

Following the decision to dismiss the employee or receipt of the resignation and all the procedures inherent to the dismissal process have been realized, the dismissal interview is arranged, this being a procedure performed together with all employees who leave the company, be it passively or actively. The interview aims to obtain sincere feedback from the ex-employees, providing inputs to improve the organizational environment. One of the final stages in the 'off-boarding' process, is a conversation between the local Personnel & Management representative and the employee who has been dismissed.

The dismissal interview generates important information for the practices involved in the management of the turnover, improvement and attraction of candidates, properly terminating the relationship between the employee and the employer.

Advances in the area of Personnel & Management and Sustainability

- › Integration of the companies Prime and Plimor into our systems;
- › Expansion of the Integrated HR System, started in 2020;
- › Expansion of the WFP (Workforce Management) tool to the Transportation Board;
- › 11 endomarketing actions focused on strengthening our principles and commemorative dates;
- › A live online broadcast on the company's anniversary, strengthening our principles and culture;
- › 72,6% internal promotions, with 1,492 vacancies filled, guaranteeing the retention of talents;
- › 11 webmeetings with senior management, clarifying doubts and addressing health care and our Covid-19 vaccination plan.





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex



Creating a safer and healthier environment

GRI 103-2, 103-3 | 403, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

The management of safety at work is a set of actions that seek to improve the organizational environment, preventing work-related illnesses and accidents. As such, the professionals' physical and emotional integrity is preserved and they are able to perform their functions without bigger problems or concerns. To ensure this, we have developed educational actions for the prevention of illnesses and support for health, encouraging the practicing of physical and cultural activities, that have been listed below.

There were a number of action fronts, including:

- › Health and Safety
- › Information and Transparency - employees and clients - Warnings and Protocols defined
- › Daily/weekly meetings of the Board of Directors
- › Online approval forum

It is important to mention that the Covid-19 pandemic presented a huge challenge for organizations all over the world. At Sequoia, since the beginning of the pandemic, we put our Crisis Management Committee into action to face the challenges and define our actions as a means of minimizing the impact of Covid-19 for our personnel and our business.

Following the guidance of the committee during the pandemic, we worked in compliance with all the corporate protocols and directives to ensure that our teams were protected, including: creation of channels of communication, distribution of alcohol gel and face masks, weekly web meetings between the management, surveys of groups at risk with measures adopted ('banks of hours', vacations and home office),



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex

specialized disinfection of work spaces, sending out of daily bulletins to employees and senior management, daily communication with clients and suppliers, vaccination campaigns and boosters against H1N1 and Covid-19, amongst other actions.

This set of initiatives ensured we were able to maintain a low rate of contamination across our business (around 10%) and resume our activities 100% in-person in the second half of 2021.

Still looking at the effects of Covid-19, we developed communication and training designed to address grief and mental health during pandemic times. As part of this, during Yellow September, we created a podcast consisting of four episodes, and, in parallel with this, developed a personal appreciation dynamic, encouraging the sending of positive messages and thanks to work colleagues, thus bolstering a warm and friendly environment.

As part of the *'Qualidade de Vida'* ('Quality of Life') program, we ran the following health-related campaigns:

- › 'Green April' is an international movement aimed at focusing attention on the culture of accidents in the workplace and work-related illnesses, with the hope of improving wellbeing and quality of life.
- › 'Healthy May' for drivers, a special campaign focused on traffic accidents.

› 'Red September', drawing attention to the so-called 'silent health conditions', and 'Yellow September' focusing on mental health.

› 'Pink October', a special campaign focusing on women's health.

› 'Blue November', a similar campaign focusing on men's health.

› 'Orange December', aimed at heightening awareness of cancer.

› Preventative actions concerning serious illnesses in partnership with our health care broker and health plans.

› Workplace Exercise (Mega DC).

› Talks about the conscientious use of the health plan.

In order to ensure the good health and well-being of our employees, we perform obligatory occupational health exams upon hiring, operate medical centers in some of our branches, and offer an authorized health care network throughout the country for work-related treatment. At the health clinics the employees are treated, receiving medical advice and being directed to specialists, reevaluation appointments and emergency treatment.

We have a department dedicated to health and safety at work, which provides support for the implementation of the Sequoia Group's **Safety Program** and to reduce the health and safety risks to which all our employees



Actions advancing the culture of safety and quality of life aim to minimize risks at our branches





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

are subject, preventing work-related illnesses and injuries, whilst seeking to eliminate dangers and providing a safe and healthy working environment for all. The Internal Accident Prevention Commission ('CIPA' in the Portuguese acronym) supports the company in its studies concerning safety conditions, producing data that are used as the basis of actions focused on eliminating all those conditions that have a potential to cause accidents.

During the period in question, we made important advances principally in the implementation of the safety program, with the creation of safety indicators and their monitoring processes. We established the 'Golden Rules', these being the basic premises for performing safe and high-quality operations based upon the history of irregularities and accidents that have occurred over recent years.

Other actions of note have been:

› **Health and Safety Management System:** we implemented this system that integrates health and safety management at work, centralizing processes and control, whilst also involving the management of third parties.

› **Risk Management Plan:** we developed the 'RMP' to be able to identify and monitor risks associated with the functions and activities of the administrative and operational areas, using matrices that map all the potential factors (chemical, biological, physical, ergonomic and accident-related) for all the Sequoia Group branches.

› **PARE:** we have developed a new channel for communication between employees and drivers, called 'PARE' (think, analyze, reflect and execute), in which all reported irregularities are classified by unsafe act or condition. By doing so, all our branches are able to put preventative actions into place.

Over the course of the year, we also used other internal resources to communicate, involve and raise the awareness of our employees and drivers concerning issues related to health and safety, including:

› **'Diálogo Semanal de Segurança' ('Weekly Safety Discussions' / 'DSS')**: every week we hold discussions designed to address, amongst other issues, the safe and proper use of safety equipment as a driving force.

› **Accident Prevention Week:** we commemorate National Work-Related Injury Prevention Day (July 27) with awareness-raising actions that involve employees and drivers.

› **'Blitz' events:** we address a number of different issues with employees in an unscheduled way, looking to spread information and raise the awareness of all those at the company.



FIND OUT MORE

Read more about our health and safety indicators in the [Annex](#).

GOLDEN RULES OF SAFETY

- 1** **SIGNING**
Respect the signing and orientations of the Work Safety team.
- 2** **WORK PERMIT**
Perform risky activities only once the Work Permit has been issued by the area responsible.
- 3** **PPE**
Use Personal Protective Equipment whenever accessing operating areas.
- 4** **DO NOT OBSTRUCT**
It is prohibited to obstruct firefighting areas and systems, fire exits and areas of circulation.
- 5** **OPERATION OF MACHINES AND EQUIPMENT**
The operation of machines and equipment without training, qualification or identification tags is prohibited.
- 6** **SAFE DISTANCE**
Maintain a safe distance from machines that are moving or raising cargo.
- 7** **ELECTRONIC EQUIPMENT**
Do not use any electronic equipment whilst walking or driving.
- 8** **SPEED LIMITS**
Respect the speed limits indicated on the signs.
- 9** **ORGANIZATION**
Keep the workplace clean and organized, thus avoiding accidents.
- 10** **ALCOHOL AND DRUGS**
Working under the effects of alcohol and/or illegal drugs is prohibited.

Follow the 'PARE' guidelines and avoid accidents!

P (*Pense*) Think about safety before starting any kind of activity

A (*Analise*) Analyze the work environment, identifying any possible risks

R (*Refleta*) Reflect on the risks, always aiming to eliminate and prevent them

E (*Execute*) Perform the work safely, by following the Golden Rules



Scan the QR-Code and report accidents.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
managementESG strategy
and agendaEnvironmental
efficiencyPromotion of
sustainable
urban mobility**A look inside
our relations**Our performance
in figures

GRI Summary

Annex

Social highlights of 2021:

- 27 young people from the community trained under the Sequoia Seeds program to work in logistics support.
- 3,000+ families impacted and 50 tons of products delivered as humanitarian support to the victims of heavy rainfall in Vitória da Conquista and Embu das Artes
- Donations to the municipality of Cotia (SP): Two air-conditioning units, 44,000 gloves, 8,000 masks, 142 face-shields and protective goggles

Local communities

GRI 103-2, 103-3 | 203, 103-2, 103-3 | 413, 203-1, 413-1

Being aware of our social responsibility and in line with our ESG Strategy, we prioritize and appreciate businesses and initiatives that promote health, income and development of human capital in the communities in which Sequoia is active, with the aim of contributing to the construction of a positive social legacy.

The generation of jobs and professional training in the communities where we operate also forms part of Sequoia's plans. Started in 2018, the *Sementes Sequoia* Program was developed in partnership with the lochpe Foundation and with the essential participation of voluntary educators from our company. *Sementes Sequoia* has significant indirect economic impacts on the community surrounding the Mega DC (central distribution center) in Embu das Artes (SP).

The *Sementes Sequoia* Program was inspired by the company name, 'Sequoia' (one the world's biggest and oldest trees). The earth element represents the base, where the apprentices receive the inputs necessary for their development. The seedling alludes to the apprentices, potential talents who will be developed within the Sequoia environment. The two elements mentioned above represent the connection that Sequoia has with the APPRENTICE PROGRAM.

This is a program that is extremely important to Sequoia and the local communities, since the public involved is made up of adolescents from families in socially vulnerable situations, in which the family income only just reaches the minimum wage and, upon being hired, these young people practically double the family income. The company has the opportunity to contribute to the training of the country's future professionals, spreading its principles and culture, as well as helping to promote diversity, bringing generations together in the work environment, and thus making contributions and enabling skills that merge and complement each other.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex



'Seeds' in figures (since the program began)



2,000+ registrations



105 young people trained

Seeds Class III (2020)

45 educators

23 young people hired

Seeds Class IV (2021)

41 educators

27 young people hired



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex



ESG Strategy Commitments:

- **By 2023, to model a Human Development Index (HDI) for employees from our neighboring communities**
- **By 2024, to expand the 'Sementes Sequoia' program**
- **By 2025, to train 25% of our small sellers and partners on issues of management and sustainability**

It should be stressed that the program helps set out a career path for these young people that goes beyond the initial opportunity (logistics assistants), enabling them to reach positions such as operational technical instructors and operational leaders.

We also support the work of the 'Sol Institute', a non-governmental organization that aims to transform lives through top quality education. The institute provides training for 13 young people from low-income families. The actions are focused on students with high learning potential, who hope to develop and construct a better future for themselves and for their families.

During 2021, we sponsored the training of a young person at university level.

Drops was created with the aim of developing the local communities. Our 'PUDO's (pick-up and drop-off) points, operating out of small businesses, connect sellers and clients with product collection and delivery services. Our network currently involves 624 points installed in stores, in 200 towns throughout Brazil. As well as helping to increase the flow of clients, thus generating more income, we have a positive impact on the dilution of fixed costs and better use of the establishments. This is a way of Sequoia boosting development, income, opportunity and local sustainability.



THE PATH WE WILL BE TAKING

In relation to the positive social impact, our plan for the 2022-2023 cycle includes the definition of the scope of the ecosystem and modeling of the Sequoia Human Development Index (HDI). To do so, we will be performing a study designed to evaluate the conditions and the company's impacts on income, education and health care amongst those employees residing in the communities neighboring the company.

Our journey over the coming years also includes the revision and expansion of our program of internal employee promotions, mapping of opportunities for social actions at our priority branches, and creation of our Private Social Investment Policy (PSI)

We are also committed to defining the priority sellers and partners, creating a development agenda and choosing a platform to train them in matters such as management, entrepreneurship and sustainability.

Looking ahead to 2025, we aim to train 3,000 young people from the communities in which we are active. Our focus for 2023-2024 will be to develop a volunteer program.




[About this report](#)
[Letter from the CEO](#)
[Our group](#)
[Identity and culture](#)
[Governance and management](#)
[ESG strategy and agenda](#)
[Environmental efficiency](#)
[Promotion of sustainable urban mobility](#)
[A look inside our relations](#)
[Our performance in figures](#)
[GRI Summary](#)
[Annex](#)

Hand in hand with the drivers and delivery workers

We believe that fair relations and mutual gain are pre-requisites for the long-term success and longevity of the business. To increase these publics' sense of belonging, engagement and pride in forming part of the brand, Sequoia contributed to the creation of a true community, strengthening the company's position as a sustainable enabler in the logistics ecosystem.

To better understand our central public, during the process of constructing our materiality, we performed a study with the assistance of 284 partner drivers. The process involved online consultations and telephone conversations with drivers and delivery workers. We mapped the main impacts and assumed a commitment to develop actions that lead to better conditions for the work, health, safety and well-being of the drivers and delivery workers.

In order to mitigate these risks and elevate human development for our drivers

and delivery personnel, we are creating the '*Motorista Nota 10*' ('Top Driver') program.

In terms of health and safety, we have expanded our work in partnership with Sest/Senat and the Ministry of Health in this program focused on the comprehensive health of employees and drivers. The partnership allows access to the portfolio of courses and services concerning issues related to the promotion of health care, safety and personal and professional development. More than 400 partner drivers were impacted.

We also celebrate Driver's Day, in July, with an action created to show our appreciation for these professionals and involve them in the Sequoia culture, strengthening the principle of "Passionate about delivery".

Due to the negative effects of the pandemic, which had a direct impact on our partner network, we created a new portfolio of financial services, connected to our platforms, to





About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

**A look inside
our relations**

Our performance
in figures

GRI Summary

Annex



ESG Strategy Commitments:

- **By 2023, to model a Human Development Index (HDI)**
- **By 2024, to establish a Positive Social Impact Program**
- **By 2025, to establish a single standard for road safety in the last mile**

provide financial support for our drivers and delivery personnel - Sequoia currently has more than 14,000 partner drivers. We have initially offered the early receipt of receivables, but the idea is to gradually include more options. To fund these credits, the company is structuring a Credit Receivables Investment Fund (CRIF).

The CRIF will be aiming to meet the needs of the group's suppliers and transport service providers who need to finance their operations, offering highly competitive discount rates in relation to the market. This will be a comprehensive platform designed to support the development and growth of these stakeholders. With a tailored and high quality service, allied with a fair interest rate for a discount on their receivables, we will be strengthening the bond between Sequoia and our suppliers and service providers.



Studying our stakeholders' needs and developing existing projects will be our focus over the coming years



THE PATH WE WILL BE TAKING

We will be implementing a Traffic Committee, focusing on our own and outsourced drivers, which will involve the coordinated participation of a number of different sectors. Its purpose will be to analyze all the accidents involving our own and outsourced vehicles, as well as assist in the governance of the drivers and delivery workers pillar, looking to identify preventative and predictive actions so as to avoid or minimize accidents.

We will be implementing the 'Top Driver' program, originally created by the acquired company Transportadora Americana (TA), and inspired by the *Universidade do Transporte* (University of Transport / UT) - a benchmark in the development of people and drivers. We will be applying a social diagnosis between drivers and delivery personnel, with the modeling of a Driver HDI and adoption of a platform focused on their training. These initiatives will be driving the development and growth of these groups.



Performance in figures

GRI 103-2, 103-3 | 201, 201-1

About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

**Our performance
in figures**

GRI Summary

Annex





About this report

Letter from the CEO

Our group

Identity and culture

Governance and management

ESG strategy and agenda

Environmental efficiency

Promotion of sustainable urban mobility

A look inside our relations

Our performance in figures

GRI Summary

Annex

The year 2021 saw impressive growth in terms of our results, reflecting the cycle of acquisitions and organic expansion undertaken as part of our business strategy. The record operational performance, with more than 53 million orders delivered, was complemented by investment control actions that allowed Sequoia to close the year with a good cash position and capital structure consistent with its planning.

Following the IPO performed at the end of 2020, our results saw a 53% increase in the Gross Revenue (18% in terms of organic growth), whilst particular mention should be made of the 81% growth in the B2C segment, which represented 60% of the total Gross

Revenue for 2021. The Volume of Orders increased 29% in 2021, with particular acceleration being experienced in the final quarter, driven by SFx (*shipping from anywhere*). B2B, meanwhile, saw a 22% increase, even considering the effects of the pandemic, whilst there is still a large market to be addressed in this segment under our strategy.

In relation to EBITDA, the 2021 indicator stood at R\$ 183.1 million, with a margin of 12.1%, a rise of 61.3% and 0.7 p.p., respectively, compared to 2020. The Adjusted Net Income reached R\$ 39.7 million, a growth of 26.2% on the previous year.

The expansion of the businesses generated a 53% increase in gross income, with the highlight being in the B2C segment (+81%).



FIND OUT MORE

Find full details of our economic and financial performance [here](#).

Direct generated economic value, distributed and retained (Millions of R\$) GRI 201-1	2020		2021	
	(Thousands of R\$)	%	(Thousands of R\$)	%
Direct economic value generated (R\$)				
Gross revenue	1,180,036.00		1,808,896.00	
Economic value distributed				
Operating costs	635,976.00	57.65	962,432.00	56.89
Employee wages and benefits	239,993.00	21.75	381,076.00	22.53
Payments to providers of capital	44,347.00	4.02	68,116.00	4.03
Payments to the government	182,896.00	16.58	279,898.00	16.55
Investments in the community	-	-	150.00	0.01
Total	1,103,212.00		1,691,672.00	
Economic value retained*	76,824.00		117,224.00	

* Direct economic value generated less economic value retained (R\$)



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

GRI Summary GRI 102-55

GRI Standards	Contents	Page/URL	Omission	SDGs
General disclosures				
GRI 101: Foundation 2016				
GRI 101 has no Content				
Organizational profile				
GRI 102: General disclosures 2016	102-1 Name of the organization	06		
	102-2 Activities, brands, products and services	06		
	102-3 Location of headquarters	06		
	102-4 Location of operations	06		
	102-5 Ownership and legal form	06		
	102-6 Markets served	06		
	102-7 Scale of the organization	06		
	102-8 Information on employees and other workers	51, 76		8, 10
	102-9 Supply chain	06		
	102-10 Significant changes to the organization and its supply chain	13		
	102-11 Precautionary principle or approach	22		
	102-12 External initiatives	06		
	102-13 Membership of associations	06		



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

GRI Standards	Contents	Page/URL	Omission	SDGs
Strategy				
GRI 102: General disclosures 2016	102-14 Statement from senior executive	04		
Ethics and integrity				
GRI 102: General disclosures 2016	102-16 Values, principles, standards and norms of behavior	14		16
Governance				
GRI 102: General disclosures 2016	102-18 Governance structure	17		
	102-38 Ratio of the annual total compensation	78		
Stakeholder engagement				
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	28		
	102-41 Collective bargaining agreements	53		8
	102-42 Identifying and selecting stakeholders	28		
	102-43 Approach to stakeholder engagement	28		
	102-44 Key topics and concerns raised	28		
Reporting practices				
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	03		
	102-46 Definition of report content and topic boundaries	03		
	102-47 List of material topics	28		
	102-48 Restatements of information	As this is the first report, no information has been amended.		
	102-49 Changes in reporting	As this is the first report, there have been no alterations to the report.		
	102-50 Reporting period	03		
	102-51 Date of most recent report	This is the first report.		
	102-52 Reporting cycle	03		



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 102: General disclosures 2016	102-53 Contact point for questions regarding the report	03		
	102-54 Claims of reporting in accordance with the GRI Standards	03		
	102-55 GRI content index	69		
	102-56 External assurance	There has been no external assurance.		

GRI Standards	Contents	Page/URL	Omission	SDGs
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Material topics

Economic performance

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 67		
	103-3 Evaluation of the management approach	67		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	67, 68, 78		8, 9

Indirect economic impacts

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 62		
	103-3 Evaluation of the management approach	62		
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	62		5, 9, 11

Materials

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 45		
	103-3 Evaluation of the management approach	45		



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 301: Materials 2016	301-1 Materials used by weight or volume	46		8, 12
	301-2 Recycled input materials used	46		8, 12
Energy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 44		
	103-3 Evaluation of the management approach	44		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	75, 76		7, 8, 12, 13
	302-3 Energy intensity	76		7, 8, 12, 13
Emissions				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 41		
	103-3 Evaluation of the management approach	41		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) emissions of greenhouse gases (GHGs)	41, 42, 75, 76		3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) greenhouse gas (GHG) emissions	41, 42		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	41, 42, 75, 76		3, 12, 13, 14, 15
	305-4 Intensity of greenhouse gas (GHG) emissions	75, 76		13, 14, 15
	305-5 Reduction of GHG emissions	75, 76		13, 14, 15
Waste				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 45		
	103-3 Evaluation of the management approach	45		



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

GRI Standards	Contents	Page/URL	Omission	SDGs
GRI 306: Waste 2021	306-1 Waste generation and significant waste-related impacts	45		3, 6, 11, 12
	306-2 Management of significant waste-related impacts	45		3, 6, 11, 12
	306-3 Waste generated	75		3, 6, 12, 14, 15
	306-4 Waste not destined for final disposal	75		3, 11, 12
	306-5 Waste destined for final disposal	75		3, 6, 11, 12, 14, 15
Occupational Health & Safety				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 59		
	103-3 Evaluation of the management approach	59		
GRI 403: Occupational health and safety 2019	403-1 Occupational health and safety management system	59		8
	403-2 Hazard identification, risk assessment and incident investigation	59		3, 8
	403-3 Occupational health services	59		3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	59		8, 16
	403-5 Training for workers in occupational health and safety	59		8
	403-6 Promotion of worker health	59		3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	59		8
	403-8 Workers covered by an occupational health and safety management system	78		8
	403-9 Work-related injuries	78		3, 8, 16
	403-10 Work-related ill health			In 2020 and 2021 there were no registered cases of work-related ill health requiring communication (including fatalities).



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex



GRI Standards	Contents	Page/URL	Omission	SDGs
Training and education				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 56		
	103-3 Evaluation of the management approach	56		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	77		4, 5, 8, 10
Local communities				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	28		
	103-2 The management approach and its components	22, 62		
	103-3 Evaluation of the management approach	62		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	62		
	413-2 Operations with significant (actual and potential) negative impacts on local communities	40		1, 2
Sequoia Disclosures				
Management Approach	Health, safety and well-being of drivers	65		
	Mobility and sustainable cities	48		



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
managementESG strategy
and agendaEnvironmental
efficiencyPromotion of
sustainable
urban mobilityA look inside
our relationsOur performance
in figures

GRI Summary

Annex

Annex

ENVIRONMENTAL GRI 302-1, 305-1, 305-3, 305-4, 305-5

Materials and waste

Total waste DIVERTED from final disposal, by recovery operation, in metric tons (t)* GRI-306-4

2021

	Composition	Outside the organization/Offsite
Non-hazardous waste		
	Cardboard	368.36
Recycling	Plastic film (stretch)	122.28
	Paper	4.00
Co-processing	Promotional materials for insertion and/or obsolete materials (paper and plastics)	28.79
Total		523.43
Hazardous waste		
Recycling	Batteries	2.43
	Tires	14.92
Recovery	Motor oil	0.52
Co-processing	Articles contaminated with paint, varnishes and motor filters	1.25
Total		19,12
Total waste directed for final disposal		542.55

*Partial information relating to the Sequoia companies

Total waste destined for final disposal, by operation, in metric tons (t)* GRI 306-5

	Composition	Outside the organization/Offsite
Non-hazardous waste		
Landfill	Organics	247.12
Hazardous waste		
Landfill	Diverse contaminated articles	3,13
Total waste directed for final disposal		250.25

*Partial information relating to the Sequoia companies

Total waste generated, by category (t)* GRI 306-3

	Waste not directed to final disposal	Waste directed to final disposal
Non-hazardous waste		
Cardboard	368.36	
Plastic film (stretch)	122.28	
Paper	4.00	
Promotional materials for insertion and/or obsolete materials (paper and plastics)	28.79	
Organics		247.12
Hazardous waste		
Batteries	2.43	
Tires	14.92	
Miscellaneous		3,13
Motor oil	0.52	
Articles contaminated with paint, varnishes and motor filters		1,25
Total waste generated, by category (t) GRI 306-3		792.80

*Partial information relating to the Sequoia companies



Energy consumption within the organization (GJ) GRI 302-1		
	2020	2021
Diesel - Generators ¹	149.50	167.80
Gas - Air-conditioning ²	74,321.10	77,282.10
Diesel - fleet ³	1,491,323.91	1,484,212.79
Purchased electricity	27,598.14	32,594.34
Total	1,595,412.65	1,596,278.03

1 Amount based upon the initial and final Hobbs Meter readings at the Sequoia and TA branches.
 2 Replenishment of gas used by Plimor's branches, with the replenishment for Sequoia, TA, Direcional and Prime branches being estimated.
 3 Consumption of fuel used by Sequoia's and TA's own fleets.

Energy intensity GRI 302-3		
	2020	2021
Total energy consumed (GJ)	1,595,412.65	1,596,278.03
Energy intensity*	1.35	0.88

* For this calculation, we considered the relationship between the partial consumption of energy within the organization (302-1) and the gross revenue in thousands of Reais.

Emissions

Biogenic emissions of CO ₂ - Scope 1 (t CO ₂ equivalent) GRI 305-1		
	2020	2021
	2,068.56	1,733.46

Biogenic emissions of CO ₂ - Scope 3 (t CO ₂ equivalent) GRI 305-3		
	2020	2021
	8,950.44	9,453.38

Intensity of emissions of greenhouse gases * ** *** GRI 305-4		
	2020	2021
Total greenhouse gas emissions (t CO ₂ equivalent)	80,516.61	79,347.94
Intensity of GHG emissions	0.07	0.04

*Reduction in the carbon intensity due to the inorganic growth of the company during the last two years, reduction of the proprietary fleet and integration of the acquired companies' networks into the Sequoia Group.
 **The metric (benchmark) considered for the calculation of relative emissions was the gross income in millions of R\$.
 ***Methodologies adopted for the calculation of the GHG Protocol and guide to the companies listed on the B3.

Reduction of emissions of greenhouse gases (t CO ₂ equivalent)* ** *** GRI 305-5		
	2020	2021
Reductions arising from other indirect emissions (Scope 3)	37.82	224.34

* The 'Same Day Delivery Project', operated by partners which make deliveries by bicycle, was classified as a "reduction in CO₂" in Scope 3.
 ** The source of the emission factors is based on the Brazilian GHG Protocol.
 *** Gas considered: CO₂.

Social GRI 102-8

Type of contract	2020			2021		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Men	3,045	920	3,965	4,628	1,533	6,161
Women	1,512	707	2,219	2,152	1,005	3,157
Total	4,557	1,628	6,185	6,780	2,538	9,318



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Region	2020			2021		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Northern region	93	0	93	98	2	100
Northeastern region	194	113	307	320	157	477
Center-West region	96	14	110	101	21	122
Southeastern region	3,974	1,298	5,272	5,194	2,260	7,454
Southern region	200	203	403	1,067	98	1,165
Total	4,557	1,628	6,185	6,780	2,538	9,318

Type of employment	2020		2021	
	Full-time	Total	Full-time	Total
Men	3,965	3,965	6,161	6,161
Women	2,219	2,219	3,157	3,157
Total	6,185	6,185	9,318	9,318

*There are no part-time contracts.

Age group	2020	2021
Under 30	3,185	4,683
30 to 50 years of age	2,501	4,001
Over 50	499	634
Total	6,185	9,318

Employment category	2020			2021		
	Men	Women	Total	Men	Women	Total
Directors	9	2	11	13	3	16
Management	104	35	139	113	43	156
Team Leaders/ Coordination	57	29	86	93	35	128
Technicians/ Supervisors	84	29	113	134	43	177
Administrative Staff	542	558	1,100	745	756	1,501
Operational staff	3,169	1,566	4,736	5,063		7,340
Total	3,965	2,219	6,185	6,161	3,157	9,318

Employment category	2020			2021		
	Men	Women	Total	Men	Women	Total
Apprentices	24	41	65	64	57	121
Interns	9	2	11	5	2	7
Total	33	43	76	69	59	128

Training and qualification GRI 404-1

Average number of employee training hours by gender (%)	2020	2021
Men	1.01	1.82
Women	2.33	6.31
Total	1.48	3.33



Average number of employee training hours by employment category	2020	2021
Directors	15.41	14.81
Management	12.20	14.97
Team Leaders/Coordination	3.05	14.25
Technicians/Supervisors	9.75	19.69
Administrative Staff	2.28	11.80
Operational staff	0.71	0.54
Total	1.47	3.17

Average number of employee training hours by employee category	2020	2021
Apprentices	0.22	4.96
Interns	6.45	144.43
Total	1.12	12.59

*Increase in the average number of training hours due to the revival of the training sessions that had been suspended due to the pandemic, restructuring of the T&D department, increase of the budget for human development, creation of the Digital Academy (e-learning of soft skills, and inclusion of obligatory courses, such as the Code of Conduct, in the training programs).

Health and safety

Workers covered by an occupational health and safety management system GRI 403-8

	2020		2021	
	Employees	Workers who are not employees, but whose work and/or location of work is controlled by the organization ¹	Employees	Workers who are not employees, but whose work and/or location of work is controlled by the organization ¹
Number of individuals who are covered by the system	6,185	1,628	9,318	2,538
Percentage of individuals who are covered by the system	100%	100%	100%	100%

* The occupational health and safety management system was not audited internally or certified by an external party.
¹ Temporary outsourced workers, not including outsourced drivers.

Work-related injuries GRI 403-9	2020		2021	
	Employees	Workers who are not employees, but whose work and/or location of work is controlled by the organization ¹	Employees	Workers who are not employees, but whose work and/or location of work is controlled by the organization ¹
Number of hours worked	8,381,470	2,168,090	14,060,950	2,824,620
Number of fatalities as a result of work-related injury	0	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0	0
Number of serious work-related injuries (excluding fatalities)	13	2	42	6
Rate of high-consequence work-related injuries (excluding fatalities)	1.55	0.92	2.99	2.12
Number of work-related injuries requiring communication (including fatalities)	32	2	74	6
Rate of work-related injuries requiring communication (including fatalities)	3.82	0.92	5.26	2.12

¹ Temporary outsourced workers, not including outsourced drivers.

* Increase in serious injuries and work-related accidents due to the companies acquired in 2021.

** Serious work-related injuries refer to accidents involving time-off, classified as routine.

*** Obligatory communication applies to all accidents with or without time off work, classified as routine and when suffered on delivery routes.

GOVERNANCE AND FINANCIAL GRI 102-38, 201-1

Remuneration

Remuneration GRI-38	2020	2021
Ratio between the annual total compensation of the highest paid individual in the organization and the the median annual total compensation for all employees (excluding the highest-paid individual)	20.08	16.95

*Salary base multiplied by 13.33 (considering vacations and end-of-year bonus).

**The variable remuneration and the short-term incentive are not included in the calculations.

***The salaries of apprentices and interns are not included in the calculations.



About this report

Letter from the CEO

Our group

Identity and culture

Governance and
management

ESG strategy
and agenda

Environmental
efficiency

Promotion of
sustainable
urban mobility

A look inside
our relations

Our performance
in figures

GRI Summary

Annex

Credits and company information

Board of Directors

Marcelo Cardoso

Personnel and Sustainability Management Director

Diná Carvalho

Health, Safety and Sustainability Manager | Coordination of the Integrated Report

Felipe Zito Romera

Internal Culture and Communication Manager

Fernanda Camargo

Vice-President of Operations

Bruno Henrique Souza
Eric Toshiyuki Ichikawa
Gilliard Delmiro
Paulo Edson Guedes

Vice-President - Commercial and Marketing

Rogério Macedo
Tatiana Lelis de Oliveira Cardeliquio

CFO and Director of Investor Relations

Fernando Stucchi Alegro
Rodrigo Penido Manso
Daniel Ulian
Nara Cury de Mattos

Logistics Board *Indoor and Field Service*

Luiz Fernando Biazzi

REPORT SUSTENTABILIDADE

Texts and Editing

José Augusto Lobato

Project Management

Anna Fischer
Beatriz Miranda

CRI Consultation

Heloisa Pizzo

Graphic Design and Layout

Sergio Almeida, Diego Ribeiro,
Fábio de Assis and Rubem Hojo

Infographics

Henrique Assale

Translation

Steve Wingrove