



SUSTAINABILITY REPORT AND ACCOUNTS

SUSTAINABILITY is a road that brings us VALUE

Luís Simões Group

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ABOUT THIS REPORT

01 ABOUT THIS REPORT

This report presents indicators and practices concerning sustainability, associated with the activity carried out by Luís Simões (LS) between the 1st of January of 2015 and the 31st of December of 2015, in the following business lines: transport, logistics, and maintenance and commercialisation of heavy-duty traction vehicles, semi-trailers and rent-a-cargo. The group's remaining business lines were only taken into account for the calculation of the total number of employees and for the preparation of the graphical presentation about the facilities of LS in the Iberian Peninsula.

This report includes the content corresponding to 2015's Annual Report & Accounts (in the "Financial Soundness" chapter and in "Accounts").

The Sustainability Report is annual and includes the Annual Report & Accounts.

The report was prepared taking into account the guidelines of the Global Reporting Initiative (GRI), as of version G4, in the option "In Accordance - Core".

The contents of this report were developed based on the results of the stakeholder consultation, conducted to reassess topics that are material to the Group and its sustainability strategy. In this context, Luís Simões only includes in this report details concerning the sustainability principles which reflect the most relevant topics identified in the Materiality Matrix.

Luís Simões Logística Integrada S. A. (Portugal and Spain) subscribed to the principles of the United Nations' Global Compact, including them and the corresponding Communication of Progress (COP) in the chapter concerning the sustainability strategy and in the GRI table.

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01.1 | TO OUR STAKEHOLDERS

Our vision is to be the Iberian reference in terms of service quality in the Transport and Logistics industry.

As a family business since 1948, Luís Simões has always looked to the future with a strong sense of responsibility: future generations — ours, our employees', the clients' and those of the communities that welcome us — are the focus of our concerns.

As a link in the supply chain, Luís Simões takes on a position of high responsibility: we are responsible for the safety of our clients' products, for the safety of the roads we use and for the buildings we manage.

In order to guarantee a promising short, medium and long-term future, Luís Simões looks for efficient, competitive and differentiating solutions every day, constantly engaging the team in a scenario of continuous learning and preparation for change. To support growth and organisational culture, Luís Simões prioritises leadership and training of the teams, supported by information systems and infrastructures.

It is this approach that has garnered Luís Simões the trust of its clients and competitiveness with its peers in an increasingly demanding market.

This year, 2015, we consolidate our sustainability strategy and show how we live it, every day, serving our clients and in our relationship with our supply chain. The solutions we present to our clients are where we add value with sustainability, improving operations and reducing negative impacts.

With the implementation of Gigaliner, we present a project designed from the start for client service as a differentiating solution that increases productivity, reduces environmental impact and effort from the driver, reducing the operation's cost. This is a project that clearly illustrates from the beginning how there are paths to take which simultaneously have higher economic profitability, greater environmental efficiency and more social benefits.

These are the roads that LS wants to take with its sustainability strategy, year after year, every day. Come along with us!

José Luís Simões

Chairman of the Board of Directors



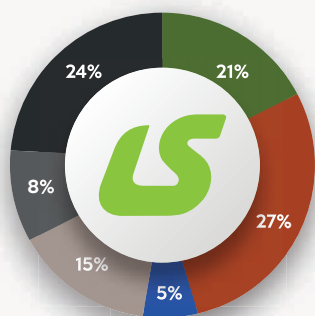
DISCO

02.1 WHO WE ARE

LS is a family group since 1948, owned by the LS family, focusing on being an integrative logistics operator in the supply chain, including 10 companies, 1621 employees and a plethora of services. The core business accounts for 95% of the turnover.

SERVICES PORTFOLIO		HIGHLIGHTS
TRANSPORT 	<ul style="list-style-type: none"> • FTL = Full truckload (environment, controlled temperature, ADR - European Agreement concerning the International Carriage of dangerous Goods by Road) • LTL - Less-than-truckload • Distribution • Mobile advertising • Dedicated Vehicles • Flow management • WDT (warehouse managing, delivering & transportation) • Intermodal (short sea shipping) 	Leader in road transport in Portugal and in the Portugal / Spain / Portugal flow
LOGISTICS 	<ul style="list-style-type: none"> • Storage • Iberian distribution • Picking • E-commerce • Reverse logistics • Promotional logistics • Inventory control • Traceability • Value-added services (co-packing) 	Leader in Logistics and Distribution in major consumer goods in Portugal
TECHNICAL SERVICES & RENT-A-CARGO 	<ul style="list-style-type: none"> • Semi-trailer sale: new & used • Rent-a-cargo • Maintenance of heavy-duty traction and semi-trailer vehicles 	Market leader in rent-a-cargo in the Portuguese market
INSURANCE BROKERS 	<ul style="list-style-type: none"> • Insurance brokering in the private segment. • Insurance brokering in the corporate segment 	National coverage in Portugal

THE CORE BUSINESS OF LS SERVES SEVERAL INDUSTRIES:



- FOODS
- BEVERAGES
- CONSUMER ELECTRONICS
- PAPER, PULP AND PACKAGING
- HPC
- OTHERS

02.1 WHO WE ARE

Luís Simões is governed by a set of values and policies that reflect the company's mission and vision in a constantly developing market.

MISSION

Guarantee efficient and competitive transport, logistics and supporting service solutions, promoting the client's satisfaction and that of society in general, from the economic, social and environmental point of view.

VISION

To be the Iberian company of reference in terms of quality service for the Transport and Logistics sector.

VALUES

- Client orientation
- Respect for people
- Sustainability
- Confidence
- Loyalty
- Innovation
- Environment
- Concern for safety
- Property

02.1 WHO WE ARE

With regional presence in the Iberian Peninsula and a very significant network, LS is much more than the sum of its parts:



~02.11 WHO WE ARE



LOGISTICS

19 Logistical
Operations Centres

350.000 m²

28 Cross-docking
platforms

8 Co-packing
centres



TRANSPORTS

Managing a fleet of
2,000 vehicles

10 Transport
Operations Centres



SERVICES

3 Technical
Assistance Centres
with 19,000 m²

2 Heavy-duty
vehicle washing
stations

111,000 h of installed
maintenance
capacity
(heavy-duty
vehicles)

3.700.000

PICKING UNITS/MONTH

DISTRIBUTION ROUTES/DAY

3.750



1.000.000

CO-PACKING UNITS/MONTH

MILLION TONS PER YEAR

8.000

02.2 | GOVERNANCE STRUCTURE

A new strategic alignment – Strategic Vision 2015-2019 – was prepared in 2014 with changes to LS's management with the appointment of three managing directors from the 3rd generation of the Simões family.

The restructuring of the organisation required the appointment of four Directors for the business areas and for shared services, with changes to the Board of Directors.

A new corporate unit called “Innovance” was created, incorporating two existing departments: Information Systems, and Innovation and Projects, including a new department called “Processes and Compliance” that encompasses the integrated management of the quality, environment and food safety rules, of the sustainable development and an area, to be created in 2015, called “Compliance”.



The Luís Simões companies continue to be fully owned by the Luís Simões family. The Board of Directors, in 2015, includes three members from the 2nd generation and three members from the 3rd generation of the family.

Over half of the 3rd generation's members are in the company's staff.



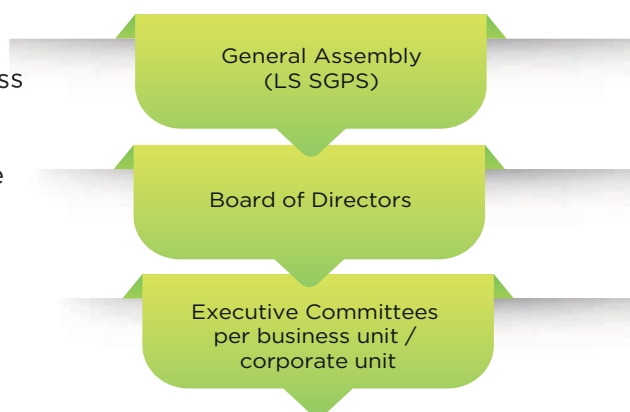
3rd generation of Luís Simões family - Board of Directors

02.2 GOVERNANCE STRUCTURE

BOARD OF DIRECTORS 2015

The Board of Directors is enacted by statute and composed of seven directors, six of which are members of the LS family:

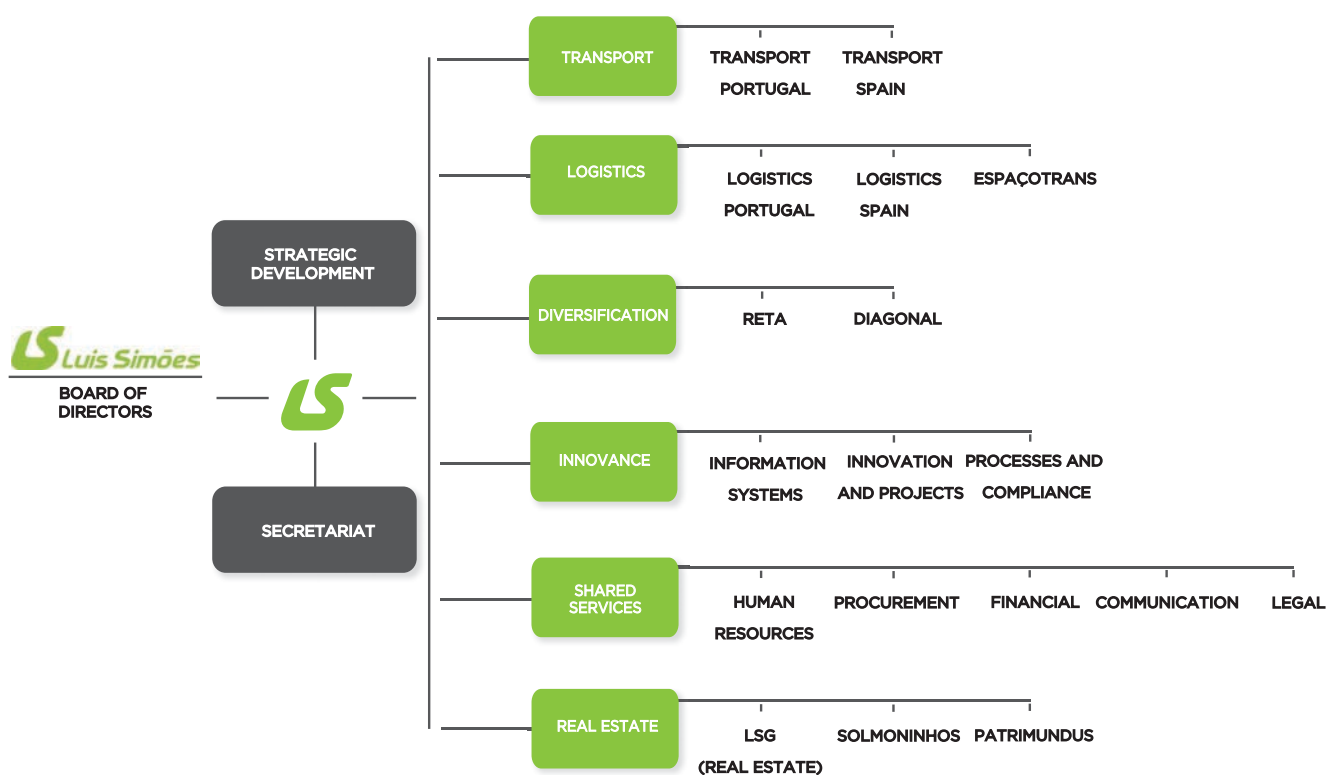
- José Luís Simões (Managing Director of the Real Estate business and Chairman of the Board of Directors);
- Jorge Simões (Managing Director of the Reta and Diagonal business units and General Manager of the Reta business unit);
- Leonel Simões (Non-executive Director);
- Fernanda Simões (Managing Director of the Transport business unit);
- Daniela Simões (Managing Director of the Logistics business unit);
- Rui Simões (Managing Director of the Innovance corporate unit);
- Celeste Santos (Managing Director of the Shared Services corporate unit); and
- two external advisers.



Board of directors

02.2 | GOVERNANCE STRUCTURE

There are Executive Committees per business unit and corporate unit, where the corresponding Managing Directors and General Managers participate, which meet monthly with the main objective of tracking the business's evolution, making decisions that require the intervention of the Executive Committees and ensuring articulation with the Board of Directors.



02.2 | GOVERNANCE STRUCTURE

Within the scope of the new strategic vision, strategic plans are crafted for all the business units and corporate units of Luís Simões.

The Company's risk management policy is defined by the Board of Directors, with each of the areas responsible for its practical application. The Company intends for the risk management policies - currently decentralised across its structure's assorted areas — to be consolidated in the future, seeking to promote integrated action by the various facets of risk management.

The management of credit risk, interest rate risk, treasury risk and other financial risks is under the purview of the Group's Financial Department. Additionally, the Company applies risk management to other areas, namely: insurance, environment, OHS (Occupational Health and Safety) and information technologies, whose responsibility is currently decentralised in each of those areas.

Changing the governance model of Luís Simões encompasses two events with great relevance for the employees and managing teams, allowing for the organisation's alignment:

Visits from the Board

Formerly named "visits from the Chairman", these take place in each region every two years and include all operational units of Luís Simões in the Iberian Peninsula: three regions in the first year of the cycle and two regions the following year. Each visit includes the entire managing team (including corporate areas) and the business management team, both central and regional.

Manager Meeting

With annual frequency, and taking place at the beginning of each year, this event seeks to ensure alignment from the management team and to reward managers for their performance during the previous year.



Managers rewarded in 2015

02.3 | MAIN EVENTS

RESTRUCTURING OF GAIA'S LOGISTICS OPERATIONS CENTRE

In 2015, LS carried out the full requalification of the logistics platforms located in Vila Nova de Gaia, which, due to its significantly strategic location and its quality and modernity, is a reference site in the Logistics business in the north of Portugal.

NEW RETA FACILITIES IN VILA NOVA DE GAIA

Reta relocated facilities in Vila Nova de Gaia, on 30 of November of 2015. The new facilities allow 360-degree operation, with all services requiring a single location. They have an area dedicated to the sale and rental of semi-trailers and tractors, a new and large shop selling parts for heavy-duty vehicles and a multi-brand workshop for heavy-duty vehicles with mechanical, metalworking, body-work, painting, tyres, washing, fibre and cold services.



New reta facilities in Gaia



LUÍS SIMÕES INAUGURATES A LOGISTICS PLATFORM IN THE PORT OF LEIXÕES

Luís Simões (LS) inaugurated on 29 July a new Operations Centre, in the Logistics Platform of the Port of Leixões, with an area of 20,000 m², 34 piers and capacity for 32 thousand pallets. Preceding the event, presided by the Secretary of State of Infrastructure, Transport and Communications, Sérgio Monteiro, the first stone was set for the facilities of EspaçoTrans, a customs warehouses handling company, 70% owned by LS. The logistics operator was the first company to be installed in the Logistics Platform of the Port of Leixões. In addition to the Operations Centre, LS also has a building for administrative functions and co-packing activities, among others of added value. The new platform presents excellent accessibilities and



proximity to the seaport and to Sá Carneiro airport as its main advantages.

"The Port of Leixões presents enormous potential for the development of our logistic activities, where co-modality, via alliances with strategic partners, is one of the ways of adding value to the supply chain. Intermodal connections are crucial to leveraging our industry's and our economy's competitiveness. We are the centre of the Atlantic and not the edge of Europe. In Luís Simões, more than involved, we are committed", argued José Luís

Simões, chairman of LS, during the official inauguration ceremony.





LUÍS SIMÕES IS A PART OF THE COMMUNITY PROGRAMME HORIZON 2020 FOR THE RESEARCH OF NEW ROAD TRAFFIC SOLUTIONS

Operator participates in the OPTIMUM pilot project centred on the optimisation of traffic management

Luís Simões was one of the companies selected to develop new ways to manage traffic, within the scope of the European Union Framework Programme for Research and Innovation, Horizon 2020, integrating a consortium of 18 European partners, representing eight countries. The project, entitled OPTIMUM – Research and Innovation Action, seeks to explore innovative solutions to solve congestion in transport networks, namely the transfer of flows to less-congested roads and also includes the following Portuguese companies: Estradas de Portugal (EP), Transportes Inovação e Sistemas (TIS) and Uninova.

Within the scope of this project, five pilot cases are being implemented in total, in four Member States: Portugal, Slovenia, Austria and England, in an investment of 5.9 million euros.

For Portugal, the focus is on the exploration of new ways to manage traffic seeking to transfer it to less-congested roads, exploring innovative concepts such as dynamic fee models.

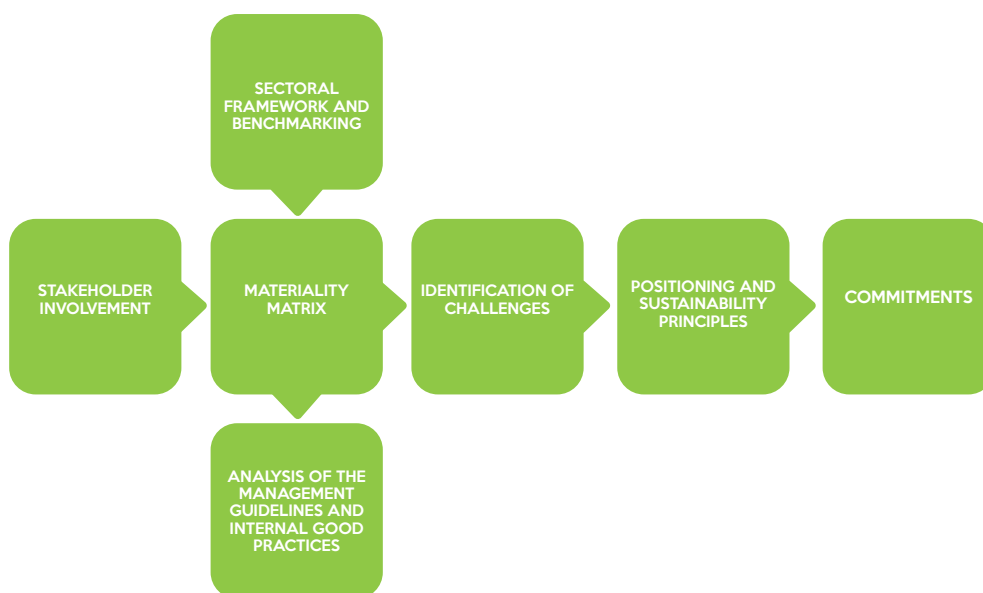
In the Portuguese pilot project, Uninova



will be in charge of the technological component of data processing; TIS will be in charge of planning, operating and evaluating, as well as of the contribution in matters of dissemination and deployment of practices. Complementarily, EP contributes to the definition of requirements and to the project's implementation, with Luís Simões, which tests the solutions in actual journey-planning conditions.

02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

In 2008, Luís Simões developed a sustainability strategy based on the analysis of the results concerning stakeholder engagement, sectoral framework, management guidelines and internal good practices, and also on a benchmark of peer companies. In 2015, Luís Simões carried out the materiality review, again making use of a stakeholder consultation, of the sectoral framework and of a benchmark.



The identification of stakeholders, namely of their concerns and expectations, is of crucial importance in the sustainability strategy review process. LS updated the stakeholder mapping, based on the analysis of the importance LS has to those stakeholders and vice-versa.



02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

The stakeholder consultation enabled an analysis of Luís Simões's activities, identifying strengths, weaknesses, opportunities and threats:

STRENGTHS

- Image
- Proactivity
- Leadership in the sector and in sustainability
- Financial soundness
- Investment in equipment and machinery / fleet renewal
- Training in occupational health and safety
- Safer, more comfortable and efficient vehicles
- Innovation (LNG-powered truck)
- Road safety (PT)
- Organisation and procedures (PT)

WEAKNESSES

- Asymmetry in the perception of service quality between the two countries
- Lack of coordination and alignment between Transport and Logistics
- Outsourcing / subcontracting impacts service quality and efficiency
- Investing in training human resources
- Streamlining the adaptation of a new requirement (technological barriers)
- Road Safety (SP)
- Empowerment and retention, training, OHS (SP)

OPPORTUNITIES

- Assuming own fleet for relevant clients
- Adaptation to the market's challenges and needs
- Streamlining the implementation of solutions (namely technological)
- Multimodality
- Being a partner between producers and distributors
- Door-to-door business and online commerce
- Investing and empowering our employees
- Innovating with quality

THREATS

- Service quality
- Subcontracting
- Lack of human resources training
- Structural difficulties in adaptation due to the company's size
- Excessive usage of temporary labour

PT - Portugal

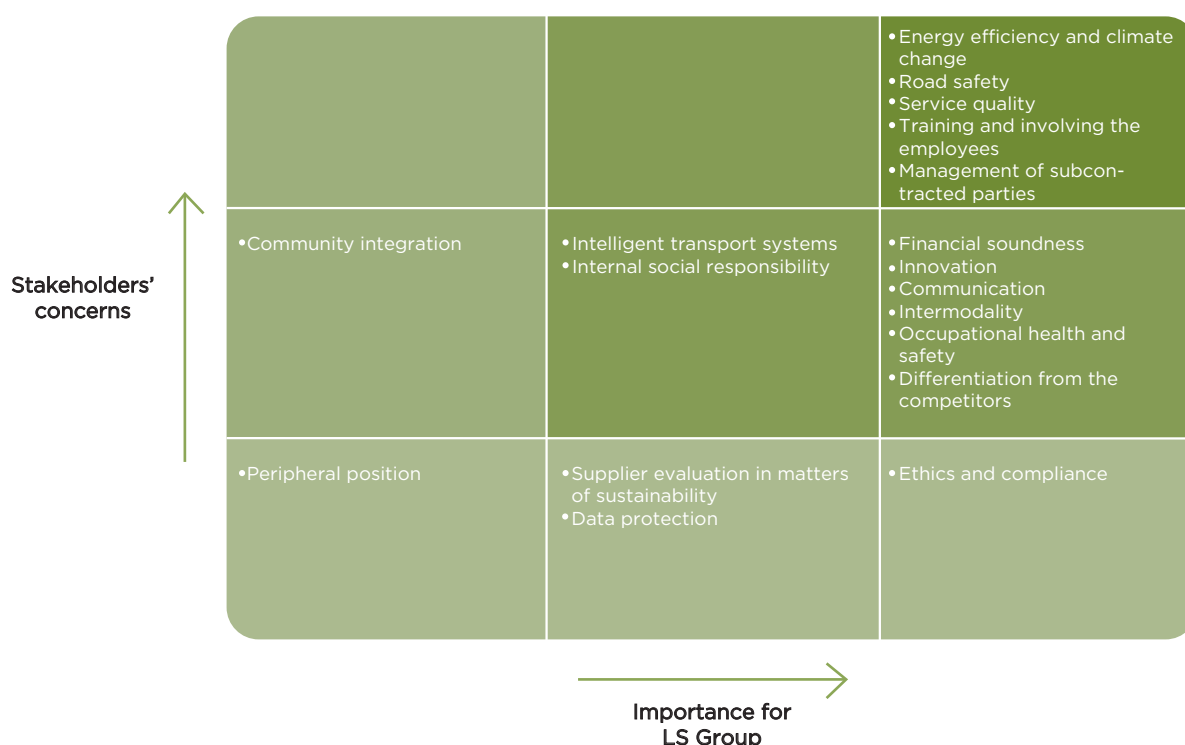
SP - Spain

SST - Occupational health and safety

The identified challenges were analysed along with the sector's best practices and with LS's practices to integrate the Materiality Matrix that summarises the importance of the challenges for LS and for the stakeholders.

02.4 ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

MATERIALITY MATRIX



Regarding the challenges identified in the Materiality Matrix, their internal operationalisation is achieved in “Principles” that bring together the initiatives to be developed in order to improve LS’s performance.

The Luís Simões’s value chain analysis has been started, where the importance of subcontracting transport was noted, in line with the importance of subcontracting to ensure quality service, made clear in the stakeholder consultation.

The transport suppliers are mostly small-sized (small or micro companies) in both countries. This reality reflects the interdependency between companies, which is more than just financial, but also environmental and social. The impact employee training and fuel consumption / emissions have on client service, position this type of supplier at the top of Luís Simões’s priorities in terms of sustainability.

The Sustainability strategy approved in 2008 was reviewed, with the new challenges identified, promoting a streamlining of topics and standardisation in communication.

02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

LS's nine principles of sustainability are tuned in with its values, with their operationalisation closely connected to the policies already developed by the Group:

Within this report only are disclosed the Luis Simões's sustainability principles over which are reflected the most important challenges identified in the materiality matrix.

1. PROVIDING A SERVICE WITH HIGH QUALITY AND RESPONSIBILITY:



Challenges: Quality service, management of subcontracted parties; Ethics and compliance; Supplier evaluation in matters of sustainability; Differentiation from the competitors; Data protection.
See chapter 04

- A) Meeting customer's expectations by offering flexible and innovative solutions;
- B) Ensuring high quality standards for its own and for the outsourced fleet, for the internal logistic operations and for the sales and technical assistance services for semi-trailers as well as rent-a-cargo;
- C) Ensuring high safety standards for the products, including food safety, in the course of its engagement in the supply chain;
- D) Ensuring absence of corruption in all its forms, including extortion and bribery;
- E) Understanding the value chain's performance and impact, in order to support the performance management of Luis Simões along its value chain and allow risk identification.

2. ENSURING THE GROUP'S FINANCIAL SOUNDNESS:



Challenges: Financial soundness.
See chapter 08

- A) Promoting an earnings retention policy, reinforcing its own equity and subsequent financial balance;
- B) Aligning the time structure of outside capital to the nature of the financial investments;
- C) Efficiently managing the client portfolio with a focus on reducing the average collection period, ensuring the funding of the exploration cycle.

02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

3. PROMOTING INNOVATION:



Challenges: Innovation; Intelligent transport systems.
See chapter 03

- A) Implementing a culture of innovation in service, process and organisation, increasing efficiency and creating value for the client and for the Group;
- B) Adopting the best available solutions for the operation and anticipating, whenever possible, client's needs and the regulatory requirements.

4. PROMOTING ENERGY EFFICIENCY:



Challenges: Energy efficiency and climate change; Management of subcontracted parties; Intermodality.
See chapter 05

- A) Promoting efficient engines, alternative fuels and inter and co-modality solutions;
- B) Optimising the routes, reducing empty mileage and increase the vehicle occupancy rates;
- C) Investing in training on eco-driving;
- D) Promoting energy efficiency in warehouses, Technical Assistance Centres for heavy-duty vehicles and offices;
- E) Monitoring energy consumption (power and fuels) and greenhouse gas emissions;
- F) Investing in the relationship with haulage subcontracted parties and other suppliers, supporting them in a growing adoption of sustainability criteria;
- G) Promoting a preventive approach regarding environmental challenges.

02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

5. EMPLOYEE TRAINING AND ENGAGEMENT:



Challenges: Employee training and engagement; Ethics and compliance.
See chapter 07

- A) Stimulating selection and retention of employees with potential;
- B) Ensuring continuity of management capability via qualification and motivation of people;
- C) Boosting professional development and personal accomplishment;
- D) Conveying the vision of a company committed to its professionals and their development;
- E) Ensuring respect for the protection of the internationally recognised human rights;
- F) Supporting freedom of association and effectively recognising collective bargaining;
- G) Contributing to the abolition of all forms of force and mandatory labour stemming from its activity;
- H) Ensuring the absence of discrimination in employment.

6. PROMOTING ROAD SAFETY:



Challenges: Road safety.
See chapter 06

- A) Promoting good driving practices, via training and monitoring performance and rewarding good behaviours;
- B) Ensuring suitable working conditions for drivers, both in terms of ergonomics and driving and resting periods;
- C) Ensuring preventive maintenance of the vehicles.

02.4 | ON THE ROAD TO SUSTAINABILITY / VALUES AND SUSTAINABILITY STRATEGY

7. PROMOTING OCCUPATIONAL HEALTH AND SAFETY:



Challenges: Occupational health and safety.
See chapter 07

- A) Monitoring and mitigating risks associated with the activity;
- B) Ensuring proper means to promote safety and health during work performance;
- C) Improving ergonomics at the workplace and the work environment.

8. PROMOTING INTERNAL AND EXTERNAL CITIZENSHIP:



Challenges: Internal social responsibility and community integration.

- A) Encouraging its employees' citizenship, promoting their health and investing in partnerships which benefit them;
- B) Promoting increasing closeness with the community, through a strategy of supporting social initiatives;
- C) Supporting public-interest institutions, organisations and projects, providing technical skills, and human and financial resources.

9. PROMOTING INTERNAL AND EXTERNAL COMMUNICATION:




Challenges: Communication; Community integration; Ethics and compliance.

- A) Structuring communication channels and boosting in-person activities for the drivers and other employees;
- B) Promoting strategic communication and web platforms for operational communication with suppliers and clients;
- C) Communicating in a transparent way with the media, and local and national authorities;
- D) Promoting visits from educational establishments, employees' families and/or other interested parties to LS's sites.

02.5 | ENGAGEMENT WITH STAKEHOLDERS

Taking into account the influence, dependence and power of stakeholders over LS, and in order to promote transparent communication, Luís Simões's means of communication with its stakeholders are presented here.

CLIENTS <ul style="list-style-type: none"> • Client satisfaction survey • LSnet web portal • Digital newsletter • Presentations • Meetings • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	EMPLOYEES <ul style="list-style-type: none"> • LS News • Employee satisfaction survey • Intranet • Training events • Manager meetings • Posters • Events • LSnet web portal • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	PERMANENT SUBCONTRACTED ENTITIES <ul style="list-style-type: none"> • Training events • LSnet web portal • E@sy7 • LS website • Sustainability Report and Annual Report & Accounts • Social networks
OCCASIONAL SUBCONTRACTED ENTITIES <ul style="list-style-type: none"> • LSnet web portal • E@sy7 • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	BANKS <ul style="list-style-type: none"> • Regular meetings • Sustainability Report and Annual Report & Accounts • LS website 	OTHER SUPPLIERS <ul style="list-style-type: none"> • Posters • Regular communication • LSnet web portal • Sustainability Report and Annual Report & Accounts • Social networks • LS website • Digital Newsletter
UNIONS <ul style="list-style-type: none"> • Negotiation of labour conventions • Meetings • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	ASSOCIATIONS <ul style="list-style-type: none"> • Protocol development • Participation in associations • Events • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	UNIVERSITIES <ul style="list-style-type: none"> • Visits to operations centres • Partnerships • Standard communication • LS website • Sustainability Report and Annual Report & Accounts • Social networks
MEDIA <ul style="list-style-type: none"> • Standard communication • Commercial and institutional presence • LS website • Digital Newsletter • Sustainability Report and Annual Report & Accounts • Social networks 	NGOs <ul style="list-style-type: none"> • Protocol development • Events • LS website • Sustainability Report and Annual Report & Accounts • Social networks 	NATIONAL, REGIONAL AND LOCAL AUTHORITIES <ul style="list-style-type: none"> • Standard communication • LS website • Sustainability Report and Annual Report & Accounts • Social networks

The image shows the front of a white MAN truck. A large, semi-transparent '03' is overlaid on the windshield. Below the windshield, there is a black horizontal bar with white text. Below that is a chrome grille with the MAN logo. The truck is parked in front of a building with a corrugated metal roof.

GRANDES NO TAMANHO
pequenos na pegada ecológica

**LS ADDS VALUE WITH
SUSTAINABILITY**

MAN

03 | LS ADDS VALUE WITH SUSTAINABILITY

Challenges: Service quality, Innovation; Occupational health and safety; Energy efficiency and climate change; Road safety.

While serving its clients in the supply chain, Luís Simões differentiates itself with the solutions it develops with its clients and partners in the search for improvements in productivity, operation safety, minimisation of environmental impacts and cost reduction.

There were two projects in 2015 which incorporated the importance of sustainability for business development: the new logistical operations centre in Leixões and the consolidation of the Gigaliner project, custom made and in co-participation with the client “Altri”.

In 2015, LS inaugurated a new logistical operations centre integrated in the logistics park in Leixões where, jointly with one of its main clients, it is redesigning the process and integrating automatic procedures into the operation to maximise the operations’ productivity and the occupation of space.

Also in 2015, LS consolidated the project started in 2014 in partnership with Altri, the design of a solution optimised for the transportation of paper pulp in 60-ton gross-weight trucks, called “Gigaliners”, a differentiating solution in terms of sustainability.



03.1 T4T PROJECT - TRUCKS FOR TERMINALS

HOW DID IT COME TO BE?

In 2012, Luís Simões and Altri identified the need for a more efficient solution for the transport of 630,000 annual tons of pulp paper from Celbi's factory to the port of Figueira da Foz (Portugal).

The desire was for a road/sea multi-modal solution that would constitute a more efficient transport alternative, totally customised to meet the client's needs and to the paper pulp transport characteristics, with strained flows and reduced time frames.

After a technical analysis, and a study of the legal framework and of the economic and environmental feasibility, LS and Reta found a technical solution.

In October of 2014, Luís Simões started the operation, which uses eight sets of Gigaliners.

LS became the first Iberian operator to use this type of vehicle in a structured and intensive format.

WHAT IS THE GIGALINER?

The Gigaliner is a 25.25-meter-length combination of vehicles with capacity for 60 tons of gross weight, composed of a three-axis truck, coupled to a dolly (small chassis composed of two axes, driven by a mobile spear very similar to a tow truck, with a coupling plate) allowing for coupling to a semi-trailer measuring 13,62 m.



03.1 T4T PROJECT - TRUCKS FOR TERMINALS

WHAT ARE THE ADVANTAGES?

The Gigaliner has economic, environmental and social benefits, making it a clear example of a win-win solution in terms of sustainability. It is a successful example of innovation, sustainability and client satisfaction.

ECONOMIC BENEFITS	ENVIRONMENTAL BENEFITS	SOCIAL BENEFITS
<ul style="list-style-type: none"> • Increase of 2% in tons transported per cycle; • Reduction of 8% in the cost per transported ton; • Reduction of stowage time (loading and unloading operation) and cycle time by 30%; • Optimisation of the crane's occupation in the port; • 35% savings in the operation. 	<ul style="list-style-type: none"> • Greater energy efficiency; • Reduction of 25% in CO₂eq volume. 	<ul style="list-style-type: none"> • Improvements in the employees' conditions, resulting in less effort and more safety, carrying the operation, which is 10 times faster, and without causing physical strain on the driver (allows for a reduction of 21,000 movements/year).

- Increase of the operational and environmental efficiency;
 - Reduction of 33% of the annual travel volume;
 - Reduction of kilometres travelled / year;
 - Reduction of 30% in road wear;
- Less cost, greater efficiency, greater road safety.

O projeto T4T concretizou-se em 2015 nos seguintes ganhos:

	GIGALINERS	PREVIOUS SCENARIO	SAVINGS (100% T4T OPERATION)
CARGOS / YEAR	10.825	14.433	-3.608 (-25%)
KILOMETRES TRAVELLED / YEAR	324.750	432.990	-108.240 (-25%)
KG CO ₂ eq/ L	397.234	529.633	-133.399 (-25%)
LOAD PER TRIP (TON)	40	30	+10 (+33%)



LUÍS SIMÕES RECEIVES TECHNOLOGICAL INNOVATION AWARD

Luís Simões received the Technological Innovation Award, in the scope of the Logistics & Transport Awards Today (Prémios Logística & Transportes Hoje), with the start of a first-ever operation in Portugal, T4T - Trucks for Terminals, launched in October of 2014. The new service consists on the availability of heavy-duty vehicles, called Gigaliners, with a length of 25.25 metres and gross-weight capacity of 60 tons, which is higher than that of conventional vehicles.

“Our greatest challenge is to develop solutions that increase transport efficiency without increasing traffic volume and ecological footprint, of which the solution developed by Luís Simões is an example, together with the expertise of Reta - Serviços Técnicos e Rent-a-Cargo, S. A. Reta is a company from Luís Simões's group, dedicated, among other activities, to the design of vehicles adapted to the needs of each specific client”



emphasised Dalila Tavares, Manager of Business Development from the Transport Department during the award ceremony, which took place on 14 May of 2015, in Alfândega do Porto.





SERVICE QUALITY

04 SERVICE QUALITY

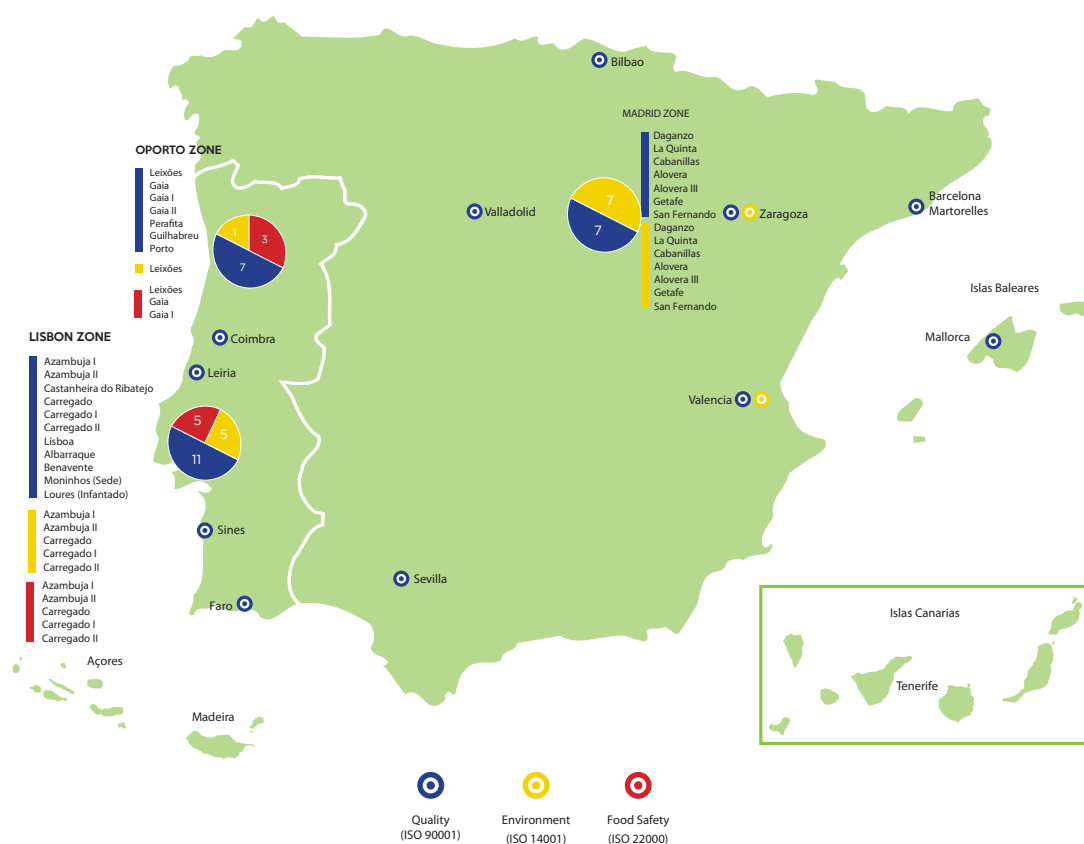


Challenges: Service quality, management of subcontracted parties.

The vision of Luís Simões is to be the Iberian company of reference in terms of quality of service for the Transport and Logistics sector with a position as an integrative operator, putting the clients' expectations in its values, as well as in its sustainability strategy.

Luís Simões, as a link in the supply chain, takes on a positioning of high responsibility integrating Logistics and Transport, in the implementation of solutions including outsourcing.

In line with this positioning, and meeting the requirements to provide a quality service with continuous improvement of client service, Luís Simões certified its activities in the Iberian Peninsula for Quality (ISO 9001), and in the operational centres with special relevance in Food Safety (ISO 22000) and Environment (ISO 14001).



To grant assurance in the existing processes, 55 internal audits were carried out on the various business units, and clients carried out 33 audits (30 in the logistics operations and 3 in the transport units). External certification audits were also carried out for the ISO 9001, ISO 20000, ISO 14001 and IFS (Carregado) references.

~04.1 CLIENT SATISFACTION

Integrated in the continuous improvement process in which Luís Simões companies are involved, client satisfaction surveys are conducted every year. Additionally, the main Transport and Logistics clients are followed more regularly in activity-tracking meetings.

During the months of November and December of 2014, the delivery and reception of client satisfaction surveys took place for the LSLI (Transport and Logistics), Reta and Diagonal companies, concerning the activity carried out throughout 2014. The survey concerning 2015 has already been launched in early 2016.

In addition to the global evaluation of the service provided to the client, this survey also seeks to understand how clients see Luís Simões's companies, to evaluate their concerns with the service and to reveal improvement opportunities.

This report presents the global results concerning 2014, in comparison with 2013.

BUSINESS	ISC2013	ISC2014	2014 VS 2013	OBJECTIVE	2014 VS OBJECTIVE
IBERIAN LOGISTICS	84%	83%	▼	90%	✗
IBERIAN TRANSPORT	81%	90%	▲	90%	✓
RETA	84%	82%	▼	85%	✗
DIAGONAL	94%	97%	▲	85%	✓

Results from the client satisfaction survey (CSS)

Overall, the participation rate was 44%, which represents a reduction of 6% vis-à-vis the previous year (50%), while the global level of satisfaction was 85%, exceeding the previous year's result by 1%.

During 2015, the quality area followed the action plans stemming from the report, as well as direct follow-up (in person or by phone) with some of the clients, allowing for better assessment of the consultation's impacts and of the implemented measures.



~04.2 | ZERO TOLERANCE

LS is a family business which operates according to its values, not allowing corruption. Although without a formal ethics code, LS does not tolerate lack of transparency in operations and activities, namely in the negotiation processes.

In 2015, started the implementation of the Compliance Department, which will support the risk management process in Luís Simões.



VEÍCULO A GÁS NATURAL

VEÍCULO MOVIDO A GÁS

Luis Simões
Descubra o
nosso mundo.
Muito além
do que se vê.

ENERGY EFFICIENCY

57·OV·95

TP

ALV 00226/1981

05 ENERGY EFFICIENCY



Challenges: Energy efficiency and climate change, management of subcontracted parties; Intermodality.

Energy efficiency underlies Luís Simões's environmental concerns, being directly related to productivity of operations, to transports due to the consumption of fossil fuels and to logistics in the consumption of power, understood as a differentiating factor.

The deployment of vehicles with greater capacity, previously presented in this report, is one of the examples of how energy efficiency is a differentiating factor in the design of transport solutions.

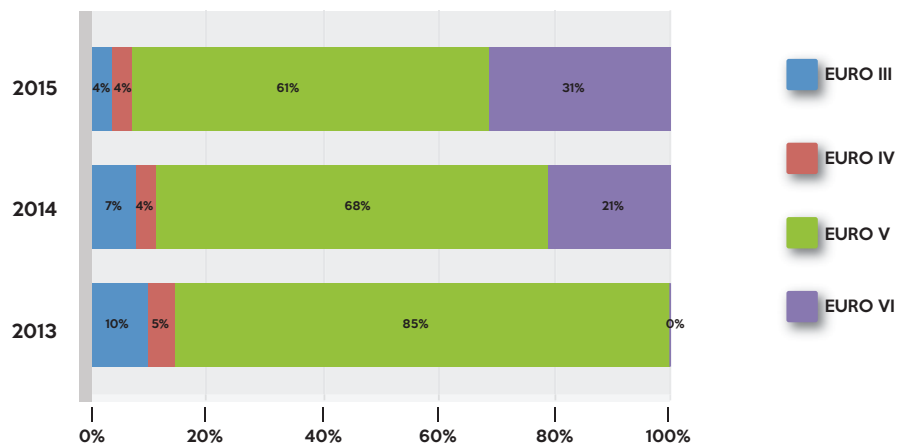
The implementation of radio shuttle in the Leixões warehouse (inaugurated in July) enabled the increase of the storage capacity, also reducing the hours of forklift movement, thus improving the warehouse's power consumption.



05.1 COMPOSITION OF THE FLEET

In 2014, Luís Simões started a fleet renewal cycle that includes Euro VI vehicles: tractors and eight Gigaliners. In December of 2015, more Euro VI tractors were purchased.

The increase in Euro VI motorisation has been substantial, having reached 21% of the fleet in 2014 and 31% in 2015. It is expected that investment in these more efficient engines will continue to be a focus in 2016.



Evolution of LS fleet's distribution according to type of Euro standard

Luís Simões's fleet, undergoing renewal, already counts 92% of its vehicles with Euro V and Euro VI engines, and only 8% of the vehicles having Euro III and Euro IV.

The fleet's renewal takes into account the vehicle's energy efficiency, as well as the necessary adaptations to minimise friction and thus reduce fuel consumption and greenhouse gas (GHG) emissions. The new MAN and IVECO tractors emphasise the customisations performed on the vehicles.



05.2 DRIVER PERFORMANCE

The Eco-driving project was born in 2008 with the goal of changing drivers behaviour and tracking their performance, a component required to support the fleet's energy efficiency.

In 2015 were carried out 4.535 hours of drivers training in various topics included in the training plan.

To analyse the impact this project had in the reduction of greenhouse gas (GHG) emissions, LS presents the results compared to the base year (2007) prior to the implementation.

LS INDICATORS – EVOLUTION						
Years	2007	2011	2012	2013	2014	2015
GHG EMISSIONS (kg CO ₂ eq/t)/ 1000 KMS	1.039	988	927	961	976	961
SPECIFIC CONSUMPTION (gcp/ VK)	326	310	307	312	308	307
VARIATION VS. REFERENCE YEAR (2007)	0	-4,9%	-10,7%	-7,5%	-6,1%	-7,4%

Own fleet's GHG emissions



The impacts of the Eco-driving project are visible and crucial to the efficiency of haulage operations and in the emission of greenhouse gases. In 2015, a reduction of 7.4% vis-à-vis the base year was achieved.



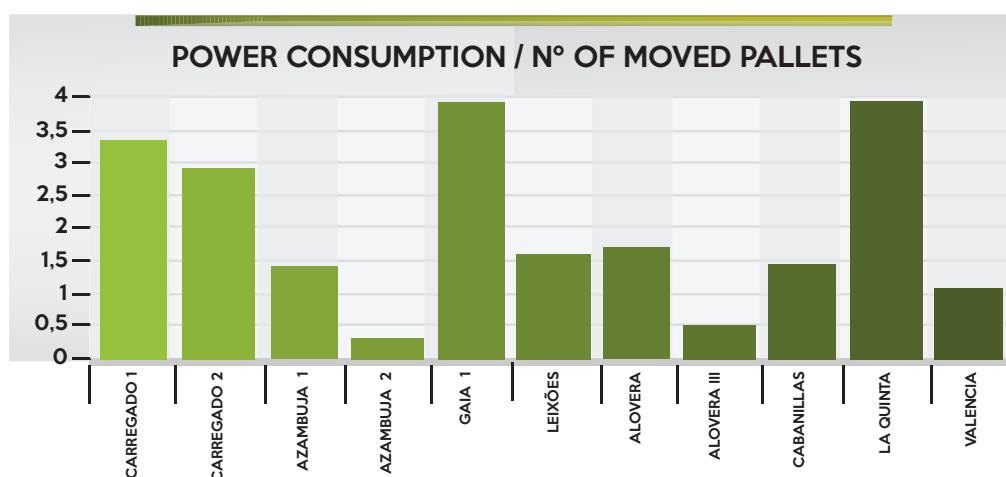
~05.3 ENERGY EFFICIENCY IN THE LOGISTICAL OPERATIONS CENTRES

In the Logistical Operations Centres similar importance is given to the focus on energy efficiency. Electrical energy consumed in the warehouses is tracked by the indicator “kWh of consumed electricity / Total number of moved pallets (In + Out)”.

The values of the Logistical Operations Centres for which it was possible to obtain power usage data are shown for 2015. For these centres, the indirect emissions of GHG are also taken into account.

LOGISTICAL OPERATIONS CENTRES											
COL	CARREGADO 1	CARREGADO 2	AZAMBUJA 1	AZAMBUJA 2	GAIA 1	LEIXÕES	ALOVERA	ALOVERA III	CABANILLAS	LA QUINTA	VALENCIA
KWH/MOVED PALLETS	3,46	3	1,46	0,26	3,9	1,76	1,85	0,59	1,62	3,95	1,18
INDIRECT GHG EMISSIONS (TON CO ₂ eq)	1.164	776	156	42	490	456	210	72	145	78	39

Power consumption in the Logistical Operations Centres and indirect GHG emissions



The Logistical Operations Centres with the highest power consumption was “Carregado 1”, which has controlled temperature areas. Due to being categorised as a large power consumer, this unit is undergoing a power-consumption rationalisation plan, in force until 2019.

Per-centre objectives were defined for this indicator for 2016, in order to obtain a better analysis of the power consumption in the operations.

In the Technical Assistance Centre (Reta), power consumption is also tracked. In 2015, in Carregado’s facility, the power consumption indicator “kWh/No. of billed hours” was implemented, with a value of 5.7 accumulated by December, which is below the defined objective (6). In 2016, this indicator will also be tracked in the and Gaia facility.



NO TAMANHO
pegada ecológica

ROAD SAFETY

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TP

ALV 00226/1981

TRUCKS FOR TERMINALS

15

6152


Luis Simões

Ao serviço da **altri**

MAN

~06 | ROAD SAFETY



Challenges: Road safety; Occupational health and safety

The nature of LS's activity implies that hundreds of employees and suppliers travel millions of kilometres every year in the roads of the Iberian Peninsula. The safety of these employees and suppliers, as well as that of the road network's remaining users, is a concern for LS.

In 2010, LS signed the European Road Safety Charter in both countries, making it one of the first freight transport and logistics companies in the Iberian Peninsula to do so. This commitment was assumed with the indicator defined as “% of drivers with 500 days or more without accidents” for which the objective of 60% was established and exceeded, by having 82% of the employees without accidents for over 500 days by 2015. However, LS believes the indicator more representative is “% of drivers with 365 days or more without accidents”, since this enables a better-balanced annual evaluation.

To this effect, the accident indicator was recalculated from 2013, and the result remained above the objective.



Luis Simoes Logística Integrada, S.A.

has signed the European Road Safety Charter and thereby commits to share the responsibility for road safety in Europe.



OBJECTIVE	2013	2014	2015
60%	85%	83%	85%

% of drivers with 365 days or more without accidents

European demands concerning an improvement in vehicle visibility have been increasing in road transport, aligned with the objective of improving road safety. Trailers fall under the technical standard (UN/ECE 104) for the application of reflective tape on their sides and back.

LS and RETA already have trailers that meet the new demands, improving its fleet's visibility.



A large group of approximately 30 employees, both men and women, are posing for a group photo. They are all wearing bright green polo shirts with a small white logo on the left chest. The group is arranged in two rows, with some people standing in the back and others kneeling or sitting in the front. They are positioned in front of a modern, light-colored building with large glass windows. On the side of the building, there is a large green logo consisting of a stylized 'LS' followed by the name 'Luis Simões' in a green, italicized font. The sky is clear and blue. The image has a semi-transparent circular graphic overlay in the center and a diagonal line graphic on the right side.

LS Luis Simões

EMPLOYEE TRAINING AND ENGAGEMENT

07 | EMPLOYEE TRAINING AND ENGAGEMENT



Challenges: Employee training and engagement; Ethics and compliance.

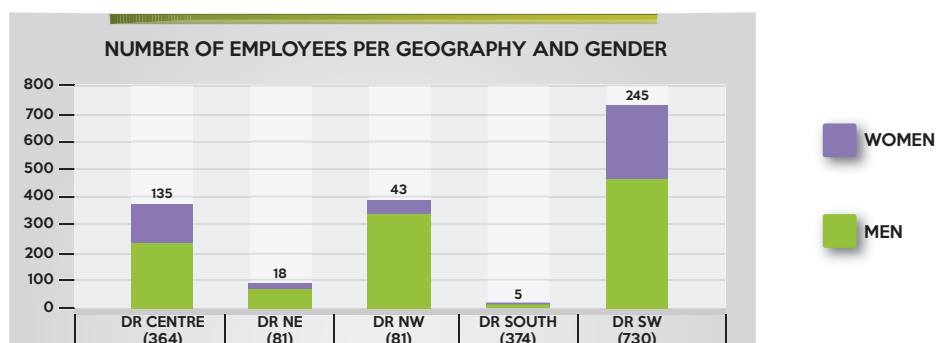
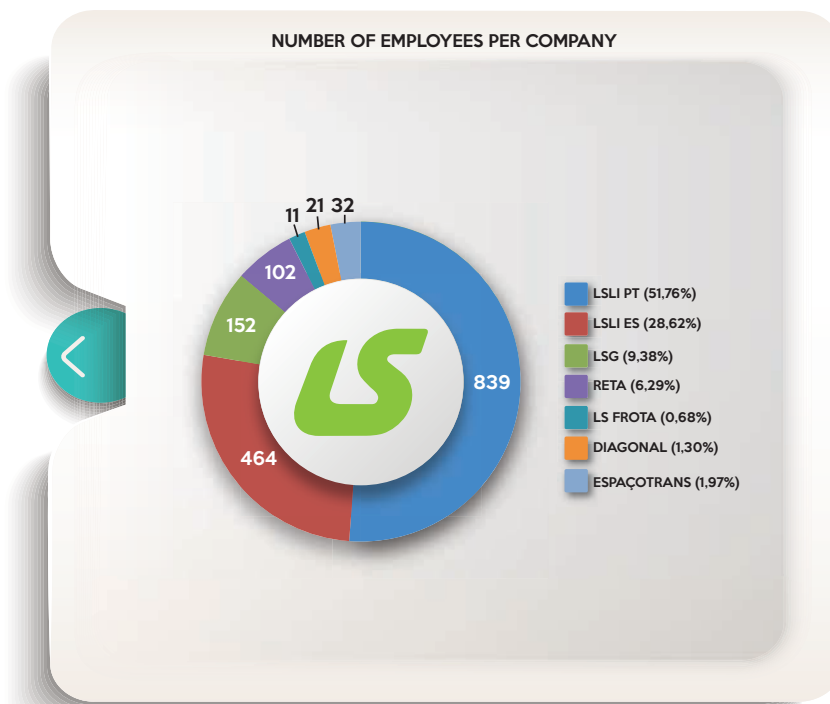
For LS, training and the ability to involve the employees in the service we provide to the client are the basis of our differentiation. LS has included “respect for people” as one of its values, and for 67 years has made a contribution to the creation of jobs and value in the supply chain.

The responsibility for the evaluation and fulfilment of the human resources training policies fall under the Corporate Department of Human Resources.



~07.1 LS EMPLOYEES

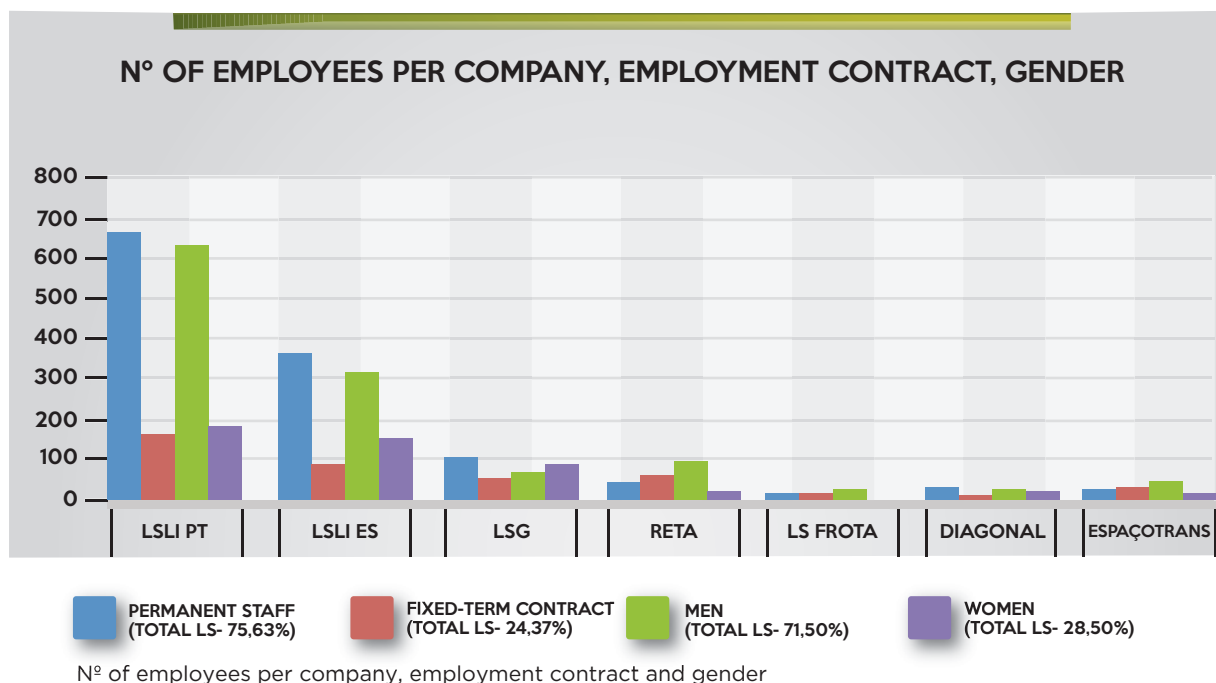
LS currently has 1,621 employees, across several companies and geographical areas. The overall values per company and the geographical spread are presented (only for Luís Simões Logística Integrada companies in Portugal and Spain).



Nº of employees per geography and gender (only LSLI companies in Portugal and Spain)

Although there are still more male than female employees in LS, the truth is LS ensures equal opportunities without discrimination. Often, the existing differences are cultural. This can be observed in the fact that, while in the job of warehouse operator only 19% are women, in top management a change in this trend can be seen, with 60% of the roles occupied by women.

~07.1 LS EMPLOYEES



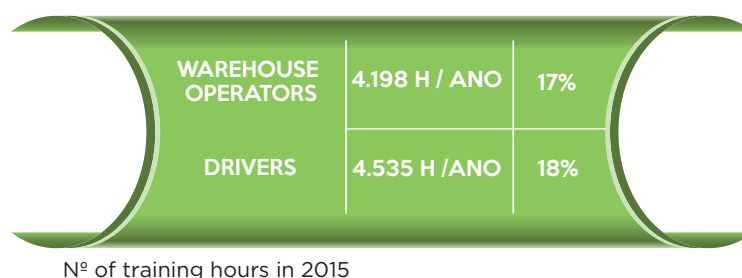
Employee engagement is of the greatest importance to LS. To that effect, tributes are carried out every year, where all employees who, in the previous year, completed 15, 20, 25, 30, 35 and 40 of uninterrupted work with LS are honoured.

Additionally, in May of each year, the party of the Notícias LS newspaper takes place as a sign of gratitude to all the employees who use their time to write for the group's newspaper, a crucial tool to its cohesion.

LS invests in the employees' training annual plan, as well as in the preparation of new employees by drafting job integration plans. The importance of internal mobility was once again shown in 2015.

With an overall volume of over 25,000 hours of training in 2015, employee empowerment and their engagement in the company is among this company's priorities.

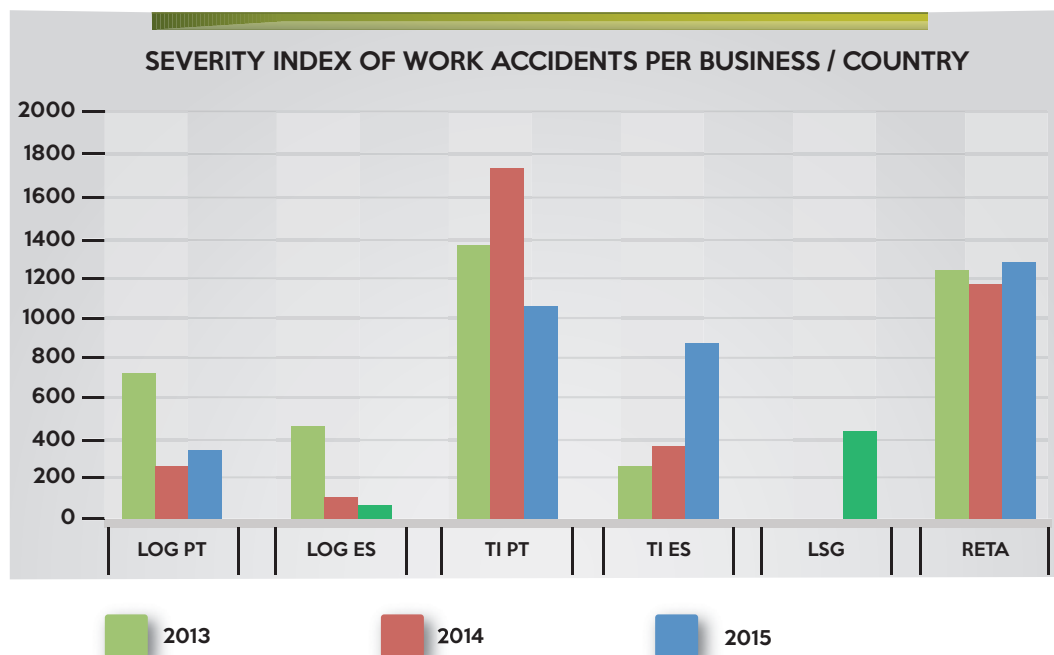
With an average number of 16 hours of training per employee, the asymmetry in training provided per functional category is significant, although the greatest volume is seen in warehouse operators and drivers:



07.2 | OCCUPATIONAL HEALTH AND SAFETY

Accidents continue to be a major challenge for LS. By maintaining focus on a culture of safety, the last three years have shown a reduction in the number of accidents in the transport and logistics operations.

Regarding the severity of the accidents, although it has been reduced in the transport operations in Portugal and logistics operations in Spain, it has risen in the remaining areas..



Severity index¹ - work accidents per business and country



Severity index¹ - N° of accumulated days of absence/N° of work days

07.2 | OCCUPATIONAL HEALTH AND SAFETY

In addition to the safety conditions, LS ensures monitoring over the employees' health, encouraging their participation in the health prevention and protection actions conducted in Portugal and in Spain:

- Vaccine influence
- Blood donations
- Screenings: PSA and mammography
- Blood glucose screening
- Vision screening
- Audiogram
- Resting ECG
- Spirometry



The image shows a large industrial building at dusk. The building's facade is dark, but the large, illuminated green logo "Luis Simões" is prominent. The logo consists of a stylized "LS" followed by the name "Luis Simões" in a bold, sans-serif font. Below the logo, there are large windows reflecting the ambient light. In the foreground, a row of white semi-trucks is parked, their headlights on. The trucks also feature the green "LS" logo on their sides. The overall scene is dimly lit, with the primary light sources being the building's logo and the trucks' headlights.

Luis Simões

FINANCIAL SOUNDNESS

08 | FINANCIAL SOUNDNESS



Challenges: Financial soundness.

The evolution of LS's economic performance is the result of a sustained business strategy that granted it the leadership position it occupied in the Freight Road Transport sector in Portugal and which allowed it to also build the bases of its positioning as a relevant logistics and transport operator in the Iberian Peninsula.

This report incorporates the Annual Report & Accounts of the Luís Simões companies. This chapter presents the summary of the consolidated indicators and the "Accounts" appendix includes each company's management reports as well as the "Financial Statements" and the "Appendix to the Balance Sheet and to the Profit and Loss Account".



~08.1 | MAIN CONSOLIDATED INDICATORS

The following table presents the main consolidated financial indicators associated with LS's activity for the past few years.

CONSOLIDATED				
(AMOUNTS IN MILLION EUROS)	2013	2014	2015	△ 2014-15
TURNOVER	208,3	219,2	220,3	0,5%
EBITDA % OF TURNOVER	12,9 6,2%	15,2 7,0%	16,4 7,4%	7,4% 6,8%
EBIT % OF TURNOVER	1,1 0,6%	3,2 1,5%	4,3 2,0%	36,3% 35,6%
NET PROFIT FOR THE FINANCIAL YEAR % OF TURNOVER	-1,0 -0,5%	1,3 0,6%	1,9 0,9%	52,6% 51,9%
TOTAL ASSETS	149,7	157,7	156,0	-1,0%
EQUITY CAPITAL	47,7	49,0	42,0	-14,4%
NET FINANCIAL DEBT¹ FINANCIAL DEBT / EBITDA	55,7 4,3 X	53,2 3,5 X	43,8 2,7 X	-17,8% -23,4%

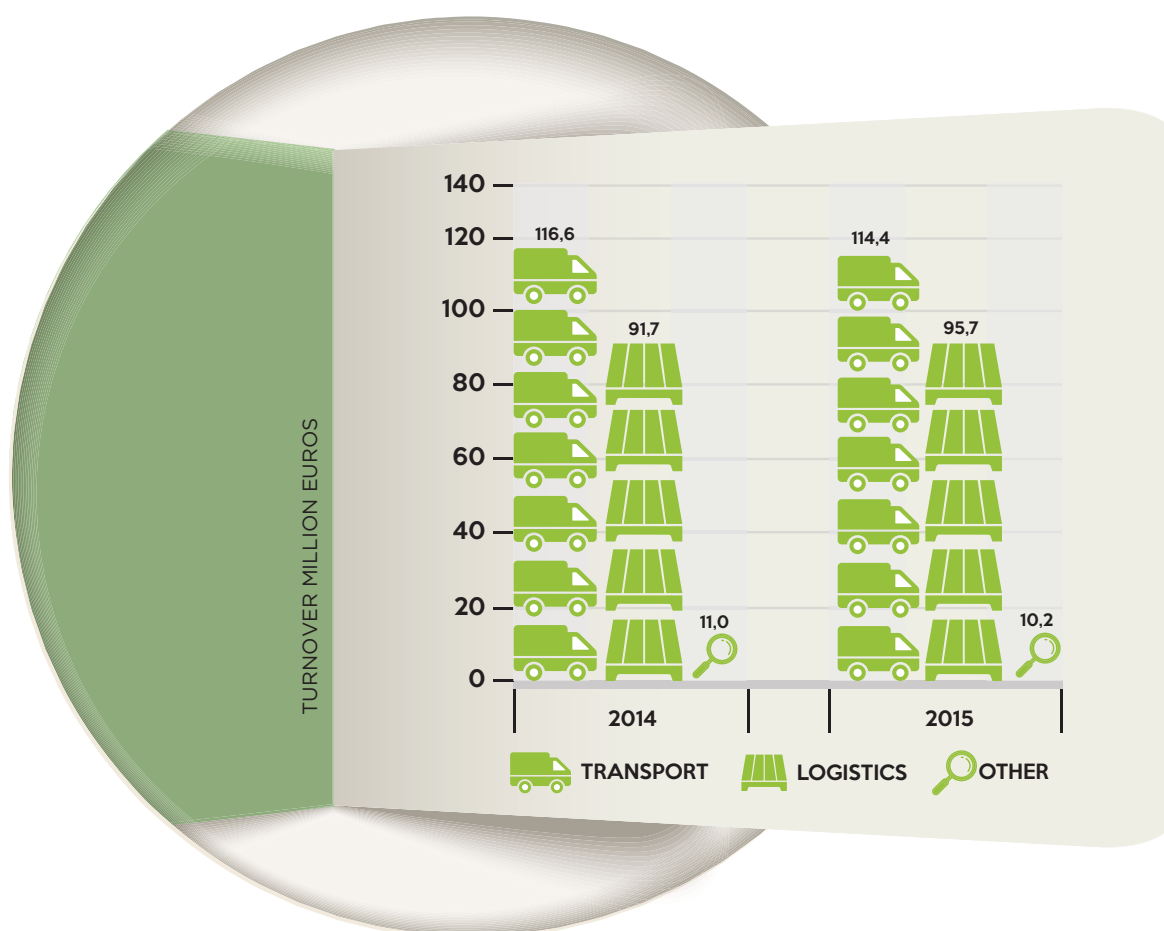
(1) Includes bank loans, leasing, factoring and confirming, and excludes debt to shareholders

Main consolidated financial indicators

In spite of the sharp decline in fuel prices throughout 2015, Luís Simões grew its consolidated turnover by 0.5% to 220.3 million euros. This growth was possible due to the resilience of the Luís Simões Transport business, which managed to compensate for the drop in fuel prices with an increase in volume, and to the performance of the Logistics business line by Reta and Espaçotrans. It should also be noted that Luís Simões's turnover is almost entirely made up of rendered services, i.e., containing only residual sales of goods.

~08.1 | MAIN CONSOLIDATED INDICATORS

Although Luís Simões initiated its activity with road transport of freight, the logistics activity now accounts for 43.4% of the consolidated turnover, maintaining the growth trend seen in the past few years. This logistical activity includes the turnover of Espaçotrans, a company that complements Luís Simões's Logistics business line with Customs Logistics, an area which has presented an interesting growth rate.



08.1 | MAIN CONSOLIDATED INDICATORS

The companies with the largest shares in the consolidated turnover are LSLI Portugal and LSLI Spain which respectively recorded decreases of 3.2% and 1.0% in turnover, mostly due to the drop in transport unit prices via the reduction in fuel price.

Reta maintained a two-digit growth, reaching an increase of 18.1% of the turnover in comparison with 2014.

The 16.9% growth of the business of EspaçoTrans is also noteworthy. In the Freight Road Transport business, Luís Simões provides a wide range of services in several sectors of activity, with an emphasis on the transport of full or break-bulk cargo, on the rental of vehicle with driver, on integrated flow management, on transport of industrial production, on factory management and on dedicated transport.

In 2015, the turnover of transport dropped by 1.9%. However, it should be noted that, in a year with a sharp drop in the price of oil, the volume of activity nevertheless recorded only a minor reduction.

Concerning the Logistics business, Luís Simões also provides an encompassing portfolio of services, including transport, storage, in-and-out moving, picking, distribution, other value-added services such as packing, labelling, creation of promotional packs and product customisation, and also customs logistics services and the administrative handling required for the development of the activities provided to its clients.

The Logistics turnover grew 4.4% in comparison with 2014, largely due to this business's good performance in Spain, namely in the activities of co-packing, distribution and internal warehouse operations.

In terms of profitability, Luís Simões grew for the second consecutive year, generating a consolidated EBITDA of 16.4 million euros, which represents a 7.4% growth vis-à-vis 2014.

The EBIT also increased for the second consecutive year, reaching an amount of 4.3 million euros in 2015.



08.1 | MAIN CONSOLIDATED INDICATORS

The improvement in Luís Simões's operational profitability was mainly connected to Reta's good results and to a maintenance of LSLI Portugal's and LSLI Spain's performance. Reta's business benefited from an increase in turnover and also from an improvement in the EBIT margin from 3.4% to 5.4%. The good performance of LSLI Portugal and LSLI Spain, in addition to the continuation of the policy to externalise resources and control cost, was also due to the partial return by the Spanish authorities in 2015 of the sanitation cent tax.

Analysing the operational costs per item, the Third-Party Supplies and Services increased by about 2.7 million euros, 0.8 million euros of which in LSLI Spain mainly due to the increase in costs with warehouse rents and leases resulting from the growth of the logistics business, and 0.5 million euros in LSLI Portugal, mainly due to the increase in operational lease of vehicles.

Staff costs increased 1.1 million euros due to growth in some business areas of Luís Simões, such as Reta, and also due to the strengthening of the shared services structures seeking to provide Luís Simões with skills that enable the reinforcement of the company's competitive differentiation in the market.

2015's profitability was also characterised by a few non-recurring events such as the return of the sanitation cent and also the annulment of provisions made in previous years, especially in LSLI Spain, and which reflect a conservative credit-risk control policy.

Luís Simões significantly reduced its debt level in 2015, mainly due to a control of investment in fixed assets, which was limited to Reta in the renewal of its fleet and to LSG's investment in the requalification of the logistics centres of Vila Nova de Gaia, and to the positive performance in the management of the operating funds.

The amount of equity capital was reduced in 2015 due to a corporate restructuring, where LS SGPS became full owner of Patrimundus, also complemented by a transformation of supplementary payments into shareholder loans.





GRI TABLE

09

GRI TABLE 4.0

GRI 4.0	Indicator	Location or Evaluation
	Strategy and analysis	
G4-1	Statement from the organisation's main decision-maker concerning sustainability's relevance to the organisation and its sustainability strategy.	To our stakeholders
	Organisational profile	
G4-3	Name of the organisation..	LS SGPS
G4-4	Primary brands, products and services.	Discover our world
G4-5	Location of the organisation's headquarters.	Moninhos, Apartado 41 2671-951 Loures - Portugal
G4-6	Number of countries where the organisation operates, and names of countries with either major operations or that are especially relevant to the sustainability topics covered in this report.	Portugal and Spain
G4-7	Nature of ownership and legal form of the organisation.	Limited Company
G4-8	Markets where the organisation operates (including geographical breakdown, sectors covered and types of clients and beneficiaries).	See: Discover our world Iberian peninsula
G4-9	Size of the company, including: - Total number of employees; - Total number of operations; - Net sales (for private-sector organisations)	See: Discover our world Main performance indicators Total capitalisation (assets / equity): 3.71
G4-(10)	Nº of employees per company / employment contract / gender / total LS (permanent and temporary staff); No. of employees per geography and gender.	See: Discover our world; Training and engaging employees; Chart 3% of TT employees / Own employees = 19%
G4-11	Percentage of total employees covered by collective bargaining agreements.	90%
G4-12	Description of the organisation's supply chain.	See: On the road to Sustainability
G4-13	Significant changes during the reporting period relating to size, structure, ownership or supply chain of the organisation, including: - Changes in location or in the operations of the organisation, such as opening, closing or expanding facilities; - Changes to the equity structure and other capital formation, maintenance or change activities (for private-sector organisations); - Changes to the location of suppliers, to the supply chain's structure or in supplier relations, including in the selection and exclusion process.	See: Governance Structure – Main events

09

GRI TABLE 4.0

G4-14	Approach to the precautionary principle.	See Service quality; LS has its Management system certified for Service Quality (ISO 9001) audited internally (55 audits) and externally by clients (33) and by the certification entity
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	LSLI (PT + SP): Road Safety Charter – see: “Road safety”; LS: Commitment to Timely Payment (ACEGE)
G4-16	Membership in associations (such as industry associations) and national or international defence organisations where the organisation: <ul style="list-style-type: none"> - Has a seat in the managing council; - Participates in projects or committees; - Contributes with financial resources other than the basic fee as an associated organisation; - Considers its participation strategic. 	See: Engagement with stakeholders and The associations in which the Luís Simões Group
	Material Aspects	
G4-17	a. List all entities included in the organisation’s consolidated financial statements or equivalent documents. b. Report whether any entity included in the organisation’s consolidated financial statements or equivalent documents is not covered by the report.	See: Accounts
G4-18	Process adopted to define the report’s content and the Aspect boundaries and how the organisation implemented the Reporting Principles for Defining the Report’s Content. .	See: Discover our world – On the road to Sustainability – Values and Sustainability strategy
G4-19	Material Aspects identified in the process to define the report’s content.	See: Discover our world – On the road to Sustainability – Values and Sustainability strategy
G4-20	For each material Aspect, report the Aspect Boundary within the organisation, as follows: <ul style="list-style-type: none"> - Report whether the Aspect is material within the organisation; - If the Aspect is not material for all entities within the organisation (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> - The list of entities or groups of entities included in G4-17 for which the Aspect is not material or - The list of entities or groups of entities included in G4-17 for which the Aspect is material; - Report any specific limitation regarding the Aspect Boundary within the organisation. 	See: About this report
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation, as follows: <ul style="list-style-type: none"> - Report whether the Aspect is material outside of the organisation; - If the Aspect is material outside of the organisation, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified; - Report any specific limitation regarding the Aspect Boundary outside the organisation. 	See: About this report

09 | GRI TABLE 4.0

G4-22	Reformulations of information provided in previous reports and the reasons for those reformulations.	NA
G4-23	Report significant changes from previous reporting periods in the Aspect's Scope and Boundaries.	See: Main events and Governance Structure
Stakeholder Engagement		
G4-24	Stakeholder groups engaged by the organisation.	See: On the road to Sustainability
G4-25	Basis for the identification and selection of stakeholders for engagement.	See: On the road to Sustainability
G4-26	Approach adopted by the organisation regarding stakeholder engagement, including frequency of engagement by type and by group, and an indication of whether any engagement specifically happened as part of the report preparation process.	See: On the road to Sustainability
G4-27	Main topics and concerns raised during stakeholder engagement, and measures adopted by the organisation to deal with those topics and concerns, including the process of reporting them. Report the stakeholder groups that raised each of the topics and concerns mentioned.	See: On the road to Sustainability
Report profile		
G4-28	Reporting period (such as fiscal or calendar year) for the information provided.	2015 calendar year
G4-29	Date of most recent previous report (if any).	2014
G4-30	Reporting cycle.	Annual
G4-31	Contact for questions regarding the report or its contents.	Cláudia Simões; claudia.simoes@luis-simoes.com
G4-32	a. Report the 'in accordance' option the organisation has chosen. b. Report the GRI Content Index for the chosen option. c. Report the reference to the External Assurance Report, if the report has been externally assured.	See: About this report GRI table Report without external assurance

G4-33	<p>a. Report the organisation's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If that information is not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</p> <p>c. Report the relationship between the organisation and the entity in charge of the external assurance.</p> <p>d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organisation's sustainability report.</p>	Report without external assurance
	Governance	
G4-34	Governance structure of the organisation, including committees of the highest governance body.	See: Governance structure
	Ethics and Integrity	
G4 -56	Values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	See: Discover our world – Who we are

Specific Standard Content – Economic Indicators

GRI 4.0	Indicator	Location or Evaluation
	Economic performance	
G4-EC1	Direct economic value generated: LS's net sales	220.330.160 €
	Economic value distributed in services / donations	49.101 €
G4-EC4	Significant financial support received from the Government	176.235 €

Specific Standard Content – Environmental Indicators

GRI 4.0	Indicator	Location or Evaluation
	Energy	
G4-DMA	Disclosure Management Approach	See: Energy efficiency
G4-EN3 a)	Total diesel consumption by the fleet (Unit: Joule)	N.D.
G4-EN3 a)	Total LNG consumption by the fleet (Unit: Joule)	N.D.
G4-EN5	Specific fuel consumption by own fleet	307 gep/VK (oil-equivalent grams / vehicle.kilometre)
G4-EN5	Electrical energy consumption factor (Logistical Operations Centres)	5.7 (kwh/ n.º moved pallets)

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	Water	
G4-EN8	Consumption factor in washes (Reta - Carregado)	Consumption of public water (m ³) / N° of washing services = 1.0
	Emissions	
G4-DMA	Disclosure Management Approach	See: Energy efficiency The GHG emissions accounted are related to the LS fleet (scope 1) and the electricity consumption (scope 2)
G4-EN16	Indirect greenhouse gas (GHG) emissions from energy acquisition (context 2)	3628 TonCO ₂ eq
G4-EN18	Emissions from own fleet in KgnCO ₂ e/1000 km	965
G4-EN21	NO _x , SO _x and other significant air emissions	RETA: It will be measured in 2016

Specific Standard Content - Social Indicators

GRI 4.0	Indicator	Location or Evaluation
	Employment	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	N.D.
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, according to the organisation's significant locations of operation.	N.D.
G4-LA3	Return to work and retention rates after parental leave, by gender.	N.D.
	Labour relations	
G4-LA4	Minimum notice periods regarding operational changes and whether they are specified in collective bargaining agreements.	N.D.
	Occupational health and safety	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism and total number of work-related fatalities, by region and by gender.	See: Employee training and engagement: Occupational health and safety

G4-LA6	Work Accident Severity Index (SI) = N°. of accumulated days of absence /Total number of work days	See: Employee training and engagement
	Training and Education	
G4-DMA	DMA – Disclosure Management Approach	See: Employee training and engagement
G4-LA9	Average hours of training per year per employee by gender, and by job category.	See: Employee training and engagement
G4-LA10	Programs for skills management and continuous learning that support the continued employability of the employees during a period of preparation for retirement.	N.D.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by job category.	N.D.
	Diversity and equality of opportunities	
G4-LA12	Composition of governance bodies and breakdown of employees per category according to gender, age group (by gender), minority group (by gender) and other indicators of diversity (by gender).	See: Governance Structure; women per job category: Top management 60%; warehouse operators 19%; average age of LS's employees: 41
	Equality of compensation for women and men	
G4-LA13	The ratio of basic salary and remuneration between men and women by job category and by relevant locations of operation	N.D.
	Evaluation of suppliers' labour practices	
G4-LA14	Percentage of new suppliers that were screened based on labour practices criteria.	N.D.
G4-LA15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken concerning this issue.	N.D.
	Complaints and claims mechanisms related to labour practices	
G4-LA16	Number of complaints and claims about labour practices filed, processed and resolved through formal mechanisms.	N.D.

	Human rights	
	Non-discrimination	
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	0 €
	Freedom of association and collective bargaining	
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk and the measures taken to support this right.	N.D.
	Child labour	
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour and measures taken to contribute to the effective eradication of child labour.	0 €
	Forced or slave-like labour	
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or slave-like labour and measures taken to contribute to the elimination of all forms of forced or slave-like labour.	0 €
	Complaints and claims mechanisms related to human rights	
G4-HR12	Number of complaints and claims related to human rights impacts filed, processed and resolved through formal mechanisms.	0 €
	Society	
	Local communities	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs.	N.D.
G4-SO2	G4-SO2 Operations with significant actual and potential negative impacts on local communities.	N.D.
	Fighting corruption	
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	N.D.
G4-SO4	Communication and training on policies and procedures to fight corruption.	N.D.

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GRI TABLE 4.0

G4-SO5	Confirmed incidents of corruption and actions taken..	N.D.
	Public policies	
G4-SO6	Total value of contributions to political parties and politicians, by country and recipient/beneficiary	0 €
	Unfair competition	
G4-SO7	Total number of legal actions for anti-competitive behaviour, antitrust, and monopoly practices and their outcomes	0 €
	Compliance	
G4-SO8	Monetary value of significant fines resulting from non-compliance with laws and regulations	101.239 €
	Supplier evaluation concerning impacts on society	
G4-SO9	Percentage of new suppliers that were selected based on criteria concerning impacts on society	N.D.
G4-SO10	Significant actual and potential negative impacts from the supply chain on society and actions taken regarding this issue	N.D.
	Complaints and claims mechanisms related to impacts on society	
G4-SO11	Number of complaints and claims related to impacts on society filed, processed and resolved through formal mechanisms	N.D.
	Responsibility for the product	
	Client health and safety	
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed seeking improvement	N.D.
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcome	N.D.
	Labelling of products and services	

G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to those requirements	N.D.
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	N.D.
G4-DMA	DMA - Disclosure Management Approach	See: Service quality - Client satisfaction
	Marketing communications	
G4-PR6	Sale of banned or disputed products	N.D.
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	0
	Client privacy	
G4-PR8	Total number of substantiated complaints and claims regarding privacy breaches and loss of client data	N.D.
	Compliance	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the supply and use of products and services	N.D.

Nota:

- N.A. - Not applicable
- N.D. - Not developed
- N.E. - Non-existent

The associations in which Luís Simões Group participates:

