

# SUSTAINABILITY REPORT AND ACCOUNTS 2022



*Luis Simões*



2022



## ABOUT THIS REPORT


Luís Simões hereby submits its Sustainability Report and Accounts for 2022 (1 January to 31 December) which states indicators and practices pertaining to sustainability on the Iberian Peninsula for the business areas of transport, logistics, maintenance and the sale of heavy duty vehicles, semi-trailers, and rent-a-cargo.

The contents of this report include details regarding LS' principles of sustainability that reflect the most significant topics identified in the materiality table, including the illustration of the alignment of the LS sustainability strategy with the Sustainable Development Goals (SDG) of the United Nations. Luís Simões reports the information cited with reference to the GRI Standards (GRI 1: Foundation 2021). the GRI content index for the year 2022 is included in the Annex (ESG Reporting Index). Information regarding the sustainability strategy, stakeholders and the GRI content index is included in the annex (ESG reporting index). This report includes the LS

Non-Financial Information Status, particularly in compliance with Spanish legislation (Ley 11/2018), the summary of which has been included in the ESG Reporting Index annex, in the GRI indicators table.

In terms of Luís Simões companies, the materiality only pertains to those companies involved in transport and logistics (Transport, Logistics and Maintenance of Heavy Vehicles). The organisation profile took into account all the companies, as did the composition of the human resources, except for Patrimundos and Solmoninhos. Espaçotrans was not included in the Health and Safety chapter.

This report includes the 2022 Consolidated Accounts Report (Financial Robustness chapter and Accounts annex) for the company Luís Simões SGPS.

The report is published annually in May via the **Luís Simões webpage**. 

### Come discover our world!

If you have any questions about this report:  
**Cláudia Simões** - Sustainable Development Coordinator | [claudia.simoes@luis-simoes.com](mailto:claudia.simoes@luis-simoes.com)



# CHAIRPERSON'S MESSAGE



We've been in the market for 74 years and in 2008 we began our structured move toward sustainability because at the time it was already clear that without financial, environmental and social sustainability there would be no future for the company.

We are a family-owned company and the legacy we leave behind is the manner in which we contribute positively to the value chain, keeping in mind that efficiency is the key word, while also remembering that people are our strength.

It is at the crossroads of that path where we can grow, keeping our focus on efficiency and quality of service, guaranteeing what is necessary and ensuring the safety of people and jobs. Our guaranteed fulfilment of food quality and safety objectives, while maintaining control over processes through audits, verifications and monitoring of energy consumption, offers our clients and the market the assurance of our contribution to value generation.

We saw another challenging year in our history that included the restrictions of COVID-19, the war in Ukraine, rising fuel prices and growing inflation. The LS family experienced this turbulent challenge very intensely, always seeking to find solutions that incorporated the necessary adjustments in order to maintain the best possible

solidity for everyone. Our people unquestionably showed a surprising capacity for finding solutions, a testament to our DNA that makes us all members of the Luís Simões family, and I thank all of you.

Sustainability is in the challenges of hiring people, in efficient management of energy consumption, in ongoing training in safety, environment, food safety and systems development. It should be clear that sustainability only exists where there is ethics, that hidden pillar that supports the development of professionals and organisations.

It is not enough to be efficient, supply a quality service and comply with legal requirements. What is needed is ethics, involvement with society and a contribution to improving the performance of our value chain. This is the biggest challenge that we face. We are currently facing the Carbon Neutrality in Europe challenge and we are beginning to assess the impact of our value chain in terms of carbon. We are certain that only in partnership can we build this carbon neutral future in a fair market.

**Together we will go farther... to wherever the future takes us.**

**José Luís Simões**

*Chairperson of the Board of Directors*

DISCOVER OUR WORLD

## WHO WE ARE

At Luís Simões we want to go farther... to wherever the future takes us!

This is the motto that guides us and gives us the strength to pursue our ambition to be an Iberian leader in terms of quality of service in the transport and logistics sector, with or without the pandemic.

With 74 years of history, Luís Simões is synonymous with adapting to change. A Group that is 100% family owned by the Luís Simões family, that includes ten companies and a variety of services, its core business being the road freight transport and logistics sector, accounting for 95% of its turnover. Luís Simões is a leading logistics operator, a leader in roadway transport between the two Iberian countries, currently present in over 30 locations and with 2,456 direct employees.

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

Come find out about our vision and values.







## DISCOVER OUR WORLD

# WHO WE ARE

### MISSION

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

### VISION

To be the Iberian company of reference in terms of quality of service for the transport and logistics sector.

### VALUES

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

### INTEGRATED POLICY



Quality and Food  
Service



Environment



Occupational Health  
and Safety



Social  
Responsibility

## DISCOVER OUR WORLD

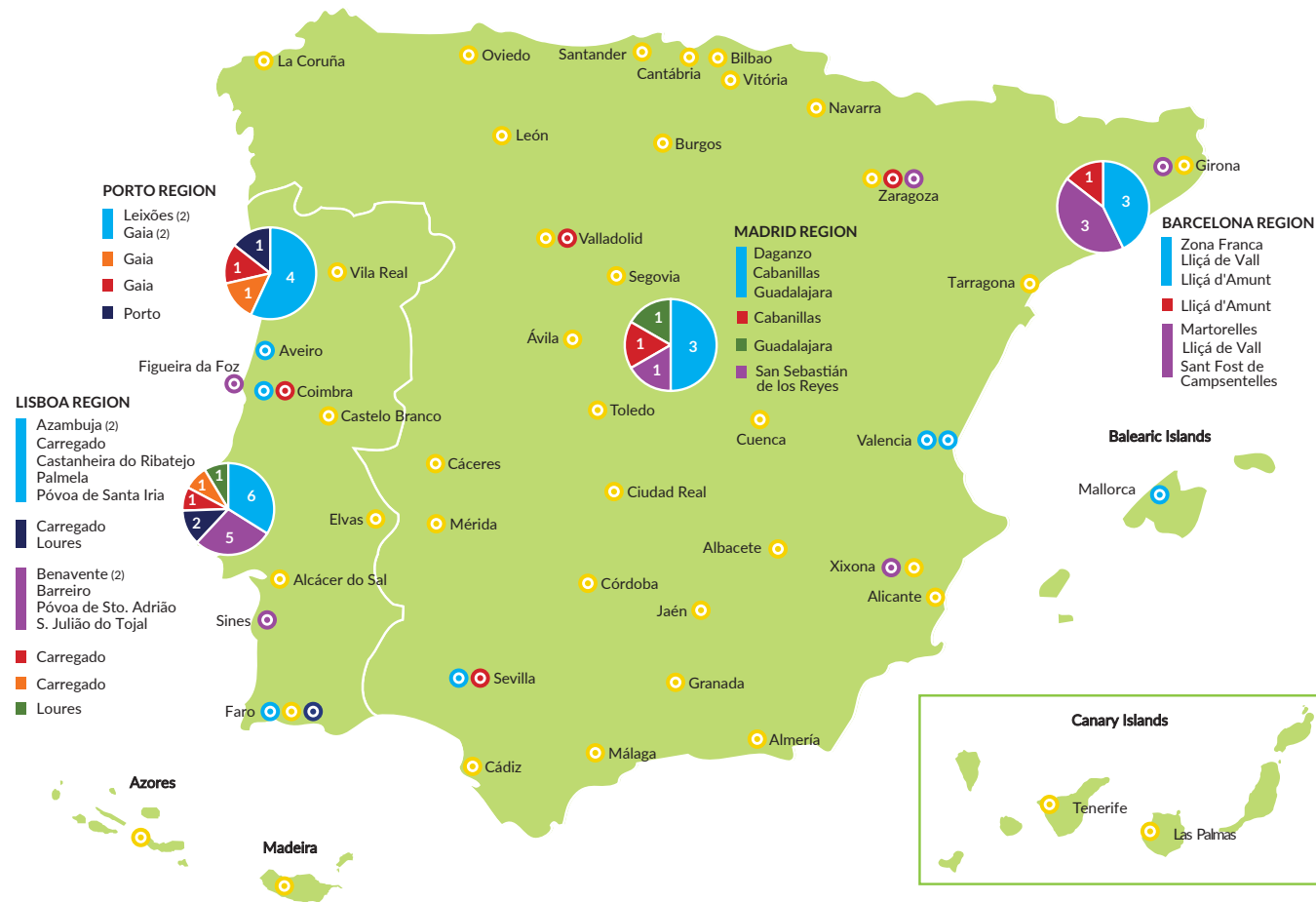
## WHERE WE ARE



Headquarters

Cross-Docking  
PlatformsLogistics Operations  
Centres (LOC)Transport Operations  
Centres (TOC)Technical Assistance  
Centres (TAC)In House  
Operations

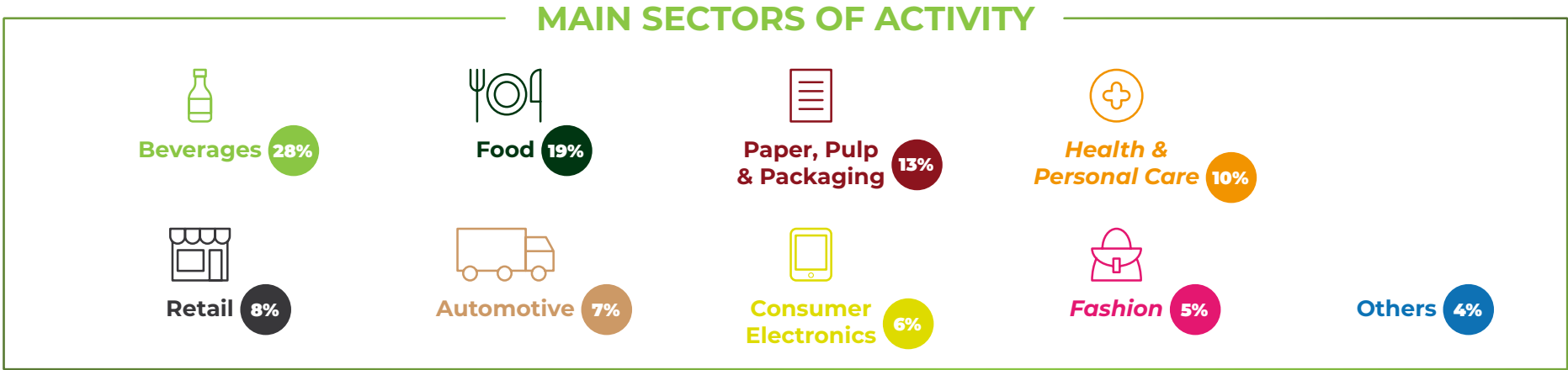
Insurance





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# TYPES OF SERVICE



## DISCOVER OUR WORLD

## NUMBERS

## LOGISTICS

**24** Logistics Operations Centres (LOC)  
**370.543**m<sup>2</sup>  
**34** Cross-Docking Platforms  
**9.710** shipments/day (e-commerce)  
**10.005.414** Picking Units/month

## TRANSPORT + LOGISTICS

**120** million km travelled/year  
**7,94** million tonnes transported/year  
**1.873** trips + distribution routes/day

## Turnover

**269** Milhões €

## LS PEOPLE

**2.456** Employees  
**18.488** Hours of Training

## TRANSPORT

Manages a fleet of **2078** certified vehicles  
**8** Transport Operations Centres (TOC)



## PROMOTIONAL LOGISTICS

**12** Copacking Centres  
**5.271.646** units/month

## RETA

**2** Technical Assistance Centres (TAC)  
**39.000**m<sup>2</sup>  
**2** heavy vehicle washing stations  
**91.942** h/year installed  
 maintenance capacity

## GREENHOUSE GAS EMISSIONS

**28.659** Ton CO<sub>2</sub>/year 2022 (scopes 1 and 2)

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# HIGHLIGHTS OF THE YEAR



## COTEC

Luís Simões was recognised for the second consecutive year with the COTEC Innovator Status for its initiatives in innovation, for its compliance with financial solidity standards and for its economic performance.



## Luís Simões drivers Awarded diploma of honour from IRU

The International Road Transport Union (IRU) awarded its Diploma of Honour to nine Luís Simões drivers. This award from IRU distinguishes professional drivers for the excellence of their professionalism and for the safe performance of their duties over the course of a career spanning at least two decades.

The nine Luís Simões drivers have a career spanning 22 to 35 years at Luís Simões and between all of them they have travelled over 17 million kilometres.



## Innovative solution involving the transfer of cargo between different equipment

**Reta** developed an innovative solution in Portugal that consists of a system that connects two trailers and that is efficient and uncomplicated when it comes to the loss of spare parts. This solution offers more safety and convenience for drivers and helps companies save time and money.



## DISCOVER OUR WORLD

## GOVERNANCE

Grupo Luís Simões consists of LS – Luís Simões, SGPS, S.A. and its subsidiaries. Luís Simões, SGPS, S.A. is 100% owned by the Simões family. **The Board of Directors (BD)** is a statutory body that includes five executive directors and two non-executive directors on the strategic board.

**Executive Committees (EC)** have been established for each business unit in which the respective Directors and General Administrators/first line and whoever is in charge of the daily executive management of the business take part.

The Luís Simões governance model also includes **Management Visits**, in order to follow up on the regions and ensure that the strategy is followed.

## BOARD MEMBERS

**JOSÉ LUÍS SIMÕES**

Chairman and Executive Board member for Logistics

**LEONEL SIMÕES**

Non Executive Board member

**JORGE SIMÕES**

Board member for Reta, Diagonal and Real State

**DANIELA SIMÕES**

Board Member for LS Corporate

**FERNANDA SIMÕES**

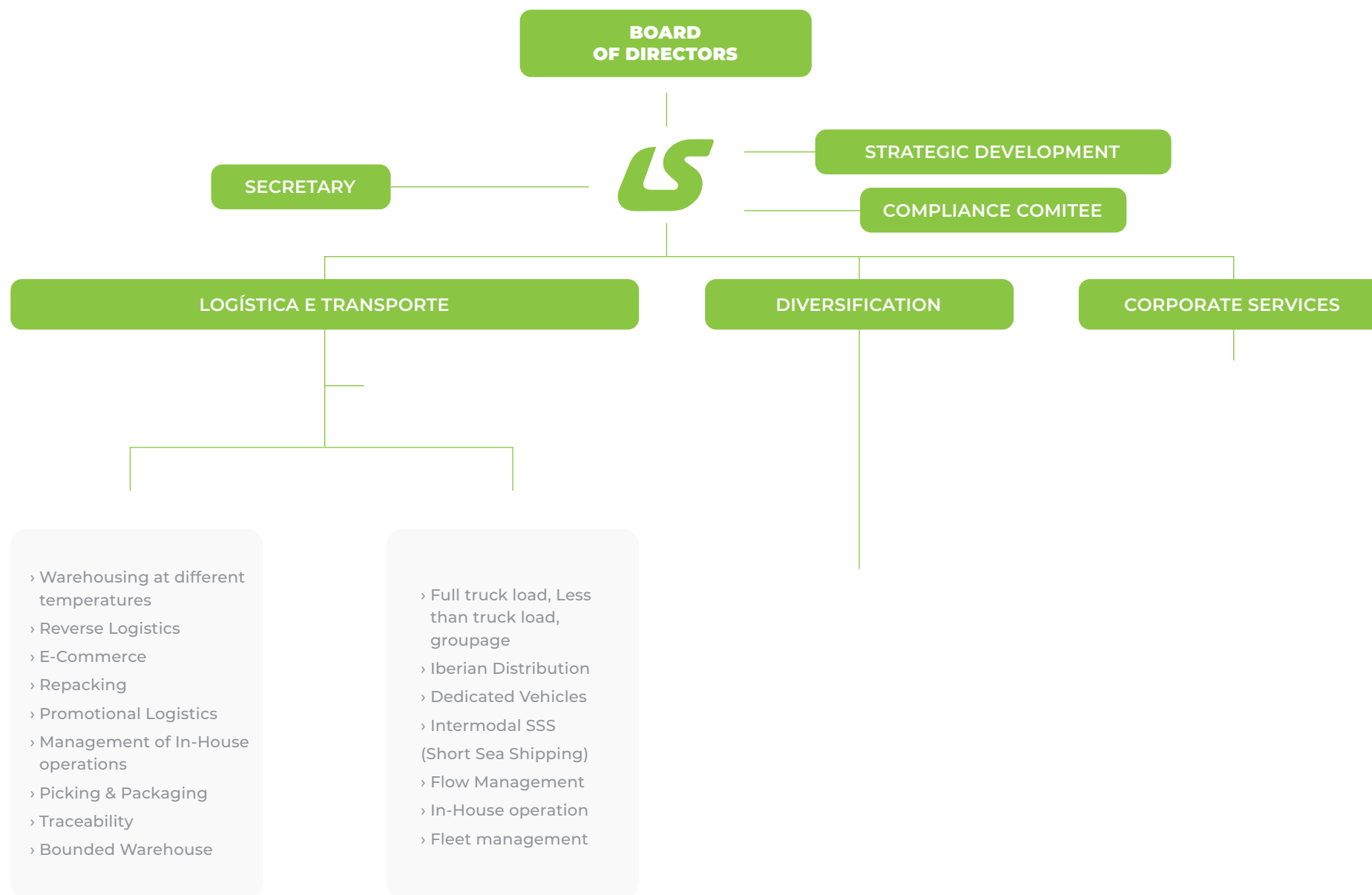
Board member for Transport

**RUI SIMÕES**

Non Executive Board member

**MIGUEL ROQUETTE**

Board Member for Strategic Development, Legal &amp; Compliance



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# COMPLIANCE AND RISK MANAGEMENT

As part of the strategic plan of the Grupo Luís Simões companies and in line with good national and international practices, the Compliance and Risk Management area, which is part of the Processes and Compliance Department is responsible for compliance with the Luís Simões Risk Management Policy, which establishes its own methodology that ensures knowledge of and assessment of the risks faced by Grupo LS, and it is also responsible for determining the need for effectively responding to those same risks.

This methodology is applied to risks from various categories, namely: Strategic; Environmental; Legal; Technological; Fraud; Personal; Operational and Financial, and includes corporate risks, along with risks from various LS activities and businesses.

The Compliance Committee is the body that has been appointed to assist the Board of Directors with regard to fulfilling its supervisory responsibilities, as per the annual Compliance Programmes.

It should be noted that this risk management methodology was implemented in 2018 and has already helped mitigate a series of relevant risks at LS, namely: actions aimed at mitigating the risk of legal infractions related to the General Data Protection Regulation via implementation of a privacy Management System at Luís Simões, also capable of responding to our e-commerce Clients; actions to mitigate risks related to opening new logistics warehouses; actions that mitigate the risk of subcontracting transport companies that do not have the appropriate credentials; actions to mitigate risks related to selling cargo insurance to Clients, in order to ensure proper management of claims; actions to mitigate criminal infractions by implementing an LS Infractions Management System; and we continue to implement actions to mitigate risks related to the hacking of our IT systems (cybersecurity).

For 2022 we highlight the positive measures implemented for the following purposes:

- a) Mitigate risks related to conflicts of interest in subcontracting transport services, with an audit having been conducted regarding this process;
- b) Ensure legal compliance with the European Directive on whistleblowing;

- c) Increase control and agility in the process of signing contracts with suppliers using digital signatures;
- d) Update the Luís Simões solution in terms of tools used for interaction between internal and external entities, and production of general documentation through implementation of Office 365;
- e) Mitigate the risk of undue access to LS applications and systems through the definition and control of different functional profiles.

**The LS Risk Management methodology is automated** with all the information required for risk management on a single platform, which allows information to be constantly updated and shared via a single online repository. Each risk that is processed must be kept under control. Controls are also used to ensure the reliability of the risk management analysis reports. Controls are implemented directly or via technology and they consist of: rules of approval, authorisation, verification, reconciliation, inventory, performance analysis, property security, segregation of duties, etc.

It should also be noted that one of the main components of risk management is based on compliance with applicable legislation, which is why we have

established an action strategy for ensuring adequate knowledge of applicable legislation, along with assessment of legal compliance. Because we are a Group with various companies and different business areas, operating on an Iberian scale, we have implemented an IT platform (Envira ecogestor) that allows us to remain constantly informed regarding legislation that is constantly changing.

Identification of applicable legislation is made via an external entity, which on the basis of updated knowledge of our activities, is capable of identifying all legislation that applies internationally and locally at the scale of the Iberian Peninsula. As such, local visits are made to the LS centres, in order to adequately contextualise the legislation applied to each centre. The Compliance and Risk Management Department is responsible for supervising the Legal Compliance Assessment model and this platform is used to conduct audits conducted by internal auditors or by Envira. The control of legal compliance is analysed by the Compliance Committees and reports are submitted to the Board of Directors regarding changes in legal compliance risks on the part of Grupo LS companies.

Potential environmental risks are part of the annual revision of the environmental risks considered within the scope of the







environmental management system. Accordingly, the materialisation of potentially polluting events that are reasonably likely to occur is reviewed, and these risks include fire, spills and gas leaks (cold chambers).

We would also like to point out that we are constantly in contact with the associations of the sector in order to ensure that we are aware of the best legal and regulatory compliance practices.

**At the Grupo Luís Simões companies we are dedicated to working in accordance with the highest ethical and legal standards.** The organisation's values are present in everything we do, focused on the value that we can add. We promote a culture of compliance and conformity and we have a **Zero Tolerance Policy** with respect to acts of corruption and bribery. The **Code of Ethics and Conduct** applies to all LS Staff, regardless of their contractual link to the company, their position or their job title, or the location where they work. Its application is not an option, it is a commitment on the part of all direct or indirect Luís Simões employees, as a guaranteed safeguard of the value for all the interested parties.

Luís Simões acts in strict compliance with the principles described in its Personal Data Protection Policy of the General Data Protection Regulation and legislation pertaining to data protection that applies to all data protection activities that it is responsible for.

[Code of Ethics and Conduct](#)

[Request to exercise personal data rights and report irregularities](#)

[Zero Tolerance policy](#)

[Personal Data Protection Policy](#)



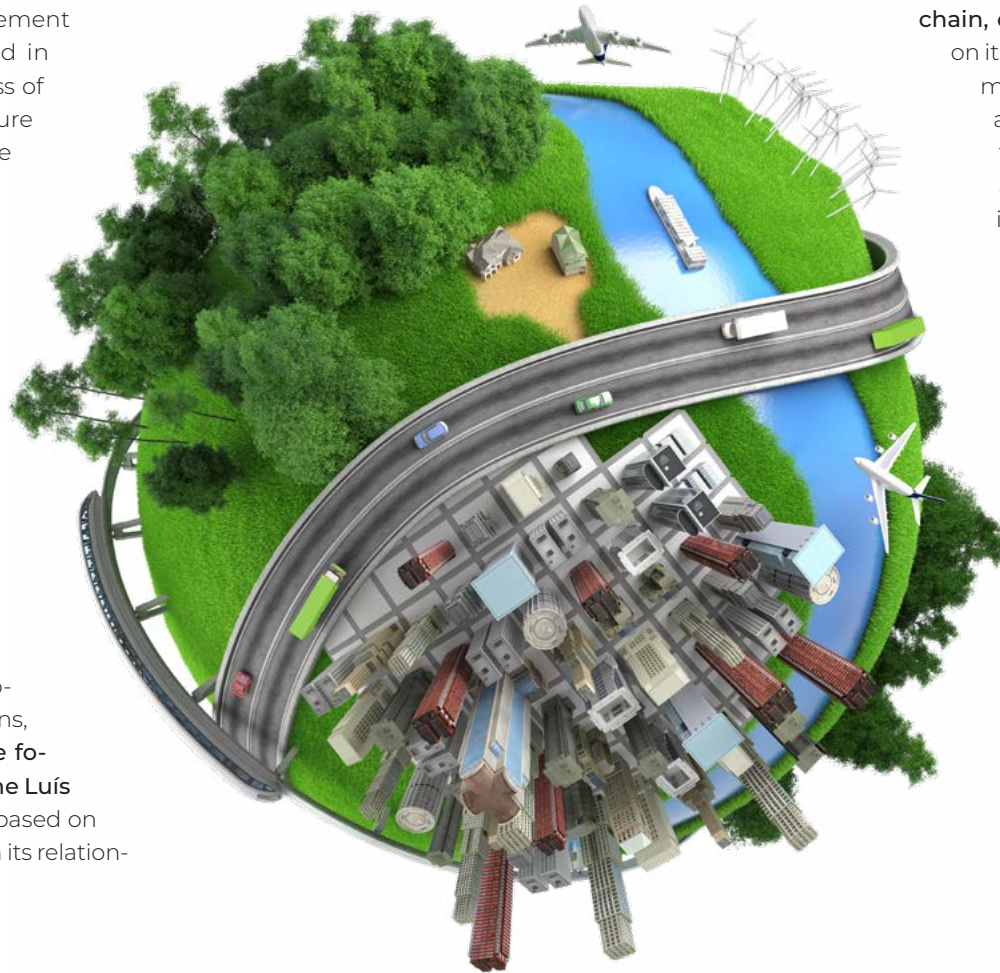


## DISCOVER OUR WORLD

## SUSTAINABILITY STRATEGY

LS undertakes its business activity while listening to its stakeholders, ensuring an involvement commitment by all parties interested in aligning with and promoting awareness of the development of a sustainable culture in its business areas. Integration of the challenges identified in the materiality assessment were incorporated into the Luís Simões Sustainability Strategy, based on '9 Principles' that bring together the initiatives that are to be undertaken to improve LS performance – Sustainability Strategy. (More details available in ESG Reporting Index)

Of the 9 Principles, **the material topics** and the respective Sustainable Development Goals (SDG) of the United Nations, which they are associated with, **are the focus of development and evolution of the Luís Simões sustainability strategy**, always based on transparent communication as a value in its relationship with the community.



LS prides itself on its involvement in the **value chain, on its proximity with its clients** and on its joint involvement in services that are more sustainable. Our performance is assessed annually via ethics and sustainability platforms, such as **Sedex** and **Ecovadis**, and our performance is shared with our clients. In 2022 Luís Simões was awarded the Ecovadis Gold Medal (Transport) for the fourth year in a row and the Carregado LOC underwent a SMETA audit (Sedex Members Ethical Trade Audit).

As such, LS distinguishes itself from other market companies in this sector in the areas of Environment, Labour and Human Rights, Ethics, Sustainable Purchases and Climate Change, contributing to and moving toward the international development of the corporate fabric within such contexts, toward ethical transactions that are transparent, fair and responsible.



## QUALITY OF SERVICE AND INNOVATION

# QUALITY AND ENVIRONMENT CERTIFICATION OF OPERATIONS

The main operations centres are certified according to Quality (ISO 9001) and Environment (ISO 14001) Standards.

Quality of service is cultivated every day, overcoming obstacles. In every palette and box transported and in every km travelled to serve our clients and society.

Quality is a priority because we believe that this is the only way to be in the market. This is an essential link for the group's strategy and its follow-up is essential, assessing the levels of service that is provided and customer satisfaction. It is also subject to internal and external audits, always with the aim of continuous improvement in customer service. In line with its values and strategy, LS's main operations centres are certified according to Quality (ISO 9001) and Environment (ISO 14001) standards, among other

more specific standards, in accordance with client's requirements.

In 2022, 61 audits were undertaken in areas of transport and logistics, 53% of which were internal audits, 32% were client audits and 16% of which were external audits by certification entities. This is an area that is safeguarded by the Processes and Compliance Department, enabling the maintenance and control of processes.

At RETA and Diagonal 47 audits were conducted, mostly internal and focused on operating processes (Gemba Walks), only one external audit was conducted by certification entities.



LUÍS SIMÕES  
CERTIFICATIONS



**Over 70% of transport and logistics services performed are associated with food products or personal hygiene and health care products.** In these operations there are controls related to specific legal requirements (INFARMED license; Medications Warehouse by Contract, etc.) and risk analysis in order to detect critical points and establish controls over them in order to avoid possible impact on consumer health.

**Because of the products that are stored, Luís Simões is subject to specific certifications that vary according to each Centre:**

At the **Cabanillas del Campo** Logistics Operations Centre the **Good Distribution Practice (GDP)** certification since 2020.

At the **Guadalajara** Logistics Operations Centre the certification of the **Ecological Products Warehouse** since 2021, this allows reception of any import of ecological products from outside the European Union.

For clients that have products with biological certification, Luís Simões also obtained the attestation of transport and warehousing of raw materials and pre-packaged food products in accordance with the biological certification at the Logistics Operations Centres: Carregado 1, Gaia 1 and Castanheira.

**Food Safety** is a pillar of Luís Simões business activities and in order to ensure compliance with the specific requirements of this area, some of its centres are certified in this area. Annually, after each audit has been

| STANDARD  | CLASSIFICATION<br>(AUDIT 2022) |
|---|--------------------------------|
| IFS LOGISTICS                                       | 96,94%                         |
|   | 96,67%                         |
|   | 98,87%                         |
|   | 95,80%                         |
| BRC GLOBAL STANDARD FOR<br>STORAGE AND DISTRIBUTION | AA (HIGHEST LEVEL)             |

|  |
|--|
| CARREGADO 1<br>(LOGISTICS + TRANSPORT) |
| CARREGADO 2                            |
| AZAMBUJA 2                             |
| CASTANHEIRA DO RIBATEJO                |
| GUADALAJARA                            |
| LEIXÕES                                |

conducted, the certification entity issues a certificate with the result of the audit.

Audits are conducted in accordance with international certification standards IFS Logistics and BRC by external and independent auditors. They occur annually in order to guarantee continuity of the implementation of Good Food Safety Practices, identify improvement opportunities and correct non-compliances. In 2022 the result of the food safety audits (IFS) were the best ever at all sites.

Luís Simões has a process for recording, analysing and processing customer complaints.



## CUSTOMER SATISFACTION INDEX

The Customer satisfaction index is an important tool in assessing the service that is supplied. This process is performed twice per year and consists of a consultation of the TOP 100 clients of each business (Logistics and Transport), in order to assess the level of satisfaction with regard to the service that is supplied. The selection of clients that participate in this consultation is based on accumulated sales over the three months prior to the survey launch.

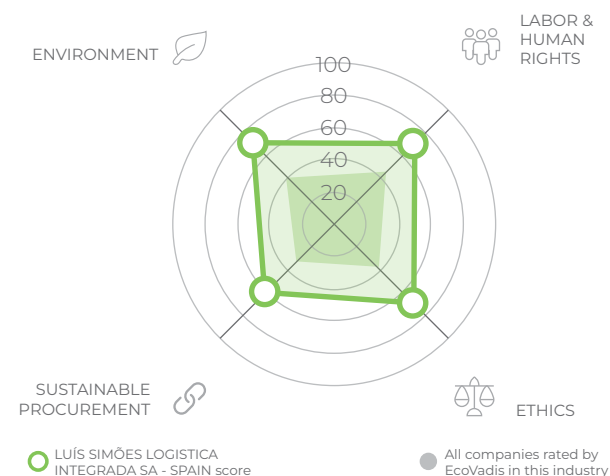
This assessment instrument is essential to helping any company to keep its performance at the highest level,

and that has been a constant concern of LS. Adjusted since 2019, this process offers an essential indicator for adding value to management and guaranteeing ongoing improvement of Luís Simões services. The results obtained are an input so that each client management area can identify the most fragile points and define action plans for resolution. In 2022 the participation rate for the Logistics business varied between 81% and 88% and the evaluation between 3.68 and 3.81 on one scale and 1 to 5 over the course of the year. In the transport business the participation varied between 67% and 95% and the evaluation between 3.90 and 4.01.

**Ecovadis** in 2022 awarded Luís Simões Logística Integrada (Spain) the gold medal for the fourth consecutive year with a score of 69 (94th percentile). It should be noted that three out of four categories have a score of 70%.

**Ecovadis** is a collaboration platform that allows companies to evaluate their suppliers with respect to

## THEME SCORE COMPARISON



sustainability. The overall evaluation of **Ecovadis** reflects the implementation of sustainable practices at the organisations.

In the Transport and Logistics sector **Transport Subcontracting** is the most important link in our value chain. Luís Simões has a very close partnership with the companies that it subcontracts to handle transport services, closing out 2022 with approximately 243 permanent carriers on the entire Iberian Peninsula. We guarantee the necessary conditions so that the carriers with whom we work can abide by the principles stipulated in the **Commitment Letter for Transport Subcontracting**, safeguarding quality of service, the LS shared vision and its ethical management, along with the integrity of Luís Simões in relation to its clients.

The change toward a process of standardisation of companies and vehicles that allows validation of compliance with the defined requirements illustrates the role that Luís Simões plays in its commitment to improve its performance in its value chain, seeking excellence and the satisfaction of its clients.



## INNOVATION

Luís Simões was once again recognised with the COTEC Innovator Status for its initiatives in innovation, for its compliance with financial solidity standards and for its economic performance.

The COTEC Innovator Status award is given out annually and it seeks to distinguish Portuguese companies for their performance with regard to innovation, as well as promote public recognition for their work in that area, setting an example as a creator of value for the national economy. The COTEC universe consists of multi-national companies, large national groups and SMEs from various sectors, and among them they account for over 16% of domestic GDP and 8% of private employment.

'At LS we work to develop and manage transformative solutions that allow us to optimise business management and continue to offer quality service to our clients. This recognition as a COTEC Innovator puts us on the cutting edge of innovation in Portugal and makes us want to maintain this status year after year', says José Luís Simões, Chairperson of the Board of the Directors of Luís Simões. [Veja mais...](#)

In partnership with the universities, in 2022 Luís Simões collaborated with the first stage of the TRAIN Project ('Assessment of the risks and requirements for circulation of heavy vehicles in a group using a driving simulator', financed by the Foundation for Science and Technology. The project is coordinated by FEUP and Professor Sara Ferreira is the Head



Researcher. It involves several researchers from the Faculty of Psychology and Educational Sciences of the University of Porto and from Universidade Lusófona in Humanities and Technologies.

Upon its conclusion, the TRAIN project seeks to provide directives and recommendations that are essential to the industry, logistics operators and road safety authorities, based on robust models of acceptance and the behaviour of professional drivers, containing a broad description of the risk factors and the training needs of the drivers of heavy vehicles in group formation.

LS, namely the Transport Operations Department and the Innovation and Projects Department, participate in this project and thus contribute to the sector's development, keeping the innovation culture alive at Luís Simões.

**Ongoing adaptation to the market context and the digitalisation of processes has led Luís Simões to implement adaptation and collaboration measures in order to train its employees to work in this digital era, measures that will have an impact on 2023.**



## Promotional Logistics

Innovating and serving clients involves responding to their challenges, such as Promotional Logistics and copacking. In 2022 one of the largest clients of the Cabanillas LOC launched an operation via a new channel that involved purchasing shredded cardboard to prevent damage to bottles. As an alternative to buying new cardboard, a machine was purchased for shredding cardboard boxes that are no longer used, thus using the shredded cardboard in the packing and thereby avoiding the use of more natural resources and avoiding the need to send cardboard to recycling plants, with all the transport involved in such processes. With every improvement we contribute to minimising our environmental impact and to minimise the processes carbon emissions







## ENERGY EFFICIENCY

# ONE OF THE STRATEGIC PILLARS OF SUSTAINABILITY

## Finding effective solutions, contributing to the reduction of GHG emissions - SDG 13.

Energy efficiency is one of the strategic pillars of sustainability at Luís Simões. Since 2007, the Group has developed a sustainability strategy and has unequivocally committed to finding effective solutions that reduce the direct impact of its operations on the environment, thus helping to reduce emissions – Sustainable Development Goal (SDG) 13.

Energy efficiency at the facilities is managed by the fleet maintenance and management area and based on audits or monitoring of indicators. In logistics operations and transport operations the energy efficiency of the service that is to be supplied is managed and implemented through business areas (equipment used for movement within warehouses or road transport vehicles). In 2017 the Sustainability area that is part of the Processes and Compliance Department implemented the inventory and accounting project for Greenhouse Gases (GHG) from all Luís Simões companies (direct and indirect sources – scopes 1 and 2). Defined as the base year, it helped to leverage identification of energy efficiency initiatives and reduce emissions. The trend in emissions reduction helped to illustrate the impact of the initiatives and promote internal awareness regarding the importance of energy efficiency.

In 2021, Luís Simões made a commitment to reduce carbon emissions through its participation in Science Based Targets (SBTi), its goal being the implementation of a scope 3 emissions accounting project over the course of 2022 and create a roadmap toward decarbonisation.

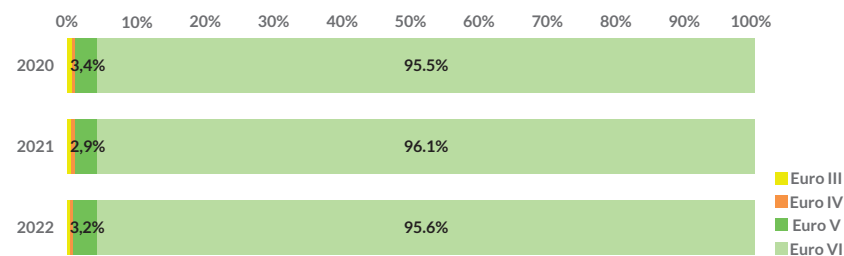


In transports, a LS has 15 Euro modular vehicles (Gigaliners/Mega-trucks) that are currently circulating in Portugal and Spain. The cargo capacity of two Gigaliners is equivalent to three conventional trucks, which helps reduce fuel consumption and reduce up to 30% of GHG emissions per tonne transported.

Focused on efficient solutions, in 2022 two more Gigaliners were implemented for use in logistics operations in Portugal, added to the two implemented in 2021, this makes for greater cargo efficiency between the Logistics Operations Centres of Carregado and Vila Nova de Gaia. Because the gains in emissions reductions vary according to the types of service, the efficiency of physical and human resources in this process illustrates Luís Simões commitment to energy efficiency and decarbonisation, thus contributing to the value chain.

Although essential, vehicles are only part of the solution, the human factor and monitoring have shown their importance as well. Investment in behaviour training and following up with our drivers in terms of improving performance and contributing to more efficient and ecological driving have increased efficiency during transport.

### EVOLUTION OF LS FLEET BY EURO STANDARD



### LS OWN FLEET GHG EMISSIONS INDICATORS

|  | 2007 | 2020 | 2021  | 2022  |
|--|------|------|-------|-------|
| GHG emissions (KgCO <sub>2</sub> e)/1000 Kms               | 1039 | 898  | 898,3 | 912,5 |
| Specific consumption (gep/VK) 2018                         | 326  | 293  | 293   | 297,5 |
| <b>GHG variations for the reference year (2007)</b>        | 0    | -14% | -14%  | -12%  |
| Variation <b>consumption</b> for the reference year (2007) | 0    | -10% | -10%  | -9%   |
| Variation <b>consumption</b> for the reference year (2017) |      | 3,5% | 3%    | 5%    |

gep/vk – grams equivalent oil/vehicle kilometre travelled



2022 saw the start of a new project with Daimler (Mercedes) to monitor drivers so as to help exploit the vehicles' performance, improve driving efficiency and help reduce fuel consumption.

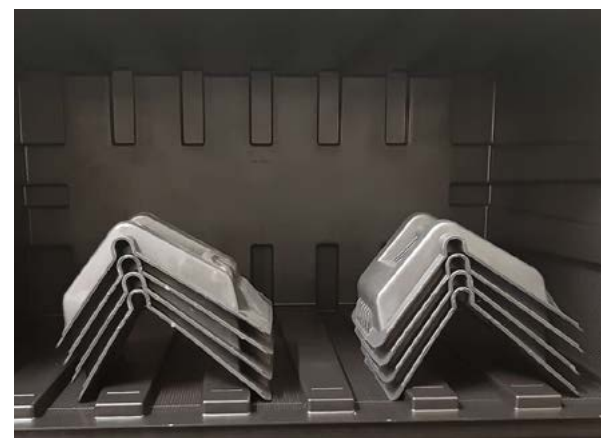
Currently the average age of the LS fleet is **2.6 years, which is less than the average for the sector**, and **99% of the vehicles have Euro V and VI engines (vehicles with Euro V and VI engines > 95% since 2018)**, which are more efficient in every way (safety, ergonomics, aerodynamics, noise, friction, fuel consumption and greenhouse gases).

Combining investment in regular fleet renewal with Ecodriving training, having achieved a reduction of 12% in GHG and 8% in specific consumption (gep/vk – equivalent grams petroleum/vehicle kilometre travelled) since the 2007 base year.

The gep/VK indicator was higher in 2022 because of the fleet in Spain, which is older and which had some problems.

## With each efficiency improvement, together with customers, we contribute to a more sustainable value chain.

With a paper client that needs to make 20 monthly loads, there is a need for 20 plastic angle brackets to prepare the loads (cargo stowage), in order to ensure that the reels are safely transported during the trip. After identifying waste and its cost with the purchase of new angle brackets, the client coordinator, in partnership with the client, develops a method



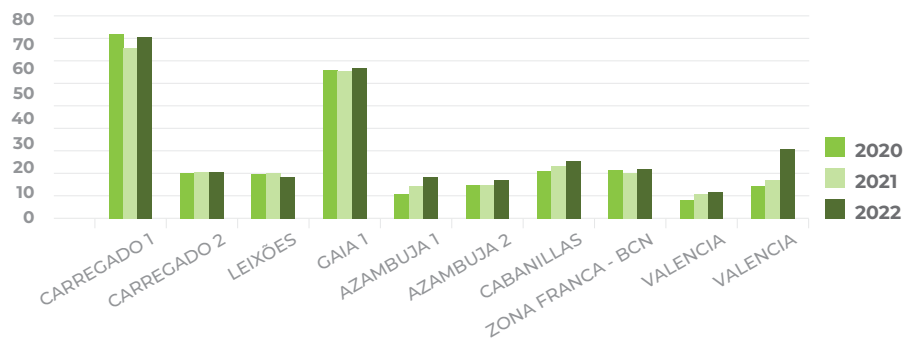
for reusing the angle brackets used in the loads. The solution involved creating two buffers (temporary storage), one in Ferrol (Coruña) and the second at the Luis Simões logistics centre in Vila Nova de Gaia. By taking this action, the angle brackets can be rotated when the loads are executed, thus eliminating the need for acquiring new ones. In order to implement this improvement idea the operations area was supported by Fleet Management in identifying the warehousing boxes and together with Reta in Gaia, in the supply and preparation of the boxes.

This measure significantly contributes to reducing the ecological footprint and we estimate that this measure will reduce the cost and consumption of raw materials.



In the **logistics** area, 2021 saw the execution of a new Energy Efficiency Plan at the Carregado Logistics Operations Centre and energy efficiency initiatives were approved, along with reduction in GHG to take place over the next eight years, to be implemented as of 2022. Investment in lighting by replacing regular bulbs with LED at the Carregado 1 and 2 centres took place in 2022 and is expected to result in a reduction of 25% in energy consumption due to lighting.

### INDICATOR KWH/PALLET CAPACITY



By monitoring the energy consumption indicator (Kwh/year) per capacity of pallets in each warehouse certified in accordance with ISO 14001, we have identified an increase in energy consumption (19%), in part because of the inclusion of the consumption of renewable energy produced at the Cabanillas and Guadalajara centres (3%) and also because of an increase in activity. The centres that contributed most to this increase were Guadalajara (ES) and Carregado 1 (PT). The Guadalajara Centre (ES) incorporates two conventional areas and the automated warehouse. The Gaia 1 (PT) and Carregado 1 (PT) centres consume the most energy due to the existence of controlled temperature chambers.

The Carregado Logistics Operations Centre 1 (PT) is the second largest energy consumer (after Guadalajara), classified as an intensive energy consumer, equipped with a rationalisation plan to improve its efficiency (the refrigeration system is responsible for 40% of total electrical energy consumption). Cabanillas del Campo and Guadalajara, the most recent LS warehouses, were built on the basis of sustainability

criteria and therefore with controlled temperature chambers (also more efficient) and are able to obtain a lower index of kwh/Palletes Cap.

Because the Cabanillas del Campo and Guadalajara Centres are more efficient buildings (LEED certification) and because they produce renewal energy for their own consumption, they contribute to environmental sustainability.



The Lliça d'Amunt Centre is certified by BREAM, which is another certification of the sustainability of buildings with a focus on efficiency.

The energy efficiency obtained by more efficient systems and operations is a step toward decarbonisation. Each small step that we take ensures that we are becoming more efficient and we contribute as a link in the sustainability value chain.





LS PEOPLE

# LUÍS SIMÕES EMPLOYEES ARE AT THE CENTRE OF ITS VALUES

## RESPECT FOR PEOPLE

Ensure ongoing qualification of all employees, developing their skills in order to undertake new and challenging activities, always with quality and safety in mind; (in LS values).

Over the course of its 74 years of history, LS has helped create jobs at the over 30 locations where it is present, including interior regions of the Iberian Peninsula.

The Human Resources Department is responsible for assessment and compliance with the Human Resources and Training Policies.

In 2022, the Luís Simões family of employees totalled **2.456 direct workers** distributed among the various group companies with **56% of its employees in Portugal** (1.385) and **44% in Spain** (1.070),

a rise of 4% over the previous year.

In 2022, with the continued digitalisation of processes, we used telework in a hybrid format, maintaining in-person days as a means of reinforcing the company culture (in the positions where this is possible). This model allows us to help our employees balance their personal and professional lives.




**2.456**
**LS DIRECT  
EMPLOYEES**

(56% PT / 44% SP)


**15%**
**FIXED-TERM  
CONTRACT**  
(63% PT / 37% SP  
55% MEN  
45% WOMEN)

**85%**
**OPEN-ENDED  
CONTRACT**

 (55% PT / 45% SP  
69% MEN  
31% WOMEN)

**ONLY 3 EMPLOYEES  
IN PART-TIME (PT)**

 82 EMPLOYEES WITH REDUCTION  
OF WORKING HOURS (ONLY  
APPLICABLE IN SP)

**33%**
**WOMEN**

**67%**
**MEN**

**18.488**
**TRAINING  
HOURS**

 (55% PT / 45% SP)  
74% MEN  
26% WOMEN

**24**
**MATERNITY  
LEAVES**

(58% PT / 42% SP)


**53**
**PATERNITY  
LEAVES**

(36% PT / 64% SP)

At Luís Simões, **85% of employees have an open-ended employment contract (2091)**, this amount corresponds to 55% of its employees in Portugal (1,154) and 45% of its employees in Spain (936). Per country, 83% of its employees in Portugal have an open-ended contract and in Spain this amount is 87%. As regards gender, 69% of open-ended contracts are held by men and 31% are held by women, as it was in 2021.

### N° Employees by Gender and Age Groups

|               | 2022 |     |     |     | 2021 |     |     |     |
|---------------|------|-----|-----|-----|------|-----|-----|-----|
|               | PT   |     | SP  |     | PT   |     | SP  |     |
| Age groups    | M    | F   | M   | F   | M    | F   | M   | F   |
| < 20 years    | 6    | 3   | 3   | 0   | 2    | 1   |     |     |
| 20 - 30 years | 149  | 78  | 149 | 39  | 162  | 69  | 97  | 31  |
| 30 - 50 years | 562  | 266 | 483 | 245 | 591  | 300 | 411 | 239 |
| > 50 years    | 263  | 58  | 123 | 28  | 259  | 55  | 110 | 28  |

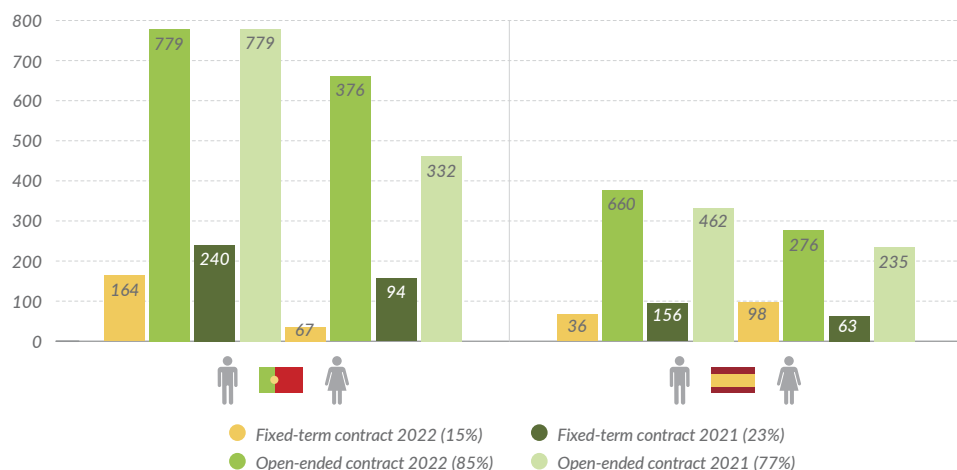
### N° Employees by Position and Contract type - 2022

| Position / Contract         | Open-ended   | Fixed-term | Temporary  |
|-----------------------------|--------------|------------|------------|
| Board Members               | 7            | 0          | 0          |
| Directors                   | 39           | 0          | 0          |
| Managers                    | 81           | 0          | 0          |
| Coordinators                | 116          | 0          | 1          |
| Technicians                 | 452          | 2          | 50         |
| Administ/Assist/Operational | 1 219        | 10         | 302        |
| Team Leaders                | 177          | 0          | 0          |
| <b>Totals</b>               | <b>2 091</b> | <b>12</b>  | <b>353</b> |

### N° Employees by Position and Gender

|                                  | 2022         |            |              |            | 2021         |            |            |            |
|----------------------------------|--------------|------------|--------------|------------|--------------|------------|------------|------------|
|                                  | PT           |            | SP           |            | PT           |            | SP         |            |
| Position / GENDER                | M            | F          | M            | F          | M            | F          | M          | F          |
| Board Members                    | 5            | 2          | 0            | 0          | 4            | 2          | 0          | 0          |
| Directors                        | 25           | 4          | 10           | 0          | 21           | 5          | 9          | 0          |
| Managers                         | 35           | 15         | 27           | 4          | 37           | 13         | 26         | 3          |
| Coordinators                     | 45           | 25         | 28           | 16         | 48           | 39         | 30         | 15         |
| Technicians                      | 122          | 145        | 102          | 135        | 38           | 37         | 44         | 23         |
| Administrative                   | 35           | 78         | 2            | 14         | 105          | 165        | 33         | 87         |
| Team leaders                     | 58           | 15         | 87           | 17         |              |            |            |            |
| Warehouse Operator               | 313          | 116        | 445          | 126        | 472          | 165        | 421        | 170        |
| Service technicians (automotive) | 54           | 1          | 0            | 0          |              |            |            |            |
| Heavy-duty Vehicle Driver        | 289          | 1          | 57           | 0          | 294          | 0          | 55         | 0          |
| <b>Total by gender</b>           | <b>981</b>   | <b>405</b> | <b>758</b>   | <b>312</b> | <b>1019</b>  | <b>426</b> | <b>618</b> | <b>298</b> |
| <b>Total by country</b>          | <b>1 386</b> |            | <b>1 070</b> |            | <b>1 445</b> |            | <b>916</b> |            |

## Contract Type / Gender / Region



In terms of general numbers, the percentage of women continues to be less than that of men in most positions, especially with regard to drivers, where only one is a woman. This disparity is directly linked to market supply.

The positions that employ the highest number of workers are Warehouse Operators, Technicians and Drivers. At these three positions, only Technicians are 56% women (54% PT, 57% ES), Warehouse Operators are 24% women (27% PT, 22% ES), although in Portugal this number increased, while in Spain it decreased.

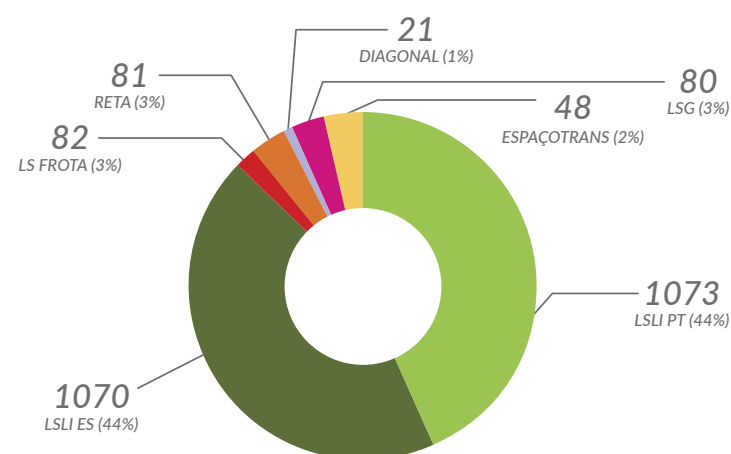
The positions of Warehouse Operators and Drivers are specific to our sector, which is historically male and depend on the market supply of labour. Technicians hold more transversal positions in which we already have parity.

In terms of new hirings, Spain accounts for 30% more hirings than Portugal. This stems from the large centres, where the hiring criteria are associated with productivity targets, thus contributing to higher turnover. The 30 to 50 year old age bracket is still the most prominent.

As regards gender diversity, in the previous page is the distribution of employees according to position and gender and per age and gender intervals.

On the Board of Directors, the percentage of Women is 29%. LS does not discriminate according to gender when hiring and thus the difference in the positions relating more to operations, such as drivers and warehouse operators, is merely due to cultural reasons and the reality of the labour market supply, and the sector that we work in. This sector has been historically more male and parity will likely take some time.

## Total number of LS direct employees per company



## New Hires

|                         | 2022 |       |     |       | 2021 |       |     |       |
|-------------------------|------|-------|-----|-------|------|-------|-----|-------|
|                         | PT   |       | ES  |       | PT   |       | ES  |       |
| Age groups              | Men  | Women | Men | Women | Men  | Women | Men | Women |
| < 30 years              | 60   | 29    | 67  | 18    | 97   | 33    | 85  | 23    |
| 30 - 50 years           | 73   | 28    | 133 | 42    | 96   | 37    | 203 | 85    |
| > 50 years              | 5    | 3     | 11  | 3     | 10   | 7     | 27  | 8     |
| <b>Total by gender</b>  | 138  | 60    | 211 | 63    | 203  | 77    | 315 | 116   |
| <b>Total by country</b> | 198  |       | 274 |       | 280  |       | 431 |       |



TRAINING

LS invests in the growth of its employees through regular training actions, from executive level management to drivers and warehouse operators, a total of 18,488 hours of training having been conducted in 2022, in Spain, most of the training hours having been undergone by men. Overall, 22% of training hours were earmarked for management and administrative duties, 56% for operations employees and 22% for heavy vehicle drivers.

In March, classroom training for drivers finally resumed. The LS Drivers training programme was launched in March in Carregado, with a total of 45 drivers and 6 instructors.

LS designs, plans and implements a training plan that involves a group of actions created to update, recycle and renew employee qualifications and skills, with the aim of increasing their professional

skills in response to the company’s needs. The performance evaluation programme also includes action plans to improve employee skills.

Employee performance evaluation as a means of furthering their development is an essential tool. In operations areas the productivity indicators serve to leverage the performance evaluation of the teams, while also increasing their overall development. Positions ranging from coordination to management have a different performance evaluation process.

The evaluation process took place as of November 2021 with the self-evaluation questionnaires. This process continued in 2022 and involved follow-up meetings and implementing action plans defined by the evaluatees to be completed in June 2022 (Directors, Managers, Coordinators and Technicians). In 2022, evaluation/diagnostic was also conducted for performance of drivers and Resource Assistants.

Hours of training per job category

|                                  | 2022  |   | Total  |
|----------------------------------|---|---|--------|
|                                  |  |  |        |
| Board Members                    | 19  | 0   | 19     |
| Directors                        | 66  | 119   | 782    |
| Managers                         | 561   | 980   | 1 541  |
| Coordinators                     | 494   | 784   | 1 278  |
| Technicians                      | 1 538   | 2 762   | 4 300  |
| Administrative                   | 338   | 117   | 454    |
| Team leaders                     | 328   | 647   | 975    |
| Warehouse Operators              | 975   | 2 703   | 3 678  |
| Service technicians (automotive) | 1 419   | 0   | 1 419  |
| Heavy-duty Vehicle Driver        | 3 839   | 206   | 4 045  |
| Totais por país                  | 10 172  | 8 316   | 18 488 |

The **Second edition of the online event #EsteVirus-NaoNosPara** (This Virus Won't Stop Us) was held on 22 April and it was hosted by Human Resource Managers Patrícia Bernal and Ana Isabel Silva. Its goal was to acknowledge and recognise performance and commitment on the part of all those who directly and indirectly contributed to the organisation's results, overcoming all the obstacles and hurdles that we faced.

At this event, Human Resources Administrator Javier Montero introduced the employees that received the award for 'Managers of the Year 2021', having stood out for their results, their skills and for their daily impact on Luís Simões.

#### The Managers of the Year 2021 are:

- Luís Garcia (Cliente Manager – Logistics);
- Anabela Simões (Communications Office Coordinator) and
- João do Vale (Project Manager – DIP).

### INVOLVEMENT WITH STAKEHOLDERS...

Together with its commitment to training and know-how in the sector, Luís Simões in cooperation with APLOG (Portuguese Logistics Association), sponsored the Logistics Excellence Award in 2022: PEL – Academy.

This award, directed at the academic universe, aims at distinguishing academic work, courses, master's degrees or schools that develop and promote knowledge and innovation in logistics sector projects with application in businesses/companies/the sector, and on a large scale or relevant to research, along with a high degree of underlying innovation.



### MANAGERS OF THE YEAR 2021



**ANABELA SIMÕES**

Communications  
Communications Office Coordinator



**LUÍS GARCIA**

Logistics  
Cliente Manager – Logistics



**JOÃO DO VALE**

DIP  
Project Manager





## INVOLVEMENT IN THE TRANSPORT AND LOGISTICS SECTOR

In 2022, Luís Simões worked with APLOG training on two initiatives:

- “2 Days, 2 Ports” – the Leixões LOC was one of the hosts of the event, an initiative promoted by APLOG in partnership with APDL (Administration of Douro, Leixões and Viana Ports), which took place on 7 and 8 April. On 7 April LS opened the doors of the Leixões LOC to 20 participants who had the opportunity to get to know the various logistics operation processes that are implemented at the centre, emphasising technological development and implementation of good sustainability and environmental practices.
- “Supply Chain Challenges” – 5 Days, 5 Companies’ – Luís Simões hosted the 9th edition of the event organised by APLOG at the Carregado LOC, including a visit to the automated warehouse. Luís Simões has been a regular fixture at the event since 2012 and was the host on the first day of the event.

Luís Simões in partnership with **CEOE Guadalajara** (Confederación Provincial de Empresarios de Guadalajara) was present with a booth at the Logistics Spain Fair, which took place from 5 to 7 April in Guadalajara. Felix Ávila, Country Manager for Transport at Luís Simões in Spain, participated in a roundtable discussion dedicated to the topic: ‘The transport crisis and its impact on managing the business’. Logistics Spain is a well known international initiative involved in the development and growth of the Logistics and Transport sector that promotes brands, presents new

products and services, reveals the latest trends, offers investment opportunities in the different fields and fosters networking.

Luís Simões also participated in the III Foro Nacional Logistic Spain Guadalajara 2022 (3 Nov), organised by CEOE Guadalajara, where Raúl Tijero, Regional Logistics Administrator, participated in a roundtable discussion on: ‘The consequences of the Ukraine war on transport and logistics’.

As a family-owned and human company, we pride ourselves on the mark we have left on society, involving and creating awareness among our employees in citizenship actions.



# THE CITIZENSHIP OF OUR EMPLOYEES



## HUMANITARIAN AID PROJECT OF GAIA CITY COUNCIL

In 2022 Luis Simões, in partnership with the Humanitarian Aid Project of Gaia City Council, helped support the cost of sending four trucks with humanitarian aid to Ukraine. At the Gaia Logistics Operations Centre space was ceded for storing the humanitarian aid that was sent.



## BLOOD DRIVES

Were conducted three blood drives at the Carregado LOC (open to the community).



## MAKING OUR SMALL CONTRIBUTION TO THE FIGHT AGAINST HUNGER

Over 290 hauls were made to the Portuguese Food Bank over the course of 2022. As we usually do, we participated in the half-yearly food drives, transporting food in Lisbon from Colombo Shipping Center to the Food Bank warehouse in Alcântara.





## PARTNERS IN THE SOLIDARISA PROJECT

In cooperation with the Portuguese Food Bank, LS contributed with the transport of fertiliser and seeds.



## UNITED AGAINST WASTE

United Against Waste – Luis Simões is a partner in this project, contributing with mobile advertising on a heavy vehicle. Create awareness about food waste



## VISITS

Were conducted 27 visits to LS centres, 23 in Portugal and 4 in Spain (in-person), with a total of 402 visitors



## FUNDACIÓN MADRINA

LS cooperates with Fundación Madrina at the Guadalajara LOC by warehousing the food products it receives from the Red Cross, coordinating the arrival of food pallets, their unloading, their warehousing and managing the preparation and loading for subsequent order picking to the food distribution points. (<https://madrina.org/>)







## SAFETY IN THE WORKPLACE AND ON THE ROAD

# HEALTH AND SAFETY MANAGEMENT

**On a daily basis, on the roads, in the logistics warehouses, at all the offices and workshops, the safety and health of LS employees is of capital importance.**

Occupational Health and Safety are the responsibility of the Human Resources Department, with subcontracting in the specialties. With a focus on improving work safety conditions and the safety culture, reflected in the accident rates, and aimed at reducing accidents in the workplace.

At Luis Simões, health and safety is managed via the External Prevention Service, which includes four specialties: Hygiene, Safety, Ergonomics and Psycho-sociology, and Occupational Medicine. The system for Preventing Labour Risks implemented by LS includes all of the company's employment positions, namely drivers, warehouse workers, and administrative staff, including all our work centres, facilities and machinery, covering 100% of LS employees. In November 2022, in Spain the company created its own Prevention Service with internalised safety, ergonomics and psycho-sociology.

All employees, when they are incorporated into the company, receive training in occupational risk prevention in accordance with their position, together with recycling. Employees that need special qualification in order to perform their activities also receive this labour risk prevention training, for instance, work at height or material handling equipment licenses for handlers.

The occupational medicine service applies to all employees in Portugal and Spain, while in Spain, employees have the option of opting out of it. Luis Simões offers an occupational health/medicine service and conducts medical examinations in accordance with applicable legislation. It encourages its staff to participate in health promotion actions, such as vaccination campaigns and blood drives.

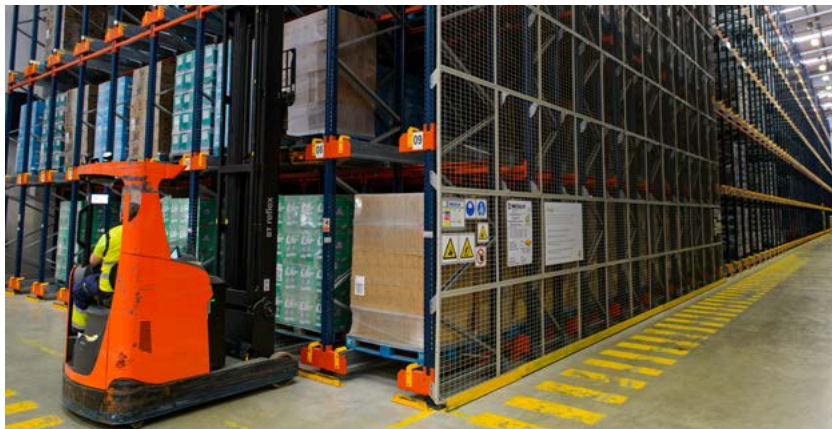


In 2022, there were a total of 233 workplace accidents (WA), an increase of 25% over the previous year, due to increased activity. This year, the business area that recorded the highest number of occurrences was Logistics (Spain). At LSC (Luís Simões Gestão Empresarial e Imobiliária S.A.) and Diagonal there were zero accidents. The Transport (TI Spain) area

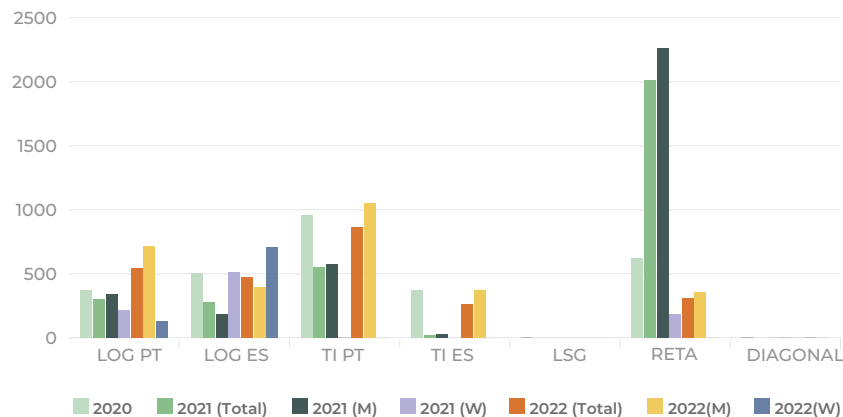
recorded a positive balance with only six accidents. **There were no mortal accidents or occupational illnesses declared.**

When the frequency index (FI) is analysed, along with the severity index (SI) of workplace accidents, taking into account the hours worked and the work days lost,

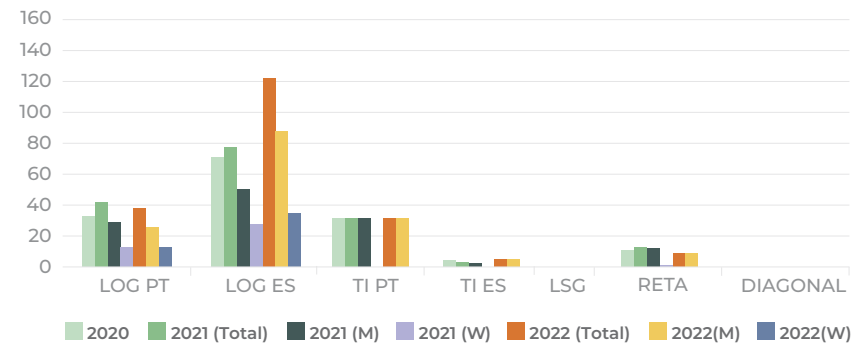
the FI increased 29% over the previous year, namely at Logistics in Spain (FI 86), although it fell at RETA (FI 74), with an overall FI value of 50 (29% up over 2021) and an SI of 546 (48% up over 2021). The number of work days lost as a result of the occurrence of workplace accidents increased 44% over 2021.



### Injury Severity Rate (SR)

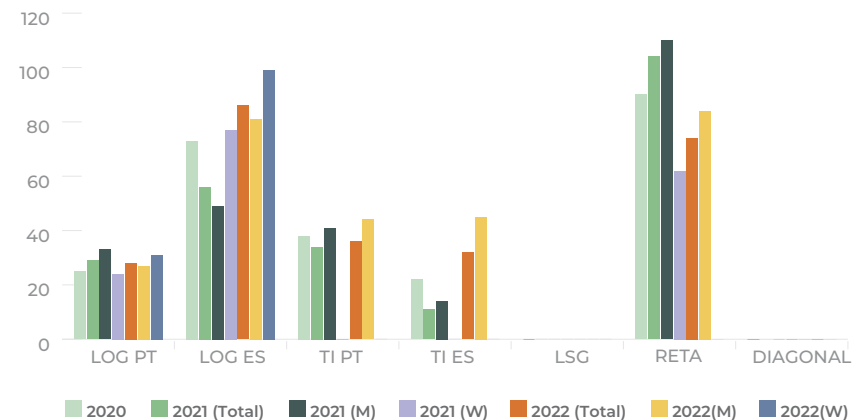


### Number occupational accidents



Indicator 403-9 - GRI

### Injury Frequency Rate (FR)







## ROAD SAFETY

The nature of Luís Simões activities requires that every year hundreds of people travel millions of kilometres serving the company. The safety of these employees and suppliers, along with that of the other users of the road network is of great concern to Luís Simões.

Road safety is a priority in which LS wishes to continue to invest:

- Promoting good driving practices, through training and monitoring performances and rewarding good behaviour.
- Ensuring adequate working conditions for drivers

in terms of ergonomics and driving, and resting times;

- Ensuring preventive maintenance of vehicles.

In 2022, 221 hours of training in Ecodriving were conducted, this being the continuing training programme implemented in 2007 which covers all LS drivers. The following modules were given, among others: Efficient Driving, Maintenance, and Occupational Health and Safety.

The low average age of the fleet not only ensures more efficient engines, but also modern cabins that incorporate best practices in terms of ergonomics and resting conditions for long haul vehicles.

The best contribution to road safety has been the professionalism of our drivers and the recognition of their contribution to road safety has been an example to all.

## IRU DIPLOMA OF HONOUR - DRIVER RECOGNITION

The International Road Transport Union (IRU) awarded its Diploma of Honour to nine Luís Simões drivers. This award from IRU distinguishes professional drivers for the excellence of their professionalism and for the safe performance of their duties over the course of a career spanning at least two decades. Luís Simões submitted the candidacies on the part of its drivers and they were approved after verification was made as regards compliance with the rigorous criteria:

- Working in this profession for at least 20 consecutive years with complete satisfaction on the part of the employer;
- Working for the same transport company for at least 5 years;
- As a professional driver, having travelled at least 1 million kilometres during domestic and international transport duties;
- Not having been responsible for causing any serious accident (leading to bodily harm) on the road, during the last 20 years.
- Not having seriously violated the regulations of the road, as well as the customs or administrative regulations of the driver's country or those of other countries over the past 5 years.



**The nine Luís Simões drivers have a career spanning 22 to 35 years at Luís Simões and between all of them they have travelled over 17 million kilometres.**

Upon submitting the candidacies of these employees for distinction by IRU, LS is highlighting their excellent performance and their alignment with the company's values.

'This is a recognition of an exemplary professional life. They are our drivers and they are the best. They

are in the front lines every day. I am very proud to be able to count on professionals of this calibre and to see them recognised internationally. We would like to thank them for their dedication and for so many hours alone at the wheel over the course of so many safe kilometres', says Fernanda Simões, Manager of the Luís Simões Transport business.

Luís Simões also wanted to recognise this accomplishment by their employees at an event celebrated on 12 March at its facilities in Carregado (PT), where the

company highlighted and acknowledged the good performance of these drivers, along with their commitment to the company's corporate values, a company that has been following their excellent professional career path.



## FINANCIAL ROBUSTNESS

# LUÍS SIMÕES GROUP

This report includes the Annual Report & Accounts of the companies of Grupo Luís Simões, henceforth referred to as the 'Group', 'Luís Simões' or 'LS'. In this chapter we summarise the consolidated indicators and in the Accounts chapter we include the LS-Luís Simões, SGPS, S.A. report, along with the Financial Statements and Notes to the Accounts.

In 2022 Luis Simões recorded a consolidated turnover of 270 million euros, an 11.6% rise over 2021. Increased sales is essentially the result of three factors:

- i) economic growth;
- ii) rising fuel prices with an impact on our sale price; and

iii) the effect of inflation, especially on LSLI Spain.



## MAIN CONSOLIDATED INDICATORS

## LS - LUÍS SIMÕES, SGPS, S.A.

|   | 2022               | 2021               | 2020               |
|---|--------------------|--------------------|--------------------|
| <b>Turnover</b>   | <b>269.297.357</b> | <b>241.826.146</b> | <b>226.438.305</b> |
| Sale of goods   | 2.493.726          | 2.493.726          | 4.910.341          |
| Supply of services  | 266.803.632        | 239.332.421        | 221.527.964        |
| % Growth (Turnover)   | 11,4%              | 6,8%               | (7,6%)             |
| <b>EBITDA</b>   | <b>20.024.100</b>  | <b>17.377.325</b>  | <b>18.629.844</b>  |
| % Turnover  | 7,4%               | 7,3%               | 8,2%               |
| <b>EBIT</b>   | <b>8.836.226</b>   | <b>7.081.129</b>   | <b>9.161.766</b>   |
| % Turnover  | 3,3%               | 2,9%               | 4,0%               |
| <b>Net income for the year <sup>(1)</sup></b>               | <b>7.407.882</b>   | <b>5.972.850</b>   | <b>8.276.272</b>   |
| % Turnover  | 2,8%               | 2,5%               | 3,7%               |
| <b>Total assets</b>   | <b>173.125.527</b> | <b>160.233.122</b> | <b>173.022.917</b> |
| <b>Equity</b>   | <b>55.501.582</b>  | <b>52.182.048</b>  | <b>48.858.499</b>  |
| <b>Net financial debt <sup>(2)</sup></b>                    | <b>35.209.078</b>  | <b>27.618.883</b>  | <b>34.941.706</b>  |
| Net debt/EBITDA   | 1,8 x              | 1,6 x              | 1,9 x              |
| <b>Net financial debt (including loans to shareholders)</b> | <b>49.852.805</b>  | <b>41.282.610</b>  | <b>48.605.433</b>  |
| Net debt/EBITDA   | 2,5 x              | 2,4 x              | 2,6 x              |

(1) Excludes minority interests;

(2) Includes bank loans and suppliers of fixed assets, deducted by cash and cash equivalents.





In 2022 Luís Simões recorded EBIT in the amount of 8.8 million euros, stemming from the excellent operating results from the various Companies of the Group, particularly the recovery of LSLI Spain, which reversed its negative results of previous years, recording in 2022 a net income for the year totalling 2.1 million euros.

LS undertook structural investments in Logistics in cycles of 10 years: conventional warehouse with an area of 30 thousand m<sup>2</sup> in 1997 and an automated warehouse with a capacity for 55 thousand pallets in 2008, both in Carregado; Warehouses in Cabanillas and Guadalajara within the 2017-2019 period. While in the past, investments in 1997 and 2008 spurred growth and market dominance by Luís Simões in Portugal, during the next decades we believe that the new investments in modern and innovative logistics platforms in the

Madrid region will put LS logistics in the lead of the consumer packaged goods logistics market in Spain during the next decade.

LSLI Portugal and LSLI Spain, which incorporate the Transport and Logistics businesses (except for EspaçoTrans), recorded very positive results: LSLI Spain saw a net income of 2.1 million euros as a result of the growing maturity of the strong investments in the Madrid region and the rising operating margin in the transport business, while LSLI Portugal has recorded EBITDA of 5.7 million euros.

At Reta, turnover in 2022 grew 31.3% over 2021, which also allowed EBITDA to grow 30.1% to the amount of 4.2 million euros. Net income for the year grew almost 7% in comparison with 2021, to total 946 thousand euros.

In 2022, EspaçoTrans, specialised in customs logistics, saw sales growth of 9.1% and recorded EBITDA of 746 thousand euros, which corresponds to an excellent return on sales of 15.1%.

Diagonal saw commissions total 2.2 million euros in 2022, posting an EBITDA of 750 thousand euros, continuing the growth trend begun in previous years, based on very dynamic sales activity that was instrumental in maintaining current Clients and acquiring new ones.

In 2022, LSG's shared services structure remained largely unchanged during a year that was strongly marked by investment in digital transformation projects.

As regards working capital, Luís Simões remained committed to reducing average collection time periods, which tend to be rather high in the sector where it operates.

# SUSTAINABILITY REPORT AND ACCOUNTS

ESG Reporting Index



*Luis Simões*



# ESG REPORTING INDEX

This document describes Luís Simões' Sustainability strategy, its relationship with stakeholders and presents the GRI index content that covers the requirements of Law 11/2018 on the Non-financial Reporting in Spain, disclosing in the sustainability report the consolidated data of the LS Group and the data of company Luís Simões Logística Integrada S.A. in Spain, to which this obligation applies.

In 2008, Luís Simões established a sustainability strategy based on the analysis of the outcomes of stakeholder engagement, the sectoral framework, management guidelines and internal best practices, as well as by benchmarking against similar companies. In 2015, Luís Simões re-assessed the materiality, by consulting stakeholders and using the sectoral framework and benchmarking.



CLIENTS

EMPLOYEES

OTHER SUPPLIERS

UNIONS

PERMANENT OUTSOURCED  
COMPANIES

POTENTIAL OUTSOURCED  
COMPANIES

ASSOCIATIONS

NATIONAL / REGIONAL  
LOCAL AUTHORITIES

UNIVERSITIES

BANKS

MEDIA

NGO'S

### STAKEHOLDER INCLUSIVENESS

Identifying the stakeholders, namely their concerns and expectations, is a crucial step in the process of reassessing the sustainability strategy. LS updated its stakeholder map according to the analysis of the importance LS holds for said stakeholders and vice-versa.

This process allowed for an analysis of Luís Simões' activities to be conducted, where strengths, weaknesses, threats and opportunities were identified. The challenges identified were analysed together with the sector's best practices and LS's best practices to integrate the **Materiality Matrix**. Its internal implementation is sustained by '**9 Principles**' that aggregate the actions to be performed to improve LS's performance - Sustainability Strategy.

Considering the influence, dependency and power that certain stakeholders hold over LS and to foster transparent communication, the means used by Luís Simões to communicate with its stakeholders are disclosed.





STAKEHOLDER  
ENGAGEMENT**Customers**

Customer satisfaction survey;  
LSnet Portal; Digital newsletter;  
Presentations; Meetings; LS website;  
Sustainability Report and Accounts;  
Social Media; Sustainability  
Platforms: Ecovadis;  
Sedex; CDP

**Employees**

Somos LS Journal; Consulting  
employees on occupational health  
and safety; Intranet; **LS Express Newsletter**;  
Training courses; Posters; Events; LSnet  
Portal; LS website; Sustainability  
Report and Accounts; Social  
Media; SOMOS LS App

**Permanent  
sub-contractors**

Training courses; LSnet Portal ; LS  
website ; Sustainability Report  
and Accounts; Social Media

**Temporary  
sub-contractors**

LSnet Portal; LS website; Sustainability  
Report and Accounts; Social Media

**Banks**

Periodic meetings; Sustainability  
Report and Accounts; LS website

**Other  
suppliers**

Posters; Regular communication; LSnet  
Portal; Sustainability Report and  
Accounts; Social Media; Digital  
newsletter; LS website

**Unions**

Collective bargaining; Meetings ; LS  
website; Sustainability Report and  
Accounts; Social Media

**Associations**

Establishing protocols; Participating  
in associations; Events; LS website;  
Sustainability Report and  
Accounts; Social Media

**Universities**

Visiting Operation Centers;  
Partnerships; Standard communication;  
LS website; Sustainability Report  
and Accounts; Social Media

**Media**

Standard communication;  
Commercial and institutional presence;  
LS website; Digital newsletter;  
Sustainability Report and  
Accounts; Social Media

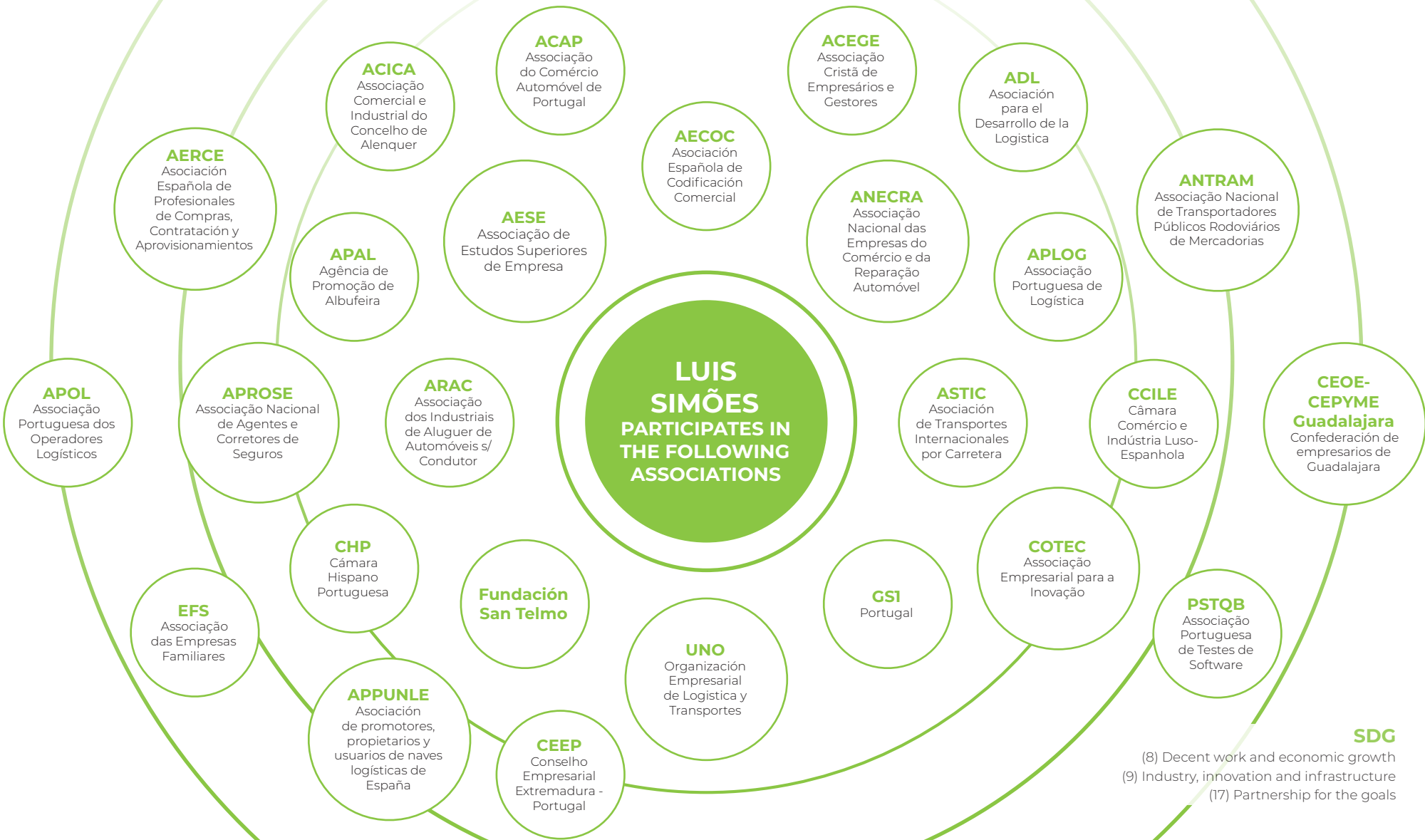
**NGOs**

Establishing protocols; Events; LS  
website ; Sustainability Report and  
Accounts; Social Media

**National/  
Regional and  
Local Authorities**

Standard communication; LS  
website ; Sustainability Report  
and Accounts; Social Media

Luís Simões participates in associations from its particular sector, as well as others which contribute to local or community development.



## SUSTAINABILITY STRATEGY

Consulting stakeholders allowed for an analysis of Luís Simões' activities to be conducted, where strengths, weaknesses, threats and opportunities were identified.



### STRENGTHS

Image

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Proactivity

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Leadership in the sector and in terms of sustainability

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Financial robustness

---

Investment in equipment and machinery / Renewal of fleet

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Training in health and safety at work

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Safer, more comfortable and more efficient vehicles

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Innovation (Natural gas vehicle)

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Road safety (PT)

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Organization and procedures (PT)

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### WEAK POINTS

Asymmetry in the perception of the quality of service between the two countries

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Lack of coordination and alignment between transport and logistics

---

*Outsourcing/subcontracting* impacts the quality of service and the efficiency

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To invest in providing training to human resources

---

To streamline the adaptation to a new requirements (barriers at a technological level)

---

Road safety (SP)

---

Qualification and retention, training, HSW (SP)

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### OPPORTUNITIES

To assume own fleet for relevant clients

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Adaptation to market challenges and needs

---

To streamline the implementation of solutions (namely of technological nature)

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Multimodality

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To be a partner between producers and distributors

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Door to door business and online commerce

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To invest in and value the employees

---

To innovate with quality

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### THREATS

Quality of the service

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Subcontracting

---

Lack of training of human resources

---

Structural difficulties of adaptation by the size of the company

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Misuse in the resort to temporary employment

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\*2016 Stakeholder Consultation



The review of the materiality matrix in 2015 took the recommendations of the G4 GRI into account. A materiality review is scheduled for 2023, in accordance with the GRI 2021 Universal Standards

The challenges identified in the Materiality Matrix; its internal implementation is conducted on the basis of **'Principles'** that aggregate the actions to be performed to improve LS's performance.

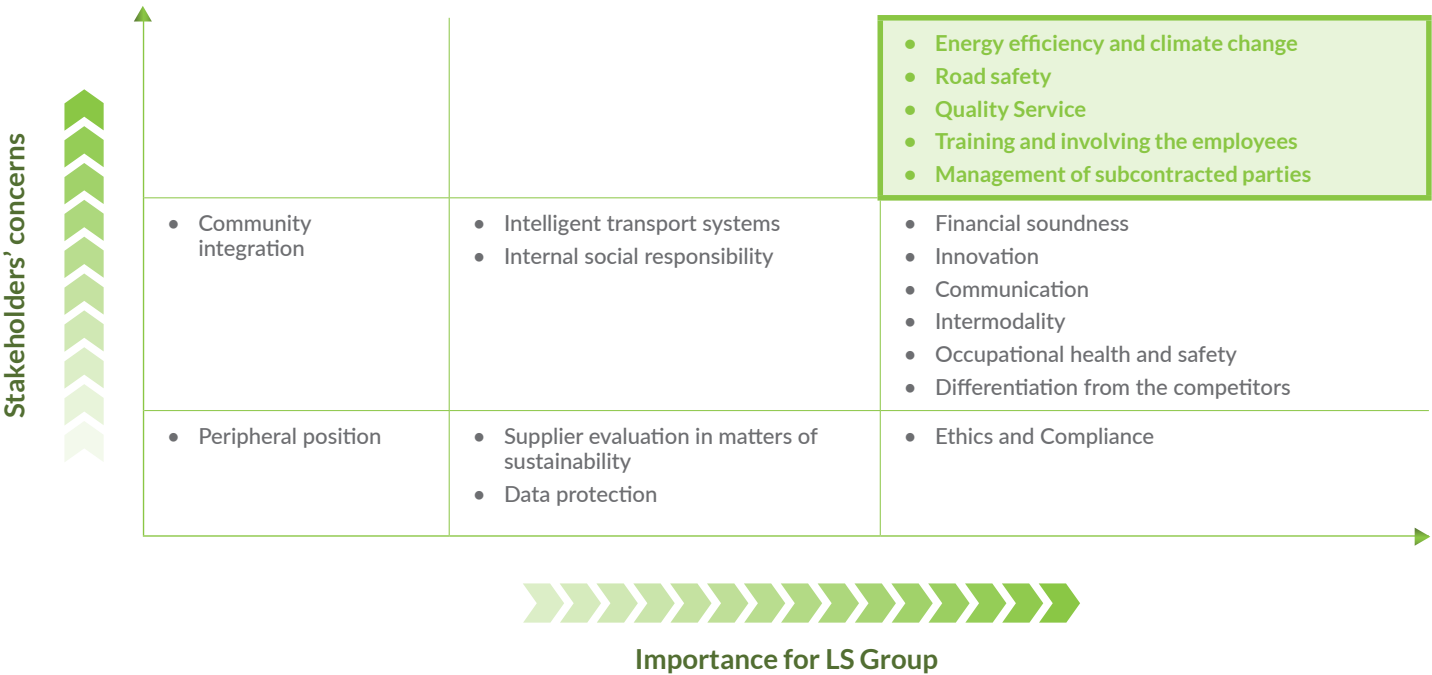
In Luís Simões' value chain assessment, the importance of subcontracting transport services was highlighted, in line with the importance of subcontracting in ensuring a quality service, as became clear after consulting stakeholders.

Transport providers are mostly small-sized (small or micro) enterprises in both countries. This reality reflects the, more than financial, environmental and social

interdependency between companies. The impact of employee training or fuel consumption / emissions on the service provided to the customer put this type of providers at the top of Luis Simões' sustainability-related priorities.

In the 2015 review, the Sustainability strategy incorporated the newly identified challenges, driving efforts to simplify and harmonize communication.

MATERIALITY MATRIX





# LUÍS SIMÕES SUSTAINABILITY STRATEGY

The 9 sustainability principles of LS are in line with its values, and their implementation is closely related with the policies that have already been developed by the Group.

## 9 PRINCIPLES



The material aspects in highlight correspond to the most important challenges for LS and its stakeholders.



## 1. PROVIDING A HIGH-QUALITY AND RESPONSIBILITY SERVICE:

### Challenges

Service quality, Management of sub-contractors, Ethics and Compliance; Supplier sustainability assessment; Competitive differentiation; Data protection

- a) Meeting customer expectations by offering innovative and agile solutions;
- b) Ensuring high quality standards for own and outsourced fleet, for internal logistics operations and for goods vehicle hiring, sales and service support for semi-trailers;
- c) Ensuring high product safety products, including food safety, throughout their involvement in the supply chain;
- d) Ensuring the absence of corruption in all its forms, including extortion and bribery;
- e) Understanding the performance and impact of the value chain, to support the management of the Group's performance throughout the value chain and identify risks.



## 2. ENSURING THE FINANCIAL SOUNDNESS OF THE GROUP:

### Challenges

Financial soundness

- a) Promoting a retained earnings policy, with the reinforcement of its equity and resulting financial equilibrium;
- b) Matching the time structure of borrowed capital to the nature of financial investments;
- c) Efficiently managing the customer base, with a focus on reducing the Average Collection Period (ACP), ensuring the financing of the operation cycle.



## 3. PROMOTING INNOVATION

### Challenges

Innovation; Intelligent Transport Systems

- a) Implementing a culture of innovation at the service, process, and organizational levels, increasing efficiency and creating value for the customer and the Group;
- b) Adopting the best solutions available for carrying out the business and anticipating, whenever possible, the customers' needs and compliance with regulatory requirements.





## 4. PROMOTING ENERGY EFFICIENCY

### Challenges

Energy Efficiency and Climate Change, Management of Sub-contractors; Intermodality

- a) Promoting efficient engines, alternative fuels, and inter- and co-modality solutions;
- b) Optimizing routes, decreasing empty miles, and increasing vehicle occupancy rates;
- c) Investing in training on eco-driving;
- d) Promoting energy efficiency at the level of warehouses, heavy goods vehicle service centers, and offices;
- e) Monitoring energy consumption (electricity and fuel) and greenhouse gas emissions;
- f) Investing in the relationship with transport sub-contractors and other suppliers, supporting them in their increasing adoption of sustainability criteria;
- g) Promoting a preventive approach to climate challenges.



## 5. WORKER TRAINING AND ENGAGEMENT

### Challenges

Worker Training and Engagement; Ethics and Compliance

- a) Streamlining the recruitment and retention of talented employees;
- b) Ensuring the continuity of the management capacity by qualifying and motivating people;
- c) Enabling professional development and personal fulfilment;
- d) Transmitting an image of the company as committed to its employees and their development;
- e) Ensuring the respect for the protection of internationally recognized human rights;
- f) Supporting the freedom of association and the effective recognition of collective bargaining;
- g) Contributing to the abolition of all forms of forced and compulsory labour that result from its activity;
- h) Ensuring freedom from discrimination at work.



## 6. PROMOTING ROAD SAFETY

### Challenges

Road Safety

- a) Promoting driving best practices through training and monitoring performance and rewarding good conduct;
- b) Ensuring adequate work conditions for drivers when it comes to ergonomics and driving and resting times;
- c) Guaranteeing the preventive maintenance of the vehicles.



## 7. PROMOTING OCCUPATIONAL HEALTH AND SAFETY

### Challenges

Occupational Health and Safety

- a) Monitoring and mitigating the risks connected to the activity;
- b) Ensuring adequate means to promote health and safety in the work performed;
- c) Improving the ergonomics and environment of workplaces.



## 8. PROMOTING INTERNAL AND EXTERNAL CIVIC ENGAGEMENT

### Challenges

Internal social responsibility and Community Integration

- a) Encouraging the civic engagement of its employees, promoting their health and investing in partnerships that benefit them;
- b) Promoting an increasingly closer rapport with the community, by supporting initiatives in the social sphere;
- c) Supporting public interest institutions, organizations and projects, providing technical capacity, human and financial resources.



## 9. PROMOTING INTERNAL AND EXTERNAL COMMUNICATION

### Challenges

Communication; Community Integration; Ethics and Compliance

- a) Establishing communication channels and developing in-person activities for drivers and other employees;
- b) Fostering strategic communication and online platforms for operational communication with suppliers and customers;
- c) Communicating transparently with media, local and national authorities;
- d) Promoting tours of educational institutions, families of employees and/or other stakeholders to LS's sites.



## LUIS SIMÕES' VALUE CHAIN

In Luís Simões' value chain assessment, the importance of subcontracting transport services was highlighted, as well as the importance of subcontracting in ensuring the quality of the service provided, as became clear after consulting stakeholders.

Transport providers are mostly small suppliers (small or micro enterprises) in both countries. This reality reflects the interdependency between enterprises, mostly in the financial, but also environmental and social level. The impact of employee training or fuel consumption/emissions on the service provided to the customer put this type of providers at the top of Luís Simões' priorities as far as sustainability is concerned.



# GRI CONTENT INDEX

## STATEMENT OF USE

Luis Simões has reported the information cited in this GRI content index for the Year 2022 (1 January to 31 December) with reference to the GRI Standards.

## GRI 1 USED: GRI 1

GRI 1: Foundation 2021

## APPLICABLE GRI SECTOR STANDARD(S)

No GRI Sector Standards applicable

| GRI STANDARD/<br>OTHER SOURCE                      | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT   | SDG |
|--|--|---|---|-----|
| General disclosures                                |  |   |   |     |
| Organisational Profile and its Reporting Practices |  |   |   |     |
| <b>GRI 2: General Disclosures 2021</b>             | 2-1 Organizational details   | Description of the Business Model                     | LS - Luis Simões, S.G.P.S., S.A. (referred to as 'Grupo Luis Simões', 'LS Group' or 'LS')<br>Luis Simões Logística Integrada, sociedad Unipersonal S.A. (referred to as 'LSLI ES') - Company covered by the obligation to report non-financial information (EINF) - Law 11/2018<br>Chapter 'About this Report'<br><a href="https://www.luis-simoes.com/en/the-company/about-us/">https://www.luis-simoes.com/en/the-company/about-us/</a>   |     |
|  | 2-2 Entities included in the organization's sustainability reporting | Description of the Business Model                     | The following are the entities included in the Sustainability Report:<br><br>LS - Luis Simões, S.G.P.S., S.A. (referred to as 'Grupo Luis Simões', 'LS Group' or 'LS')<br>Luis Simões Logística Integrada S.A. (referred to as 'LSLI PT')<br>Luis Simões Logística Integrada S.A. (referred to as 'LSLI ES')<br>LS Frota, Lda. (referred to as 'LS Frota')<br>Reta - Serviços Técnicos e Rent-a-Cargo, S.A. (referred to as 'RETA')<br>Diagonal - Corretores de Seguros, S.A. (referred to as 'Diagonal')<br>LS - Gestão Empresarial e Imobiliária, S.A. (referred to as 'LSG')<br>Espaçotrans - Gestão de Entrepostos e Aduaneira, Lda. (referred to as 'Espaçotrans')<br><br>b. Companies included in the consolidated financial statements - see: Note 6.1 Annex Financial Statements (Consolidated Financial Statements - LS - Luis Simões, S.G.P.S., S.A.) |     |
|  | 2-3 Reporting period, frequency and contact point                    |   | Annual reporting, Year 2022 (1 January to 31 December)<br>Chapter 'About this Report'   |     |
|  | 2-4 Restatements of information                                      |   | For indicator 305-2 - The figure for LS's Scope 2 global emissions for 2021 was included and the figure of LSLI ES's Scope 2 emissions was corrected (increased from 993 to 1733 tonCO <sub>2</sub> e), because 2 additional units were included in Scope 2 with estimated figures (inventory improvement).   |     |
|  | 2-5 External assurance   |   | The external Assurance is only for the Non-Financial Information data applicable to the company Luis Simões Logística Integrada (Spain) (Checking of the Limited Warranty for the Non-Financial Report of Luis Simões SGPS S.A. and its subsidiaries for the reporting period of 2022, in accordance with Law 11/2018, of 28 December (Spain).)   |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG |
|-------------------------------|--|--|--|-----|
|                               | <b>Activities and Workers</b>                                |  |  |     |
|                               | 2-6 Activities, value chain and other business relationships | Description of the Business Model  | Chapter "Discover our World - Types of Services"<br>Luis Simões webpage: <a href="https://www.luis-simoes.com/">https://www.luis-simoes.com/</a>   |     |
|                               | 2-7 Employees  | Social - Social and staff-related topics<br>Employment   | Chapter: LS PEOPLE<br>At Luis Simões, only 83 out of the 2,456 workers, do not work full-time, from which 1(h) works in a part-time scheme in Portugal and 82 employees are in a short-time work scheme in Spain (25h; 57M);<br><br>The numbers reported are the overall figures for the Luis Simões Group. The data from Spain concerns company Luis Simões Logística Integrada sociedad unipersonal, S.A. The number of direct employees as of 31/12/2022 was considered.  |     |
|                               | 2-8 Workers who are not employees                            |  | As of 31 December 2022, only employees on a temporary employment contract in Portugal are included in this category, namely in LSLI PT (37) and RETA (I).  |     |
|                               | <b>Governance</b>  |  |  |     |
|                               | 2-9 Governance structure and composition                     | <b>Organization Profile</b><br>Description of the Business Model<br>Management Approach<br>Anti-corruption and Bribery | Chapter: Discover our World – GOVERNANCE<br><br>The Luis Simões' Board of Directors, comprised of 5 executive directors and 2 non-executives, oversees the business.<br>The Report is evaluated by the Compliance Committee in two meetings, which gives account of the risks known to LS and the level of risk and the state of ongoing mitigation actions.<br><br><b>Composition of the highest governance body - the Board of Directors (BoD)</b><br>The members that compose the BoD (chapter governance picture) are 7 directors of Luís Simões. Only 2 members are female.<br>The members that compose the BoD are knowledgeable about the business of LS and are trained in business administration or hold an MBA. They represent the 'shareholder' and 'employee' stakeholders. The Compliance Committee reports to the Board of Directors, where the topics of compliance and risk management are given priority, to minimize conflicts of interest within the BoD.<br><br>Chapter: Discover our World   Compliance and Risk Management<br><br>The remuneration of top management is considered in the distribution of the remuneration of Directors and Officers and (see: Employment: Employment. None has a 'Senior Executive' contract |     |
|                               | 2-10 Nomination and selection of the highest governance body | Management Approach  | Luis Simões is a family-owned company and shareholders have the majority representation in its Board of Directors.<br>Members are nominated by invitation, based on their technical expertise, knowledge of the business and vision for the sector and impacts on the organization.  |     |
|                               | 2-11 Chair of the highest governance body                    | Management Approach  | The most senior position in the Board of Directors, the Chair, performs functions as director of one of the businesses and two corporate areas temporarily.<br>While his role is not free of conflicts of interest, the risk is considered mitigated by the Compliance Committee and the delivery of the six-monthly report to the BoD, which adopts a position on every compliance risk that may impact LS's businesses and acts independently.   |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG |
|-------------------------------|--|---|--|-----|
|                               | 2-12 Role of the highest governance body in overseeing the management of impacts |   | <p>It is the BoD's responsibility to approve the mission and the vision, the current ones having been in place since before 2015.</p> <p>In 2008, the BoD approved Luis Simões' Sustainability Strategy, which was subsequently revised in 2016, after consulting stakeholders (CSR reporting index). The policies of Luis Simões are subject to supervision by the compliance division and the required approvals.</p> <p>With respect to the processes for identifying and managing the impacts of the organization, Luis Simões is certified in ISO 9001 (Quality), ISO 14001 (Environmental Management), several food safety standards and business ethics (Carregado LOC), monitored in an Integrated Management System. Every year, a document detailing the most relevant aspects in their performance of the different processes is prepared and approved by the Board.</p> <p>For stakeholder engagement, surveys are carried out with customers (twice a year) and employees (OHS), where actions are specified in the business plans to address the concerns raised. In addition, several legal compliance audits were performed by independent organizations and action plans were implemented to address the identified risk factors.</p> |     |
|                               | 2-13 Delegation of responsibility for managing impacts                           |   | <p>Chapter: Discover our World – GOVERNANCE</p> <p>The Board of Directors delegates the responsibility for the management of social, economic and environmental impacts to Executive Committees, lead by the general manager of the business area and its respective director.</p> <p>The decisions related to the strategy of the group, the policies of the group and the corporate structure are left to the Board of Directors alone.</p>  |     |
|                               | 2-14 Role of the highest governance body in sustainability reporting             |   | The Board of Directors is in charge of the sustainability report, overseeing its preparation and approving this document. The report also includes the non-financial information that is mandatory in accordance with Law 11/2018.   |     |
|                               | 2-15 Conflicts of interest   | Management Approach                                   | As established by LS's Code of Conduct and Ethics, every employee must avoid personal situations that could entail conflicts of interest, such as, for example, any situation in which an employee has a personal stake, in a circumstance where decision-making will negatively impact LS.  |     |
|                               | 2-16 Communication of critical concerns  |   | Critical concerns may be communicated to the Board of Directors through the Executive Committee, the Compliance Committee or by the Compliance and Risk Management division.   |     |
|                               | 2-17 Collective knowledge of the highest governance body                         |   | The sustainability context focused on operational efficiency and energy efficiency is critical to the competitiveness of the sector, for which the members of the Board of Directors and of the Executive Committees are competent and responsible. The social context and environmental impact are reported in the sustainability report, on the sustainability assessment platforms and in the integrated management system. These tools are inputs for learning the challenges faced by the organization  |     |
|                               | 2-18 Evaluation of the performance of the highest governance body                |   | For the Board, the evaluation of the performance is supported by 2 criteria: The first criterion, of a quantitative nature, aims to measure the level of achievement of the results obtained by LS globally and the results of the companies. The second criterion, of a qualitative nature, aims to measure the suitability to the position and the skills demonstrated in the performance of their function. Based on the results of this evaluation, an Individual Development Action Plan is defined jointly.  |     |



| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT   | SDG |
|-------------------------------|--|--|---|-----|
|                               | 2-19 Remuneration policies                         | Management Approach  | <p>"Directors, General Managers and Executives in Portugal receive a fixed gross pay always higher than the salary defined for their category in accordance with labor regulations. In addition to fixed pay, they receive an annual variable bonus based on the results obtained that year by the company they work for, by their team and by the results obtained by each manager in their personal goals. They are further covered by health and life insurance paid by the company.</p> <p>Executives in Spain receive a fixed gross salary that is always higher than the salary defined for their professional category by the applicable collective bargaining agreement. In addition to fixed pay, they receive an annual variable bonus based on the results obtained during the year by the company they work for, by their team and by the results obtained by each executive in their personal goals. Additional, executives are covered by a health insurance paid by the company."</p>  |     |
|                               | 2-20 Process to determine remuneration             |  | The remuneration process complies with legal requirements and the collective bargaining agreements.   |     |
|                               | 2-21 Annual total compensation ratio               |  | <p><b>Annual Total Compensation Ratio</b></p> <p>a. ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual): <b>8.16</b></p> <p>b. ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual): <b>0%</b></p> <p>The salary was calculated based on the annual fixed components. In 2022, salary increases were those that were mandatory as per the collective bargaining agreement and some upskilling. The highest salary in the company (and others) was not increased.</p>   |     |
|                               | <b>Strategy Policies and Practices</b>             |  |   |     |
|                               | 2-22 Statement on sustainable development strategy | Description of the Business Model  | Chapter: Discover our World – Message from the President<br>ESG Reporting Index: Stakeholder Engagement; Sustainability Strategy  |     |
|                               | 2-23 Policy commitments                            | Description of the Business Model  | Chapter: Discover our World - Compliance and Risk Management  |     |
|                               |  | Management Approach<br>Actions taken to combat corruption and bribery<br>Equality; Human Rights' | <p>The Code of Conduct and Ethics clearly states that as part of our corporate culture, all our internal and external relationships are based on mutual respect. Respecting Human Rights, as established in the Universal Declaration of Human Right and International Human Rights Law is a principle on which we stand firm. Discrimination, whether based on religion, sexual orientation, gender, ethnicity, socioeconomic status, age, marital status, physical, sensory, and mental health and condition, political orientation, or trade union membership, that undermines one's dignity is not tolerated.</p> <p>Public links from LS's webpage:<br/> <a href="https://www.luis-simoes.com/a-empresa/compliance/?doing_wp_cron=1673524550.0680720806121826171875">https://www.luis-simoes.com/a-empresa/compliance/?doing_wp_cron=1673524550.0680720806121826171875</a><br/> <a href="https://www.luis-simoes.com/a-empresa/politicas/?doing_wp_cron=1673524610.3526430130004882812500">https://www.luis-simoes.com/a-empresa/politicas/?doing_wp_cron=1673524610.3526430130004882812500</a> </p> <p>d) The Code of Conduct and Ethics was approved by the members of the Board of Directors.</p> |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE                                   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG |
|-------------------------------|--|--|--|-----|
|                               | 2-24 Embedding policy commitments            | <p>Description of the Business Model</p> <p>Management Approach<br/>Actions taken to combat corruption and bribery<br/>Equality; Human Rights'</p> | <p>e) The Code of Conduct and Ethics applies both to the organizations' internal activities, and to the business relationships with our Customers.</p> <p>f) The Code of Conduct and Ethics is internally communicated to every Worker, as well as to Customers and Suppliers, and other stakeholders. The means of communication can take different forms, namely: Delivering a paper copy to every Employee; Release in the internal document manager; Including it in the Welcome and Integration Plan for new recruits; Release the communication and awareness raising video in corporate TVs, corporate media; release in the websites of Group companies; among others.</p> <p>Luis Simões has a Purchasing Policy (February 2022) which governs the relationship with suppliers and the environmental and social relationships to consider and respect, ensuring compliance with Luis Simões' Code of Ethics.</p> <p>The relationship with carriers is governed by the Sub-contractor Driver Manual, which covers topics related to transport service provision and the 'Letter of Commitment for Carriers' that governs the social and environmental terms of Luis Simões' Code of Ethics.</p> <p><b>Precautionary Principle Application</b><br/>The management system policy establishes prevention of pollution as one of the continuous improvement goals of the environmental management system. To this end, in addition to the obligation to comply with laws inherent to any potentially polluting activity, the acquisition of spill containment equipment (containment basins, spill kits) is established in the delegations that store products liable to cause spills (detergents, oils, etc.) as well as rules for sub-contractor drivers in the event of a spill in this area of activity (page 55 of the Sub-contractor Driver Manual).</p> <p>The sectoral challenges identified in the materiality analysis can be viewed in materiality (ESG information index - Stakeholder consultation)</p> |     |
|                               | 2-25 Processes to remediate negative impacts |  | <p>In service of trust and transparency, every LS employee and other business partners should collaborate to comply with the rules set out in LS's Code of Conduct and Ethics, immediately reporting the occurrence of any act that constitutes or may constitute a breach of the provisions of said Code, particularly any situations of fraud, corruption, bribery, human or labor rights violations, environmental damage, and other unlawful or unethical practices.</p> <p>You may do so confidentially, by addressing the Compliance and Risk Management Department, through one of following means: via email to <a href="mailto:etica@luis-simoes.com">etica@luis-simoes.com</a>; or by calling the general contact number of the head office (00351) 263 858 700, which will forward the call to the Compliance and Risk Management Department.</p> <p>Every instance will be subject to independent and transparent analysis, so as to establish the facts and respond adequately. It is our duty to properly investigate any concerns that are communicated, safeguarding the privacy and the fundamental rights of anyone who reports an impact. We will not tolerate any reprisals against anyone that has in good faith raised concerns about a potentially inappropriate act. If you believe you have suffered any form of retaliation, contact the Compliance and Risk Management Department.</p> <p>With environmental certification, the management of environmental impacts is based on the matrices of environmental aspects</p>   |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING   | LOCATION or COMMENT  | SDG |
|-------------------------------|---|---|--|-----|
|                               | 2-26 Mechanisms for seeking advice and raising concerns | <p>Actions taken to combat corruption and bribery</p> <p>Equality</p>   | <p>The Compliance and Risk Management area occasionally responds to requests for implementation of policies and practices for a responsible business conduct.</p> <p>We recognize that there may be doubts or concerns about the interpretation or application of the Code of Conduct and Ethics. In such a case, there are two options:</p> <ul style="list-style-type: none"> <li>· Contacting the Direct Superior; or</li> <li>· Contacting the LS's Compliance and Risk Management Department.</li> </ul> <p>LS employees are regularly informed about raising concerns about the business conduct of LS Group companies, through regular awareness raising actions.</p>   |     |
|                               | 2-27 Compliance with laws and regulations               | <p>Management Approach</p> <p>Environmental Topics</p>  | <p>One of the key components of LS' Compliance Program is compliance with applicable laws, which is why there is an action strategy to ensure adequate knowledge of applicable laws, as well as assessment of legal compliance.</p> <p>The evaluation of Legal Compliance is performed in the Envira platform. Audits are performed by qualified internal auditors and by external experts in Legal Compliance.</p> <p>In 2022, we performed 4 audits on Legal Compliance, exceeding the 2021 figure and surpassing the goal established for 2022, demonstrating a high level of legal compliance. This process aims to avoid costs for LS resulting from potential penalties for legal non-compliance, as well as to learn the level of exposure/acceptance of the risk of non-compliance.</p>  |     |
|                               | 2-28 Membership associations                            | <p>Organization Profile</p> <p>Commitments of the company to sustainable development</p>  | <p>ESG Reporting Index - Stakeholders Engagement</p> <p>Luis Simões participates in associations from its particular sector, as well as others which are relevant to local or community development.</p> <p>Payments made to associations with which the Luis Simões Group collaborated rose to 58,623 €.</p>  |     |
|                               | <b>Stakeholder engagement</b>                           |   |  |     |
|                               | 2-29 Approach to stakeholder engagement                 | <p>Social and staff-related topics</p> <p>Social Relations</p>  | ESG Reporting Index - Stakeholders Engagement  |     |
|                               | 2-30 Collective bargaining agreements                   | <p><b>Social relations:</b> how social dialogue is organized, including information procedures, consultation and negotiations with employees; percentage of workers covered by collective bargaining agreements per country; the balance of collective bargaining agreements, namely in the area of occupational health and safety.</p> | <p><b>LS Total - 94,69% of employees are covered by collective bargaining agreements</b></p> <p>Spain - 100% Employees</p> <p>Portugal - 91% Employees</p> <p>Workers do not have legal representatives in every Luis Simões centre. This initiative depends exclusively on them. Regular meetings are held to communicate decisions that impact employees, follow up on accident prevention actions and measures, follow up on the agreements concluded, training plans or variable remuneration plans. As well as any issues that they are legally entitled to raise, any requests for information, and any suggestions to improve the organization of work that may interest or impact them.</p> <p>In the Guadalajara and Cabanillas del Campo centres, the company holds meetings with the health and safety committees, leaving proof in the form of minutes, and reserving the communication channels via email and phone for more urgent matters.</p> <p>In Portugal, namely in Espaçotrans and LSG, which are not covered by collective bargaining agreements, the provisions of the Labor Code apply, as well as any (non-negotiable) instruments of collective labor regulation (IRCT) that govern professions or professional categories of workers who provide services to these Companies.</p> |     |

| GRI STANDARD/<br>OTHER SOURCE             | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG |
|---|---|---|--|-----|
| <b>Material topics</b>                    |   |   |  |     |
| <b>GRI 3: Material Topics 2021</b>        | 3-1 Process to determine material topics              | Management Approach                                   | ESG Reporting Index   SUSTAINABILITY STRATEGY<br>The topics identified as materials are detailed in the Materiality matrix and Luis Simoes chose to report GRI indicators which are not materials because they are relevant for non-financial information reporting (EINF) pursuant to Law 11/2018 with respect to company LSLI SA (Spanish head office)   |     |
|   | 3-2 List of material topics                           |   | Energy Efficiency and Climate Change<br>Service Quality<br>Worker Training and Engagement<br>Road Safety<br>Management of Sub-contractors  |     |
| <b>Economic performance</b>               |   |   |  |     |
| <b>GRI 201: Economic Performance 2016</b> | 201-1 Direct economic value generated and distributed | Tax information                                       | Chapter 'Financial Soundness':<br>2022<br>i. <b>LS Group</b> 276,004,719 €   <b>LSLI ES</b> 134,595,718 €<br>ii. <b>LS Group</b> 255,980,619 €   <b>LSLI ES</b> 128,109,933 €<br>iii. <b>LS Group</b> 20,024,100 €   <b>LSLI ES</b> 6,485,785 €<br>2021<br>i. <b>LS Group</b> 247,647,478 €   <b>LSLI ES</b> 118,401,204 €<br>ii. <b>LS Group</b> 230,050,992 €   <b>LSLI ES</b> 115,705,570 €<br>iii. <b>LS Group</b> 17,596,485 €   <b>LSLI ES</b> 2,695,633 €   |     |
|   | 201-4 Financial assistance received from government   | Tax information                                       | <b>2022</b><br>i. tax relief and tax credits: <b>LS Group 448,275 €   LSLI ES 44,604 €</b><br>ii. Subsidies: <b>LS Group 0 €   LSLI ES 0 €</b><br>iii. Investment grants <b>LS Group 0 €   LSLI ES 0 €</b><br>viii. other financial benefits received or receivable from any government for any operation: <b>LS Group 690,526 €   LSLI ES 447,796 €</b><br>For viii., financial assistance to LSLI ES are included:<br>FUNDIAE training grants: 15,588 €;<br>Financial assistance to the transport sector to offset fuel price increases resulting from the war in Ukraine: 145,000 €;<br>Discount in fuel price 0,20 cent: 284,207 €.<br>Note 14d) Financial Report<br><br><b>2021</b><br>i. tax relief and tax credits: <b>LS Group 501,492 €   LSLI ES 0 €</b><br>ii. Subsidies: <b>LS Group 227,361 €   LSLI ES 46,873 € - Training</b><br>iii. Investment grants <b>LS Group 312,451 €   LSLI ES* 312,451 €</b><br>(*Amounts not received. Proportional share of the writing off of investments with approved grant - Guadalajara LOC. |     |
|   |   | Tax information                                       | The approach to management for this topic is described in the GRI Indicators table GR 207-1 and GRI 207-2.<br><br>Sales:<br>iii. <b>LS Group 270,712,989 €   LSLI ES 132,147,869 €</b><br><br>Benefits obtained by country:<br><b>LS Group - 6,840,518 €   PT 4,681,013 €   LSLI ES 2,159,505 €</b><br><br>Taxes paid:<br><b>LS Group 386,012 €   PT 1,041,533 €   LSLI ES (655,522)* €</b><br>* Negative taxes (including deferred taxes)<br><br>Financial assistance received from government. <b>GRI 201-4</b>  |     |



| GRI STANDARD/<br>OTHER SOURCE              | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG   |
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|  |   | <b>Environmentally Sustainable Economic Activities:</b> evaluation of the economic activity that contributes substantially to climate change mitigation or adaptation to it. (qualitative evaluation)  | From the different activities carried out by the Luis Simões Group, the 'Freight Transport Services by Road' is, by nature, eligible according to the European Union taxonomy (H49.4.1). As one of the main activities carried out by the company and eligible both for the climate change mitigation goal and the climate change adaptation goal, it should be considered a key activity in the sustainability strategy of the Group, as determined by the 'Technical Expert Group on Sustainable Finance' appointed by the European Commission. The decarbonization strategy of the Company will take the mitigation targets and limits into account; considering the potential adaptation solutions to substantially reduce the risk of adverse climate effects in any spectrum of selectable activity  |   |
| <b>Procurement practices</b>               |   |  |  |   |
| <b>GRI 204: Procurement Practices 2016</b> | 204-1 Proportion of spending on local suppliers           |  | Luis Simões operates in the Iberian Peninsula (Portugal and Spain), over 80% of expenses are with Iberian Peninsula suppliers. Due to system impossibility, it is not possible to identify local suppliers   |   |
| <b>Specific Information</b>                |   |  |  |   |
|  |   | <b>Subcontracting and suppliers:</b> the inclusion in the purchasing policy of social issues, gender equality and environmental issues; consideration in relations with suppliers and subcontractors of their social and environmental responsibility; supervision systems and audits and their results. | <p>Chapter 'Service Quality and Innovation' and GRI Table</p> <p>In over 70 years of activity, Luis Simões has interacted directly with customers, suppliers and various other entities. The group's sustainability, in its economic, social and environmental spheres, is only possible by committing to an ethical and transparent management. Ensured by <a href="https://www.luis-simoes.com/a-empresa/politicas/">https://www.luis-simoes.com/a-empresa/politicas/</a></p> <p><b># Letter of Commitment for Carriers</b> - Principles of ethical behavior and standards of conduct for a responsible and sustainable value chain</p> <p>Social and environmental criteria are to be included when defining requirements in the Contract Specifications of the most relevant consultations (&gt;100k €/year), so as to be gradually applied to all the consultations. Requirements are always defined together with the businesses (currently the most relevant on an environmental level are implemented). Control is done according to the applicable Supplier Assessment rules published in SE - DOC0000435 - Dirección Corporativa de Compras - Evaluación de Proveedores. Validation at the time of approval of Social Security debts.</p> <p><b>Control System</b></p> <p>For sub-contracting transport services, the company and the vehicle are subject to approval, the monthly Level of Service is evaluated and vehicle audits are performed (once/year). In 2022, 52 vehicle audits (PT + ES) were performed, the average evaluation of which was satisfactory. Random audits are performed to carriers by the Process &amp; Quality Assurance area. In total, 11 audits were performed to carriers and CrossDocking platforms and improvement actions were detected for all, none of which resulted in contract termination</p> |   |
| <b>Anti-corruption</b>                     |   |  |  |   |
| <b>GRI 3: Material Topics 2021</b>         | 3-3 Management of material topics                         |  | This is a non-material topic but it is relevant for non-information reporting pursuant to Law 11/2018 for company LSLI SA (Spanish head office).   |   |
| <b>GRI 205: Anti-corruption 2016</b>       | 205-1 Operations assessed for risks related to corruption | <b>Anti-corruption and Bribery</b>   | According to Luis Simões' Risk Management Methodology, in 2022 an Audit to the Process for Sub-contracting Transport Services was conducted, the main purpose of which was to streamline the process and mitigate risks, including potential risks of corruption.  | (16) Peace, justice and strong institutions |

| GRI STANDARD/<br>OTHER SOURCE      | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG   |
|------------------------------------|--|--|--|---|
|                                    | 205-2 Communication and training about anti-corruption policies and procedures | <b>Anti-corruption and Bribery</b>   | In the welcome and integration process, employees receive and/or view the Code of Ethics of Luis Simões. For Coordination functions or higher, a training session is carried out by the Compliance and Risk Management area. In 2022, 540 employees viewed the Code of Ethics and during the employee integration process 7h of training on compliance were provided in Portugal and 4h in Spain. LS policies are communicated via software 'SoftExert' by email to 1,331 employees.   |   |
|                                    | 205-3 Confirmed incidents of corruption and actions taken                      |  | In 2022, no cases of corruption were recorded in Portugal or Spain   |   |
|                                    |  | <b>Actions taken to combat corruption and bribery;</b> actions to combat money laundering, contributions to foundations and non-profit organizations | Chapter: Compliance and Risk Management<br><br>In the companies of the Luis Simões Group, we are committed to operating in accordance with the highest ethical and legal standards, in every business and work relationship, wherever we are. The integrity of all Employees is critical for our success. Civil society, as well as our stakeholders, can expect to find competent and trustworthy workers in the Luis Simões Group, who provide their services in the greater interest of our organization.<br><br>We promote a culture of compliance and conformity and have a zero-tolerance policy towards corruption and bribery. Fraud will never be tolerated when committed by any Employee of a company in the Luis Simões Group or by any company with which we conduct business.<br><br>Link: <a href="https://www.luis-simoes.com/wp-content/uploads/2018/12/Zero-Tolerance-Policy_EN.pdf">https://www.luis-simoes.com/wp-content/uploads/2018/12/Zero-Tolerance-Policy_EN.pdf</a><br><br>The strategy plan of companies of Luis Simões Group and considering the national and international best practice, the Compliance and Risk Management area is responsible for compliance with Luis Simões' Risk Management Policy, which establishes its own methodology that ensures the awareness and evaluation of risks faced by the LS Group, and determines the need to adequately address those risks. | (16) Peace, justice and strong institutions |
| <b>Tax</b>                         |  |  |  |   |
| <b>GRI 3: Material Topics 2021</b> | 3-3 Management of material topics  |  | This is a non-material topic but it is relevant for non-information reporting pursuant to Law 11/2018 for company LSLI SA (Spanish head office).   |   |
| <b>GRI 207: Tax 2019</b>           | 207-1 Approach to tax  | Organization Profile<br>Tax information  | While LS has no tax strategy formally recorded in writing, in practice, the principle of legal and tax compliance as provided for in the established code of conduct and ethics made available to the employees applies. Tax policies are described in points 3.9 and 3.22.4 of annex Financial Statements (consolidated financial statements). LS has updated the transfer price area.<br><br>Tax affairs are managed by the tax officer and overseen by the Corporate Finance Director and the Chief Financial Officer.<br><br>LS's annual accounts are audited by external auditors and comply with the evaluated tax criteria. Luis Simões selects large, reputed companies to audit its accounts, which was Deloitte in 2022.<br><br>LS applies the principles of legal and tax compliance to every business, contributing to the sustainable development of its stakeholders.  |   |

| GRI STANDARD/<br>OTHER SOURCE      | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG |
|------------------------------------|--|---|--|-----|
|                                    | 207-2 Tax governance, control, and risk management | Organization Profile<br>Tax information               | <p>Risk Management   Chapter Compliance and Risk Management</p> <p>The Board of Directors (BoD) oversees compliance with all the tax obligations of the companies in the Luis Simões Group. The Corporate Finance Division is the one who holds this responsibility, promoting awareness of tax obligations and their implementation in the organization. Tax compliance is delegated to the taxation officer and overseen by the Corporate Finance Director and the Chief Financial Officer.</p> <p>The Corporate Finance Division implements the actions necessary to comply with the company's tax obligations and, using the information given by tax auditors, makes improvements in the process every year.</p> <p>The accounting director regularly refreshes their general tax knowledge as well as tax knowledge applied to LS's businesses. For cases of higher technical complexity, the Group contracts tax consultants to support the positions/decisions taken.</p> <p>The Process and Compliance Management via the Compliance and Risk Management Department, and according to different internal and external sources of information, makes an inventory of the risks for LS. These risks have been expanded in scope and improved in terms of systematization of the level of residual risk that they pose to LS. Tax risks are included in this scope, and as primary source the annual external financial audit report, where all the risks are analyzed and mitigation, transfer or acceptance proposals are established, as the case may be. The Compliance and Risk Management department ensures follow up of all risks included in said report, promoting mitigation actions and periodically reporting the status of such actions to the Compliance Committee and Board of Directors. Risk monitoring is the conducted by the Compliance Committee headed by Compliance and Risk Management area, but which is formed by members of different business areas, giving this body a multilateral nature, which aids the BoD in its obligation to oversee LS's activities.</p> <p>From 2020, the scope of the risks was expanded to include matters resulting from criminal offenses committed by any employee in the company according to Portuguese and Spanish laws.</p> <p>b. The Luis Simões group has an ethics helpline (see chapter Compliance and Risk Management) Each topic reported is investigated by an independent team, in compliance with the procedure for this topic and which is especially cautious with of potential fraud reports. The indicators of the ethics helpline are reported to the Compliance Committee (4 times a year) and the Board of Directors (2 times a year).</p> |     |
| <b>Energy</b>                      |  |   |  |     |
| <b>GRI 3: Material Topics 2021</b> | 3-3 Management of material topics                  |   | <p>Energy Efficiency and Climate Change</p> <p>a. Energy efficiency is part of the company's environmental strategy and the applicable environmental impacts are measured within the Environmental Management System, the most significant being fuel and power consumption, for which operational controls are established in the centres for monitoring and control purposes; additionally, potential environmental risks, resulting from emergency situations, such as fires, spills and gas leaks, and its recurrence are measured on an annual basis.</p> <p>The Luis Simões Group is covered by energy consumption laws: in the transport sector in Portugal and as an energy-intensive unit (Carregado LOC), and in Spain by energy consumption, which includes all the activities performed. In compliance with the energy consumption laws, there are 2 Energy Efficiency Plans for the current Portuguese fleet and a Rational Energy Consumption Agreement for the Carregado LOC. In Spain, there is a Rational Energy Consumption Plan that includes the fleet and the larger logistics centres.</p> <p>Environmental risk management complies with ISO 14001. The Process and Quality Assurance team manages the environmental topics in the company and is distributed by region (5 people). The environmental impacts are managed with the help of the Environmental Aspects Matrix. Tax compliance risks are managed in Envira's 'Ecogestor' platform through team audits and compliance assessments.</p>  |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG   |
|-------------------------------|--|---|--|---|
|                               | 3-3 Management of material topics                    |   | <p>b. The primary sources of energy consumption (fuel for trucks and power for warehouses) are regularly monitored with a view to identifying optimization or reduction opportunities.</p> <p>c. In 2021, the company made a commitment to the SBTi (Science Based Targets) Platform to set decarbonization targets and submit its proposal in 2023.</p> <p>d. In 2022, action plans were developed with the heads of Own Fleet (Freight Management department) to cut above-average consumption for these trucks/drivers and investments were made to improve energy efficiency in the 2 warehouses that recorded the greatest consumption savings through a study project on the efficiency of electricity consumption carried out in 2021.</p> <p>e. The quarterly control of consumption (electricity and fuel) has been established. Despite having been controlled, in most cases, consumption has not fallen within the targets set at the beginning of the year, either because of delayed implementation of actions with investment (electricity consumption) or because the targets have been more aggressive than what is actually feasible (fuel consumption).</p> <p>f. Energy efficiency initiatives have been communicated in the sustainability report and in meetings with customers.</p> |   |
| GRI 302: Energy 2016          | 302-1 Energy consumption within the organization     |   | <p>Chapter 'Energy Efficiency'</p> <p>a. Non-renewable Fuels - Year 2022:<br/>Diesel: LS - 39,940 GJ; PT- 275,951 GJ; ES - 63,989 GJ<br/>Natural Gas: LS - 511 GJ; PT- 511 GJ; ES - 0 J</p> <p>b. Non-renewable Fuels: Not applicable</p> <p>c. i. Electricity Consumption - Year 2022<br/>Electricity - LS - 59 130 GJ; PT- 28 475 GJ; ES - 31 713 GJ<br/>Note: there is only cooling consumption of electric energy in the LOCs where there are controlled-temperature areas, and the power consumption is not disaggregated.<br/>Energy consumption pertains to the LS Group and corresponds to total energy data.<br/>Energy consumption pertains to the LS Group and corresponds to total energy data, the same scope as the GHG emissions calculations</p>   | (7) Affordable and clean energy<br>(12) Responsible consumption and production<br>(13) Climate action |
|                               | 302-2 Energy consumption outside of the organization |   | The logistics-related energy consumption were considered in scope 2 (rented premises or where LS is not in charge of the energy contracts). Only indirect non-material consumptions remained to be counted in scope 3.   | (7) Affordable and clean energy<br>(12) Responsible consumption and production<br>(13) Climate action |
|                               | 302-3 Energy intensity                               |   | <p><b>Chapter 'Energy Efficiency'</b></p> <p><b>Indicator of Energy Efficiency</b> (Logistics Operation centres with ISO 14001 Certification) (Kwh/Pallet capacity):<br/>PT 30.78 kWh/Cap pallet   ES 24.62 Kwh/Pallet cap</p> <p><b>Specific fuel consumption of LS's Own Fleet Year 2022:</b><br/><b>LS Group</b> 297.5 goe/VK (grams of oil equivalent/vehicle km travelled)<br/><b>Spain</b> 312 goe/VK (grams of oil equivalent/vehicle km travelled)<br/><b>Portugal</b> 294 goe/VK (grams of oil equivalent/vehicle km travelled)</p>   | (7) Affordable and clean energy<br>(12) Responsible consumption and production<br>(13) Climate action |
|                               | 302-4 Reduction of energy consumption                |   | For the indicators reported in GRI indicator 302-3 (Indicator of Energy Efficiency centres ISO 14001 Kwh/ Pallet capacity) + (Specific fuel consumption of LS's Own Fleet goe/VK)<br>More details on chapter 'Energetic Efficiency'.   | (7) Affordable and clean energy<br>(12) Responsible consumption and production<br>(13) Climate action |



| GRI STANDARD/<br>OTHER SOURCE            | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG                            |
|--|---|---|--|--------------------------------|
| <b>Water and effluents</b>               |   |   |  |                                |
| <b>GRI 303: Water and Effluents 2018</b> | 3-3 Management of material topics                   |   | Non-material, reported only the information relevant for purposes of non-financial information disclosure.   |                                |
|  | 303-1 Interactions with water as a shared resource  |   | <p>RETA Carregado and Gaia - Technical Support centres<br/>Total groundwater withdrawn - RETA - 0.234 ML<br/>RETA uses withdrawn underground water only for external washing of heavy vehicles; the withdrawals are licensed. The remaining facilities-related consumption is from the municipal water supply system.</p> <p>Portugal: In the Technical Support centres, water withdrawn from the municipal water supply system and from underground is used, in the Logistic Operations centres water from the municipal water supply system is used (for human consumption, sanitary use and cleaning), and only in the Carregado LOC is underground water used for irrigation.<br/>Spain: Water is always withdrawn from the municipal water supply system from the municipality of the premises, never withdrawn from underground. Its use is reserved to human consumption, as well as sanitary uses in toilets and changing rooms, and as a cleaning tool.</p> | (6) Clean water and sanitation |
|  | 303-2 Management of water discharge-related impacts |   | <p>Portugal: Wastewater is discharged into public drainage and treatment systems, with the exception of the Azambuja LOC, where it is subjected to biological treatment and discharged into the water line. At RETA's premises, contaminated wastewater undergoes pre-treatment (hydrocarbon separator) and are discharged into a collector. At RETA Carregado's premises, dressing room and toilet water undergoes a treatment and are discharged into a collector.<br/>In both situations in Portugal, analyses are carried out to monitor the treatment and ensure compliance with discharge parameters in accordance with the applicable law.<br/>Risk assessment is performed according to the matrix of environmental aspects linked to the Environmental Management System (ISO 14001), which includes water discharges and is reviewed every year.</p> <p>Spain: Wastewater is always discharged into public drainage systems for subsequent treatment.</p>  |                                |
|  | 303-3 Water withdrawal                              |   | <p>Underground water is withdrawn only in Portuguese facilities, in RETA and in the Carregado facilities.<br/>Total groundwater withdrawn - RETA - 0.234 ML<br/>Portugal   Underground water (borehole) = 13.233 ML</p> <p>Spain   Underground water = 0 ML</p>  |                                |
|  | 303-5 Water consumption                             |   | <p>Water consumed in the facilities is intended for human consumption, sanitary use, and cleaning, with the exception of RETA, which operates 2 heavy vehicle washing units.<br/>Total consumption in 2022 was 30.80 ML (Portugal + Spain), since there are no activities in water stress areas, there is no consumption in that area. For those locations where it is not possible to measure unit water consumption, estimates are made based on the number of people working at said location.</p> <p>Portugal:<br/>Underground water (borehole) = 13.233 ML<br/>Supply system water = 11.337 ML</p> <p>Spain:<br/>Underground water (borehole) = 0 ML<br/>Supply system water = 5.513 ML</p>   |                                |

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|---------------------------------------|---|--|--|---------------------|
| <b>Specific Information</b>           |   |  |  |                     |
|                                       |   | Sustainable use of resources<br>Consumption of raw materials | Energy, be it diesel or electricity, is the consumable in Luis Simões' operations. We do not have an effective control of other consumables, their impact is managed in the environmental matrices based on the average of products consumed.  |                     |
| <b>Biodiversity</b>                   |   |  |  |                     |
| <b>GRI 304:<br/>Biodiversity 2016</b> | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas<br><br>304-2 Significant impacts of activities, products and services on biodiversity |  | This topic is not relevant to the company. It was not identified in the consultation on materiality or with stakeholders. See 'Sustainability Strategy'  |                     |
| <b>Emissions</b>                      |   |  |  |                     |
| <b>GRI 3: Material Topics 2021</b>    | 3-3 Management of material topics   | Environmental issues<br><br>Climate Change                   | Energy Efficiency and Climate Change<br><br>Energy efficiency is part of the Company's environmental strategy. Under the Environmental Management System, fuel and electricity consumption are the most significant environmental aspects.<br><br>In 2017, Greenhouse Gases (GHG) were inventoried and counted for all the companies of the Luis Simões Group was implemented (direct and indirect sources - scopes 1 and 2). Defined as base year, it helped drive the identification of energy efficiency emission reduction initiatives. The evolution in the reduction of emissions has made it possible to communicate the impact of the initiatives and to promote internal awareness on the importance of energy efficiency.<br><br>In 2021, Luis Simões committed to decarbonization by participating in the Science Based Targets (SBTi), in order to implement, throughout 2022, counting project for scope 3 emissions and prepare a decarbonization roadmap.<br>GHG emissions are a result of the energy efficiency achieved in transport and logistics operations.<br><br>Some examples include:<br>The implementation of temperature-controlled chambers with low carbon emissions (NH3 and ethylene glycol) GWP=0 in Guadalajara.<br>The implementation of an automated warehouse in Guadalajara, which allows for greater efficiency in logistics operations | (13) Climate action |
| <b>GRI 305: Emissions 2016</b>        | 305-1 Direct (Scope 1) GHG emissions  | Environmental issues<br><br>Climate Change                   | <b>Emissions Year 2022 - Scope 1 - LS Group 25,229 ton CO2e   LSLI ES 4,704 ton CO2e</b><br>Emissions Year 2021 - Scope 1 - LS Group 24,867 ton CO2e   LSLI ES 4,693 ton CO2e<br>Emissions Year 2020 - Scope 1 - LS Group 26,180 ton CO2e   LSLI ES 4,778 ton CO2e<br>Emissions Year 2019 - Scope 1 - LS Group 31,914 ton CO2e   LSLI ES 5,890 ton CO2e<br>Emissions Year 2018 - Scope 1 - LS Group 36,753 ton CO2e   LSLI ES 7,461 ton CO2e<br>The base year for the GHG emissions inventory was 2017.<br>Method used GHG Protocol (March 2017) - IPCC Guidelines (2016)  | (13) Climate action |
|                                       | 305-2 Energy indirect (Scope 2) GHG emissions   |  | <b>Emissions Year 2022 - Scope 2 - LS Group 3,429 ton CO2e   LSLI ES 1,896 ton CO2e</b><br>Emissions Year 2021 - Scope 2 - LS Group 3,352 ton CO2e   LSLI ES 1,733 ton CO2e<br>Emissions Year 2020 - Scope 2 - LS Group 2,723 ton CO2e   LSLI ES 1,152 ton CO2e<br>Emissions Year 2019 - Scope 4 - LS Group 2,737 ton CO2e   LSLI ES 1,166 ton CO2e<br>Emissions Year 2018 - Scope 2 - LS Group 4,702 ton CO2e   LSLI ES 885 ton CO2e<br>The base year for the GHG emissions inventory was 2017.<br>Method used GHG Protocol (March 2017) - IPCC Guidelines (2016)   Market-based  | (13) Climate action |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING | LOCATION or COMMENT  | SDG                 |
|-------------------------------|---|---|--|---------------------|
|                               | 305-3 Other indirect (Scope 3) GHG emissions  | Environmental issues<br>Climate Change                | Scope 3 - Luís Simões has started the scope 3 GHG emissions inventory for the year 2021, which is still in progress.   |                     |
|                               | 305-4 GHG emissions intensity   |   | <p><b>Scope 1 and 2 Emissions for the whole Luís Simões Group (Portugal and Spain):</b><br/>           Ton CO2e/Turnover: 2022 LS Group 0.00010   LSLI ES 5 x10-5 (there was a slight increase compared to the previous year, resulting from a 3% increase in the company's S1+S2 emissions)<br/>           Ton CO2e/Turnover: 2021 LS Group 0.00012   LSLI ES 4.9 x10-5 (there was a slight decrease compared to the previous year).<br/>           Ton CO2e/Turnover: 2020 LS Group 0.00013   LSLI ES 5.7 x10-5 (there was a slight decrease compared to the previous year).<br/>           Ton CO2e/Turnover: 2019 LS Group 0.00015   LSLI ES 6.15x10-5 (there was a slight decrease compared to the previous year).</p> <p><b>Chapter 'Energy Efficiency':</b><br/>           Own Fleet Emissions (kgCO2e/1000 km) 2022: 912.5 (increased slightly compared to 2021) - Chapter 'Energy Efficiency'<br/>           Own Fleet Emissions (kgCO2e/1000 km) 2021: 898.3 (increased compared to 2020) - Chapter 'Energy Efficiency'<br/>           Own Fleet Emissions (kgCO2e/1000 km) 2020: 898 (increased compared to 2019) - Chapter 'Energy Efficiency'</p> | (13) Climate action |
|                               | 305-5 Reduction of GHG emissions  |   | <p>Chapter 'Energy Efficiency'.<br/>           The activity in Spain has been increasing, particularly with the opening of the automated warehouse in Guadalajara, which is reflected in an increase of emissions, but in a reduction of intensity: emissions/turnover (€).</p> <p>The targets defined are connected to the reduction of energy consumption and fossil fuels, as determined by the energy audits and resulting Energy Efficiency Plans in Portugal and Spain. In Portugal, the energy audit covers the Carregado 1 and Gaia 1 centres (4% reductions), as well as the heavy fleet (5% reductions). In Spain, the Guadalajara and Cabanillas centres and the heavy fleet are included.</p> <p>In Portugal, energy efficiency actions have been implemented at the Carregado LOC, such as replacing the lighting.</p>  |                     |
|                               | 305-6 Emissions of ozone-depleting substances (ODS)                                   |   | Not applicable; Luis Simões does not produce, import or export ODS.  |                     |
|                               | 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions |   | There are no fixed sources liable of causing air pollution other than CO2, for mobile sources (transportation), the equivalent conversion of these emissions into CO2 is established (GHG Protocol), and they are therefore managed in an integrated manner. There are no sources of light pollution and the noise is inherent to the activity and the vehicle itself, and no additional sources are generated.  |                     |

| GRI STANDARD/<br>OTHER SOURCE                          | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG   |
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| <b>Waste</b>   |   |  |  |   |
|  |   | Environmental issues<br>Sustainable use of resources<br>Circular economy and waste<br>management | <p>Year 2022</p> <p>Luis Simões directs all its waste to treatment and recovery through authorized waste operators. Waste management is oriented towards waste separation to maximize recycling.</p> <p><b>In 2022, LS generated 2,883 tons of waste in Portugal and Spain.</b> (2,772 in 2021; 2,708 in 2020)</p> <p>Portugal 2022: 1,443 tons   97% Non-hazardous waste; Recycling 95%; Landfilling 3%; Treatment 2%<br/>Portugal 2021: 1,332 Tons   99% Non-hazardous waste; Landfilling 50 tons; RDF (Refuse-derived fuel) 25 tons; Recycling 1,228 tons; Treatment 29 tons<br/>Portugal 2020: 1,467Tons   95% Non-hazardous waste; Landfilling 108 tons; RDF (Refuse-derived fuel) 70 tons; Recycling 1,223 tons; Treatment 56tons</p> <p>Spain 2022: 1,437 tons   100% Non-hazardous waste: Landfilling 4%; Recycling 57%; Composting 39%<br/>Spain 2021: 1,390 tons   100% Non-hazardous waste: Landfilling 511 tons; Recycling 879 tons<br/>Spain 2020: 1,240 tons   100% Non-hazardous waste: Landfilling 337 tons; Recycling 904 tons</p> <p>There was a 6% increase in waste generation, in Spain (3%) and in Portugal (8%).<br/>The small increase in waste production is due to peaks in activity, and some increase in activity.</p> <p>Service of vehicles in Luís Simões' own fleet is performed at own-brand workshops (when covered by the warranty) or at specialized workshops. For this reason, we do not manage the service waste generated by the Luis Simões fleet. In Portugal, the fleet that is subject to service at RETA's facilities has its waste management reflected here</p> | (11) Sustainable cities and communities     |
| <b>Supplier environmental assessment</b>               |   |  |  |   |
| <b>GRI 308: Supplier Environmental Assessment 2016</b> | 308-1 New suppliers that were screened using environmental criteria | Environmental issues   | Fleet procurement is a purchase category tied to environmental requirements, and while it took place in 2022, no new suppliers were selected.  | (12) Sustainable production and consumption |



| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING   | LOCATION or COMMENT  | SDG |
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| Specific Information          |            |   |  |     |
|                               |            | <p><b>Employment:</b> total number and distribution of employees by sex, age, country and professional classification, total number and distribution of work contract modalities, annual average of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification, number of dismissals by sex, age and professional classification, average remunerations and their evolution disaggregated by sex, age and professional classification or equal value, salary gap, remuneration of equal or average positions in society, the average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payment to long-term savings forecast systems and any other perception disaggregated by sex, implementation of employment disconnection policies, employees with disabilities.</p> <p>Organization of work: organization of working time; number of hours of absenteeism; measures aimed at facilitating the enjoyment of conciliation and encouraging the co-responsible exercise of these by both parents.</p> | <p><b>Employee Data in Chapter: LS Staff.</b><br/>Salaries are regulated by collective agreements in Spain and by collective bargaining agreements (CCTVs) and general rules in Portugal. Most people in the organization in operational positions are paid the salary defined by these legal regulations, depending on their professional category, country and, in the case of Spain, provincial location, as they are governed by provincial sectoral collective agreements. The salary variations that can be found in these types of positions are mainly due to the variable remuneration that affects each of them. In technical, middle management, management and executive positions, the salary ranges are not very wide, but they are affected by labor market valuation, and therefore adjusted to the industry average.</p> <p><b>Average Remuneration 2022</b><br/>Total: in Portugal (19,316 € men, 16,793€ women) and in Spain (24,458€ men, 23,630€ women). Variation 4% higher in men's pay in Spain and 13% in Portugal. Decreased 4% in Spain and increased 2% in Portugal.</p> <p><b>Average remuneration by age and gender</b><br/>under 30 years old - Portugal (12,908 € men, 12,757 € women)   Spain (21,603 € men, 21,727 € women)<br/>between 30 and 50 years old - Portugal (19,324 € men, 16,913 € women)   Spain (24,101 € men, 23,748 € women)<br/>over 50 years old - Portugal (23,125 € men, 21,878 € women)   Spain (28,901 € men, 24,817 € women)</p> <p><b>Average remuneration by professional classification and gender 2022</b><br/>Director - Portugal (105,810 € men, 103,114 € women)   Spain (not applicable)<br/>Officer - Portugal (81,810 € men, 472,59 € women)   Spain (not applicable)<br/>Manager - Portugal (43,486 € men, 37,481 € women)   Spain (49,300 € men, 43,218 € women)<br/>Coordinator - Portugal (29,745 € men, 26,077 € women)   Spain (34,513 € men, 29,395 € women)<br/>Technical Staff - Portugal (18,245 € men, 15,862 € women)   Spain (24,789 € men, 24,171 € women)<br/>Administrative staff - Portugal (16,236 € men, 14,398 € women)   Spain ( 23,849 € men, 22,968 € women)<br/>Team Leaders - Portugal (16,183 € men, 15 133€ women)   Spain (25,023 € men, 25,685 € women)<br/>Drivers - Portugal (18,191 € men, 16,042 € women)   Spain ( 22,460 men, - women)<br/>Warehouse operators - Portugal (12,600 € men, 11,925 € women)   Spain (21,178 € men, 21,494 € women)<br/>Workshop operators - Portugal (14,591 € men, - women)   Spain (not applicable)<br/>Note: Top management remuneration is considered for Directors and Officers. None has a 'Senior Executive' contract.</p> <p><b>Wage Gap 2022</b><br/>Spain: 3%   Portugal: 13%<br/>* Average wage used</p> <p><b>Employee turnover in 2022</b><br/>Administrative staff - under 30 years old - Portugal ( - men, - women)   Spain (1 man, - women)<br/>Assistant - under 30 years old - Portugal (1 man, 1 woman)   Spain (1 man, - women)<br/>Assistant - between 30 and 50 years old - Portugal ( - men, 1 woman)   Spain (1 man, 2 women)<br/>Assistant - over 30 years old - Portugal ( - men, - women)   Spain (1 man, 1 woman)<br/>Manager - between 30 and 50 years old - Portugal ( - men, - women)   Spain (2 men, - women)<br/>Operator - under 30 years old - Portugal (5 men, 3 women)   Spain (23 men, 6 women)<br/>Operator - between 30 and 50 years old - Portugal (7 men, 5 women)   Spain (57 men, 12 women)<br/>Operator - over 50 years old - Portugal (1 man, 1 woman)   Spain (11 men, 1 woman)<br/>Coordinator - between 30 and 50 years old - Portugal ( - men, 1 woman)   Spain ( - men, - women)<br/>Technical staff - under 30 years old - Portugal ( - men, - women)   Spain (2 men, - women)<br/>Technical staff - between 30 and 50 years old - Portugal ( - men, - women)   Spain (2 men, - women)<br/>Technical staff - over 50 years old - Portugal ( - men, - women)   Spain ( - men, 1 woman)<br/>The layoffs in Spain are strongly influenced by the termination of the probationary period of the contract (by LS). This has to do with the quality that is desired to perform the tasks.</p> <p>There is no program for the promotion and welcoming of people with disabilities in Luis Simões, but 15 people with disabilities work in Spain, 1.4% of the workforce</p> |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING   | LOCATION or COMMENT  | SDG |
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|                               |            | <p><b>Organization of work:</b> organization of working time; number of hours of absenteeism; measures aimed at facilitating the enjoyment of conciliation and encouraging its co-responsible exercise by both parents.</p> | <p>Since 2007, there has been an automatic entry and exit control system for staff (Millenium), which records the working hours of each worker. This system records the working hours through a company card for personal use only or the fingerprint of an employee, or even through the online version from a laptop. Since the implementation of teleworking in the context of the COVID-19 pandemic, which applies to non-operational functions, there has been an adjustment and teleworking was adopted in 2022 with rules more attuned to the reality. In this transition, the adoption of teleworking is adjusted by function.</p> <p>The operational positions (excluding drivers) generally work in continuous shifts according to the operations in the centre. Therefore, not all centres have all three shifts (morning/afternoon/evening). Most administrative staff work split shifts. This is based on the needs of the service or the specifics/ reductions in work hours requested by employees.</p> <p>At LSLI ES, employees work overtime, mainly in central operational and administrative positions. These overtime hours are paid according to current legislation or compensated with time off, depending on the needs of the employee and the needs of the workplace.</p> <p><b>Absenteeism:</b><br/>Total hours in 2022: Portugal: 203.890 hours   Spain: 187.277 hours.</p> <p>Absenteeism includes all the work hours in which an employee is absent from work, excluding: Vacations, national, regional and local holidays, 'days off for personal matters'* and hours of overtime included in the agreement or in accordance with the RLT or days off or hours off granted by the company ('tolerância de ponto'); Disciplinary penalties; Union credit hours and hours of meetings with the company at its request; Training hours; Hours travelling and hours of service provided outside of Luis Simões' premises, when this is required.<br/>* only applicable in Spain</p> <p><b>Reconciliation</b><br/>Working from home enables a greater reconciliation of work and family life.<br/>Christmas Holidays: the company voluntarily allows all employees to take 1 day or 2 afternoons off on 24/12 and/or 31/12, so that employees can enjoy time with their families, or travel with their families</p> |     |

| GRI STANDARD/<br>OTHER SOURCE   | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING   | LOCATION or COMMENT  | SDG |
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|                                 |  | <p><b>Equality:</b> actions taken to promote equal treatment and opportunities for women and men; equality plans (Chapter III of Organic Law 3/2007, of 22 March, for effective gender equality), actions taken to encourage employment, protocols against sexual and gender harassment, integration and universal accessibility for people with disabilities; the policy against all forms of discrimination and, where appropriate, management of diversity.</p>  | <p>LS has a code of conduct and ethics that regulates the relations between the company and its employees, as well as the relations among the employees themselves, based on the provisions of the Declaration of Human Rights, on ILO standards and recommendations, and on the applicable laws in the countries where we operate. This code of ethics is communicated to 100% of new LS employee hires, is available to all members of the organization through Softexpert (LS website), and periodic awareness-raising training sessions are also held. All employees can report incidents of abuse, harassment, discrimination, fraud or unethical behavior of any nature committed by anyone in the organization through an email address or phone number. They are strictly anonymous. All complaints are handled, investigated, and their resolution is communicated to the complainant (if identified). The compliance department keeps track of how they are handled and what steps are taken to remedy the complaint and prevent it from happening again. To this end, we have a specific procedure that contemplates how these situations should be handled, how they should be investigated, what measures should be applied, safeguarding at all times the rights of the complainant and the accused. This includes sexual harassment or gender-based harassment.</p> <p>At LS, diversity has historically been a distinguishing value in the composition of our workforce. It translates into diversity of people, from nationality, gender, religion, personal orientation, disability, etc. Everyone has something to contribute to the project.</p> <p>We experienced many difficulties setting up the negotiating table for the Equality Plan in Spain. Finally, on March 14, 2023, the negotiating table was established and we are at the negotiation and development stage of the Equality Plan.</p> <p>In centres where services are subcontracted to 'special employment centres' whose workers are people with some degree of physical, mental or functional disability, their architecture is adapted for accessibility and usability for people with certain degrees of physical or functional disability.</p> |     |
|                                 |  | <p><b>Human Rights</b><br/>Application of due diligence procedures; prevention of risks of breach of human rights and, where appropriate, actions to mitigate, manage and repair potential abuses; complaints regarding cases of human rights violations; promotion and compliance with the provisions of fundamental conventions on freedom of association and the right to organize and collective bargaining of the International Labor Organization; elimination of workplace and occupational discrimination; elimination of forced labor or modern slavery; effective abolition of child labor.</p> | <p>The Code of Conduct and Ethics clearly states that as part of our corporate culture, all our internal and external relationships are based on mutual respect. Respecting Human Rights, as established in the Universal Declaration of Human Right and International Human Rights Law is a principle on which we stand firm. Discrimination, whether based on religion, sexual orientation, gender, ethnicity, socioeconomic status, age, marital status, physical, sensory, and mental health and condition, political orientation, or trade union membership, that undermines one's dignity is not tolerated.</p> <p>Our workers and suppliers have access to our Code of Ethics through our webpage, as well as our ethics online channel, from which they can report incidents.</p> <p>In 2022, no reports on human rights violations were recorded.</p>   |     |
| <b>Employment</b>               |  |   |  |     |
| <b>GRI 401: Employment 2016</b> | 401-1 New employee hires and employee turnover   |   | Chapter LS PEOPLE  |     |
|                                 | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees |   | <p>Luis Simões provides protocols to access services at a discount for permanent employees in the areas of healthcare and well-being, leisure, education, health insurance and life insurance. It applies to Portugal and Spain.</p> <p>In 2021, Luis Simões made available to all employees an application with corporate information 'SOMOS LS', supported by a discount application, which allows employees in Portugal and Spain to enjoy discounts in stores, healthcare, sports and leisure. It is primarily an employee integration measure, where it is also possible to share initiatives or donate to institutions.</p>  |     |

| GRI STANDARD/<br>OTHER SOURCE                               | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING                             | LOCATION or COMMENT   | SDG                 |
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|   | 401-3 Parental leave                                       | Social and staff-related topics<br><br>Organization of Work                       | <p>Chapter LS PEOPLE.</p> <p><b>a. Total number of employees who were entitled to parental leave, by gender</b><br/> 2022 - Portugal: 19 men and 14 women, Spain: 34 men and 10 women - Total 77 people<br/> 2021 - Portugal: 44 men and 23 women, Spain: 30 men and 21 women - Total 118 people</p> <p><b>b. Total number of employees that took parental leave, by gender</b><br/> 2022 - Portugal: 19 men and 14 women, Spain: 34 men and 10 women - Total 77 people<br/> 2021 - Portugal: 44 men and 23 women, Spain: 30 men and 21 women - Total 118 people</p> <p><b>c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender</b><br/> 2022 - Portugal: 19 men and 14 women, Spain: 34 men and 10 women - Total 77 people<br/> 2021 - Portugal: 44 men and 23 women, Spain: 30 men and 21 women - Total 118 people</p> <p><b>d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender</b><br/> 2022 - Portugal: 19 men and 12 women, Spain: 30 men and 9 women - Total 70 people<br/> 2021 - Portugal: 19 men and 37 women, Spain: 28 men and 18 women - Total 102 people</p> <p><b>e. Return to work and retention rates of employees that took parental leave, by gender</b><br/> <b>Return to work rate<sup>1</sup></b><br/> 2022 - Portugal: 100% men and 100% women; Spain: 100% men and 100% women<br/> 2021 - Portugal: 100% men and 100% women; Spain: 100% men and 100% women<br/> <b>Retention rate<sup>2</sup></b><br/> 2022 - Portugal: 43% men and 52% women; Spain: 100% men and 43% women.<br/> 2021 - Portugal: 71% men and 100% women; Spain: 97% men and 129% women</p> <p>The people who left the company after returning from paternity/maternity leave in Spain, in the case of male employees, were due to the termination of their fixed-term contract, and in the case of the female employee, because she requested leave to care for her child. In Portugal, it was due to the termination of employment contracts.</p> <p><sup>1</sup> Return to work rate = [(Total no. of employees that did return to work after parental leave / Total no. of employees due to return to work after taking parental leave) x 100]<br/> <sup>2</sup> Retention rate = [(Total no. of employees retained 12 months after returning to work following a period of parental leave / Total no. of employees returning from parental leave in the prior reporting period) x 100"</p> | (5) Gender equality |
| <b>Labor/Management relations</b>                           |  |   |   |                     |
| <b>GRI 402: Labor/<br/>Management<br/>Relations 2016</b>    | 402-1 Minimum notice periods regarding operational changes | Social relations  | At Luis Simões, when there are significant changes in working conditions / transfer or measure that significantly impacts employees, the minimum notice periods set out in the applicable law are observed.   |                     |
| <b>Occupational health and safety</b>                       |  |   |   |                     |
| <b>GRI 403:<br/>Occupational Health<br/>and Safety 2018</b> | 403-1 Occupational health and safety management system     | Social and worker-related topics<br><br>Health and Safety<br><br>Social relations | <p>The system was implemented in compliance with legal requirements, based on regulations on the Prevention of Occupational Risks, and was carried out in both countries by an external consulting firm, in Spain by Caultis, and in Portugal by Safemode.</p> <p>It applies to 100% of LS employees, all facilities, workstations, machines and tools used by employees.</p> <p>Occupational health and safety coverage is ensured in accordance with Law 31/95 for Spain and for Portugal, occupational health and safety coverage is ensured in accordance with Law 102/2009, September 10.</p> <p>The management system is implemented in compliance with each country's legal requirements, for which the following documents are compiled: Information and training is provided to all LS employees, the Personal Protective Equipment supplied to employees is controlled, the medical surveillance of employee health is managed and the annual report on the prevention activities carried out is concluded</p>  |                     |



| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING                                    | LOCATION or COMMENT   | SDG |
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|                               | 403-2 Hazard identification, risk assessment, and incident investigation                      | <p>Social and worker-related topics</p> <p>Health and Safety</p> <p>Social relations</p> | <p>Risk assessments are performed for all workstations, facilities and machines used at LS. To this end, the FINE method is used, which does not give a figure for the exposed risk factor, but is based on consequence-probability-exposure values. These risk assessments are carried out by technical experts in the prevention of occupational risks, with the 3 specialties required to carry them out. Within the company, preventive safety observations are made when unsafe acts by workers are detected. In November 2022, the company's own prevention service was set up in Spain. In Portugal, risk assessments are performed by an external supplier. The method used is the Matrix of Hazard Identification, Risk Assessment and Risk Control (MHIRARC).</p> <p>There is no written procedure, but all workers can approach their team leaders, coordinators, and worker representatives to alert them to the risks and hazards. This procedure is explained in the training sessions.</p> <p>The workers' representatives conduct regular inspections in the Guadalajara centres and in the larger centres in Spain. There are no reprisals, because the company welcomes the engagement. Regular warehouse reviews are performed by team leaders and coordinators. With respect to the investigation of incidents, all accidents occurred at Luis Simões facilities, whether caused by employees or external personnel, are investigated using the method established in the assessment and the results are included in the planning of preventive activities. From the investigation, the causes are analyzed and actions are defined and the parties responsible for completing each action are identified. In Spain, accident investigations are reviewed in collaboration with representatives of the health and safety committee.</p> |     |
|                               | 403-3 Occupational health services  |  | <p>The risks to which LS' direct workers and non-employee workers are exposed are identified through risk assessment. The risks to which they are exposed are minimized or eliminated in the planning of preventive activities.</p> <p>All Luis Simões' direct employees are informed of the risks to which they are exposed and, for indirect employees, the company carries out the Coordination of Business Activities in Spain, as required by the regulations of Royal Decree 171/2004, and in accordance with the laws covering service providers in Portugal.</p>  |     |
|                               | 403-4 Worker participation, consultation, and communication on occupational health and safety |  | <p><b>Luis Simões has a procedure for worker consultation and participation in Occupational Health and Safety.</b> Surveys are conducted annually, in an online format to all employees, where they are asked about: Condition of the premises and machines, compliance of the company in terms of prevention, and risk prevention training. The results of the surveys will be made known through the internal communication channels. For workers who are not employees of Luis Simões, the risks of the LS installations will be sent to them. In centres that have health and safety committees, as is the case in Guadalajara and Cabanillas, workers can also participate in this way. In the Guadalajara and Cabanillas centres, a health and safety committee has been created for each centre, which meets quarterly, with company members and union representatives being equal. In these centres, consultation on these issues can still take place in the committee.</p>  |     |
|                               | 403-5 Worker training on occupational health and safety                                       |  | <p><b>In 2022, 1,807 hours of training were performed on Occupational Risk Prevention</b>, both in on-the-job training, accident prevention training, emergency training, and training courses, such as: Training on heights, the use of lift platforms, the use of forklifts, etc.</p>   |     |

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING                     | LOCATION or COMMENT   | SDG                            |
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|                               | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Social and worker-related topics<br>Health and Safety<br>Social relations | At Luis Simões, negative impacts on operations are mitigated by making improvements in its facilities and equipment.<br><br>When employees suffer from medical complications that may affect their health due to the performance of their work duties, the company provides a medical check-up and an adaptation of their workstation. If the adaptation is not possible, their moving to another job is facilitated  |                                |
|                               | 403-8 Workers covered by an occupational health and safety management system  |   | The organization has an occupational health and safety management system. In Spain, in November 2022, it created its own Prevention Service in mixed mode and in Portugal it has an External Prevention Service.<br><br>In Spain, all employees are controlled by the occupational health and safety system, and external employees are controlled by the coordination of business activities.<br>In Portugal, employees are monitored by the company's occupational health and safety system   |                                |
|                               | 403-9 Work-related injuries   |   | Chapter 'Occupational and Road Safety'<br>Tables: Work-related accidents; Frequency index; Severity index.<br><br><b>- No. of Work Accidents 2022 / Business</b><br>LSLI Spain (2022): 144 accidents   105 men and 39 women (Logistics: 99H + 39M; Transport: 6H)<br>LSLI Spain (2021): 90 accidents   60 men and 30 women (Logistics: 57H + 30M; Transport: 3H)<br>LSLI Spain (2020): 85 accidents (Logistics: 80; Transport: 5)<br><b>- Accident Severity Index (SI)</b><br>LSLI Spain (2022): 447   389 men and 621 women (Logistics: 469; Transport: 261)<br>LSLI Spain (2021): 241   157 men and 449 women (Logistics: 279; Transport: 22)<br>LSLI Spain (2020): 484   Logistics: 507; Transport: 374<br><b>- Accident Frequency Index (FI)</b><br>LSLI Spain (2022): 80   78 men and 86 women (Logistics: 86; Transport: 32)<br>LSLI Spain (2021): 44   33 men and 16 women (Logistics: 56; Transport: 11)<br>LSLI Spain (2020): 64   Logistics: 73; Transport: 22<br><b>a.i.</b> The number and rate of fatalities as a result of work-related injury - Zero<br><b>a. iv.</b> Main types of work-related injuries: Overexertion<br><b>c. i.</b> Work-related hazards that pose a risk of serious accident: Falling objects due to a collapse or landslide (determined in risk assessments)<br><b>c.iii.</b> The following actions were taken to eliminate other work-related risks: training in occupational risk prevention for workers, improving the quality and use of PPE, improving the maintenance of Luis Simões' facilities, the damage of which could cause accidents.<br><b>d.</b> Any action taken or ongoing to eliminate other work-related risks and minimize risks: Carrying out periodic maintenance of machines and installations, as well as training employees in occupational risk prevention and improvements in the use of PPE. | (3) Good health and well-being |

| GRI STANDARD/<br>OTHER SOURCE               | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING     | LOCATION or COMMENT  | SDG                   |
|---|---|---|--|-----------------------|
| <b>Training and education</b>               |   |   |  |                       |
| <b>GRI 3: Material Topics 2021</b>          | 3-3 Management of material topics   | Social and worker-related topics<br>Training              | <p>Luis Simões is committed to the training and development of its employees with a view to improving their skill sets with an impact on company outcomes and viability.</p> <p>Training our employees allows us to remain competitive and operate in compliance with the applicable laws, as well as to answer the needs of our customers which, in turn, answer the demanding needs of society.</p> <p>These are the indicators we use to check implementation: Implementation rate of training plan: There are KPIs for certain profiles which, when met, indicates whether the training was effective or not. Similarly, there are different indicators (by centre) to evaluate the efficacy of training, identifying the need to take corrective actions.</p> <p>The positive impacts on training are reflected on the personal growth of each employee as well as in their professional skills, which enables them to meet the goals defined by the company.</p> <p>The organization also enjoys positive impacts in the way their workers respond to the needs of the company, making it more productive and efficient in individual and group activities they perform.</p> <p>One of our concerns is sustainability, which is why employees are also trained in this to ensure that their actions and/or decisions are sustainable and responsible.</p> <p>There are also risks that need to be considered.</p> <p>1) We may have well-trained employees, however:</p> <p>1.1) The employee decides to leave LS, and the return on investment does not go to our organization.</p> <p>1.2) It may also be the case that the knowledge of this employee 'escapes' LS because of poor knowledge management or identification of back ups.</p> <p>2) Decentralizing employees makes it difficult to establish training methods for everyone to receive training in the areas deemed necessary to properly perform their functions.</p> <p>3) Similarly, the large number of operators makes it difficult to have in-person training sessions.</p> <p>To safeguard against these situations, a process of identification of safety backups (first in the operations of a given customer) was implemented to define processes, risks and training and ensure that knowledge is not lost when an employee leaves LS. In this way, we reduce training times of new hires in these positions to a minimum.</p> <p>We develop an online training program that helps us facilitate training by enabling employees to plan their own training.</p> <p>Operational training is planned according to active service and peaks in activity.</p> <p>Our training and development policies are identified in G-404-2, translated into training plans per business.</p> |                       |
| <b>GRI 404: Training and Education 2016</b> | 404-1 Average hours of training per year per employee   |   | <p>Chapter LS PEOPLE</p> <p>14,488 training hours in 2022: 55% Portugal and 45% Spain   74% Men   26% Women</p> <p>21,386 training hours in 2021: 25% Portugal and 75% Spain   71% Men   24% Women   5% Unspecified</p> <p>11,024 training hours in 2020: 40% Portugal and 60% Spain   73% Men   27% Women</p>   | (4) Quality education |
|   | 404-2 Programs for upgrading employee skills and transition assistance programs                                     |   | <p>Chapter LS PEOPLE"</p> <p>The performance review process began in November 2021 with assessment and self-assessment surveys. The process followed into 2022, due to involving follow-up meetings and the implementation of action plans, which ended in June 2022 (for Directors, Managers, Coordinators and Technical Staff). In 2022, a performance review/diagnostic was also conducted for drivers and assistants.</p>  |                       |
|   | 404-3 Percentagem de colaboradores que recebem regularmente análises de desempenho e de desenvolvimento de carreira | Questões Sociais e Reativas aos trabalhadores<br>Formação | <p><b>In 2022, the performance review process in Luis Simões recorded:</b></p> <p>Portugal 24% employees; Spain 9% employees. This recorded review is connected to the integration of the driver function in this performance review process.</p> <p>In 2021, the following performance reviews in Luis Simões were recorded:</p> <p>In Portugal, 10% of workers received a performance review;</p> <p>In Spain, 9% of workers received a performance review;</p>  |                       |

| GRI STANDARD/<br>OTHER SOURCE                        | DISCLOSURE   | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING  | LOCATION or COMMENT  | SDG   |
|--|--|--|--|---|
| <b>Diversity and equal opportunity</b>               |  |  |  |   |
| <b>GRI 3: Material Topics 2021</b>                   | 3-3 Management of material topics  | Equality   | <p>This is a non-material topic but it is relevant for non-information reporting pursuant to Law 11/2018 for company LSLI SA (Spanish head office).</p> <p>Code of Conduct and Ethics (<a href="https://www.luis-simoes.com/wp-content/uploads/2018/11/codigo_etica_conducta_LS.pdf">https://www.luis-simoes.com/wp-content/uploads/2018/11/codigo_etica_conducta_LS.pdf</a>)</p> <p>In Luis Simões, there is currently no program to promote and welcome people with disabilities, but there are 15 people with disabilities employed in Spain.</p>   |   |
| <b>GRI 405: Diversity and Equal Opportunity 2016</b> | 405-1 Diversity of governance bodies and employees   | Equality   | The Board of Directors is composed by 7 members, 5 men (71%) and 2 women (29%). As for age, 4 members are aged between 30 and 50, the remaining 3 being over 50 years old.   | (5) Gender equality                         |
| <b>Non-discrimination</b>                            |  |  |  |   |
| <b>GRI 406: Non-discrimination 2016</b>              | 406-1 Incidents of discrimination and corrective actions taken                                 | Equality   | An incident of discrimination was reported in Portugal, which was properly managed through the established procedures and closed, as no real cause of discrimination was found, but an attempt of an employee to pressure into renewing his temporary contract which terminated in the agreed date.  |   |
| <b>Forced or compulsory labor</b>                    |  |  |  |   |
| <b>GRI 409: Forced or Compulsory Labor 2016</b>      | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Human Rights   | <p>This assessment is not performed.</p> <p>Our suppliers have access to our Code of Ethics through our webpage, from which they can report incidents.</p>   |   |
| <b>Local communities</b>                             |  |  |  |   |
| <b>GRI 413: Local Communities 2016</b>               | 413-1 Operations with local community engagement, impact assessments, and development programs | <p>Organization Profile</p> <p><b>Commitments of the company to sustainable development:</b> the impact of the company's activity on employment and local development; the impact of the company's activity on local populations and territories; the relationships with local community actors and forms of dialogue with them; association or sponsorship actions.</p> | <p>Luis Simões engages with its stakeholders, identified in 'Stakeholder Engagement'. The forms of communication with Stakeholder groups are identified. Also identified are the associations in which Luis Simões participates.</p> <p>All charitable activities in which LS participates are implemented in the countries where it operates, i.e. Portugal and Spain.</p> <p>Whenever possible, LS attempts to involve the nearest fire departments in our drills. All charitable activities to which LS is associated are implemented in the countries where it operates, i.e. Portugal and Spain. Contributes to job creation in various locations where it has facilities.</p> <p>In Spain, we collaborate with Fundación Madrina in the Guadalajara LOC, providing a space to store food received by the Red Cross, managing the arrival, unloading and storage of food pallets and overseeing pallet preparation and loading for their subsequent transfer to distribution points.</p> <p>Luis Simões contributes to job creation in various locations where it has facilities.</p> <p>ii. environmental impact assessment and continuous monitoring - Luis Simões has matrices for the assessment of environmental impacts in certified ISO 14001 locations.</p> | (16) Peace, justice and strong institutions |
| <b>Supplier social assessment</b>                    |  |  |  |   |
| <b>GRI 414: Supplier Social Assessment 2016</b>      | 414-1 New suppliers that were screened using social criteria                                   | "Organization Profile<br>Sub-contracting and suppliers"  | "LS engages sub-contracted carriers through the Letter of Commitment for Carriers. Chapter 'Service Quality and Innovation'. All procurement procedures presupposes compliance with laws and with our code of conduct and ethics"  |   |



| GRI STANDARD/<br>OTHER SOURCE                   | DISCLOSURE  | CONTENTS OF LAW 11/2018 ON NON<br>FINANCIAL REPORTING   | LOCATION or COMMENT   | SDG |
|---|---|---|---|-----|
| <b>Public policy   Política Pública</b>         |   |   |   |     |
| <b>GRI 415: Public Policy 2016</b>              | 415-1 Political contributions   |   |   | 0 € |
| <b>Customer health and safety</b>               |   |   |   |     |
| <b>GRI 416: Customer Health and Safety 2016</b> | 416-1 Assessment of the health and safety impacts of product and service categories                 | Organization Profile<br><b>Consumers</b>  | Over 70% of the services provided are connected to consumer foods or personal care and healthcare products. In these operations, there are controls inherent to specific legal requirements (INFARMED licensing, Health Registry, Medical Devices Warehouse, etc.) and risk analysis to detect critical points and establish controls over them to prevent them from having a potential impact on consumer health.  |     |
|   | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services |   | No instances of non-compliance with regulations or warnings from Public Entities or Certification Bodies were received.   |     |
| <b>Specific Information</b>                     |   |   |   |     |
|   |   | <b>Consumers:</b> actions for the health and safety of consumers; complaint system, complaints received and resolved. | <p>When providing a service, the concept of 'consumer' is linked to the concept of 'customer', the owners of the products we store and transport. Their complaints are handled following an assessment of the root cause. Complaints from other injured parties generally result from driving incidents that involve a driver and are handled by warning the driver about the complaint.</p> <p>The complaint process establish that once a complaint is received, it is recorded in the management software and reviewed according to a normalized system (usually '5 whys') and actions are defined to resolve it, which are communicated to the person who lodged the complaint.</p> <p>A total of 22 complaints were lodged, 1 for Transport and 21 for Logistics, 19 of which were connected to the Lliçà de Vall centre and 2 to the Guadalajara centre</p> |     |
| <b>Customer privacy</b>                         |   |   |   |     |
| <b>GRI 418: Customer Privacy 2016</b>           | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  |   | In 2022, no complaints concerning breaches of customer privacy were received from outside parties or from regulatory bodies in Portugal and Spain.  |     |



## **Declaración de Verificación Independiente del Estado de Información No Financiera de Luis Simões Logística Integrada S.A – España, del ejercicio 2022**

A los Socios/órgano de administración de **Luis Simões Logística Integrada S.A - España.**

De acuerdo con el artículo 49 del Código de Comercio, hemos realizado la verificación, con alcance de seguridad limitada del Estado de Información No Financiera (en adelante EINF) correspondientes al ejercicio anual finalizado el 31 de diciembre de 2022, **Luis Simões Logística Integrada S.A - España** (en adelante la Sociedad dominante) y sus sociedades dependientes (en adelante la Empresa/ el Grupo) que forma parte del Informe de Gestión consolidado del mismo ejercicio.

El contenido del Informe de Gestión Consolidado incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en el **Informe de sostenibilidad y cuentas de 2022 V4.**

### **Responsabilidad de la Dirección**

La Dirección de la Organización, es responsable de la preparación, del contenido y de la presentación del EINF, según la Ley 11/2018, de 28 de diciembre. Esta responsabilidad incluye el diseño, la implementación y el seguimiento del control interno que se considere necesario para permitir que el EINF está libre de incorrección material. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente, seleccionados de acuerdo con lo mencionado para cada materia en el anexo I, del citado Informe de Gestión consolidado.

Asimismo, la Dirección de la Organización es responsable de definir, implementar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF, así como para el seguimiento del grado de cumplimiento de requisitos exigidos en la Ley 11/2018, de 28 de diciembre.

### **Independencia y Competencia**

El equipo auditor ha cumplido los requerimientos de independencia, imparcialidad y demás exigencias de ética, basando sus actuaciones en los principios fundamentales de integridad, objetividad, competencia y diligencia profesional, confidencialidad y comportamiento profesional.

EQA es un prestador independiente de servicios de verificación tal y como se contempla en la Ley 11/2018.

**Número: 11540-E**

Fecha de Verificación:

**30 / 03 / 2023**

Página 1 de 3



## Objetivo de la verificación

El objetivo de la verificación es asegurar que la información reportada por la organización en el Estado de Información No Financiera de **Luis Simões Logística Integrada S.A – España V4**, de **22 de marzo de 2023**, es precisa, completa, transparente y libre de errores u omisiones.

## Nuestra responsabilidad

La responsabilidad de EQA se circunscribe en expresar nuestras conclusiones en una declaración de verificación independiente de seguridad limitada basado en los procedimientos realizados y en las evidencias que se han obtenido. El encargo se ha realizado de acuerdo con una metodología propia y los requisitos de la Norma Internacional UNE-EN ISO/IEC 17029 "Evaluación de la conformidad. Principios generales y requisitos para los organismos de validación y verificación".

El alcance de un encargo de seguridad limitada es sustancialmente inferior al de un encargo de seguridad razonable y, por lo tanto, la seguridad proporcionada es menor.

Los procedimientos realizados se basan en el juicio profesional de los expertos que han intervenido en el proceso e incluyen consultas, observación de procesos, evaluación de documentación, procedimientos analíticos, y pruebas de revisión por muestreo que, con carácter general, se describen a continuación:

- ✓ Reuniones con el personal de los diversos departamentos de la Organización involucrados para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener información necesaria para la revisión.
- ✓ Comprobación de los procesos de los que dispone la Organización para determinar cuáles son los aspectos materiales en relación con sus actividades.
- ✓ Análisis de los procedimientos utilizados para recopilar y validar los datos e información presentada en el EINF.
- ✓ Análisis de la adaptación del EINF a lo señalado en Ley 11/2018.
- ✓ Comprobación de datos, en base a la selección de una muestra, y realización de pruebas sustantivas de la información cuantitativa y cualitativa contenida en el EINF del ejercicio 2022.
- ✓ Obtención de una carta de manifestaciones de los Administraciones y la Dirección.

**Número: 11540-E**

Fecha de Verificación:

**30 / 03 / 2023**

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## Conclusiones de la Verificación

Como resultado de los procedimientos que se han realizado y de las evidencias obtenidas no ha llegado a nuestro conocimiento ninguna cuestión que nos lleve a pensar que el EINF de **Luis Simões Logística Integrada S.A – España** y sus sociedades dependientes correspondiente al ejercicio anual finalizado el 31 de diciembre de 2022, no está presentada de manera adecuada, ni que existan desviaciones ni omisiones materiales que nos haga pensar que el informe no cumple los requisitos de la Ley 11 del 2018.

## Uso y distribución

La presente Declaración de Verificación se emite a la Dirección de **Luis Simões Logística Integrada S.A - España**, de acuerdo con los términos del contrato suscrito entre ambas partes.

Esta declaración ha sido preparada en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que podría no ser adecuado para otros propósitos y jurisdicciones.

Esperanza Martínez García  
Directora de Certificación

**Número: 11540-E**

Fecha de Verificación:

**30 / 03 / 2023**

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# SUSTAINABILITY REPORT AND ACCOUNTS

Contas



*Luis Simões*





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## CONSOLIDATED MANAGEMENT REPORT

### 1. MACROECONOMIC CONTEXT

#### 1.1. WORLD AND EUROPEAN BACKDROP

After 2021, which was a year of economic recovery after COVID-19, with global growth of 5.9%, widespread vaccination around the world and travel restrictions having been significantly reduced, 2022 was expected to be a year of consolidation of economic growth and stabilisation of macroeconomic indicators. While world economic growth was 3.2% (3.5% in the Euro Zone and 2.0% in the United States of America), in line with the average for the period of 2010 to 2019, 2022 was marked by great instability in macroeconomic variables.

The last quarter of 2021 had already seen a significant rise in inflation, which together with the start of a military conflict between Ukraine and Russia in February 2022, triggered increases in the cost of energy and other raw materials, such as grains that depend on production by these two countries. These factors contributed to a global inflation rate of 8.8% for 2022. The price of oil started off the year at \$75 USD and after the start of the military conflict in Europe it rose to \$120 USD per barrel in March, having subsequently fallen over the course of the year to \$80 USD in December. In contrast with the price of oil, the price of natural gas, which depends more on Russian production, was at €80/MWh before the military conflict and more than quadrupled, reaching €340/MWh in August, but subsequently returning to €80/MWh by year end. In fact, after the war broke out in Ukraine, a significant number of European countries reduced or interrupted their imports of natural gas from Russia, having sought alternative suppliers and increased their reserve stocks, which considerably drove up prices.

The rise in inflation that began in the second quarter of 2021 and which reached 8.8% in 2022 is very high, a level that we have not seen in decades. The central banks that had been following an expansionist monetary policy, purchasing government debt and maintaining 0% or negative interest rates, at end 2021 began a policy of increasing interest rates that should remain in place at least until end of 2023. Throughout 2022 the US Federal Reserve raised key interest rates seven times, having begun the year at 0.25% and closing out 2022 at 4.5%. In 2023 it has already hiked

rates to 4.75%. The European Central Bank raised its rate four times in 2022, going from 0% to 2.5%, while in February 2022 another hike brought its rate to 3.0%

The backdrop of inflation and rising interest rates, coupled with the current geopolitical tension had an immediate impact on the stock markets in the form of a 20% correction. At the start of 2023 the markets recovered slightly, but instability is expected to continue.

Uncertainty is expected to resume in 2023, along with volatility in the macroeconomic variables. An eventual resolution of the military conflict and potential stabilisation in the supply chain may tenuously reduce inflation by end 2023, making it possible that by end 2024 we will reach the peak of the policy of interest rate hikes by Central Banks. Until then, the significant rise in interest rates is expected to hamper consumption and private investment. According to the IMF, world economic growth is expected to slow to 2.7% in 2023. In Europe, the post-pandemic Recovery Fund totalling 750 billion euros is still being implemented, having been created subsequent to the pandemic, it should be an important factor in continuing economic recovery and modernising business sectors.

#### 1.2. PORTUGAL

Similar to the world economy, 2022 was a year of great instability in Portugal in terms of macroeconomic variables. The year started off by continuing the growth dynamic we saw at end 2021, with a 12% rise in GDP in the first quarter. Rising inflation that began at the close of 2021, mainly due to the imbalance in the supply chain caused by the pandemic, was amplified by the military conflict between Russia and Ukraine. Inflation in Portugal in 2022 was 7.8%, a level never before seen in the past three to four decades. The rise in prices was general in nature, although it was felt more significantly in some sectors. As far as energy prices go, fuel went up considerably over the course of the year, correcting during the last quarter. The price of natural gas actually quadrupled and had a highly significant and negative impact on most sectors. Regardless of the use of natural gas, an extraordinary fee was applied to electricity bills (natural gas being one of the energy sources used to produce electricity), which significantly increased the cost of electricity during the summer months, thus increasing production costs. Despite instability and high inflation, Portugal will see real GDP growth of 6.7% in 2022, mostly on the back of a recovery in consumption and rising exports, with a particular focus on excellent performance in tourism. The current account balance continues its slightly negative trend. Unemployment continues to drop and fell to 6% at end 2022.

The European Central Bank's response to rising prices involved raising interest rates, which will in turn weigh heavily on families with mortgage loans and will adversely affect consumption in 2023. Portuguese 10-year treasury bonds also saw their rates rise over the course of 2022, from 0.5% to 3.6%.

As far as public accounts go, Portugal saw a considerable drop in public debt from 127.5% of GDP in 2021 to 114.7% in 2022, helped largely by significant growth in real GDP, but also due to high inflation that led to a large increase in nominal GDP. The budget deficit, after the surplus of 2019, which was the first in the past decades, returned to negative territory in 2020 because of the pandemic, but is trending downward and should be at -1.5% of GDP in 2022.

Predictions for 2023 point to GDP growth of 1.3%, but some volatility is expected. Inflation remains high, but at a falling rate, while interest rates are expected to keep rising until year end, and fuel prices will be tied to the evolution of geopolitical tensions internationally. According to the government, 2023 will see continued budgetary consolidation, with an estimated budget deficit of -0.9% and public debt totalling 110.8% at year end.

| Macroeconomic Indicators<br>Portugal                    | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   |        |        |        | 2022F  | 2023F  |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|   |        |        |        |        |        |        | Mar    | Jun    | Sept   | Dec    |        |        |
| GDP Growth <sup>(1)</sup>                               | 2.0%   | 3.5%   | 2.8%   | 2.7%   | -8.3%  | 5.5%   | 12.0%  | 7.4%   | 4.9%   | n/a    | 6.7%   | 1.3%   |
| Inflation Rate <sup>(2)</sup>                           | 0.6%   | 1.4%   | 1.0%   | 0.3%   | 0.0%   | 1.3%   | 4.3%   | 8.0%   | 9.1%   | 9.9%   | 7.8%   | 4.7%   |
| Treasury Bonds Interest Rates (10 years) <sup>(3)</sup> | 3.7%   | 1.9%   | 1.7%   | 0.5%   | 0.1%   | 0.5%   | 1.4%   | 2.5%   | 3.2%   | 3.6%   | 3.6%   | n/a    |
| Unemployment Rate <sup>(4)</sup>                        | 11.2%  | 8.9%   | 7.1%   | 6.6%   | 6.5%   | 6.6%   | 5.8%   | 5.9%   | 6.0%   | 6.4%   | 6.0%   | 5.6%   |
| Current Account Balance <sup>(1)</sup>                  | 0.6%   | 0.4%   | 0.4%   | -0.1%  | -1.1%  | -1.2%  | -1.8%  | -1.0%  | -3.0%  | n/a    | n/a    | n/a    |
| Budget Deficit <sup>(1)</sup>                           | -2.0%  | -3.0%  | -0.6%  | 0.3%   | -5.6%  | -2.7%  | -0.4%  | 0.8%   | 2.8%   | n/a    | -1.5%  | -0.9%  |
| Public Debt <sup>(4)</sup>                              | 130.1% | 126.2% | 122.2% | 117.7% | 133.7% | 127.5% | 124.8% | 123.4% | 120.1% | 114.7% | 114.7% | 110.8% |

Sources: OECD, Bank of Portugal, INE, Portuguese Government

Notes:

(1) Quarterly amounts correspond to the monthly average for the quarter and annual amounts correspond to the average of the quarters; (2) The year-on-year quarterly rate of change;

(3) Spot rate of the last day of each quarter; (4) Accumulated at the end of each quarter as % of GDP

### 1.3. SPAIN

In Spain, 2022 was another year of great instability in macroeconomic variables. Inflation reached a record 8.4%, after the 5.8% posted in the last quarter of 2021. The year saw significant economic growth with GDP rising 5.5%. As far as energy prices go, fuel went up considerably over the course of the year, correcting during the last quarter. The price of natural gas actually quadrupled and had a highly significant and negative impact on most sectors. Regardless of the use of natural gas, an extraordinary fee was applied to electricity bills (natural gas being one of the energy sources used to produce electricity), which significantly increased the cost of electricity during the summer months. Unemployment continues to be high at approximately 12.9%.

The budget deficit continues to be in negative territory at -4.5%, although it continues to show signs of improvement over 2020. Public debt seems to have reached its peak and has been trending downward slightly, at end 2022 it was at 115.1% of GDP. Treasury Bond yields at 10 years saw a significant rise over the course of 2022, having gone from 0.6% to 3.6%.

Predictions for 2023 point to GDP growth of 1.4%, but some volatility is expected. Inflation remains high, but at a falling rate, while interest rates are expected to keep rising until year end, and fuel prices will be tied to the evolution of geopolitical tensions internationally.

| Macroeconomic Indicators                                | 2016  | 2017F | 2018F | 2019  | 2020   | 2021   | 2022   |        |        |       | 2022F  | 2023F  |
|---|-------|-------|-------|-------|--------|--------|--------|--------|--------|-------|--------|--------|
| Spain   |       |       |       |       |        |        | Mar    | Jun    | Sept   | Dec   |        |        |
| GDP Growth <sup>(1)</sup>                               | 3.2%  | 3.1%  | 2.6%  | 2.0%  | -11.0% | 5.1%   | 6.9%   | 7.8%   | 4.8%   | 2.7%  | 5.5%   | 1.4%   |
| Inflation Rate <sup>(2)</sup>                           | -0.2% | 2.0%  | 1.7%  | 0.7%  | -0.3%  | 3.1%   | 7.9%   | 9.1%   | 10.1%  | 6.6%  | 8.4%   | 4.9%   |
| Treasury Bonds Interest Rates (10 years) <sup>(3)</sup> | 1.4%  | 1.5%  | 1.4%  | 0.5%  | 0.1%   | 0.6%   | 1.5%   | 2.5%   | 3.3%   | 3.6%  | 3.6%   | n/a    |
| Unemployment Rate <sup>(4)</sup>                        | 19.6% | 17.2% | 15.3% | 14.1% | 16.1%  | 14.8%  | 13.2%  | 12.7%  | 12.7%  | 13.0% | 12.9%  | n/a    |
| Current Account Balance <sup>(1)</sup>                  | 2.0%  | 1.8%  | 1.9%  | 2.1%  | 0.8%   | 0.9%   | 0.9%   | 0.7%   | 0.4%   | n/a   | n/a    | n/a    |
| Budget Deficit <sup>(1)</sup>                           | -4.5% | -3.1% | -2.5% | -2.8% | -11.0% | -6.9%  | -0.4%  | -2.3%  | -1.7%  | n/a   | -4.5%  | -3.9%  |
| Public Debt <sup>(4)</sup>                              | 99.0% | 98.3% | 97.1% | 95.5% | 120.0% | 118.4% | 117.4% | 115.8% | 115.4% | n/a   | 115.0% | 115.1% |

Sources: OECD, Bank of Spain, IMF

Notes:

(1) Quarterly amounts correspond to the monthly average for the quarter and annual amounts correspond to the average of the quarters;

(2) The year-on-year quarterly rate of change; (3) Spot rate of the last day of each quarter; (4) Accumulated at the end of each quarter as % of GDP

## **2. ANALYSIS BY SECTOR**

### **2.1. THE ROAD FREIGHT TRANSPORT AND LOGISTICS SECTOR**

#### **2.1.1. PORTUGAL**

According to DBK, the business of supplying Road Freight Transport services in Portugal grew 11.3% in 2022 to reach a total of 3.45 billion euros, a substantial increase of more than 10% compared with the pre-pandemic period of 2019. This increase seen in 2022 is related to the rise in inflation that led to a significant increase in costs and a consequential repercussion in the price of transport services rendered. Outsourcing of logistics services totalled 670 million euros in 2021 and also increased in 2022 due to the overall increase in prices.

According to Eurostat, the amount of tonnage of goods transported in Portugal for all types of transport increased 9.3% in 2021 (last available year), thereby recovering from the drop seen in 2020 because of COVID-19. We do not expect the increase in tonnage for 2022 to have been significant.

Road transport continues to be the most common form of freight transport in the country, accounting for 61% of transported tonnage. After the drop seen between 2009 and 2013, during which road transport fell from 80% of transported tonnage to close to 60%, the relative weight of road transport of freight in relation to other transport methods, has stabilised. In 2021, maritime transport fell slightly to 35% of transported tonnage. Rail transport continues to account for only 4.0% of transported tonnage and air transport accounts for a residual amount, which nevertheless increased 31% in 2021.

As of yet, there are no data available regarding trends in financial indicators for 2022 for Road Freight Transport and Logistics companies in Portugal, nevertheless we expect a fresh increase in turnover due to the 2022 inflation rate with a knock-on effect with respect to increases in the prices of transport services. As regards 2021 data, the last year with available data, the corporate landscape continues to be significantly fragmented, although with a greater tendency toward consolidation. In terms of corporate concentration, the five largest companies in the Road Freight Transport and Logistics sector in Portugal account for 20%-25% of total market turnover.

Focusing on the 60 largest companies in the Road Freight Transport and Logistics market, we can see that their turnover grew 10.6% in 2021 and it is likely to increase once again in 2022 due to the overall increase in prices.

Notwithstanding the increase in turnover, sector margins fell in 2021, with the 60 largest companies recording an average operating margin (EBIT) of 3.6% of turnover (in 2020 it was 4.1%). This drop in profitability interrupted a profitability recovery cycle in the sector which had been taking place over the past years.

Turnover is expected to continue to rise in 2023 due to continued inflationary pressure on costs and also due to stabilisation in current profitability. However, the sector is facing challenges and opportunities from the point of view of technological and energy innovation, which should lead to increased investment and a corresponding increase in debt levels, while also seeing a greater tendency toward consolidation in the sector. We will need to wait in order to understand the role that is to be played by European Union aid with regard to the modernisation required in the sector.

#### **2.1.2. SPAIN**

According to DBK, the business of supplying Road Freight Transport services in Spain grew 8.1% in 2021 to reach a total of 16.8 billion euros and is now some 6% above the pre-pandemic numbers of 2019. This increase seen in 2022 is related to the rise in inflation that led to a significant increase in costs and a consequential repercussion in the price of transport services rendered. Outsourcing of logistics services totalled 5.2 million euros in 2021 and also increased in 2022 due to inflationary pressure.

According to Eurostat, the amount of tonnage of goods transported in Spain for all types of transport increased 9.4% in 2021 (last available year), thereby recovering from the drop seen in 2020 because of COVID-19.

Road transport continues to be the most common form of freight transport in the country (76% of transported tonnage). Maritime transport, which had continued to grow up until 2014, once again dropped for the seventh consecutive year, accounting for 22.4% of transported tonnage (in 2004 it accounted for 16%). Rail transport continues to account for only 1.2% of transported tonnage.



As of yet, there are no data available regarding trends in financial indicators for 2022 for Road Freight Transport and Logistics companies in Spain, nevertheless we expect a fresh increase in sales, similarly to what occurred in 2021, but this time, as a result the inflation rate of 2022 and a knock-on effect with respect to increases in the prices of transport services. As regards 2021 data, the last year with available data, the corporate landscape continues to be significantly fragmented, although with a growing tendency toward consolidation. In terms of corporate concentration, the five largest companies in the Road Freight Transport and Logistics sector in Spain account for less than 20% of total market turnover.

Focusing on the 60 largest companies in the Road Freight Transport and Logistics market, we can see that their turnover grew 8.0% in 2021 and it is likely to increase once again in 2022.

The increase in turnover in Spain was accompanied by some recovery in profitability in 2021, with the 60 largest companies recording an average operating margin (EBIT) of 4.2% of turnover (in 2020 it was 3.7%).

Turnover is expected to continue to rise in 2023 due to continued inflationary pressure on costs and due to stabilisation in current profitability. However, the sector is facing challenges and opportunities from the point of view of technological and energy innovation, which should lead to increased investment and a corresponding increase in debt levels, while also seeing a greater tendency toward consolidation in the sector. We will need to wait in order to understand the role that is to be played by European Union aid with regard to the modernisation required in the sector.

### 2.1.3. CUSTOMS LOGISTICS

Customs logistics consists mainly of supply warehousing services in customs warehouses or export warehouses, consolidating and deconsolidating containers, transport services during collection and delivery of containers, and consulting and advisory services during the entire goods import and export process from and outside of the European Union.

Customs warehouses are instruments that facilitate and add flexibility to the customs procedures, and can essentially be classified as public or private, the public being usable by any private entity for warehousing third party goods, while the private ones can only be used by the depositary for that same purpose.

Following the recovery experienced in 2021, reversing the impact of the COVID-19 epidemic of 2020, the customs logistics business saw new growth, now due to the general increase in prices. Exports increased 23.4% in 2022, compared with 2021. Exports increased at a higher rate to extra-EU countries (28% vs. 22%). Exports to the European Union account for 70.5% of total exports. Among European Union countries, the main destinations for exports are Spain (26.1%), France (12.4%) and Germany (10.9%). Imports also saw a strong increase in 2022, namely 32.2%. Imports from EU countries reduced their relative weight to 69.4%. Spain accounts for 32.1% of total imports, Germany 11.2% and France 6.1%.

The most recent data (January-October 2022) from AMT point to a year-on-year increase of 0.5% in the volume of transported tonnage in the ports of mainland Portugal. The main increases were seen in the ports of Lisbon and Figueira da Foz, respectively increasing 15.7% e 23.2%. However, the ports of Setúbal and Sines saw a drop of -5.8% and -3.0% respectively. In terms of goods, the largest increase took place with regard to agricultural products (12.9%), other solid bulk (19.0%) and coal (26.5%), while the largest decreases were in terms of container cargo (-4.0%), break bulk cargo (-2.8%) and ores (-9.3%). Container cargo continues to be the most transported cargo in Portuguese ports, accounting for 38.7% of tonnage.

The Container segment, which Espaçotrans is part of, thus saw a 4% reduction in 2022 (until October). Container cargo is concentrated more in the ports of Sines (61%), influenced by transshipment, Leixões (21.5%) and Lisbon (11.7%). The drop seen in 2022 was due to a contraction in the Port of Sines (-4.4%) and Setúbal (-5.9%), while in Leixões and Lisbon container transport in terms of tonnes increased 1.9% and 7.8% respectively.

## 2.2. RENTAL, SALE AND MAINTENANCE OF HEAVY VEHICLES SECTOR

The freight transport and logistics operators sector, which is of great importance to the Company's business, seeing as it depends on this sector, is very fragmented and based on many small companies that exhibit economic and financial weaknesses.

The freight transport and logistics operators sector, which is of great importance to the Company's business, seeing as it depends on this sector, is very fragmented and based on approximately eight thousand companies, many of them exhibiting economic and financial weaknesses. Nevertheless and according to consultant DBK, the five largest companies account for 20% of business in this sector.

According to DBK, the business of supplying Road Freight Transport services in Portugal grew 11.3% in 2022 to a total of 3.45 billion euros, compared with the 3.1 billion recorded in 2021, a growth of 9.5%.

However, the sector continued to see pressures on the costs side due to the consequences of COVID-19 and more recently because of the Russia-Ukraine war. After the pandemic we saw a lack of raw materials (e.g., steel) and components for the automobile industry, which led to extension of delivery deadlines, combined with an increase in the price of vehicles, also aggravated by an increase in production costs ensuing from rising energy costs. However, the war produced a wave of inflation around the world, impacting vehicle production costs, ensuing from an increase in the price of oil and energy, and rising interest rates, the latter occurring as a means of curbing inflation.

**Annual Average of the Price of Automotive Diesel per Litre**



Sources:

Period 2009-2015: <https://www.pordata.pt> | Entities: DGEG/Mec, Pordata

Period 2016-2021 (average price of regular diesel): <http://www.precoscombustiveis.dgeg.pt>

In 2022, the number of registered heavy goods vehicles (trucks and tractors) was 4,095 units, compared with the 4,264 units registered in 2021, a drop of 4.0%. The semi-trailer segment saw a registration of 2,173 new vehicles in 2022, compared with 2,379 registered in the previous year, a drop of 8.7% (-206 new semi-trailers). Although there are no available statistical data, we believe the sale of used vehicles also declined, in line with the trend in heavy goods vehicles and new semi-trailers. Notwithstanding the drop in sales, in terms of units, turnover (measured in euros) may have increased following the increase in prices seen in the new and used vehicle market, which was surely, in many cases, above the inflation rate.

## Sales trend for heavy vehicles

Units

|                             | 2012   | 2013  | 2014  | 2015  | 2016  | 2017   | 2018  | 2019   | 2020   | 2021  | 2022   |
|-----------------------------|--------|-------|-------|-------|-------|--------|-------|--------|--------|-------|--------|
| Heavy Goods Vehicles        | 1,892  | 2,388 | 3,126 | 4,039 | 4,824 | 5,372  | 5,133 | 4,974  | 3,585  | 4,264 | 4,095  |
| <i>Change</i>               | -29.0% | 26.2% | 30.9% | 29.2% | 19.4% | 11.4%  | -4.4% | -3.1%  | -27.9% | 18.9% | -4.0%  |
| Trailers and Semi-trailers  | 844    | 1,189 | 1,889 | 2,295 | 3,018 | 2,575  | 2,740 | 2,056  | 1,782  | 2,379 | 2,173  |
| <i>Change</i>               | -33.8% | 40.9% | 58.9% | 21.5% | 31.5% | -14.7% | 6.4%  | -25.0% | -13.3% | 33.5% | -8.7%  |
| Trailers and Semi-trailers* | 1,163  | 1,594 | 2,457 | 3,099 | 3,836 | 3,418  | 3,620 | 3,087  | 2,856  | 3,709 | 3,285  |
| <i>Change</i>               | -36.6% | 37.1% | 54.1% | 26.1% | 23.8% | -10.9% | 5.9%  | -14.7% | -7.5%  | 29.9% | -11.4% |

\*New and Used Imported Vehicles

Source: ACAP and ARAN

<https://aran.pt/pt/publicacoes/estatisticas>

2022 was therefore a year in which the trend towards rising sales prices of new vehicles and long delivery deadlines continued. Consequentially, we noticed that small/medium-sized transport companies were more receptive to acquiring used vehicles in order to counter the rising prices of new vehicles and shortening delivery deadlines, as well as reducing the amount of their investment and debt, given the negative impact of rising interest rates.

The bus maintenance and repair segment is another sector in which the Group has been increasing its market share. This sector, because of the pandemic, was severely affected in 2020-2021, especially with respect to tourism related companies. As a result, many of them were forced to stop their fleet, disinvest and ended up facing economic and financial difficulties. Consequentially, the need for maintenance and repair services also fell drastically. However, as the economy got back to normal and tourism grew in 2022, this was of great help to the significant recovery of this sector, and consequentially to the increase in demand for maintenance and repair services for this type of vehicles.

To sum up, despite the limitations and uncertainties ensuing from the effects of the pandemic and the Russia-Ukraine war, we can affirm that economic growth positively influenced expansion of Reta business, taking into account the increase in maintenance and repair business, the increased importance of the used vehicle market and renting as an alternative to investing and immediate availability of vehicles. As regards new vehicles, Reta also showed a capacity to anticipate what is to come, always seeking to have vehicles available for immediate delivery, in order to counter the trend toward the long deadlines offered by most competitors.

### 2.3. INSURANCE MARKET

Trends in the national insurance sector reflect trends in the Portuguese economy, given that the purchase of personal or corporate insurance depends highly on growth of corporate activity in general and on the disposable income of families. In the case of Life Insurance, which includes Retirement Savings Plans and capitalisation products, their purchase also depends on the attractiveness of the interest rates employed in the financial markets.

Provisional data from the *Autoridade de Supervisão de Seguros e Fundos de Pensões* (ASF) (Insurance and Pension Funds Supervisory Authority) point to a 9.5% drop in the insurance market in comparison with 2021. However, the insurance market evolved differently in terms of the Life and Non-Life segments. The Life segment is expected to fall 21.8%, while Non-Life is expected to grow 7.4%.

The Life segment has proven to be very volatile over the years, trending either heavily upward or heavily downward. In 2022, according to provisional ASF numbers, the Life sector is expected to fall 21.8% as a result of the drop in Retirement Savings Plans (-2.5%) and especially due to capitalisation insurance products.

#### Trends in direct insurance production in Portugal by type of insurance

Millions of euros

|              | 2012   | 2013   | 2014   | 2015    | 2016    | 2017   | 2018   | 2019    | 2020    | 2021   | 2022**  |
|--------------|--------|--------|--------|---------|---------|--------|--------|---------|---------|--------|---------|
| Life         | 6,922  | 9,248  | 10,439 | 8,671   | 6,677   | 7,089  | 8,123  | 6,994   | 4,585   | 7,728  | 6,043   |
| Change       | -8.10% | 33.60% | 12.90% | -16.90% | -23.00% | 6.20%  | 14.60% | -13.90% | -34.40% | 68.50% | -21.80% |
| Non-Life     | 3,983  | 3,855  | 3,849  | 3,993   | 4,194   | 4,494  | 4,825  | 5,209   | 5,366   | 5,622  | 6,039   |
| Change       | -3.10% | -3.20% | -0.20% | 3.80%   | 5.00%   | 7.10%  | 7.40%  | 8.00%   | 3.00%   | 4.80%  | 7.40%   |
| Total Market | 10,905 | 13,104 | 14,288 | 12,664  | 10,872  | 11,582 | 12,948 | 12,203  | 9,951   | 13,350 | 12,082  |
| Change       | -6.40% | 20.20% | 9.00%  | -11.40% | -14.20% | 6.50%  | 11.80% | -5.80%  | -18.50% | 34.20% | -9.50%  |

\*\* Provisional amounts

Source: ASF

In the Life segment, which is the preferred business area of Diagonal and of most brokers, the market trended favourably and is expected to grow 7.4% in 2022 over the previous year, thus recording the highest value of premiums ever. The Non-Life market is known for its stability, showing constant and consistent growth since 2015, between 3.0% and 8.0%, which is a hugely important factor for the sector and for Diagonal.

Growth of Non-Life in 2022 was spurred by growth in most of the categories that make up Non-Life. Those that grew the most and have a relevant weight in the Non-Life segment were Accident and Illness (+9.3%), Fire and Other (+7.4%), General Civil Liability (+10.4%) and Various (+14.1%). The Automobile category, which represents 32.6% of Non-Life insurance, grew only 3.8% and lost 1.1% of its weight in this segment.

There were no relevant transactions that took place in the insurance sector with regard to acquisitions. Nevertheless, we highlight the merger that took place through the integration of Ocidental Seguros into Ageas Seguros, and increased commercial aggressiveness on the part of Una Seguros (acquired in 2017 by Chinese group Tianying), propelling growth and increased market share for this insurance company in relation to its competition.

The insurance distribution segment (brokerage), which according to ASF numbers for 2021, operates in a highly fragmented market that consists of 16,490 individual or corporate brokers (including brokers from other countries who operate within an establishment framework or within a freedom to provide services framework), but with a tendency toward a progressive reduction (-5 693 agents in 2021 compared with 2020). Part of this reduction is due to the requirements imposed by the new insurance brokerage legislation and the increased trend toward aggregation of brokers (integration, acquisition and merger).

In the past years, the brokerage market has been very active through the acquisition of various brokers and agents by others, some related to international transactions. However, we are witnessing a growing tendency toward developing networks of agents, due to the strategy adopted by most insurance companies (reduction in the number of small agents) in order to withstand the pressure from brokers on other brokers because of the need for growth, and by establishing partnerships as a means of withstanding competition in the sector.

In 2023, we believe that the Non-Life segment will continue to grow at a rate that is similar to that of the past two years, taking into account the forecast for continued economic growth pointed out in the previous point, together with rising inflation. As regards the Life segment, we expect that insurance companies will launch financial insurance with income and principal guarantee, thus seeking to improve the competitiveness of current products as a means of attracting client savings. However, the continued war between Russia and Ukraine, high inflation, rising interest rates (already at high levels), instability in the price of energy products (oil, gas and electricity) and declining purchasing power introduce a high degree of uncertainty with respect to economic, financial, social and political trends in Europe, including Portugal.



### 3. DESCRIPTION OF THE BUSINESS

#### 3.1. THE LUÍS SIMÕES GROUP

The business of LS - Luís Simões, SGPS, S.A. (LS-SGPS together with its subsidiaries Luís Simões) was established in 1948, initially supplying transport services mainly for agricultural products and construction materials. In 1968 the company Transportes Luís Simões, Lda. was established in Loures.

In the 1970s the company specialised further in the construction materials transport business segment and expanded its geographic area of operation to Porto.

The 1980s saw the company invest in the training of its management team and it diversified to include road transport of freight from other business sectors, especially consumer products, significantly reducing its presence in the transport of agricultural products and construction materials. In 1986 Luis Simões expanded its services to Spain and in 1989 it diversified its businesses, establishing a vehicle maintenance company for maintaining heavy vehicles and an insurance brokerage company.

The following decade it recorded exponential growth upon establishing the company Distribuição Luís Simões, S.A. in 1990, a company that supplies logistics services, and a company in Spain headquartered in Madrid. In 1991 it established Reta - Serviços Técnicos e Rent-A-Cargo, S.A. (Reta), a company that sells and rents heavy vehicles and which also currently includes the activity of maintaining and repairing heavy vehicles, and LS - Gestão Empresarial e Imobiliária, S.A. ("LSG"), whose initial business purpose was management of Luís Simões real estate assets, but gradually began to include support services for operations businesses. In 1993 Luís Simões expanded its activity to Spain when it opened a delegation in Barcelona and in the following year in Seville. In 1995 the company

inaugurated its Vila Nova de Gaia facilities and in 1997 it inaugurated its first warehouse in Carregado with an area greater than 30 000 m<sup>2</sup>.

In 2001 it acquired a logistics company in Spain. In 2002 it entered into the positive cold logistics business in Portugal. In 2004 it merged the two companies it held in Spain and created Luís Simões Logística Integrada, S.A. 2008 was marked by the inauguration of the automated warehouse in Carregado with an area of over 20 000 m<sup>2</sup> and a warehousing capacity of over 50,000 pallettes, which today continues to be a leader in the business on an Iberian scale, due to its implementation of innovation with respect to automation and processes.

In 2010 the road freight transport and logistics companies in Portugal were merged and gave way to Luís Simões Logística Integrada, S.A.. Between 2013 and 2014 Luís Simões acquired Diagonal - Corretores de Seguros, S.A. and Espaçotrans - Gestão de Entrepósitos Aduaneiros, Lda. in those respective years, their main business activity being customs logistics via management of customs warehouses and export warehouses. 2015 saw the inauguration of the new Leixões Logistics Operations Centre, which because of its proximity to the Port of Leixões, helps illustrate Luís Simões commitment to the import and export business, which is so vital to the Portuguese economy. Also in 2015, it undertook renovation of the Gaia logistics Operations Centre. In 2017 it began its operations at the new Centre in Cabanillas del Campo, which brings together the business activity that until then had been spread out among four smaller warehouses around Madrid, incorporating differentiating factors and automating the process of preparing and shipping goods.

During the first quarter of 2021 Luís Simões began its operations at the largest and most modern Logistics Centre in Guadalajara with an area of 89,000 m<sup>2</sup> and a capacity for 178,000 pallettes, consisting of two conventional warehouses that began operating in 2020 and an automated warehouse that began operating in

2021, which service important Clients in the Consumer Packaged Goods business area with long term relationships.

In the road freight transport and logistics sector, Luís Simões currently manages a certified fleet of approximately 1,621 trucks, which includes the first time use of Gigaliners in Portugal and Spain, while in the logistics sector a warehouse space with a warehousing area of approximately 350,000 m<sup>2</sup>, has helped give Luís Simões the status of integrated logistics operator with complete coverage of the Iberian Peninsula, with over 125 million kilometres travelled per year and 1,445 distribution routes per day.

## ECONOMIC AND FINANCIAL ANALYSIS

## ECONOMIC AND FINANCIAL INDICATORS

## LS-LUÍS SIMÕES, SGPS, S.A. (CONSOLIDATED)

|   | 2022               | 2021               | 2020               |
|---|--------------------|--------------------|--------------------|
| <b>Turnover</b>   | <b>269,277,852</b> | <b>241,826,146</b> | <b>226,438,305</b> |
| Sale of Goods   | 7,210,659          | 5,561,491          | 4,910,341          |
| Supply of services  | 262,067,193        | 239,332,421        | 221,527,964        |
| % Growth (Turnover.)  | 11.4%              | 6.8%               | (7.6%)             |
| <b>EBITDA</b>   | <b>20,024,100</b>  | <b>17,377,325</b>  | <b>18,629,844</b>  |
| % Turnover  | 7.4%               | 7.2%               | 8.2%               |
| <b>EBIT</b>   | <b>8,836,226</b>   | <b>7,081,129</b>   | <b>9,161,766</b>   |
| % Turnover  | 3.3%               | 2.9%               | 4.0%               |
| <b>EBT</b>  | <b>7,407,882</b>   | <b>5,972,850</b>   | <b>8,276,272</b>   |
| % Turnover  | 2.8%               | 2.5%               | 3.7%               |
| <b>Net income (1)</b>                                       | <b>6,929,951</b>   | <b>4,480,086</b>   | <b>6,245,845</b>   |
| % Turnover  | 2.6%               | 1.9%               | 2.8%               |
| <b>Total assets</b>   | <b>173,125,527</b> | <b>160,233,122</b> | <b>173,022,917</b> |
| <b>Equity</b>   | <b>55,501,582</b>  | <b>52,182,048</b>  | <b>48,858,499</b>  |
| <b>Net financial debt (2)</b>                               | <b>35,209,078</b>  | <b>27,618,883</b>  | <b>34,941,706</b>  |
| Net debt/EBITDA   | 1.8 x              | 1.6 x              | 1.9 x              |
| <b>Net financial debt (including loans to shareholders)</b> | <b>49,852,805</b>  | <b>41,282,610</b>  | <b>48,605,433</b>  |
| Net debt/EBITDA   | 2.5 x              | 2.4 x              | 2.6 x              |

(1) Excludes minority interests;

(2) Includes bank loans and suppliers of fixed assets, deducted by cash and equivalents;

In 2022 Luis Simões recorded a consolidated turnover of 269 million euros, an 11.4% rise over 2021.

In 2022 Luís Simões recorded EBIT of 8.8 million euros, as a result of the excellent recovery in the operating income of the various Group Companies.

Luís Simões undertook structural investments in Logistics in cycles of 10 years: conventional warehouse with an area of 30 thousand m<sup>2</sup> in 1997 and an automated warehouse with a capacity for 55 thousand palettes in 2008, both in Carregado; Warehouses in the New Centre of Cabanillas and Guadalajara within the 2017-2019 period. While in the past, investments in 1997 and 2008 spurred growth and market dominance by Luís Simões in Portugal, during the next decades we believe that the new investments in modern and innovative logistics platforms in the Madrid region will put Luís Simões logistics in the lead of the consumer packaged goods logistics market in Spain during the next decade.

LSLI Portugal and LSLI Spain, which include Transport and Logistics businesses (except for Espaçotrans), recorded excellent results, among which we highlight the reversal of the negative results of LSLI Spain, which in 2022 recorded Net income for the year in the amount of 2.2. million euros (up 3.9 million euros over 2021).

At Reta, 2022 will be marked by the recovery of sales in comparison with the 2019-2021 three year period. During the year under review sales grew 31.3% over the previous year. The growth of the Portuguese economy and the recovery of business activity in the sectors that pertain to Reta clients, following the turbulent period of the pandemic (COVID-19), together with the commercial dynamic of our teams, along with existing operational capacity, helped boost company sales.

Simultaneously, the company was able to improve its EBITDA and net income in comparison with the previous year, having surpassed the goals it had set for 2022.

In real estate we highlight investment undertaken by Patrimundus involving acquisition of the Gaia Technical Assistance Centre.

In 2022, Espaçotrans, specialised in customs logistics, saw sales growth of 9.1% and recorded EBITDA of 745 thousand euros, which corresponds to an excellent return on sales of 15.1%.

Diagonal saw commissions total 2.2 million euros in 2022, posting an EBITDA of 750 thousand euros, continuing the growth trend begun in previous years, based on very dynamic sales activity that was instrumental in maintaining current Clients and acquiring new ones.

#### 4. OUTLOOK FOR 2023

##### 4.1. TRANSPORT AND LOGISTICS ACTIVITIES:

Main initiatives to highlight for 2023:

- Consolidation and reduction of the PMR with clients via new agreements and detailed follow-up of the clients' current conditions;
- The main focus for 2023 will be to increase turnover and income, improve the profitability of current operations and conclude new business opportunities and new operations with current clients. Customer service will continue to be the cornerstone of our growth.
- Maintain the profitability of logistics operations through efficient use of resources, while also improving implemented processes. Continued focus on customer service levels;
- Introduction of new operations with Gigaliners in the national and Iberian distribution business, making the routes more efficient and profitable;
- Focus on growth in the Iberian transport operation;
- Opening of new logistics operations centres in Azambuja, Algarve and Barcelona; and
- Continued investment in innovation and digitalisation projects that add value to our clients and help us improve processes internally, in order to continue to increase our profitability. These are transversal projects that will have a direct impact on all of the Group's businesses.

##### 4.2. CUSTOMS LOGISTICS ACTIVITY

Main initiatives to highlight for 2023:

- Adapt the business to the panorama of uncertainty internationally;
- Create loyalty among current clients and obtain new business in order to offset any drop in consumption;
- Optimisation of internal costs to cover the impact of inflation;
- Exploit new BCP (Border Control Post) license. Only three warehouses will have such a status issued by DGAV. Lusocargo (freight forwarding company) with the Customs Office of Freixieiro and Espaçotrans with the Customs Offices of Alverca and Leixões;

##### 4.3. RENTAL, SALE AND MAINTENANCE OF HEAVY VEHICLES ACTIVITIES

Initiatives to highlight for 2023:

- Continue to implement the strategy as a reinforcement of our position in our preferential markets, where we are leaders or have a relevant position;
- Continue to develop the business in our more recent markets;
- Be mindful of innovations and technological trends, in order to adapt to market requirements in a timely manner;
- Continue to innovate and format products and services that correspond to client needs;
- Keep an eye out for any opportunities that may arise, with the aim of growing the business and adding value to the organisation; and
- Continually investing in human resources, through training and reinforcement of the operations and business support team, which is so indispensable to the organisation's forecasted growth.



#### 4.4. INSURANCE BROKERAGE ACTIVITIES

In 2023 we expect continued and sustained growth of the company's business, despite the uncertainty caused by the Russia-Ukraine conflict, high inflation and rising interest rates.

The group also intends to invest in new technological tools with the aim of updating its information systems, increasing productivity and improving the quality of service supplied to agents and clients.

#### 4.5. REAL ESTATE ACTIVITY

Initiatives to highlight for 2023:

- Continue to work to support the various Group companies with respect to new installations for developing the activities in the regions where they have been implemented;
- Active participation in the Block Plan of the Azambuja Urban Front that permits development of the projects planned for the location;
- Development of management and maintenance at own centres and those rented via the IT tool;
- Audits and inspections of installations/spaces for developing the activities of the Group companies.

#### 4.6. CORPORATE SUPPORT ACTIVITIES

Initiatives to highlight for 2023:

- Continued investment in innovation and digitalisation projects that add value to our clients and help us improve processes internally, in order to continue to improve profitability. These are transversal projects that will have a direct impact on all of the Group's businesses.
- Implementation of the digitalisation strategy (paperless process) of the various processes;
- "Go live" of the new Financial ERP.

## 5. RISK MANAGEMENT POLICY

As part of the strategic plan of the Grupo Luís Simões companies and in line with good national and international practices, the Compliance and Risk Management area is responsible for compliance with the Luís Simões Risk Management Policy, which establishes its own methodology that ensures knowledge of and assessment of the risks faced by Grupo LS, and it is also responsible for determining the need for effectively responding to those same risks.

In 2022 we highlight the positive measures implemented in view of a) Mitigating the risk of the existence of conflicts of interest in the subcontracting of transport services; b) Ensuring legal compliance with the European Directive on whistleblowing; c) Increasing control and agility in the process of signing contracts with suppliers, by using digital signatures; d) Updating the Luís Simões solution in terms of tools for relating between internal and external entities and production of general documents via implementation of Office 365; e) Mitigating the risk of undue access to LS applications and systems by defining and controlling accesses via different functional profiles.

In 2022 the underlying risk of the constant legislative changes was brought under control, as shown by the results obtained following the Legal Compliance Audits. In order to keep this risk under supervision, Grupo LS has been working with an external partnership that provides legislative changes alerts, with an impact on support and business areas and on the various geographical locations where they operate.

For 2022 we also highlight the audit undertaken with respect to the Transport services subcontracting process, in the areas of Logistics and Transport, which gave us an update regarding the status of the process, identifying potential associated risks and increasing supervision necessary to keep the process under control.

The management of financial risk, including credit risks, interest rate risks and treasury risks, is the responsibility of Corporate Finance Department, which implements action plans that seek to mitigate these risks.

The Compliance and Risk Management Department monitors the efficacy of the actions that are implemented and also prepares and submits a half-yearly report to the Board of Directors that includes:

- a) The state of implementation of the annual Compliance Programme, which includes all initiatives to mitigate relevant risk;
- b) The result of the Internal Process Audits that seek to verify compliance of the processes and the efficacy of controls; and
- c) Compliance incidents, which include the points in which the processes and controls failed and in which an incident occurred that was contrary to LS interests.

## 6. BOARDS AND COMMITTEES

### Board of Directors

|                                |                               |
|--------------------------------|-------------------------------|
| José Luís Soares Simões        | Chairperson/Managing Director |
| Leonel Fernando Soares Simões  | Member                        |
| Jorge Manuel Soares Simões     | Member                        |
| Fernanda Maria Oliveira Simões | Member                        |
| Daniela Alexandra Lopes Simões | Member                        |
| Rui Miguel Marcos Simões       | Member                        |
| Miguel Roquette Rocha Martins  | Member                        |

### Committee of the General Meeting

|                                     |             |
|-------------------------------------|-------------|
| Clara Maria Campos Monteiro Ribeiro | Chairperson |
| Isabel Maria Blazquez Pereira Silva | Secretary   |

### Single Auditor

|                                      |           |
|--------------------------------------|-----------|
| Deloitte & Associados, SROC S.A.     | Permanent |
| João Carlos Henriques Gomes Ferreira | Alternate |

Moninhos, 31 March, 2023.

| Management:                             | Signature |
|---|-----------|
| José Luís Soares Simões - Chairperson   |           |
| Leonel Fernando Soares Simões - Member  |           |
| Jorge Manuel Soares Simões - Member     |           |
| Fernanda Maria Oliveira Simões - Member |           |
| Daniela Alexandra Lopes Simões - Member |           |
| Rui Miguel Marcos Simões - Member       |           |
| Miguel Roquette Rocha Martins - Member  |           |

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED BALANCE SHEET

Translation of the statement of balance sheet originally issued in Portuguese

LS-LUÍS SIMÕES, SGPS, S.A. (CONSOLIDATED)

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2022 AND 2021

| ITEMS                               | NOTES      | DATES          |                |
|-------------------------------------|------------|----------------|----------------|
|                                     |            | 31/12/2022     | 31/12/2021     |
| <b>ASSETS:</b>                      |            |                |                |
| <b>NON-CURRENT ASSETS</b>           |            |                |                |
| Tangible fixed assets               | 8          | 84,692,299.77  | 82,503,534.59  |
| Investment properties               | 10         | 818,839.37     | 1,015,466.35   |
| Intangible assets                   | 7          | 1,803,927.31   | 2,133,375.66   |
| Other financial investments         | 18.1       | 1,109,494.20   | 737,584.58     |
| Receivables                         | 18.1       | 7,222,677.72   | 7,030,239.64   |
| Deferred tax assets                 | 17         | 2,985,992.76   | 2,267,017.95   |
|                                     |            | 98,633,231.13  | 95,687,218.77  |
| <b>CURRENT ASSETS</b>               |            |                |                |
| Inventory                           | 11         | 1,497,719.98   | 1,884,485.33   |
| Clients                             | 18.1       | 59,963,179.20  | 52,662,591.84  |
| State and other public entities     | 21.4       | 2,308,069.81   | 1,391,672.20   |
| Other receivables                   | 18.1       | 5,427,931.42   | 4,180,490.19   |
| Deferrals                           | 21.1       | 1,478,838.73   | 1,425,840.53   |
| Cash and bank deposits              | 4 and 18.1 | 3,816,557.02   | 3,000,823.57   |
|                                     |            | 74,492,296.16  | 64,545,903.66  |
| <b>Total assets</b>                 |            | 173,125,527.29 | 160,233,122.43 |
| <b>EQUITY AND LIABILITIES</b>       |            |                |                |
| <b>EQUITY</b>                       |            |                |                |
| Subscribed capital                  | 18.4       | 30,000,000.00  | 30,000,000.00  |
| Legal reserve                       | 21.2       | 861,136.83     | 638,059.75     |
| Other reserves                      | 21.2       | 4,129,237.21   | 4,110,692.37   |
| Unappropriated earnings             | 21.2       | 9,734,392.24   | 8,842,083.90   |
| Adjustments/other changes in equity | 21.2       | 3,540,021.28   | 3,804,906.04   |
|                                     |            | 48,264,787.56  | 47,395,742.06  |
| Net income for the period           |            | 6,929,950.95   | 4,480,086.49   |
| Non-controlling interests           | 21.3       | 306,843.66     | 306,219.49     |
| <b>Total equity</b>                 |            | 55,501,582.17  | 52,182,048.04  |
| <b>LIABILITIES:</b>                 |            |                |                |
| <b>NON-CURRENT LIABILITIES</b>      |            |                |                |
| Provisions                          | 13         | 327,395.22     | 448,939.51     |
| Financing obtained                  | 18.2       | 37,800,569.42  | 37,024,219.31  |
| Deferred tax liabilities            | 17         | 1,988,051.00   | 2,213,219.91   |
| Other payables                      | 18.2       | 7,213,241.00   | 7,944,934.69   |
|                                     |            | 47,329,256.64  | 47,631,313.42  |
| <b>CURRENT LIABILITIES</b>          |            |                |                |
| Suppliers                           | 18.2       | 31,655,403.08  | 32,603,034.45  |
| State and other public entities     | 21.4       | 6,139,162.16   | 4,148,261.02   |
| Financing obtained                  | 18.2       | 15,823,792.48  | 6,988,858.05   |
| Other payables                      | 18.2       | 16,225,298.62  | 16,270,698.11  |
| Deferrals                           | 21.1       | 451,032.14     | 408,909.34     |
|                                     |            | 70,294,688.48  | 60,419,760.97  |
| <b>Total liabilities</b>            |            | 117,623,945.12 | 108,051,074.39 |
| <b>Total equity and liabilities</b> |            | 173,125,527.29 | 160,233,122.43 |

The notes to the accounts are an integral part of these consolidated financial statements.

| The Certified Accountant:               | Signature |
|---|-----------|
| Vitor José Caetano de Sousa             |           |
| <b>Management:</b>                      |           |
| José Luís Soares Simões - Chairperson   |           |
| Leonel Fernando Soares Simões - Member  |           |
| Jorge Manuel Soares Simões - Member     |           |
| Fernanda Maria Oliveira Simões - Member |           |
| Daniela Alexandra Lopes Simões - Member |           |
| Rui Miguel Marcos Simões - Member       |           |
| Miguel Roquette Rocha Martins - Member  |           |

## CONSOLIDATED FINANCIAL STATEMENTS OF PROFIT OR LOSS

Translation of the statement of profit or loss originally issued in Portuguese

LS-LUÍS SIMÕES, SGPS, S.A. (CONSOLIDATED)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

PERIODS ENDED AT 31 DECEMBER 2022 AND 2021

| ITEMS   | NOTES | PERIODS              |                      |
|---|-------|----------------------|----------------------|
|   |       | 2022                 | 2021                 |
| Sales and services rendered   | 12    | 269,277,852.34       | 241,826,146.13       |
| Operating subsidies   | 14    | 1,507,701.33         | 250,044.57           |
| Own works   | 21.5  | 233,357.82           | 116,647.67           |
| Purchases of goods for resale   | 11    | (9,864,676.45)       | (8,418,717.05)       |
| External supplies and services  | 21.6  | (171,055,305.75)     | (152,167,837.26)     |
| Personnel costs and employee benefits                                 | 19    | (73,229,899.67)      | (67,098,277.75)      |
| Inventory impairment (losses/ reversals)                              | 11    | (47,740.57)          | (103,308.99)         |
| Impairment on receivables (losses/reversals)                          | 18.1  | 18,015.91            | 82,668.96            |
| Provisions (increases/reductions)                                     | 13    | (34,626.98)          | (17,904.17)          |
| Other income  | 21.7  | 4,985,807.48         | 4,610,005.77         |
| Other costs   | 21.8  | (1,766,385.18)       | (1,702,142.46)       |
| <b>Earnings before interest, taxes, depreciation and amortisation</b> |       | <b>20,024,100.28</b> | <b>17,377,325.42</b> |
| Costs/reversals of depreciation and amortisation                      | 21.9  | (11,190,582.56)      | (10,203,330.88)      |
| Impairment on depreciable/amortisable investments (losses/reversals)  | 10    | 2,708.62             | (92,865.22)          |
| <b>Operating income (before interest and taxes)</b>                   |       | <b>8,836,226.34</b>  | <b>7,081,129.32</b>  |
| Interest and similar costs paid                                       | 21.10 | (1,428,343.96)       | (1,108,279.58)       |
| <b>Income before taxes</b>  |       | <b>7,407,882.38</b>  | <b>5,972,849.74</b>  |
| Income tax for the period   | 17    | (330,426.93)         | (1,345,882.92)       |
| <b>Consolidated net income for the period</b>                         |       | <b>7,077,455.45</b>  | <b>4,626,966.82</b>  |
| <b>Net income for the period attributable to:</b>                     |       |                      |                      |
| Holders of parent company capital                                     |       | 6,929,950.95         | 4,480,086.49         |
| Non-controlling interests   | 21.3  | 147,504.50           | 146,880.33           |
| <b>Basic consolidated earnings per share</b>                          | 21.12 | <b>1.15</b>          | <b>0.75</b>          |

The notes to the accounts are an integral part of these consolidated financial statements.

| The Certified Accountant:               | Signature |
|---|-----------|
| Vítor José Caetano de Sousa             |           |
| Management:                             |           |
| José Luís Soares Simões - Chairperson   |           |
| Leonel Fernando Soares Simões - Member  |           |
| Jorge Manuel Soares Simões - Member     |           |
| Fernanda Maria Oliveira Simões - Member |           |
| Daniela Alexandra Lopes Simões - Member |           |
| Rui Miguel Marcos Simões - Member       |           |
| Miguel Roquette Rocha Martins - Member  |           |



## CONSOLIDATED CASH FLOW STATEMENTS

Translation of the statement of cash flow originally issued in Portuguese

**LS-LUIS SIMÕES, SGPS, S.A. (Consolidated)**

**CONSOLIDATED CASH FLOW STATEMENTS**

**PERIODS ENDED AT DECEMBER 31<sup>st</sup>, 2022 AND 2021**

| ITEMS  | NOTES | Periods               |                       |
|--|-------|-----------------------|-----------------------|
|  |       | 2022                  | 2021                  |
| <b><u>Cash flow from operating activities</u></b>      |       |                       |                       |
| Accounts receivable                                    |       | 335,646,564.52        | 295,975,504.05        |
| Payments and suppliers                                 |       | (229,397,253.65)      | (197,983,748.89)      |
| Staff payments   |       | (44,584,423.21)       | (42,338,998.80)       |
| Cash generated from operations                         |       | 61,664,887.66         | 55,652,756.36         |
| Payment/receipt of income tax                          |       | (1,669,329.33)        | (3,124,095.42)        |
| Other receipts/payments                                |       | (51,178,519.11)       | (39,304,805.86)       |
| Cash flow from operating activities (1)                |       | 8,817,039.22          | 13,223,855.08         |
| <b><u>Cash flow from investment activities</u></b>     |       |                       |                       |
| Payments pertaining to:                                |       |                       |                       |
| Tangible fixed assets                                  |       | (15,030,684.76)       | (7,508,062.44)        |
| Intangible assets                                      |       | (270,067.85)          | (228,861.81)          |
| Financial investments                                  |       | (325,000.00)          | (500,000.00)          |
| Receipts from:   |       |                       |                       |
| Tangible fixed assets                                  |       | 2,513,301.84          | 4,832,416.54          |
| Financial investments                                  |       | 8,171.75              | 7,562.83              |
| Other assets   |       | 300,000.00            | 70,500.00             |
| Cash flow from investment activities (2)               |       | (12,804,279.02)       | (3,326,444.88)        |
| <b><u>Cash flow from financing activities</u></b>      |       |                       |                       |
| Receipts from:   |       |                       |                       |
| Financing obtained                                     |       | 6,599,200.00          | 980,000.00            |
| Payments pertaining to:                                |       |                       |                       |
| Financing obtained                                     |       | (6,881,080.50)        | (18,063,648.42)       |
| Interest and similar costs                             |       | (1,268,475.13)        | (1,281,502.20)        |
| Dividends  |       | (3,451,910.07)        | (1,217,051.93)        |
| Cash flow from financing activities (3)                |       | (5,002,265.70)        | (19,582,202.55)       |
| <b>Change in cash and cash equivalents (1)+(2)+(3)</b> |       | <b>(8,989,505.50)</b> | <b>(9,684,792.35)</b> |
| Cash and cash equivalents at the start of the period   | 4     | 3,000,673.57          | 12,685,465.92         |
| Cash and cash equivalents at the end of the period     | 4     | (5,988,831.93)        | 3,000,673.57          |

The notes to the accounts are an integral part of these consolidated financial statements.

| The Certified Accountant:               | Signature |
|---|-----------|
| Vitor José Caetano de Sousa             |           |
| Management:                             |           |
| José Luís Soares Simões - Chairperson   |           |
| Leonel Fernando Soares Simões - Member  |           |
| Jorge Manuel Soares Simões - Member     |           |
| Fernanda Maria Oliveira Simões - Member |           |
| Daniela Alexandra Lopes Simões - Member |           |
| Rui Miguel Marcos Simões - Member       |           |
| Miguel Roquette Rocha Martins - Member  |           |

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Translation of the statement of Changes in Equity originally issued in Portuguese

LS-LUIS SIMÕES SGPS, S.A.  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 2021 PERIOD

|  |      | Equity attributed to holders of parent company capital |               |                |                         |                                 |                           | Non-controlling interests | Total equity               |
|--|------|--|---------------|----------------|-------------------------|---------------------------------|---------------------------|---------------------------|----------------------------|
|  | Note | Subscribed capital                                     | Legal reserve | Other reserves | Unappropriated earnings | Adjustments to financial assets | Net income for the period | Total                     |                            |
| Position at the start of the 2021 period         |      | 30,000,000.00  | 325,925.59    | 4,107,530.46   | 4,094,378.17            | 3,877,968.29                    | 6,245,845.00              | 48,651,647.51             | 206,851.27 48,858,498.78   |
| Changes during the period:                       |      |  |               |                |                         |                                 |                           |                           |                            |
| Other recognised changes in equity:              |      |  |               |                |                         |                                 |                           |                           |                            |
| Distribution of Income                           |      |  |               |                |                         |                                 |                           |                           |                            |
| Transfer to Reserves and Unappropriated earnings | 21.2 | -  | 312,134.16    | 3,161.91       | 4,747,705.73            | -                               | (5,063,001.80)            | -                         | -                          |
| Dividend distribution                            | 21.2 | -  | -             | -              | -                       | -                               | (1,182,843.20)            | (1,182,843.20)            | (47,512.11) (1,230,355.31) |
| Adjustments to financial assets                  |      | -  | -             | -              | -                       | (73,062.25)                     | -                         | (73,062.25)               | - (73,062.25)              |
|  |      | 30,000,000.00  | 638,059.75    | 4,110,692.37   | 8,842,083.90            | 3,804,906.04                    | -                         | 47,395,742.06             | 159,339.16 47,555,081.22   |
| Net income for the period                        |      |  |               |                |                         |                                 | 4,480,086.49              | 4,480,086.49              | 146,880.33 4,626,966.82    |
| Comprehensive income                             |      |  |               |                |                         |                                 | 4,480,086.49              | 4,480,086.49              | 146,880.33 4,626,966.82    |
| Position at the end of the 2021 period           |      | 30,000,000.00  | 638,059.75    | 4,110,692.37   | 8,842,083.90            | 3,804,906.04                    | 4,480,086.49              | 51,875,828.55             | 306,219.49 52,182,048.04   |

LS-LUIS SIMÕES SGPS, S.A.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 2022 PERIOD

Euros

|  |      | Equity attributed to holders of parent company capital |               |                |                         |                                 |                           | Non-controlling interests | Total equity |                |
|--|------|--|---------------|----------------|-------------------------|---------------------------------|---------------------------|---------------------------|--------------|----------------|
|  | Note | Subscribed capital                                     | Legal reserve | Other reserves | Unappropriated earnings | Adjustments to financial assets | Net income for the period | Total                     |              |                |
| Position at the start of the 2022 period         |      | 30,000,000.00  | 638,059.75    | 4,110,692.37   | 8,842,083.90            | 3,804,906.04                    | 4,480,086.49              | 51,875,828.55             | 306,219.49   | 52,182,048.04  |
| Changes during the period:                       |      |  |               |                |                         |                                 |                           |                           |              |                |
| Other recognised changes in equity:              |      |  |               |                |                         |                                 |                           |                           |              |                |
| Distribution of Income                           |      |  |               |                |                         |                                 |                           |                           |              |                |
| Transfer to Reserves and Unappropriated earnings | 21.2 | -  | 223,077.08    | 18,544.84      | 892,308.34              | -                               | (1,133,930.26)            | -                         | -            | -              |
| Dividend distribution                            | 21.2 | -  | -             | -              | -                       | -                               | (3,346,156.23)            | (3,346,156.23)            | (146,880.33) | (3,493,036.56) |
| Adjustments to financial assets                  |      | -  | -             | -              | -                       | (264,884.76)                    | -                         | (264,884.76)              | -            | (264,884.76)   |
|  |      | 30,000,000.00  | 861,136.83    | 4,129,237.21   | 9,734,392.24            | 3,540,021.28                    | -                         | 48,264,787.56             | 159,339.16   | 48,424,126.72  |
| Net income for the period                        |      |  |               |                |                         |                                 | 6,929,950.95              | 6,929,950.95              | 147,504.50   | 7,077,455.45   |
| Comprehensive income                             |      |  |               |                |                         |                                 | 6,929,950.95              | 6,929,950.95              | 147,504.50   | 7,077,455.45   |
| Position at the end of the 2022 period           |      | 30,000,000.00  | 861,136.83    | 4,129,237.21   | 9,734,392.24            | 3,540,021.28                    | 6,929,950.95              | 55,194,738.51             | 306,843.66   | 55,501,582.17  |

The notes to the accounts are an integral part of these consolidated financial statements.

|   |                  |
|---|------------------|
| <b>The Certified Accountant:</b>        | <b>Signature</b> |
| Vitor José Caetano de Sousa             |                  |
| <b>Management:</b>                      |                  |
| José Luís Soares Simões - Chairperson   |                  |
| Leonel Fernando Soares Simões - Member  |                  |
| Jorge Manuel Soares Simões - Member     |                  |
| Fernanda Maria Oliveira Simões - Member |                  |
| Daniela Alexandra Lopes Simões - Member |                  |
| Rui Miguel Marcos Simões - Member       |                  |
| Miguel Roquette Rocha Martins - Member  |                  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts expressed in euros)

Translation of notes originally issued in Portuguese

**1. COMPANY INFORMATION**

Grupo Luís Simões (“Group”) consists of LS - Luís Simões, SGPS, S.A. and its subsidiaries (Note 6.1).

LS - Luís Simões, SGPS, S.A. (“Company”), public limited company with head office in Moninhos, Loures, was established on 5 August 1996 and its business purpose is the management of capital holdings in other companies as an indirect form of performing economic activities.

The Company’s headquarters is located at Rua Fernando Namora in Moninhos, municipality of Loures.

The Group operates in the following business areas:

- 1- The road freight transport business, which accounts for some 36% of Group turnover, leads the national transport market and the road transport market on the Iberian Peninsula.
- 2- The logistics business, which accounts for some 58% of Group turnover, is the leader in Logistics and Distribution of consumer packaged goods in Portugal, supplying integrated transport services, warehousing, shipment preparation, inventory control and distribution, in addition to other added value services. In Spain, this business activity is also specialised in Logistics and Distribution of consumer packaged goods.
- 3- The other business activities that account for some 6% of overall Group sales work toward two essential goals: support the Group’s main business activities and develop independent businesses in their specific markets.

The parent company goes by the name of LS - Luís Simões, SGPS, S.A..

The Company is held by the entities described in the following table:

| Shareholders                      | No. of shares held | % Voting Power | % Stake |
|-----------------------------------|--------------------|----------------|---------|
| Leonel Simões & Filhas, SGPS,S.A. | 1,999,700          | 33.33%         | 33.33%  |
| Varanda do Vale, SGPS, S.A.       | 1,999,700          | 33.33%         | 33.33%  |
| Mira Serra, SGPS, S.A.            | 1,999,700          | 33.33%         | 33.33%  |
| José Luís Simões                  | 300                | 0.01%          | 0.01%   |
| Leonel Fernando Simões            | 300                | 0.01%          | 0.01%   |
| Jorge Manuel Simões               | 300                | 0.01%          | 0.01%   |
|                                   | 6,000,000          | 100.00%        | 100.00% |

These consolidated financial statements were approved by the Board of Directors at the meeting held on 31 March 2023. The Board of Directors is of the opinion that these consolidated financial statements truly and appropriately reflect the Group's operations, along with its consolidated financial position, financial performance and consolidated cash flows.

These consolidated financial statements shall be submitted for approval at the General Meeting of Shareholders



## **2. ACCOUNTING PRINCIPLES USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS**

### **2.1. BASIS OF PREPARATION**

These consolidated financial statements were prepared in accordance with the Financial Reporting Accounting Standards (NCRF) in force at the present date.

Preparation of the consolidated financial statements in accordance with the Accounting Standards System (SNC) requires use of estimates, presuppositions and judgements critical to the process of determining the accounting policies that are to be adopted by the Group, with a significant impact on the book value of the assets and liabilities, as well as on the income and costs for the period under review.

Although these estimates are based on the best experience of the Board of Directors and on their best expectations in relation to current and future events and actions, current and future results may differ from these estimates. Areas that involve a greater degree of judgement or complexity, or areas in which presuppositions and estimates are significant to the consolidated financial statements are stated in Note 3.22.

Management proceeded to assess the Group's capacity to operate on a going concern basis, on the basis of all the relevant information, facts and circumstances of a financial, commercial or other nature, including events that occurred after the date of the financial statements, available regarding the future. As a result of the assessment undertaken, Management concluded that the Group possesses adequate resources to maintain its business activities, there being no intention to cease such business activities in the short term, considering therefore the going concern principle to be appropriate to the preparation of the consolidated financial statements.

## **3. MAIN ACCOUNTING POLICIES**

The main accounting policies adopted in the preparation of the attached consolidated financial statements are those described below. These policies were consistently applied to all the financial years presented, barring indication to the contrary.

### **3.1. BASIS OF CONSOLIDATION**

The Group's corporate universe consists of the subsidiaries described in Note 6.

In compliance with Article 6 of Decree-Law no. 158/2009 of 15 July, republished via Decree-Law 98/2015 of 2 June, which approved the SNC, the Company has presented the consolidated accounts of the Group that consists of the Company and all the subsidiaries in which:

- Regardless of the ownership of capital, it is the case that, as an alternative:
  - It may exercise, or effectively exercises, dominant influence or control; and
  - It undertakes management as if the two consisted of a single entity.

- If it owns the capital:
  - It has a majority of the voting rights, except if it is demonstrated that those rights do not grant control;
  - It has the right to appoint or dismiss most of the members of the management body of an entity with powers to manage the financial and operating policies of that entity;
  - It exercises a dominant influence over an entity by virtue of a contract signed with it or by virtue of another clause of the memorandum of association of that entity;
  - It holds at least 20% of voting rights and a majority of the members of the management body of an entity with the power to manage the financial and operating policies of that entity, which have been in power during the financial year that pertains to the consolidated financial statements, as well as during the previous financial year and up until the time when the consolidated financial statements are drafted, and which have been exclusively appointed as a consequence of it exercising its voting rights; and
  - It holds, on its own or via an agreement with other shareholders of that entity, a majority of voting rights of the shareholders of that entity.

The existence and effect of potential voting rights that can currently be exercised or converted are considered when an assessment is made to determine whether or not there is control.

The subsidiaries are consolidated using the comprehensive method, from the date when control is transferred to the Group, and shall be excluded from the consolidation from the date when control ceases.

The purchase method is used to record the acquisition of subsidiaries. The cost of an acquisition is valued at the fair value of the assets that are delivered, capital instruments that are issued and the liabilities that are incurred or accepted at the acquisition date, accrued by costs that are directly attributable to the acquisition.

Excess of acquisition cost in relation to the fair value of the share of the Group in the Assets and Liabilities that are acquired is recognised as goodwill.

If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is stated directly in the consolidated income statement for the year when it is recognised.

During the process of consolidation, transactions, balances and unrealised gains in intragroup transactions and dividends distributed between group companies are eliminated. Unrealised losses are also eliminated, except when the transaction reveals evidence of impairment in the assets that have been transferred but not yet disposed of.

Accounting policies used by Subsidiaries to prepare their individual financial statements have been changed, whenever necessary, in order to ensure consistency with the policies adopted by the Group.

The temporary differences that ensued from elimination of the results of intragroup transactions were subject to NCRF 25 - Income Tax.

Equity and Net Income of Subsidiaries that are held by third parties from outside the Group are stated under Non-controlling interests on the Consolidated Balance Sheet (independently as part of Equity) and in the Consolidated Income Statement, respectively.

### 3.2. FOREIGN EXCHANGE

Group financial statements and the respective notes to the accounts are stated in euros, which is the currency used by the Group, barring explicit indication to the contrary.

### 3.3. TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at cost or at deemed cost (for assets acquired before the date of transition to NCRF), deducted by accumulated depreciation and any impairment losses that may exist.

Acquisition cost includes the price of the purchase of the asset, expenses that are directly attributable to its acquisition and the charges paid as a result of preparation of the asset so that it can be ready for use.

Costs related to substitutions and major repairs are capitalised whenever the useful life of the fixed asset in question increases and they are depreciated during the remainder of the useful life of that fixed asset or during its own useful life, if the latter is the lesser of the two.

Maintenance and repair costs (subsequent expenses) that do not generate future economic benefits are recorded as costs during the period in which they are incurred.

Costs pertaining to dismantling or removing assets installed in third party properties shall be considered as part of the initial cost of the respective assets when they translate into significant amounts.

Depreciation rates as a percentage, resulting from the establishment of estimated useful lives for tangible fixed assets are as follows:

| Asset                             | 2022          | 2021          |
|-----------------------------------|---------------|---------------|
|                                   | (%)           | (%)           |
| Buildings and other constructions | 2.00 - 33.33  | 2.00 - 33.33  |
| Basic equipment                   | 5.00 - 33.33  | 5.00 - 33.33  |
| Transport equipment               | 10.00 - 33.00 | 10.00 - 33.00 |
| Office equipment                  | 8.33 - 33.33  | 8.33 - 33.33  |
| Other tangible fixed assets       | 10.00 - 33.00 | 10.00 - 33.00 |

Depreciation is calculated on a duodecimal basis once the asset is in a condition to be used, in accordance with the estimated useful life period for each group of assets.

Depreciation cost is recognised in the income statement under Costs/reversals of depreciation and amortisation.

Whenever there are indications of a loss in the value of tangible fixed assets, impairment tests are conducted in order to estimate the recoverable value of the asset, and when necessary, record an impairment loss. The recoverable value is determined as the higher one between the net sale price and the value in use of the asset, the latter being calculated on the basis of the current value of estimated future cash flows, ensuing from continued use and disposal of the asset at the end of its useful life.

Useful lives of assets are reviewed during each financial reporting period, so that the depreciation applied complies with the expected consumption patterns for the assets. Changes in useful lives are treated as a change in an accounting estimate and are applied prospectively, thus affecting the results for the period.

Gains (or losses) resulting from disposing of or writing off a tangible fixed asset are recorded as the difference between the amount received from the transaction and the book value of the asset, and the gain (or loss) is recognised under income or loss for the period during which the disposal took place.

Tangible fixed assets under construction pertain to assets that are still in the construction or development phase and are valued at acquisition cost, and are only depreciated when available for use.

### 3.4. LEASING

Financial leasing is capitalised at the start of the lease at the lesser value between the fair value of the leased asset and the current value of the minimum payments of the lease, each one determined at the start date of the lease. The debt resulting from a financial leasing contract is recorded net of financial charges under Financing obtained. Financial charges included in the lease payment and the depreciation of the leased assets are recognised in the financial statements during the period that they pertain to, under Interest and similar costs.

Tangible fixed assets acquired through financial leasing are depreciated at the lower value between the period of useful life of the asset and the lease period (when the Group does not have a purchase option at the end of the Contract) or for the estimated period of useful life when the Group intends to acquire the assets at the end of the contract.

In leases that are considered operating leases the payments are recognised as cost in the income statement on a straight line basis during the lease period.

### 3.5. INVESTMENT PROPERTIES

Investment properties are real estate properties (land, buildings or parts of buildings) held with the aim of increasing their capital value, obtaining rental income or both. Investment properties have been valued at cost or at deemed cost (corresponding to fair value at the date of transition to the SNC), deducted by accumulated depreciation and impairment losses.

Determination of the useful lives of investment properties, along with the applicable depreciation method is essential to determining the value of the depreciation recognised in the income statement of each year.

These two parameters are defined according to the best judgement of Management with respect to the assets in question, always taking into account, whenever possible, the practices adopted by sector companies.

The fair value of investment properties is calculated in accordance with the nature of each asset. When determining fair value, the greater value between the sale value and the value in use of the asset was considered, corresponding to the best estimate of the Board of Directors for said assets.

The fair value of other land and financial years are determined on the basis of valuations conducted by external valuers, taking into account the conditions of their use or better use.

### 3.6. INTANGIBLE ASSETS

Initial recognition

The cost of tangible assets acquired separately generally reflects the expected future economic benefits and includes:

- The purchase price, including costs pertaining to intellectual property rights and taxes on non-reimbursable purchases, after deducting commercial discounts and write-offs; and
- Any cost that is directly attributable to preparing the asset for its intended use.

The Group values its tangible assets, after initial recognition, on the basis of the cost model, as stipulated in NCRF 6 - Intangible Assets, which stipulates that an intangible asset must be recorded at cost value, deducted by accumulated amortisation and any accumulated impairment losses.

The Group determines the useful life and method for amortising intangible assets on the basis of estimated consumption of the future economic benefits associated with the asset.



Intangible assets are amortised on a systematic basis from the date when they are available for use, during their estimated useful life.

Amortisation cost is recognised in the income statement under Costs/reversals of depreciation and amortisation.

The useful lives and method of amortisation of the various intangible assets are revised annually.

The effect of any change in these estimates is recognised in the consolidated income statement prospectively.

Amortisation rates as a percentage, resulting from the establishment of estimated useful lives for intangible assets are as follows:

| Asset                   | 2022          | 2021          |
|-------------------------|---------------|---------------|
|                         | (%)           | (%)           |
| Computer software       | 16.66 - 33.33 | 16.66 - 33.33 |
| Other intangible assets | 10.00 - 20.00 | 10.00 - 20.00 |

### 3.7. IMPAIRMENT OF ASSETS

At each reporting date the book values of Group assets are revised in order to determine whether or not there is an indicator of their impairment.

Whenever the book value of the asset or the unit that generates cash is greater than its recoverable value an impairment loss is recorded. Impairment losses are immediately recorded in the consolidated income statement, unless such a loss offsets a revaluation surplus recorded in equity. In the latter case, such a loss shall be treated as a decrease in revaluation.

The recoverable value is the higher between the fair value of the asset deducted by sale costs and its value in use. In order to determine the existence of impairment, assets are allocated at the lowest level for which there is identifiable separate cash flow (units that generate cash).

Non-financial assets, other than goodwill, for which impairment losses have been recognised are valued at each reporting date taking into account a possible reversal of impairment losses.

Reversal of impairment losses recognised in previous years are recorded when there is evidence that the recognised impairment losses no longer exist or have been diminished. Reversal of impairment losses are recognised in the income statement. Reversal of impairment losses is undertaken up until the limit of the amount that would have been recognised (net of depreciation) if the loss had not been recorded.

When there is an impairment to record or reverse, the amortisation and depreciation of the assets are recalculated prospectively according to the recoverable value.

### 3.8. FINANCIAL HOLDINGS - OTHER METHODS

The Group employs the cost model when initially recognising financial holdings in entities in which it is not obliged to use the equity method and for which there are no conditions for using fair value, namely financial holdings in non-listed companies.

According to the cost model, financial holdings are initially recognised at acquisition cost, which includes transaction costs, and its value shall subsequently be reduced by impairment losses whenever they occur.

### 3.9. INCOME TAX

Income tax corresponds to the sum of current tax plus deferred tax. Current tax and deferred tax are recorded under income, except when they pertain to items recorded directly under equity. In such cases, current tax and deferred tax are also recorded under equity.

Current tax: payable current tax is based on taxable profit for the year for the various entities included in the consolidation perimeter. Taxable profit differs from the accounting result, given that it excludes various costs and income that can only be deductible or taxable in other years. Taxable profit also excludes costs and income that will never be deductible or taxable.

Deferred taxes: deferred taxes refer to temporary differences between the amounts of the assets and liabilities for the purpose of accounts reporting and the respective amounts for the purpose of taxation.

Deferred tax assets and liabilities are valued by applying tax rates that are expected to be in force at the date of reversal of the corresponding temporary differences, on the basis of the taxation rates (and tax legislation) that have been formally or substantially established at the reporting date.

Deferred tax assets are recognised to the extent of a likelihood of future taxable profits available in order to use the temporary difference. Deferred tax liabilities are recognised in relation to all the temporary taxable differences.

Deferred tax assets are reviewed annually and reduced whenever it is no longer likely that they may be used.

### 3.10. INVENTORY

Inventory is recorded at acquisition cost and the weighted average cost is the costing method that is used for outgoing inventory.

Whenever the net realisable value is less than acquisition or production cost, the inventory value shall be reduced, subject to recognition of an impairment loss, which is reversed when the reasons for creating it no longer exist.

As such, the net realisable value is the estimated sale price during the ordinary course of business activity deducted by the estimated finishing costs and the costs necessary to undertake the sale. Estimates have taken into account changes related to events that have occurred after the end of the period to the extent that such events confirm conditions that exist at the end of the period.

### 3.11. FINANCIAL ASSETS AND LIABILITIES

The Board of Directors determines the classification of financial assets and liabilities at the date of initial recognition in accordance with NCRF 27 - Financial instruments.

Financial assets and liabilities may be classified/valued as follows:

- (a) At amortised cost deducted by any loss or impairment; or
- (b) At fair value with the changes in fair value recognised in the earnings statement.

The Group classifies and values financial assets and liabilities at amortised cost:

- i) that in terms of time period, are on demand or have a set maturity;
- ii) whose return consists of a fixed amount, fixed interest rate or variable interest rate tied to a market index; and
- iii) that do not possess any contractual clause from which may result the loss of the nominal value and accumulated interest (in the case of assets) or change in the responsibility for reimbursement of the nominal value and payable accumulated interest (in the case of liabilities).

For assets and liabilities recorded at amortised cost, the interest to be recognised for each period is determined in accordance with the effective interest rate method, which corresponds to the rate that exactly deducts future cash receipts and payments estimated during the expected life span of the financial instrument.

The following are recorded at amortised cost:

- i) financial assets that constitute loans granted, accounts receivable (clients, other debtors, etc.) and equity instruments, along with any associated derivatives contracts that are not negotiated on the active market or whose fair value cannot be determined in a reliable manner and
- ii) financial liabilities that constitute financing obtained, accounts payable (suppliers, other debtors, etc.) and equity instruments, along with any associated derivatives contracts that are not negotiated on the active market or whose fair value cannot be determined in a reliable manner.

The Group classifies and values at fair value financial assets that do not meet the conditions to be valued at amortised cost, as described above. Financial assets that constitute equity instruments listed on the active market, derivatives contracts and financial assets held for trading. Changes in fair value are recorded as earnings for the year, except with regard to derivatives that qualify as cash flow hedges.

At each financial reporting date, the Group assesses the existence of value loss indicators for financial assets that are not valued at fair value under earnings. If there is objective evidence of impairment, the Group recognises an impairment loss in the earnings statement.

Financial assets are derecognised when the rights to receive the cash flows originated by those investments expire or are transferred, along with all risks and benefits associated with their possession. An entity shall derecognise a financial liability (or part of a financial liability) only when it is extinguished, i.e., when the obligation established in the contract is paid, cancelled or expired.

### 3.12. CASH AND CASH EQUIVALENTS

The amounts included in the item Cash and bank deposits correspond to the amounts of bank deposits maturing in less than three months and which can be immediately liquidated with insignificant risk of changing their value.

For the purpose of the cash flow statement, the item Cash and cash equivalents includes, in addition to Cash and bank deposits, all bank overdrafts included in the balance sheet item Financing obtained.

### 3.13. FINANCING OBTAINED

Financing obtained is initially recognised at fair value, net of transaction and assembly costs. Financing is subsequently stated at amortised cost and the difference between the nominal value and the initial fair value is stated in the consolidated earnings statement over the course of the loan period, using the effective interest rate method.

Financing obtained is classified under current liabilities, except if the Group possesses an unconditional right to defer payment of the liability for more than 12 months after the balance sheet date, in which case it shall be recorded under Non-current liabilities.

Costs related to interest regarding financing obtained are recorded under financing costs and losses under income for the year, except for interest pertaining to financing of investments in tangible fixed assets under construction, which are capitalised during the construction period.

### 3.14. GOVERNMENT SUBSIDIES

Government subsidies are only recognised when there is a degree of reasonable certainty that the Group will comply with the conditions for granting the subsidies and that the subsidies will be received.

Government subsidies associated with acquisition or production of non-current assets (Investment Subsidies) are initially recognised under equity, deducted by the corresponding deferred tax liability and are subsequently recognised on a systematic basis (in proportion to the amortisation of the underlying assets) as income for the year during the useful lives of the assets they are related to.

Other government subsidies (Operating Subsidies) are generally recognised as income in a systematic manner during the periods necessary for balancing them against the costs that they are supposed to offset. Government subsidies that are supposed to offset losses that have already been incurred or that have no associated future costs are recognised as income for the period during which they become receivable.

Government aid in the form of reimbursable financing at a subsidised rate must be deducted on the date of initial recognition and the amount of the deduction shall be the amount of the subsidy that is to be amortised for the financing period.

### 3.15. PROVISIONS

Provisions are only recognised when the Group has a present obligation (legal or constructive) resulting from a past event, it is more likely than not that in order to liquidate that obligation resources shall be outlaid and the amount of the obligation can be reasonably estimated.

The amount that is recognised in the provisions consists of the current value of the best estimate at the date of the report of the resources necessary for liquidating the obligation. Such an estimate is determined by taking into account the risks and uncertainties associated with the obligation, as known and assessed by Management at the date of the report.

### 3.16. ACCRUALS BASIS OF ACCOUNTING

Costs and income are recorded during the period that they pertain to, regardless of their payment or receipt, in accordance with the accruals basis of accounting. The differences between the amounts received and paid and the corresponding revenue and costs are recognised as assets or liabilities, if they qualify as such in the Balance Sheet under Other receivables, Other payables, and Deferrals.



### 3.17. REVENUE

Revenue is measured at fair value of the consideration received or receivable. Revenue that is to be recognised is deducted from the estimated amount of the returns, deductions and other write-offs. Recognised revenue does not include VAT and other taxes paid in relation to the sale.

Revenue from the sale of assets is recognised when all of the following conditions have been met.

- All significant risks and advantages pertaining to the ownership of assets have been transferred to the purchaser;
- The Group does not maintain any control over sold assets;
- The amount of revenue can be reliably measured;
- It is likely that future economic benefits associated with the transaction will come to the Group;
- The costs incurred or to be incurred with the transaction can be reliably measured.

Revenue from the supply of services is recognised in relation to the finishing phase of the transaction at the date of the report, as long as all of the following conditions have been met:

- The amount of revenue can be reliably measured;
- It is likely that future economic benefits associated with the transaction will come to the Group;
- The costs incurred or to be incurred with the transaction can be reliably measured;
- The finishing phase of the transaction at the report date can be reliably measured.

### 3.18. FINANCIAL CHARGES FROM LOANS OBTAINED

Financial charges related to loans obtained are generally recognised as costs as they are incurred, in the Income Statement under Interest and similar costs paid, or they are capitalised under Tangible fixed assets of the Balance Sheet when they pertain to financing on investments in tangible fixed assets.

### 3.19. CONTINGENT ASSETS AND LIABILITIES

A contingent asset is a possible asset that is the result of past events and the existence of which shall only be confirmed through the occurrence or lack thereof of one or more future, uncertain events that are not entirely under the entity's control.

Contingent assets are not recognised in the financial statements so that there is no recognition of income that may never be realised. However, they are disclosed when it is likely that there will be a future influx.

A contingent liability is:

- A contingent liability is a possible obligation that is the result of past events and the existence of which shall only be confirmed through the occurrence or lack thereof of one or more future, uncertain events that are not entirely under the entity's control;

or

- A present obligation that ensues from past events, but has not been recognised because:
  - It is not likely that an outlay of resources will be required in order to liquidate the obligation; and
  - The amount of the obligation cannot be measured in a sufficiently reliable manner,

Contingent assets are not recognised in the financial statements so that there is no recognition of costs that may never become effective. However, they are disclosed whenever there is a non-remote likelihood of future outflows.

### 3.20. EQUITY

Ordinary actions are classified under equity. Costs that are directly attributable to the issuance of new shares or options are stated under equity as a deduction, net of taxes, from the issued amount.

Own shares acquired through a contract are recognised under equity in their own item. According to the Commercial Companies Code, the Company must guarantee at all times the existence of equity reserves in order to cover the value of own shares, limiting the value of reserves available for distribution.

Own shares are recorded at acquisition cost for spot purchases or at estimated fair value if the purchase is deferred.

Distribution of dividends to shareholders is recognised as a liability via a reduction in equity at the date when the decision is approved by the shareholders.

### 3.21. ENVIRONMENTAL MATTERS

Provisions for environmental matters are recognised whenever the Group has a legal or constructive obligation stemming from past events, in relation to which it is likely that an outlay of resources will become necessary to liquidate the obligation and a reliable estimate can be made regarding the amount of that obligation.

The Group incurs environmental expenses that, depending on their characteristics, are capitalised or recognised as a cost under Operating income for the period.

As such, expenses related to equipment and operating techniques that ensure compliance with applicable legislation and regulations, along with a reduction in the environmental impact down to levels that do not exceed the levels corresponding to a viable application of the best available technologies that include those pertaining to minimising energy consumption, atmospheric emissions, and waste and noise production, are capitalised when they are used to serve the activity of the Group and relate to future economic benefits, thus helping to prolong useful life, increase capacity or improve the safety or efficiency of other assets held by the Group.

### 3.22. MAIN ESTIMATES AND JUDGEMENTS PRESENTED

Estimates and judgements that impact the consolidated financial statements of Grupo Luís Simões are continuously assessed, representing at the date of each report, Management's best estimate, taking into account historical performance, accumulated experience and expectations regarding future events, which under the circumstances in question, are believed to be reasonable.

The intrinsic nature of the estimates may result in the reality of the situations that were subject to an estimate, for financial reporting purposes, differing from the estimated amounts. The estimates and judgements that pose a significant risk of leading to a material adjustment in the book value of assets and liabilities over the course of the following year are as follows:

#### 3.22.1. TANGIBLE AND INTANGIBLE FIXED ASSETS AND INVESTMENT PROPERTIES

Determination of the useful lives of assets, along with the applicable depreciation/amortisation method is essential to determining the value of the depreciation/amortisation recognised in the consolidated income statement of each year.

These two parameters are defined according to the best judgement of Management with respect to the assets in question, always taking into account, whenever possible, the practices adopted by sector companies.

#### 3.22.2. IMPAIRMENT LOSSES FROM CLIENTS AND DEBTORS

Determination of an eventual impairment loss can be triggered by the occurrence of various events, many of which are outside the Group's sphere of influence, such as: future availability of financing, the cost of capital or any other changes, internal or external to the Company.

Identification of the impairment indicators, estimated future cash flow and determination of the fair value of assets entail a high degree of judgement on the part of

the Board of Directors as regards identification and assessment of the various impairment indicators, expected cash flows, applicable discount rates, useful lives and residual values.

In particular, periodic analyses of receivable balances may result in the need to record impairment losses, these being determined on the basis of available information and estimates made by the Group with respect to cash flows that are expected to be received.

### 3.22.3. PROVISIONS

The Group periodically analyses all obligations that result from past events and that should be recognised or disclosed.

Inherent subjectivity in determining the probability and amount of resources necessary for payment of obligations may lead to adjustments in the recorded values, namely with respect to the processes underway and the contingencies.

### 3.22.4. RECOVERY OF DEFERRED TAXES

Deferred tax assets are only recognised when it is highly likely that there will be future taxable profits available in order to use the temporary differences or when there are deferred tax liabilities that are expected to be reversed during the same period in which the deferred tax assets are reversed. Assessment of deferred tax assets is undertaken by Management at the end of each year, taking into account expected future performance.

### 3.23. SUBSEQUENT EVENTS

Events that took place after the balance sheet date that provide additional information regarding conditions that exist at the balance sheet date (adjusting events) are reflected in the financial statements. Events that took place after the balance sheet date that provide information regarding conditions that are in place after the balance sheet date (non-adjusting events) are disclosed in the financial statements if they are considered to be materially significant.

### 3.24. MANAGEMENT OF FINANCIAL RISKS

The Company is essentially exposed to the following financial risks:

(a) Interest rate risk

The Company is exposed to interest rate risk essentially related to interest paid on financing obtained from the shareholder and from financial institutions, which are exposed to changes in market interest rates.

(b) Liquidity risk

Liquidity risk may occur if the financing sources, such as operating cash flow and cash flow from financing operations, do not meet financing needs such as debt repayment.

(c) Credit risk

The Company is exposed to credit risk that is essentially related to accounts receivable resulting from operations. This risk is monitored on a regular basis with the aim of:

- limiting the credit extended to clients on the basis of their profiles and seniority of accounts receivable;
- monitor the changes in the amount of credit extended;
- analyse the recoverability of accounts receivable on a regular basis.

Impairment losses on accounts receivable are calculated taking into account:

- an analysis of the seniority of accounts receivable;
- the client's risk profile;
- the client's financial condition.



#### 4. CASH AND CASH EQUIVALENTS

At 31 December 2022 and 2021 Cash and cash equivalents breaks down as follows:

|                                 | 2022           | 2021         |
|---------------------------------|----------------|--------------|
| Cash                            | 11,562.02      | 12,778.88    |
| Demand Deposits                 | 3,804,995.00   | 2,988,044.69 |
| Total cash and bank deposits    | 3,816,557.02   | 3,000,823.57 |
| Bank Overdrafts (Note 18.2)     | 9,805,388.95   | 150.00       |
| Total cash and cash equivalents | (5,988,831.93) | 3,000,673.57 |

The total balance of Demand deposits represents cash and cash equivalents given that there are no deposits with movement restrictions.

During 2022 and 2021 no significant transactions were identified that do not generate cash flow.

#### 5. ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

During the year ended 31 December 2022, the Group did not identify any materially significant errors, nor did it change accounting policies or make any significant changes to estimates in comparison with those considered in the preparation of the consolidated financial information as at 31 December 2021.

## 6. RELATED PARTIES

For the purpose of these financial statements, all subsidiaries of LS - Luís Simões, SGPS, S.A. are considered related parties and key elements in their management.

### 6.1. GROUP ENTITIES

Group Companies included in the consolidation at 31 December 2022 and 2021 are as follows:

| Subsidiaries  | Head Office                             | Activity                                    | % Stake<br>2022   | % Stake<br>2022   | Effective<br>control<br>2022 | Effective<br>control<br>2022 | (Special<br>Regime for<br>Taxation of<br>Corporate<br>Groupings (*) |
|---|---|---|-------------------|-------------------|------------------------------|------------------------------|---|
| LS - Luís Simões, SGPS, S.A. (Holding Company)                    | Moninhos - Loures                       | Holding company                             | Parent<br>Company | Parent<br>Company | n/a                          | n/a                          | Yes   |
| Luís Simões Logística Integrada, S.A. (Portugal)                  | Moninhos - Loures                       | Logistics and transport                     | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Luís Simões Logística Integrada, S.A. (Spain)                     | Madrid - Spain                          | Logistics and transport                     | 100%              | 100%              | 100%                         | 100%                         | No  |
| LS Frota, Lda.  | Carregado - Alenquer                    | Transport                                   | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Reta - Serviços Técnicos e Rent-a-Cargo, S.A.                     | Moninhos - Loures                       | Rental, sale and maintenance<br>of vehicles | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Diagonal - Corretores de Seguros, S.A.                            | Moninhos - Loures                       | Insurance brokerage                         | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| LS - Gestão Empresarial e Imobiliária, S.A.                       | Moninhos - Loures                       | Group support services                      | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Patrimundus - Investimentos Imobiliários, S.A.                    | Carregado - Alenquer                    | Real Estate                                 | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Solmoninhos - Consultoria, Gestão e Execução<br>Imobiliária, S.A. | Moninhos - Loures                       | Real Estate                                 | 100%              | 100%              | 100%                         | 100%                         | Yes   |
| Espaçotrans - Gestão Entrepostos Aduaneiros, Lda.                 | Quebradas de Cima -<br>Póvoa Santa Iria | Management of customs<br>warehouses         | 70.00%            | 70.00%            | 70%                          | 70%                          | No  |

(\*) RETGS - Special Regime for Taxation of Corporate Groupings

No subsidiaries have been excluded as part of the full consolidation process.

## 6.2. REMUNERATION OF KEY MANAGEMENT STAFF

Over the course of the years ended 31 December 2022 and 2021 the following remunerations were paid to key management staff:

| Remuneration                     | 2022       | 2021       |
|----------------------------------|------------|------------|
| Short term benefits of employees | 923,930.57 | 834,246.98 |
|                                  | 923,930.57 | 834,246.98 |

The Board of Directors of the Group was considered to be the only key management staff member, in accordance with NCRF 5.

## 6.3. TRANSACTIONS WITH RELATED PARTIES

### a) Nature of the relationship with related parties

|                                    | Nature of the relationship<br>(Services provided) | Nature of the relationship<br>(Services received) |
|------------------------------------|---|---|
| Other related parties:             |   |   |
| Leonel Simões & Filhas, SGPS, S.A. | Loans   | Dividends   |
| Varanda do Vale, SGPS, S.A.        | Loans   | Dividends   |
| Mira Serra, SGPS, S.A.             | Loans   | Dividends   |
| Other shareholders                 | Loans   | Dividends   |

## b) Number of pending transactions and balances with related parties

|                                    | Year 2022            |                   |                  | Year 2021            |                   |                  |
|------------------------------------|----------------------|-------------------|------------------|----------------------|-------------------|------------------|
|                                    | Loans obtained       | Interest paid     | Other payables   | Loans obtained       | Interest paid     | Other payables   |
|                                    | (Note 18.2)          | (Note 21.10)      | (Note 18.2)      | (Note 18.2)          | (Note 21.10)      | (Note 18.2)      |
| <b>Shareholders:</b>               |                      |                   |                  |                      |                   |                  |
| Leonel Simões & Filhas, SGPS, S.A. | 1,080,800.00         | 34,564.55         | 34,564.55        | 780,800.00           | 20,291.06         | 20,291.06        |
| Varanda do Vale, SGPS, S.A.        | 1,127,800.00         | 33,049.61         | 33,049.61        | 777,800.00           | 17,379.21         | 17,379.21        |
| Mira Serra, SGPS, S.A.             | 903,800.00           | 23,612.63         | 23,612.63        | 403,800.00           | 14,133.00         | 14,133.00        |
| Individual shareholders            | 12,981,327.04        | 450,146.36        | -                | 12,681,327.04        | 441,750.39        | -                |
| <b>Total</b>                       | <b>16,093,727.04</b> | <b>541,373.15</b> | <b>91,226.79</b> | <b>14,643,727.04</b> | <b>493,553.66</b> | <b>51,803.27</b> |

## 7. INTANGIBLE ASSETS

During the years ended 31 December 2022 and 2021 the changes in the book value of intangible assets, along with their respective accumulated amortisation and impairment losses was as follows:

|  | Computer software | Other intangible assets | Intangible assets under construction | Total           |
|--|-------------------|-------------------------|--------------------------------------|-----------------|
| <b>Amounts at 01.01.2021</b>                   |                   |                         |                                      |                 |
| Gross book values                              | 9,683,866.19      | 2,688,222.00            | 67,000.00                            | 12,439,088.19   |
| Accumulated amortisation and impairment losses | (7,166,150.59)    | (2,127,561.70)          | -                                    | (9,293,712.29)  |
| Net book values                                | 2,517,715.60      | 560,660.30              | 67,000.00                            | 3,145,375.90    |
| <b>Amounts at 31.12.2021</b>                   |                   |                         |                                      |                 |
| Additions                                      | 172,887.68        | -                       | 28,975.00                            | 201,862.68      |
| Amortisation for the year (Note 21.9)          | (745,265.88)      | (468,597.04)            | -                                    | (1,213,862.92)  |
| <b>Amounts at 31.12.2021</b>                   |                   |                         |                                      |                 |
| Gross book values                              | 9,856,753.87      | 2,688,222.00            | 95,975.00                            | 12,640,950.87   |
| Accumulated amortisation and impairment losses | (7,911,416.47)    | (2,596,158.74)          | -                                    | (10,507,575.21) |
| Net book values                                | 1,945,337.40      | 92,063.26               | 95,975.00                            | 2,133,375.66    |
| Additions                                      | 310,609.02        | -                       | 63,198.73                            | 373,807.75      |
| Transfers                                      | -                 | -                       | 88,822.64                            | 88,822.64       |
| Amortisation for the year (Note 21.9)          | (723,031.10)      | (69,047.64)             | -                                    | (792,078.74)    |
| Gross book values                              | 10,167,362.89     | 2,688,222.00            | 247,996.37                           | 11,105,835.38   |
| Accumulated amortisation and impairment losses | (8,634,447.57)    | (2,665,206.38)          | -                                    | (9,301,908.07)  |
| Net book values                                | 1,532,915.32      | 23,015.62               | 247,996.37                           | 1,803,927.31    |

The main additions that took place in 2022 involved software licenses and in 2021 they refer to acquiring the M3 software.



The item Other intangible assets also includes an insurance portfolio that was acquired in 2013. This intangible asset is being amortised over a period of 10 years, corresponding to the useful life estimated by the Board of Directors.

Computer software programmes are not owned by the Group as it is limited to having the respective rights of use pursuant to the contract signed with the supplier.

No intangible assets have been pledged as liability guarantees.

There are no future commitments for acquiring intangible assets.

## 8. TANGIBLE FIXED ASSETS

During the years ended 31 December 2022 and 2021 the changes in the book value of tangible fixed assets, along with their respective accumulated depreciation and impairment losses was as follows:

|  | Land and natural resources | Buildings and other constructions | Basic equipment | Transport equipment | Office equipment | Other tangible fixed assets | Tangible fixed assets under construction | Totals          |
|--|----------------------------|-----------------------------------|-----------------|---------------------|------------------|-----------------------------|--|-----------------|
| <b>Amounts at 01.01.2021</b>                   |                            |                                   |                 |                     |                  |                             |  |                 |
| Gross book values                              | 12,239,216.51              | 46,584,468.63                     | 52,505,959.80   | 418,855.39          | 11,652,014.85    | 3,338,668.02                | 32,742,031.54                            | 159,481,214.74  |
| Accumulated depreciation and impairment losses | -                          | (32,369,847.60)                   | (29,039,378.38) | (254,738.20)        | (10,305,519.91)  | (2,543,665.73)              | -  | (74,513,149.81) |
| Net book values                                | 12,239,216.51              | 14,214,621.03                     | 23,466,581.42   | 164,117.19          | 1,346,494.94     | 795,002.29                  | 32,742,031.54                            | 84,968,064.93   |
| Additions                                      | -                          | 3,024.00                          | 6,900,824.09    | -                   | 607,676.36       | 97,514.69                   | 779,601.57                               | 8,388,640.71    |
| Transfers                                      | -                          | -                                 | 30,248,220.00   | -                   | 43,691.66        | 12,402.04                   | (30,304,313.70)                          | -               |
| Divestment, losses and write-offs              |                            |                                   |                 |                     |                  |                             |  |                 |
| Gross book values                              | -                          | -                                 | (4,634,921.22)  | (44,679.00)         | (9,421.80)       | (1,730.94)                  | -  | (4,690,752.96)  |
| Accumulated depreciation and impairment losses | -                          | -                                 | 3,272,905.01    | 44,679.00           | 9,421.80         | 1,730.94                    | -  | 3,328,736.75    |
| Depreciation for the year (Note 21.9)          | -                          | (1,733,965.88)                    | (6,438,177.45)  | (19,641.48)         | (479,071.92)     | (304,812.38)                | -  | (8,975,669.11)  |
| Other adjustments                              | -                          | -                                 | -               | -                   | -                | -                           | (515,485.73)                             | (515,485.73)    |
| <b>Amounts at 31.12.2021</b>                   |                            |                                   |                 |                     |                  |                             |  |                 |
| Gross book values                              | 12,239,216.51              | 46,587,492.63                     | 85,020,082.67   | 374,176.39          | 12,293,961.07    | 3,446,853.81                | 2,701,833.68                             | 162,663,616.76  |
| Accumulated depreciation and impairment losses | -                          | (34,103,813.48)                   | (32,204,650.82) | (229,700.68)        | (10,775,170.03)  | (2,846,747.17)              | -  | (80,160,082.17) |
| Net book values                                | 12,239,216.51              | 12,483,679.15                     | 52,815,431.85   | 144,475.71          | 1,518,791.04     | 600,106.65                  | 2,701,833.68                             | 82,503,534.59   |
| Additions                                      | -                          | 4,778,687.65                      | 7,517,734.77    | 2,000.00            | 393,492.69       | 89,366.89                   | 1,614,605.07                             | 14,395,887.07   |
| Transfers                                      | -                          | -                                 | 631,694.21      | -                   | 3,571.43         | 31,994.58                   | (756,082.86)                             | (88,822.64)     |
| Divestment, losses and write-offs              |                            |                                   |                 |                     |                  |                             |  |                 |
| Gross book values                              | -                          | (20,635.88)                       | (3,479,267.93)  | (109,139.10)        | (11,492.00)      | (66,807.89)                 | (16,801.61)                              | (3,704,144.41)  |
| Accumulated depreciation and impairment losses | -                          | 19,053.52                         | 2,132,642.83    | 109,139.10          | -                | 64,691.52                   | -  | 2,325,526.97    |
| Depreciation for the year (Note 21.9)          | -                          | (1,846,011.78)                    | (7,632,368.09)  | (19,531.32)         | (635,891.50)     | (252,151.19)                | -  | (10,385,953.88) |
| Other adjustments                              | -                          | -                                 | -               | -                   | -                | -                           | (353,727.93)                             | (353,727.93)    |
| <b>Amounts at 31.12.2022</b>                   |                            |                                   |                 |                     |                  |                             |  |                 |
| Gross book values                              | 12,239,216.51              | 51,345,544.40                     | 89,690,243.72   | 267,037.29          | 12,679,533.19    | 3,501,407.39                | 3,189,826.35                             | 172,912,808.85  |
| Accumulated depreciation and impairment losses | -                          | (35,930,771.74)                   | (37,704,376.08) | (140,092.90)        | (11,411,061.53)  | (3,034,206.84)              | -  | (88,220,509.08) |
| Net book values                                | 12,239,216.51              | 15,414,772.66                     | 51,985,867.64   | 126,944.39          | 1,268,471.66     | 467,200.56                  | 3,189,826.35                             | 84,692,299.77   |

The main additions that occurred in 2022 and 2021 pertain to acquiring IT equipment, shelves, vehicles and various types of equipment for the logistics centres in Guadalajara and Centralidad.

The main transfers in 2022 correspond to vehicles and in 2021 they refer to the new automated warehouse of the Guadalajara logistics centre.

The divestment that took place in 2022 and 2021 essentially pertain to the sale of vehicles.

At 31 December 2022 the Carregado building was pledged to a third party as a guarantee. No other tangible fixed assets have been pledged as liability guarantees, nor have any land or buildings been mortgaged that are the property of the Group during the years ended 31 December 2022 and 2021.

The amount of expenses recognised under tangible fixed assets under construction breaks down as follows:

|                                 | 31-12-2022          | 31-12-2021          |
|---------------------------------|---------------------|---------------------|
| Azambuja Terminal               | 1,575,221.27        | 1,922,232.10        |
| Guadalajara Logistics Centre    | 525,000.00          | 60,564.88           |
| Works on facilities             | 53,118.11           | 35,057.10           |
| Other                           | 248,286.97          | 125,081.39          |
| Vehicles undergoing Preparation | 788,200.00          | 558,898.21          |
|                                 | <u>3,189,826.35</u> | <u>2,701,833.68</u> |

The tangible fixed asset pertaining to the Azambuja Terminal refers to two plots of land, which shall be used by the Group in the near future as part of its business activity.

Over the course of 2021 the building was appraised and its value is higher than its book value. The appraisal is based on licensing projects that are awaiting final approval from Azambuja City Council and which is expected to be obtained in the near future in accordance with the commitments established between City Council and the Company. These licenses pertain to the development of a logistics project that will be developed by the Company in the future. The Board of Directors believes that in 2022 there were no changes in the real estate market that impacted market value and as such, at the present date there are no indications of impairment with regard to the building.

Over the course of 2020 the Block Plan for the Azambuja Urban Front (PPFUA) was published in the Government Gazette.

During the years ended 31 December 2022 and 2021 some subprojects that were under construction with a value of 353,727.93 euros and 515,485.73 euros would not be executed and as such they were recognised costs for the year.

During 2022, the amount of 20,225.02 euros was recognised under income pertaining to compensation received from insurance companies from claims pertaining to the total loss of a vehicle that was written off in 2022. During 2021 no amount was recognised.

## 9. LEASING

### Operating leases

Uncancellable future minimum payments pertaining to operating leases at 31 December 2022 and 2021 break down as follows:

On behalf of the Lessor:

2022

|                 | Income for the year | Minimum future payments |                    |              |
|-----------------|---------------------|-------------------------|--------------------|--------------|
|                 |                     | Up to 1 year            | 1 year and 5 years | Over 5 years |
| Vehicle leasing | 4,364,686.97        | 1,526,471.30            | 123,012.42         | -            |
|                 | 4,364,686.97        | 1,526,471.30            | 123,012.42         | -            |

2021

|                 | Income for the year | Minimum future payments |                    |              |
|-----------------|---------------------|-------------------------|--------------------|--------------|
|                 |                     | Up to 1 year            | 1 year and 5 years | Over 5 years |
| Vehicle leasing | 3,700,255.99        | 2,740,784.98            | 612,037.63         | -            |
|                 | 3,700,255.99        | 2,740,784.98            | 612,037.63         | -            |

On behalf of the Lessee:

|                             | 31-12-2022        |                         |                   |               |
|-----------------------------|-------------------|-------------------------|-------------------|---------------|
|                             | Cost for the year | Minimum future payments |                   |               |
|                             |                   | Up to 1 year            | 1 year to 5 years | Over 5 years  |
| Real estate leasing         | 13,867,426.38     | 12,765,188.48           | 44,185,864.65     | 33,899,287.14 |
| Lightweight vehicle leasing | 675,910.82        | 476,781.99              | 767,111.77        | -             |
| Heavy vehicle leasing       | 4,626,901.72      | 3,919,119.67            | 3,193,978.34      | -             |
| Forklift leasing            | 3,114,301.95      | 3,630,411.45            | 1,250,524.77      | -             |
|                             | 22,284,540.87     | 20,791,501.58           | 49,397,479.53     | 33,899,287.14 |
|                             | 31-12-2021        |                         |                   |               |
|                             | Cost for the year | Minimum future payments |                   |               |
|                             |                   | Up to 1 year            | 1 year to 5 years | Over 5 years  |
| Real estate leasing         | 13,476,240.05     | 13,515,036.07           | 42,700,189.17     | 39,653,733.17 |
| Lightweight vehicle leasing | 682,662.37        | 680,444.16              | 217,216.67        | -             |
| Heavy vehicle leasing       | 5,056,022.13      | 4,236,319.67            | 5,959,396.98      | -             |
| Forklift leasing            | 3,145,621.76      | 3,832,327.30            | 4,107,276.21      | -             |
|                             | 22,360,546.31     | 22,264,127.19           | 52,984,079.04     | 39,653,733.17 |

## 10. INVESTMENT PROPERTIES

Investment properties consist of land and buildings that are not used in the Group's business activity and break down as follows:

|  | 31-12-2022          | 31-12-2021          |
|--|---------------------|---------------------|
| <b>At 1 January</b>                            |                     |                     |
| Gross value                                    | 1,441,340.30        | 1,509,253.89        |
| Accumulated depreciation and impairment losses | (425,873.94)        | (326,765.21)        |
| Accumulated depreciation                       | (158,125.29)        | (151,881.78)        |
| Accumulated impairment losses                  | (267,748.65)        | (174,883.43)        |
| <b>Nate value</b>                              | <b>1,015,466.35</b> | <b>1,182,488.67</b> |
| <b>Divestments</b>                             |                     |                     |
| Gross amount                                   | (203,000.00)        | (67,913.59)         |
| Accumulated depreciation                       | 16,214.34           | 7,555.34            |
| Depreciation for the year (Note 21.9)          | (12,549.94)         | (13,798.85)         |
| Increased impairment losses                    | -                   | (146,385.52)        |
| Reversal of impairment losses                  | 2,708.62            | 53,520.30           |
| <b>At 31 December</b>                          |                     |                     |
| Gross value                                    | 1,238,340.30        | 1,441,340.30        |
| Accumulated depreciation and impairment losses | (419,500.92)        | (425,873.94)        |
| Accumulated depreciation                       | (154,460.89)        | (158,125.29)        |
| Accumulated impairment losses                  | (265,040.03)        | (267,748.65)        |
| <b>Nate value</b>                              | <b>818,839.37</b>   | <b>1,015,466.35</b> |

The purpose of investment properties is to cede their operation to external entities.

The fair value of assets at the balance sheet date is greater than the amounts stated in the Group financial statements at the date of the financial statements.



During the years ended 31 December 2022 and 2021, changes in accumulated impairment losses break down as follows:

|                 | 2022       | 2021        |
|-----------------|------------|-------------|
| Initial balance | 267,748.65 | 174,883.43  |
| Increases       | -          | 146,385.52  |
| Reversals       | (2,708.62) | (53,520.30) |
| Final balance   | 265,040.03 | 267,748.65  |

During 2021, the Group proceeded to appraise the investment properties, having accordingly updated the recorded accumulated impairment losses.

At 31 December 2022 there were no investment properties stated as guarantees to third parties.

At 31 December 2022 there were no significant contractual obligations for purchase, construction or development of investment properties.

The Group recognised the amount of 38,773.97 euros (41,314.49 euros in 2021) pertaining to rent from Investment Properties (Note 21.7) in the Consolidated Income Statement by Nature under Other income.

## 11. INVENTORY

At 31 December 2022 and 2021 Group inventory broke down as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Goods   |                     |                     |
| Gross amount                                  | 1,539,819.49        | 1,938,786.38        |
| Impairment losses                             | (470,731.11)        | (422,990.54)        |
|   | <u>1,069,088.38</u> | <u>1,515,795.84</u> |
| Raw materials, subsidiary and for consumption |                     |                     |
| Gross amount                                  | 488,599.55          | 428,657.44          |
| Impairment losses                             | (59,967.95)         | (59,967.95)         |
|   | <u>428,631.60</u>   | <u>368,689.49</u>   |
|   | <u>1,497,719.98</u> | <u>1,884,485.33</u> |

The inventory indicated in the above table corresponds to land, parts acquired for repair and maintenance of vehicles, semi-trailers for sale and fuel for use in own vehicles and assignment to subcontractors.

During the years ended 31 December 2022 and 2021 the inventory amounts recognised as costs were as follows:

|                                 | Goods        | Raw Materials,<br>Subsidiary<br>and for<br>consumption | Total        |
|---------------------------------|--------------|--|--------------|
| Inventories at 1 January 2021   | 1,218,733.65 | 370,012.04   | 1,588,745.69 |
| Purchases                       | 4,043,129.92 | 5,847,219.45   | 9,890,349.37 |
| Inventory adjustments           | -            | (692,934.19)   | (692,934.19) |
| Inventories at 31 December 2021 | 1,938,786.38 | 428,657.44   | 2,367,443.82 |
| Purchases of goods for resale   | 3,323,077.19 | 5,095,639.86   | 8,418,717.05 |
| Inventories at 1 January 2022   | 1,938,786.38 | 428,657.44   | 2,367,443.82 |
| Purchases                       | 4,348,215.80 | 5,536,174.95   | 9,884,390.75 |
| Inventory adjustments           | -            | (358,739.08)   | (358,739.08) |
| Inventories at 31 December 2022 | 1,539,819.49 | 488,599.55   | 2,028,419.04 |
| Purchases of goods for resale   | 4,747,182.69 | 5,117,493.76   | 9,864,676.45 |

The aforementioned amounts pertaining to Purchases of goods for resale include 2,579,071.32 euros (1,962,563.67 euros in 2021) relative to the cost of purchased and subcontracted fuel.

The item Inventory adjustments includes, respectively at 31 December 2022 and 2021, the amounts of 295,178.21 euros and 669,987.68 euros pertaining to the refund for professional diesel.

During the years ended 31 December 2022 and 2021 the amounts recognised as impairment losses were as follows:

|                 | 2022        |                            |             | 2021        |                            |             |
|-----------------|-------------|----------------------------|-------------|-------------|----------------------------|-------------|
|                 | Goods       | RM, subsid.<br>consumption | Total       | Goods       | RM, subsid.<br>consumption | Total       |
| Initial balance | 422,990.54  | 59,967.95                  | 482,958.49  | 371,681.55  | 7,967.95                   | 379,649.50  |
| Increase        | 61,278.96   | -                          | 61,278.96   | 87,376.42   | 52,000.00                  | 139,376.42  |
| Reversal        | (13,538.39) | -                          | (13,538.39) | (36,067.43) | -                          | (36,067.43) |
| Final balance   | 470,731.11  | 59,967.95                  | 530,699.06  | 422,990.54  | 59,967.95                  | 482,958.49  |

During the years ended 31 December 2022 and 2021 impairment losses were recorded in the amount of 47,740.57 euros and 103,308.99 euros, respectively, within the scope of a critical analysis of obsolescence and goods rotation, as well as from the appraisal conducted on the land classified as inventory.

## 12. REVENUE

Revenue recognised by the Group in 2022 and 2021 breaks down as follows:

|                           | 2022                  | 2021                  |
|---------------------------|-----------------------|-----------------------|
| Sale of goods             |                       |                       |
| Goods                     | 7,235,009.92          | 5,574,382.15          |
| Return of sales           | (22,393.47)           | (11,711.80)           |
| Deductions and write-offs | (1,957.51)            | (1,179.01)            |
|                           | <u>7,210,658.94</u>   | <u>5,561,491.34</u>   |
| Supply of services        |                       |                       |
| Services                  | 262,077,945.84        | 236,272,924.10        |
| Deductions and write-offs | (10,752.44)           | (8,269.31)            |
|                           | <u>262,067,193.40</u> | <u>236,264,654.79</u> |
|                           | <u>269,277,852.34</u> | <u>241,826,146.13</u> |

Revenue distributed according to business and geographic markets breaks down as follows:

|                 | 2022                  | 2021                  |
|-----------------|-----------------------|-----------------------|
| Logistics       | 155,348,853.92        | 138,678,468.71        |
| Transport       | 96,901,889.81         | 89,322,756.15         |
| Fuel            | 2,001,651.18          | 1,682,419.00          |
| Other           | 15,025,457.43         | 12,142,502.27         |
|                 | <u>269,277,852.34</u> | <u>241,826,146.13</u> |
|                 |                       |                       |
|                 | 2022                  | 2021                  |
| Domestic market | 131,648,569.42        | 119,410,756.30        |
| Foreign market  | 137,629,282.92        | 122,415,389.83        |
|                 | <u>269,277,852.34</u> | <u>241,826,146.13</u> |

### 13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### 13.1. PROVISIONS

Amounts recorded under Provisions refer to the best estimate by the Board of Directors in view of covering losses that have been estimated as likely because of legal proceedings underway.

Changes in Provisions during the years ended 31 December 2022 and 2021 are stated in the following table:

|                        | Provisions for legal<br>proceedings underway |
|------------------------|--|
| At 1 January 2021      | 715,161.83                                   |
| Uses during the year   | (284,126.49)                                 |
| Reversals for the year | (220,420.55)                                 |
| Increases for the year | 238,324.72                                   |
| At 31 December 2021    | 448,939.51                                   |
| At 1 January 2022      | 448,939.51                                   |
| Uses during the year   | (156,171.27)                                 |
| Reversals for the year | (37,687.94)                                  |
| Increases for the year | 72,314.92                                    |
| At 31 December 2022    | 327,395.22                                   |

During the years ended 31 December 2022 and 2021 the Group recorded costs in the amount of 34,626.98 euros and 17,904.17 euros, respectively.



### 13.2. CONTINGENT LIABILITIES

There are two court cases currently underway against the Group in which compensation has been petitioned, for which it was not possible to estimate the amount of possible expenses to incur. The maximum contingency for these court cases totals 1,136,968.10 euros, which corresponds to the maximum amount of petitioned compensation.

On the basis of the opinion of its legal counsel, the Board of Directors believes that the risk of loss is reduced and has not recorded any provision for such purpose.

### 13.3. CONTINGENT ASSETS

Subsidiaries Luís Simões Logística Integrada, S.A. (Portugal) and Luís Simões Logística Integrada, S.A. (Spain) proceeded to claim *Impuesto sobre las Ventas Minoristas de Determinados Hidrocarburos* (IVMDH) from both the Autonomous Communities and the State Agency for Taxation Administration (AEAT) pertaining to fiscal years 2002 to 2012.

IVMDH violates Community law on the harmonisation of special taxes, specifically Article 3, number 2 of Council Directive 92/12/EEC of 25 February 1992 regarding the general regime, mandate, circulation and control of the products that are the object of the Special Taxes. On 27 February 2014 the Court of Justice of the European Union ruled that IVMDH runs counter to the Directive on Special Taxes, which allows companies to claim the amount from the respective public administrations.

During 2022, additional interest was returned pertaining to previous years in the amount of 19,073.09 euros. During 2021 no amount was returned. As such, the amounts claimed have not been recorded in the accounts at closing date, namely 908,631.94 euros accrued by respective penalty interest, which shall be recorded when the Spanish Taxation Authority confirms that the amounts will be returned.

The amount indicated in the previous paragraph includes the sum of 907,101 euros claimed under *Responsabilidad Patrimonial del Estado (español)*, in February of 2015, as regards the periods that had already prescribed (first quarter of 2002 to third quarter of 2004 and the first to third quarters of 2009).

#### 14. SUBSIDIES AND GOVERNMENT AID

The nature and extent of the government subsidies recognised in the consolidated financial statements have been itemised in the following table:

|  | 2022                | 2021              |
|--|---------------------|-------------------|
| State subsidies  |                     |                   |
| Internships  | 10,786.44           | 10,169.72         |
| Employment incentives  | 3,846.47            | 19,068.21         |
| Gas powered vehicle incentive                                | -                   | 2,773.75          |
| Compensation for increase in the monthly minimum wage (RMMG) | 50,008.00           | -                 |
| COVID-19 social security incentive                           | 362.34              | 11,272.91         |
| Converte+ Incentive  | -                   | 158,408.18        |
| Road freight transport incentive Portugal                    | 242,121.57          | -                 |
| Road freight transport incentive Spain                       | 1,181,987.75        | -                 |
| FUNDAE incentive   | 18,588.76           | 46,873.05         |
| Other  | -                   | 1,478.75          |
|  | <u>1,507,701.33</u> | <u>250,044.57</u> |

In 2022 and 2021 the Group did not directly benefit from any other forms of government aid.

#### 15. FOREIGN EXCHANGE DIFFERENCES

Over the course of the years ended 31 December 2022 and 2021 there was no income or costs recorded with respect to favourable and unfavourable foreign exchange differences.

#### 16. EVENTS AFTER THE BALANCE SHEET DATE

No other events took place after 31 December 2022 that are materially relevant enough to require adjustment or disclosure, as described in Note 3.21.

## 17. INCOME TAX

In Portugal the Group is subject to Corporate Income Tax (IRC) at a rate of 21% of the tax base. Taxation is accrued by a Surtax up until a maximum of 1.5% on taxable profit, resulting in an aggregate tax rate of a maximum of 22.5%. In Spain, the Group is subject to corporate tax at the rate of 25%.

In addition, over the course of the year ended 31 December 2022, taxable profits that exceed 1,500,000 euros are subject to state surtax, pursuant to Article 87-A of the Corporate Income Tax Code, at the following rates:

-3% for taxable profits from 1,500,000 to 7,500,000 euros;

-5% for taxable profits from 7,500,000 to 35,000,000 euros;

-9% for taxable profits in excess of 35,000,000.

Pursuant to Article 88 of the Corporate Income Tax Code (CIRC), the Company is subject to autonomous taxation on a group of charges at the rates stipulated in the aforementioned article.

Some Group companies, subsidiaries in Portugal, fall within the scope of the Special Regime for Taxation of Corporate Groupings (RETGS), pursuant to Article 69. and subsequent of the CIRC, led by shareholder LS - Luís Simões, SGPS, S.A., as such, taxes that have been individually calculated are reflected in the balance of the shareholder included under the item Shareholders/Partners. The foreign subsidiary is taxed in accordance with the tax rules that are in force in the respective country of origin.

Companies that are included in the RETGS are listed in the following table:

| Company  | Start date |
|--|------------|
| LS - Luís Simões, SGPS, S.A.                                   | 01/01/2007 |
| Luís Simões Logística Integrada, S.A. - Portugal               | 01/01/2007 |
| Reta - Serviços Técnicos e Rent-a-Cargo, S.A.                  | 01/01/2007 |
| Diagonal - Corretores de Seguros, S.A.                         | 01/01/2007 |
| LS - Gestão Empresarial e Imobiliária, S.A.                    | 01/01/2011 |
| LS Frota, Lda.   | 01/01/2016 |
| Patrimundus - Investimentos Imobiliários, S.A.                 | 01/01/2017 |
| Solmoninhos - Consultoria, Gestão e Execução Imobiliária, S.A. | 01/01/2019 |

LS - Luís Simões, SGPS, S.A., as the dominant company, is responsible for calculating the group's taxable profit through the algebraic addition of taxable profit and tax losses stated in the income tax statement of each of the controlled companies that belong to the RETGS.

The amount of payable tax for the year is calculated at each of the companies that are part of the Group, in accordance with the respective taxable profit. Any gains or losses ensuing from RETGS shall be recognised by each of the companies that are part of the Tax Group.

In accordance with applicable legislation, tax returns are subject to revision and correction by the tax authorities for a period of four years (five years for social security), except when there have been tax losses or inspections, complaints or challenges are underway, in which case, depending on the circumstances, the time periods are extended or suspended. As such, the Company's tax returns for the years 2019 to 2022 may as yet be subject to revision and correction. The Board of Directors believes that any corrections resulting from revisions/inspections on the part of the tax authorities regarding those tax returns will not have a limitative effect on the financial statements under review.

The time period for tax loss carryover (TLC) in Portugal is as follows:

| Carryover period | Taxation periods |
|------------------|------------------|
| 12 years         | 2020 and 2021    |
| 5 years          | 2022             |
| 5+2 years        | 2017 to 2019     |
| 12+2 years       | 2014 to 2016     |

As of 1 January 2023, in Portugal there is no longer any time limit for carryover of tax losses that have not expired at that date.

In Spain, deduction of TLC has no time limit; however, it is limited to 25% of taxable profit, starting from the established minimum of one million euros.

Deduction of a tax loss carryover (TLC) is limited to 70% of taxable profit (65% starting in 2023), this rule being applicable to the deductions made during the tax periods initiated on or after 1 January 2014, except in the case of tax losses calculated for the 2020 tax period, in which case the limit is extended to 80% of taxable profit.

## 17.1. SEPARATE DISCLOSURE OF THE FOLLOWING MAIN COMPONENTS OF TAX COST (INCOME)

Tax cost (income) is stated in the following table:

|  | 2022         | 2021         |
|--|--------------|--------------|
| Current tax                            |              |              |
| Corporate income tax for the year      | 1,186,275.73 | 1,383,052.79 |
| Deferred tax                           |              |              |
| Ensuing from temporary tax differences | (855,848.80) | (37,169.87)  |
|  | 330,426.93   | 1,345,882.92 |

The amount of deferred tax cost (income) related to the origin and reversal of the temporary differences is indicated in the table below:

**Deferred tax assets**

|  | Base         |              |                |               |
|--|--------------|--------------|----------------|---------------|
|  | 31-12-2021   | Increases    | Reductions     | 31-12-2022    |
| Impairment of assets:  |              |              |                |               |
| Impairment losses on inventories                                       | 88,772.28    | 61,278.96    | (13,538.39)    | 136,512.85    |
| Losses from impairment on receivables (Note 10.3)                      | 154,716.52   | 74,119.87    | (108,773.01)   | 120,063.38    |
| Limitation on deduction of depreciation and amortisation 2013 and 2014 | 337,196.56   | -            | (112,398.86)   | 224,797.70    |
| Impairment losses on Investment properties (Note 6)                    | 267,748.65   | -            | (2,708.62)     | 265,040.03    |
| Other adjustments:   |              |              |                |               |
| Other temporary differences  | 22,500.00    | 56,500.00    | (22,500.00)    | 56,500.00     |
| Tax losses   | 7,793,255.95 | 4,194,505.91 | (1,194,505.91) | 10,793,255.95 |
|  | 8,664,189.96 | 4,386,404.74 | (1,454,424.79) | 11,596,169.91 |
| Effects of change in corporate income tax rate                         | -            | -            | (41,587.58)    | (41,587.58)   |
| Consolidation adjustments  | 333,867.72   | -            | -              | 333,867.72    |
| Total base   | 8,998,057.67 | 4,386,404.74 | (1,496,012.37) | 11,888,450.04 |
| Tax benefits   | -            | 28,618.62    | -              | 28,618.62     |
| Deferred tax assets  | 2,267,017.95 | 1,112,623.72 | (393,648.91)   | 2,985,992.76  |



# Deferred tax assets

|  | Base         |            |              | 31-12-2021   |
|--|--------------|------------|--------------|--------------|
|  | 31-12-2020   | Increases  | Reductions   |              |
| Impairment of assets:  |              |            |              |              |
| Impairment losses on inventories                                       | 57,489.90    | 46,476.42  | (15,194.04)  | 88,772.28    |
| Losses from impairment on receivables                                  | 411,525.15   | 197,012.06 | (453,820.69) | 154,716.52   |
| Limitation on deduction of depreciation and amortisation 2013 and 2014 | 449,595.41   | -          | (112,398.86) | 337,196.56   |
| Impairment losses on Investment properties (Note 6)                    | 174,883.43   | 146,385.52 | (53,520.30)  | 267,748.65   |
| Other adjustments:   |              |            |              |              |
| Other temporary differences  | 114,270.00   | 22,500.00  | (114,270.00) | 22,500.00    |
| Tax losses   | 7,793,255.95 | -          | -            | 7,793,255.95 |
|  | 9,001,019.84 | 412,374.00 | (749,203.89) | 8,664,189.96 |
| Consolidation adjustments  | 333,867.72   | -          | -            | 333,867.72   |
| Total base   | 9,334,887.56 | 412,374.00 | (749,203.89) | 8,998,057.67 |
| Tax benefits   | 219,159.75   | -          | (219,159.75) | -            |
| Deferred tax assets  | 2,567,822.86 | 202,256.16 | (503,061.07) | 2,267,017.95 |

**Deferred tax liabilities**

|  | Base         |           |              |              |
|--|--------------|-----------|--------------|--------------|
|  | 31-12-2021   | Increases | Reductions   | 31-12-2022   |
| Differences between the accounting base and the tax base of tangible fixed assets: |              |           |              |              |
| Asset revaluation  | 4,647,219.70 | -         | (610,084.57) | 4,037,135.13 |
|  | 4,647,219.70 | -         | (610,084.57) | 4,037,135.13 |
| Differences between the accounting base and the tax base of equity:                |              |           |              |              |
| Subsidies granted by the public administration (Note 21.2)                         | 4,715,322.17 | -         | (353,179.68) | 4,362,142.49 |
|  | 4,715,322.17 | -         | (353,179.68) | 4,362,142.49 |
| Deferred tax liabilities   | 2,213,219.91 | -         | (225,168.91) | 1,988,051.00 |

**Deferred tax liabilities**

|  | Base         |            |              |              |
|--|--------------|------------|--------------|--------------|
|  | 31-12-2020   | Increases  | Reductions   | 31-12-2021   |
| Differences between the accounting base and the tax base of tangible fixed assets: |              |            |              |              |
| Asset revaluation  | 5,177,042.29 | -          | (529,822.59) | 4,647,219.70 |
|  | 5,177,042.29 | -          | (529,822.59) | 4,647,219.70 |
| Differences between the accounting base and the tax base of equity:                |              |            |              |              |
| Subsidies granted by the public administration (Note 21.2)                         | 4,812,738.51 | 215,034.80 | (312.451,14) | 4,715,322.17 |
|  | 4,812,738.51 | 215,034.80 | (312.451,14) | 4,715,322.17 |
| Deferred tax liabilities   | 2,356,389.03 | 53,758.70  | (196,927.82) | 2,213,219.91 |

Tax losses for which Deferred tax assets were recognised break down as follows:

|  | Value         | AID          | Deadline  |
|--|---------------|--------------|-----------|
| Luís Simões Logística Integrada, S.A. (Spain)                |               |              |           |
| Tax losses 2017  | 1,366,940.00  | 341,735.00   | Unlimited |
| Tax losses 2018  | 5,422,483.18  | 1,355,620.80 | Unlimited |
| Tax losses 2019  | 3,303,912.66  | 825,978.17   | Unlimited |
| Tax losses 2020  | 672,115.81    | 168,028.95   | Unlimited |
| Tax losses 2021  | 23,971.53     | 5,992.85     | Unlimited |
|  | 10,789,423.18 | 2,697,355.77 |           |
| Solmoninhos-Consultoria, Gestão e Execução Imobiliária, S.A. |               |              |           |
| Tax losses 2014  | 3,832.70      | 804.87       | 2028      |
|  | 3,832.70      | 804.87       |           |
| Total  | 10,793,255.88 | 2,698,160.64 |           |

In Spain, the recoverability of tax loss carryover has no time limit. These tax losses cannot be used by the Tax Group under the RETGS, given that this company is not included in it, and the Group has prepared projections that support its expectation and recovery regarding those amounts.

In 2022 there were no changes in the tax rate and as such no amount was recorded related to such a fact.

## 17.2. TAX COST (INCOME) TO ACCOUNTING PROFIT RATIO:

The numerical reconciliation between the average effective tax rate and the applicable tax rate is indicated in the table below:

|   | Tax base     |                | Tax rate |        |
|---|--------------|----------------|----------|--------|
|   | 2022         | 2021           | 2022     | 2021   |
| Income before taxes   | 7,407,882.38 | 5,972,849.74   |          |        |
| Nontaxable income   |              |                |          |        |
| Reversal of impairment losses taxed during previous years.                        | 511,237.13   | 609,898.17     |          |        |
| Accounting gains  | 1,432,421.01 | 1,424,998.25   |          |        |
| Tax benefits (a)  | 551,765.65   | 437,064.16     |          |        |
| Other nontaxable income   | 202,784.13   | 280,986.29     |          |        |
|   | 2,698,207.92 | 2,752,946.87   |          |        |
| Non-deductible costs for tax purposes   |              |                |          |        |
| Unaccepted depreciation and amortisation  | 597,114.53   | 864,863.14     |          |        |
| Tax gains   | 846,237.85   | 719,250.77     |          |        |
| Recording of impairment losses (Note 17.1)  | 521,615.94   | 243,488.48     |          |        |
| Other non-deductible costs for tax purposes                                       | 334,754.55   | 217,735.71     |          |        |
|   | 2,299,722.87 | 2,045,338.10   |          |        |
| Tax losses for the year not compensated in the Group                              | -            | (1,922,596.02) |          |        |
| Use of tax losses   | 1,079,688.89 | -              |          |        |
| Taxable profit  | 5,929,708.44 | 7,187,837.00   |          |        |
| Income tax rate   | 21.00%       | 21.00%         |          |        |
| Municipal Surtax Rate   | 1.50%        | 1.50%          |          |        |
| Calculated corporate income tax   | 1,245,238.77 | 1,509,445.77   | 16.81%   | 25.27% |
| Municipal surtax  | 84,520.65    | 106,795.19     |          |        |
| State surtax  | 52,132.87    | 109,709.83     |          |        |
| Autonomous taxation   | 127,927.03   | 114,206.39     |          |        |
| Tax benefits used (b)   | (302,685.21) | (457,104.39)   |          |        |
| Other itemised deductions   | (41,587.58)  | -              |          |        |
| Effects of the existence of tax rates different from those that exist in Portugal | 20,729.19    | -              |          |        |
| Tax for the year  | 1,186,275.73 | 1,383,052.79   | 16.01%   | 23.16% |
| Deferred taxes (Note 17.1)  | (855,848.80) | (37,169.87)    |          |        |
| Income tax for the period   | 330,426.93   | 1,345,882.92   | 4.46%    | 22.53% |

- (a) Tax benefits essentially pertain to: i) net job creation; ii) scaling up of donations; iii) scaling up of contributions; iv) scaling up of professional diesel, v) scaling up of the increase in energy prices; and vi) conventional remuneration of share capital.

In the years ended 31 December 2022 and 2021, the Group used the tax incentive Conventional Remuneration of Share Capital provided for under Article 41-A of the Tax Benefits Statute. This benefit consists of deducting from taxable profit a part of the capital injected by shareholders into the companies, which shall take place via capital injection to be made no later than 31 May 2023, recognised as profit for the year. As such, the Group may use a total additional tax benefit of 386,400 euros (454,020 euros in 2021), the amount of 64,400 euros (75,670 euros in 2021) having been considered in the calculation of corporate income tax, carrying over the accumulated amount of 624,680 euros (378,350 euros in 2021) to subsequent years.

- (b) The tax benefits used during the year ended 31 December 2022 pertain to the benefit associated with the contribution to investment funds FCR C2 R&D GROWTH VI and EXPLORER GROWTH FUND V, FCR (Note 18.1) used to finance companies that are essentially dedicated to R&D, as part of the System of Tax Incentives for Corporate Research and Development II (SIFIDE II). This tax benefit comes under Articles 35. to 42. of the Investment Tax Code (268,125 euros) and under Technological Innovation Expenses in Spain. This tax benefit comes under Article 35.2 of the *Impuesto de Sociedades* Code in Spain 49,375 euros (44,604 euros in 2021).

#### 17.3. EXPLANATION OF CHANGES IN THE APPLICABLE TAX RATE COMPARED WITH THE PREVIOUS ACCOUNTING PERIOD;

Between the years 2022 and 2021 there were no changes in the Corporate Income Tax rate.

## 18. FINANCIAL INSTRUMENTS

### 18.1. FINANCIAL ASSETS

Financial assets valued at amortised cost are as follows:

|   | 31-12-2022           | 31-12-2021           |
|---|----------------------|----------------------|
| <b>Non-current</b>                                  |                      |                      |
| Other financial investments                         |                      |                      |
| Capital holdings in non-listed companies            | 3,795.86             | 3,795.86             |
| Work Compensation Fund (FCT)                        | 280,698.34           | 233,788.72           |
| Stakes in Funds                                     | 825,000.00           | 500,000.00           |
|   | <u>1,109,494.20</u>  | <u>737,584.58</u>    |
| Receivables   |                      |                      |
| Other debtors (a)                                   | 5,027,773.32         | 5,027,773.32         |
| Sureties  | 2,194,904.40         | 2,002,466.32         |
|   | <u>7,222,677.72</u>  | <u>7,030,239.64</u>  |
| <b>Current</b>                                      |                      |                      |
| Clients c/a   | 59,963,179.20        | 52,662,591.84        |
| Other receivables                                   |                      |                      |
| Accrued income debtors                              | 2,332,305.73         | 2,395,157.17         |
| Advances to suppliers                               | 388,171.42           | 139,071.46           |
| Staff   | 22,102.07            | 20,063.67            |
| Other debtors - insurance brokerage business        | 101,698.14           | 64,707.13            |
| Other debtors - divestment of tangible fixed assets | 467,899.33           | 308,831.14           |
| Other debtors - taxes paid by clients (b)           | 1,351,179.50         | -                    |
| Other debtors                                       | 764,575.23           | 1,252,659.62         |
|   | <u>5,427,931.42</u>  | <u>4,180,490.19</u>  |
| Cash and bank deposits (Note 4)                     |                      |                      |
| Cash  | 11,562.02            | 12,778.88            |
| Other bank deposits                                 | 3,804,995.00         | 2,988,044.69         |
|   | <u>3,816,557.02</u>  | <u>3,000,823.57</u>  |
|   | <u>77,539,839.62</u> | <u>67,611,729.82</u> |

(a) At 31 December 2022 and 2021 the balance pertaining to a non-refundable investment subsidy granted by *Junta de Castilla la Mancha* (Nota 21.2).

(b) At 31 December 2022 the balance pertains to Special Consumption Taxes receivable from clients and payable to the State, as indicated in Note 21.4.



Financial Assets valued at amortised cost for which impairment was recognised are described in the table below:

|  | 31-12-2022     | 31-12-2021     |
|--|----------------|----------------|
| Clients                                      |                |                |
| Gross amount                                 | 62,643,942.72  | 55,582,685.07  |
| Accumulated impairment                       | (2,680,763.52) | (2,920,093.23) |
| Net book value                               | 59,963,179.20  | 52,662,591.84  |
| Other debtors - insurance brokerage business |                |                |
| Gross amount                                 | 101,971.93     | 69,487.52      |
| Accumulated impairment                       | (273.79)       | (4,780.39)     |
| Net book value                               | 101,698.14     | 64,707.13      |
|  | 60,064,877.34  | 52,727,298.97  |

The amount of impairment losses recognised in each of the classes of financial assets is indicated in the following tables:

| Year 2022  | Initial balance | Increase   | Use          | Reversal     | Final balance |
|--|-----------------|------------|--------------|--------------|---------------|
| Financial assets valued at amortised cost deducted by impairment |                 |            |              |              |               |
| Clients c/a  | 2,920,093.23    | 131,005.42 | (221,313.80) | (149,021.33) | 2,680,763.52  |
| Other debtors  | 4,780.39        | -          | (4,506.60)   | -            | 273.79        |
|  | 2,924,873.62    | 131,005.42 | (225,820.40) | (149,021.33) | 2,681,037.31  |
| Year 2021  | Initial balance | Increase   | Use          | Reversal     | Final balance |
| Financial assets valued at amortised cost deducted by impairment |                 |            |              |              |               |
| Clients c/a  | 3,770,623.30    | 126,006.98 | (767,861.11) | (208,675.94) | 2,920,093.23  |
| Other debtors  | 26,131.50       | -          | (21,351.11)  | -            | 4,780.39      |
|  | 3,796,754.80    | 126,006.98 | (789,212.22) | (208,675.94) | 2,924,873.62  |

The impact on income by the net reversals for the years 2022 and 2021 was 18,015.91 euros and 82,668.96 euros, respectively.

## 18.2. FINANCIAL LIABILITIES

Financial liabilities valued at amortised cost are indicated in the table below:

|  | 31-12-2022            | 31-12-2021            |
|--|-----------------------|-----------------------|
| <b>Non-current</b>                               |                       |                       |
| Financing  |                       |                       |
| Bank loans                                       | 21,706,842.38         | 22,380,492.27         |
| Shareholders (Note 6.3)                          | 16,093,727.04         | 14,643,727.04         |
|  | <u>37,800,569.42</u>  | <u>37,024,219.31</u>  |
| Other payables                                   |                       |                       |
| Other accrued costs (a)                          | 7,213,241.00          | 7,944,934.69          |
|  | <u>7,213,241.00</u>   | <u>7,944,934.69</u>   |
| <b>Current</b>                                   |                       |                       |
| Suppliers  | 31,655,403.08         | 32,603,034.45         |
| Financing obtained                               |                       |                       |
| Bank loans                                       | 6,018,403.53          | 6,988,708.05          |
| Bank overdrafts (Note 4)                         | 9,805,388.95          | 150.00                |
|  | <u>15,823,792.48</u>  | <u>6,988,858.05</u>   |
| Other payables                                   |                       |                       |
| Investment suppliers                             | 1,215,921.33          | 511,489.58            |
| Advances from clients                            | -                     | 20,876.02             |
| Accrued costs creditors                          |                       |                       |
| Accrual for holiday and holiday allowance        | 4,975,975.04          | 4,334,823.96          |
| Bonuses and daily allowances                     | 1,194,256.53          | 432,520.68            |
| Subcontracting accruals                          | 3,694,445.90          | 4,352,970.59          |
| Other accrued costs - related parties (Note 6.3) | 91,226.79             | 51,803.27             |
| Other accrued costs                              | 4,371,868.62          | 5,517,913.26          |
| Staff  | 34,525.21             | 391,571.70            |
| Other creditors - insurance brokerage business   | 181,977.72            | 353,578.13            |
| Other creditors                                  | 465,101.48            | 303,150.92            |
|  | <u>16,225,298.62</u>  | <u>16,270,698.11</u>  |
|  | <u>108,718,304.60</u> | <u>100,831,744.61</u> |

(a) At 31 December 2022 and 2021 the non-current component of Other accrued costs refers to the linearization of the recognition of the costs ensuing from long term operating lease agreements.

The maturity of the non-current component of the financing obtained is as follows:

a) Bank loans:

|                       | 2022          | 2021          |
|-----------------------|---------------|---------------|
| Bank loans            |               |               |
| Between 1 and 5 years | 12,371,077.47 | 13,385,928.58 |
| Over 5 years          | 9,335,764.91  | 8,994,563.69  |
|                       | 21,706,842.38 | 22,380,492.27 |

During the first quarter of 2020 the Group obtained a loan from Novo Banco in the amount of 20,000,000.00 euros, maturing on 21 February 2033, which is subject to compliance with certain financial ratios, which are being complied with at 31 December 2022. The classification of the financing is conducted in accordance with the degree of compliance with these ratios.

During the years ended 31 December 2022 and 2021, Financing obtained and respective maturity breaks down as follows:

| Subscriber | Issue date | Maturity   | Nominal value 2022 |              | Balance sheet value 2022 |              |
|------------|------------|------------|--------------------|--------------|--------------------------|--------------|
|            |            |            | Non-current        | Current      | Non-current              | Current      |
| ABanca     | 16/07/2018 | 13/07/2023 | -                  | 526,813.26   | -                        | 526,813.26   |
| BPI        | 17/12/2018 | 17/12/2023 | 837,943.78         | 812,397.22   | 837,943.78               | 812,397.22   |
| BPI        | 16/07/2019 | 16/07/2024 | 1,035,302.92       | 1,012,801.16 | 1,035,302.92             | 1,012,801.16 |
| BPI        | 30/12/2019 | 30/12/2023 | -                  | 1,279,696.81 | -                        | 1,279,696.81 |
| Novo Banco | 21/02/2020 | 21/02/2033 | 14,449,348.14      | 1,433,668.52 | 15,489,686.55            | 1,721,197.62 |
| BPI        | 06/09/2022 | 30/09/2032 | 4,500,000.00       | 500,000.00   | 4,343,909.13             | 665,497.46   |
| Total      |            |            | 20,822,594.84      | 5,565,376.97 | 21,706,842.38            | 6,018,403.53 |

| Subscriber | Issue date | Maturity   | Nominal value 2021 |              | Balance sheet value 2021 |              |
|------------|------------|------------|--------------------|--------------|--------------------------|--------------|
|            |            |            | Non-current        | Current      | Non-current              | Current      |
| ABanca     | 16/07/2018 | 13/07/2023 | 526,813.27         | 903,108.47   | 526,813.27               | 903,108.47   |
| BPI        | 17/12/2018 | 17/12/2023 | 1,657,878.58       | 802,336.66   | 1,657,878.58             | 802,336.66   |
| BPI        | 16/07/2019 | 16/07/2024 | 2,045,709.47       | 1,003,112.86 | 2,045,709.47             | 1,003,112.86 |
| BPI        | 30/12/2019 | 30/12/2023 | 1,279,696.81       | 2,533,711.01 | 1,279,696.81             | 2,533,711.01 |
| Novo Banco | 21/02/2020 | 21/02/2033 | 17,316,685.18      | 1,433,668.52 | 16,870,394.14            | 1,746,439.05 |
| Total      |            |            | 22,826,783.31      | 6,675,937.52 | 22,380,492.27            | 6,988,708.05 |

## b) Shareholders:

|                     | 2023       | 2024       | 2025       | 2026       | 2027         | 2032       | 2045         | 2047       | Total         |
|---------------------|------------|------------|------------|------------|--------------|------------|--------------|------------|---------------|
| Equity participants | 100,000.00 | 375,000.00 | 400,000.00 | 605,000.00 | 4,586,137.67 | 300,000.00 | 9,000,000.00 | 727,589.37 | 16,093,727.04 |

At the end of 2022 the value of lines of credit obtained was 53,000,000.00 euros (39,800,000.00 euros in 2021), available in the amount of 43,202,391.52 euros (entirely available in 2021).

The lines of credit with movement up to 1 year are automatically renewable in accordance with what was contractually agreed with the credit institutions.

Interest paid by the Group during 2022 and 2021 related to loans and lines of credit obtained and approved from credit institutions is largely tied to the Euribor index, accrued by the market spread.

### 18.3. NATE GAINS AND NET RECOGNISED LOSSES

In the years ended 31 December 2022 and 2021, income, costs, gains and losses related to financial instruments breaks down as follows:

|   | 2021         |              | 2020       |              |
|---|--------------|--------------|------------|--------------|
|   | Income       | Costs        | Income     | Costs        |
| Financial assets at amortised cost:       |              |              |            |              |
| Impairment losses (Note 18.1)             | -            | 131,005.42   | -          | 126,006.98   |
| Reversal of impairment losses (Note 18.1) | 149,021.33   | -            | 208,675.94 | -            |
|   | 149,021.33   | 131,005.42   | 208,675.94 | 126,006.98   |
| Financial liabilities at amortised cost:  |              |              |            |              |
| Interest paid (Note 21.10)                | -            | 1,428,343.96 | -          | 1,108,279.58 |
| Cash discount obtained (Note 21.7)        | 949,006.48   | -            | 785,931.87 | -            |
|   | 949,006.48   | 1,428,343.96 | 785,931.87 | 1,108,279.58 |
|   | 1,098,027.81 | 1,559,349.38 | 994,607.81 | 1,234,286.56 |

### 18.4. EQUITY INSTRUMENTS

The book value of share capital issued by the Group at 31 December 2022 and 2021 breaks down as follows:

|               | 31-12-2022    | 31-12-2021    |
|---------------|---------------|---------------|
| Capital       |               |               |
| Nominal value | 30,000,000.00 | 30,000,000.00 |
|               | 30,000,000.00 | 30,000,000.00 |



The number of shares representing share capital are indicated in the table below:

|                                 | Value         | Quantity  |
|---------------------------------|---------------|-----------|
| Shares issued                   |               |           |
| Ordinary shares at 5 euros each | 30,000,000.00 | 6,000,000 |
|                                 | 30,000,000.00 | 6,000,000 |

## 19. STAFF COSTS

Staff costs breaks down as follows in the table:

|  | 2022          | 2021          |
|--|---------------|---------------|
| Staff remuneration                               | 56,436,018.04 | 51,848,367.68 |
| Compensation                                     | 379,776.34    | 490,280.25    |
| Charges applied to remuneration                  | 15,110,298.07 | 13,549,624.54 |
| Work accident and occupational illness insurance | 492,555.85    | 465,554.80    |
| Social action costs                              | 69,600.71     | 64,976.50     |
| Other  | 741,650.66    | 679,473.98    |
|  | 73,229,899.67 | 67,098,277.75 |

The average number of workers employed by the Group in 2022 was 2,443 (in 2021 it was 2,339).

**20. INFORMATION REQUIRED BY LAW**

Of the information legally required by other legislation, namely Articles 66., 324., 397., 447. and 448. of the Commercial Companies Code (CCC), the legal provisions of Decree-Law no. 328/95 of 9 December and the provisions of Decree-Law no. 411/91 of 17 October, it is important to point out that:

- I. In compliance with No. 2 of Article 324. of the CCC, the Group hereby informs that it does not possess any own shares and up to now has not undertaken any dealing that involves securities of that nature.
- II. In compliance with No. 4 of Article 397. of the CCC, the Group hereby informs that no business dealings were conducted between the Group and members of its governing bodies over the course of 2022;
- III. In compliance with No. 1 of Article 21. of Decree-Law no. 411/91 of 17 October, the Group hereby informs that it does not have any overdue contributions owed to any pension fund, and the accounting balances at 31 December 2022 come from withholding tax deductions and contributions for the month of December, payment of which was made in January 2023 within the legally applicable timeframes.
- IV. The members of the Board of Directors indicated below hold the following shares in the Company:

|                                |     |
|--------------------------------|-----|
| José Luís Soares Simões:       | 300 |
| Jorge Manuel Soares Simões:    | 300 |
| Leonel Fernando Soares Simões: | 300 |

As legally required, the Board of Directors hereby states that the Group has no outstanding debts to the State and that the situation of the Group in relation to Social Security has been settled within the legally applicable time periods.

## 21. OTHER INFORMATION

### 21.1. DEFERRALS

At 31 December 2022 and 2021 the items recognised as Deferrals under Current assets and Current liabilities break down as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Deferred assets                                 |                     |                     |
| Deferred costs - insurance                      | 110,742.06          | 370,427.17          |
| Deferred costs - external supplies and services | 1,368,096.67        | 1,055,413.36        |
|   | <u>1,478,838.73</u> | <u>1,425,840.53</u> |
| Deferred liabilities                            |                     |                     |
| Fleet management protocol                       | -                   | 17,028.69           |
| Other deferred income                           | 451,032.14          | 391,880.65          |
|   | <u>451,032.14</u>   | <u>408,909.34</u>   |

## 21.2. RESERVES, INCOME AND OTHER CHANGES IN EQUITY

### Distribution of Income

Changes in reserves and other equity items at 31 December 2022 and 2021 as a result of distribution of income break down as follows:

#### **Year 2022**

By decision of the General Meeting of 22 April 2022, Consolidated net income for the period ended 31 December 2021 in the amount of 4,480,086.49 euros was distributed as follows:

|                            |              |
|----------------------------|--------------|
| - Other reserves:          | 18,544.84    |
| - Legal Reserve:           | 223,077.08   |
| - Dividend Distribution:   | 3,346,156.23 |
| - Unappropriated Earnings: | 892,308.34   |

#### **Year 2021**

By decision of the General Meeting of 15 April 2021, Consolidated net income for the period ended 31 December 2020 in the amount of 6,245,845.00 euros was distributed as follows:

|                            |              |
|----------------------------|--------------|
| - Other reserves:          | 3,161.91     |
| - Legal Reserve:           | 312,134.16   |
| - Dividend Distribution:   | 1,182,843.20 |
| - Unappropriated Earnings: | 4,747,705.73 |

The difference between the amount of approved dividends and the amount of net dividends paid as indicated in the Cash Flow Statement refers to tax withheld at the source.

### Legal reserve

The legal reserve is not available for distribution and can only be used to increase capital or cover losses. Under the law, a legal reserve is increased annually by at least 5% of net income up until reaching the minimum of 20% of share capital. This reserve cannot be distributed except in the event of liquidation of the company, but it may be used to cover losses after all other reserves have been used up or it can be incorporated into capital.

At 31 December 2022 and 2021 the legal reserve totalled 861,136.83 euros and 638,059.75 euros, respectively.

### Adjustments/Other changes in equity

In 2022 and 2021 the balance of Adjustments to financial assets breaks down as follows:

| Project     | Balance at<br>31.12.2021 | Increased subsidies | Recognition under<br>income (Note<br>21.7) | Realisation of<br>deferred taxes | Balance at<br>31.12.2022 |
|-------------|--------------------------|---------------------|--|----------------------------------|--------------------------|
| Guadalajara | 3,804,906.04             | -                   | (353,179.68)                               | 88,294.92                        | 3,540,021.28             |

| Project     | Balance at<br>31.12.2020 | Increased subsidies | Recognition under<br>income (Note<br>21.7) | Realisation of<br>deferred taxes | Balance at<br>31.12.2021 |
|-------------|--------------------------|---------------------|--|----------------------------------|--------------------------|
| Guadalajara | 3,877,968.29             | 161,276.11          | (312,451.14)                               | 78,112.78                        | 3,804,906.04             |

During the year ended 31 December 2019 *Junta de Castilla la Mancha* granted an investment subsidy to the company of Grupo Luís Simões Logística Integrada, S.A. (Spain) in the amount of 5,580,892,90 euros, subject to compliance with the various conditions, namely a total investment of 32,828,777 euros in the new logistics centre and creating 120 jobs.

Management has valued total eligible investment as being lower and as such the subsidy was proportionally recognised in non-current assets (Note 18.1).

### Other reserves

The item Other reserves corresponds to free reserves.

At 31 December 2022 and 2021 Other reserves totalled 4,129,237.21 euros and 4,110,692.37 euros respectively.

### 21.3. NON-CONTROLLING INTERESTS

In 2022 and 2021 the balance of non-controlling interests breaks down as follows:

|                        | 2022         | 2021        |
|------------------------|--------------|-------------|
| Balance at 1 January   | 306,219.49   | 206,851.27  |
| Profit for the period  | 147,504.50   | 146,880.33  |
| Dividends issued       | (146,880.33) | (47,512.11) |
| Balance at 31 December | 306,843.66   | 306,219.49  |

Non-controlling interests at 31 December 2022 and 2021 breaks down as follows:

|  | 2022       | 2021       |
|--|------------|------------|
| Espaçotrans - Gestão Entrepósitos Aduaneiros, Lda. | 306,843.66 | 306,219.49 |
|  | 306,843.66 | 306,219.49 |



#### 21.4. STATE AND OTHER PUBLIC ENTITIES

At 31 December 2022 and 2021 State and other public entities breaks down as follows:

|   | 31-12-2021   |              | 31-12-2020     |              |
|---|--------------|--------------|----------------|--------------|
|   | Assets       | Liabilities  | Assets         | Liabilities  |
| Corporate Income Tax                    |              |              |                |              |
| Payments on account                     | 1,913,123.64 | (128,952.00) | 1,570,190.05   | (83,349.00)  |
| Estimated tax                           | (963,072.03) | 153,808.27   | (1,222,925.04) | 152,259.82   |
| Tax Withheld at the Source              | 51,807.72    | -            | 26,823.36      | -            |
| Personal Income Tax                     | -            | 674,231.38   | -              | 652,383.20   |
| Value Added Tax                         |              |              |                |              |
| VAT recoverable - Portugal              | 233,370.18   | -            | 448,920.38     | -            |
| VAT recoverable - Spain                 | 675,357.68   | -            | 116,973.45     | -            |
| VAT recoverable - other countries       | 226.93       | -            | 1,841.10       | -            |
| VAT requested refunds - Spain           | 356,825.30   | -            | 260,703.44     | -            |
| VAT requested refunds - other countries | -            | -            | 4,113.35       | -            |
| VAT payable - Portugal                  | -            | 1,204,473.81 | -              | 855,100.86   |
| Social Security Contributions           | -            | 1,729,391.52 | -              | 1,416,764.03 |
| Special Consumption Tax                 | -            | 2,478,750.90 | -              | 1,139,733.90 |
| Refund professional diesel Portugal     | 27,761.92    | -            | 150,602.60     | -            |
| Refund professional diesel Spain        | 12,668.47    | -            | 34,429.51      | -            |
| Other taxes                             | -            | 27,458.28    | -              | 15,368.21    |
|   | 2,308,069.81 | 6,139,162.16 | 1,391,672.20   | 4,148,261.02 |

#### 21.5. OWN WORKS

This item breaks down as follows in the table below:

|                       | 2022              | 2021              |
|-----------------------|-------------------|-------------------|
| Own works             |                   |                   |
| Tangible fixed assets | 233,357.82        | 116,647.67        |
|                       | <u>233,357.82</u> | <u>116,647.67</u> |

The amounts recorded under this item pertain to vehicle repair undertaken at own repair shops upon acquisition of used vehicles by the Group in view of preparing them for use, as well as pertaining to work performed at the facilities of the new automated warehouse of the Guadalajara logistics centre.

## 21.6. EXTERNAL SUPPLIES AND SERVICES

External supplies and services in the years ended 31 December 2022 and 2021 breaks down as follows:

|                               | 2022                  | 2021                  |
|-------------------------------|-----------------------|-----------------------|
| Subcontracts                  | 111,583,829.49        | 100,542,583.49        |
| Rents and Leases              | 23,848,439.63         | 23,411,671.96         |
| Fuel                          | 9,691,231.83          | 5,278,197.92          |
| Conservation and Repair       | 5,458,495.09          | 5,409,420.02          |
| Warehouse consumables         | 3,304,119.95          | 2,717,740.56          |
| Electricity                   | 3,141,505.90          | 2,019,320.28          |
| Specialised works             | 2,954,647.77          | 3,963,483.32          |
| Cleaning, hygiene and comfort | 2,064,785.00          | 1,932,681.54          |
| Insurance                     | 1,379,307.33          | 1,310,104.84          |
| Surveillance and Security     | 1,346,703.85          | 1,220,657.53          |
| Road tolls                    | 958,035.35            | 1,029,114.18          |
| Commissions                   | 643,246.20            | 719,894.46            |
| Communication                 | 452,564.28            | 433,683.15            |
| Travel and Accommodation      | 277,286.52            | 229,144.08            |
| Advertising                   | 42,378.78             | 37,180.12             |
| Other                         | 3,908,728.78          | 1,912,959.82          |
|                               | <u>171,055,305.75</u> | <u>152,167,837.26</u> |

Expenses recognised as environmental costs are included under Cleaning, hygiene and comfort and totalled 396,010.95 euros at 2022 (451,781.29 euros in 2021).

## 21.7. OTHER INCOME

Other income in the years ended 31 December 2022 and 2021 breaks down as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Additional income:                            |                     |                     |
| Recycled waste                                | 362,810.33          | 258,415.68          |
| Vehicle conservation and repair               | 273,903.97          | 307,563.24          |
| Sale of fuel                                  | 144,882.73          | 145,852.82          |
| Ceding of staff                               | 113,834.99          | -                   |
| Security and surveillance services            | 80,895.30           | 91,377.73           |
| Ceding of equipment                           | 59,875.68           | 100,242.89          |
| Ceding of operations                          | 42,549.39           | 38,852.10           |
| Condominium services                          | 37,134.96           | 49,073.84           |
| Insurance                                     | 2,268.63            | 10,684.39           |
| Vehicle rental                                | -                   | 150.00              |
| Other additional income                       | 522,302.79          | 380,362.44          |
| Gains from tangible fixed assets              | 1,431,572.90        | 1,427,998.25        |
| Cash discounts obtained (Note 18.3)           | 949,006.48          | 785,931.87          |
| Investment subsidies (Note 21.2)              | 353,179.68          | 312,451.14          |
| Fee for initiating tyres contract             | 199,047.43          | 187,866.47          |
| Surplus                                       | 108,127.17          | 120,620.89          |
| Compensation from insurance claims            | 106,728.29          | 111,123.16          |
| Gains from other financial instruments        | 3,975.25            | 61,600.56           |
| Overestimation for tax purposes               | 340.71              | 50,333.39           |
| Rental income investment properties (Note 10) | 38,773.97           | 41,314.49           |
| Other interest obtained                       | 19,643.24           | 37,072.65           |
| Income from rental contracts                  | 7,533.72            | 10,761.01           |
| Recovery of receivables                       | 1,493.17            | 51.98               |
| Other   | 125,926.70          | 80,304.78           |
|   | <b>4,985,807.48</b> | <b>4,610,005.77</b> |

Other interest obtained refers mainly to penalty interest pertaining to the amounts returned from *Cêntimo Sanitário*, the reimbursement of taxes having originated

from the complaints filed by the Group, as mentioned in Note 13.3..

#### 21.8. OTHER COSTS

Other costs in the years ended 31 December 2022 and 2021 breaks down as follows:

|                                   | 2022                | 2021                |
|-----------------------------------|---------------------|---------------------|
| Taxes and Fees                    | 767,130.24          | 728,905.02          |
| Insurance claims                  | 549,491.26          | 516,055.93          |
| Donations                         | 157,809.43          | 142,898.44          |
| Fines                             | 112,966.74          | 57,678.70           |
| Inventory losses                  | 68,999.36           | 91,500.29           |
| Contributions                     | 21,834.96           | 18,856.90           |
| Cash discounts granted            | 10,717.44           | 8,220.22            |
| Losses from tangible fixed assets | -                   | 19,980.37           |
| Underestimated tax                | -                   | 3,663.94            |
| Bad debt                          | -                   | 136.14              |
| Other                             | 77,435.75           | 114,246.51          |
|                                   | <u>1,766,385.18</u> | <u>1,702,142.46</u> |

## 21.9. DEPRECIATION/AMORTIZATION

Costs/reversals of depreciation and amortisation breaks down as follows for the years ended 31 December 2022 and 2021:

|                                 | 2022                 | 2021                 |
|---------------------------------|----------------------|----------------------|
| Intangible assets (Note 7)      | 792,078.74           | 1,213,862.92         |
| Tangible fixed assets (Nota 8)  | 10,385,953.88        | 8,975,669.11         |
| Investment properties (Note 10) | 12,549.94            | 13,798.85            |
|                                 | <u>11,190,582.56</u> | <u>10,203,330.88</u> |

## 21.10. INTEREST AND SIMILAR COSTS PAID

Interest and similar costs paid in the years ended 31 December 2022 and 2021 breaks down as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Interest paid   |                     |                     |
| From financing obtained                                     | 510,725.85          | 465,704.47          |
| From financing obtained - Other related entities (Note 6.3) | 541,373.15          | 493,553.66          |
| From bank overdrafts  | 78,810.07           | 4,973.35            |
| From confirming   | 297,142.27          | 143,590.00          |
| Other   | 292.63              | 458.09              |
|   | <u>1,428,343.96</u> | <u>1,108,279.58</u> |



#### 21.11. GUARANTEES PLEDGED

The responsibility for guarantees pledged by the companies included in the consolidation totals 4,544,541.60 euros (7,584,827.92 euros in 2021) and essentially refers to bank guarantees.

In addition, the Group states promissory notes issued to third parties as guarantees for debt payment, which at 31 December 2022 totalled 37,619,248.85 euros (29,505,212.58 euros at 31 December 2021).

Some financing obtained is subject to compliance with certain covenants and are classified as current or non-current, depending on their compliance. At 31 December 2022 all covenants were being complied with.

## 21.12. EARNINGS PER SHARE

Earnings per share for the years ended 31 December 2022 and 2021 breaks down as follows:

|   | 2022         | 2021         |
|---|--------------|--------------|
| <b>Income/loss:</b>                           |              |              |
| Net income for the period                     | 6,929,950.95 | 4,480,086.49 |
| <b>Number of shares</b>                       |              |              |
| Weighted average number of shares (Note 18.4) | 6,000,000.00 | 6,000,000.00 |
| <b>Basic earnings per share</b>               | 1.15         | 0.75         |

| The Certified Accountant:               | Signature |
|---|-----------|
| Vítor José Caetano de Sousa             |           |
| <b>Management:</b>                      |           |
| José Luís Soares Simões - Chairperson   |           |
| Leonel Fernando Soares Simões - Member  |           |
| Jorge Manuel Soares Simões - Member     |           |
| Fernanda Maria Oliveira Simões - Member |           |
| Daniela Alexandra Lopes Simões - Member |           |
| Rui Miguel Marcos Simões - Member       |           |
| Miguel Roquette Rocha Martins - Member  |           |

## CERTIFICAÇÃO LEGAL DAS CONTAS

### RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS CONSOLIDADAS

#### Opinião

Auditámos as demonstrações financeiras consolidadas anexas da LS – Luís Simões, SGPS, S.A. (“a Entidade”) e suas subsidiárias (“o Grupo”), que compreendem o balanço consolidado em 31 de dezembro de 2022 (que evidencia um total de 173.125.527 Euros e um total de capital próprio consolidado de 55.501.582 Euros, incluindo um resultado líquido consolidado atribuível aos acionistas da Entidade de 6.929.951 Euros), a demonstração consolidada dos resultados por naturezas, a demonstração consolidada das alterações no capital próprio e a demonstração consolidada dos fluxos de caixa relativas ao ano findo naquela data, e o anexo às demonstrações financeiras consolidadas que inclui um resumo das políticas contabilísticas significativas.

Em nossa opinião, as demonstrações financeiras consolidadas anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira consolidada da LS – Luís Simões, SGPS, S.A. em 31 de dezembro de 2022 e o seu desempenho financeiro e fluxos de caixa consolidados relativos ao ano findo naquela data de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística.

#### Bases para a opinião

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISA) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção “Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas” abaixo. Somos independentes das entidades que compõem o Grupo nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

#### Responsabilidades do órgão de gestão pelas demonstrações financeiras consolidadas

O órgão de gestão é responsável pela:

- preparação de demonstrações financeiras consolidadas que apresentem de forma verdadeira e apropriada a posição financeira consolidada, o desempenho financeiro e os fluxos de caixa consolidados do Grupo de acordo com as Normas Contabilísticas e Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística;
- elaboração do relatório de gestão consolidado nos termos legais e regulamentares;



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- criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras consolidadas isentas de distorção material devido a fraude ou a erro;
- adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- avaliação da capacidade do Grupo de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

## **Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas**

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras consolidadas como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança, mas não é uma garantia de que uma auditoria executada de acordo com as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras consolidadas.

Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- identificamos e avaliamos os riscos de distorção material das demonstrações financeiras consolidadas, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Grupo;
- avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Grupo para dar continuidade às suas atividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras consolidadas ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Grupo descontinue as suas atividades;
- avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras consolidadas, incluindo as divulgações, e se essas demonstrações financeiras consolidadas representam as transações e acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- obtemos prova de auditoria suficiente e apropriada relativa à informação financeira das entidades ou atividades dentro do Grupo para expressar uma opinião sobre as demonstrações financeiras consolidadas. Somos responsáveis pela orientação, supervisão e desempenho da auditoria do Grupo e somos os responsáveis finais pela nossa opinião de auditoria;

- comunicamos com o órgão de gestão, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificado durante a auditoria.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do relatório de gestão consolidado com as demonstrações financeiras consolidadas.

## RELATO SOBRE OUTROS REQUISITOS LEGAIS E REGULAMENTARES

### Sobre o relatório de gestão consolidado

Dando cumprimento ao artigo 451.º, n.º 3, al. e) do Código das Sociedades Comerciais, somos de parecer que o relatório de gestão consolidado foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor, a informação nele constante é concordante com as demonstrações financeiras consolidadas auditadas e, tendo em conta o conhecimento e apreciação sobre o Grupo, não identificámos incorreções materiais.

Lisboa, 14 de abril de 2023



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Ir mais longe -- até onde for o futuro!

 ***Luis Simões***

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