



## DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**

## DISCLOSURE QUESTIONNAIRE

Company Name: Movida Aluguel de Carros  
 Date Submitted: 3/10/2023

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries	✓	
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries		✓
Tax Advisory Services		✓

  

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration	✓	
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

  

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓

## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Movida Aluguel de Carros

UPDATED AS OF:

03/10/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Material litigation or arbitration against company
<b>TOPIC</b>	Company is involved in labour, civil, and tax lawsuits filed by Movida Aluguel de Carros.
<b>SUMMARY OF ISSUE</b>	<p>Lawsuits involve a range of actions. The labor claims filed against the Company and its Subsidiaries are mainly related to requests for payment of differences in overtime and commissions, premium for hazardous work, unhealthy work and lawsuits filed by employees of outsourced companies due to subsidiary liability. In relation to the civil proceedings, they are mainly related to (i) inquiries involving alleged failures in the provision of services; (ii) claims for termination of the contract for the sale of assets (vehicles) on the grounds of alleged problems with the vehicles; and (iii) claims for compensation arising from a traffic accident, whose claims correspond to compensation for material, bodily, moral and aesthetic damages. These processes are not specifically related to a specific practice of the Company and its Subsidiaries; they refer to its regular activities, which eventually involve risks, as they are related to leasing (rent a car), leasing fleets and selling its assets, as indicated above. Finally, in relation to the processes of a tax nature, these lawsuits refer to differences in the interpretation of tax legislation between the Company and its subsidiaries and tax authorities, disallowance of expenses that generate non-compliance and unrecognized compensation.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>Over a five year period, Movida Aluguel de Carros had 1349 labor lawsuits, 10,932 civil lawsuits, and 30 tax lawsuits. with a total claim cost of US\$7.2M and a projected payout value of US\$1.5M, yielding a 20.8% expected payout rate. Case classifications are divided below:</p> <ul style="list-style-type: none"> <li>- The payout for resolved/terminated labour lawsuits represents 0.06% of revenue and pending labour lawsuits represent 0.39% of revenue</li> <li>- The payout for resolved/terminated civil lawsuits represents 0.23% of revenue and pending civil lawsuits represent 0.80% of revenue</li> <li>- The payout for resolved/terminated tax lawsuits represents 0% of revenue and pending tax lawsuits represent 0.08% of revenue.</li> </ul> <p>The number of ongoing labor lawsuits corresponds to only 3.72%* of the number of employees.</p>
<b>IMPACT ON STAKEHOLDERS</b>	Financial Impact on the company and potential negative impact to affected stakeholders.
<b>RESOLUTION</b>	<p>Of the 1349 labour lawsuits, 152 were pending and 1197 were settled.          Of the 10,932 civil lawsuits, 1916 were pending and 9016 were settled.          Of the 30 tax lawsuits, 23 were pending and 7 were settled.</p>
<b>IMPLEMENTED MGT PRACTICES</b>	<p>Movida Aluguel de Carro has implemented several management practices to mitigate the risk of future litigation and to tackle and address some of the key causes of litigation:</p> <p>In the labor sphere: (i) designation of a dedicated team in the Compliance area to carry out preventive labor work; (ii) creation of support and assistance mechanisms for all its collaborators [(ii.a) Denúncias Channel and (ii.b) Ligado em Você Program]; (iii) evaluation of the Company's employees and control [(iii.a) Experience and Performance Assessment, (iii.b) Exit Interviews, (iii.c) Periodic Leadership Training]; (iv) existence of a cell dedicated to the management of the Company's labor claims; (v) maintenance of the agreement policy for closing processes; (vi) periodic evaluation of outsourced offices in order to guarantee quality in the conduction of labor processes; and (vii) contracting software aimed at automating work schedules, etc          (CONTINUED ON NEXT PAGE)</p>

<p><b>IMPLEMENTED MGMT PRACTICES (CONTINUED)</b></p>	<p>In the civil sphere: (i) evaluation of the Company's controls; (ii) existence of a cell dedicated to the management of the Company's civil proceedings; (iii) maintenance of the agreement policy for closing processes; (iv) periodic assessment of outsource law firms in order to ensure quality in the conduct of civil proceedings; (v) macro analysis of the data and specific verification of the problems (root cause analysis) that generate the processes; (vi) elaboration of instructional materials based on current legislation, directed to employees, aiming at mitigating the root causes of the processes; (vii) periodic reassessment of contracts governing the Company's commercial relationship with its customers; (viii) monitoring of legislative changes that affect the Company's business for the necessary operational adjustments; (ix) the Company's participation in an Association related to the vehicle leasing sector; (x) educational and awareness campaigns for customers related to driving rented vehicles, etc.</p> <p>In the tax sphere: (i) evaluation of the Company's controls; (ii) existence of a cell dedicated to the management of the Company's tax proceedings; (iii) contracting of an office specialized in conducting tax proceedings; (iv) periodic reassessment of the Company's operations and contracts; (v) follow-up of tax legislative changes that affect the Company's business for the necessary operational adjustments; (vi) the Company's participation in an Association related to the vehicle leasing sector, etc.</p>
--	---

## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

Movida Aluguel de Carros

UPDATED AS OF:

03/10/2023

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Energy and emissions intensive industry
<b>TOPIC</b>	Company operates in the rental car industry
<b>SUMMARY OF ISSUE</b>	<p>Movida Participações SA is a company that works in the transport sector, specializing in vehicle leasing, Fleet Management and Outsourcing (GTF) and asset demobilization segments. They consider the emissions released in the use of their vehicles as emission and energy intensive. The company is actively working to decrease the emissions from their sector by developing decarbonization projects, prioritizing more sustainable energy sources and bringing more efficiency.</p>
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	<p>33,87% of the company's revenue comes from car rentals, 19,91% from fleet management and outsourcing and 46,22% from the sale of lightly used cars. The main contributions of Movida's Business Model are associated with the emission of greenhouse gases in its scope 3, which represents more than 90% of the total inventory. Within Scope 3, 93% comes from Category 13 - Leased Assets (the organization as lessor), which includes emissions arising from the use of vehicles by customers.</p> <p>Movida offers its customers vehicles of different types, including:</p> <p>1) Flex vehicles: This represents more than 80% of the fleet and can be fueled by fossil fuel (gasoline) or renewable fuel (ethanol). The raw material for Brazilian ethanol is sugarcane, which captures carbon dioxide, the CO<sub>2</sub> that helps create the harmful greenhouse effect, and is therefore considered a biofuel. Ethanol flex cars and Gasoline flex cars account for 18.58 gCO<sub>2</sub>/km and 188.69 gCO<sub>2</sub>/km • respectively.</p> <p>2) Electric vehicles: Electrification is an important part of the solution to the challenge of reducing emissions in the transport sector, as it eliminates tailpipe emissions and contributes to the opportunity to decarbonize the electrical matrix. Today Movida has the largest fleet of electrified cars in the country. Considering the year 2021, they were responsible for buying 10% of all electric cars traded in the country. Electric cars account for 9.08 gCO<sub>2</sub>/km.</p> <p>3) Diesel vehicles: This represents 9% of their fleet, They work to increase alternatives to these vehicles to reduce this percentage within the fleet. Diesel cars account for 321.85 gCO<sub>2</sub>/km.</p>
<b>IMPACT ON STAKEHOLDERS</b>	<p>Energy and emissions intensive industries contribute to air pollution and climate change. B Lab recognised the automotive industry as an energy intensive industry that will require the creation of additional risk standards through a standards development process.</p>
<b>IMPLEMENTED MGT PRACTICES</b>	<p>Movida Aluguel de Carros has implemented several management practices to neutralize emissions:</p> <ul style="list-style-type: none"> <li>- They can inform their customers which fuel was used during their journey. Their goal is to reach the use of ethanol in 90% of the fleet by 2030. So far, they have already managed to map that at least 43% of kilometers in the rental car were driven with ethanol in occasional rentals and they are working with their fleet customers to increase the range of the map.</li> </ul> <p>(CONTINUED ON NEXT PAGE)</p>

<b>IMPLEMENTED MGMT PRACTICES (CONTINUED)</b>	<p>- Electrification of the fleet: They understand that we have a duty to contribute to the structuring of this network in the country. Their goal is to electrify their fleet by 20% by 2030. Today, despite the % of the total fleet still being low, they have been working with emphasis on expanding the infrastructure to prepare their market for electrified cars. For example, Movida has more than 300 chargers, mobile or fixed, within its structure.</p> <p>- Use of solar energy in their facilities. Their goal is to establish the presence of renewable energy in 100% of Movida's facilities, where they have control over the supply. As general commitments, they issued the first Sustainability-Linked Bond from a rental company in the world, with a commitment to reduce the intensity of our emissions by 30%.</p> <p>In addition, in 2020 they committed to Science Based Targets, with last year's short-term target submission now queued for review. Movida also annually develops and audits, together with a third party its Greenhouse Gases Inventory on the Public Emissions Registry platform since 2019. The company also has the highest score in the sector 'B', in the CDP Climate Change. Based on the external context and internal practices, they develop a matrix of climate risks and actions. They also have the highest score in Latin Americas in the Corporate Sustainability Assessment (CSA), by S&amp;P. They are also the only car rental company in Brazil to be part of the ISE, a stock exchange portfolio focused on companies that stand out with sustainable operations.</p> <p>Besides the mitigation part, Movida was the first rental car company to offer its clients the possibility for them to compensate the emissions of their rental with the Carbon Free program. The Carbon Free program is an inseting program with Movida's own reforestation program and it has started in 2009, have been working since them and planted more than 300 thousand trees in Brazil.</p>
<b>REPORT</b>	<p>More information, actualized annually: <a href="https://ri.movida.com.br/en/company/sustainability-report/">https://ri.movida.com.br/en/company/sustainability-report/</a></p> <p>How to find our annual public reporting of our inventory: <a href="https://registropublicodeemissoes.fgv.br/participantes/2977">https://registropublicodeemissoes.fgv.br/participantes/2977</a></p> <p>More information about Movida's Carbon Free Program can be found here: <a href="https://movida.com.br/carbon-free/">https://movida.com.br/carbon-free/</a></p>