



SUSTAINABILITY
REPORT 2021





MESSAGE FROM THE LEADERSHIP

GRI 102-14

1.1. Administrative Council

The year of 2021 consolidates important steps in the efforts undertaken by the Santos Port Authority, which works responsibly and competently to maintain the competitiveness and longevity of the Port’s businesses, without neglecting the strategic commitment aimed at increasingly sustainable management.

Even with a troubled world scenario full of challenges, one should celebrate the continuous growth in cargo handling and the balanced and unprecedented financial health experienced by the Company this year.

In addition, the effort made by the SPA to publish important guiding instruments that are consistent with that commitment is highlighted. Its new Sustainability Policy reinforces the Company’s commitment to environmental, social and governance aspects, in line with stakeholder expectations. The SPA Institutional Environmental Agenda (2021-2023) was published, an unprecedented document that expresses the commitments and actions, involving environmental issues in the port scope.

As of 2021, SPA became part of the UN Global Compact, which works to engage organizations in the adoption of ten fundamental principles in the areas of environment, labor, human rights and anti-corruption, with a focus on the Sustainable Development Goals.

SPA renews its concern with the transparency of its actions with stakeholders, publishing its Sustainability Report (reference 2021). The Board of Directors (Consad) considers it essential for the efficiency and continuity of port activities to maintain sustainability as a strategic pillar of management.

Fábio Lavor Teixeira

Chairman of the Administrative Council





1.2. Executive Board

For the Executive Board of Santos Port Authority, the publication of the third edition of the Sustainability Report is a source of pride and a sign that it has already become a perennial practice for disclosing the results of the management of the Organized Port of Santos.

With great optimism in relation to expectations of even more expressive results, SPA's total financial independence from the Union was possible, with the Company being self-sufficient to carry out its expenditures and investments with its own cash. SPA closes 2021 with profit record net income of R\$329 million, surpassing the previous historic mark of 2020 by around 63%. In addition, it perfected budget control and continuity in promoting new investments.

We are also proud to have joined the UN Global Compact, a call for companies to align their strategies and operations, the largest corporate sustainability initiative in the world.

In recognition of its performance during the most critical moment of the scenario faced worldwide due to the new coronavirus, the SPA was highlighted by the award from the American Association of Port Authorities (AAPA) and the Secretariat of the Inter-American Committee on Ports (S/CIP), from the Organization of American States (OAS), winning the AAPA-CIP Port award Industry Award of Excellence in the "Covid-19 Pandemic Response" category.

Aware of the responsibility of its leading role in the region and country, SPA remains confident of treading a path that foster the existence of an increasingly innovative and sustainable Port of Santos.

Fernando Henrique Passos Biral

Chief Executive Officer (CEO)

1.3. Message from the Technical Area

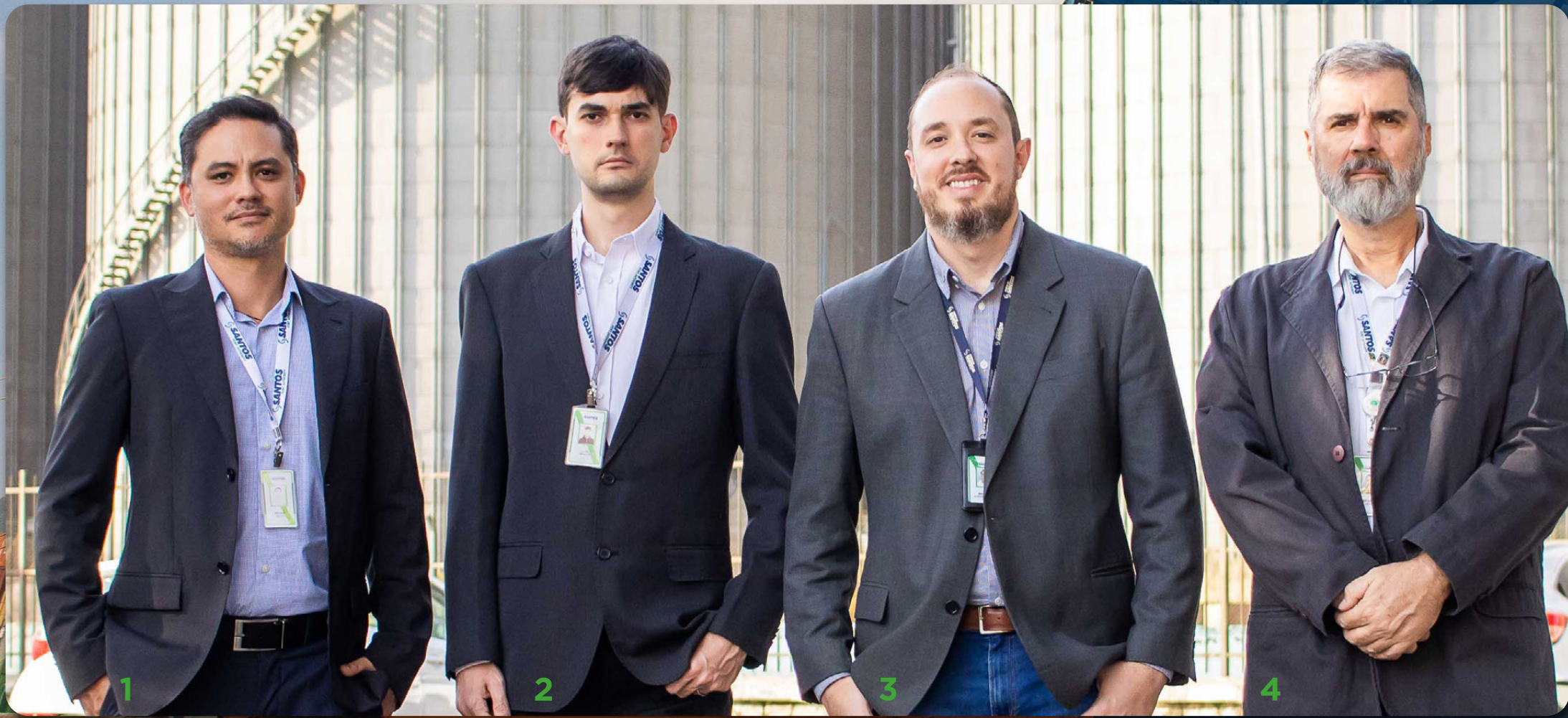
It is with great satisfaction that we present this third edition of the Sustainability Report of SPA, prepared according to the methodology of the Global Report Initiative (GRI).

Every year, we strive to build a more complete report, capable of showing the progress made by the Company in relation to environmental, social and corporate governance aspects, and the alignment sought with regard to the UN Sustainable Development Goals.

In this report, we seek to expand our consultation with SPA stakeholders, strengthening the materiality assessment, in order to bring the most relevant topics to the interested parties with more quality and transparency.

Although still under the effects of the covid-19 pandemic, our technical area acted firmly in the consolidation of our ESG platform, through a multidisciplinary team prepared and aware of its role in the sustainable development of the Port of Santos.

We would like to thank the entire SPA team, who works tirelessly to improve performance from the Port of Santos, so essential for the region and for Brazil.



ENVIRONMENTAL, HEALTH AND SAFETY SUPERINTENDENCE

- 1 **Bruno Fernandes Takano**
Sustainability Manager
- 2 **Luiz Fernando Maciel Oliva**
Environmental Manager
- 3 **Mauricio Bernardo Gaspar Filho**
Environmental, Health and Safety Superintendent
- 4 **Ernesto Henriques da Costa Júnior**
Occupational Health and Safety Manager

SPA IN NUMBERS

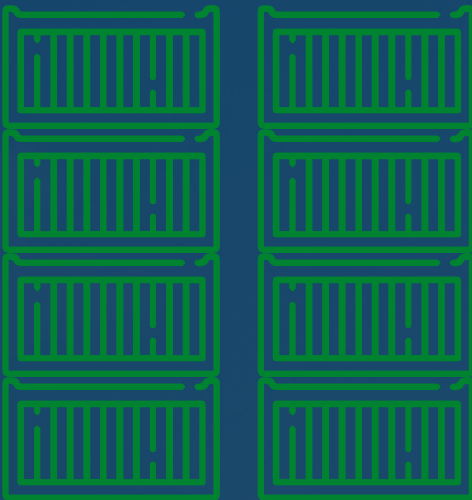


LARGEST PORT COMPLEX

of Latin America in total area

TOP 2

of Latin America in container handling



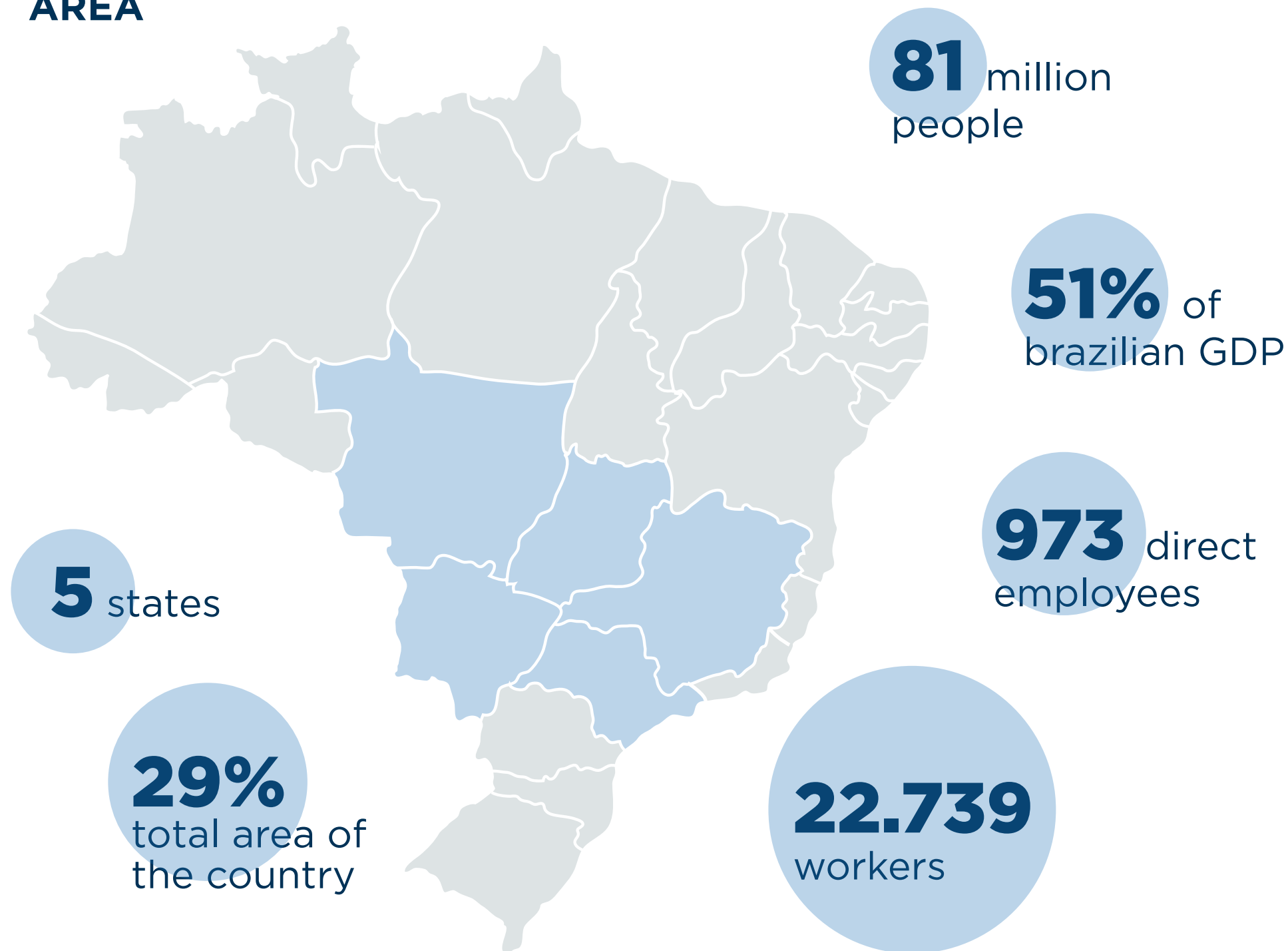
27% of Brazilian commercial exchanges passed through the Port of Santos in 2021



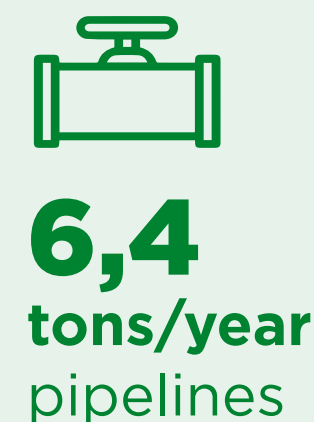
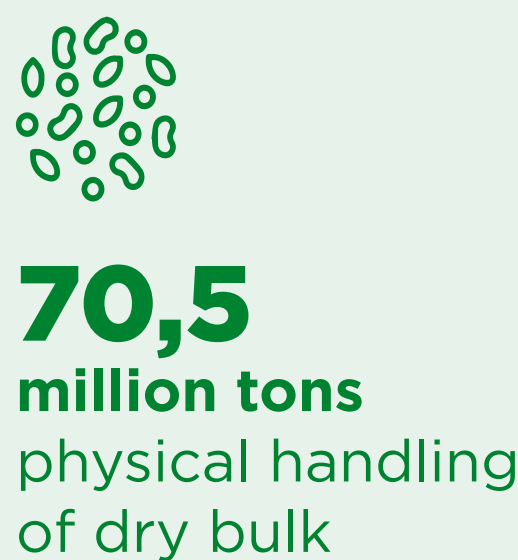
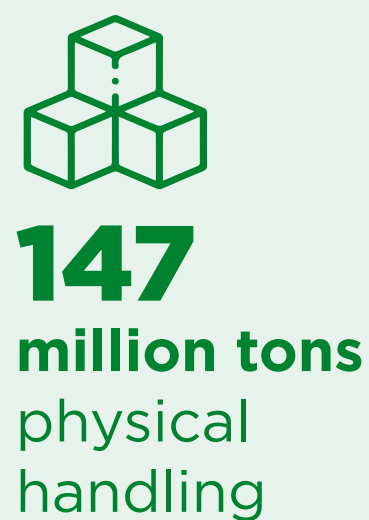
PORT
OF SANTOS
COMPLEX AREA



INFLUENCE
AREA



PORT
OPERATION



MODEL OF VALUE CREATION

The Santos Port Authority (SPA), focused on continuous improvement processes, works in line with the pillars of ESG (Environmental, Social and Governance) responsibility, with the objective of generating value throughout its chain of influence, seeking to consolidate a cycle of value creation.



ESG PLATFORM CONSOLIDATION

The Santos Port Authority has sought to establish a new relationship with the entities impacted by the port operation, directing its activities towards an efficient generation of value in line with regional and national sustainable development.



SPA’s performance according to the ESG concept is based on three strategic themes:

ESG

SUSTAINABILITY

“Carry out the port activity in a rational and sustainable way.”

The port activities carried out by SPA are based on the sustainable development and management of activities, operations, facilities, processes and port works, ensuring that natural resources are used rationally and that environmental impacts are reduced and mitigated.

PORT-CITY RELATIONSHIP

“Building trust and social recognition and contribute to the growth of region and Brazil.”

SPA aims to execute its activities in such a way as to contribute to the growth of the Metropolitan Region of Baixada Santista and Brazil, through socially responsible action, the promotion of job creation and respect for the environmental and historical-cultural heritage

GOVERNANCE AND INTEGRITY

“Create an internal culture of Governance and Integrity, in order to intensify the value creation for the stakeholders.”

The SPA must be directed, monitored and encouraged based on the pillars of Governance and Integrity, involving the relationship between partners, Administrative Council, board of directors, supervisory and control bodies and other interested parties. This system is based on the principles of transparency, fairness, legal reporting and corporate responsibility.

4.1. Commitment to Sustainable Development

In 2021, Santos Port Authority restructured its Sustainability Policy, pursuing to guide the Company's sustainable actions and activities, following environmental, social and corporate governance criteria. The publication of the document formalized the commitment and concern of SPA's top leadership with the sustainability principles.

In this updated version, the Sustainability Policy brought important innovations about the objectives of Sustainable Development (SDG/UN) and inserted ESG (Environmental, Social and Governance) aspects.

Sustainability Policy Principles

- 1

Fully comply with current legislation and with your own standards


- 2

Protect the environment, including the prevention of pollution in all its forms, seeking biodiversity and port ecosystem protection


- 3

Seek continuous improvement of the Environmental Management System and encourage innovation in the search for worthy opportunities for sustainable growth of business


- 4

Seek excellence in the provision of port services, with environmental responsibility and respect for diversity and human rights


- 5

Promote engagement actions with the Sustainable Development Goals (SDGs) applicable to the Company


- 6

Exercise good governance practices, integrity and transparency in the elaboration of public policies, acting in the prevention of conflicts of interest and acts of corruption, and exercising efficient management, guided by defined objectives and measurable results



SPA consolidated the ESG platform in the 2021-2025 Strategic Planning, strengthening and giving centrality to the sustainability axis, with specific guidelines for environmental management and other important current issues, such as climate changes and water protection.

Another important publication in 2021 was the Institutional Environmental Agenda 2021-2023, through which SPA formalized commitments and actions involving environmental issues within the scope of its activities, highlighting objectives and goals for the three-year period.

Get to know SPA's Environmental Agenda



As of July 2021, SPA has joined the list of more than 19,500 companies in the world (about 1,500 Brazilian companies) that have joined the UN Global Compact. The Global Compact Brazil Network mobilizes the Brazilian business sector to act in line with sustainable practices, contributing to equate the main current challenges, such as climate change, extreme social inequality and corruption.



Discover the Communication on Progress 2021 of SPA

Santos Port Authority is committed to working aligned with the 17 Sustainable Development Goals outlined in the 2030 Agenda and reaffirms its support for Ten Principles of the UN Global Compact.



SPA AND PORT CITY RELATIONSHIP

One of the pillars of port management, the Port-City relationship , plays a transversal role in SPA’s strategic planning, permeating a large part of the Company’s actions. In addition to its facets of environmental sustainability and public port security, this relationship presents a wide interaction with the surrounding communities.

In this context, the Port-City relationship should be emphasized as one of the guidelines for the development of socio-environmental practices by SPA, which are aligned with global references such as the European Sea Ports Organization (ESPO) and The Worldwide Network of Port Cities (AIVP).

SPA maintains a constant relationship with regional public bodies, seeking collaboration and synergy in projects of interest to local communities. Furthermore, it develops a series of actions aimed at the population, educating, supporting and collaborating with the community, focussing on achieving environmentally, culturally and socially sustainable port development.



5.1. The historical richness of Port of Santos

The Port of Santos started its activities in the beginning of the 16th century, operating with rudimentary structures until the end of the 19th century, when the port was granted to private investors. In 1892, Companhia Docas de Santos (CDS), then owner of port operations, built and inaugurated the first 260 meters of pier, thus creating the first Organized Port in Brazil.



Benedito Calixto
Consulado Beach, Port of Santos, 1882



Benedito Calixto
Port of Santos, SP (seen on the right), 1890

In recent decades, Port of Santos underwent major expansions, modernized its facilities and incorporated new technologies, operating with specialized terminals for containers, general cargo and dry and liquid bulk. Thus, it consolidated itself as the largest port complex in the country, breaking consecutive cargo handling records and regularly appearing among the largest ports in the world.

5.2. Geographic delimitation and location

GRI 102-4

The Port of Santos is located on the coast of the state of São Paulo, 70 km from the capital. A natural estuary is the limit between the cities of Santos and Guarujá, in the islands of São Vicente and Santo Amaro, forming the navigation channel of the port .



Delimitation of the Polygon of the Organized Port of Santos.



[Click to access the documents of Logistics Planning](#)

The Port of Santos Complex is the set of facilities and structures dedicated to the storage and handling of cargo and passengers, covering the municipalities of Santos, Guarujá and Cubatão. The Development and Zoning Plan (PDZ) of the Port of Santos, approved by the Infrastructure Ministry in 2020, is the Port Authority's main planning instrument, covering strategies and actions for the expansion and integrated, orderly and sustainable development of the Organized Port's areas and facilities.



[Discover the current SPA PDZ](#)

In the Organized Port, the areas belong to the Union and their limits, the polygon, are established by ministerial decree. Within it, the terminals operate under the jurisdiction of the Port Authority, the Santos Port Authority (SPA), which establishes the rules and regulations for operating the port.

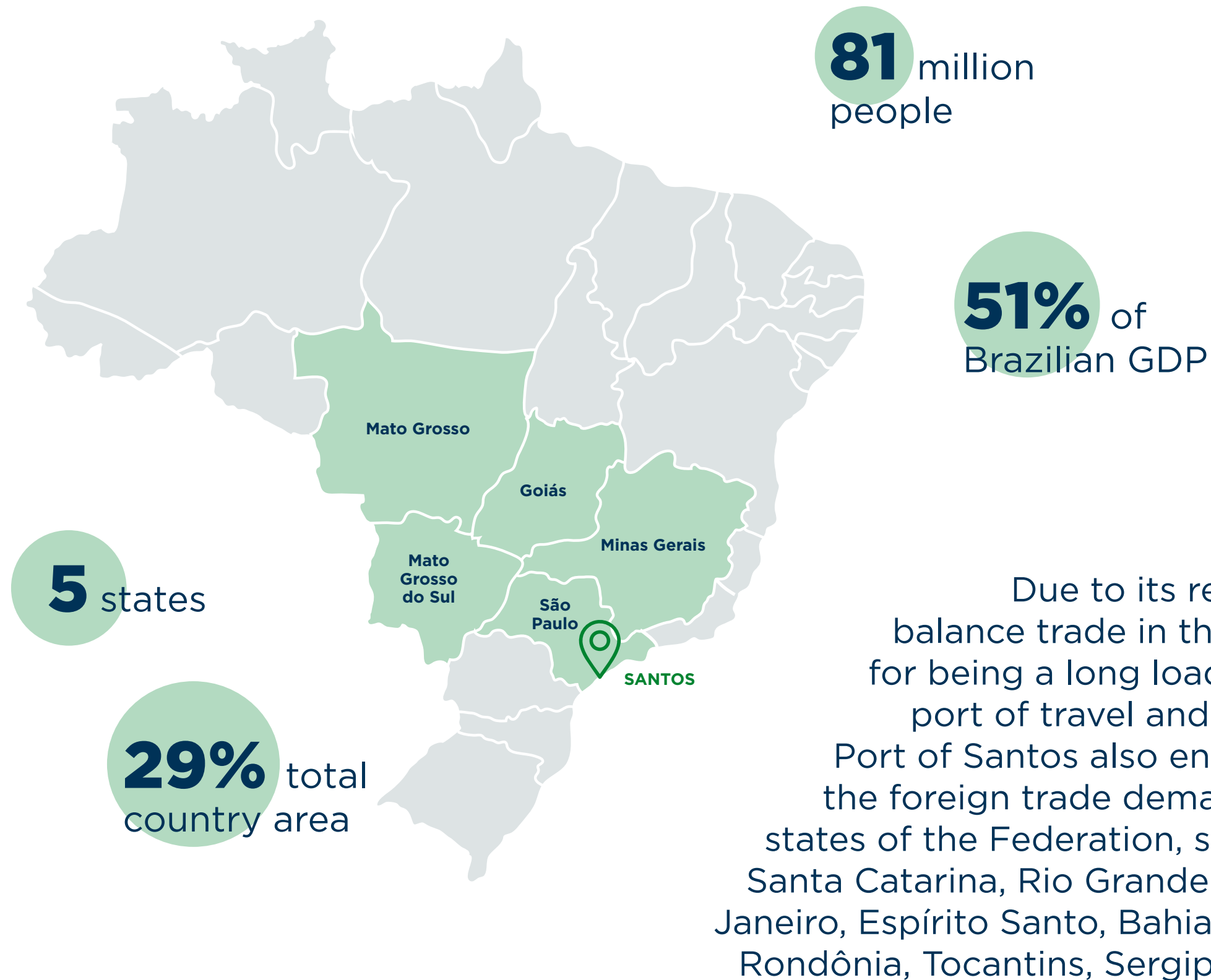
The leasable areas of the Organized Port are granted through contracts between the public authorities and private companies, establishing occupation deadlines and mandatory investments. Outside the Organized Port, the Union explores port activity granting areas to private agents through authorization, which are established by law as Terminals of Private Use (TUPs).

In addition to the terminals and the SPA, several public and private agents work in the port complex, in charge of various functions, such as inspection, advice, supply of inputs and labor, among others. Since 1993, when the Modernization Law of the Ports was published (Law nº 8.630/93), the Santos Port Authority stopped operating cargo and terminals, becoming responsible only for common waterway and land infrastructure maintenance services, and the role of Port Authority introduced by the new legal framework.

SERVED MARKETS

GRI 102-6, 203-2

The Port of Santos has a privileged location and is essential for the flow of goods and merchandise produced in its area of influence, which covers the states of São Paulo, Minas Gerais, Mato Grosso, Mato Grosso do Sul and Goiás. In this region, the port represents the best logistical and economic option for export, as well as for import, since this area concentrates a large part of the Brazilian consumer market.



A MULTIPURPOSE PORT | OVERVIEW

The Port of Santos is a multipurpose port, offering solutions for the movement of various types of cargo and providing the best cost of opportunity, security and maximum value generation.

TERMINALS

- containers
- dry bulk
- liquid bulk
- break bulk
- passengers
- offshore O&G
- roll-on roll-off

MAIN TYPES OF CARGO

- soy
- cellulose
- fuel
- fertilizers
- animal protein
- orange juice
- sugar
- corn
- machinery
- wheat
- coffee
- vehicles

SERVICES

- mooring
- tugboats
- bunkering
- onboard supply
- pilot station
- utilities
- shipyard
- intermodal logistics services
- storage
- oil spill response
- special cargo & project solutions

5.3. Santos Port Authority (SPA)

GRI 102-1, 102-2, 102-5, 102-9, 102-16

Santos Port Authority (SPA), with the corporate name “Autoridade Portuária de Santos SA”, is a public company, privately held, linked to the Infrastructure Ministry (Minfra) and responsible for exercising the functions of port authority within the scope of the Organized Port of Santos.

In the exercise of this role, the SPA is responsible for the management and supervision of port facilities and public infrastructure located within the Organized Port. It must accomplish the management and inspection of concluded instruments for the exploration of other areas that constitute the Organized Port, either through leasing, passage easements or onerous and non onerous use assignments, together with the National Waterway Transportation Agency (Antaq) and with Minfra. SPA does not operate terminals, moves loads or sells any type of merchandise.

Furthermore, the institution works toward being a model in sustainability, efficiency, agility, competitiveness and integrity, so that the Port of Santos is recognized as the largest and best in Latin America, in line with the sectorial public policies formulated by the granting power.



MISSION

Develop, manage and monitor the Port of Santos, offering efficient services and infrastructure to its customers and users, as well as to support the government, the sustainable trade and development.

VISION

Be the port authority reference in sustainability, efficiency, agility, competitiveness and integrity, so as to make the Port of Santos the biggest and best port in Latin America.

VALUES

- Agility and efficiency;
- Commitment to results;
- Ethics;
- Innovation;
- Team work.



5.4. Port infrastructure and intermodality

GRI 203-1

Main activities carried out by SPA with emphasis on port infrastructure (land, waterway and utilities).

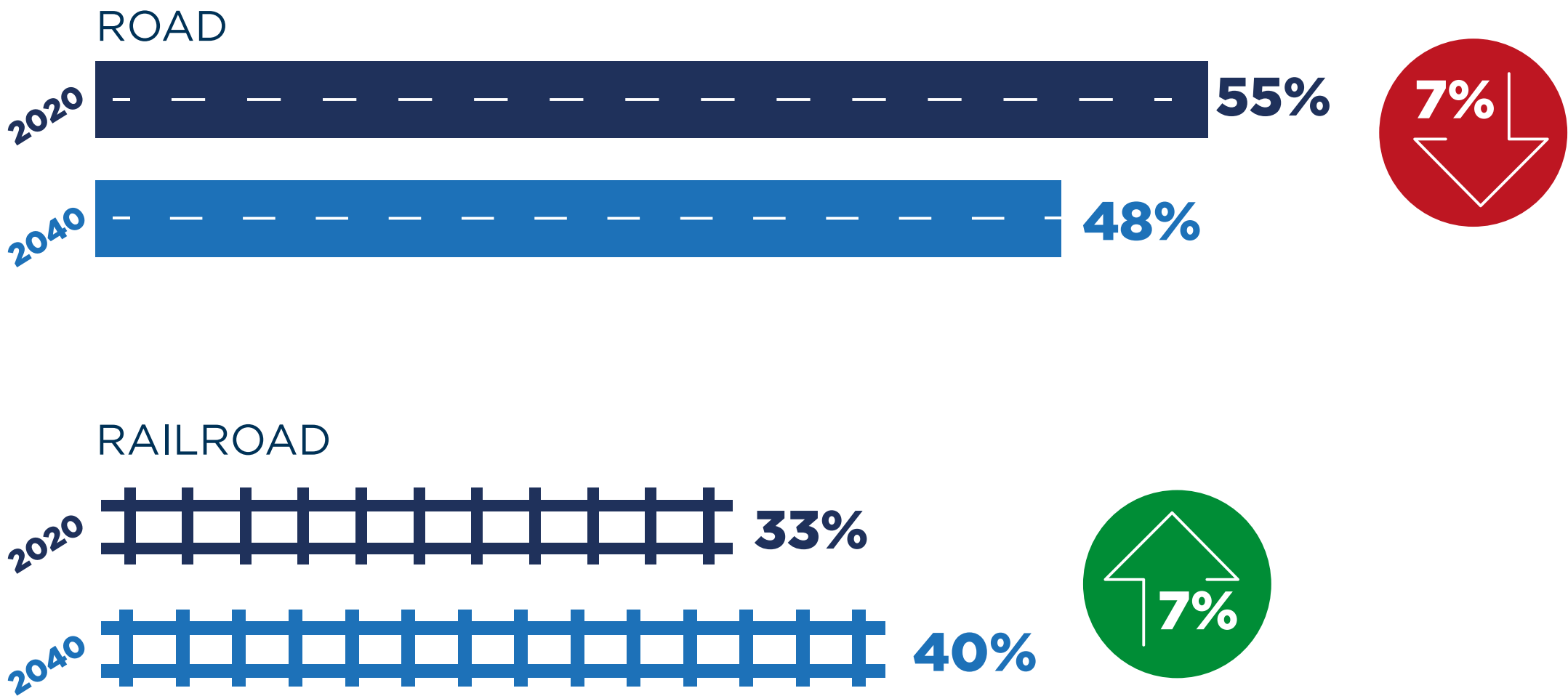


- Planning and management of dredging works and related services;
- Electricity generation, transmission and distribution;
- Development, execution and supervision of port infrastructure projects and works;
- Approval of tenant projects and monitoring of execution of works;
- Maintenance of the public utility network, such as water, sewage, energy, solid waste, etc.;
- Maintenance and upkeep of port facilities;
- Development of activities with the objective of guaranteeing suitable conditions for the use of public terrestrial roads, including paving and horizontal and vertical signage.

A transport intermodality, related to port activities, is perceived as a theme with significant materiality and is directly linked to the relationship that SPA has with the port community.

SPA is responsible for the modernization, expansion and maintenance of road infrastructure, rail infrastructure, waterway access and other public facilities in the area of the Organized Port of Santos. Heading to a greater balance of the transport matrix in the Port of Santos, SPA envisages increasing 7% of its railway participation in port logistics by 2040.

Forecast of change in the participation of transport modes between 2020 and 2040



One of the guidelines of the PDZ's Port of Santos is the expansion of the railway modal, through:



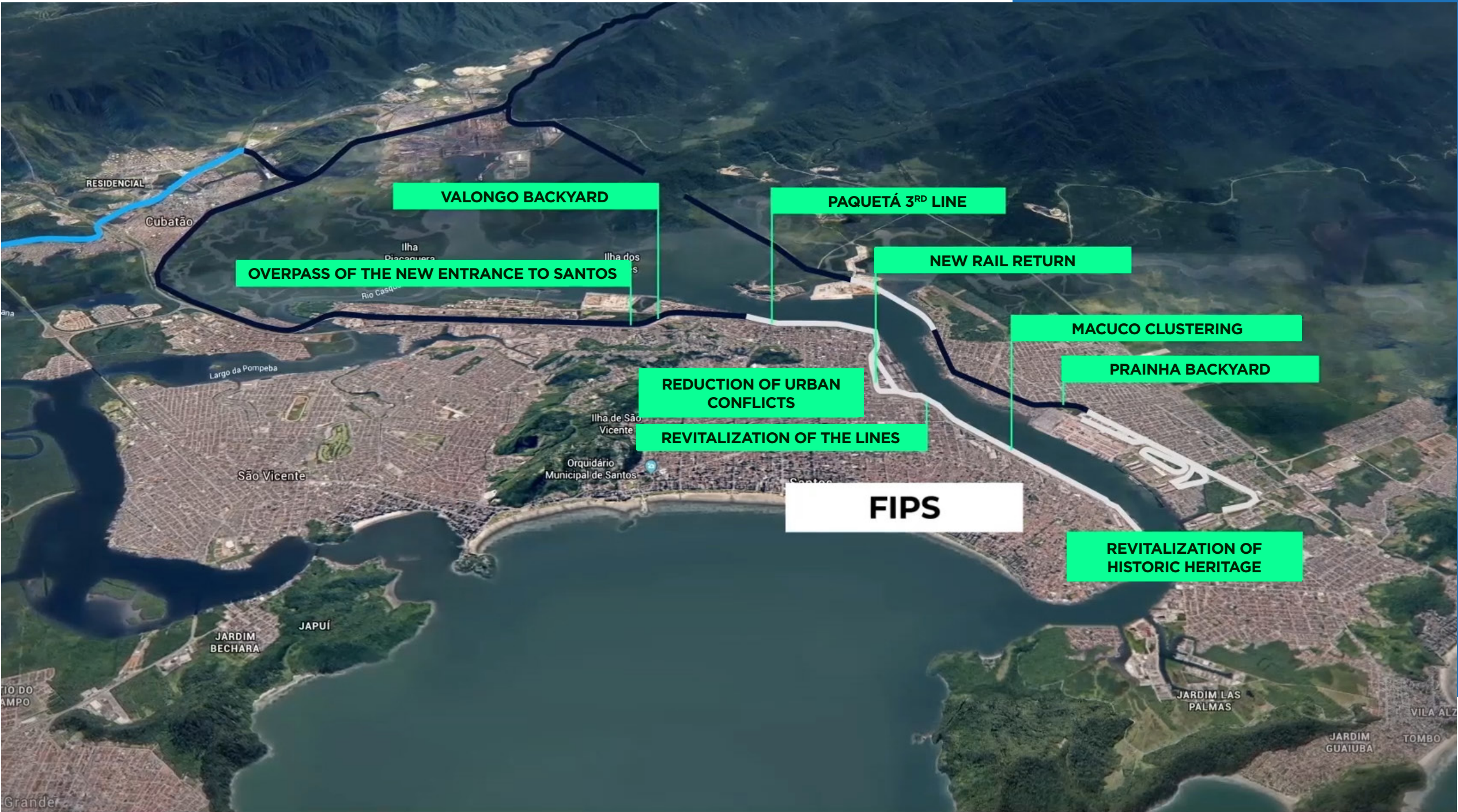
elimination of road-rail conflicts, starting, for example, with the construction of viaducts that allow uneven traffic; and



expansion of the internal network with the construction of new railroad paths, maneuvering yards, additional lines in the Ponta da Praia region, among other interventions.

Several interventions are planned to be carried out on the internal railway network to expand the capacity to receive cargo, such as the revitalization of the permanent track to receive larger wagons.

In 2021, a public consultation was opened to promote debate and clarify any doubts about the modeling proposed by SPA for the management, operation, maintenance and expansion of the Port of Santos Internal Railway - FIPS.

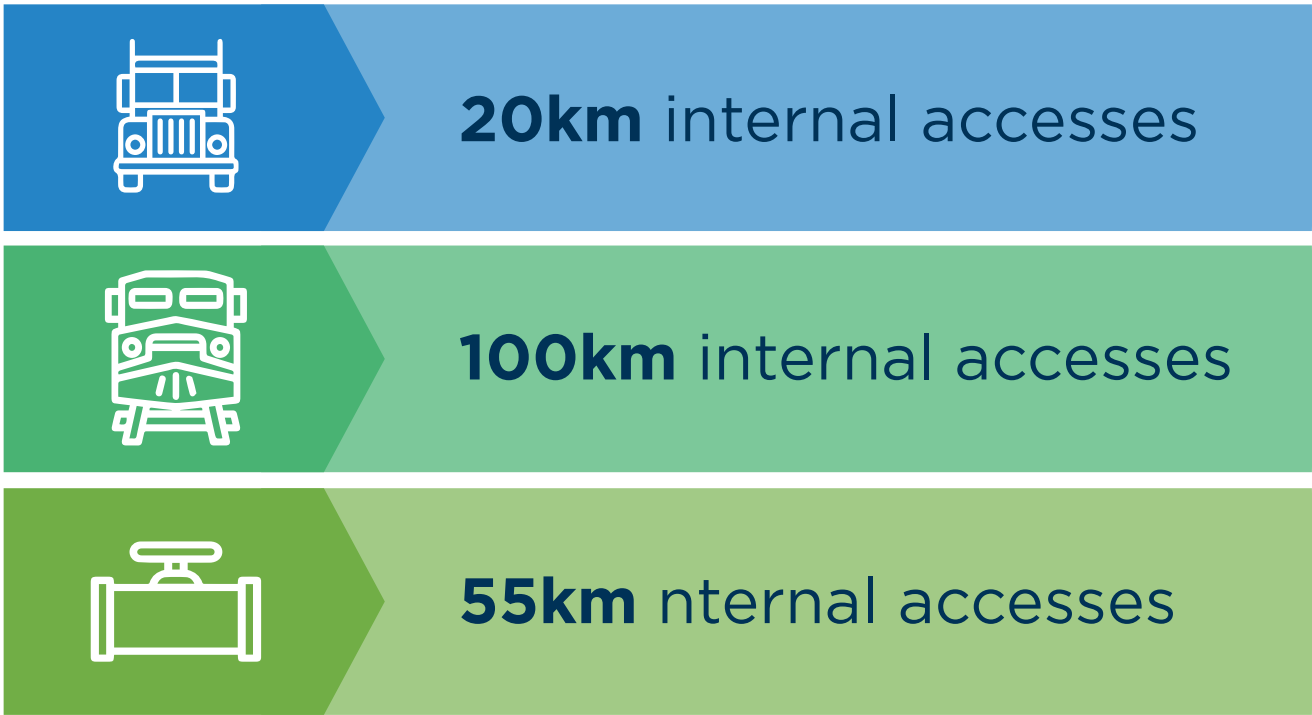


Port of Santos Internal Railway (FIPS)

Reinforcing the commitment to strengthening the balance among transport modes, SPA will implement a new disruptive model for management, operation, maintenance and expansion of the Port of Santos Internal Railway - FIPS, over the next 35 years.

With this new model, SPA seeks to expand and modernize the railway network of the port complex, promoting high operational efficiency and ensuring environmental and business sustainability. In addition, the adoption of operational, safety and environmental performance indicators is foreseen, aiming to ensure the railway capacity and the safety management and operation of FIPS. The model foresees large investments in the port area, with the implementation of works on a balloon loop railway, overpasses to eliminate level crossings, pedestrian walkways, a railway bridge and a new road for the second entrance to the Port of Santos.

Local Access



Regarding works and projects of infrastructure conducted by SPA, some worth mentioning are:

- Remodeling of Perimetral Avenue of Right Bank – Alemoa and Channel 4/Ponta da Praia;
- Remodeling of Perimetral Avenue of Left Bank;
- Waterway Infrastructure maintenance dredging of the Organized Port of Santos;
- Structural recovery of the pier on Ilha Barnabé;
- Implementation Project for the new access to Port of Santos;
- Dry connection project between Santos and Guarujá;
- Deepening dredging project of the Organized Port Navigation Channel.



Road infrastructure improvement on the right bank of the Port of Santos.

- 1 Contracting of the revaluation of the properties to be expropriated for the works of the 2nd phase of Av. Perimeter.
- 2 After the expropriations, the bidding process for contracting the works will begin.

Main interventions

Works for interconnection of Av. Perimeter with Cônego Domenico Rangoni Highway.

Adequacy of the layout of Avenida Santos Dumont with the implementation of a overpass to transpose the Perimetral and the Santo Amaro River.

Road infrastructure improvements on the left bank of Port of Santos.

- 1 Infrastructure for readjustment of the rail system between the Channel 4 and Ponta da Praia in completion phase.
- 2 Renovation of the pavement of Antônio Prado and Xavier da Silva streets: inaugurated in November by the Infrastructure Minister with the 3rd railway line.
- 3 Construction of walkway over the rails for access to the Crossing Santos-Guarujá.

5.5. The importance of partnerships: Sponsorships

GRI 413-1

With the aim of developing socially relevant projects that promote greater involvement of the Port of Santos with the communities and stimulate the preservation of the local culture and environment, SPA sponsors important initiatives for the region.

The selection process for sponsorship projects at SPA takes place annually for cultural, socio-educational, sporting and environmental projects.



traditional event of music that contributes to democratization of culture and audience diversification, with presentations and musicals workshops at various points of Santos City.



Main theater festival of Baixada Santista, which gathers various presentations, encourages the formation of new talent and encourages new professionals in dance, theater, music, poetry and visual arts.



This project seeks to expand knowledge aimed at preserving the largest ray species in the world, popularly known as manta rays, in particular the species incident in Brazil (*Manta birostris*)



Promoter of actions that raise awareness about the importance of reducing waste generation and on its proper destination.



Sponsorship of the high performance athlete Ana Marcela Cunha, gold medalist for Brazil at the 2021 Tokyo Olympics.



Action that brings together hundreds of hiking athletes, promoting involvement from the Port of Santos with the community.



Having suffered directly from the effects of covid-19, the 2nd Festival Porto-Cidade adapted to the new context with a fully online schedule, also counting on the 1st photo contest of the SPA, which had more than 200 entries.

5.6. Port of Santos Cultural Complex

In 2021, SPA temporarily suspended visiting activities at the Port of Santos Museum due to the pandemic and the Company's privatization project.

It is worth highlighting the fulfilment of an inventory of the entire museum collection, obtaining photographic records of more than 800 items on display at the museum. In addition, more than 500 glass photographic negatives were digitized, including images from the founding period of the Organized Port, which took place more than a century ago.



5.7. Port of Santos Excellence Center

GRI 413-1

The CENEP Foundation (Port of Santos Excellence Center) prepares and applies courses focused on the port sector, aiming at training and professional improvement of the Port of Santos and other ports.

2021



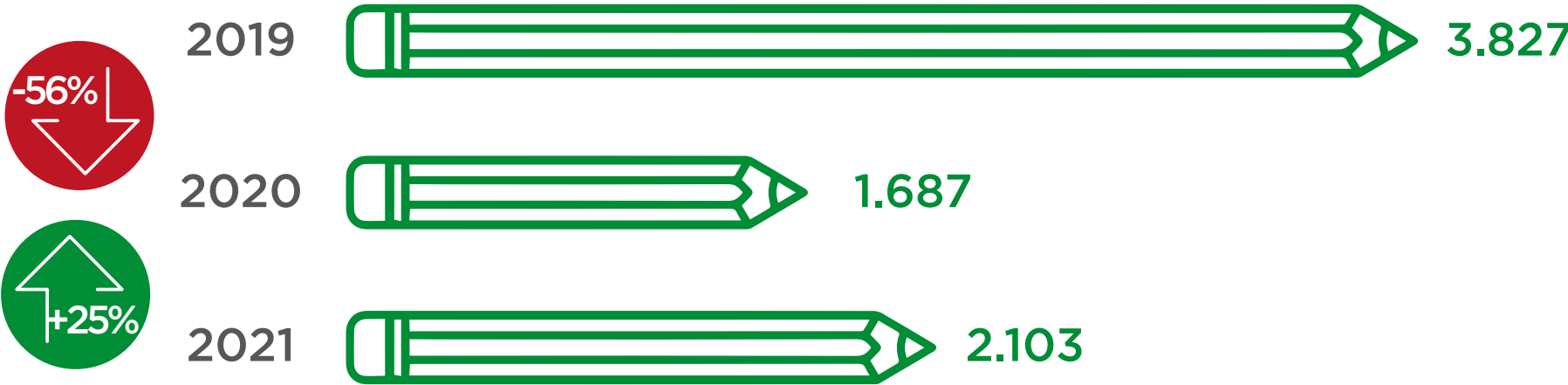
Due to the pandemic context, the Foundation Cenep improved the courses and expanded the distance learning training (EAD), resulting in greater adherence and increased training hours.

It is worth mentioning the Logistics, Port Infrastructure and Environment Fundamentals, which had more than 900 subscribers. Courses aimed at independent dock workers also had wide participation, with 1,696 graduates, emphasizing courses on “Professional Updating of Dock Work”; “Health and Safety at Work at Height”; and “Health and Safety at Work with Flammable and Fuels” (NRs 35 and 20).

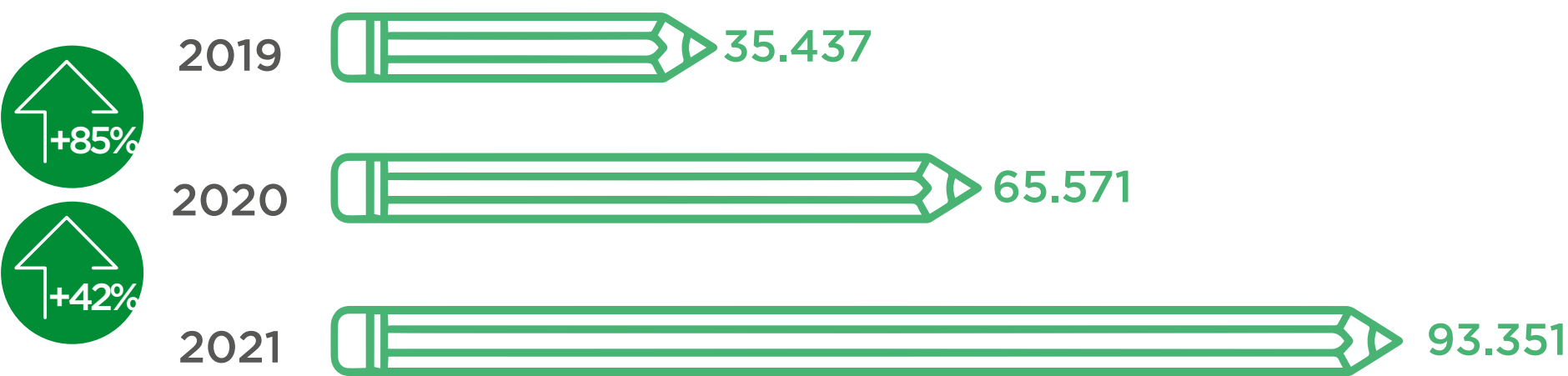
Focusing on the port system, in 2021, the Foundation started a Research Support and Sponsorship Program, making professors available to contribute with guidelines and sources of evidence for data collection.



Participants (people)



Training (hours)



Training hours per person



With the covid-19 pandemic, the Cenep Foundation improved the courses, which resulted in greater participation and increased hours of training in 2021.

5.8. Environmental Education Actions

GRI 413-1

The Santos Port Authority maintains the Environmental Education Program (PEA) as a mitigating and compensatory measure for impacts related to the port’s environmental licensing process. The PEA is composed of several actions that aim to guarantee the participation of individuals and the community in sociocultural manifestations of the port region.

The program has existed since 2010 and was created based on a participatory socio-environmental diagnosis, which identified challenges and potentialities in target communities in the region. Projects were carried out involving the communities of Santa Cruz dos Navegantes, Perequê, Rio do Meio and Sítio Cachoeira, located on the left bank of the Port of Santos (Guarujá).

In addition to these communities, the PEA’s target audience includes SPA employees, outsourced workers and service providers, workers under the responsibility of the Port Authority, including dredging activities, and existing social groups that are close to the port, for example, port workers, truck drivers, merchants, street vendors, residents and school communities.

In 2021, workshops were held with the following themes: health and sexuality, endemic diseases, waste management, traffic education, conservation of mangroves, recycling and reuse of materials in Guarujá. It should be noted that the respective themes were chosen as priorities for discussion by the communities themselves.



GOVERNANCE AND INTEGRITY

GRI 102-17

Value creation and incorporation of social and environmental considerations for SPA’s businesses have the governance as an essential pillar.

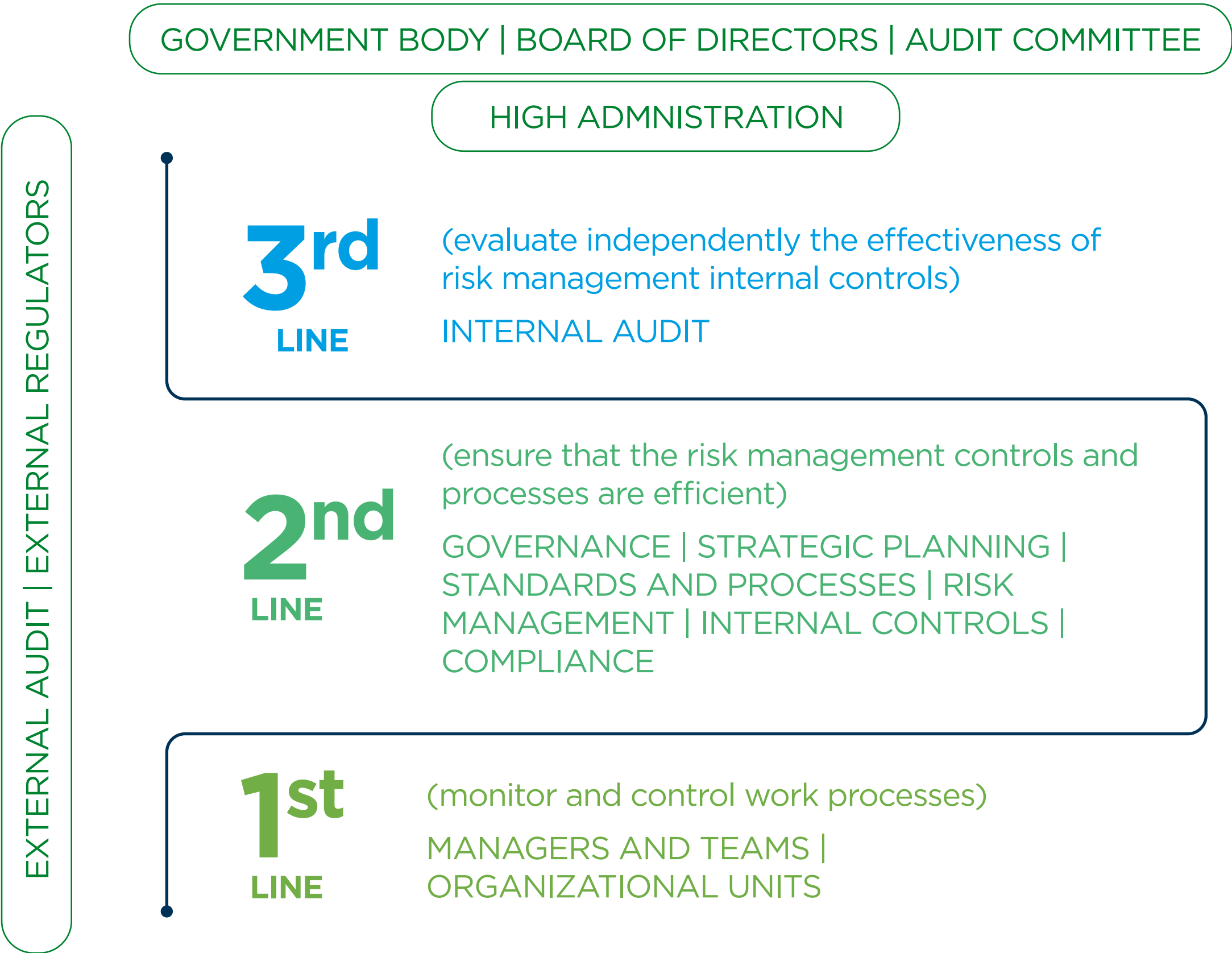
The SPA’s governance and management system aims to increase the transparency of activities, adapt the management philosophy to the vision of the strategic plan, improve the mechanism of accountability of managers, reinforce the commitment to compliance and intensify the value creation for the shareholders.

**Check here the description
of councils and collegiate
bodies**



In order to achieve its objectives, involving the acceptance of opportunities, pursuit of growth and management of risks and controls, SPA adopted the Three Lines Model of the IIA 2020, proposed by The Institute of Internal Auditors , which consists of updating the Three Lines of Defense and contributes, in a simple and effective way, to communicating the roles and responsibilities of each group.

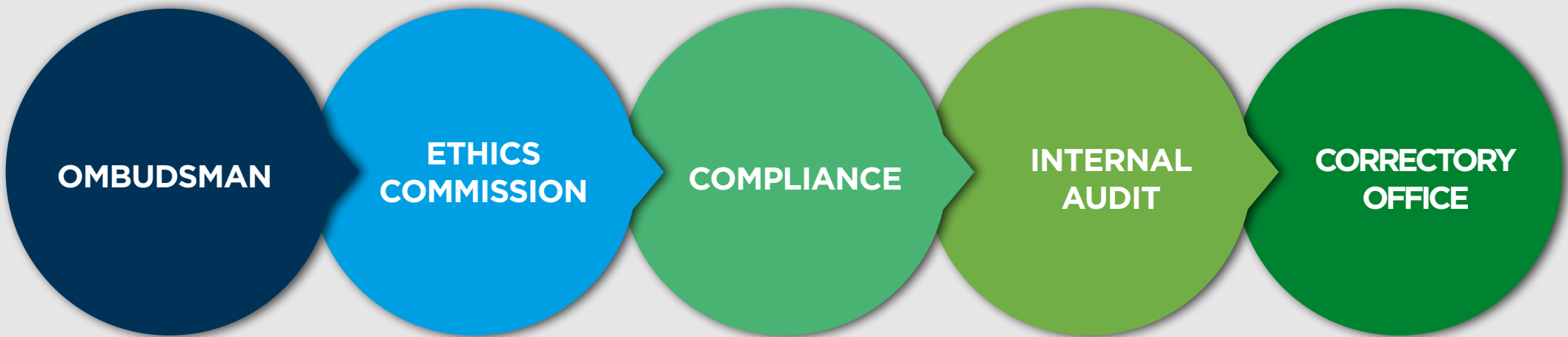
The new model recognizes that management is involved in both first and second line roles, which further highlights the independence of internal audit (3rd line) and defines the responsibilities of the governing body to maintain integrity, leadership and transparency.



INTEGRITY SYSTEM

GRI 102-16, 205-1

SPA’s Integrity System brings together the set of agents, mechanisms and internal procedures adopted for the prevention, detection and fight against corruption and fraud. This system aims to guide the conduct of directors, employees and stakeholders, in addition to reinforcing the company’s commitment to promoting a culture of integrity, transparency and ethics in its activities.



Health system units performed the update of the Code of Ethics and the Conduct and Integrity Manual.

- SPA’s Code of Ethics guides the actions of its employees and explains the company’s attitude towards the different publics with which it interacts. Its provisions include customers, suppliers, service providers, intermediary agents and any SPA related parties that maintain a legal, business or institutional relationship.
- The Conduct and Integrity Manual brings practical consequences of the Code of Ethics and other regulations related to the subject, as well as presents a model of behavior expected from its employees and business partners.

Between September 29 and October 5, 2021, SPA held, for the third consecutive year, the Integrity Week. The event promoted 14 training courses developed by different areas of the company and by external agents, updating knowledge in regarding integrity in internal processes and in relationships with stakeholders. Professionals from the Ministry of Infrastructure, Comptroller General of the Union, Public Ministry, among others, participated in the event.

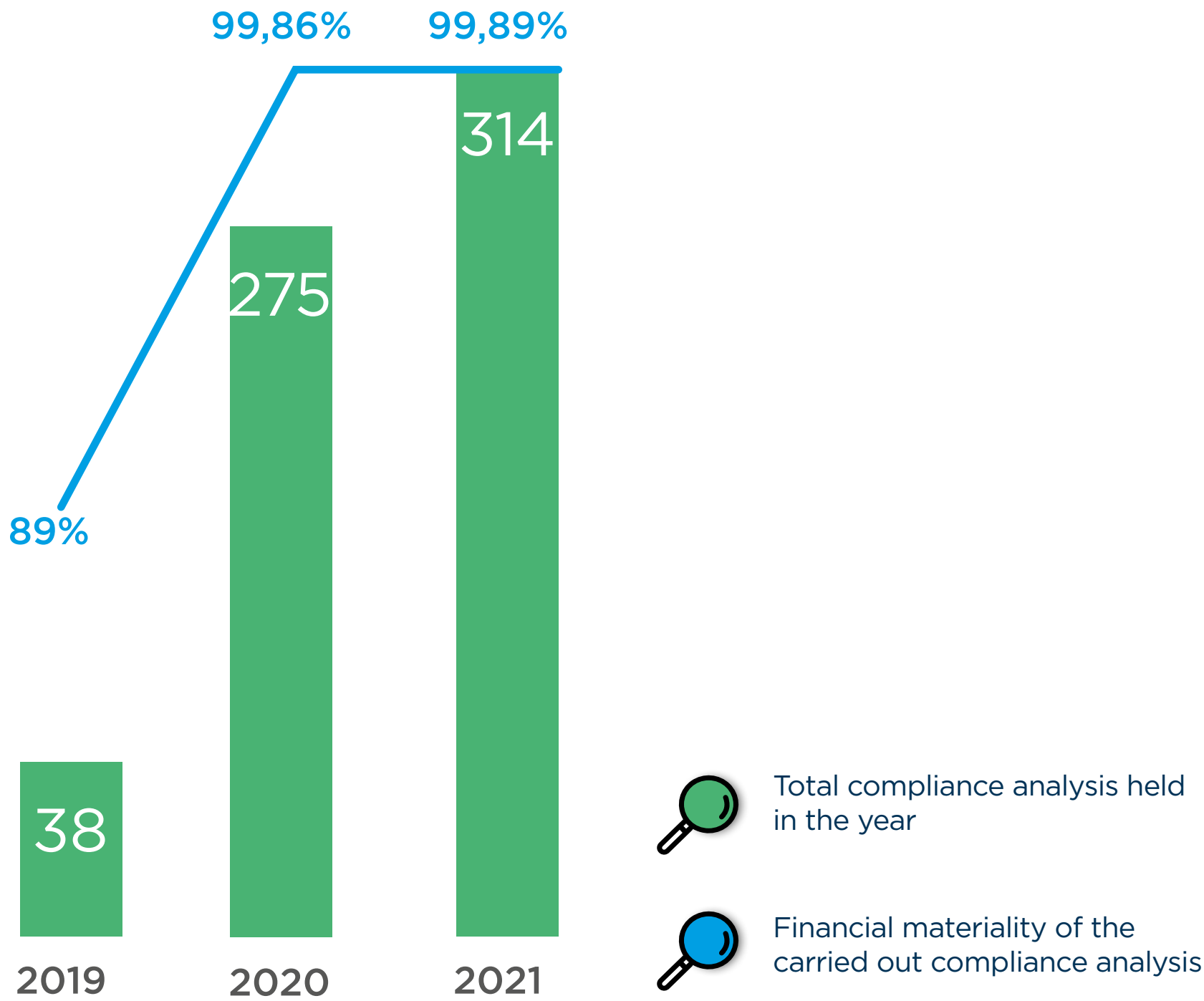


COMPLIANCE

The Governance, Risks and Compliance area is part of the SPA Integrity System, which also comprises the Ombudsman, Ethics Committee, Internal Affairs and Internal Audit.

Compliance’s mission is to ensure the compliance in the decision-making and the practice of management acts, guiding the conduct of directors, employees and stakeholders, in addition to reinforcing and guaranteeing the company’s commitment to a culture of integrity. Furthermore, Compliance conducts document compliance analyzes of contracts in order to better support senior management decisions.

This analysis consists of verifying the documentation prepared by SPA’s areas participating in the internal and external phases of contracting, in order to provide an adequate degree of confidence, ensuring compliance with the provisions established in the Company’s Internal Regulation for Tenders and Contracts, with constant evolution Compliance analysis in SPA hiring processes.



INTEGRITY POLICY

GRI 205-1

As of May 13, 2021, SPA’s Integrity Policy came into force. It is an instrument that establishes the principles and guidelines that conduct compliance with standards related to integrity and anti-corruption, with the aim of ratifying the organization’s commitment to guaranteeing a corporate environment of integrity, transparency and ethics in its internal and external relations.

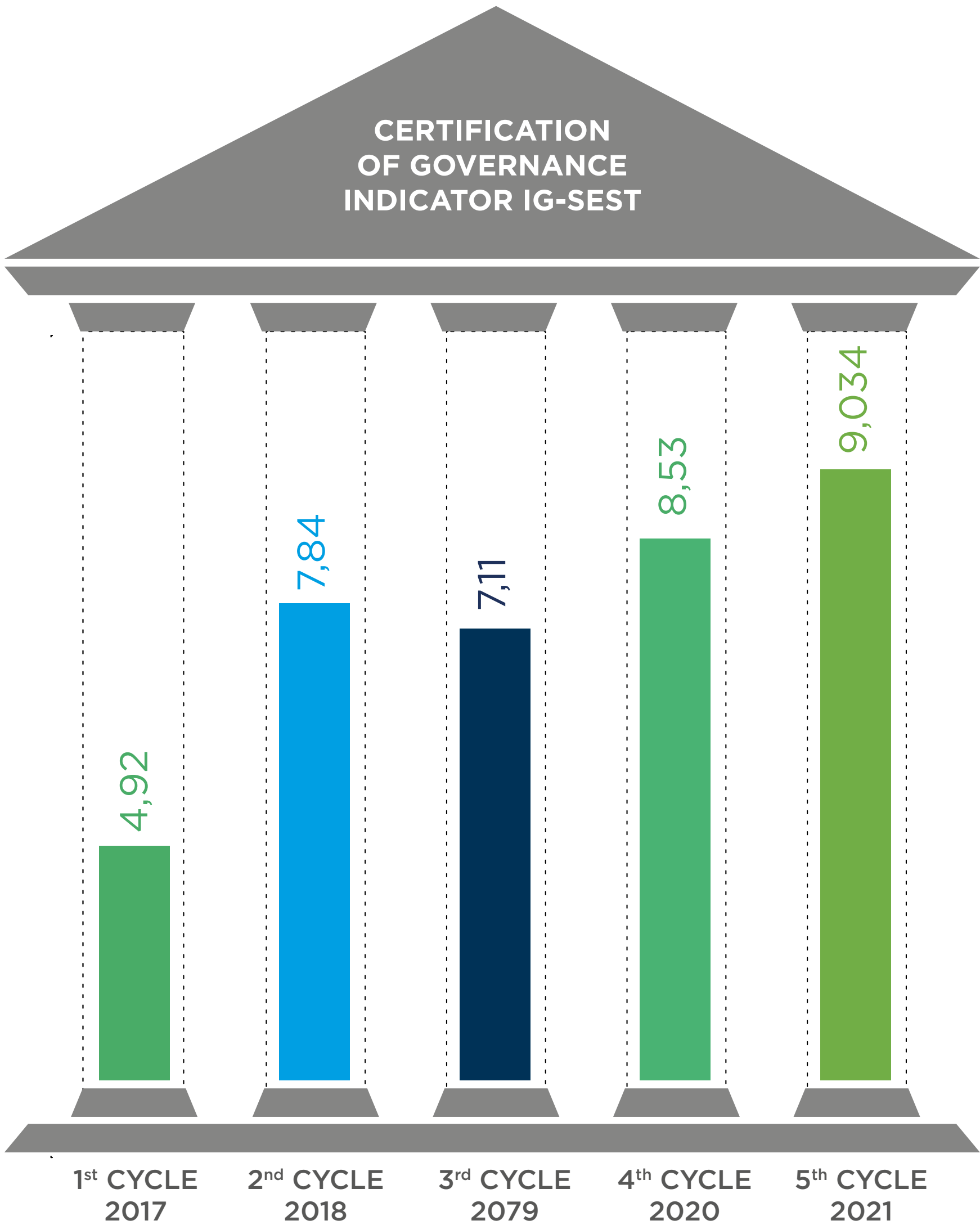
GOVERNANCE INDICATOR

The restructuring of the governance system, which began in 2019, has been reflected in the improvement of its performance, with increasingly positive results.

This evolution can be seen from the scores achieved by SPA within the scope of the State-Owned Governance Index (IG-Sest), an instrument for continuous monitoring developed by the Secretariat for Coordination and Governance of State-Owned Companies (Sest), of the Economy Ministry, which assesses compliance with various applicable legal and infra-legal provisions and good practices to federal states.

The 2021 IG-Sest consisted of a questionnaire with 50 questions related to the annual reports of internal audit activities; ombudsman or reporting channel; code of conduct and integrity; in addition to other aspects such as female access to leadership positions and hierarchical promotion that contemplates diversity and plurality.

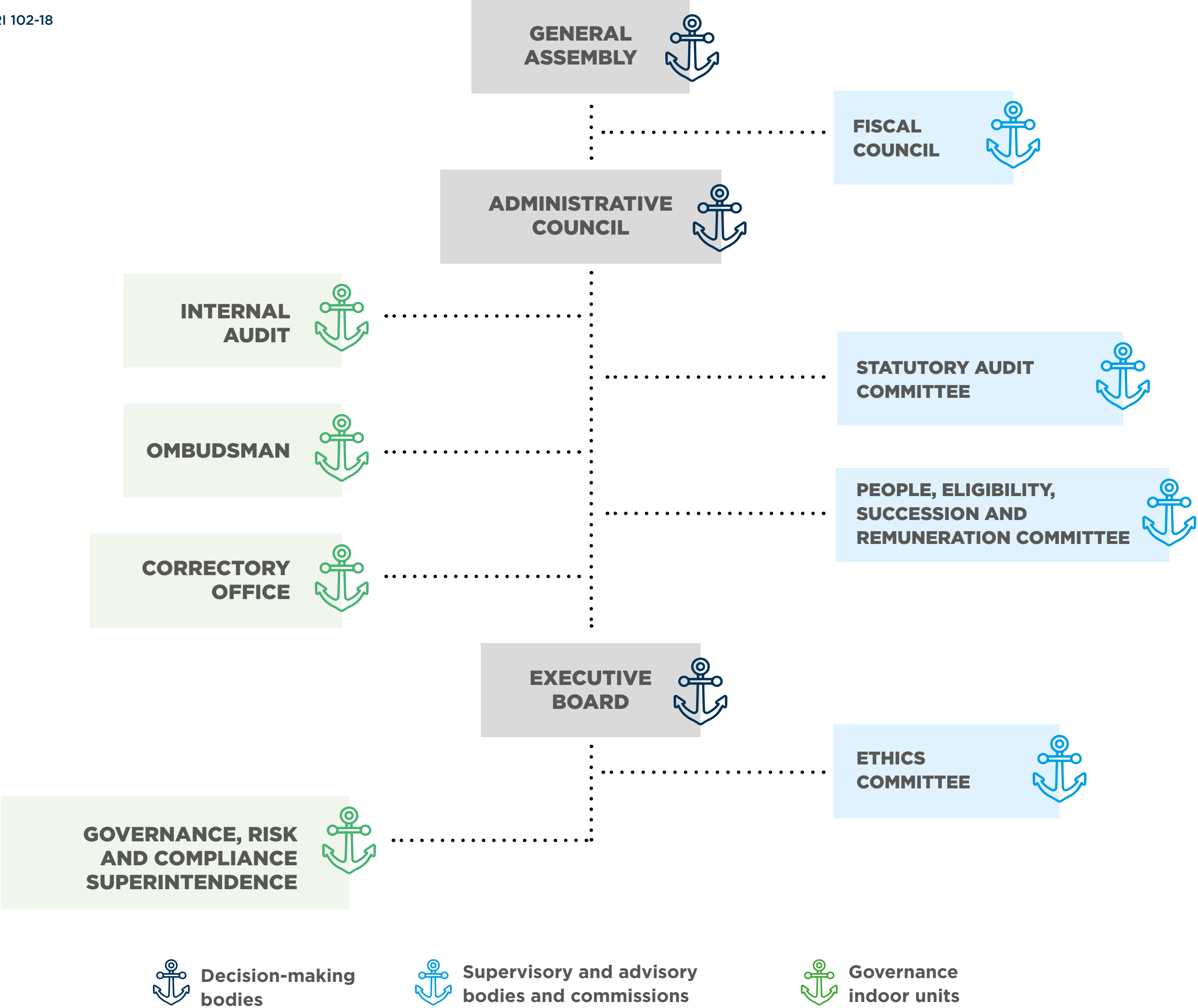
In the 5th cycle of the IG-Sest Governance Indicator Certification, which took place in 2021, SPA received 9.034, the highest score obtained since the 1st cycle.



This score represents the best performance among state-owned port companies (dock companies) and, in the sectoral benchmarking, the highest score among all state-owned companies linked to the Infrastructure Ministry.

GOVERNANCE STRUCTURE

GRI 102-18



6.1. Risk management

GRI 102-15, 102-20, 102-30, 103-1, 103-2, 103-3

SPA’s risk management is based on the commitment to act ethically and in compliance with the legal and regulatory requirements established with the business, seeking, through the timely treatment of its risks, to guarantee the improvement of efficiency, efficacy and operational effectiveness, in line with the following principles:

- systematic risk management, structured and timely, subordinate to the public interest;
- establishment of adequate risk exposure levels;
- establishment of internal control procedures proportionate to the risk, observing the cost-benefit ratio, and intended to add value to the SPA;
- use of risk mapping to support decision-making and the preparation of strategic planning;
- use of risk management to support the continuous improvement of organizational processes

Aiming at a better understanding of the main risks that threaten the SPA and the definition of the best response and monitoring strategies to the identified risks, as well as the continuous improvement of processes and controls, in 2021, the mapping of the corporate risks of the SPA was initiated. The mapping process was carried out in line with the Company’s risk policy.

SPA CORPORATE RISK MAPPING STEPS:



During the corporate risk mapping work, the risks that could affect the achievement of institutional objectives and the continuity of SPA’s activities were identified, together with the business areas and high administration. It was found that the Company is exposed to risks from the following categories:

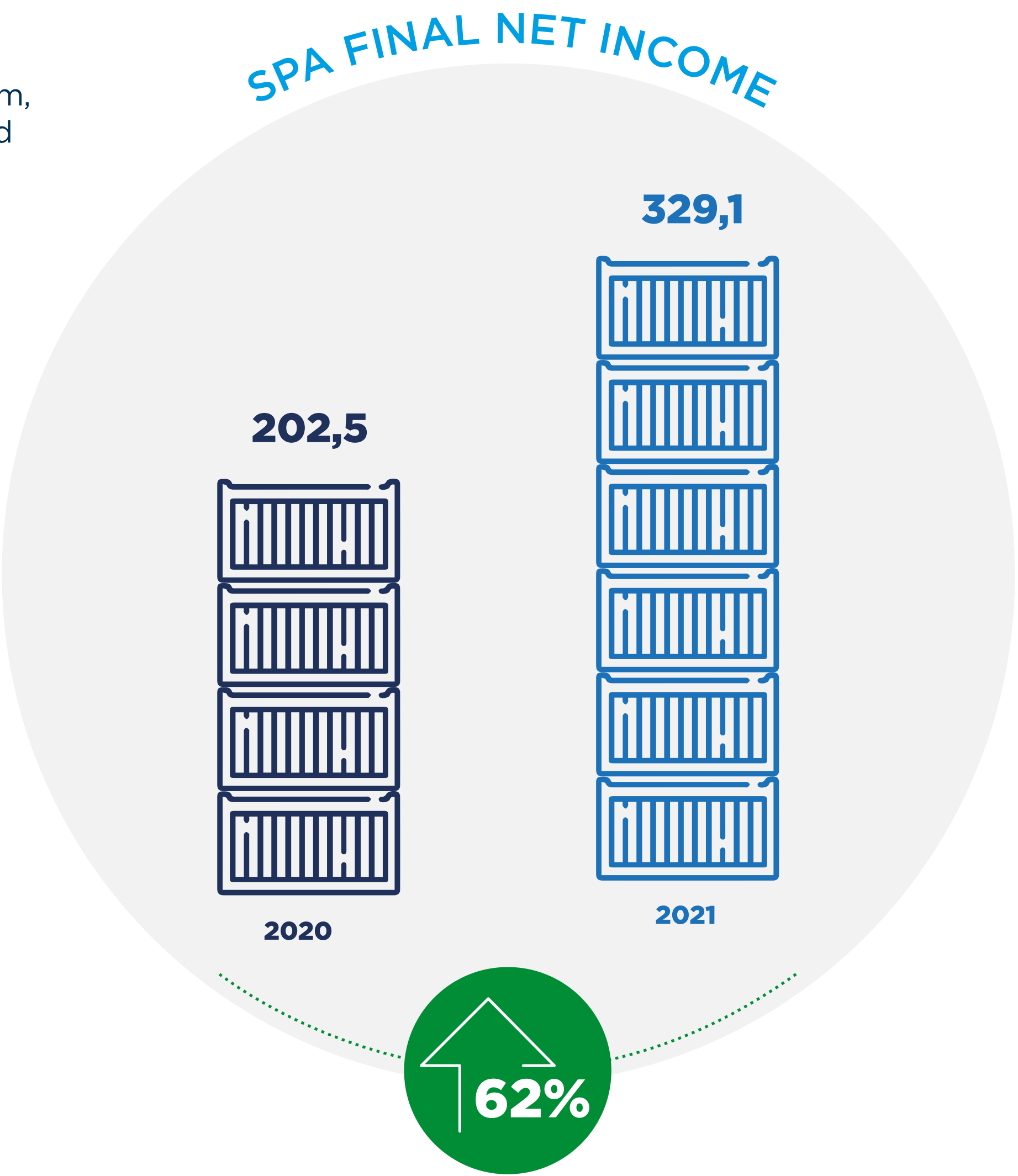


6.2. Finance and Budget

GRI 102-7, 102-45, 201-1

SPA has its own cost system, which is currently managed through the Integrated Business Management System (SAP/ERP), operating since January 2014. The information collected is passed on to the government in accordance with the standard of the National Secretariat of Ports and Waterway Transport of the Ministry of Infrastructure (SNPTA/MInfra) and inserted into the Accounting System, a platform of the National Waterway Transportation Agency (Antaq) on the web.

Austerity and cost rationalization actions allowed a **growth of more than 62% in net income**, which went from R\$ 202.5 million in 2020 to R\$ 329.1 million in 2021.



| Summary | | 2021 | 2020 |
|---|--|-----------|-----------|
| (+) | Net Operating Revenue | 1.110.442 | 1.113.289 |
| (+) | Other Income | 204.520 | 73.761 |
| (-) | Direct costs | 476.152 | 427.722 |
| (-) | Indirect Costs (Infrastructure) | 104.629 | 125.074 |
| (-) | Indirect Costs (Administration Apportionment and Others) | 405.041 | 431.771 |
| (=) | Final Net Income | 329.140 | 202.483 |
| 1 - Percentage of Operating Costs (Direct + Indirect) | | 56,15% | 59,01% |
| 2 - Percentage of Administrative and Other Expenses | | 43,85% | 40,99% |

The significant evolution of 31.2% in gross revenue is mainly a reflection of the cargo handling record in 2021 (growth of 7.6% compared to initially forecast), monetary variations related to grants and the increase in equity revenue, according to contractually provided adjustments.



SPA declared “independence” of Union resources for investments. **100% of new investments with own resources.**



Savings of more than **R\$ 238 million** for the Union’s coffers in the coming years, due to the cancellation of the remaining amounts to be paid in force.



Return of **R\$ 10.6 million** related to amounts sent by the Union for investment actions pending execution.

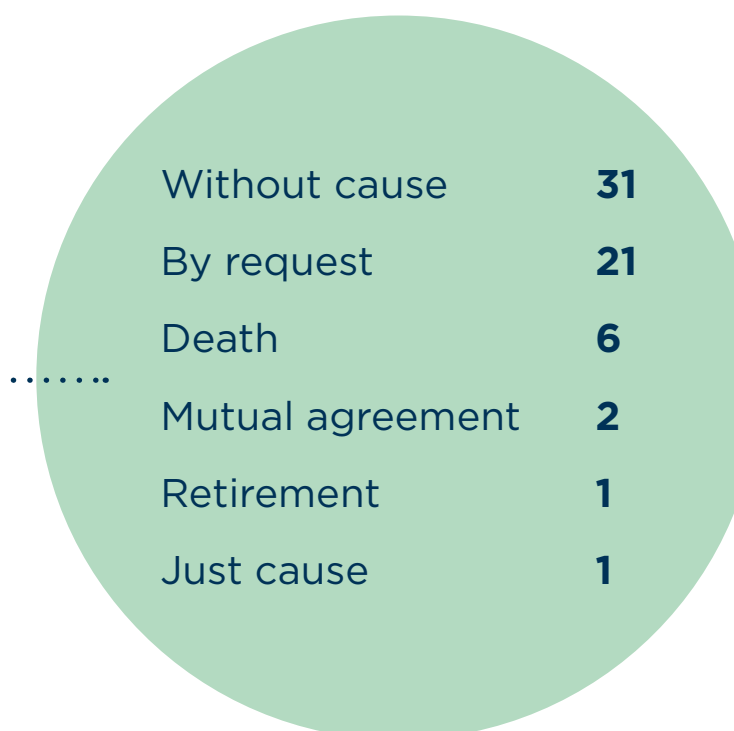
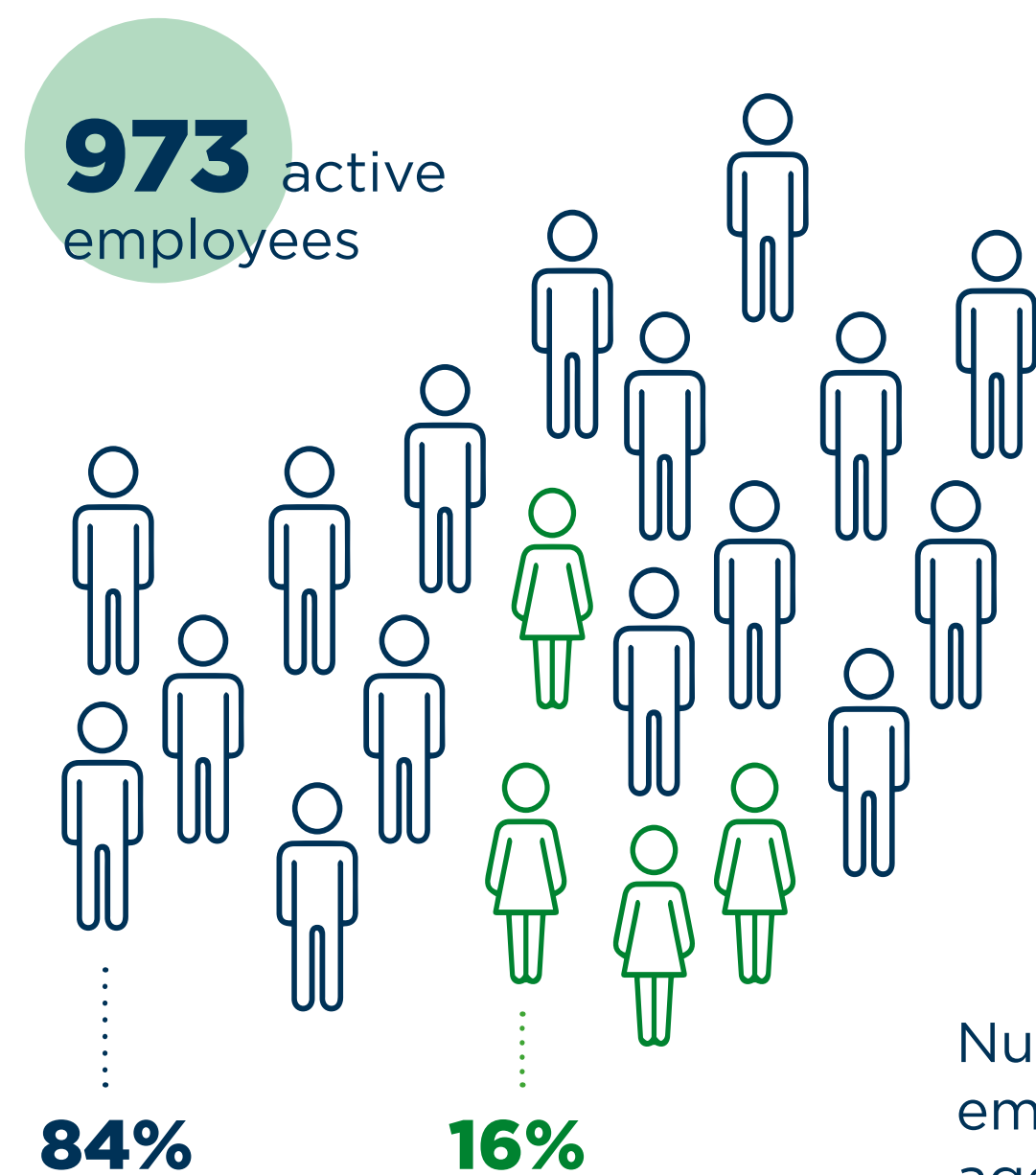
PEOPLE MANAGEMENT

7.1. Technical Board

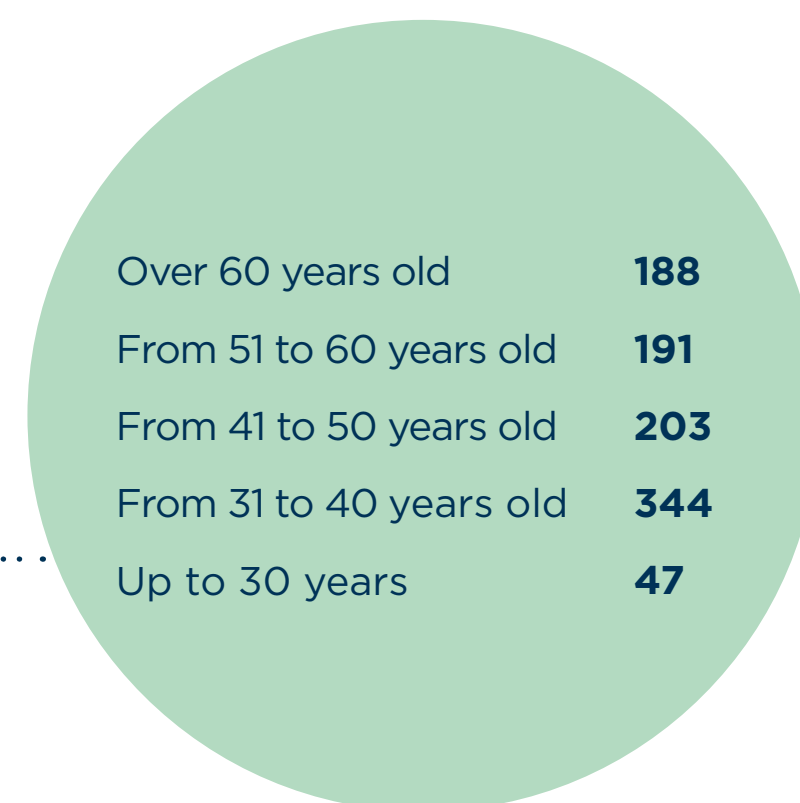
GRI 102-7, 102-8, 102-41

SPA collaborators are public employees, under the CLT regime, with entry through a public tender (except for free appointment and dismissal positions), subject to the guidelines of the Infrastructure Ministry, Sest ,TCU, CGU, Navy, Conportos and other supervisory and regulatory bodies.





Number of employees by age group

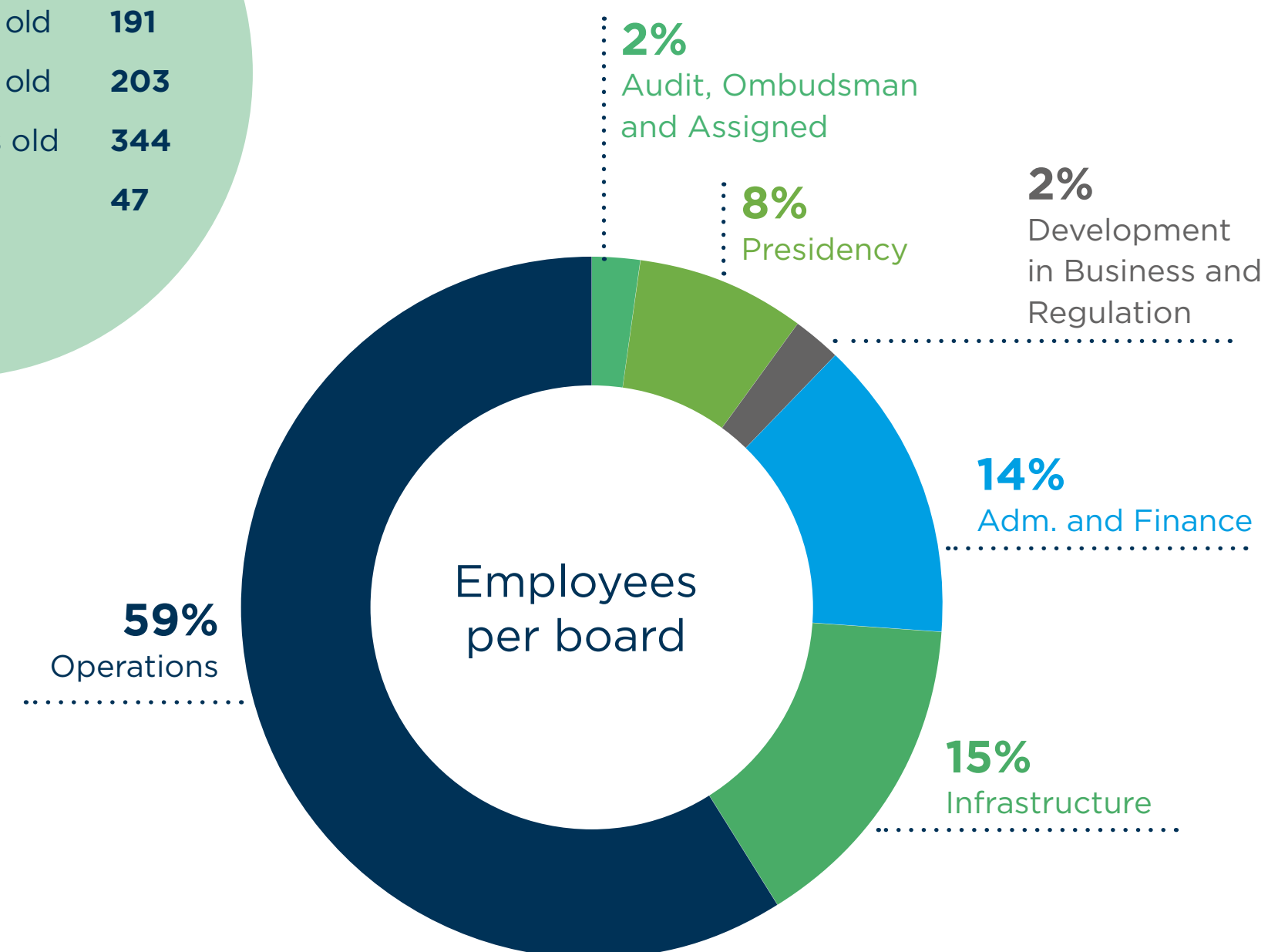


Number of employees

2019 1294

2020 1027

2021 973



SPA grants employees benefits and advantages pursuant to the Collective Bargaining Agreement.





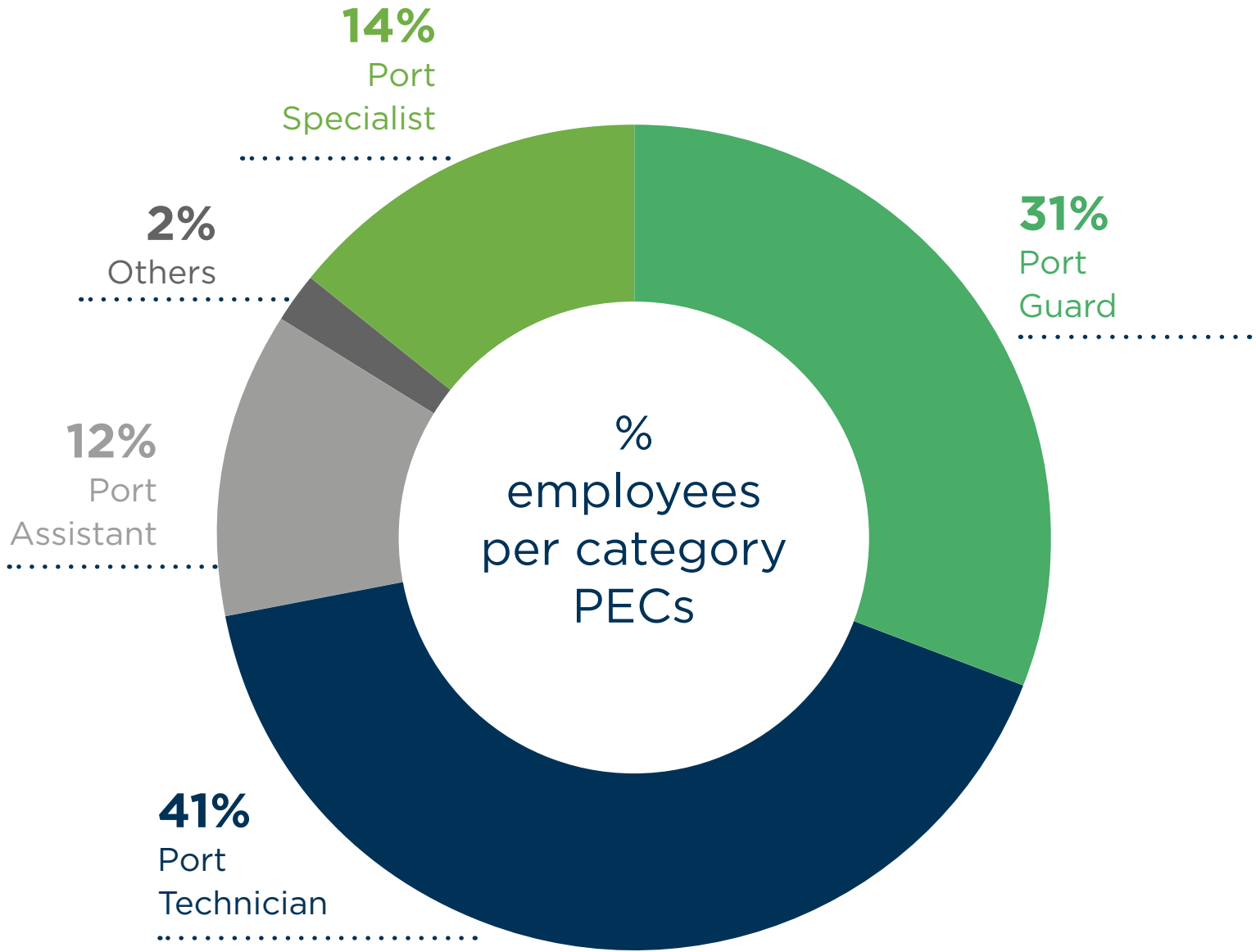
JOB PLAN

Careers are defined according to the Employment, Career and Salaries (PECS) and the Plan for Commissioned Positions and Trust Functions (PCCFC).

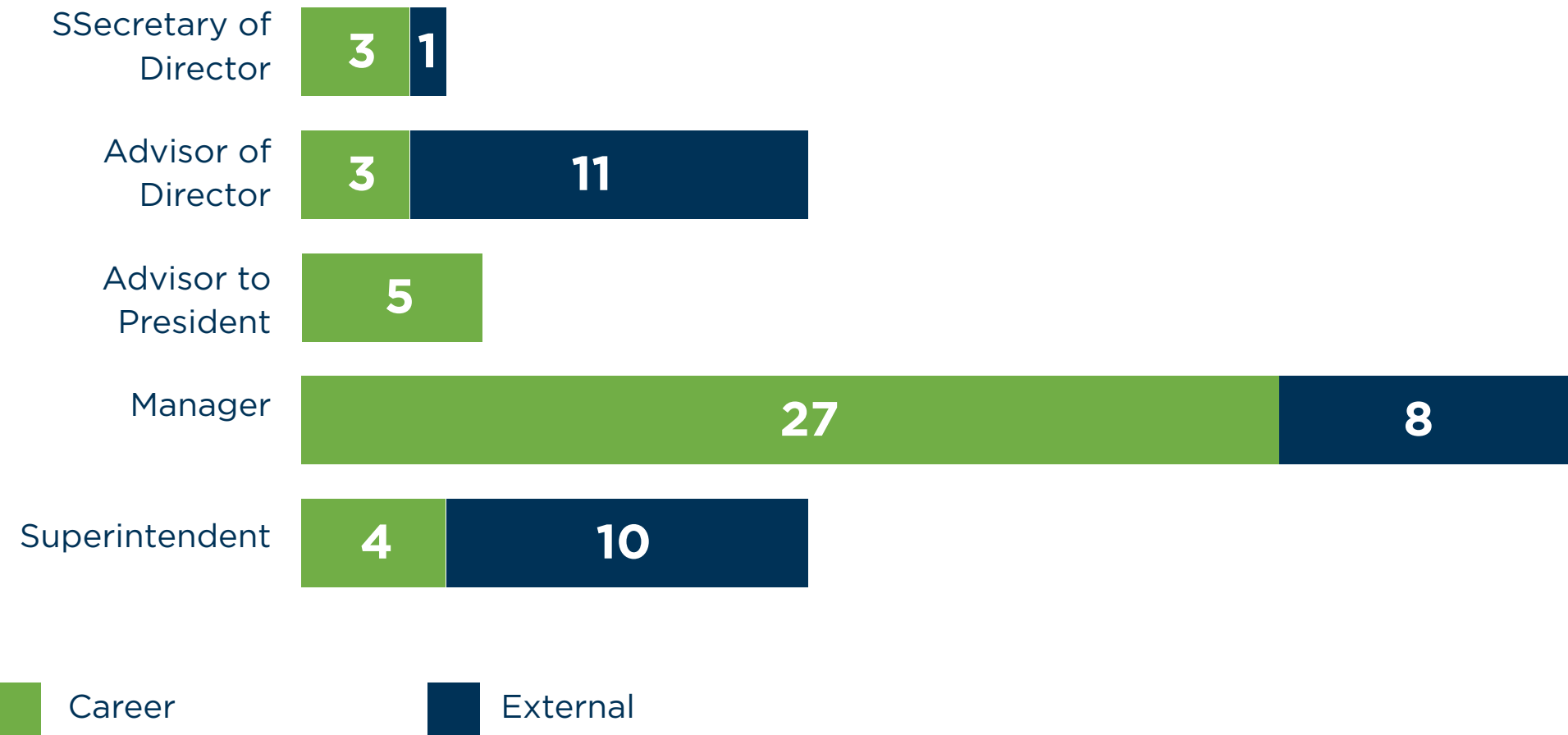
Most notable are Port Technicians and Port Guards, who work in administrative support and in guarding and securing the port area, respectively.

For these positions, a high school/technical level is required.

| Commissioned positions and trust functions | Qty |
|--|-----|
| Superintendent | 14 |
| Manager | 35 |
| Advisor to the President | 5 |
| Director's Assistant | 14 |
| Director's Secretary | 4 |
| Supervisor | 45 |
| Senior Assistant | 46 |
| Full Assistant | 70 |
| TOTAL | 233 |



Commissioned Positions
Free Provision and Exoneration



7.2. Human capital appreciation

In 2021, there was an increase of approximately 31% in the per capita number of employee training hours compared to 2020.

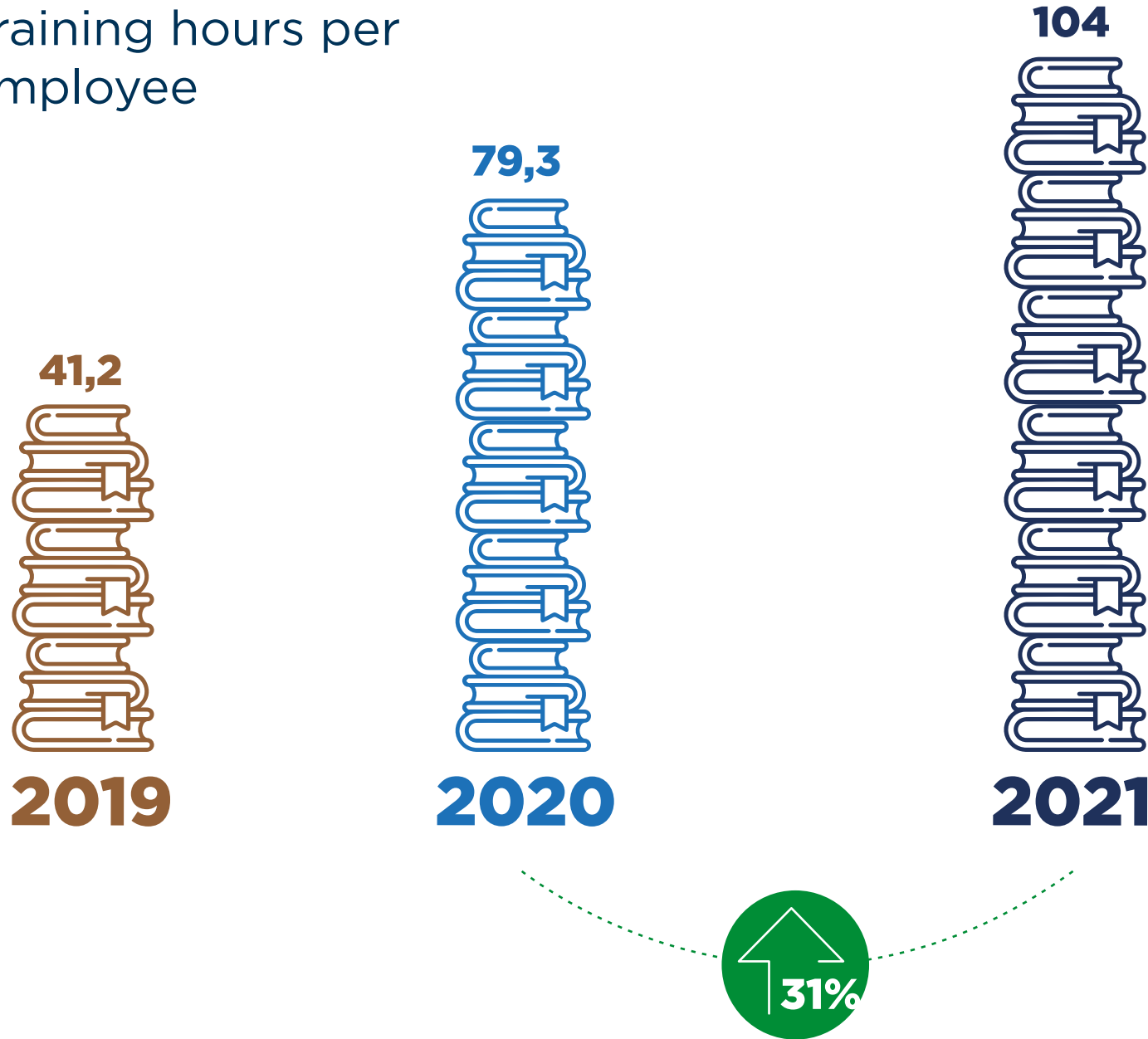
About 48% of the total hours of training refer to activities initiated by the employee himself, a fact that demonstrates his interest and maturity in the search for self-knowledge and professional development.



104 HOURS
of training per
employee, in 2021

Among the hours related to Port Security, it is worth mentioning the performance of several simulations, such as monitoring and siege of vehicles, threat with bombs/explosives, firefighting, raising the level of security, evacuating the area, approaching people and vehicles, among others, and courses for emergency vehicle drivers and gunsmith training.

Training hours per
employee



34 THOUSAND HOURS
in port security



11 THOUSAND HOURS
in information technology



11 THOUSAND HOURS
in logistics and port management

INTERNSHIP PROGRAM

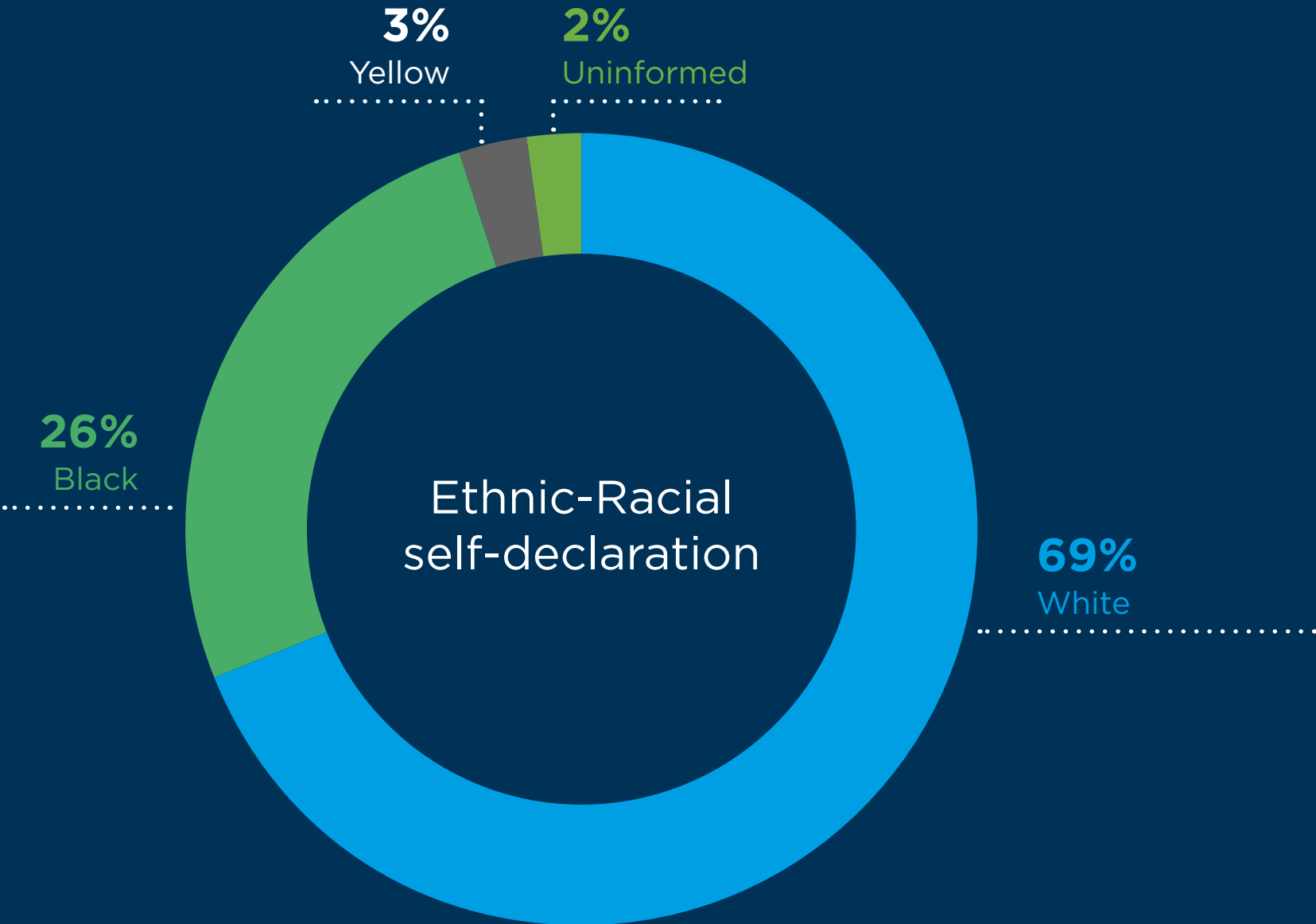
Aware of its importance in providing opportunities for students to come into contact with the job market, Santos Port Authority offered 60 internship vacancies in the most diverse areas.

During 2021, the Company promoted, through the Internship Program, several meetings and lectures, addressing topics related to the port, organizational and professional universe, systematizing them and developing actions of a technical, cultural, educational and scientific nature.

7.3. Diversity and Equality

- In 2021, SPA established the Diversity Committee with the aim of:
- promoting awareness actions about the prohibition of discrimination and prejudice;
 - promoting inclusion and equal opportunities and treatment to people, regardless of color, race, ethnicity, origin, sex, disabilities, age, beliefs, sexual orientation, gender identity, etc.;
 - disseminating the organizational culture of inclusion and diversity.

Among the actions, it is worth highlighting the Pulse Research of Diversity in partnership with the company Great Place to Work, in addition to various themes of the Cycle of Debates on Diversity (such as racial issues, LGBTQIAPN+).



7.4. Health and safety

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-9

In order to guarantee the safety of workers who work at the Organized Port of Santos and of the operations carried out, SPA relies on the uninterrupted performance (24 hours a day, seven days a week) of its technical team from the Health and Safety Management of the Work (Geset).

The work carried out by the respective sector guarantees the adoption of immediate actions to eliminate and/or mitigate risks in the event of accidents, emergencies and other occurrences that may influence the life and health of people who accomplish activities on the Santos pier.

SPA maintains dedicated security technicians in the classified areas of the Organized Port of Santos, Alemoa and Barnabé Island, to work in the control of ignition sources and interactions between maintenance activities and operation of liquid bulk terminals.

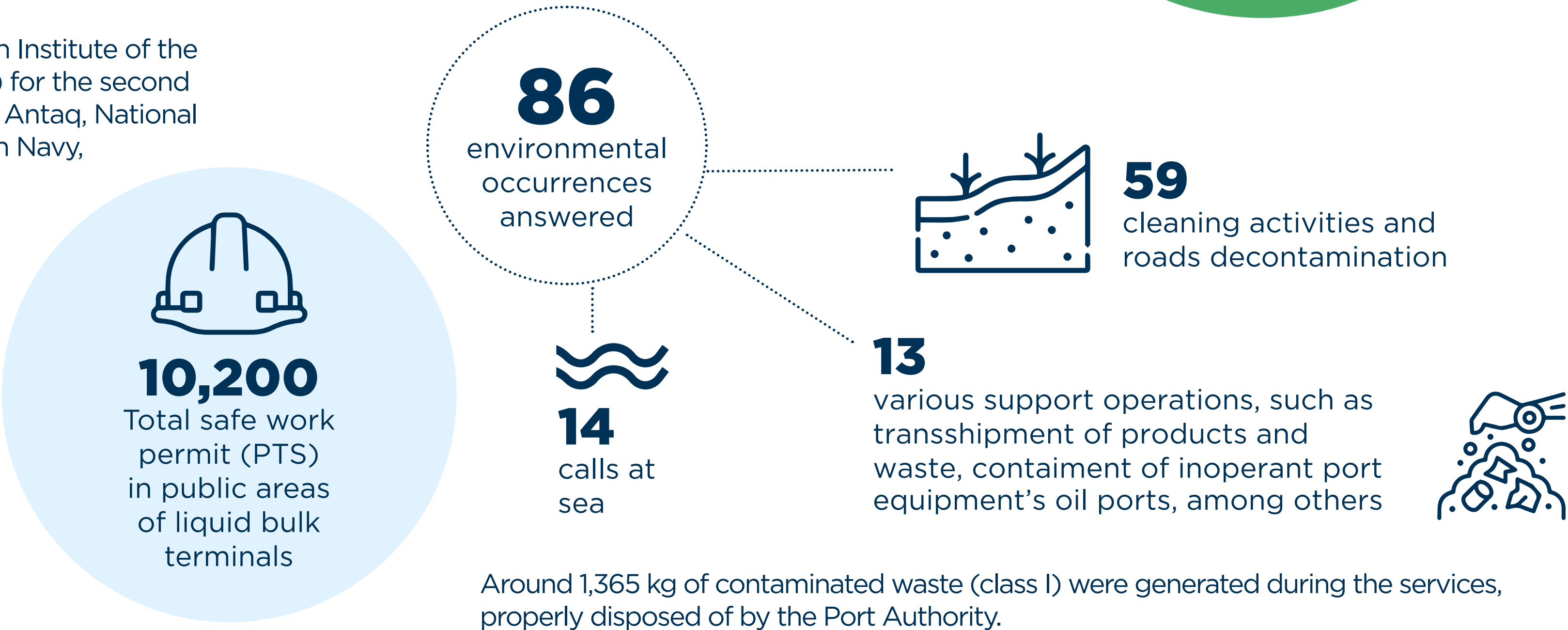
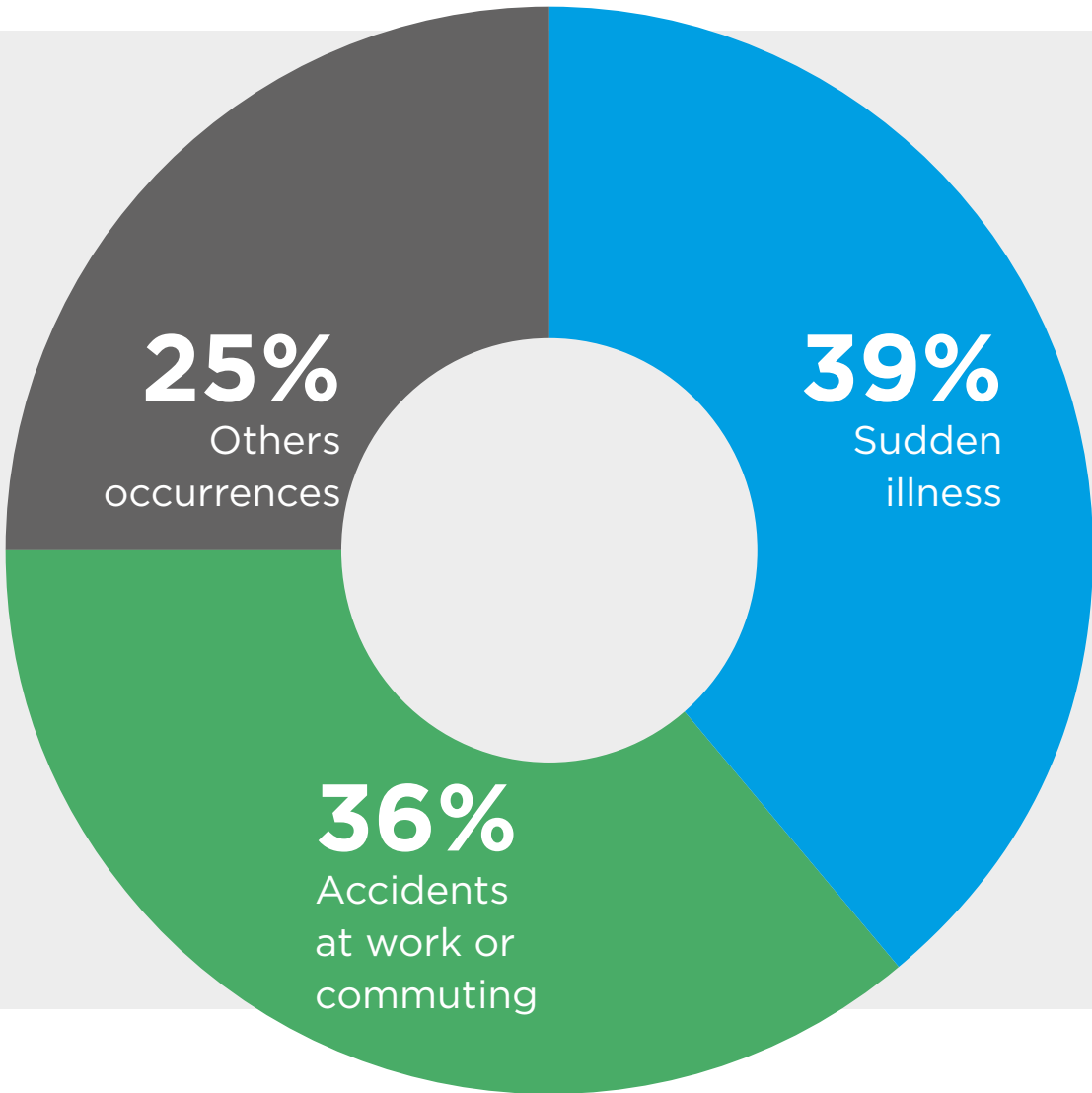
In 2021, Operation Reliquia was launched by the Brazilian Institute of the Environment and Renewable Natural Resources (Ibama) for the second time in the Port of Santos, with the participation of SPA, Antaq, National Land Transport Agency (ANTT), Brazilian Army, Brazilian Navy, Federal Revenue, among other intervening authorities.

The purpose of the operation was to verify the safety conditions of operations involving dangerous cargo and preparation for combating emergencies in the port region. In general, it was found that the conditions of handling and storage activities carried out by the terminals are safe and have evolved compared to 2020.

It is also worth mentioning the training actions aimed at the health and safety of employees, such as recycling NR-10, NR-35 and NR-20, various simulations, Internal Week for the Prevention of Accidents at Work (SIPAT), training for CIPA members, Rescue of Men at Sea, among others.

OCCURRENCES

Throughout 2021, Geset recorded 518 occurrences in the Organized Port of Santos. From these, 224 (43%) are related exclusively to workers' health and safety issues, with 88 (39%) being reports of sudden illness, 80 (36%) of accidents at work or commuting and 56 (25%) for other occurrences.



SIPAT

The Internal Work Accident Prevention Week (SIPAT) 2021 of the SPA was held online, with live transmission, considering the restrictions related to the covid-19 pandemic.

EMERGENCY PLANS

The Port Authority keeps material and human resources ready to respond to environmental emergencies and fires on an uninterrupted basis, with an operational base available 24 hours a day, located on the right bank, with supplies and equipment necessary for the response to occurrences at sea or on land, as well as with teams of civil firefighters from the Port Guard and two state-of-the-art tank pump vehicles.

As a complement to its own efforts, the institution maintains a direct and permanent relation with the community and authorities involved in the preparation and response to major incidents, coordinating the Mutual Aid Plan (PAM) of the Port of Santos and the Area Plan of the Port of Santos and Region (PAPS).

In 2021, SPA forwarded the first version of the Risk Analysis Study (EAR), the Risk Management Program (PGR) and the Emergency Action Plan (PAE) of the Port of Santos to Ibama for analysis, whose preparation had started in 2020. Given the complexity and magnitude of the set of documents, in that same year, a process of revision and adjustment of the studies began, aiming at meeting the recommendations of the environmental agency.

The Port of Santos carried out, in the months of June and November 2021, simulations of the Emergency Control Plan (PCE) and the Individual Emergency Plan (PEI).



HEALTH SURVEILLANCE

GRI 403-6, 403-7

Aiming at maintaining the sanitary conditions of the port facilities and region, the SPA works under the guidance of the National Health Surveillance Agency (Anvisa), in line with the other control bodies, and has its own health surveillance structure.

As a port authority, SPA operates in the execution of several control and inspection programs, management of the Port’s contingency plans, established in legal requirements of environmental agencies, and risk mitigation planning inherent to port activities, with the elaboration of norms and procedures and conducting health education campaigns aimed at controlling synanthropic fauna (animals that interact negatively with the human population, transmitting diseases and/or causing economic or environmental problems, such as rodents, insects, scorpions and spiders).

In 2021, SPA continued the work carried out by the Health Surveillance area of the SPA for the control and monitoring of the mosquito that transmits dengue (*Aedes aegypti*), as well as actions to control other vectors and pests, through services of periodic deratization and fumigation, removal of hives or swarms of bees and wasps, measures to prevent proliferation of domestic animals (dogs and cats) in the port area, control population of domestic pigeons, among others.

It should be noted that in May 2021, it was published by the Port of Santos a new norm stipulating measures of control and monitoring of harmful synanthropic fauna for all tenants, consignees and lessees of the Organized Port of Santos. Such normative unified, updated and replaced old resolutions related to the theme that were still in vogue, incurring in important advance for the dissemination of good practices for different actors of the Organized Port of Santos.

Highlights



Harmful synanthropic fauna monitoring and control program, which monitors and controls the incidence of domestic animals (dogs and cats), pigeons, rodents, mosquitoes and other vectors and urban pests.



Port of Santos Contingency Plan (PCPS) aimed at public health issues.



Annual Inspection Plan (PAF) regarding environmental and sanitary inspections.



Update of Port Authority (NAP) Rules dealing with topics related to health and safety at work.

7.5. Actions to combat covid-19

Even before the World Health Organization (WHO) declared the covid-19 pandemic in 2020, SPA was already promoting measures to combat and prevent the new variant of coronavirus (SARSCoV-2). In 2021, with the world still under the impact of the pandemic, SPA enabled several combat actions, among which stand out:

- Expansion of cleaning points along the port complex, installing alcohol gel dispensers with proper signage;
- Acquisition of personal protective equipment (PPE) and supplies for SPA employees, such as masks (surgical and PFF2/N95), alcohol gel and liquid, hospital material, among others;
- Intensified inspection action (Last Mile Operation) to ensure compliance with health protocols by operators, terminals and other port users;
- Acquisition and donation to the Municipalities of Santos and Guarujá of rapid tests, surgical and disposable gowns, infrared thermometers and oximeters;
- Internal testing campaign, prioritizing employees who work face-to-face and those who would return to face-to-face work. To overall, 867 serological tests and 234 RT-PCR tests were performed;
- Availability of a vaccination station on the company's premises to immunize employees, interns and outsourced workers, as well as employees of intervening bodies in the Port of Santos (Ibama, Antaq, Federal Revenue, etc.). In all, 1,423 port workers were vaccinated inside the SPA premises;
- Updating and publication of resolutions containing actions to combat the pandemic, highlighting the removal of suspected cases and contacts, as well as the expansion of teleworking to other SPA employees;



The Port of Santos was chosen for the symbolic act of the beginning of vaccination of port workers across the country, and the ceremony with the participation of the Ministers of Health and Infrastructure.

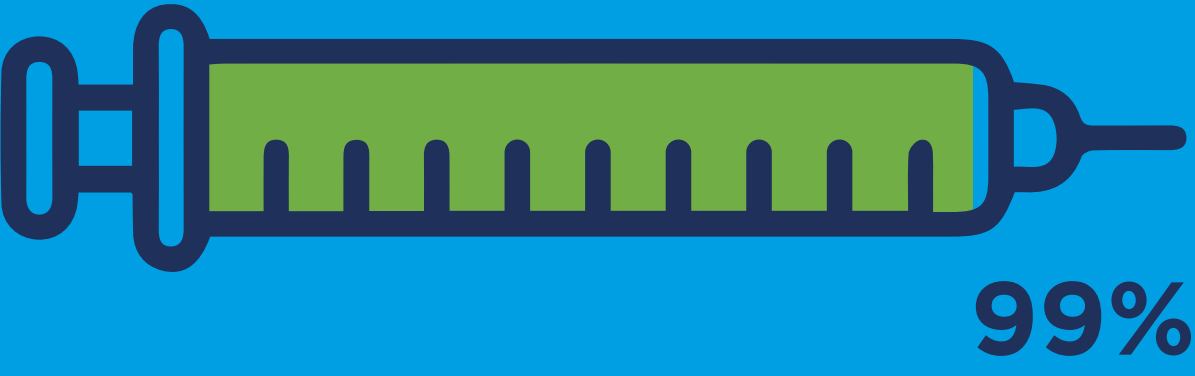
- Monitoring of vaccinated employees and focused health education in people resistant to taking the immunizer;
- Investigation, monitoring and guidance of hundreds of cases of covid-19 by the Occupational Medicine team;
- Incentive to vaccinate all employees, with the preparation of weekly follow-up reports of suspected and confirmed cases.

Vaccinometer in 2021

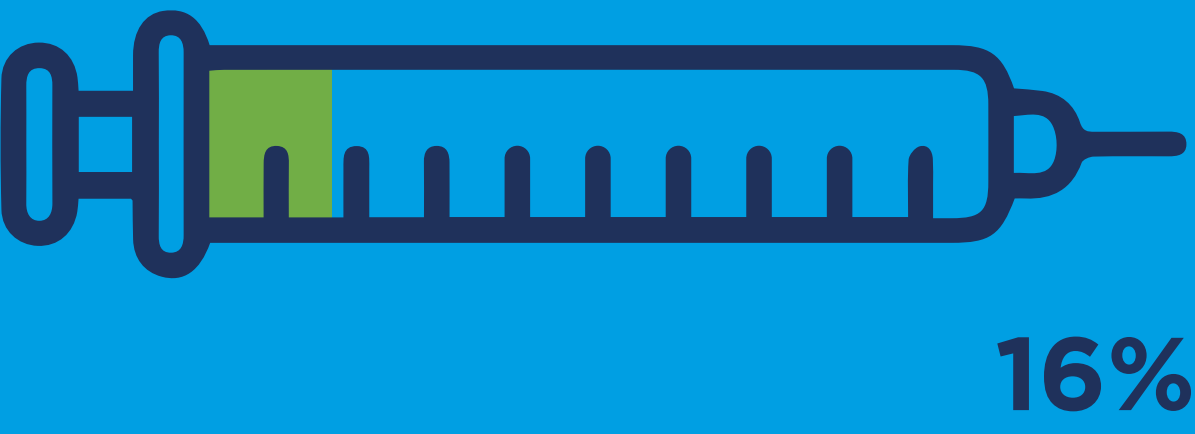
1st dose



2nd dose



3rd dose



In October 2021, SPA received from the American Association of Port Authorities (AAPA) and the Secretariat of Inter-American Committee on Ports (S/CIP), from the Organization of American States (OAS), the AAPA-CIP Port Industry award of Excellence, for being reference in performance during the covid-19 pandemic, winning in the category “Covid-19 Pandemic Response”, open to 35 nations on the American continent.

Santos Port Authority was recognized for effectively implementing international and national security protocols for the well-being of its workers, executing innovative procedures to avoid contagion and maintaining its competitive operations.

The award is given to public and private ports, terminals and operators, located in North America, Latin America and the Caribbean, which demonstrate excellence in their operations and contribute to the economic and social prosperity of the regions where they operate.



COMMITMENT TO SUSTAINABILITY

8.1. Sustainable environmental management

SPA assumes a formal commitment to issues related to sustainability and focused on the environmental pillar. This commitment is documented through its Environmental Agenda, published in 2021.



ENVIRONMENTAL AGENDA 2021-2023

The Institutional Environmental Agenda for the triennium 2021-2023 is the document that expresses the SPA's commitments and actions related to environmental issues, within the scope of its activities, in line with the Sustainability Policy of Company.

It presents itself as an important instrument of changing the institutional culture, relating with the Sustainable Development Goals of the UN and encouraging stakeholders to incorporate environmental aspects into their activities.

It should be noted that the Institutional Environmental Agenda published in 2021 was the first document of this nature issued by the Santos Port Authority, representing a great advance in terms of management, as well as the commitment assumed by the governing body of the institution to consolidate an ESG agenda.

ENVIRONMENTAL OBJECTIVES AND TARGETS TRIENNIUM 2021-2023

IMPLEMENTATION OF THE INNOVATION COMMITTEE



GOAL 2021 - Achieved

PROMOTE INITIATIVE TO FIGHT AGAINST GLOBAL CLIMATE CHANGE



GOALS 2022/2023

PROMOTE THE CONTINUOUS IMPROVEMENT OF SPA ENVIRONMENTAL MANAGEMENT



GOAL 2023

PROMOTING INITIATIVES FOR THE PROTECTION OF WATERS



GOAL 2023

UPDATE THE INDIVIDUAL EMERGENCY PLAN



GOAL 2022

ENVIRONMENTAL PERFORMANCE INDEX (IDA)

In 2021, the Port of Santos obtained its best Environmental Performance Index (IDA) score, rated by Antaq, reaching the historic mark of 95.35 points out of 100 possible points.

Since 2012, when it was established by Antaq, the Port of Santos has increased its IDA score by 32.69 points. The advances obtained can be attributed to the responsibility of the Port's environmental management for the increasingly sustainable development of its activities.

In order to continue evolving in scoring, SPA continues to work to strengthen its ESG (environmental, social and governance) aspects and to bring more innovation for the Port.

IDA evolution Port of Santos



DREDGING OPERATIONS

The maintenance dredging works are executed in the navigation channel, in the berths and accesses to the Organized Port of Santos.



Maintenance dredging aims to remove sedimentary material deposited on the berths, accesses and navigation channel, with the purpose of maintaining depths, allowing safe vessel traffic and, consequently, maintaining the competitiveness of the Port of Santos on the world stage.

The sediments dredged are launched in the Oceanic Disposition Polygon (PDO), an area under the responsibility and management of the Port Authority, which reconciles and supervises their use by different entrepreneurs. Every dredger or barge must have a Satellite Tracking System to carry out on-site disposals.

The PDO consists of a rectangular area, approximately 10 km from the coast, which has a total area of 40 km², with depths that vary between 20 and 25 m, approximately.

The oceanographic conditions of the site were previously analyzed and are favorable to the natural dispersion of discarded sediments, preventing them from returning to the coastal region. The physical, chemical and biological parameters of the disposal area and surroundings are rigorously monitored, with the aim of detecting possible effects on the aquatic biota or on ecological processes. This monitoring aims to support safe decision-making regarding the management of the disposal of dredged sediments, in order to identify the need to possible interruptions in the ocean disposal process or other mitigating measures.

It is worth mentioning that the SPA carries out specific and continuous monitoring of the dredger activities through the processing and analysis of raw data captured by the sensors of the respective vessels during operations.

Through the data collected, such as positioning, pump power, depth of the arms, navigation speed, volume, weight and height of the cargo in the cistern (where the dredged sediments are deposited), it is possible to accurately identify the dredged section in each cycle, the dredged material disposal locations, dredging and disposal times, among other parameters.

The monitoring carried out allows SPA to perform a more efficient and innovative inspection of maintenance dredging activities, either its own or third parties, ensuring greater effectiveness in identifying any non-compliance with good environmental practices.





QUALITY MONITORING OF DREDGED SEDIMENTS

SPA continually runs the Sediment Quality Monitoring, linked to Operation License No. 1382/2017, issued by Ibama.

The program aims to verify the quality of the sediment to be dredged for disposal in marine waters, specifically in the Ocean Disposition Polygon (PDO). For this purpose, physical-chemical and ecotoxicological analyzes are carried out on the sediments located in the berths, accesses and navigation channel of the Organized Port.

In total, the program foresees annual campaigns to collect surface sediments in 148 previously distributed sampling stations. The results of laboratory tests are compared with the guiding values provided for in the Conama Resolution nº 454/2012, which establishes the general guidelines and referential procedures for the management of material to be dredged in waters under national jurisdiction.

It is important to highlight that the results achieved in 2021 indicated that the sediments were in compliance with the normative criteria, being considered liable to regular ocean disposal.

8.2. Water and effluent management

GRI 303-1, 303-2

Port activity is directly linked to the use of water as the main means of transport, and there may be effects and consequences resulting from the operation.

In this sense, the Santos Port Authority regularly runs monthly campaigns to monitor the quality of water and effluents in the Port of Santos region.

Water quality monitoring includes the collection of samples at 16 points distributed along the navigation channel, at three different depths. The monitoring of effluents takes place at 20 points distributed along the entire length of the right and left margins of the Organized Port of Santos, whose locations were chosen due to the history and potential for contamination of the drained areas.

The samples collected monthly are sent for physical-chemical and microbiological analysis in specialized laboratories, and the results are compared with the quality standards provided in the related legislation currently in force.

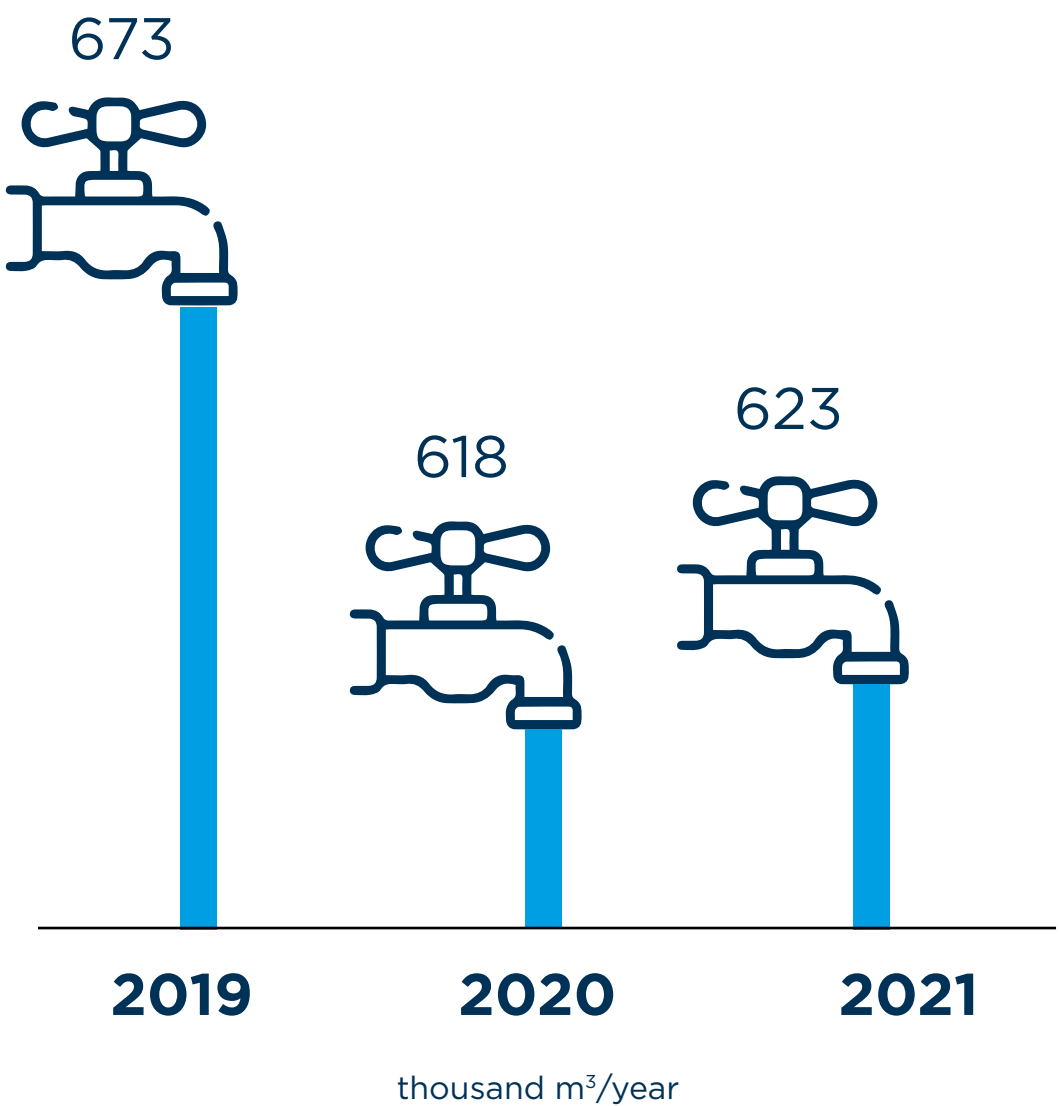
The data generated within the scope of the monitoring are analyzed by teams of specialists and periodically passed on to Ibama, allowing the adoption of management and mitigation measures, in the event that worrying results are identified from an environmental point of view.

GRI 303-3, 303-4

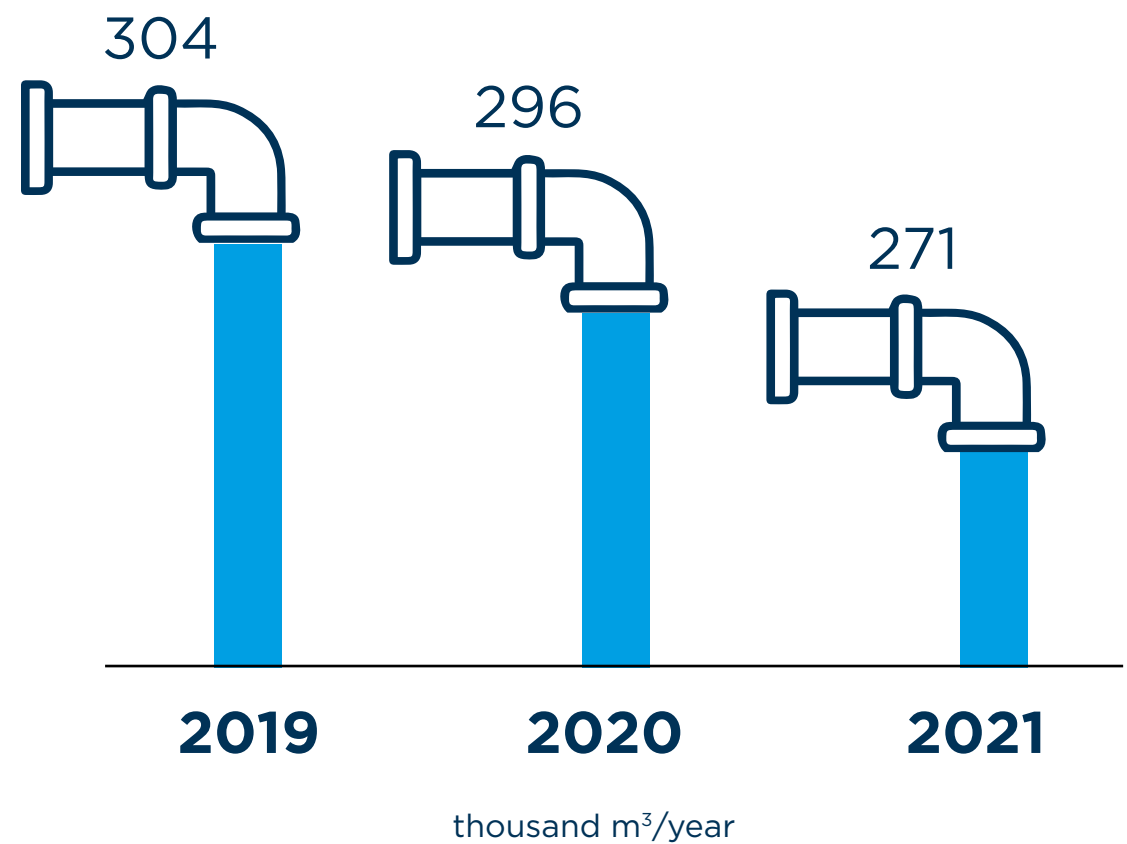
The SPA has a Water Treatment Station (ETA) to meet the demand of the SPA itself and the tenants of the Port of Santos. While in 2020 there was a reduction in the total volume compared to 2019, in 2021 there was a slight increase in the total volume of treated water (0.81%). Like water consumption, this oscillation may be associated with adopted procedures due to the covid-19 pandemic.

With regard to sanitary effluents from tenant terminals, the company has a Sewage Treatment Station (ETE), covering the right bank of the Port of Santos. For the operation of this system, the Port Authority maintains a contract for the provision of services as collection, treatment and disposal of domestic sewage, in addition to the production and distribution of reused water.

Total volume of treated water in port



Total treated sewage



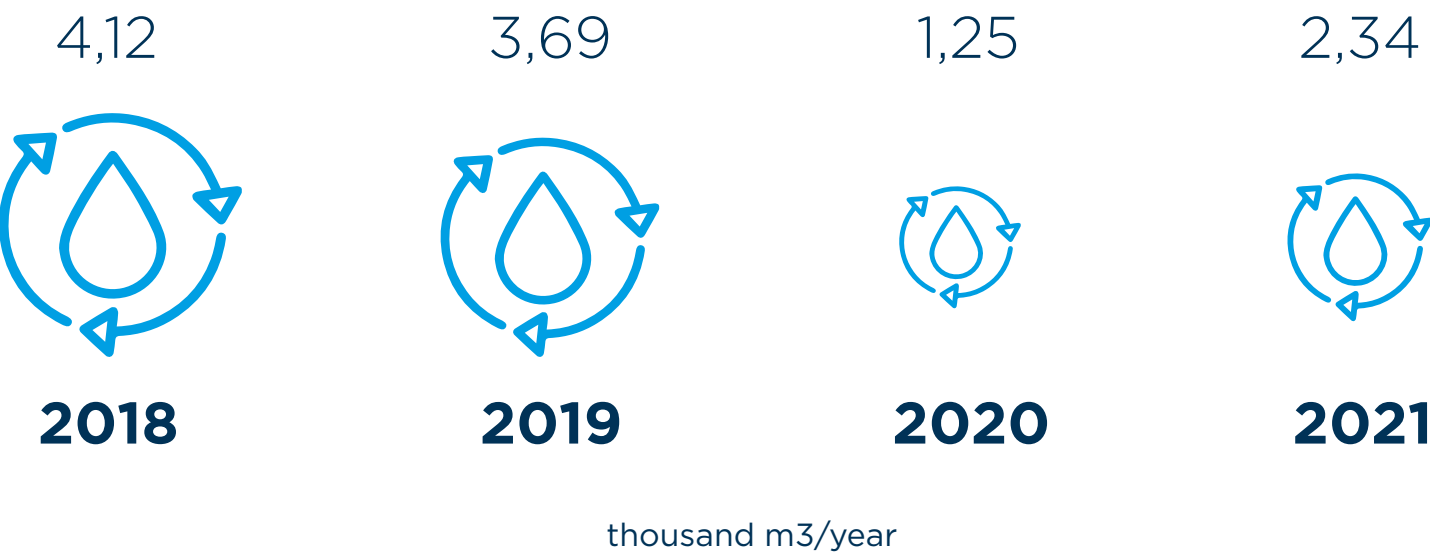
623.637 m³
Total volume of treated water

270.664 m³
Total volume of treated sewage

GRI 303-5

ALTERNATIVE SOURCES - REUSE WATER

The SPA provides reused water for tenant terminals and uses it for cleaning in general, especially on public roads. In 2021, reused water consumption by tenant terminals raised again, suggesting that the drop in use in 2020 may be related to the pandemic.



WATER CONSUMPTION

Despite the drop in water consumption by tenants in 2020 compared to 2019, there was an annual increase of 16.26% in 2021. This fluctuation may be directly related to the procedures adopted due to the covid-19 pandemic, with the establishment of work in telework regime in 2020 and gradual resumption of face-to-face activities, in addition to intensification of hygiene procedures and the increase of terminal productivity in 2021.



8.3. Climate changes

GRI 305-1

SPA developed its first “Greenhouse Gases Inventory”, referring to operations for the year 2021, in accordance with the GHG Protocol methodology and respecting Board Decision No. 254/2012/V/I, of 08/22/2012, of Cetesb.

According to the report, SPA actions are classified as low carbon intensity activities, since its main task is the supply of infrastructure and port inspection, with many activities developed been administrative.

Balance of SPA emissions in the year 2021



In general, SPA’s emission inventory is balanced, involving actions that reduce or avoid greenhouse gas (GHG) emissions. Avoided emissions are provided by activities developed through sustainable mechanisms that, if carried out in the traditional way, would cause GHG emissions. The GHG removal activities are those that absorb these gases, sequestering CO2 from the atmosphere.


In a context of climate change, the compilation of a GHG emissions inventory provides an important gas management tool, as it allows SPA to map and monitor its emission sources, as well as monitor its performance over the years and establish goals aligned with the best environmental performance.

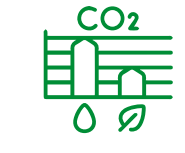
In 2021, Antaq, in partnership with the German Agency for International Cooperation (GIZ), with the support of the Santos Port Authority and several other public ports, developed a study on the impact of climate change on Brazilian ports.


The study represents a major step towards the inclusion of the issue of climate resilience in the port sector on the agenda of Brazilian public authorities. The report points out that the impacts on port operations due to climate change are already a reality in Brazil, and, maintaining current conditions, there is a tendency for this scenario to deteriorate.


Among the climatic risks presented for the Port of Santos there are storms, windstorms and rising of the sea levels. The SPA, aware of the importance of the theme for the maintenance of its activities and aiming to make the port resilient to the impacts of climate change, has been adopting a series of sustainable measures related to the subject.


ADOPTING SUSTAINABLE ACTIONS TO MITIGATE THE IMPACTS OF CLIMATE CHANGE:


- 


INCORPORATION OF THE THEME “CLIMATE CHANGE” IN THE STRATEGIC PLANNING 2021-2025
- 

ELABORATION OF THE GREENHOUSE GAS INVENTORY, WHICH WILL GUIDE THE DECISION MAKING TO REDUCE THE CARBON FOOTPRINT OF PORT OPERATIONS
- 

INCENTIVE FOR ELECTRIFICATION OF THE QUAY
- 

MEASURES TO STIMULATE GREEN VESSELS THROUGH TARIFF REDUCTION
- 

SUPERVISION ACTIONS FOCUSED ON THE ENVIRONMENTAL COMPLIANCE OF FUELS USED BY SHIPS, ACCORDING TO INTERNATIONAL MARITIME ORGANIZATION (IMO) GUIDELINES
- 

TRANSPORT MATRIX BALANCE
(INCREASE IN THE RAILWAY SHARE FROM 33% TO 40% UNTIL 2040)
- 

ENVIRONMENTAL EDUCATION AND CULTURAL CHANGE ACTIONS





8.4. Air quality

Among the conditions included in the scope of the Port of Santos Operating License, there is an Air Quality Monitoring Program, aimed at structuring a local air quality control and monitoring system, through administrative and operational procedures and equipment of all the port network, in order to allow mapping in real time.

To achieve the objectives of this program, SPA is enabling the implementation of tools to manage and diagnose air quality in the port area. At the end of 2021, the specialized company responsible for implementing the monitoring was hired.

In this sense, the forecast is that in 2022, four stations will be installed for monitoring parameters of air quality in strategically defined locations along the port complex.

The air quality monitoring network will also have supervisory software, which will allow real-time visualization of the data collected by the stations, queries, statistics, reporting and data validation. Subsequently, the installation of new modules, in order to enable the modeling of the atmospheric dispersion.

In addition to enabling the recording of non-standard emissions provided for in legislation, the network of stations being implemented by the Port Authority will allow a more effective search for emission sources by the oversight.

8.5. Solid waste management

As administrator of the port infrastructure, SPA establishes the general guideline to be followed by all actors in the Organized Port of Santos, through the Solid Waste Management Plan. In addition to the Port Authority, tenants, port operators, permit holders (companies with permission to use or right of way in areas of the Organized Port), authorization holders (Private Use Terminals), vessels and service providers are waste generators, each with its own particularity. The Management Plan ensures that all act in a standardized way in the management of their solid waste, integrating their actions and evaluating the information jointly.

For its own waste, SPA has the Solid Waste Management Program, which provides adequate conditions and resources for its management, in addition to developing a culture focused on the logical sequence of non-generation, reduction, reuse, recycling and treatment of waste, as well as environmentally appropriate final disposal, education and environmental management.

The Santos Port Authority acts as a leader in port waste management, establishing strict normative procedures and supervising the regularity in the management of the various waste generators in port activities.


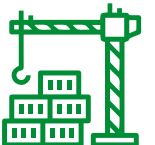

Every year, SPA publishes the Solid Waste Generation Report for the reference year on the website of the Port of Santos. This document contains the compilation, analysis and discussion of solid waste generation and disposal data in the year, making it possible to understand the management panorama of different actors of the Organized Port of Santos.



In 2021, SPA promoted an important restructuring of the rule that deals with procedures for the collection, transport and disposal of waste from vessels in the areas of the Organized Port of Santos. In this way, the company works to promote compliance with the most recent applicable legal requirements and optimizes the solid waste management process, with a view to protecting public health, the environment and the economy, controlling the irregular disposal of waste that may result in soil and water environmental pollution.

GRI 305-1

Among the significant impacts, the waste generated is evaluated based on their toxicities and amounts generated (data in parentheses represent the percentage relative to total global waste).

| RESPONSIBLE FOR GENERATING | WASTE | TOXICITY | QUANTITY | ASSOCIATED POTENTIAL IMPACT |
|---|---------------------------------|----------|----------------|---|
|  Port Authority | Construction waste | Low | 28.712 (21,2%) | Incorrect separation and contamination of other materials |
|  Terminals | Dangerous or contaminated waste | High | 10.685 (7,9 %) | Incorrect separation and contamination of other materials |
|  Ships | Oily waste | High | 44.729 (32,9%) | Spill/leak in the transport |

In general, SPA reports in its Annual Solid Waste Inventory an excellent management, allocating the majority of waste to treatment and appropriate provisions, according to the legislation.

In 2021, SPA started using the “Disposal Deviation Index (IDD)”, which measures the percentage of waste sent to disposal techniques that reuse or benefit the waste, such as reuse, recycling, composting, co-processing and re- refining, instead of disposal or destruction techniques. The vessels had 98% of its waste destined according to the techniques established by the IDD, while the Port Authority had 90% and port terminals 88%.

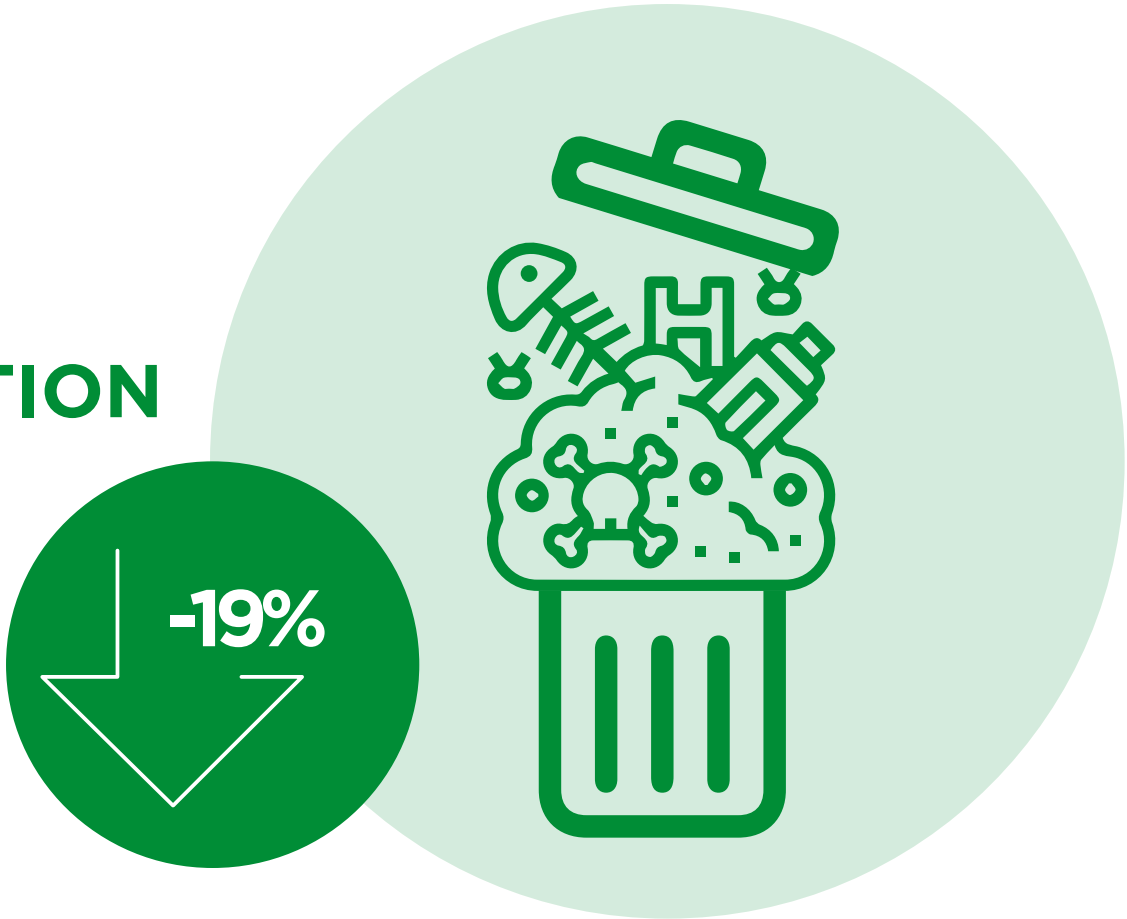
Despite the considerably high values, there is still room for improvement for specific groups of waste, especially in the case of recyclable and compostable materials. SPA will progressively seek to evolve these points over the coming years, within the context of continuous improvement of the waste management procedures of the Port of Santos.

GRI 306-2

The year of 2021 was marked by the implementation of the electronic transport manifest through the SIGOR system, in the state of São Paulo. Currently, the use of the system is fully consolidated in the Port of Santos and is proving to be an important management tool. The declared values need to be confirmed by the companies of waste final destination, thus minimizing the chances of filling errors, and providing greater solidity in the declarations made.

Closing the year of 2021, the Port of Santos recorded a waste generation of 135.7 thousand tons (which represents a drop of about 19% compared to the period of 2020), even in a year with the record mark of 147 million tons of cargo handled (which in 2020, reached 146.6 million tons).

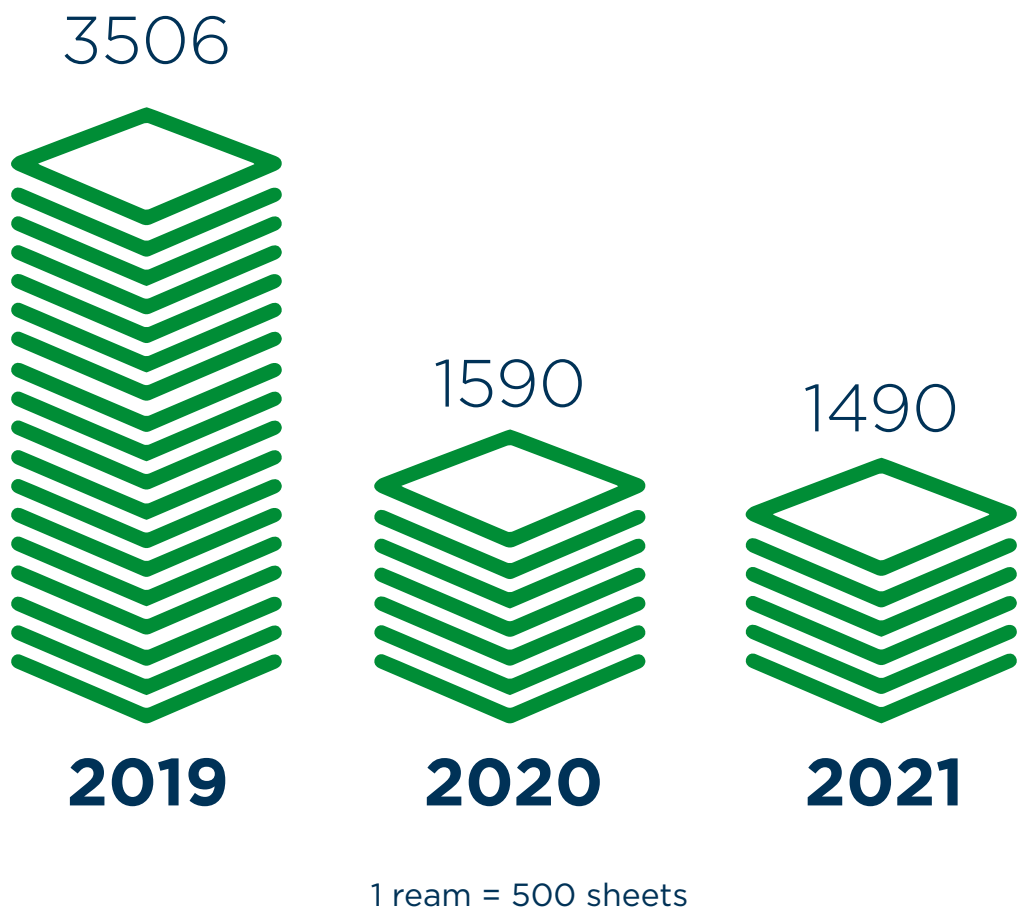
WASTE GENERATION



It is noteworthy that the disposal deviation indexes showed very expressive values, demonstrating that the Port of Santos is treading the right path, in the search for continuous improvement of its processes, aiming at an even more efficient, safe and sustainable port.

PAPER CONSUMPTION

There was a significant reduction in the consumption of reams of bond paper due to the implementation of the Electronic Document Management (GED) system, as well as educational actions carried out, such as lectures and audiovisual messages in different formats. Inevitably, the decrease in paper consumption reflected in a future reduction in solid waste generation.

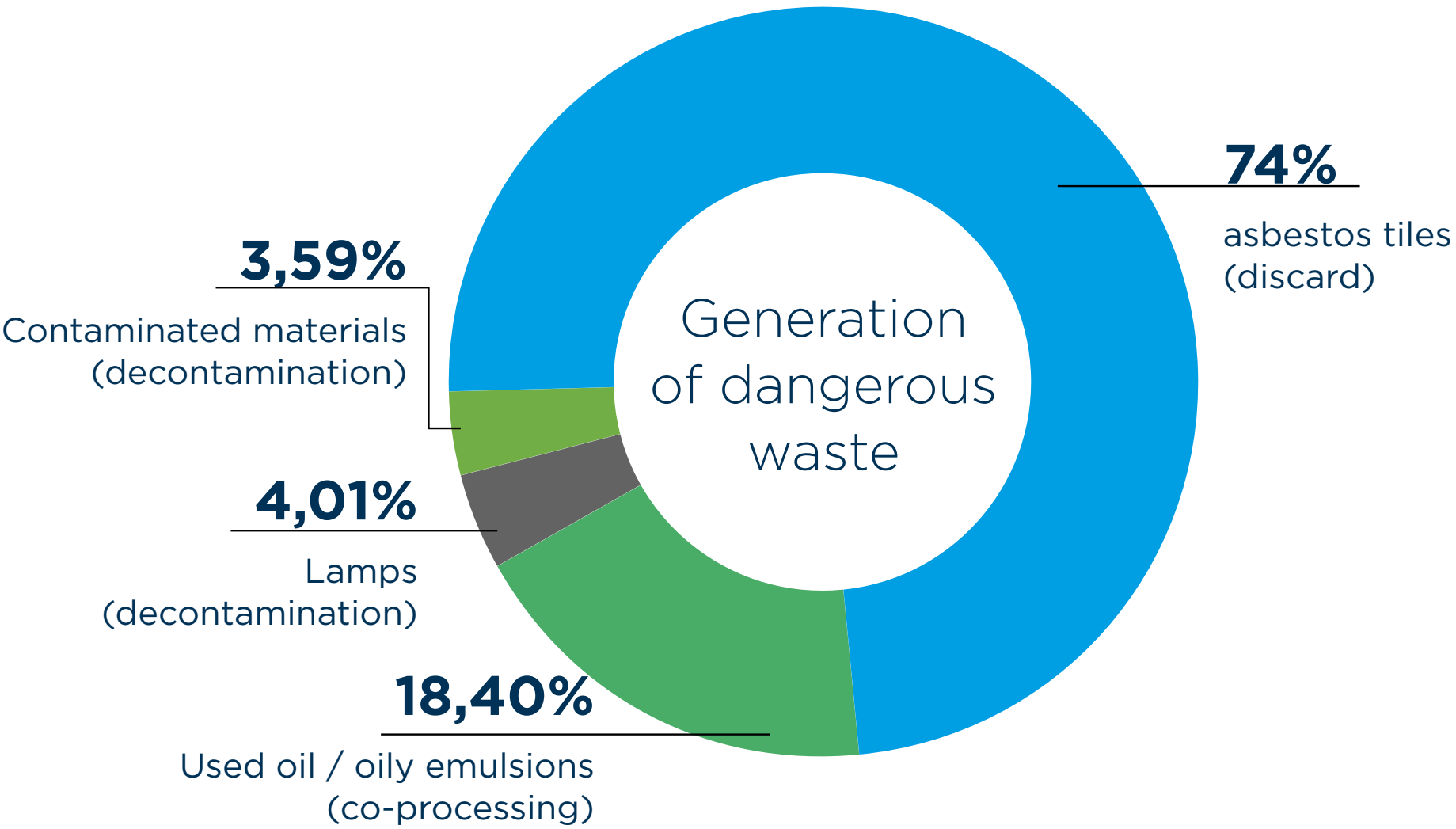


GRI 306-3

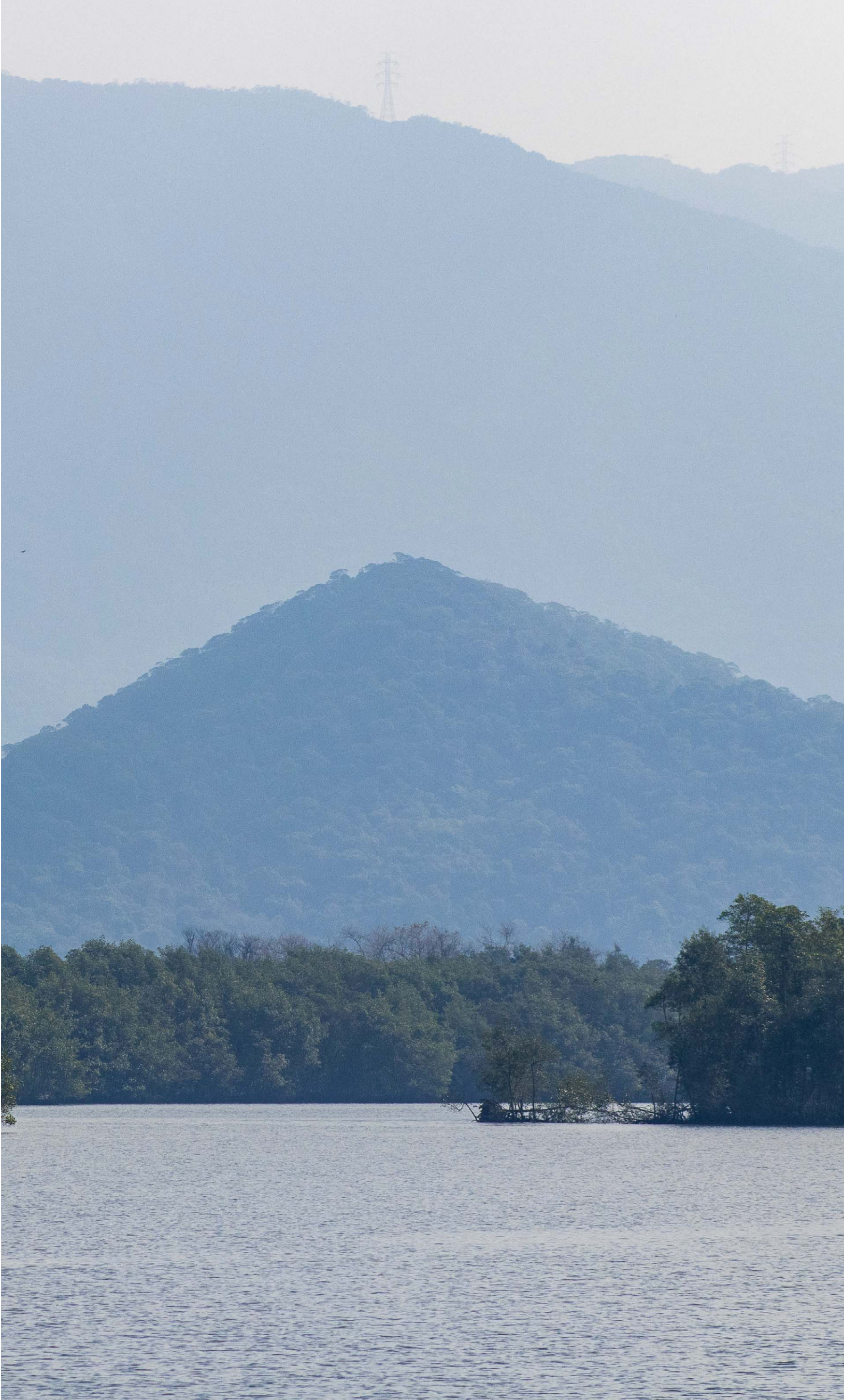
Since 2010, Santos Port Authority has a monthly data collection system with port companies that generate solid waste, through which complete data are declared on the entire solid waste management process within the Port of Santos.

Destination data are inventoried and classified based on Ibama Normative Instruction No. 13, of December 18, 2012. The systems used are the National Solid Waste Management System (SINIR) and the State Online System of Solid Waste Management, used by Cetesb in the state of São Paulo.

Of the generated total waste in 2021 (31,771 tons), only 0.31% (100 tons) are classified as dangerous waste.



| Type | Quantity (ton) | Destination |
|------------------------------|----------------|-------------------------------------|
| Metal | 4,78 | Recycling |
| Plastic | 0,28 | Recycling |
| Paper/Cardboard | 0,67 | Recycling |
| Glass | 0,01 | Recycling |
| Mixed recyclables | 4,52 | Recycling |
| Wood | 22,64 | Energy Recovery (biomass) |
| Organic | 2.669,52 | Landfill |
| ETE Treatment Sludge | 329,90 | Treatment of effluents and landfill |
| Construction Waste (Class A) | 28.638,39 | Reuse |



8.6. Biodiversity

GRI 304-1, 304-2, 304-3

In view of the scenario in which the Port of Santos is inserted, a region surrounded by important areas of environmental protection, such as the Serra do Mar State Park, the Restinga de Bertioga State Park, the Xixová-Japuí State Park , Laje de Santos Marine State Park and the Coastal Center Marine Environmental Protection Area, in addition to the important role it plays in the country’s economic and social scenario, SPA takes on the challenge of managing port operations at the largest port in Latin America, in order to avoid and reduce as much as possible its significant impacts.

Among the main risks to biodiversity are those related to dredging activities which, if not properly managed, have the potential to cause a reduction in the number of species, conversion of habitats and changes in ecological processes in the navigation channel and berths. Another significant aspect comes from the risk of introducing exotic species from ballast water and living works of vessels, if there is no adequate control.

In addition to the continuous monitoring of the environmental aspects of the port operation and dredging works, the SPA establishes regulations for the control and mitigation of non-compliance, which allow the adequate management of the risks of the port activity and guarantee the preservation of the natural resources and biodiversity of its area of influence.

It is worth highlighting the environmental programs carried out by SPA aimed at monitoring benthic and planktonic organisms, turtles, birds and exotic species present in the Port of Santos region. It is also important to point out that some of these monitoring processes have been carried out for more than a decade and present results that indicate good environmental quality in the Port of Santos region.

Birds can be considered excellent indicators of the environmental quality of a region. Throughout the 14 monitoring campaigns carried out until the end of 2021, 140 species of birds were recorded in the mangrove region of the Organized Port of Santos. In 2021, four new species for the monitoring of avifauna were incorporated into the results, which shows the potential of the local biodiversity, even after years of monitoring.

Also noteworthy is the record of several individuals of red ibis in the estuarine area of the Port of Santos, a species already declared as endangered that has been recovering its population in the region.



8.7. Environmental Compliance

GRI 102-11, 307-1

SPA operates under the protection of an environmental license with conditions that deal with various aspects, focusing on ensuring port activities, environmental control and monitoring the natural resources of the port complex.

Issued by Ibama in 2017, the Port Operating License Organized by Santos (LO nº 1.382/2017) has a total of 40 conditions, which subsidize 33 different environmental plans and programs and directed towards the following topics:

- 👁 risk monitoring and management;
- 👁 environmental emergencies;
- 👁 solid waste;
- 👁 liquid effluents;
- 👁 environmental liabilities;
- 👁 synanthropic fauna ;
- 👁 air quality;
- 👁 water quality;
- 👁 sediment quality;
- 👁 aquatic biota;
- 👁 avifauna;
- 👁 exotic species;
- 👁 environmental education;
- 👁 social communication;
- 👁 noise and vibration;

- 👁 fishing activities;
- 👁 environmental audit;
- 👁 dredging management and control;
- 👁 between others.

It should be noted that, in 2021, progress was made for all current conditions of LO No. 1382/2017, seeking a situation of complete compliance with the licensing environmental agency Ibama.



INSPECTION OPERATIONS

Santos Port Authority carries out routine inspection activities in the areas of the Organized Port of Santos to identify possible environmental, health or work safety non-compliance and ensure the adoption of preventive, mitigating and/or compensatory measures, when necessary.

Periodic inspection actions in the area of environment, health and safety at work at the SPA are organized under the Annual Inspection Plan (PAF).

The PAF is reviewed annually with the aim of planning and directing inspection actions, based on statistical analysis of the history of the main occurrences and previous findings, seeking to prioritize and intensify action in more problematic areas.

In 2021, 185 inspection actions were carried out in the area of the Organized Port of Santos by the SPA’s environmental, health and safety inspection team, with a good part of this year’s efforts having to be directed towards actions to combat the pandemic of covid-19 in public and leased areas.

In addition to regular inspections, over the last few years, SPA has been seeking to carry out a participatory management with the other authorities involved in the Organized Port of Santos, aiming to optimize and articulate the application of the inspection efforts of the different bodies on topics of common interest.

This approach work took place mainly within the scope of the Working Group on the Environment and Vessels (GT-MAE), an arm of the Local Commission of Authorities in Ports (CLAPS), which has been coordinated for more than three years by the current of the Environment, Health and Safety Superintendent at the SPA.

The cooperative relationship formed between the bodies (SPA, Ibama, Anvisa, Navy , etc.) allowed for unprecedented inspection actions to be carried out jointly, with a focus on matters that needed greater attention, especially those aimed at carrying out inspections on board ships and support vessels, with the aim of curbing practices that are harmful to the environment and public health. Among the interinstitutional operations carried out in 2021, “Operation Descarte” stands out, with the objective of repressing the occurrence of non-compliance associated with activities for washing the holds of bulk carriers, and “Operation Taifa”, which involves actions to supervise waste management on ships in the Port of Santos.



ABOUT THE REPORT

9.1. Contents Definition

GRI 101, 102-46, 102-48, 102-50, 102-51, 102-52, 102-54

The 2021 Sustainability Report of the Port of Santos was prepared in accordance with the Standards GRI – Essential option – and includes the period from January 1st to 31st of December 2021, having its cycle of emissions on an annual basis.



The report has a well-defined structure in accordance with the guidelines of Foundation (GRI 101) and is divided into the following format:

Chapters 1 to 4 bring, including the message of the highest executive, general numbers, template for value creation of the Company and the consolidation of ESG platform.

Chapter 5 gathers the general information of the Company, physical structure and the Porto-City relationship, an important pillar of actions conducted by SPA.

Chapter 6 gathers information about Company's Corporate Governance, including risk management and budget.

Chapter 7 details social topics considered material, including an analysis of the Company's performance in combating to the covid-19 pandemic.

Chapter 8 focuses on the environmental sphere and all themes defined as materials in this context.

This chapter clearly defines which are the stakeholders and material issues for the Company, in addition to the methodologies used for these settings.










Finally, in chapter 10, it can be found the Summary of GRI Contents.

9.2. Stakeholder Engagement

GRI 102-40, 102-42, 102-43, 102-44

The stakeholder groups were defined based on the levels of influence in decisions and impact in the Company's activities.

For each group, the main form of communication is presented, as well as the main concerns and topics of interest. Based on the observed results, the Company seeks measures of suitability, action plans and improvement targets.

| | STAKEHOLDER | METHOD OF COMMUNICATION | FREQUENCY |
|---|---------------------|---|----------------------|
|  | Administrative Body | Audits Council meeting | Monthly or on demand |
|  | SPA Managers | Management Meetings | Weekly |
|  | Employees | Sectorial Meetings | Daily |
|  | Tenants | Informative newsletters Internal Communication | On demand |
|  | Providers | Informative newsletters Internal Communication | On demand |
|  | Control Bodies | Letters | On demand |
|  | Executive Bodies | Letters | On demand |
|  | Universities | Letters | On demand |
|  | Civil society | Social media News | On demand |

9.3. Materiality Matrix

GRI 102-46, 102-47, 102-49, 103-1, 103-2, 103-3





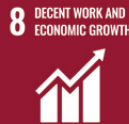







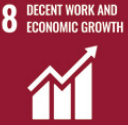





























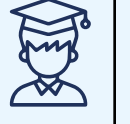































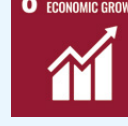














For the definition of Materiality, it was elaborated a complete survey process with consistent methodology in different stages, which are listed below.

- Benchmarking – assessment of market benchmarks for determining trends and best current practices.
Some of the main references of the sector were consulted, from renowned institutions, such as:

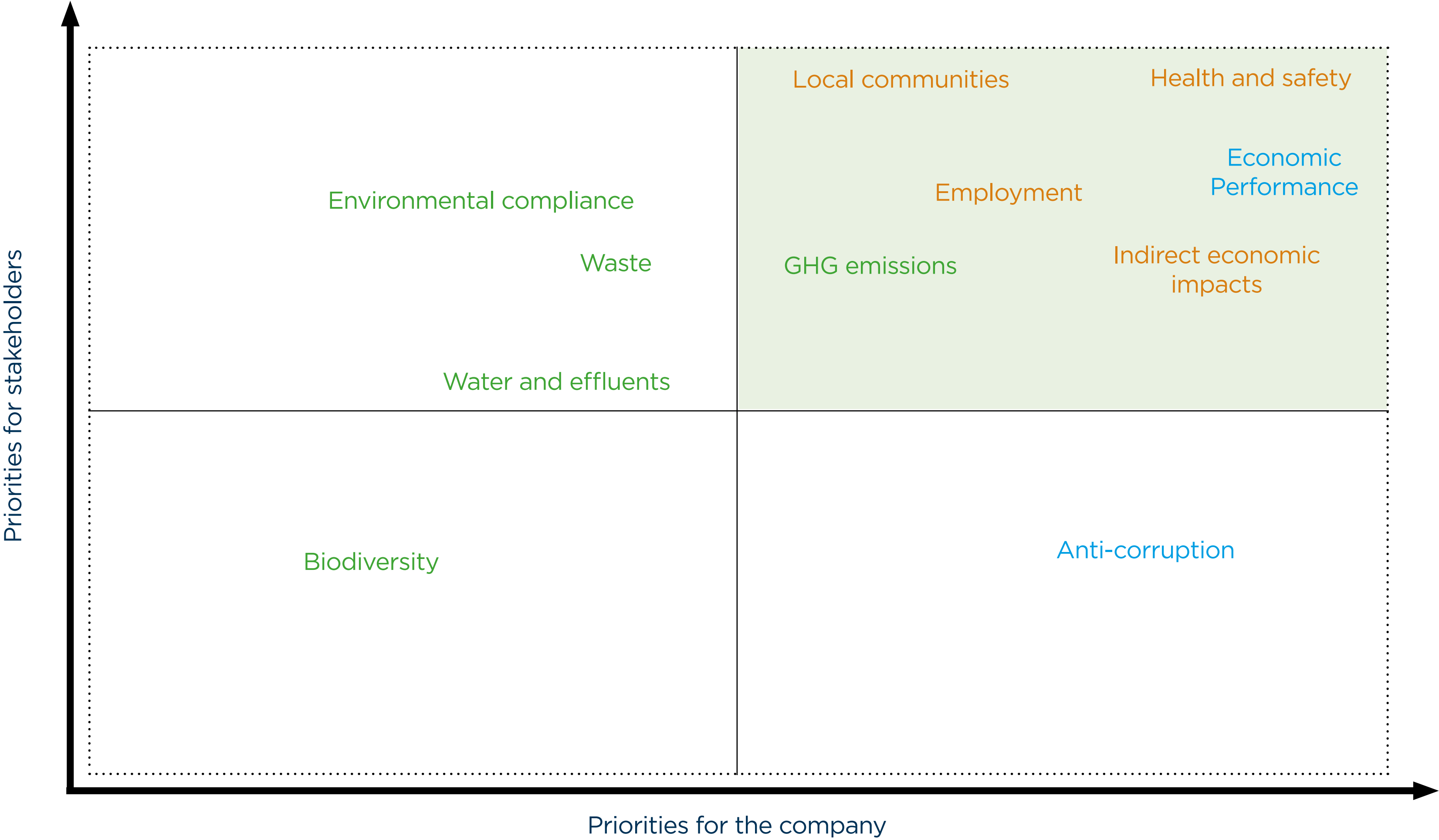
-  European Sea Ports (ESPO) – EcoPorts
-  World Ports Sustainability Ports (WPSP)
-  The Worldwide Network of Port Cities (AIVP)

- As a support reference, the Matrix of SASB materiality (Sustainability Accounting Standards Board) for the Maritime Transport segment.
- Media search – complete clipping of stories related to the Port of Santos throughout the year.
- Direct interviews with stakeholders – individual interviews to different groups of stakeholders involved in the performance of the SPA, in order to identify main desires and expectations.
- Online forms – online surveys were triggered to stakeholder groups, both internal and external sources, allowing the personal opinion of each respondent in free field.

Based on the complete materiality survey process, the following material topics were established:

| MATERIAL TOPIC | INTERNAL LIMITS | EXTERNAL LIMITS | SDG |
|--|---|---|---|
| Economic Performance (GRI 201) |  |    |   |
| Indirect economic impacts (GRI 203) |   |     |  |
| Anti-corruption (GRI 205) |    |     |  |
| Water and effluents (GRI 303) |   |     |  |
| Biodiversity (GRI 304) |   |     |   |
| Emissions and Air Quality (GRI 305) |   |      |   |
| Waste (GRI 306) |   |      |  |
| Environmental Compliance (GRI 307) |    |    |   |
| Employment (GRI 401) |  |    |   |
| Occupational Health and Safety (GRI 403) |    |    |   |
| Local communities (GRI 413) |  |   |   |
| <div><div>Legenda:</div><div><div> Administrative Body</div><div> SPA Managers</div><div> Collaborators</div><div> Tenants</div><div> Suppliers</div></div><div><div> Control Bodies</div><div> Executive Bodies</div><div> Universities</div><div> Civil society</div></div></div> | | | |

The materiality matrix is presented below, highlighting the priorities related to stakeholders and the company.



SUMMARY OF GRI CONTENTS

GRI 102-55



| CONTENT | CHAPTER (PAGES) | REMARKS | OMISSION |
|--|------------------------|--|----------|
| GRI 102: General Contents | | | |
| 102-1: Name of organization | 5.3 (19) | | |
| 102-2: Activities, brands, products and services | 5.3 (19) | | |
| 102-3: Location of headquarters | | Av. Conselheiro Rodrigues Alves, S/N - Porto Macuco, Santos - SP, 11015-900. | |
| 102-4: Location of operations | 5.2 (16) | | |
| 102-5: Nature of ownership and legal form | 5.3 (19) | | |
| 102-6: Markets Served | 5.2 (18) | | |
| 102-7: Size of the organization | 6.2 (33), 7.1 (34, 35) | | |
| 102-8: Information about employees and workers | 7.1 (34, 35) | | |
| 102-9: Supply chain | 5.3 (19) | | |
| 102-10: Significant changes in the organization and its supply chain | | There were no significant changes in the organization and in its supply chain in 2021. | |
| 102-11: Precautionary approach or principle | 8.7 (57) | | |
| 102-12: External initiatives | 4.1 (12) | | |
| 102-13: Participation in associations | 4.1 (12) | | |
| 102-14: Statement by the highest executive | 1.1 (03) | | |
| 102-15: Main impacts, risks and opportunities | 6.1 (32) | | |
| 102-16: Values, principles, standards and codes of behavior | 5.3 (19), 6 (28) | | |
| 102-17: Mechanisms for ethical guidelines and concerns | 6 (27, 28) | | |
| 102-18: Governance structure | 6 (31) | | |
| 102-40: List of stakeholder groups | 9.2 (60) | | |
| 102-41: Collective Bargaining Agreements | 7.1 (34, 35) | | |

| | | | |
|--|--------------------|---|--|
| 102-42: Identification and selection of stakeholders | 9.2 (60) | | |
| 102-43: Approach to stakeholder engagement | 9.2 (60) | | |
| 102-44: Main topics and concerns raised | 9.2 (60) | | |
| 102-45: Entities included in the consolidated financial statements | 6.2 (33) | | |
| 102-46: Definition of report content and topic boundaries | 9.1 (59), 9.3 (61) | | |
| 102-47: List of material topics | 9.3 (61) | | |
| 102-48: Information restatements | | There were no information restatements provided in previous reports. | |
| 102-49: Changes in report | 9.3 (61) | | |
| 102-50: Period covered by the report | 9.1 (59) | | |
| 102-51: Date of most recent report | | 2020 Sustainability Report (01/ Jan - 31/dec) | |
| 102-52: Reporting cycle | 9.1 (59) | | |
| 102-53: Contact for questions about the report | | https://www.portodesantos.com.br/santos-portauthority/fale-conosco/ | |
| 102-54: Reporting statements in accordance with GRI Standards | 9.1 (59) | | |
| 102-55: GRI Content Summary | 10 (64) | | |
| 103-1: Explanation of the material topic and its limits | 9.3 (61) | | |
| 103-2: Form of management and its components | 9.3 (61) | | |
| 103-3: Assessment of management approach | 9.3 (61) | | |
| 201-1: Direct economic value generated and distributed | 6.2 (33) | | |
| 203-1: Investments in infrastructure and support services | 5.4 (21) | | |
| 203-2: Significant indirect economic impacts | 5.2 (18) | | |
| 205-1: Operations assessed for risks related to corruption | 6 (28, 29) | | |
| 303-1: Interactions with water as a shared resource | 8.2 (49) | | |
| 303-2: Management of impacts related to water disposal | 8.2 (49) | | |

| | | | |
|---|------------------------------|--|--|
| 303-3: Water catchment | 8.2 (49) | | |
| 303-4: Water disposal | 8.2 (49) | | |
| 303-5: Water consumption | 8.2 (50) | | |
| 304-1: Operating units owned, leased or managed within or in adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas | 8.6 (56) | | |
| 304-2: Significant impacts of activities, products and services on biodiversity | 8.6 (56) | | |
| 304-3: Habitats Protected or Restored | 8.6 (56) | | |
| 305-1: Direct emissions (Scope 1) of greenhouse gases (GHG) | 8.3 (50) | | |
| 307-1: Non-compliance with environmental laws and regulations | 8.7 (57) | | |
| 401-1: New hires and employee turnover | 7.1 (35) | | |
| 403-1: Occupational health and safety management system | 7.4 (39) | | |
| 403-2: Hazard identification, risk assessment and incident investigation | 7.4 (39) | | |
| 403-3: Occupational health services | 7.4 (39) | | |
| 403-4: Worker participation, consultation and communication to workers concerning health and safety at work | 7.4 (39, 40) | | |
| 403-5: Training of workers in occupational health and safety | 7.4 (39) | | |
| 403-6: Promotion of workers' health | 7.4 (41) | | |
| 403-7: Prevention and mitigation of impacts on health and safety at work directly linked with business relationships | 7.4 (41) | | |
| 403-9: Work accidents | 7.4 (39) | | |
| 413-1: Operations with engagement, impact assessments, and outreach development programs aimed at the local community 5.5 (24), 5.7 (25), 5.8 (26) | 5.5 (24), 5.7 (25), 5.8 (26) | | |

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GRI Consulting

Forte Desenvolvimento Sustentável

