



SANTOS BRASIL

20
17

***SUSTAINABILITY
REPORT***



Summary

MESSAGE FROM THE CEO

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INNOVATION

One of our Values, Innovation has always been prioritized in our work to improve deliveries to customers and ensure our competitiveness pace. In this report, innovative initiatives are portrayed in each chapter to illustrate our commitment to quality.

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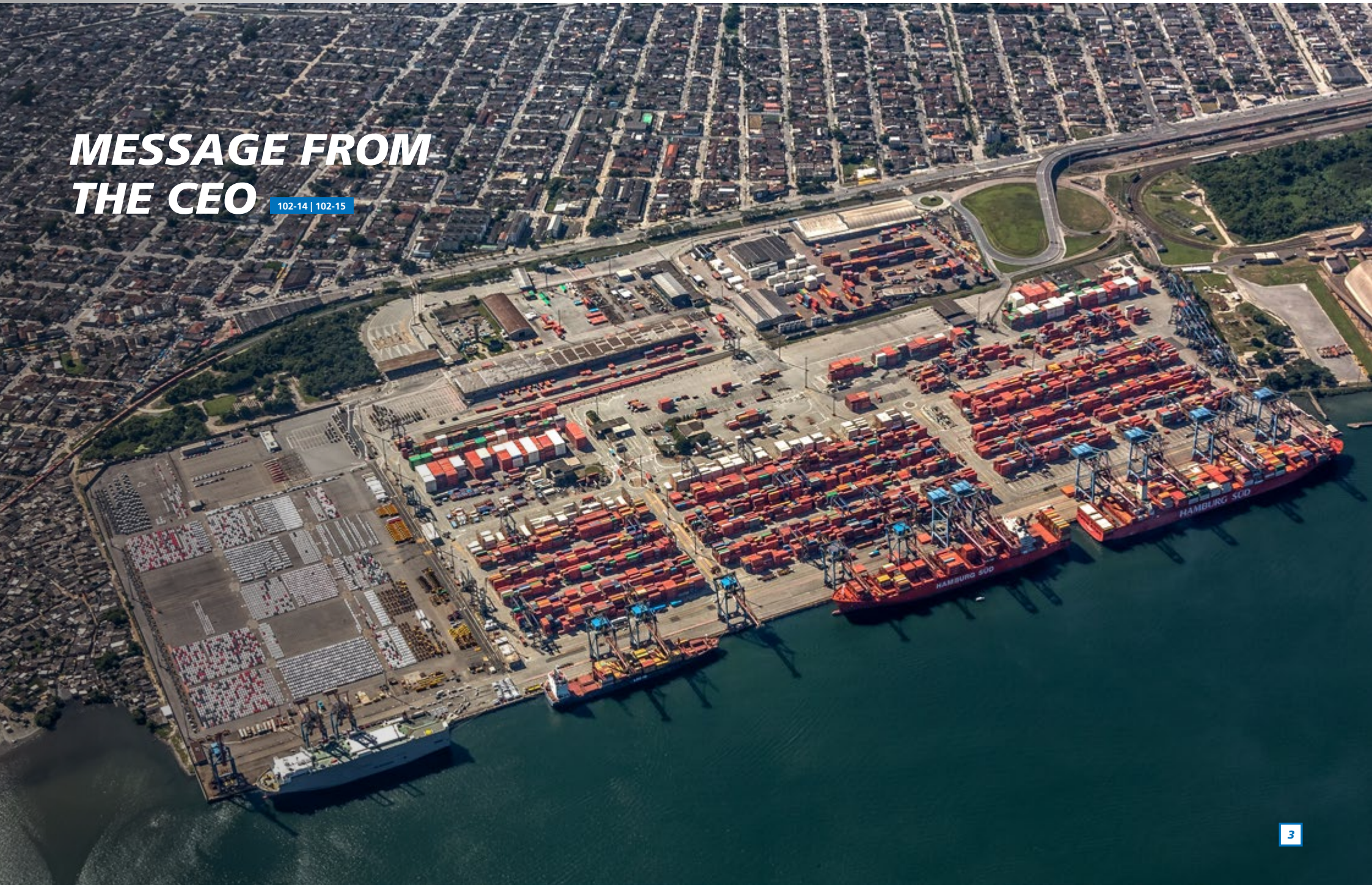
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MESSAGE FROM THE CEO

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IN 2017, DECLINING INFLATION AND INTEREST RATES RESULTED IN AN INCREASE IN CONSUMPTION IN BRAZIL. RESUMPTION OF CONFIDENCE IMPACTED THE FOREIGN TRADE FLOW IN A POSITIVE MANNER. THE SUM OF EXPORTS AND IMPORTS GREW BY 14.2% COMPARED TO 2016, A RECOVERY CAPABLE OF ENABLING THE BEGINNING OF A NEW VIRTUOUS CYCLE IN THE PORT INDUSTRY.

In this scenario of growth resumption, Santos Brasil closed a negative cycle in 2017 and began a new phase of investments in operations. We recorded a net income of R\$ 2.6 million and a consolidated EBITDA of R\$ 83.8 million in the period. The EBITDA margin declined slightly, closing at 10.1%, reflecting the pressure on storage segment prices and labor claims resulting from the restructuring process performed during the year. Cash flow from our operations and investments remained positive. We ended the period with R\$ 270.7 million in cash, up 41% over the previous year. Net cash was R\$ 37.6 million and the Net Debt/EBITDA leverage ratio was negative at 0.46.

During the year, we handled 1,486,933 TEU in our three terminals, 3.2% less than in 2016, due to the termination of the ESA service, which ceased to operate at Tecon Santos in April. Excluding this volume from the annual comparison, there was a 9.0% growth in total handling in 2017.

Comparison of the volume handled at Tecon Santos, 1,319,901 TEU, shows a 7% growth in 2017, excluding the containers associated with the ESA service. This performance is in line with the ongoing volume recovery at the Port of Santos, which showed an 8.1% total growth compared to the 2016 result, influenced by resumption of production in the automotive industry and by the increase in demand for agricultural chemicals and consumer goods from Asia. Our market share at the Port was 33.9% (39.7% in 2016).

In Tecon Imbituba, the ASAS long-haul service, which began operating in September with weekly calls, changed the level of the volume handled at the terminal, which closed the year with an 80% increase over 2016, totaling 50,231 TEU. Tecon Vila do Conde showed a 13% growth over 2016, with 116,801 TEU handled in 2017.

Santos Brasil Logística underwent restructuring and conquered new commercial partnerships in the NVOCC market. We increased our market share taking advantage of the resumption of imports. Bonded warehouse services increased 24.1% compared to 2016, reflecting the best moment of our economy.

Also benefiting from the resumption of the country's economy, TEV operated at 96% of its capacity and handled 289,173 vehicles, a 60.8% increase compared to 2016. Exports accounted for 95.6% of the total volume in 2017 (vs 92,1% in 2016).



We will
begin a **new
investment
cycle** in 2018.

During 2017, we improved our processes for collecting and analyzing Occupational Health and Safety, Greenhouse Gas Emissions, Waste and Water indicators, strengthening our sustainability management strategy. We reiterated our support for the Global Compact, and since 2016 we have aligned our campaigns and internal actions with the Sustainable Development Goals (SDG), demonstrating our commitment to the initiative for aligning governments, businesses and civil society on a single global development agenda.

For 2018, we believe that the economic recovery scenario will strengthen and continue to boost volumes in Santos, Imbituba and Vila do Conde. Earlier this year, we celebrated the achievement of a new contract in our main operation for serving a shipping service to Asia that will bring the terminal an additional volume of 40,000 TEU per year to the terminal. This achievement reinforces our hope that 2018 will be a year of many opportunities.

In 2018 we will continue pursuing continuous productivity improvement, seeking to strengthen long-term relationships and offer services that generate value for us and our partners, shareholders, employees and society.

HIGHLIGHTS

102-7



FINANCIAL

R\$ million	2015	2016	2017
Gross revenue from services	1,109.3	956.7	953.1
Net revenue from services	964.3	829.3	824.1
EBITDA	146.6	87.4	83.8
Net earnings	-18.1	-19.9	2.5
Investment	26.7	14.6	7.3



SOCIAL AND ENVIRONMENTAL*

2016 2017



41.83

69.26

Accidents –
Severity rate



4.83

5.56

Accidents –
Frequency Rate



38,130.98

36,529.14

Power
Cons. (MWh)



84,817.28

110,041.21

Water
Cons. (cu.m)



2,176.11

2,239.45

Residue
generation (m.ton)



31,436.77

31,556.46

CO₂
Emission (total)

*The 2016 and 2017 data were reformulated to comply with the guidelines resulting from the social and environmental audit conducted in 2016, which we formally committed to. For the same reason, we did not publish the results for 2015, as it would not be possible to make the comparison on the same basis.

ABOUT THIS REPORT

THIS IS OUR TENTH SUSTAINABILITY REPORT - IN WHICH WE ADOPT THE GUIDELINES OF THE GLOBAL REPORTING INITIATIVE (GRI) STANDARDS MODEL, WHICH SEEK TO PRESENT TO THE AUDIENCES WITH WHICH WE RELATE THE RESULTS, ADVANCES AND CHALLENGES OBTAINED AND EXCEEDED IN THE ECONOMIC, SOCIAL AND ENVIRONMENTAL SPHERES IN 2017 [102-50](#) | [102-52](#) | [102-54](#)

The disclosed information and the financial statements submitted to external assessment refer to all business units. With regard to the previous document published in March 2017, the indicators for water consumption, waste generation and CO₂ emission were reformulated to meet the guidelines resulting from the social and environmental audit performed in 2016. All other limits and scopes were maintained. [102-45](#) | [102-48](#) | [102-49](#) | [102-51](#) | [102-56](#)

The content reported here was defined based on the principle of materiality, whose process was initiated in 2012 and is updated annually. It combines the results of internal and external surveys with aspects deemed relevant to us and our stakeholders.

The result of this alignment, which has been submitted to our Sustainability Committee, has identified the following topics as relevant both internally and externally: [102-46](#) | [103-1](#)

- Occupational Health and Safety;
- Transparency and Anti-Corruption Practices;
- CO₂ Emissions, Water Consumption and Waste Management; and
- Human Development. [102-47](#)

The performance indicators related to each theme are monitored monthly and are aligned with our Mission and the Ethics and Transparency, Excellence in Service Provision, Security, Human Development and Environment strategic pillars. This year, we are also highlighting in this document one of our corporate values: Innovation.

The GRI Content Summary also lists our priority matters for the United Nations Sustainable Development Goals (SDG), and the UN Global Compact.

THE FOLLOWING E-MAILS ARE AVAILABLE FOR SUBMITTING QUESTIONS, COMMENTS AND SUGGESTIONS:
dri@santosbrasil.com.br e sustentabilidade@santosbrasil.com.br
AND PHONE NUMBER [+ 55 \(11\) 3279-3279](#). [102-53](#)

See the GRI Attachments for the "Engagement with stakeholders" table showing the main audiences and their respective recurring demands, our interaction channels with them and the chapters in this report where the main topics of interest are discussed.

IDENTITY

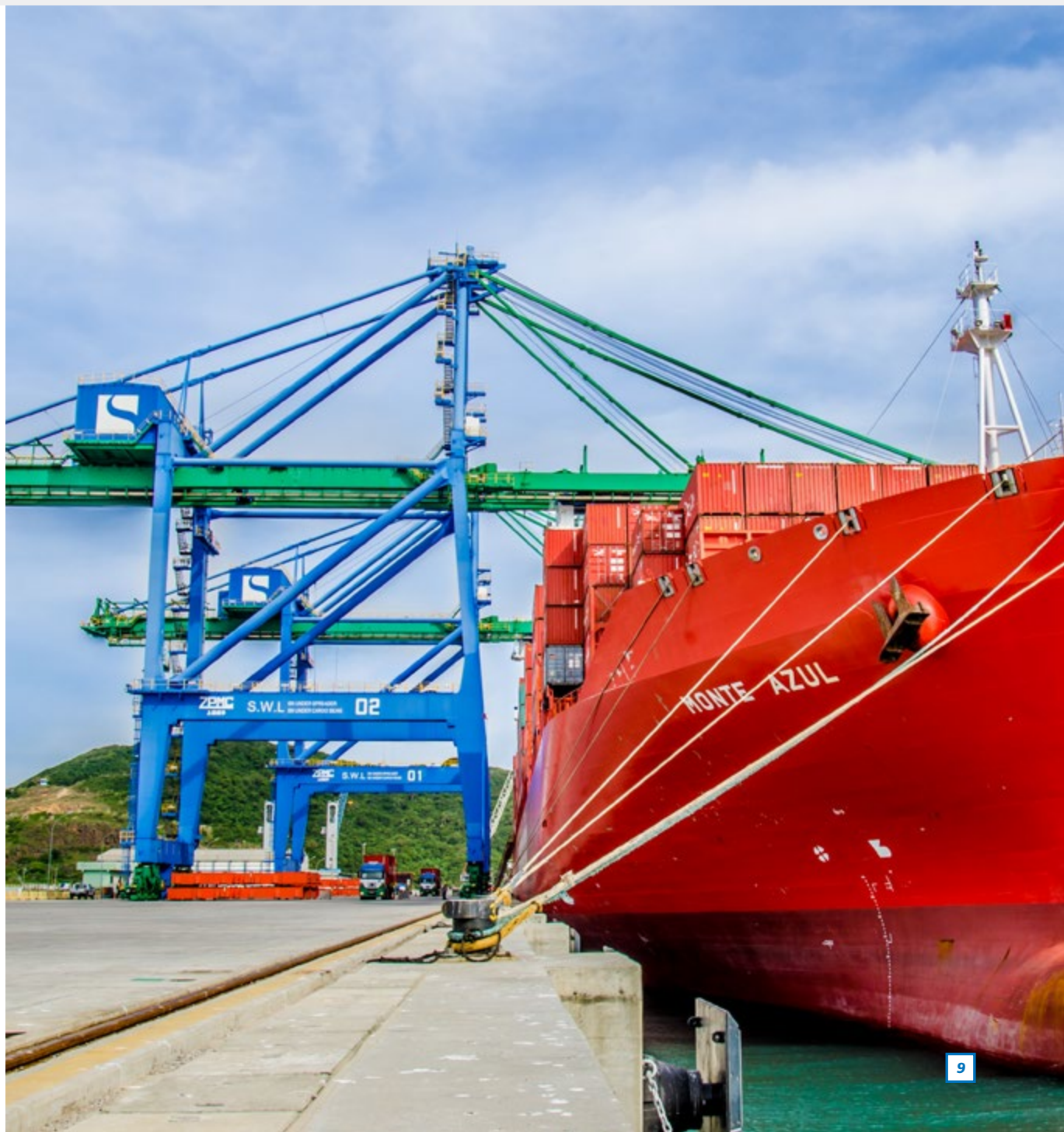


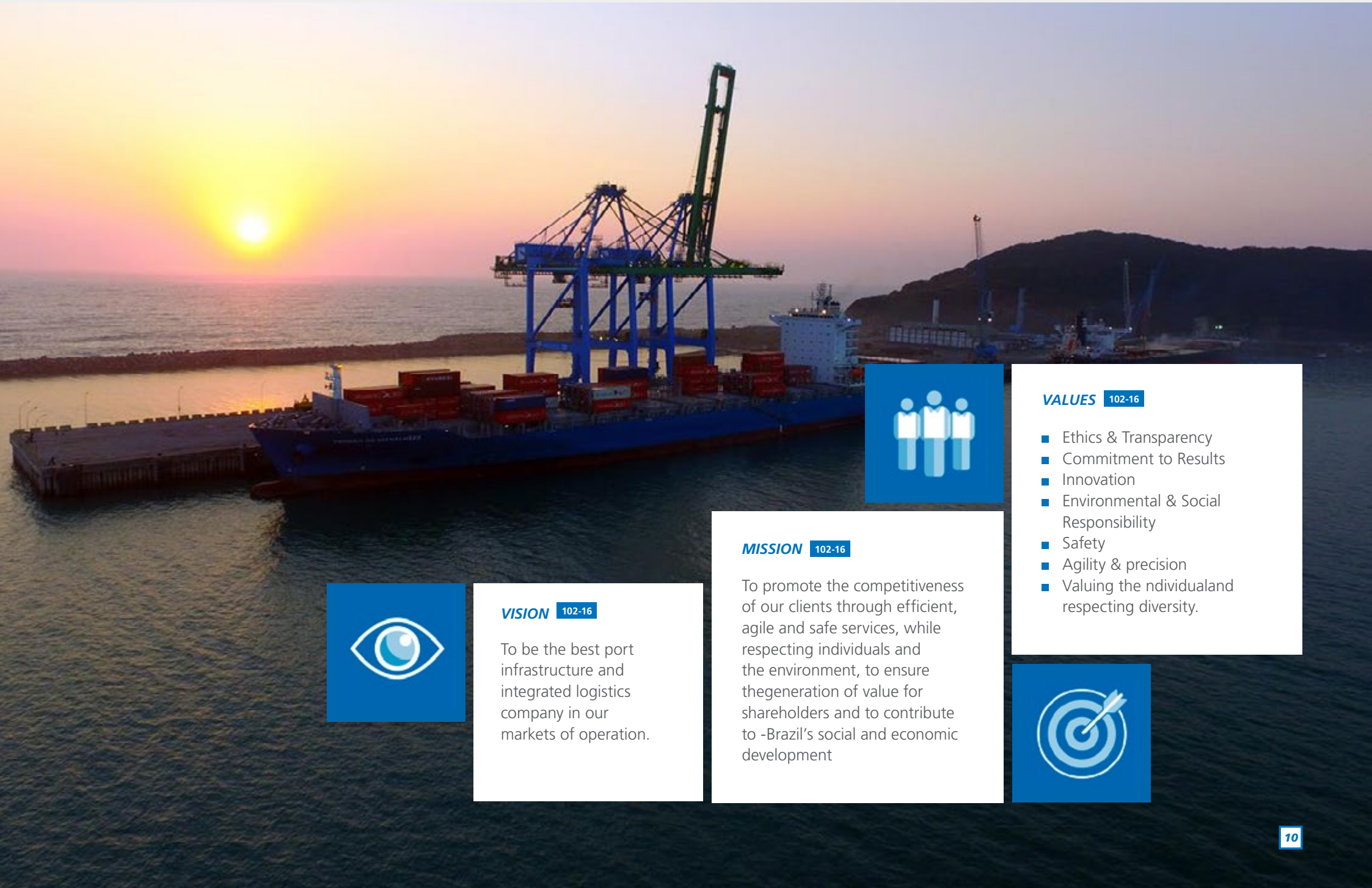
Profile

With more than 20 years' experience, we are a reference in port handling of containers, operating in three business segments: Port Terminals, Vehicle Terminal and Port Logistics. Through them, we offer Port to Door solutions to customers in different segments, such as chemical, pharmaceutical, food, auto parts, consumer electronics, consumer goods and agribusiness, among others. [102-2](#) | [102-6](#)

For this, we have a robust structure with three container terminals - in Santos (São Paulo State), Vila do Conde (Pará State) and Imbituba (Santa Catarina State) -, a Vehicle Terminal (TEV) in the Port of Santos, a general cargo terminal also in Imbituba, two Bonded Industrial Logistics Centers (CLIAs) - in Santos and Guarujá (São Paulo State) - and a Distribution Center in São Bernardo do Campo (Greater São Paulo area). Our administrative headquarters are located in the city of São Paulo. [102-3](#) | [102-4](#)

The commitment to ethics and transparency expressed in our Values is also reflected in the fact that we are part of the Novo Mercado segment of B3 (formerly BM&FBovespa), which establishes a differentiated standard of corporate governance. We are also signatories to the UN Global Compact - an international commitment to sustainable development. [102-5](#)



**VISION** 102-16

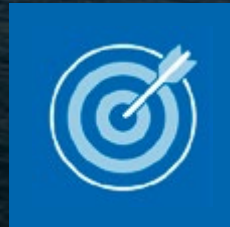
To be the best port infrastructure and integrated logistics company in our markets of operation.

**MISSION** 102-16

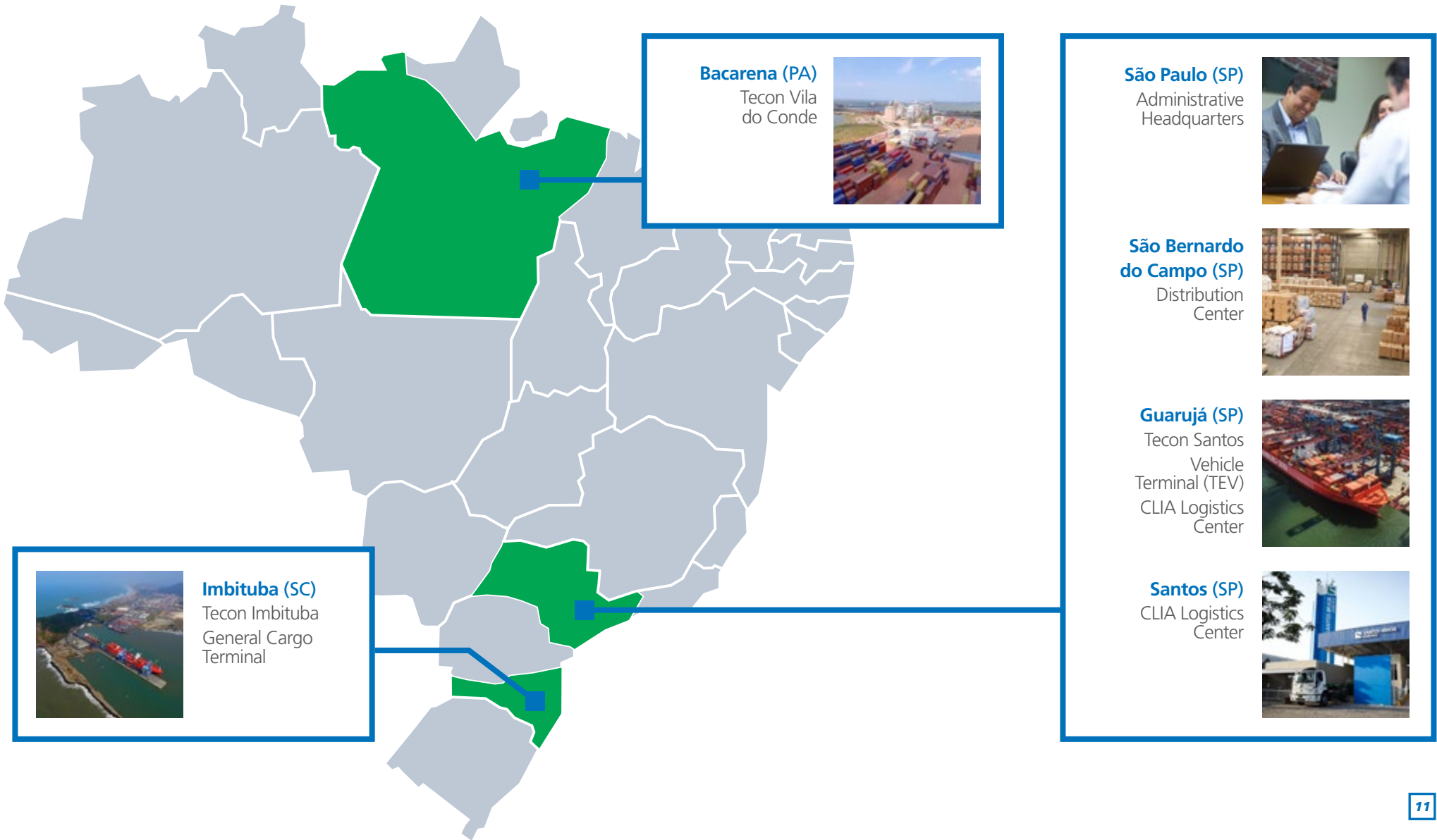
To promote the competitiveness of our clients through efficient, agile and safe services, while respecting individuals and the environment, to ensure the generation of value for shareholders and to contribute to -Brazil's social and economic development

VALUES 102-16

- Ethics & Transparency
- Commitment to Results
- Innovation
- Environmental & Social Responsibility
- Safety
- Agility & precision
- Valuing the individual and respecting diversity.



Structure 102-4



Recognition

In 2017, market recognition of our performance was translated by achievements such as:

Guia Exame de Sustentabilidade

We were included in the ranking with emphasis on the Sustainable Driver Program of the Green Fleet case, in the Infrastructure category. The initiative aims to advance in the challenge of reducing CO₂ emissions.

Época Negócios 360

We were voted the top infrastructure sector company in corporate governance and vision of the future, with emphasis on social and environmental responsibility and capacity to innovate. In the overall ranking, we were 8th in corporate governance among the 300 participating companies in the ranking.

Ecovadis Categoria Ouro

As in 2016, we are ranked in the gold category, which comprises only 5% of the companies participating in the platform, whose objective is to evaluate environmental and social practices of companies around the world. In 2017, we rose to the category's 'advanced' level.

Prêmio Excelência de Logística e Transportes

Recognition of the client Rhodia in the Highlight category for recording Zero Ground transportation accident in 2016 and for transparently sharing with our customers the advances and results on the Together for Sustainability (TFS) platform - a global initiative for promoting sustainability led by the world's largest chemical companies.

TFS Audit

For the second consecutive year, our operations in the Baixada Santista region underwent a sustainability audit by the TFS platform, in compliance with the requirements of our customers in the chemical industry. The results showed a consistent evolution over the previous year, with 99% and 100% compliance rates to the assessed requirements.

ISO e OHSAS

Tecon Santos and TEV underwent auditing and maintained ISO 9001: 2008, ISO 14001: 2004 and OHSAS 18001: 2007 standards, which govern the application of rules concerning quality management, environmental aspects, occupational safety risks and occupational health. Logistics were also audited and maintained ISO 9001: 2008 and SASSMAQ: 2014. Tecon Imbituba also maintained the ISO 9001: 2008 and ISO 14001: 2004 standards and Tecon Vila do Conde received a recertification audit of ISO 9001: 2015 and ISO 14001: 2015, already in the new version.



A pioneering trajectory

INNOVATION IS IN OUR DNA AND IS TRANSLATED IN PIONEERING IN DEVELOPING SOLUTIONS TO MEET REQUIREMENTS OF CUSTOMERS AND REGULATORY BODIES. CONTINUOUS INVESTMENTS IN PROCESS IMPROVEMENT, EMPLOYEE QUALIFICATION AND TECHNOLOGY DEVELOPMENT LEAD TO INNOVATIONS SUCH AS:

- Web & app Client Portal for queries and requesting services;
- Automated gates with biometric reading;
- Online cargo rerouting system;
- Remote internal revenue monitoring
- Electronic Data Interchange (EDI) channels;
- Vehicle Scheduling System;
- Customized services for clients of different industries;
- Fully integrated services – Port to Door; and
- Internal communication app.

ETHICS & TRANSPARENCY



Strategy & Management 102-15 | 203-1

In 2017, we kept our focus on optimizing resources and improving productivity. We continued to adjust the organizational structure and to reduce operational and administrative costs and expenses. The work, which was supported by external consulting, involved our main leaders, and the results included reducing approximately R\$ 45 million in fixed costs.

Our business efforts are focused on strengthening long-term partnerships and on attracting services that contribute to improved profitability. We seek to increase the offering of tailor-made services, increasing cargo loyalty and adding value to logistics contracts. Meanwhile, we are awaiting approval by the relevant authorities of the Tecon Santos expansion project to initiate the investments provided for in the extension of the terminal's concession term.

In December, we sent a request to the Ministry of Transport, Ports and Civil Aviation (MTPAC) for extending the term of the investment to be made with regard to the renewal of the terminal concession until 2031, with the commitment to invest a minimum of R\$ 360 million by the end of 2022.

At the end of the year, we initiated a process for evaluating strategic alternatives involving our investments in Tecon Imbituba and Tecon Vila do Conde, which may include attracting partners, strategic associates or the divestiture of our stake, according to the potential for generating value for shareholders. Such a process does not alter current commercial or investment strategies.

There was no negotiation in progress until the end of the period, when we stepped up our commitment to immediate investment in Tecon Vila do Conde, aiming at the effective increase of capacity and productivity, optimizing and updating the infrastructure and the operation, according to the anticipated extension of the Lease Agreement, whose 8th Addendum was signed in mid-November.

The R\$ 37.24 million in investments for expanding and modernizing the terminal, which are planned for the next two years, began in 2018 and aim to raise the handling capacity and ensure the quality of the operation in return for the extension of its contract for another 15 years. In all, R\$ 129.04 million will be invested by 2033, which will increase the handling capacity to 163 thousand TEU per year. The new investments are fundamental for the terminal to meet the growing demand for containerized cargo handling and storage.



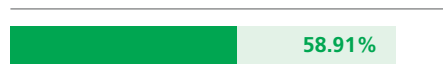
R\$ 37.24 million:
investments planned for the next two years for modernizing Vila do Conde.

Corporate governance

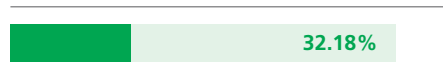
103-2, 103-3 (205) | 103-2, 103-3 (206) | 103-2, 103-3 (419)

Internal governance bodies are backed by corporate values - especially Ethics and Transparency - and by guidelines within our compliance system, such as those of the Compliance Policy. We also have a Compliance Committee and the Confidential Portal to receive demands such as suggestions or complaints. The denunciation channel is managed by an outsourced company, and had its procedures improved in the year - when it recorded 202 calls, distributed as follows: [102-17](#) | [102-33](#) | [102-34](#)

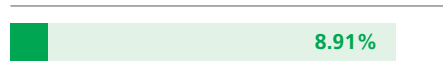
DENUNCIATIONS



COMPLAINTS



SUGGESTIONS



Of the total number of denunciations, 37.82% were in the process of being investigated and 62.18% had their investigation process completed, of which only one (0.84%) was justified. In this case, the applicable measures were applied.

To guide our internal and external relationships, we have a Code of Conduct and Staff Regulations - which undergo frequent updates. Our Bylaws also assist in inhibiting and managing conflicts by establishing norms such as the prohibition for appointing directors who are controlling shareholders, who hold positions in companies considered to be competitors or who have conflicting interests with us. [102-25](#)

It also strengthens our commitments to the Sustainability Policy, which was revised in 2017, in order to adapt to the updated ISO 14000 Standard. The document establishes standards for compliance by all our audiences with the following objectives:

- *Incorporate social and environmental responsibility into management practices, promoting continuous improvement;*
- *Ensure transparent and fair corporate governance;*
- *To be an environmentally responsible company, avoiding negative impacts on the environment;*
- *To act in benefit of the community and society;*
- *To act responsibly in providing services, ensuring the physical integrity of persons, of our property and clients' property; and*
- *To act in accordance with all laws and regulations related to our performance.*

To ensure the applicability of this policy, our structure includes a Sustainability Committee made up of a multidisciplinary team and led by our Chief Executive Officer. The body is responsible for defining social and environmental goals and monitoring all actions we take to reduce CO₂, water consumption, residues and accidents. For this, we have specific indicators that enable us to evaluate the achievement of goals and targets and identify progress and opportunities for improvement. [102-20 | 102-29](#)

In addition to being signatories of the Global Compact, we are associated with several industry entities, through which we interact with the Public Authorities and contribute to formulating public policies. We also participate in Agenda 21 do Guarujá - which implements the Sustainable Development Goals (SDG) at municipal level. The organizations which we are members of include the following:

[102-12 | 102-13 | 103-2, 103-3 \(407\) | 103-2, 103-3 \(415\)](#)

- *Associação Brasileira de Profissionais de Segurança (Abseg);*
- *Associação Brasileira de Terminais e Recintos Alfandegados (Abtra);*
- *Associação Brasileira dos Terminais de Contêineres de Uso Público (Abratec);*
- *Associação Brasileira dos Terminais Portuários (ABTP);*
- *Associação Comercial e Empresarial do Guarujá (Aceg);*
- *Federação das Indústrias do Estado de São Paulo (Fiesp);*
- *Federação das Indústrias do Estado de São Paulo (Fiesp) – Serviço Social da Indústria (Sesi);*
- *Fundação Nacional da Qualidade (FNQ);*
- *Iniciativas Empresariais da Fundação Getúlio Vargas (FGV);*
- *Instituto Aliança Procomex;*
- *Overseas Security Advisory Council (OSAC); and*
- *Sindicato dos Operadores Portuários do Estado de São Paulo (Sopesp).*

Governance structure [102-18](#)

Board of Directors [102-24 | 102-26](#)

- Responsible for establishing general strategic policies, appointing directors and supervising their administration.
- It comprises seven full members and an equal number of alternates for two-year terms. Re-election is allowed.
- It meets monthly or at any time, whenever requested by the Chairman or by the majority of the Members.
- No board member receives any additional compensation in the event of dismissal, nor is subject to compulsory retirement based on age.

Supervisory Board

- A standing committee made up of three members and alternates in equal numbers (in 2017 there were three, with terms until August 2018).
- Its duties are to supervise the acts of administrators and the compliance with legal and statutory rules, ensure the quality and integrity of financial reports and information and issue opinions on financial statements.

Statutory Board of Executive Officers

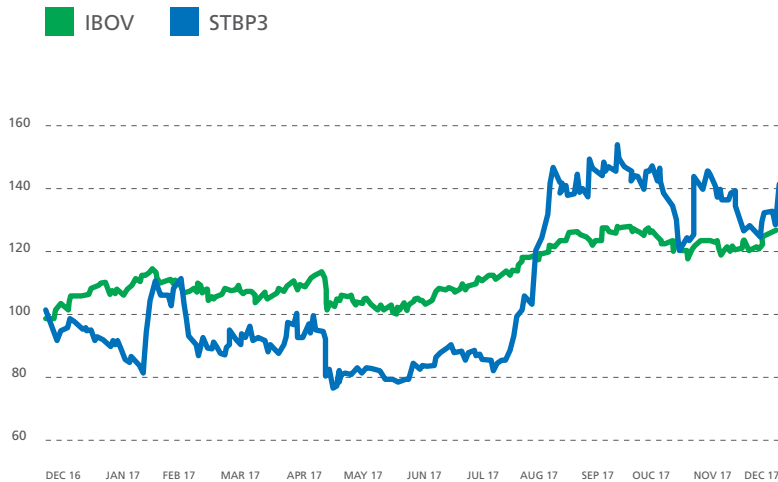
- Comprised of a CEO and three Directors (CFO, COO and CCO), elected for two-year terms, re-election allowed. In 2017, the executive Marlos Tavares took over as COO – a position that until then was provisionally accumulated by the CEO.
- Its duties are to manage the business in accordance with the strategies defined by the Board of Directors.
- Part of the remuneration of the Statutory Board of Executive Officers is fixed, and part is composed of short-term incentives (STI) and long-term (LTI) ones. The variable compensation includes Stock Option Plans, Performance Shares and Stock Matching, as approved by the Board of Directors.
- The bonus targets represent fixed remuneration and are associated with financial, operational and safety performance [102-35](#)

The résumés of the members of the Board of Directors, Supervisory Board and Statutory Board are available on our website. [102-22 | 102-23](#)

Stock Market

At the close of 2017, the registered book value per share was R\$ 2.09, while the closing trading price on the São Paulo Stock Exchange (B3) was R\$ 3.39 per share (R\$ 2, 40 in the previous year), representing a market value of R\$ 2,258.8 billion. In the year, the average daily trading volume of shares reached R\$ 2.2 million. Our financial statements, as well as those of our subsidiaries, are audited by KPMG Auditores Independentes. In 2017, we contracted services totaling R\$ 50 thousand, corresponding to 8% of the external audit services contracted for the year. [102-56](#)

STBP3 x IBOV (base 100)



Risk Management

[102-11](#) | [102-30](#)

Our risk management system includes identification, analysis, assessment and establishment of mitigating measures for the main occurrences to which our operations are subject. We also have a set of procedures, within the scope of internal controls, documented in the Integrated Management System (SGI) and aligned with the main international certification standards.

Main risks

Regulatory – Expressed by sudden or unforeseen changes in norms that regulate the sector as well as labor, environmental and tax norms, among others. They are minimized by strict compliance with legislation; operational efficiency; healthy and transparent relationship with government agencies; and active participation in our segment’s representative entities.

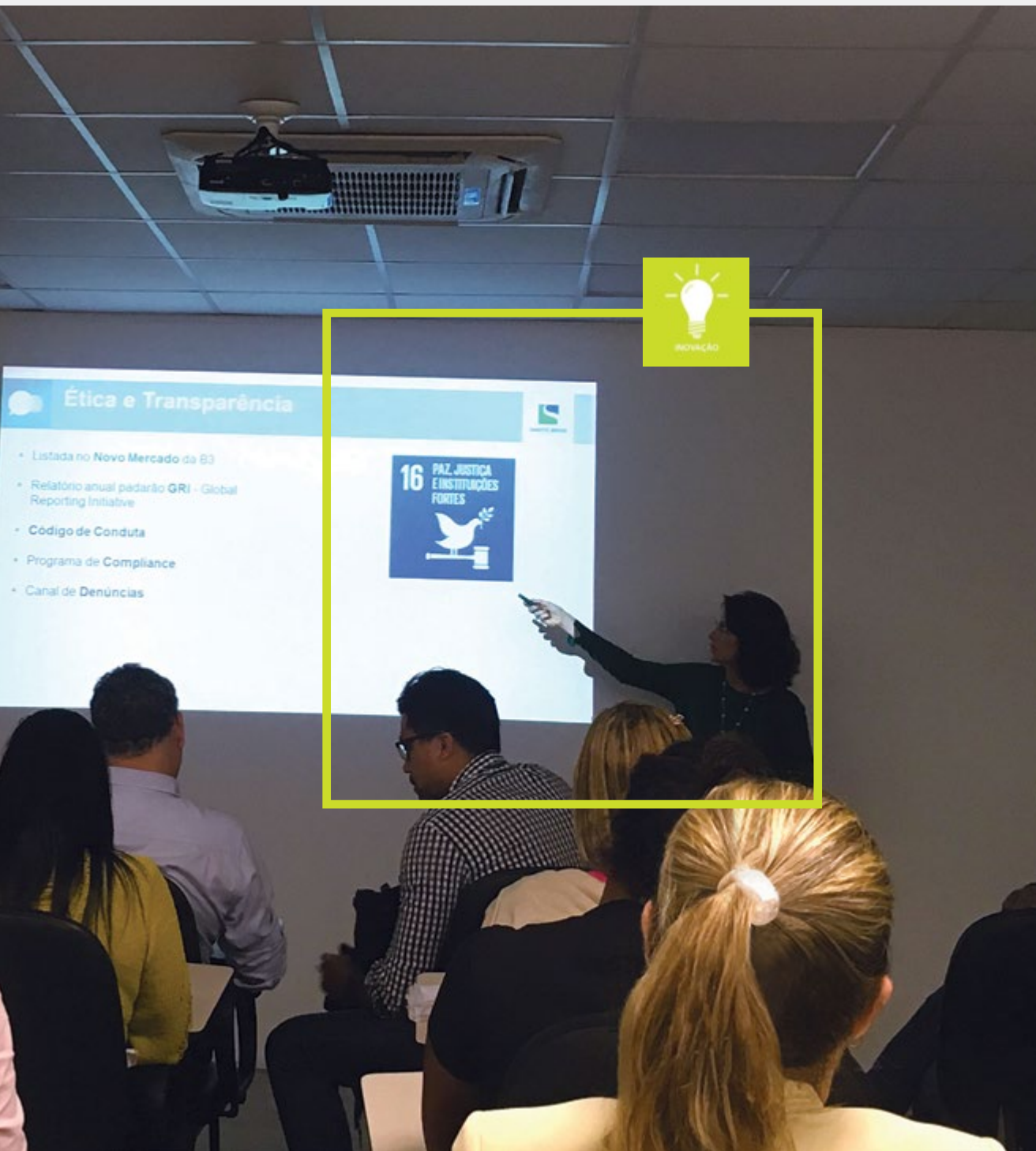
Market – We adopt a policy of constant monitoring of impacts and projection of scenarios by requesting market reports from specialized consultancies. Based on these reports, we have operations with financial instruments aimed at ensuring liquidity, profitability and security. The risks we intend to prevent (exchange rate, interest rate and inflation) are submitted to and approved by the Board of Directors, periodically analyzed by our senior management and audited by the Board of Directors and the Supervisory Board. Market risk management policies include, among others, developing studies, and economic and financial analyzes that consider the impact of different scenarios on market positions. They also include constant mapping of risks, threats and opportunities, based on the projection of scenarios, in addition to other factors, such as market analysis and demand and the possibility of deploying protective operations.

Financial – To face the exchange rate risk, we use derivative financial instruments to hedge the fluctuations of short-term liabilities in foreign currency denomination related to loans and financing. We manage our exposures considering the expected flows for the subsequent 12-month period, on average. With regard to the interest rate – which risk stems from the possibility of suffering gains or losses resulting from fluctuations in interest rates on financial assets and liabilities -, we try to keep most of the loans and financing tied to TLP (ex-TJLP), CDI or pre-fixed and indexed to Libor and Euribor, for example. In addition, we manage assets and liabilities to reduce the potential negative impact on net financial expense arising from fluctuations. Regarding liquidity risk, our strategy is to maintain adequate liquidity levels to ensure compliance with present and future obligations and to take advantage of commercial opportunities.

Operational – From the possibility of losses resulting from failure, deficiency or inadequacy of internal processes, people and systems, or from external events. These are mitigated by continuous investments in technological innovation; redundant backup for network and database; monitoring by cameras in terminals and distribution centers; online tracker in own and third-party fleets; knowledge management through documented and audited procedures and adoption of action plans for equipment maintenance. **103-2, 103-3 (418)**

Environmental – Possibility of losses as a consequence of negative effects caused to the environment. The impacts of our operations are minimized by the monitoring our greenhouse gas (GHG) emissions and commitment to reduce them; control over operations with chemicals; adequate procedures to deal with emergencies related to risk of oil leakage from equipment or substances from vessels; sanitary and chemical effluent treatment stations and system for the collection, segregation, classification and transportation of solid waste for adequate disposal. **201-2**

Corruption – This arises from the possibility of falling within the scope of Law 12846/2013, regulated by Decree No. 8420/2015, since our responsibility in cases of corruption involving employees, administrators and representatives is objective. The only manner of prevention is by adopting the Integrity Program established in legislation - which we did in 2017. It includes the Compliance Policy, the Confidential Portal and internal training on the subject.



Focus on human rights

DURING THE YEAR WE ESTABLISHED A HUMAN RIGHTS POLICY WITH BASIC GUIDELINES FOR RESPECTING, PROMOTING AND PRESERVING ESSENTIAL RIGHTS IN RELATIONSHIPS WITH CLIENTS, EMPLOYEES, SUPPLIERS AND THIRD PARTIES, ACROSS THE ENTIRE VALUE CHAIN AND IN OUR INFLUENCE AREA.

102-17 | 406-1 | 408-1 | 409-1 | 412-2 | 103-2, 103-3 (408) | 103-2, 103-3 (409)

103-2, 103-3 (411) | 103-2, 103-3 (412)

The document was built on the foundation of our Vision and Mission and our Values and is aligned with the principles of the Universal Declaration of Human Rights, the United Nations Global Compact, the Brazilian legislation and on our Compliance and Sustainability policies.

In our Human Rights Policy, we stress the rejection of any active or passive involvement or association in situations that characterize child labor, forced or compulsory labor, discrimination and violence of any kind, moral or sexual harassment, sexual exploitation of children and adolescents and other social issues

In the same sense, we have a denunciation channel administrated by external auditors, which can be accessed on our website. The Confidential Portal is available to all stakeholders and ensures information anonymity and integrity.

Operational performance

102-6 | 102-15 | 203-1 | 203-2

The recovery of the country's economic activity in 2017, with controlled inflation, declining unemployment and improved consumer confidence, contributed to the growth of container handling in the ports where we operate.

Throughout the year, we handled 1,486,933 TEU in our three terminals, a volume 3.2% lower than in 2016. In containers, the consolidation of the three operations in the Port Terminals segment showed a 4.7% decrease in the operated volume, totaling 968,694 containers handled. The full-empty container mix recorded in the year was 78.9% of full containers (76.9% in 2016). See each unit's performance:

:



1,319,901 TEU:

The volume handled at Tecon Santos, which represents a **7% expansion** when discounting the ESA service.

Tecon Santos

We closed 2017 with 1,319,901 TEU handled at Tecon Santos, a 7% growth when excluding the volume associated to the long-haul navigation service ESA, which stopped calling at the terminal in April. This performance is in line with the ongoing recovery of volumes at the Port of Santos, which presented an 8.1% total growth compared to 2016.

The good performance reflects the high demand for containerized commodities and our investments in technology, aligned with the focus on logistics operations by rail, adopted more than four years ago. We have benefited from the competitive advantage of operating the only terminal with four rail spurs in the Port of Santos and from the scenario of opportunities in the national rail sector, offering attractive costs to customers.

In containers, there were 850,674 boxes, 8.2% lower than the previous year. With this handled volume, the installed capacity utilization of the terminal was 65.7% (vs. c.70% in 2016), with a 33.9% market share in the Port of Santos.

The container handling volume at Tecon Santos dropped 5.0%-lower than the decline in empty containers (-20.2%)-, which had a lower impact on warehousing operations. In the handling of long-distance containers in Santos, there was an 11.3% drop in imports (187,782 units) and a 23.4% decline in exports (192,156 units), compared to 2016.

We started 2018 closing a contract with a new long-haul service to Asia. With biweekly calls and an initial forecast to handle around 40,000 TEU in 2018, the service has potential for growth in volume with the revival of the economy and the resumption of imports of products from Asia.



Tecon Vila do Conde

Over the year, the terminal maintained the upward trajectory in operating results. We recorded a 13% growth over 2016, with 116,801 TEU handled. In containers, the growth was at the 18.3% level, totaling 77,823 boxes. The calling of two shipping services operating on routes to Europe and the Caribbean boosted long-haul operations.

Exports continued to grow, with emphasis on minerals (manganese, copper and nickel), fruit and frozen meat, kaolin, pepper, wood, and other products from the country's North, Northeast and Midwest. In imports, project loads, such as equipment and machinery for mining companies and power generation, stood out.

The positive performance underscores Tecon Vila do Conde's position as one of the most competitive and prepared terminals for meeting the expansion of port activities in the country's Northern Region.

With the modernization and expansion of the terminal's dynamic capacity, we expect to significantly increase the quality and efficiency of the services provided to our customers at Vila do Conde and continue to grow in coastal shipping and long-haul cargo volumes.



Tecon Imbituba

In the year, the terminal showed an 80% increase compared to 2016, totaling 50,231 TEU. In containers, there were 40,197 units and a 64.7% increase over the previous year. The increase comes from the start of the ASAS long-haul service to Asia, a joint venture of five shipowners, which began weekly operations in September. Nineteen ships of this service were operated in 2017, with 6,642 containers handled

Export cargo originating in Rio Grande do Sul, including pulp, polyethylene, leather, tobacco, frozen food and others, is growing significantly. Other export hubs in the Santa Catarina, Paraná and Mato Grosso do Sul states have also contributed to the increase in the terminal's volumes.

In the same Tecon Imbituba port complex, we also operate the General Cargo Terminal (TCG), which is consolidating its position in the country's South as an important concentrating facility for differentiated and large project loads.



With **50,231 TEU** handled, Tecon Imbituba showed an **80% growth** compared to 2016.



Growth at the TEV was **60,8%** in the volume of vehicles handled.

Vehicle Terminal (TEV)

The terminal recorded a 60.8% increase in the volume of vehicles handled, compared to the previous year. As a consequence of the current resumption of the economic activity in the country, the operational performance of the Vehicle Terminal, as well as that of Santos Brasil Logística, should continue in an upward pace. Anfavea and Fenabrave have projected an 8% to 12% growth in vehicle sales for 2018, with exports maintained at high levels. Moreover, should the now extinct Inovar-Auto program not be replaced by a new initiative to encourage domestic vehicle production, imports could increase, potentially improving the VTE mix, boosting its storage revenue.



Logistics

Storage operations also improved in the year compared to the previous period with a slightly more than 24.1% growth, mitigating the impact of ESA's exit from Tecon Santos. The main reasons for the increase were the increase in the rate of retention of import containers during the year - as a result of commercial efforts - and the consolidation of contracts with freight agents and NVOCC.

Growth in storage volumes enabled the resumption of CLIA Guarujá's operation in the third quarter. It had until then operated at minimum volumes due to our strategy to concentrate logistics operations at CLIA Santos.

We have favored contracts with a greater diversification of services, making commercial partnerships that involve the provision of customized logistics services, which generate greater added value.

OPERATIONAL INDICATORS			
(Units)	2017	2016	Variation
PORT TERMINALS			
Quay operations - containers	968,694	1,016,394	-4.7%
Full containers	764,208	783,094	-2.4%
Empty containers	204,486	233,300	-12.4%
Quay operations – general cargo (MT)	141,051	102,992	37.0%
Warehousing operations	123,426	119,640	3.2%
LOGISTICS			
Warehousing operations	44,626	35,946	24.1%
VEHICLE TERMINAL			
Vehicles handled	289,173	179,888	60.8%
Export	276,354	165,726	66.8%
Import	12,819	14,162	-9.5%

Economic & financial performance

103-2, 103-3 (201)

Gross revenue

Our consolidated gross revenue totaled R\$ 953.1 million in 2017, practically stable compared to 2016, despite the still competitive environment at the Port of Santos and the exit of the ESA service from Tecon Santos.

Gross revenue from quay operations decreased 18.1%, mainly due to the termination of the above mentioned long-haul service that operated at Tecon Santos until the end of April. On the other hand, gross storage revenue in the Port Terminal segment increased 3.6%, influenced mainly by the higher retention rate of import containers.

In Logistics, there was a 26.1% increase in gross revenue, reflecting the expansion of the operated volume. Both the higher retention of import containers and the growth of the customer base, with logistics operations with higher added value, explain the performance of the business unit. Contracts with cargo agents and NVOCC have enabled the provision of new logistics services, as the fragmented cargo from containers originated by those customers requires additional storage services. On the other hand, competition in the Port of Santos' secondary zone pressured storage tariffs during the year. Average revenue per stored container was R\$ 5,222, up 1.6% compared to 2016, despite the challenging scenario.

Vehicles exports were the main highlight in the automakers' performance in 2017. The total volume handled by TEV reflected this dynamics with 95.6% in exports (92.1% in 2016). Gross revenue from the vehicle terminal rose 41.7%, but the lower share of imported vehicles in the mix reduced stay time and consequently caused a 11.9% drop to R\$ 210 in the average revenue per vehicle handled



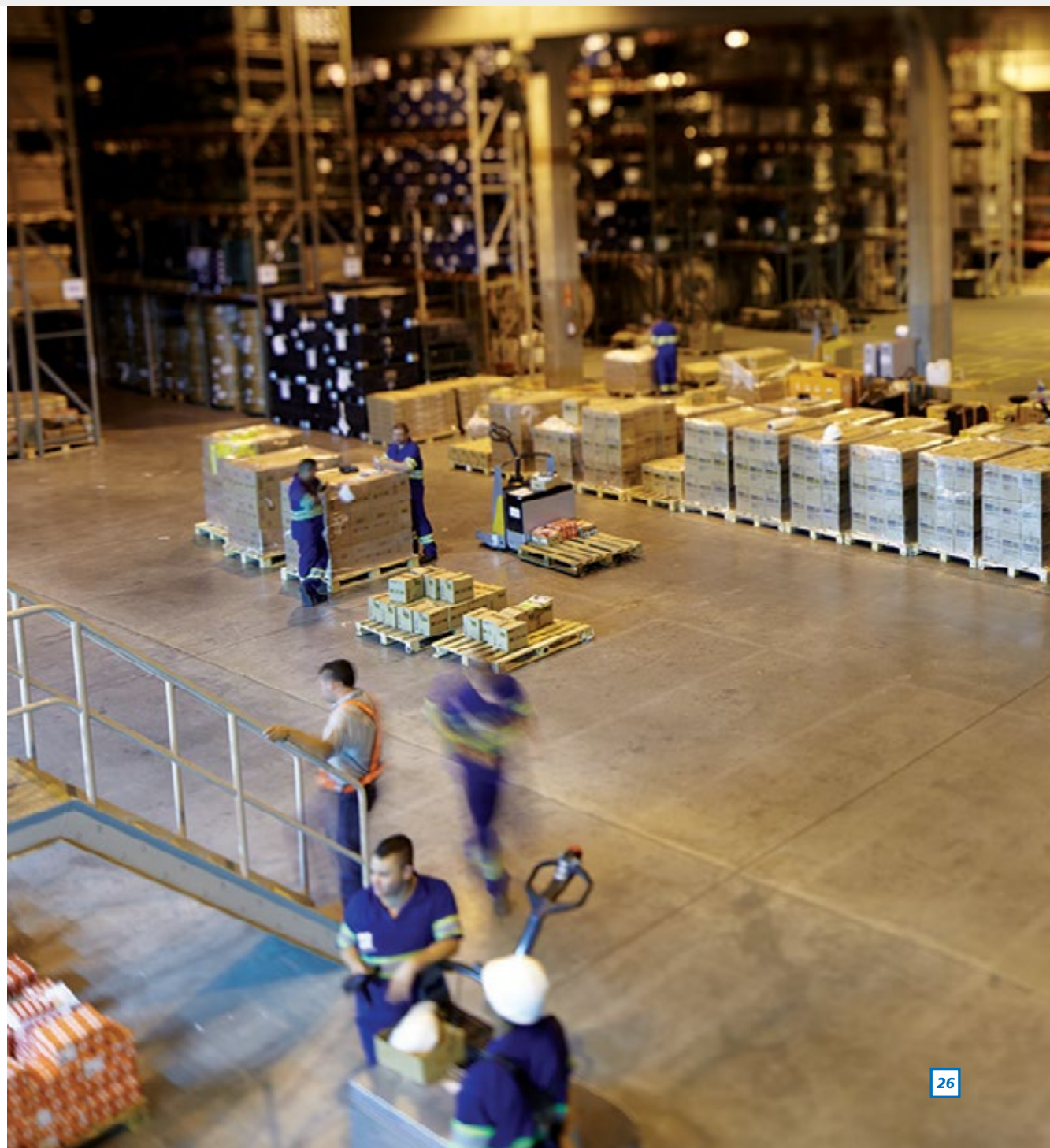
GROSS REVENUE FROM SERVICES			
(R\$ million)	2017	2016	Var.
PORT TERMINALS	673.3	744.4	-9.6%
Quayside operations	368.5	450.1	-18.1%
Warehousing operations	304.8	294.3	3.6%
LOGISTICS	233.1	184.9	26.1%
VEHICLE TERMINAL	60.8	42.9	41.7%
Eliminations	-14.1	-15.5	-9.0%
Consolidated	953.1	956.7	-0.4%

A 26.1%:
increase in
gross revenue
recorded
in Logistics
compared
to 2016.

Net revenue

Consolidated net revenue totaled R\$ 824.1 million, in a 0.6% decrease compared to R\$ 829.3 million in 2016.

COST OF PROVIDED SERVICES			
(R\$ million)	2017	2016	Var.
PORT TERMINALS			
Handling costs	112.2	125.5	-10.6%
Personnel cost	193.6	198.5	-2.5%
Lease and infrastructure	74.0	71.5	3.5%
Depreciation and Amortization	62.6	64.9	-3.5%
Other Costs	68.6	82.7	-17.0%
Total	511.0	543.1	-5.9%
LOGISTICS			
Handling costs	51.6	32.3	59.9%
Personnel cost	48.2	53.7	-10.2%
Depreciation and Amortization	13.8	14.5	-4.8%
Other Costs	30.8	39.8	-22.6%
Total	144.4	140.3	2.9%
VEHICLE TERMINAL			
Handling costs	25.1	14.9	68.5%
Lease and infrastructure	5.6	6.4	-12.5%
Depreciation and Amortization	9.1	9.0	1.1%
Other Costs	4.1	4.9	-16.3%
Total	43.9	35.2	24.7%
Eliminations	-12.8	-14.1	-9.2%
Consolidated	686.5	704.5	-2.6%



Port Terminals

IR\$ 11.6 million in extraordinary costs related to labor indemnities, mainly due to the restructuring process, which is more concentrated in the first half of the year, were included in the Port Terminals cost base. There was also an impact on personnel costs arising from the 2017 collective agreement, contractual adjustment (IGP-M) of lease costs and the increase in commissions paid to freight agents, as a consequence of the increase in the volume of customs warehousing operated for those customers. However, the R\$ 411 average cost (excluding depreciation and amortization) per container handled/stored in the port terminals was 2.5% lower than in 2016, influenced by the first results of the cost and expense restructuring still in progress.

Variable costs with handling decreased 10.6% due to the lower volume in Tecon Santos, impacted by the exit of the ESA service. As a result, there was less spending on independent labor and port handling fees per container, as well as lower fuel and power costs.

Logistics

Extraordinary costs resulting from the restructuring process totaled R\$ 604 thousand. There was a 10.2% reduction in personnel costs, due to the reorganization and adjustment of the Logistics segment.

In terms of variable costs, there was an increase in almost all components, explained by the 24.1% growth in the volume of containers handled. Stood out the increase in freight costs, with greater outsourcing of road transportation, mainly generated by the increase in the volume of containers with fractional cargo derived from the new contracts with cargo agents and NVOCC.

Vehicle Terminal (TEV)

The total cost of the TEV increased by 24.7% due to the higher handled volume. The port fees paid per vehicle handled explained the 68.5% growth in handling costs. The decline in leasing and infrastructure costs are the result of a lower MMC (minimum contractual handling fee) referential due to the growth of the volume of vehicles handled.

OPERATIONAL EXPENSES			
(R\$ million)	2017	2016	Var.
PORT TERMINALS			
Sales	39.7	38.5	3.1%
General. Admin & Others	9.8	12.9	-24.0%
Depreciation & Amortization	0.3	0.3	-
Total	49.8	51.7	-3.7%
LOGISTICS			
Sales	44.1	28.0	57.5%
General. Admin & Others	5.8	7.5	-22.7%
Depreciation & Amortization	0.0	0.0	-
Total	49.9	35.5	40.6%
VEHICLE TERMINAL			
Sales	0.9	0.7	28.6%
General. Admin & Others	0.4	-1.7	-
Depreciation & Amortization	0.0	0.0	-
Total	1.3	-1.0	-230.0%
CORPORATE			
General. Admin & Others	38.4	40.0	-4.0%
Depreciation & Amortization	6.8	7.2	-5.6%
Total	45.2	47.2	-4.2%
Consolidated	146.2	133.4	9.6%

Port Terminals

Sales expenses had a negative impact from commissions paid to cargo agents, and a positive impact from less personnel expenses. Regarding general and administrative expenses and other expenses, the highlights were the positive impact of the reversal of taxes collected from 1997 to 2016 related to the Special Fund for Development and Improvement of Inspection Activities (Fundaf), totaling R\$ 11.5 million, and the negative impact from extraordinary expenses totaling R\$ 3.3 million with contract termination charges arising from the restructuring process. There were also lower expenses with external legal advice.

Logistics

The major driver of the higher sales expenses was the growth in warehousing volumes and logistics services provided to freight agents and NVOCC, which resulted in more commissions being paid. Lower personnel expenses contributed to the drop in administrative expenses.

Vehicle Terminal (TEV)

The TEV had an increase in sales expenses due to the increased volume. Lower expenses with legal assistance contributed to the decline in administrative expenses.

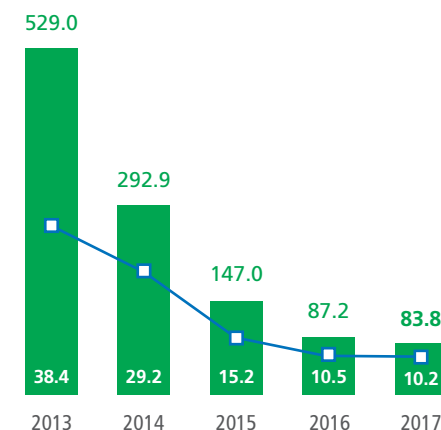
Corporate

Corporate administrative expenses decreased mainly due to lower expenses with legal consultants.

As a result of the operational performance of revenues, costs and expenses, we recorded a 4.1% decline in EBITDA in the year, consolidated to R\$ 83.8 million, with a 10.2% margin.

Our results showed extraordinary events that impacted the EBITDA and the EBITDA margin. If we adjusted the accounting result for 2017 for those events, recurring EBITDA would total R\$ 84.6 million. The extraordinary items considered in the adjustment are: (i) R\$ 20.8 million in costs and expenses related to labor indemnities directly resulting from the restructuring process; (ii) R\$ 1.4 million in expenses with external consulting; (iii) revenue of R\$ 2.5 million related to the operation of additional ships in Imbituba; (iv) R\$ 0.6 million related to the sale of fixed assets; (v) R\$ 11.5 million in reversal of taxes from prior years (Fundaf); and (vi) R\$ 6.9 million in reversal of miscellaneous provisions.

EBITDA (R\$ M) and EBITDA margin (%)



EBITDA AND EBITDA MARGIN					
(R\$ million)	2017	Margin %	2016	Margin %	Var.
Port Terminals	95.3	16.1%	126.3	19.3%	-24.5%
Logistics	9.6	5.0%	-10.3	-6.8%	193.2%
Vehicle Terminal	17.3	32.4%	11.4	31.2%	51.8%
Corporate	-38.4	-	-40.0	-	4.0%
Consolidated	83.8	10.2%	87.4	10.5%	-4.1%

NET PROFIT			
(R\$ million)	2017	2016	Var.
EBITDA	83.8	87.4	-4.1%
Depreciation & Amortization	92.7	96.0	-3.4%
EBIT	-8.9	-8.6	-3.5%
Financial Results	-10.3	-13.6	24.3-
IRPJ/CSLL	21.7	2.3	843.5%
Profit in the period	2.5	-19.9	112.6%

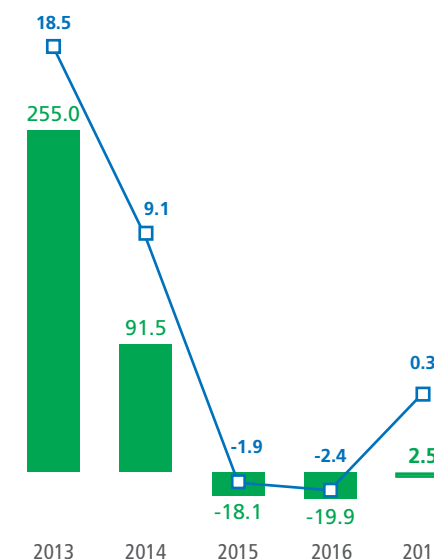
We belong to a capital-intensive industry that has a high correlation with international trade and domestic production and consumption, so that the effects of the country's economic activity influence all the segments in which we operate. Our net income was negatively impacted mainly by: (i) decrease in the volume handled at Tecon Santos; and (ii) cost and expense restructuring, which generated extraordinary expenses, mainly from contract termination charges. The positive impacts on net income were: (i) reversal of taxes collected in previous years, (ii) Tecon Vila do Conde's operating performance and (iii) R\$ 16.5 million in the positive accounting result of Vila do Conde in the fourth quarter, generated by the recognition of deferred income tax and social contribution, based on the prospective future taxable profit that will consume the terminal's previous years' losses.

Recognition is authorized by CVM Instruction 371/2002. Therefore, we accrued a net income of R\$ 2.5 million in 2017.

According to our bylaws, the following deductions or increases, made in decreasing order and in the following order, will be deducted from the net income for the year:

- 5% for forming the Legal Reserve, which shall not exceed 20% of the share capital. Constitution of the Legal Reserve may be waived in the year in which its balance, plus the amount of capital reserves, exceeds 30% of the share capital;
- Amount allocated to forming Reserves for Contingencies and reversing those formed in previous years;
- Realized Profit and Reversal of Profits previously recorded in this reserve that were realized in the year;
- 25% for payment of the mandatory minimum dividend; and
- The remaining portion of adjusted net income after payment of the mandatory minimum dividend shall be allocated to the Reserve for Investment and Expansion, whose purpose is: (i) to ensure funds for investments in permanent assets, without prejudice to retained earnings pursuant to Article 196 of Law 6404/76; and (ii) working capital reinforcement; (iii) it may be used for redemption, reimbursement or acquisition of shares of our capital, and the General Shareholders Meeting may decide to waive it in the event of payment of additional dividends to the mandatory minimum dividend.

Lucro líquido (R\$ M) e Margem líquida (%)



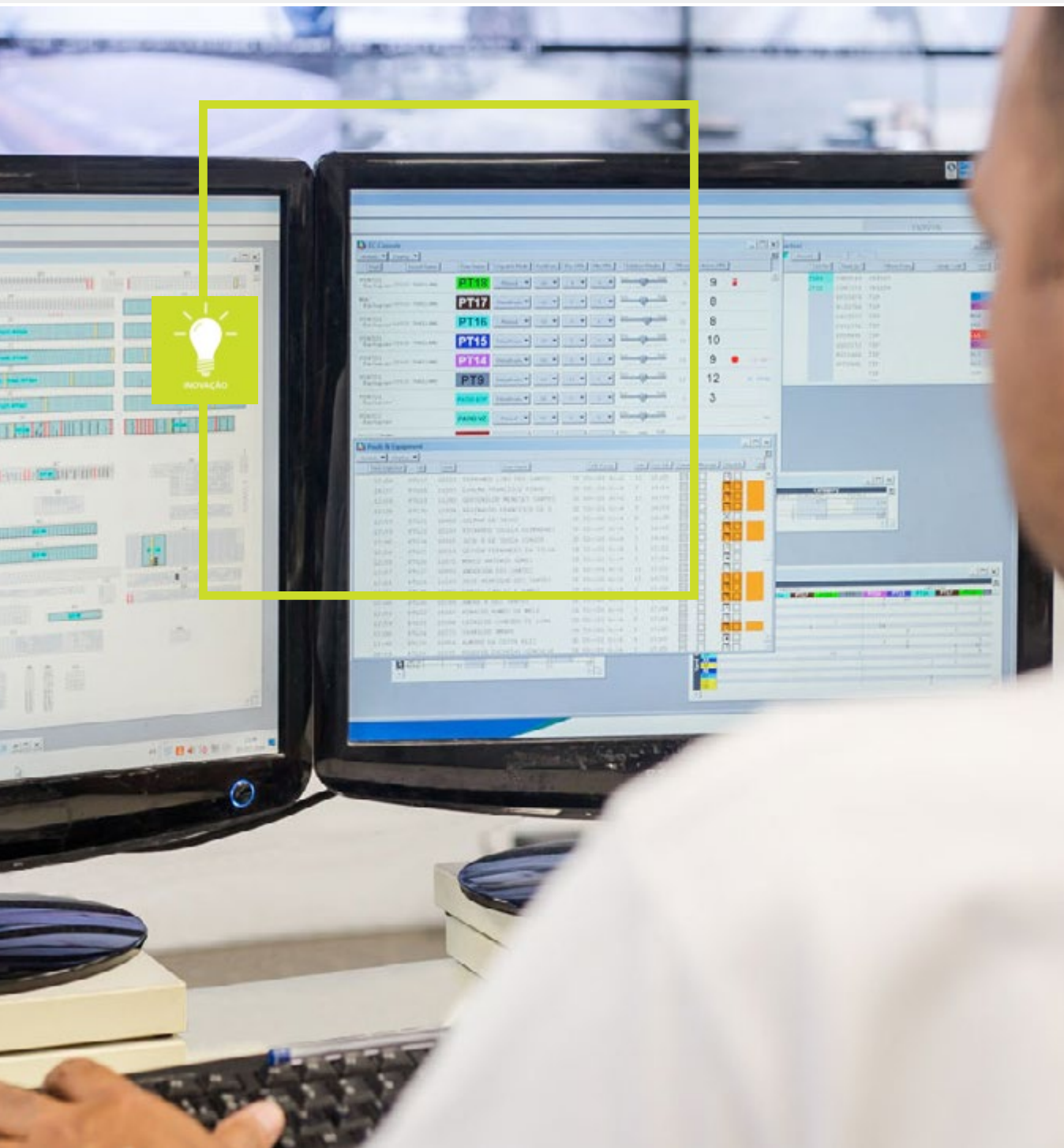
DEBT AND CASH				
(R\$ million)	Currency	31/12/2017	31/12/2016	Var. %
Short Term	National	165.5	145.5	13.7%
	Foreign	6.5	20.8	-68.8%
Long Term	National	60.3	59.7	1.0%
	Foreign	0.7	6.7	-89.6%
Total Debt		233.0	232.7	0.1%
Cash		270.7	192.6	40.6%
Net Debt		-37.7	40.1	194.0%

We closed the period with R\$ 270.7 million in cash, after amortization of R\$ 180.9 million in the year (principal + interest). Consolidated total indebtedness as of DEC 31, 2017 was R\$ 233 million. The year ended with a Net Cash of R\$ 37.7 million.

Investments 103-2, 103-3 (203)

Our investments in the year totaled R\$ 7.3 million, with a greater volume of funds directed to Tecon Santos. Of the total invested, the company's own financial resources were used for 100% of the projects. The funds invested by the Company were aimed at improving productivity. The total amount was 50% lower than the R\$ 14.6 million invested in 2016. 203-1

INVESTMENT			
	R\$ milion	Objective	Origin of funds
Total Consolidated	7.3		
TECON SANTOS	2.4	Improve Productivity	Own
Coninuous improvement and increased operational performance	1.3	Improve Productivity	Own
Civil Works	0.5	Improve Productivity	Own
<i>Hardware & software acquisition</i>	0.6	Improve Productivity	Own
LOGÍSTICA	1.2	Improve Productivity	Own
Coninuous improvement and increased operational performance	0.5	Improve Productivity	Own
Equipment	0.7	Improve Productivity	Own
<i>Hardware & software acquisition</i>	0.0	Improve Productivity	Own
TECON IMBITUBA – TERMINAL CTNRS	0.0	Improve Productivity	Own
<i>Hardware & software acquisition</i>	0.0	Improve Productivity	Own
TECON VILA DO CONDE	0.7	Improve Productivity	Own
Coninuous improvement and increased operational performance	0.0	Improve Productivity	Own
Civil Works	0.7	Improve Productivity	Own
<i>Hardware & software acquisition</i>	0.0	Improve Productivity	Own
TERMINAL DE VEÍCULOS SANTOS	0.2	Improve Productivity	Own
Coninuous improvement and increased operational performance	0.2	Improve Productivity	Own
<i>Hardware & software acquisition</i>	0.0	Improve Productivity	Own
Equipment	0.0	Improve Productivity	Own
CORPORATE	2.8	Improve Productivity	Own
Real estate in Imbituba	2.8	Improve Productivity	Own



More competitiveness for our clients

AS OF 2017, OUR CLIENTS CAN ACCESS THE PERFORMANCE DASHBOARD, A PIONEERING MONITORING TOOL IN THE PORT OF SANTOS.

Its purpose is to provide competitive advantages by giving more autonomy to importers, exporters, shippers and freight forwarders (NVOCCs), who can prepare customized analytical reports for each step of the operational process and monitor efficiency.

The tool is available for Tecon Santos and CLIAs Santos and Guarujá, is adaptable to the needs of each client, who can extract its content in parts or in a single file. The update occurs every six hours, enabling daily monitoring, if necessary.

SAFETY



People

103-2, 103-3 (403)

Safety and Valuation of Individuals are corporate values and aspects prioritized in our Sustainability Policy. We adopt the best practices of the market, focused on prevention, and we are reference in port safety in the country.

In 2017, in line with this logic, we have held our safety, occupational health and environmental journeys; training and awareness campaigns on the subject as well as daily dialogues and weekly alerts on security during employee shift changes.

Despite all these precautions, and for the first time in six years of intense management, we recorded an increase in the Accident Frequency Rate with loss of time in some units in comparison to the previous year, including Tecon Santos, Tecon Vila do Conde and in the logistics units. The Loss of Time Severity Rate also increased in Logistics. To reverse this scenario, we plan to intensify risk perception training directed to each area and/or activity, focusing on quality, occupational health, safety and the environment, starting in January 2018 in the Maintenance area.

See in the GRI Annexes the types and rates of injuries, occupational diseases, days lost, absenteeism and number of deaths by region and gender. 403-2

Goods

103-2, 103-3 (410) | 103-2, 103-3 (416)

In addition to ensuring integrity to our employees, we relate safety to customer trust. To ensure that their cargo reaches its destination without damage, we have adopted a series of measures that also meet the customs regulations in force in bonded areas.

We have 24-hour monitoring by cameras at Tecon Santos, where segregation of special loads is performed via control software.

In the operations, there are also emergency carts that are capable of segregating cargo in case of incidents, as well as support vehicles with hoses, nozzles, protective respiratory equipment, signaling cones and zebra tape, as well as emergency containers.

Preventively, we have also established an Emergency Response Plan for all types of cargo and we produce operational reports that can be verified in real time.





Protecting Life

103-2, 103-3 (403)

THE FIRST SIMULATED HIGH-LOCATION RESCUE AT THE VILA DO CONDE PORT WAS MADE DURING THE YEAR AT OUR CONTAINER TERMINAL.

The action was supported by the local Fire Department and included the simulation of the rescue of an employee who, when climbing on the roof of the warehouse to perform repairs on a reflector at a height of nine meters, suddenly felt ill and lost consciousness. The situation was controlled within two minutes with the triggering of the first response team. The safe removal operation was completed in just over two hours and involved six employees, ten firefighters and two OGMO professionals.

At Tecon Santos, in 2017 we completed the biometric registration for employee and service provider access, which provides more security to the operations.

HUMAN DEVELOPMENT



Internal audience

103-2, 103-3 (202) | 103-2, 103-3 (401) | 103-2, 103-3 (402) | 103-2, 103-3 (405) | 103-2, 103-3 (406)

At the end of 2017, we had 2,987 employees, 2,293 in the Baixada Santista region, 168 in Imbituba, 229 in the Planalto Paulista region, and 297 in Vila do Conde. The main guideline in our compensation plan is meritocracy and it is linked to employee performance, the responsibilities exercised in each function and the result of the annual evaluation of competencies, with no distinction by gender.

In addition to receiving fixed income and a benefits package that includes life insurance, health plan extended to dependents, according to the unit, employees also participate in the Profit Sharing Plan. [202-1](#) | [202-8](#) | [401-1](#) | [401-2](#) | [403-4](#)

See the GRI Annexes for information on employees and other workers and data on new hires and turnover, as well as the proportion of the lowest salary paid, by gender, compared to the local minimum wage, in addition to the progress of the Private Pension Plan.

All are provided with integration training that varies according to the unit, but has the same institutional content, which includes aspects of work safety, Code of Conduct, personnel regulations and compliance knowledge. In 2017, 2,598 people were trained, representing 87% of the total. Periodically, we also perform reintegration training - an initiative that involved 216 professionals in the year. All employees are further trained on our Compliance Policy and the Confidential Channel. [102-16](#) | [205-2](#) | [410-1](#) | [412-2](#)

Annually, we prepare the Annual Training Plan (PAT), which includes continued learning programs for developing technical and managerial skills. One of those is Leadership Training, directed at coordinators, supervisors and leaders, and is taught internally by our leaders. The initiative includes assessment, with the issuing of a report that aims to contribute to identifying gaps and the development of an Individual Development Plan (IDP), with support of the managers. In 2017 the program involved 57 employees. [404-2](#)

See the GRI Annexes for the average number of training hours in the year and by employee. [404-1](#)

Another measure of professional valuation is the Performance and Competence Assessment, which is extended to all employees, except for managers and directors – that are reviewed annually according to their Business Plans. Formal feedback is provided in December and January, when the process is disseminated through the system, so that employees can report their results and, together with their line managers, develop their Individual Development Plans. [404-3](#)

See the GRI Annexes for the breakdown of the assessed employees by functional category.

We have tools that stimulate the development of technical and managerial competencies.





Environmental awareness 404-2

To engage our professionals and surrounding communities, in celebration of the Environment Week, in 2017 we promoted the fourth edition of the Environment Journey, our Environmental Education Program based on the UN Sustainable Development Objectives, aimed at employees and service providers. With the Sustainability Dialogues initiative, we directly reached 746 people. Throughout the journey's week, 100% of our employees received guidance, tips and information on our priority environmental issues.



Sustainability Dialogues held in 2017 at the Vehicle Terminal.

Clients

In 2017, our priority continued to be to listen to clients in order to subsidize the search for continuous improvement of our services. In the Net Promoter Score (NPS) methodology that measures the degree of satisfaction and loyalty, we obtained 73 points in the period – which was higher than the established goal of 72.

In the telephone survey it is possible to evaluate the recommendation and satisfaction score with regard to commercial, operational, financial and service aspects. An analysis of the results is made weekly by the Competitive Intelligence area, and also on a weekly basis, alignment is made with persons responsible for the units and with the Commercial area, to ensure feedback to the customers.

In 2017, we replicated in Imbituba the service model of the other units, which has professionals dedicated to Customer Relationship.

The Todos pelo Cliente forum is now being held monthly. In it, the Quality and Competitive Intelligence areas present the evolution of complaints and NPS and the managers present the implemented and planned improvements for solving deviations.

Our focus on customer convenience is expressed in already consolidated web solutions, such as the Vehicle Scheduling System (SAV) in the Customer Portal, which facilitates the vehicle entry process in Tecon Santos and enables clients to access the operation and control it over the Web.

In 2017, we also made improvements in the process of re-shipping dangerous goods (with IMO/UN indication) in the Customer Portal. With the improvement, clients are able to register additional information and ensure more agility and security in the process.

Suppliers

103-2, 103-3 (204) | 103-2, 103-3 (308) | 103-2, 103-3 (414)

Seeking to save costs and time in the process for supplier selection and contracting, quality analysis and supply chain flexibility, we are adopting a new contracting system in the more critical categories of our business. With negotiated price tables, we were able to ensure better prices and prior supplier inventory of the items we use the most. [102-9](#)

To ensure the adoption of good practices and legality in our production chain, while in the selection and contracting process, 100% of our suppliers receive the general supply conditions and sign a declaration of non-utilization of child labor and/or labor similar to slavery. We also value the environmental aspects, entering into agreements with companies that practice environmentally correct disposal at the end of the useful life of the products we use. An example is the partnerships with tire re-cappers who dispose of the tires in line with the determinations of the environmental agencies, including a final destination certificate. [414-1](#) | [308-1](#)

In the search for innovative products, with quality and more competitive prices, we prioritize in 2017 to make purchases on a global level, negotiating, as far as possible, directly with the manufacturers. Thus, local purchases, with suppliers from the regions in which we operate or from the environment, are carried out only for immediate service. [204-1](#)

Communities

103-2, 103-3 (203) | 103-2, 103-3 (413)

We seek to contribute to the social development of the communities surrounding our units through actions in partnership with local entities and our employees - within the framework of the Eu Sou Voluntário (I Am a Volunteer) program.

One of the initiatives is the Formare Aprendiz program conducted together with Fundação Lochpe, which involves youngsters aged 18 and 19 from families in economic and social disadvantage in Guarujá (São Paulo State), who are attending the 3rd year of high school or have already completed it in the municipality's public schools. The objective is to insert them in the job market through professional qualification.

The course lasts 1.8 thousand hours, 1.2 thousand of which are practical classes and 600 of theory, all taught at Tecon Santos by our employees. The apprentices receive teaching materials, uniform, meals, minimum wage, transportation voucher, life insurance and a staple food basket, and are assessed by performance, grades and attendance. We began Formare in 2009, and since then more than 250 young people have been benefited by the project, 87 of which were hired by us. **203-2**

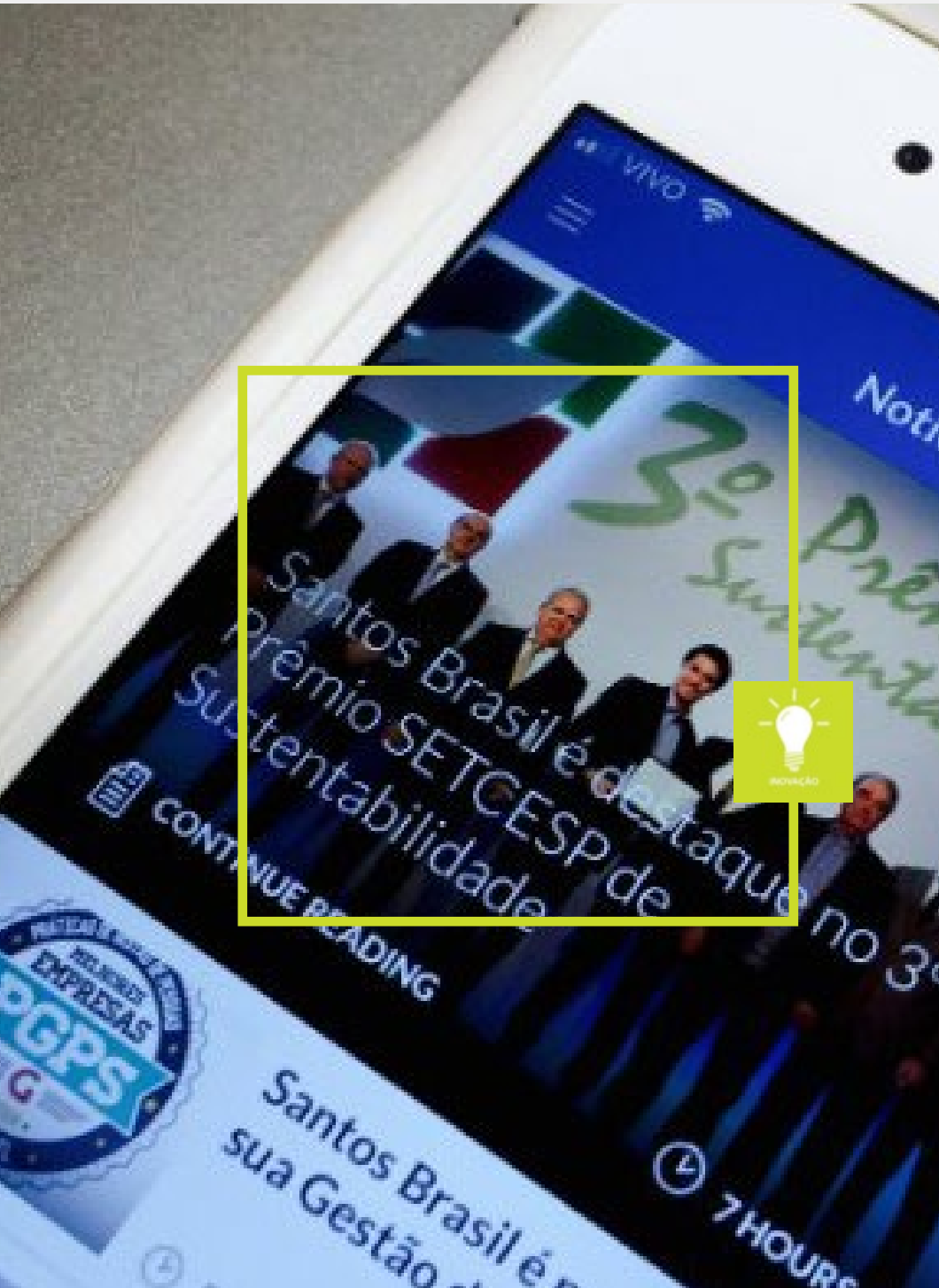
Also in the year, we established a partnership with Instituto Novos Sonhos, in the Aldeia community, in Guarujá, which cares for around 80 children and adolescents.

The institution offers jiu-jitsu classes and social inclusion actions for the families involved. The project also includes social and cultural events, sponsorship of students in regional jiu-jitsu tournaments and human development workshops.

In the context of Eu Sou Voluntário, we encourage employees to participate in projects and actions that we develop and support. Around 170 people are involved in the program, which is focused on the UN Sustainable Development Goals. In 2017, the main initiatives they engaged in were campaigns for collecting toys, toiletries and cleaning products and non-perishable food, which was donated to schools and charities in the areas where we have our units; planting of seedlings and reflection on the importance of environmental preservation; and interaction with people assisted by social organizations - which involved students of the Formare Aprendiz program.



With a focus on the Sustainable Development Goals, the Eu Sou Voluntário program involved **170 professionals** in 2017.



Expanding the digital culture

IN LINE WITH THE DIGITAL REVOLUTION, WE LAUNCHED THE VIVA VOZ APP, A NEW RELATIONSHIP CHANNEL WITH EMPLOYEES THAT CAN BE INSTALLED ON ANY ANDROID OR IOS OPERATING SYSTEM SMARTPHONE.

The tool provides more agility and comprehensiveness in communication and enables knowing Company news, solving doubts, consulting policies and procedures and following different indicators. The strategy is to transform the channel into the main platform for interacting with the approximately 3,000 employees in all our business units. In addition to increasing the reach and agility of internal communication, the tool aims to stimulate the dissemination of corporate digital culture.

We also created Viva Voz ao Vivo, for face-to-face meetings for the purpose of establishing a space for open and transparent dialogue in which results and indicators are shared, as well as messages from the senior management.

At the end of the year, nine editions had been held in six operational units, in which 529 professionals took part. Some of them replied to questionnaires through the Viva Voz E-mail and the Viva Voz App, evaluating the events - which gives us a basis for continuous improvement.

Another novelty was the launch of the Remote Education Platform designed by the Training and Organizational Development area for streamlining internal training. The tool is available as a support for the different training initiatives. It debuted in leadership training within the Leadership Training program. It can be accessed from anywhere on a tablet, smartphone or computer.

ENVIRONMENT



Emissions

103-2, 103-3 (305)

ALIGNED WITH THE U.N. SUSTAINABLE DEVELOPMENT GOALS, WE CONCENTRATE OUR EFFORTS TO MITIGATE THE ENVIRONMENTAL IMPACTS GENERATED BY OUR OPERATIONS. WE HAVE ALREADY ADOPTED KEY SUSTAINABILITY ISSUES IN OUR OCCUPATIONAL HEALTH AND SAFETY, REDUCTION OF CO₂ EMISSIONS, WATER CONSUMPTION AND WASTE GENERATION, AS WELL AS IN HUMAN DEVELOPMENT AND TRANSPARENCY AND ANTICORRUPTION PRACTICES.

The total volume of emissions in our operations, 31,556.46 metric tons of CO₂, was slightly higher (0.38%) than in 2016. This result is due to the increase in warehouse activities and the revised calculation methodology, with the inclusion of new monitoring areas and compliance with GRI guidelines. Our port operations recorded an emission intensity of 14.85kgCO₂e/TEU, down 3.08% over the previous year. Likewise, emissions per handled pallet were reduced from 0.63 kgCO₂e/pallet to 0.53 kgCO₂e/pallet. Road transportation activities increased slightly by 0.99% compared to the previous year, totaling 1.02 kgCO₂e/km. The figures for Logística increased by 39.92% due to the significant increase in warehousing activities, in which the LPG consumption rose significantly from 42,029 kg in 2016 to 76,918 kg – an 83.01% increase. [305-5](#)

We seek to reduce our emissions with awareness campaigns including the Environmental Journey, which includes all employees, management and persons monitoring operational indicators related to the theme, and also specific programs directed to our transportation operations.

With the Green Fleet program, we have already reduced GHG emissions per kilometer driven in our vehicles by 8% since the end of 2014. Our own fleet of 135 trucks and 226 trailers is being adjusted, so that to prioritize more efficient vehicles, both operationally and environmentally. Over the last seven years, we have invested more than R\$ 21 million in the acquisition of trucks that are compatible with our sustainability strategy.

In addition, 100% of the truck fleet uses the S-10 diesel fuel which, compared to the S-50 diesel available on the market, has an 80% reduction in the Sulphur particulate dispersed in the atmosphere. All our vehicles annually undergo opacity tests that guarantee minimum level of emission of pollutants. All flex-fuel vehicles are only fueled with ethanol, a less-polluting fuel.

We also encourage the drivers of our own fleet to be jointly responsible for fuel consumption and the reduction of pollutant emission. The program is called Sustainable Driver and includes monthly monitoring and reporting of each person's average fuel consumption, recognizing those who are more efficient in this area with financial bonus.

See the GRI Annexes for GHG emission data.

[305-1](#) | [305-2](#) | [305-4](#)

Water

103-2, 103-3 (303)

Our attention to the water crisis shows in initiatives such as dry cleaning of vehicles and road transportation equipment, a system we adopted three years ago, in which water is replaced with biodegradable products that do not harm the environment. Since the beginning of the measure, we have saved about 8 million liters of water. A total of 4,826 washes were performed.

In addition to dry cleaning, we invested in other projects and actions to reduce water consumption and to reuse the resource, such as rainwater harvesting and effluent treatment plant with water generation for reuse.

Still, water consumption in 2017 increased 28.74% due to leakage losses at the Tecon Santos, CLIA Santos and Tecon Imituba units, mainly related to hydraulic infrastructure (metal pipes) and civil works.

In order to act preventively and to enable rapid intervention in leakage cases, the Infrastructure area established a program to reduce consumption that included the installation of hydrometers in several areas of Tecon Santos, which enables daily monitoring; replacement of metal pipes with plastic (PVC) ones and changing the terminal's supply system.

These and other actions have already reflected positively in the second half of the year, when there was a 16,635-cubic meter reduction (30.88%) over the volume in comparison to the first half. In early 2018, also as a preventive measure, we will begin testing a leakage-hunting equipment to identify possible losses in the hydraulic system.

See the GRI Annexes for water management and consumption data.

303-1 | 303-2 | 303-3

Residues

103-2, 103-3 (306)

In 2017, actions related to the Waste Management Program were intensified in order to reach higher environmental efficiency, resulting in a 15.17% decrease in non-recyclable waste (Classes I and II) generation. As for recyclable waste, we had a 17.62% increase driven by promoting environmental education and the disposal of large unused metal structures. With improvements in the Solid Waste Management Program and greater synergy with our partners /suppliers in 2017, reverse logistics actions were intensified, and we allocated 104,603.50 metric tons of materials following the guidelines of the National Solid Waste Policy (PNRS), Law nº 12305 of August 2, 2010.

See the GRI Annexes for waste generation by type and disposal method.

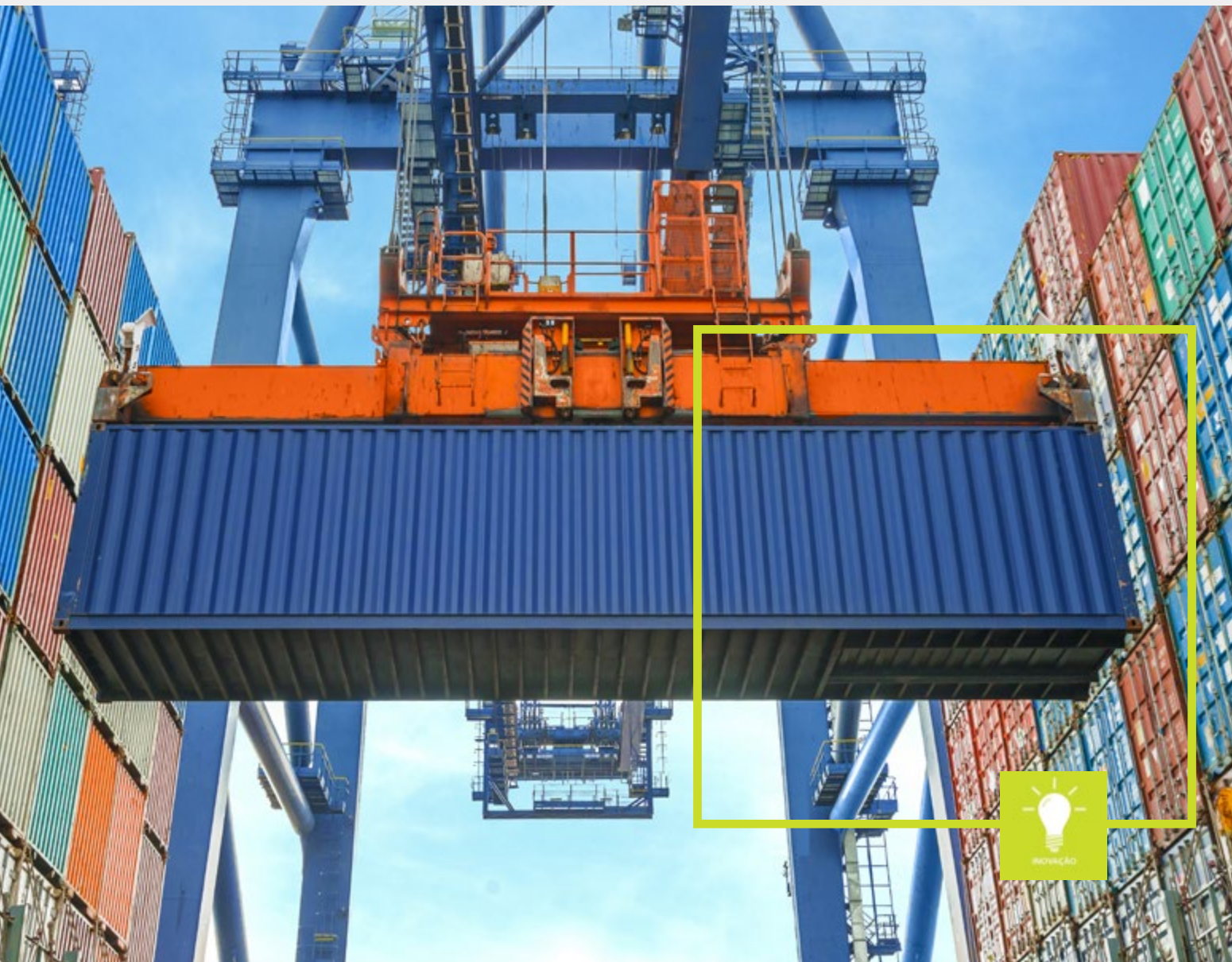
306-2

Energy

103-2, 103-3 (302)

In 2017, our energy consumption totaled 36,529,143.21 kWh, which represented a 4.20% reduction compared to 2016 (38,130,984.22). Until the end of the period, the December energy consumption of the Tecon Vila do Conde business unit, had not been made available by Companhia Docas do Pará, which is responsible for supplying the resource.

In order to identify the largest sources of energy consumption, the Utilities Maintenance area at Tecon Santos developed a system that makes it possible to map the energy consumption of the business unit. With this pioneering action, it is possible to identify the largest sources and study solutions for reducing consumption. In 2018, the proposal is to extend this control to the other units.



Integrated sustainability management

IN 2017, WE SUBMITTED A GROUNDBREAKING STUDY ON CARBON FOOTPRINT TO THE FUNDAÇÃO GETULIO (FGV). THE OBJECTIVE IS TO EXTEND OUR STRATEGIC SUSTAINABILITY MANAGEMENT. THE INITIAL SCOPE REFERS TO THE FULL HANDLING CYCLE OF A 40-FT CONTAINER, FROM REMOVING IT FROM THE SHIP, STORAGE, DELIVERY TO THE DISTRIBUTION CENTER IN SÃO BERNARDO DO CAMPO (SP) UNTIL ITS RETURN TO CLIA GUARUJÁ.

Based on this analysis of the lifecycle of our main service, we will be able to enter the future Brazilian carbon market, as well as identify critical emission points in our internal processes and get ready to invest in projects for reducing both costs and environmental impacts.

GRI ANNEXES

About this report

ENGAGEMENT WITH STAKEHOLDERS 102-40 102-42 102-43 102-44		
Stakeholder	Demandas	Canais
Shareholders	<ul style="list-style-type: none"> • Status of the analysis process of the Tecon Santos expansion project • Timeline and financing structure for investment in expansion • Competition at the Port of Santos • Impact of the economic crisis on our operations • Migration to the Novo Mercado corporate governance segment 	E-mail, Website, IR Ombudsman, Results Conference, Apimec Meetings and Analyst Assistance
Clients	<ul style="list-style-type: none"> • System improvements • Innovations in offered services • New procedures 	Business consultants, Customer Relations area, satisfaction survey, website, marketing emails, APP and social networks
Public Authorities	<ul style="list-style-type: none"> • Operational, environmental and safety performance • Implantation of the New Exports Process in the Sole Foreign Trade Portal. 	Specific points of contact in the organizational structure
Employees	<ul style="list-style-type: none"> • Leadership • Career plan • Safety • Operational equipment • Investments • Targets and Results Participation Plan 	Weekly wall panel, emails, personal communication, internal app, social networks and channel for direct communication with the leadership
Suppliers, third parties and contracted	<ul style="list-style-type: none"> • Transparency in business • Non-involvement with work analogue to slave labor • Reverse logistics • Environment 	Materiality research and direct contact
Press	<ul style="list-style-type: none"> • Financial results • Contract with John Deere • New Asia service in Imbituba • Job market • Formare Aprendiz program • Sustainability 	Communication and press and social media advisory area
Trade Unions	<ul style="list-style-type: none"> • Wage and benefits adjustment due to inflation • Regular meetings 	People and Management Team
Industry companies	<ul style="list-style-type: none"> • Safety • Innovation 	Forums and trade entities
Communities	<ul style="list-style-type: none"> • Donations and Sponsorships • Formare Aprendiz program 	Sustainability Team, social networks (Facebook and Twitter) and community dialogues

Economic & Financial Performance

VALUE ADDED STATEMENTS 201-1

FOR FISCAL YEARS ENDED ON DECEMBER 31, 2017 & 2016
(Amounts in thousands of reais - R\$)

	Controller		Consolidated	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
REVENUES (EXPENSES)				
Sale of goods, products and services	573.248	659.656	937.628	934.863
Other revenues	14.288	13.405	17.409	20.041
Provision (reversal) for doubtful accounts and losses of uncollectible credits	(8.536)	(9.554)	(7.960)	(11.849)
	579.000	663.507	947.077	943.055
INPUTS ACQUIRED FROM THIRD PARTIES				
Cost of products, goods and services sold	(135.870)	(149.062)	(209.589)	(193.240)
Materials, energy, third-party services and others	(94.193)	(109.202)	(180.319)	(183.230)
Others	(680)	(869)	(930)	(1.879)
	(230.743)	(259.133)	(390.838)	(378.349)
GROSS ADDED VALUE	348.257	404.374	556.239	564.706
DEPRECIATIONS, AMORTIZ. AND EXHAUSTION	(62.456)	(64.344)	(92.566)	(96.022)
NET ADDED VALUE PRODUCED BY THE COMPANY	285.801	340.030	463.673	468.684
ADDED VALUE RECEIVED IN TRANSFERS				
Equity	42.330	(9.679)	-	-
Financial income	13.469	25.815	23.194	36.065
	55.799	16.136	23.194	36.065

	Controller		Consolidated	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
TOTAL DISTRIBUTABLE ADDED VALUE	341.600	356.166	486.867	504.749
DISTRIBUTED ADDED VALUE	341.600	356.166	486.867	504.749
Personnel:				
Direct Remuneration	162.722	162.813	214.152	221.631
Benefits	40.508	39.116	62.093	61.625
FGTS	14.523	10.847	19.166	17.507
	217.753	212.776	295.411	300.763
Taxes, fees and contributions:				
Federal	30.321	52.731	61.235	79.914
State	149	59	6.694	5.808
Municipal	17.253	20.164	28.931	29.074
	47.723	72.954	96.860	114.796
Remuneration of third-party capital:				
Interest	30.152	49.190	33.647	49.711
Leases	43.386	41.156	58.363	59.389
	73.538	90.346	92.010	109.100
Remuneration of own capital:				
Withheld Profit (Losses)	2.586	(19.910)	2.586	(19.910)
	2.586	(19.910)	2.586	(19.910)

The explanatory notes are an integral part of the accounting statements.

Safety

TYPES AND RATES OF LESIONS, OCCUPATIONAL DISEASES, LOST WORKING DAYS, ABSENTEISM AND NUMBER OF DEATHS BY REGION AND GENDER 403-2 403-3																									
Occurrences	Tecon Santos					Tecon Imbituba					Tecon Vila do Conde					TEV					Logistica				
Own	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
No. of accidents with no lost time	7	2	7	3	1	0	0	1	0	1	2	2	1	0	1	0	0	0	0	0	0	0	1	0	0
Men	7	2	7	3	1	0	0	1	0	1	2	2	1	0	1	0	0	0	0	0	0	0	1	0	0
Women	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
No. of accidents with lost time	17	21	18	22	21	2	1	4	2	1	1	6	11	2	2	0	0	1	0	0	11	12	7	4	7
Men	14	21	18	19	21	2	1	4	2	1	1	6	11	2	2	0	0	1	0	0	11	12	7	4	7
Women	3	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frequency rate (accident with lost time)	4.55	5.74	5.34	6.21	6.63	10.31	5.61	11.69	9.09	4.2	2.63	11.72	5.77	3.29	3.62	0	0	8.76	0	0	4.58	4.78	3.14	2.29	4.34
Occupational disease rate	0	0	0	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0
Men	0	0	0	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0
Women	0	0	0	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0	0	0	0*	0	0
Lost days	546	355	197	150	185	15	4	49	12	10	10	67	74	64	19	0	0	3	0	0	111	96	67	34	72
Debited days	0	50	0	0	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Absenteeism rate	0.35%	0.42%	0.34%	0.15%	0.13%	-	0.15%	0.09%	0.04%	0.28%	-	0.17%	0.63%	0.43%	0.41%	-	0.09%	0.08%	0.08%	0.10%	1.02%	0.93%	0.52%	0.32%	0.39%
No. of deaths	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Men	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Women	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Severity rate (accident with lost time)	145.89	114.89	58.44	42.37	89.95	77.00	22.00	97.46	54.52	41.97	26.28	130.92	106.68	105.39	34.42	0.00	0.00	26.29	0.00	0.00	46.25	38.24	30.10	19.45	44.60

TYPES AND RATES OF LESIONS, OCCUPATIONAL DISEASES, LOST WORKING DAYS, ABSENTEISM AND NUMBER OF DEATHS BY REGION AND GENDER 403-2 | 403-3

Occurrences	Tecon Santos					Tecon Imbituba					Tecon Vila do Conde					Logística					
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
Third Party																					
No. of lesions	8	8	10	8	17	0	0	1	0	0	0	1	0	0	0	0	2	1	0	1	
No. of occupational diseases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deaths	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Independent (OGMO)	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
No. of lesions	14	8	7	9	8	2	3	0	0	0	0	1	0	0	0	-	-	-	-	-	
No. of occupational diseases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	
No. of lost days from temporary leave	162	32	31	46	31	15	70	0	0	0	0	0	0	0	0	-	-	-	-	-	
Deaths	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	

WORKERS WITH HIGH INCIDENCE OF DISEASES RELATED TO THEIR OCCUPATION 403-3

Company	Total worked hours in the year	Unjustified absenteeism in the year	On worked hours (%)
Logística	1,601,293.10	6,170.50	0.39
Tecon Imbituba	236,980.53	673.07	0.28
Tecon Santos	3,169,921.27	4,272.28	0.13
Tecon Vila do Conde	548,216.09	2,252.15	0.41
TEV	93,535.07	97.60	0.10

Internal Audience

INFORMAÇÕES SOBRE EMPREGADOS E OUTROS TRABALHADORES (POR GÊNERO) 102-8 405-1							
Age Group	Female			Male			Total
	Number	Female (%)	Overall (%)	Number	Male (%)	Overall (%)	
Under 30 years	144	39.02	4.82	413	15.78	13.83	557
30-50 Years	210	56.91	7.03	1834	70.05	61.40	2,044
Over 50 years	15	4.07	0.50	371	14.17	12.42	386
Total	369	100.00	12.35	2618	100.00	87.65	2,987

INFORMATION ON EMPLOYEES AND OTHER WORKERS (BY EMPLOYMENT TYPE) 102-8 405-1					
Employment type	Baixada Santista	Imbituba	Planalto	Vila do Conde	Total
Indefinite term	2,247	161	229	287	2,924
Apprentice	40	7		10	57
Trainee	6	0	0	0	6
Total	2,293	168	229	297	2,987

INFORMATION ON EMPLOYEES AND OTHER WORKERS (BY EDUCATIONAL LEVEL) 102-8 405-1	
Educational Level	Number of Employees
Masters	1
Postgraduate	68
College degree	506
Unfinished higher education	74
Technical-level degree	150
Unfinished technical course	7
High school degree	1,859
Unfinished high school	63
Fundamental education degree	208
Unfinished fundamental education	51
No schooling	0
Total	2,987

NEW HIRINGS AND EMPLOYEE TURNOVER (GENERAL, BY GENDER) 401-1 | 405-1

Age Group	Female			Male			Total
	Number	(%)	Overall (%)	Number	(%)	Overall (%)	
Under 30 yrs.	8	61.54	6.61	45	41.67	37.19	53
30-50 Years	5	38.46	4.13	59	54.63	48.76	64
Over 50 yrs.	0	0.00	0.00	4	3.70	3.31	4
Total	13	100.00	10.74	108	100.00	89.26	121

NEW HIRINGS AND EMPLOYEE TURNOVER (GENERAL, BY EMPLOYMENT TYPE) 401-1 | 405-1

Employment Type	Baixada Santista	Imbituba	Planalto	Vila do Conde	Total
Indefinite term	86	13	4	1	104
Apprentices	17	0	0	0	17
Total	103	13	4	1	121

NEW HIRINGS AND EMPLOYEE TURNOVER (BY COMPANY, BY AGE GROUP) TOTAL NUMBR – 401-1 | 405-1

Company	Under 30 years	30-50 years	Over 50 years	Total
SB Logística	15	34	3	52
Tecon Imbituba	9	4	0	13
Tecon Santos	29	25	1	55
Tecon V. do Conde	0	1	0	1
TEV	0	0	0	0
Total	53	64	4	121

NEW HIRINGS AND EMPLOYEE TURNOVER (BY COMPANY, BY AGE GROUP) RATIO (%) – 401-1 | 405-1

Company	Number	Under 30 years (%)	De 30 a 50 years (%)	Over 50 years (%)
SB Logística	52	28.85	65.38	5.77
Tecon Imbituba	13	69.23	30.77	0.00
Tecon Santos	55	52.73	45.45	1.82
Tecon V. do Conde	1	0.00	100.00	0.00
TEV	0	0.00	0.00	0.00

NEW HIRINGS AND EMPLOYEE TURNOVER (BY COMPANY, BY GENDER) TOTAL NUMBER – 401-1 | 405-1

Company	Male	Female	Total
SB Logística	47	5	52
Tecon Imbituba	12	1	13
Tecon Santos	48	7	55
Tecon V. do Conde	1	0	1
TEV	0	0	0
Total	108	13	121

NEW HIRINGS AND EMPLOYEE TURNOVER (BY COMPANY, BY GENDER) RATIO (%) – 401-1 | 405-1

Company	Number	Male	Female
SB Logística	52	90.38	9.62
Tecon Imbituba	13	92.31	7.69
Tecon Santos	55	87.27	12.73
Tecon V. do Conde	1	100.00	0.00
TEV	0	0.00	0.00

**NEW EMPLOYEE HIRINGS
(BY COMPANY, BY REGION) TOTAL NUMBER 401-1**

Company	Baixada Santista	Imbituba	Planalto	Vila do Conde	Total
SB Logística	48	0	4	0	52
Tecon Imbituba	0	13	0	0	13
Tecon Santos	55	0	0	0	55
Tecon V. do Conde	0	0	0	1	1
TEV	0	0	0	0	0
Total	103	13	4	1	121

**NEW EMPLOYEE HIRINGS
(BY COMPANY, BY REGION) RATIO (%) – 401-1**

Company	Number	Baixada Santista (%)	Imbituba	Planalto (%)	Vila do Conde (%)
SB Logística	52	92.31	0.00	7.69	0.00
Tecon Imbituba	13	0.00	100.00	0.00	0.00
Tecon Santos	55	100.00	0.00	0.00	0.00
Tecon V. do Conde	1	0.00	0.00	0.00	100.00
TEV	0	0.00	0.00	0.00	0.00

TURNOVER BY COMPANY 401-1

Company	(%)
Logística	7.99
Tecon Imbituba	8.75
Tecon Santos	2.37
Tecon Vila do Conde	6.47
TEV	8.34
Total	4.51

TURNOVER BY REGION 401-1

Region	(%)
Pará	6.47
Santa Catarina	8.75
São Paulo	4.03
Distrito Federal	0.00

AVERAGE NUMBER OF TRAINING HOURS PER YEAR AND BY EMPLOYEE (ALL COMPANIES) 404-1

Functional Categories	Number of employees			Total training hours			Average training hours			Total trained employees			Average trained employees		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Administrative Area	240	292	532	1,762	1,393	3,154	7.34	4.77	12.11	369	301	670	2	1	3
Operational Area	103	2,188	2,291	510	6,902	7,412	4.95	3.15	8.10	124	1,479	1,603	1	1	2
Directors	0	10	10	0	33	33	0.00	3.30	3.30	0	6	6	0	1	1
Supervisors	13	77	90	233	896	1,128	17.91	11.63	29.54	36	149	185	3	2	5
Coordinators	10	33	43	142	375	517	14.20	11.38	25.58	25	72	97	3	2	5
Managers	2	19	21	12	121	133	6.00	6.37	12.37	3	23	26	2	1	3
Total	368	2,619	2,987	2,658	9,720	12,378	7.22	3.71	10.93	557	2,030	2,587	2	1	2

PERCENTAGE OF EMPLOYEES THAT REGULARLY RECEIVE PERFORMANCE AND CAREER DEVELOPMENT ASSESSMENTS 404-3

Functional Categories	Number of employees with performance assessment		
	Men	Women	Total
Administrative Area	275	216	491
Operational Area	2,172	97	2,269
Directors	0	0	0
Supervisors	77	13	90
Coordinators	33	10	43
Managers	0	0	0
Total	2,557	336	2,893

PROPORTION OF THE LOWEST WAGES PAID BY GENDER, COMPARED TO THE LOCAL MINIMUM WAGE 202-1

Empresa	Gênero	Minimum Wage by Company	National Min. Wage – 2017	Difference	%
Logística	Male	R\$ 1,219.89	R\$ 937.00	R\$ 282.89	30.19
	Female	R\$ 1,730.36	R\$ 937.00	R\$ 793.36	84.67
Tecon Santos	Male	R\$ 1,340.54	R\$ 937.00	R\$ 403.54	43.07
	Female	R\$ 1,988.64	R\$ 937.00	R\$ 1,051.64	112.23
Tecon Imbituba	Male	R\$ 1,520.57	R\$ 937.00	R\$ 583.57	62.28
	Female	R\$ 1,639.58	R\$ 937.00	R\$ 702.58	74.98
Tecon Vila do Conde	Male	R\$ 1,212.87	R\$ 937.00	R\$ 275.87	29.44
	Female	R\$ 1,584.02	R\$ 937.00	R\$ 647.02	69.05
TEV	Male	R\$ 1,340.54	R\$ 937.00	R\$ 403.54	43.07
	Female	R\$ 1,920.40	R\$ 937.00	R\$ 983.40	104.95

Emissions

GHG EMISSIONS 305-1 305-2	
Direct emissions (Scope I)	Metric Tons of CO ₂ e
Total emissions – Scope I	28,216.62
Tecon Santos	15,793.53
Tecon/TCG Imbituba	854.17
Tecon Vila do Conde	2,457.25
CLIA SANTOS	1,389.19
CLIA GUARUJÁ	211.60
TTR	7,454.35
CD São Bernardo	56.53
Indirect emissions (Scope II)	Metric Tons of CO ₂ e
Total emissions – Scope II	3,339.83
Tecon Santos	2,589.01
Tecon/TCG Imbituba	89.26
Tecon Vila do Conde	274.56
CLIA SANTOS	231.46
CLIA GUARUJÁ	36.55
TTR	25.03
CD São Bernardo	93.96
Direct emissions (Scope 1) + Indirect emissions (Scope 2) Metric Tons of CO ₂ e	
Total	31,556.46

INTENSITY OF CO ₂ EMISSIONS BY UNIT 305-4						
	Emissions	Tecon Santos	Tecon/TCG Imbituba	Tecon Vila do Conde	CLIA SANTOS	CLIA GUARUJÁ
2016	M. Tons CO ₂ e	19,873.16	949.20	2,728.99	835.84	219.03
	kg CO ₂ e /TEU	14.14	34.00	26.35	20.14	18.64
2017	M. Tons CO ₂ e	18,382.54	943.43	2,731.81	1,620.65	248.15
	kg CO ₂ e /TEU	13.91	25.49	23.39	27.27	30.06

	Emissions	CD São Bernardo	CD São Paulo
2016	M. Tons CO ₂ e	141.40	37.21
	kg CO ₂ e /pallet	0.63	1.14
2017	M. Tons CO ₂ e	152.77	-
	kg CO ₂ e /pallet	0.53	-

	Emissions	TTR
2016	M. Tons CO ₂ e	6,651.94
	kg CO ₂ e/km	1.01
2017	M. Tons CO ₂ e	7,479.38
	kg CO ₂ e/km	1.02

Water

WATER CONSUMPTION (M³) 303-1						
Month	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá/TTR	CD São Bernardo
January	7,235	62	133	451	303	726
February	8,402	86	131	651	310	614
March	8,816	108	131	578	314	385
April	10,968	64	130	461	359	473
May	10,068	159	132	459	311	247
June	8,386	75	132	451	363	413
July	4,260	61	133	510	370	297
August	6,503	130	131	575	392	336
September	7,541	89	131	602	367	454
October	6,778	111	133	742	334	612
November	6,973	93	137	621	372	251
December	5,185	83	133	587	392	535
Total	91,115.00	1,121.00	1,587.21	6,688.00	4,187.00	5,343.00

WATER CONSUMPTION 2016 X 2017 (M³) 303-1						
Year	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	CD São Bernardo
2016	67,594.00	880.00	1,579.28	6,216.00	3,545.00	4,589.00
2017	91,115.00	1,121.00	1,587.21	6,688.00	4,187.00	5,343.00

WATER SOURCES SIGNIFICANTLY AFFECTED BY WATER WITHDRAWAL 303-2				
	Public supply/Hydromineral sources	Artesian well	Total Santos Brasil	Water sources by water withdrawal
Tecon Santos	91,115.00	-	91,115.00	Mananciais de abastecimento público e fontes de águas hidrominerais
Tecon/TCG Imituba	1,121.00	-	1,121.00	
Tecon Vila do Conde	1,587.21	-	1,587.21	
CLIA Santos	6,688.00	-	6,688.00	Mananciais de abastecimento público, fontes de águas hidrominerais e poço artesiano
CLIA Guarujá/TTR	4,187.00	-	4,187.00	
CD São Bernardo	-	5,343.00	5,343.00	
Total	104,698.21	5,343.00	110,041.21	

CONSUMPTION X TEU RATIO							
	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	CD São Bernardo	CD São Paulo
2016	0.05	0.03	0.02	0.15	0.30	0.02	0.01
2017	0.07	0.02	0.01	0.11	0.51	0.02	0.00
	40%	-24%	-11%	-25%	68%	-8%	

Residues

RESIDUE BY TYPE AND DISPOSAL METHOD (TONS) 306-2

	2016				2017			
	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	Logística	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	Logística
Total recyclable (class I & II)	566.65	49.74	31.69	805.43	588.64	44.67	42.03	970.61
Total non- recyclable (class I & II)	479.18	5.07	27.35	211.00	365.15	25.22	34.46	168.67
Total	1,045.83	54.81	59.04	1,016.43	953.79	69.88	76.49	1,139.28

MONTHLY AVERAGE OF RESIDUE GENERATION BY UNIT IN 2017 (METRIC TONS)

	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	Logística
Total recyclable (class I & II)	49.05	3.72	3.50	80.88
Total non- recyclable (class I & II)	30.43	2.10	2.87	14.06
Total	79.48	5.82	6.37	94.94

RESIDUE GENERATION BY HANDLING – (KG/TEU)

	2016						2017					
	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	CD São Bernardo	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	CD São Bernardo
Total recyclable (class I & II)	0.40	1.78	0.31	1.64	6.46	2.72	0.45	0.95	0.36	2.69	7.88	2.63
Total non- recyclable (class I & II)	0.34	0.18	0.26	2.35	4.97	0.14	0.28	0.54	0.30	1.35	5.11	0.16
Total	0.74	1.96	0.57	3.99	11.42	2.87	0.72	1.49	0.65	4.04	12.99	2.80

REVERSE LOGISTICS 2017 (METRIC TONS)

	Port Operations	Logistics
Jan	3,123	0
Feb	2,720	0
Mar	14,190	4,820
Apr	70	0
May	21,600	4,190
Jun	5,992.50	3,580
Jul	198	0
Aug	0	0
Sep	2,930	4,260
Oct	4,950	1,500
Nov	9,330	9,120
Dec	6,690	5,340
Total	71,793.50	32,810

GENERATION X TEU RATIO (2017/2016)

	Tecon Santos	Tecon/TCG Imituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	CD São Bernardo
Recyclable	1.10	0.53	1.18	1.64	1.22	0.97
	8%	-47%	18%	64%	22%	-3%
Non-recyclable	0.81	2.96	1.12	0.58	1.03	1.13
		196%	12%	58%	3%	13%

Energy

ENERGY CONSUMPTION INSIDE THE ORGANIZATION (KWH) 302-1							
Month	Tecon Santos	Tecon/TCG Imbituba	Tecon Vila do Conde	CLIA SANTOS	CLIA GUARUJÁ	CD São Bernardo	TTR
January	2,817,092.00	58,247.00	188,011.14	250,649.00	33,232.20	94,469.93	22.154,80
February	2,734,028.00	55,245.00	250,029.75	227,094.00	32,954.40	85,727.08	21.969,60
March	2,745,797.00	51,867.00	242,916.06	224,491.00	34,626.60	95,258.77	23.084,40
April	2,428,766.00	50,962.00	224,978.16	191,951.00	29,999.40	76,518.00	19.999,60
May	2,235,335.00	50,436.00	229,332.32	189,925.00	31,665.60	85,944.94	21.110,40
June	2,203,834.56	108,827.00	270,679.09	202,339.00	29,829.60	87,700.20	19.886,40
July	2,241,306.48	112,086.00	252,290.05	187,897.50	32,767.80	80,140.10	21.845,20
August	2,154,599.12	36,424.00	317,022.22	182,812.00	30,615.00	88,046.20	20.410,00
September	2,160,569.28	62,326.00	363,213.98	237,811.00	32,323.20	85,370.00	21.548,80
October	2,375,078.00	74,093.00	218,674.59	204,749.26	36,346.80	82,019.90	24.231,20
November	2,153,325.08	120,130.00	300.344.49	203,594.86	34,050.60	83,258.00	22.700,40
December	2,267,488.76	175,838.00	*	220,130.34	34,332.00	75,482.00	22.888,00
Total	28,517,219.28	956,481.00	2,857,491.85	2,523,443.96	392,743.20	1,019,935.12	261.828,80

*Until the closing of the report, the exact energy consumption figures for December had not been made available by CDP

ENERGETIC INTENSITY 302-3									
		Tecon Santos	Tecon/TCG Imbituba	Tecon Vila do Conde	CLIA Santos	CLIA Guarujá	TTR	CD São Bernardo	CD São Paulo
2016	kWh	30,541,584.83	619,785.00	2,446,958.03	2,083,644.00	572,538.50	381,692.38	1,081,918.90	402,862.58
	kWh/TEU	1.77	1.81	1.91	3.65	3.94	0.005	0.48	0.96
2017	kWh	28,517,219.28	956,481.00	2,857,491.85	2,523,443.96	392,743.20	261,828.80	1,019,935.12	-
	kWh/TEU	2.01	2.01	2.35	3.16	4.55	-	-	-
	kWh/Pallet	-	-	-	-	-	-	0.34	-
	kWh/km	-	-	-	-	-	0.004	-	-

ENERGY CONSUMPTION DISTRIBUTION – TECON SANTOS 302-5

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Equipment (portainers)	386,170.00	384,185.00	378,175.00	371,980.00	347,985.00	333,290.00	342,355.00	341,690.00	354,435.00	392,970.00	343,775.00	365,215.00
Reefer Containers	2,129,700.00	1,993,619.50	2,105,976.00	1,762,936.00	1,536,732.00	1,544,184.00	1,585,615.50	1,540,782.00	1,465,371.00	1,628,286.00	1,537,214.00	1,622,208.00
Facilities	301,221.71	356,224.37	261,646.00	293,848.00	350,618.00	326,360.56	313,335.98	272,127.12	340,763.28	357,230.99	272,336.88	280,065.76
Total	2,817,091.71	2,734,028.87	2,745,797.00	2,428,764.00	2,235,335.00	2,203,834.56	2,241,306.48	2,154,599.12	2,160,569.28	2,378,486.99	2,153,325.88	2,267,488.76

In order to identify the largest energy consumption sources at Tecon Santos, work was carried out by the Utility Maintenance area, thanks to which it is possible to map the business unit's energy consumption. With this pioneering action, it is possible to identify the largest sources and study energy solutions for reducing energy consumption.

Content Summary – GRI Standards 102-55

GRI 102: GENERAL CONTENT, 2017				
	Page/Answer	Omission	Global Pact	Sustainable development goals
Organizational Profile				
102-1: Organization Name	Santos Brasil Participações S/A			
102-2: Main activities, brands, products and services	9			
102-3: Organization headquarters location	9			
102-4: Operation locations	9			
102-5: Controlling shareholder and the organization's legal type	9			
102-6: Markets the organization operates in	9			
102-7: Organization size	6			
102-8: Information on employees and other workers	50			8
102-9: Organization's supply chain	38	Due to the restructuring of the Supplies area and the re-discussion of the sector's strategy, this year we did not report the quantity and detail of the supply chain by category.		
102-10: Significant change in the organization or in its supply chain	No significant change			
102-11: Precaution approach or principle	18			
102-12: Externally implemented Initiatives	17			
102-13: Participation in associations	17			
Strategy				
102-14: CEO statement	3			16
102-15: Main impacts, risks & opportunities	3, 15 and 22			16

	Page/Answer	Omission	Global Pact	Sustainable development goals
Ethics & Integrity				
102-16: Values, principles, standards and behavior norms	10 and 36		10	16
102-17: Counselling mechanisms and concerns about ethics	16 and 20		10	16
Governance				
102-18: Governance structure	17			
102-19: Delegation of authority	The powers to decide on economic, environmental or social matters are defined by the Bylaws. The Board shall periodically review management reports with operational and financial information.			
102-20: Executive level responsible for economic, environmental and social themes	17 C-level			
102-21: Consult with stakeholders on economic, environmental and social themes	We receive suggestions from our stakeholders in our channels throughout the year. Several issues are considered, including those with economic, environmental and social impact.			16
102-22: Structure of the highest governance body and its committees	17			5 / 16
102-23: President of the highest governance body	17			16
102-24: Appointing and recruiting for the highest governance body	17			5 / 16
102-25: Conflicts of interest	16		10	16
102-26: Role of the highest governance body in defining purpose, values and strategy	17			
102-27: Collective knowledge of the highest governance body	–	Confidential information		4
102-28: Assessment of the performance of the members of the highest governance body	The final amount of the executives' variable remuneration is the result of a Business Plan including Company Goals (EBITDA/EVA), Team Goals (shared) and Individual Goals (by project/performance).			
102-29: Identification and management of economic, environmental and social impacts	17 The economic, environmental and social impacts are identified and monitored in our main committees, such as the Sustainability Committee.			16

	Page/Answer	Omission	Global Pact	Sustainable development goals
102-30: Efficacy of the risk management processes	18			
102-31: Reviewing economic, environmental and social themes	The economic, environmental and social themes are reviewed annually and included in the Company routine via the management calendar and periodic meetings held at all levels.			
102-32: Role of the highest governance body in the sustainability report	The Sustainability Report is approved by the Company's main executives on the Sustainability Committee.			
102-33: Communicating critical issues	16		10	
102-34: Type and total number of critical issues	16			
102-35: Remuneration policies	17 The Board of Directors has a fixed compensation unrelated to social and environmental performance. For the executives, the remuneration includes a monthly salary (13th salary + leave) and Short-Term Incentives (bonuses). Bonus targets are related to financial performance and are composed of EBITDA and EVA.			
102-36: Process adopted for establishing remuneration	For directors, annual or biannual surveys are made through specific consultancies for assessing the compensation's position compared to the market. The variable remuneration model for executives is defined by the People and Management area together with statutory directors. The remuneration model of the Statutory Board of Executive Officers is defined by the Board of Directors.			
102-37: Stakeholder engagement in remuneration	This type of analysis is not performed.			16
102-38: Reasons for total annual remuneration	This type of analysis is not performed.			
Stakeholder engagement				
102-39: Reasons for total annual remuneration in percentage	This type of analysis is not performed.			
102-40: List of stakeholder groups	46			
102-41: Collective negotiation agreements	Collective negotiation agreements apply to 100% of our employees.			8
102-42: Identifying stakeholders	46			
102-43: Organization's adopted approach for engaging stakeholders	46			
102-44: Main topics and concerns raised	46			

	Page/Answer	Omission	Global Pact	Sustainable development goals
Reporting practices				
102-45: Entities included in the consolidated financial statements	7		10	
102-46: Definition of the content of the report and limitations to material themes	7			
102-47: List of material themes	7			
102-48: Information reformulation	7			
102-49: Changes in the report	7			
102-50: Report period	7			
102-51: Date of latest previous report	7			
102-52: Reporting cycle of the report	7			
102-53: Contact person for questions about the report	7			
102-54: Report approach according to GRI standards	59			
102-55: GRI summary	7	In 2017, we only audited the financial data in this report. The social and environmental indicators were verified in the previous cycle and reformulated according to the guidelines presented by the auditors.		
102-56: External assurance	7			
103-1: Explanation of materiality and its limitations	7			
SPECIFIC CONTENT				
GRI 201: Economic performance, 2017				
GRI 103: Management approach, 2017				
103-2: Management and its components' approach				1, 8 and 16
103-3: Assessment of the management approach				
201-1: Direct generated and distributed economic value	47			2, 5, 7, 8 and 9
201-2: Financial implications and other risks & opportunities related to climate change	19	Financial implications are not calculated.		13

	Page/Answer	Omission	Global Pact	Sustainable development goals
201-3: Coverage of obligations under the benefit pension plan defined in the organization and other retirement plans	Tecon Santos employees have at their disposal a Private Pension Plan of BrasilPrev, offered in the modes: Group I, for those with a salary equal to or greater than R\$ 3,510.25, where we contribute 2.5% and employees contribute 2.5%; and Group II, for those who have incomes lower than R\$ 3,510.25, in which there is no monthly contribution, but a redemption equivalent to three monthly wages in the event of dismissal due to retirement, in compliance with the eligibility rules			
201-4: Financial assistance from the government	We had no financial assistance from the government in 2017.			
GRI 202: Market presence, 2017				
GRI 103: Management approach, 2017				
103-2: Type of management and its components	36			5 / 8
103-3: Assessment of management type	36			5 / 8
202-1: Variation of the lowest wage proportion, separated by gender, compared to the local minimum wage	36		6	5 / 8
202-2: Proportion of senior management members hired in the local community	Not a material theme		6	5 / 8
GRI 203: Direct economic impacts, 2017				
GRI 103: Management approach, 2017				
103-2: Type of management and its components	30 and 36			
103-3: Assessment of management type	30 and 36			
203-1: Investment in infrastructure and offered services	15			1, 4, 8 and 16
203-2: Significant indirect economic impacts	22 and 39			1, 2, 3, 8, 10 and 17
GRI 204: Procurement practices, 2017				
GRI 103: Management approach, 2017				
103-2: Type of management and its components	38			8 and 12
103-3: Assessment of management type	38			8 and 12
204-1: Proportion of spending on local suppliers*	38	Due to the restructuring of the Supplies area and the re-discussion of the sector strategy, this year we did not present the proportion of spending on local suppliers.		8 and 12

*Local suppliers are located in Santos Brasil Participações' operating area, considering the Baixada Santista region; the São Bernardo do Campo DC (plus ten kilometers encompassing the municipalities of Osasco, Santo André, São Bernardo do Campo, São Paulo, Guaratinguetá, Diadema and Riacho Grande); Clia Santos and Clia Guarujá (including Baixada Santista); TEV (considering Baixada Santista); Tecon Vila do Conde (considering the State of Pará); Tecon Imbituba (State of Santa Catarina).

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 205: Anti-corruption, 2017				
GRI 103: Management approach, 2017				
103-2: Type of management and its components	16		10	10 and 16
103-3: Assessment of management type	16		10	10 and 16
205-1: Operations assessed for risks related to corruption	We do not perform that type of analysis.		10	
	36			10 and 16
205-3: Confirmed cases of corruption and measures taken	Through our Confidential Portal, in 2017 we received a total of 202 messages, 58.91% of which were denunciations; 32.18% were complaints and 8.91% were suggestions. After verification, no confirmed cases of corruption were found.		10	10 and 16
GRI 206: Unfair competition, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	16			16
103-3: Assessment of management type	16			16
206-1: Legal actions for unfair competition, antitrust and monopoly practices	Not recorded.		10	16
GRI 302: Energy, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	43			7, 9 and 13
103-3: Assessment of management type			7, 8 and 9	7, 9 and 13
Energy consumption inside the organization	57			
302-2: Energy consumption outside the organization	We do not monitor energy consumption outside our organization		7, 8 and 9	7, 9 and 13
302-3: Energetic intensity	57		7, 8 and 9	7, 9 and 13
302-4: Energy consumption reduction	43		7, 8 and 9	7, 9 and 13
302-5: Reduction in energy requirements for products and services	We follow all the requirements made by the GHG Protocol and the guidelines of our Sustainability Policy, seeking new alternatives for energy reduction. We began our first carbon footprint study in 2017, in partnership with the Fundação Getulio Vargas (FGV), which will help us map critical points in our main service, including the amount of energy consumption.		7, 8 and 9	7, 9 and 13

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 303: Water, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	43			
103-3: Assessment of management type	43			
303-1: Total water withdrawal per source	55		7, 8 and 9	6
303-2: Water sources significantly affected by water withdrawal	55		7, 8 and 9	6
303-3: Recycled and reused water	43		7, 8 and 9	6, 8 and 12
GRI 304: Biodiversity, 2017				
GRI 103: Management Approach, 2017				
304-1: Own, leased or managed operating units within or adjacent to protected areas and areas of high biodiversity value outside protected areas	Not a material theme.		7, 8 and 9	
304-2: Description of significant impacts of activities, products and services on biodiversity	We are a logistics company and our main measured, managed and treated environmental impacts are linked to CO2 emissions, waste generation and the release of treated effluents in water bodies.			6, 14 and 15
GRI 305: Emissions, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	42			3, 7, 9, 12, 13, 14 and 15
103-3: Assessment of management type	42			3, 7, 9, 12, 13, 14 and 15
305-1: Direct greenhouse gas emissions – Scope 1	54		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
305-2: Indirect greenhouse gas emissions – Scope 2	54		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
305-3: Other indirect greenhouse gas emissions – Scope 3	We do not publish Scope 3 emissions.		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
305-4: Intensity of greenhouse gas emissions	54		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
305-5: Reduction of greenhouse gas emissions	42		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15

	Page/Answer	Omission	Global Pact	Sustainable development goals
305-6: Emissions of substances that deplete the ozone layer	Not applicable. Emissions of ozone-depleting substances (ODS) are not significant.		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
305-7: Emissions of NOx, SOx and other significant atmospheric emissions	Not applicable. We have no significant emissions of NOx and SOx.		7, 8 and 9	3, 7, 9, 12, 13, 14 and 15
GRI 306: Effluents & residues, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	43			3, 6, 11 and 12
103-3: Assessment of management type	43			3, 6, 11 and 12
306-1: Total disposal of water, separated by quality and destination	Sanitary effluents generated in the Tecon Imbituba and Logistics units, except CLIA Santos, are placed in septic tanks for later shipment to regional treatment units. At the Tecon Vila do Conde unit, all sanitary effluents are treated by Companhia Docas do Pará (CDP), through its own system. All industrial effluents generated in machinery/ equipment maintenance and washing are segregated in the Water and Oil Separation Systems (ODS), in which the oily residue is collected and sent to be re-refined. Periodically the wastewater (treated effluent) is analyzed by an accredited and certified laboratory.		7 and 8	3, 6, 11 and 12
306-2: Total weight of residues, separated by type and disposal method	56		7 and 8	3, 6, 11 and 12
306-3: Significant leakages	We had no significant records of leakage in our activities.		7 and 8	3, 6, 11 and 12
306-4: Transportation of dangerous residues	Hazardous waste transportation activities in our business units are done by suitably qualified third-party companies, in accordance with our Supplier Qualification Manual and current legal requirements.		7 and 8	3, 6, 11 and 12

	Page/Answer	Omission	Global Pact	Sustainable development goals
306-5: Water bodies significantly affected by water discharge and/or drainage	The Tecon Santos unit has two effluent treatment systems, one of which is a Biological ETE for treating sanitary effluents with a of 140 cu.m/day capacity, in addition to a system for reusing water from its treatment with a 60 cu.m storage capacity, which is used for general activities such as floor cleaning and gardening. The aim of the Physical-Chemical ETE is to treat the industrial effluents generated in the machinery maintenance and washing o processes, with a 10 cu.m./day treatment capacity. All the oily effluent generated during the washing process is sent to treatment at the physicochemical station, where the oil that will be destined to re refining takes place. The water resulting from the treatment process is reused for washing equipment and for the maintenance area toilet flushing. In 2017, the Biological Effluent Treatment Station at CLIA Santos was implemented for treating all generated sanitary effluents.		7 and 8	3, 6, 11 and 12
GRI 307: Environmental compliance, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	São realizadas auditorias internas de requisitos legais ambientais conforme procedimentos internos, bem como auditoria ambiental Conama 306 nas unidades Tecon Santos, Tecon Vila do Conde e Tecon Imbituba. Os relatórios das auditorias Conama 306 são enviados aos órgãos ambientais e às administradoras portuárias regionais.			
103-3: Assessment of management type				
307-1: Non-compliance with environmental legislation and regulations		7 and 8		
GRI 308: Environmental assessment of suppliers, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	38			
103-3: Assessment of management type	38			
308-1: New suppliers selected based on environmental criteria	38		7 and 8	
308-2: Significant negative environmental impacts in the supply chain and measures taken	We do not perform that analysis.		7 and 8	

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 401: Employment, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	36			
103-3: Assessment of management type	36			
New employee hiring and turnover	51 and 52			8
401-2: Benefits granted to full-time employees that are not offered to temporary or part-time employees	36		1 and 2	8 and 10
401-3: Maternity/Paternity leave	Our people management policies aim to ensure employee well-being and retention. In the year, we recorded 15 maternity leaves, with four dismissals in the 12 months after returning.		1, 2 and 6	5, 8 and 10
GRI 402: Labor relations, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	33 and 34			
103-3: Assessment of management type	33 and 34			
402-1: Minimum notice period during organizational changes	There were no significant changes in 2017, only the cancellation of the Clia Santos contracted bus service, but employees were notified one month in advance and they started receiving transportation allowance as an additional benefit.		1 and 2	8
GRI 403: Occupational health & safety, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	33			3 and 8
103-3: Assessment of management type	33			3 and 8
403-1: Worker representativity in formal health and safety committees	100%		6	3 and 8
403-2: Types and rates of injuries, occupational diseases, days lost, absenteeism and number of work-related deaths	48 e 49		1 and 2	3 and 8
403-3: Employees with high incidence or high risk of diseases related to their occupation	48 e 49		1 and 2	3 and 8
403-4: Health and safety topics covered by formal agreements with trade unions	36		1, 2 and 3	3 and 8

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 404: Training & Education, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	36			4, 5 and 8
103-3: Assessment of management type	36			4, 5 and 8
404-1: Average number of training hours per year per employee	53			4, 5 and 8
404-2: Employee knowledge improvement programs and career transition programs	36 The Company invested R\$ 69,806.51 in training programs. There is currently no structured career transition program.			4, 5 and 8
404-3: Percentage of employees who regularly receive performance reviews and career development	53			4, 5 and 8
GRI 405: Diversity and equal opportunities, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	36			5, 8 and 10
103-3: Assessment of management type	36			5, 8 and 10
405-1: Diversity of groups responsible for governance and among employees	33% of the Board members are women. Indicated in the Annexes with the answers to indicators 102-8 and 401-1 (for employees).		6	5, 8 and 10
405-2: Mathematical ratio for minimum wage and remuneration between women and men	We do not perform this type of calculation.		6	5, 8 and 10
GRI 406: Non-discrimination, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	36			5, 8, 10 and 16
103-3: Assessment of management type	36			5, 8, 10 and 16
406-1: Discrimination incidents and corrective measures taken	No cases in 2017.		6	5, 8, 10 and 16
GRI 407: Freedom of association and collective negotiation, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	17			8, 10, 16 and 17
103-3: Assessment of management type	17			8, 10, 16 and 17
407-1: Operations and suppliers identified in which the right to exercise freedom of association and collective negotiation may be violated	No operations or suppliers were identified under these conditions.		3	8, 10, 16 and 17

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 408: Child labor, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	20			8 and 16
103-3: Assessment of management type	20			8 and 16
408-1: Operations and suppliers identified as at risk of child labor cases.	There is no such risk in our operations. In the case of suppliers, despite the low risk, as of 2017 we demand commitment to this issue through the signing of a commitment.		1 and 2	8 and 16
GRI 409: Forced labor or analog to slavery, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	20			8 and 16
103-3: Assessment of management type	20			8 and 16
409-1: Operations and suppliers identified as at significant risk of cases of forced or slave labor	There is no such risk in our operations. In the case of suppliers, despite the low risk, as of 2017 we demand commitment to this issue through the signing of a commitment.		1 and 2	8 and 16
GRI 410: Safety practices, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	33			
103-3: Assessment of management type	33			
410-1: Security personnel who have received training in the organization's human rights policies or procedures	36		1 and 2	8, 10 and 16
GRI 411: Rights of indigenous and traditional people, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	20			
103-3: Assessment of management type	20			
411-1: Cases of violation of rights of indigenous and traditional people	There is no record of cases of violation of the rights of indigenous and traditional people.		1 and 2	

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 412: Assessment of human rights, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	20			8, 10 and 16
103-3: Assessment of management type	20			8, 10 and 16
412-1: Operations that have been subject to human rights reviews or impact assessments	That type of analysis is not performed.		1 and 2	8, 10 and 16
412-2: Employee training in policies and procedures related to human rights	100% of the employees were summoned for online training in the Human Rights Policy launched in December 2016 and implemented in 2017.		1 and 2	8, 10 and 16
412-3: Significant investment agreements and contracts that include human rights clauses or have been subject to human rights assessment	100% of our Service Contracts.		1 and 2	8, 10 and 16
GRI 413: Local communities, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	39			1, 2, 4, 10, 11, 16 and 17
103-3: Assessment of management type	39			1, 2, 4, 10, 11, 16 and 17
413-1: Operations with Implemented programs for local community engagement, impact assessment and local development		Social programs take place in 100% of surrounding communities, but engagement and impact assessment are not done fully in all of them.		1, 2, 4, 10, 11, 16 and 17
413-2: Operations with actual and potential significant negative impacts on local communities	We seek to mitigate possible negative effects through actions aligned with our Sustainability and Private Social Investment Policies - focused on local development and social inclusion, primarily through education.	The last diagnosis of actual and potential impacts on local communities was carried out in 2013 and 2014. The Company is committed to updating its diagnoses, starting with the region where its largest operation is located, in Guarujá.		1, 2, 4, 10, 11, 16 and 17
GRI 414: Social assessment of suppliers, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	38			
103-3: Assessment of management type	38			
414-1: New suppliers that were selected based on social criteria	38		1 and 2	8, 10 and 11
414-2: Negative social impacts on the supply chain and action taken	That type of analysis is not performed.		1 and 2	8, 10 and 11

	Page/Answer	Omission	Global Pact	Sustainable development goals
GRI 415: Public policies, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	17			
103-3: Assessment of management type	17			
415-1: Contributions to political parties	We do not contribute do political parties or politicians.		10	16
GRI 416: Client health and safety, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	33			
103-3: Assessment of management type	33			
416-1: Assessment of health and safety impacts of the product and service categories on clients	All our activities and services have risk analysis indicating possible deviations and the necessary mitigating and emergency measures.			
416-2: Cases of non-compliance with health and safety impacts of products and services on clients	We are not product manufacturers and our services do not impact the health and safety of society.			
GRI 418: Client privacy, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	19			
103-3: Assessment of management type	19			
418-1: Proven complaints regarding violation of privacy and loss of client data	We recorded no complaints for breach of privacy or loss of client data			16
GRI 419: Social and economic compliance, 2017				
GRI 103: Management Approach, 2017				
103-2: Type of management and its components	16			
103-3: Assessment of management type	16			
419-1: Non-compliance with legislation and regulations in the economic and social areas	No cases were recorded in the year.			

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Investor Relations

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KMZ Conteúdo

Graphic design and Text formatting

Márcia Godoy

