



tcp

terminal de  
contêineres  
de paranaguá

 **CMP**Port  
招商港口

sustainability  
report  
2021

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# CEO letter [102-14]

It is with great satisfaction that we disclose the Annual Sustainability Report for the Paranaguá Container Terminal, 2021! This is a very special moment for us and represents a major step forward on the road to sustainability and the dissemination of our results to the market.

We are strongly committed to sustainability, guiding our actions for the last five years in accordance with the Sustainable Development Goals (SDGs) established by the UN. As an example of this commitment, in 2021, we conducted the first inventory of greenhouse gas emissions at the Terminal, with the aim of preparing a plan focused on managing and reducing carbon in relation to our process.

Through the Environmental Agenda, which forms part of our Environmental Management System, we publicize the company's actions vis-à-vis our employees, clients, and suppliers, as well as the entire community, especially that of Paranaguá. The main guidelines that we follow in this Agenda are: to support a preventive approach to environmental challenges, to carry out initiatives to increase socio-environmental responsibility and, finally, to encourage the development and dissemination of technologies that do not harm the environment. With more than 60 social and environmental projects, we are committed to complying with requirements related to the impacts of our activity.

With the aim of perfecting our strategy according to ESG (Environmental, Social and Governance) criteria, in 2021 we established our first Materiality Matrix. The material topics defined in this Matrix reinforce the commitment to performing our services with a focus on protecting the environment and biodiversity, valuing and ensuring employee safety, supporting local communities, ethics and transparency in business, as well as the company's economic and financial development.

We recognize the unity and effort of each employee in 2021, ensuring TCP continues to be a pioneer in its innovations and processes. An important milestone of this pioneering spirit was seeing TCP enter the category of container terminals that handle more than one million TEUs!

2021 was also a year marked by major challenges and losses arising from the COVID-19 pandemic. We value our employees and strictly adhere to the "Safety First" principle. Employee health and safety are a priority at TCP and all our decisions were guided by this principle to ensure the routine activities of business and operations.

It is with exceptional commitment, dedication, and loyalty that we created today's TCP, described in this report. And, with our strength and passion for the results of our work, we will continue to write new chapters of success for the terminal.

We hope you all enjoy reading our first Sustainability Report!



**James Cao**  
CEO\* of TCP

\*Current CEO (2022)  
and \*Former COO (2021)

# About the report

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GRI Summary

This is TCP's **first annual Sustainability Report**, highlighting the company's interest in reporting ESG - Environmental, Social, and Governance - issues responsibly and transparently for stakeholders in its business. [102-52]

Prepared in accordance with the GRI (Global Reporting Initiative) Standards: Essential option, which is the most widely-used Standard in the world for sustainability reporting, this document presents the most important aspects of TCP's operations for the year 2021. [102-50] [102-54]

In order to ensure transparency in the disclosure and accuracy of the information provided, the content reported was assessed by TCP's Sustainability team and Executive Board. [102-56]

## Our stakeholders

The **interest groups of TCP are shareholders, shipowners, customers, employees, the community of Paranaguá, suppliers, regulatory bodies, and Municipal Departments**. Stakeholder engagement is carried out through reports, surveys, meetings, project implementation, and other activities, according to the interest groups, including: [102-40]

- **Shareholders: quarterly audit and internal controls reports, CMP Report;**
- **Customers: NPS (Net Promoter Score) Survey, gatherings, meetings, and attendance at fairs and symposiums;**
- **Employees: climate surveys, Health and Safety Dialogues, press releases, and internal actions;**
- **Community: social responsibility projects with economic and financial impact, logistics, and travel;**
- **Suppliers: according to the ABC classification curve;**
- **Intervening Bodies and authorities: regular schedules for approach in order to understand TCP's actions and improve external perception.**

Regarding engagement with customers, for example, in the case of the **NPS Survey**, customers who reported poor experiences with the company (detractors) were contacted directly to understand better the dissatisfaction, and, then, a robust and personalized action plan was structured to address the main complaints, with such actions followed up at the monthly alignment meetings between the departments.

An example of the approach to gatherings and meetings in 2021 is TCP's presentation to Paraguayan customers, held in Asunción in partnership with Brado Logística e Ferroeste. An example of attendance at fairs and symposiums is a webinar by the Fiep (Federation of Industries of the State of Paraná) System on the potential for handling cargo in the State, which was introduced by the then Minister of Infrastructure, Mr. Tarcísio Freitas. [102-43]

The forms of engagement are described in detail in Chapter 5, section a is on employees, and section b is on the community.

For further information or any questions regarding this publication's content, please contact TCP at **ambiental.institucional@tcp.com.br** or by means of the *Fale Conosco* section on the TCP website. [102-53]



## Selection of material topics

Material topics represent the most relevant points in the company for its strategic direction focusing on sustainability. To select and assess which topics will be addressed in 2021, the main internal and external interest groups were consulted. The stakeholders selected - employees, leaders, officers, customers, suppliers, shipowners, regulatory bodies, Municipal Departments, and the community of Paranaguá - were those stakeholders with the greatest potential to affect the business and whose relationship with TCP enables a significant contribution to the process of establishing the management priorities. [102-40] [102-42]

With the assistance of the consulting company Green Domus Desenvolvimento Sustentável, two processes were conducted to identify the most relevant topics: [102-43]

- **Remote and individual interviews with the company's leadership (Chief Operating Officer and nine leaders);**
- **Online consultation with employees, customers, suppliers, shipowners, regulatory agencies, Municipal Departments, and the community of Paranaguá.**

The information collected was analyzed separately, ensuring the individualized interpretation of each component axis of the materiality matrix, depending on the influence and significance of the groups and the relevance of the material topic for the organizational strategy. [102-46]

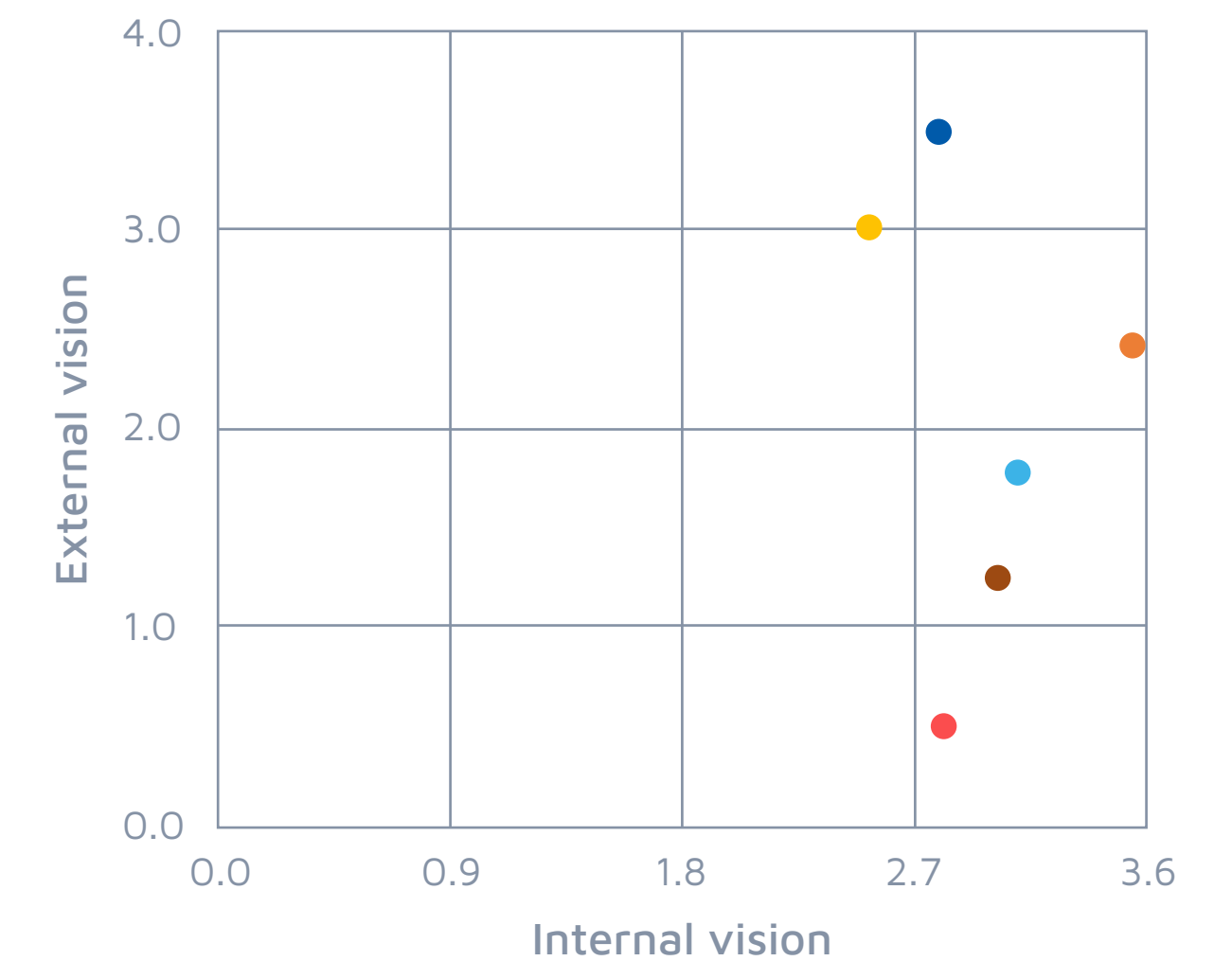


Paranaguá Bay

The methodology used to prioritize the topics discussed during the engagement used objective analyses that resulted in a **Materiality Matrix** that is impartial and representative of what is expected from the management of sustainability issues and ensured stakeholders' needs were included in the consolidation of the list of material topics. [102-46]

The Materiality Matrix resulting from this process is presented below, encompassing each material topic in its priority order and the corresponding GRI indicators. The horizontal axis demonstrates the topics' level of relevance for the internal audience of TCP, and the vertical axis demonstrates the level of relevance for external stakeholders. Thus, the topics of greatest relevance to the internal audience are in the quadrants on the right, as opposed to those representing the external stakeholders, which are in the highest quadrants of the chart. [102-44] [102-47]

| MATERIAL TOPIC   | RELATED INDICATORS – GRI STANDARDS                                      |
|--|---|
| Ensuring the health, safety, and well-being of employees                               | 401-1 401-2 401-3 403-6 403-8 404-1 404-2 404-3                         |
| Ethical conduct, integrity, compliance, and governance in business                     | Series 102 202-1 307-1  |
| Economic and financial performance   | 102-45 201-1 207-2  |
| Impact of operations on the ecosystem and biodiversity, water, and effluent management | 302-1 303-1 303-2 303-3 303-4 303-5 304-2 306-1 306-2 306-3 306-4 306-5 |
| Support to the local communities   | 413-1 413-2 203-1 203-2   |
| Climate change: GHG Emissions and Energy consumption                                   | 305-1 305-2 305-3   |



- Ensuring the Health, Safety, and Well-being of employees
- Ethical conduct, Integrity, Compliance, and Governance in Business
- Impact of operations on the ecosystem and biodiversity
- Support to local communities
- Climate change: GHG Emissions and Energy consumption
- Economic and financial performance

# About TCP

TCP – Terminal de Contêineres de Paranaguá S.A. – is a publicly-held corporation registered in category B of the Brazilian Securities and Exchange Commission (CVM), whose main business purpose is, essentially, the exploration of port cargo handling and storage activities, especially cargo packed in containers. The company is controlled by China Merchants Port Holding Company (CMPort), the largest and most competitive developer, investor, and operator of public ports in China. [102-1] [102-5]

The company’s head office is located on Avenida Portuária de Paranaguá S/N, in the municipality of Paranaguá (PR (State of Paraná)), it operates in such municipality and in Ortigueira, located in the countryside of the State, carrying out activities in the logistics and infrastructure segments, operating ships, trains, trucks, cargo storage, and customized logistics products. Currently, the main customers are importers and exporters, logistics operators, shipowners, railway companies, and carriers. [102-2] [102-3] [102-4] [102-6]

Since 1998, when the lease agreement was executed with Portos do Paraná (formerly known as APPA - Administração dos Portos de Paranaguá e Antonina (Administration of Paranaguá and Antonina Ports)), the company holds the rights to explore port activities for the handling of containers in Paranaguá. Today, TCP is recognized as one of the main container terminals of Latin America, standing out for its infrastructure and efficiency. In 2021, came a significant change in the management of the company. [102-10]



Aerial view of TCP

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TCP has more than 800 suppliers, divided into suppliers of inputs, such as gas and diesel, inventory, and services replacement parts. In 2021, approximately 6,388,448 liters of Diesel S-500 were consumed, amounting to R\$ 26,840,000, supplied by Raizen Combustíveis S.A, located on Rodovia BR 476 km 15. For inventory replacement, we have three main suppliers, namely: Comercial Elétrica Sênior LTDA - ME, Equipartes Soluções Portuárias e Industriais LTDA, and Fermat Distribuidora de Ferragens e Ferramentas LTDA, which, combined, amount to more than 2,000 purchase orders, totaling approximately R\$ 4,290,000. [102-9]

Sustainability is an extremely important topic for TCP, which constantly strives to impact its business and surrounding communities positively. Therefore, it is firmly committed to the **Sustainable Development Goals (SDGs) of the Global Compact** proposed by the United Nations (UN), to which it adhered in 2016. [102-12]

In this context, the company has an **Environmental Management System (EMS)** implemented according to NBR ISO 14.001 Standard, a certification obtained in 2004. Additionally, TCP has held ISO 9.001 since

2003 concerning the company's Quality Management System. All environmental aspects and their respective impacts are mapped to either prevent or mitigate possible situations related to them, thus ensuring that the management of the Terminal is in accordance with the company's environmental policy, maintaining the utmost respect for the environment. [102-11]

The company follows sustainable development best practices and strategy by **membership of associations and entities in the industry**, as listed below: [102-13]

- ABTP: Associação Brasileira de Terminais Portuários (Brazilian Association of Port Terminals)
- SINDOP: Sindicato dos Operadores Portuários do Estado do Paraná (Union of Port Operators of the State of Paraná)
- ACIAP: Associação Comercial, Industrial e Agrícola de Paranaguá (Paranaguá Commercial, Industrial and Agricultural Association)
- ABRATEC: Associação Brasileira de Terminais de Contêineres (Brazilian Association of Container Terminals)

## KBT railway terminal

TCP launched the KBT railway terminal, which emerged after accomplishing the expansion project of the Klabin plant located in Ortigueira/PR (PUMA Project) and the subsequent need to optimize the drainage of pulp and paper manufactured by Klabin in Ortigueira to TCP in Paranaguá.

The main goal, in addition to meeting the increase in production, was to follow the sustainable development trend, resulting in a significant reduction in the emission of pollutants through prioritizing railway transport over road transport, which had been used, until then, to cover the just over 350 km between the plant and the port, also ensuring good service conditions.

Nowadays, the KBT project delivers an average 1,500 full containers per month via the railroad in Paranaguá, and, therefore, the corresponding number of trucks have been taken off the roads. In the KBT, there is also a Depot structure for the repair and maintenance of containers, optimizing their use in Ortigueira, without the need for intermediate transportation in the Municipality of Paranaguá.

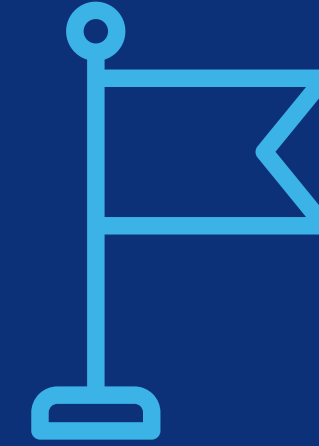




TCP had  
**3,500**  
**customers**  
 at the end of 2021



annual handling  
**1.1 million**  
**TEUs<sup>1</sup>**



net revenue of  
**R\$ 962**  
**million**



**R\$ 355**  
**million total**  
**debts**

[102-7]

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<sup>1</sup> Twenty-foot Equivalent Unit: this is a standard measure used to calculate container volume.

# Ethics, transparency, and governance in business

## Corporate governance

The company is managed by a Board of Directors and an Executive Board.

The **Board of Directors** is composed of up to 10 permanent members, with no alternates, elected by the Shareholders' Meeting for a unified term of office of one year, with reelection being permitted. It has a Chairperson and up to three Vice-Chairpersons, appointed on an annual basis during the first meeting that takes place after such election. The Chairperson and Vice-Chairpersons are not entitled to a casting vote or any other power or authority other than those conferred upon the other Directors and are elected for the same term as the other Directors.

The company does not have a permanent **Audit Committee**, and such a committee is only installed at the request of the shareholders and in accordance with the Law. When installed, it comprises three permanent members and three alternate members, shareholders or otherwise, elected by the Shareholders' Meeting at which their activities are required. The Company does not currently have an Audit Committee installed.

The **Executive Board of TCP** is the company's representative body and is composed of at least three and a maximum of ten Officers residing in the country, elected by the Board of Directors and

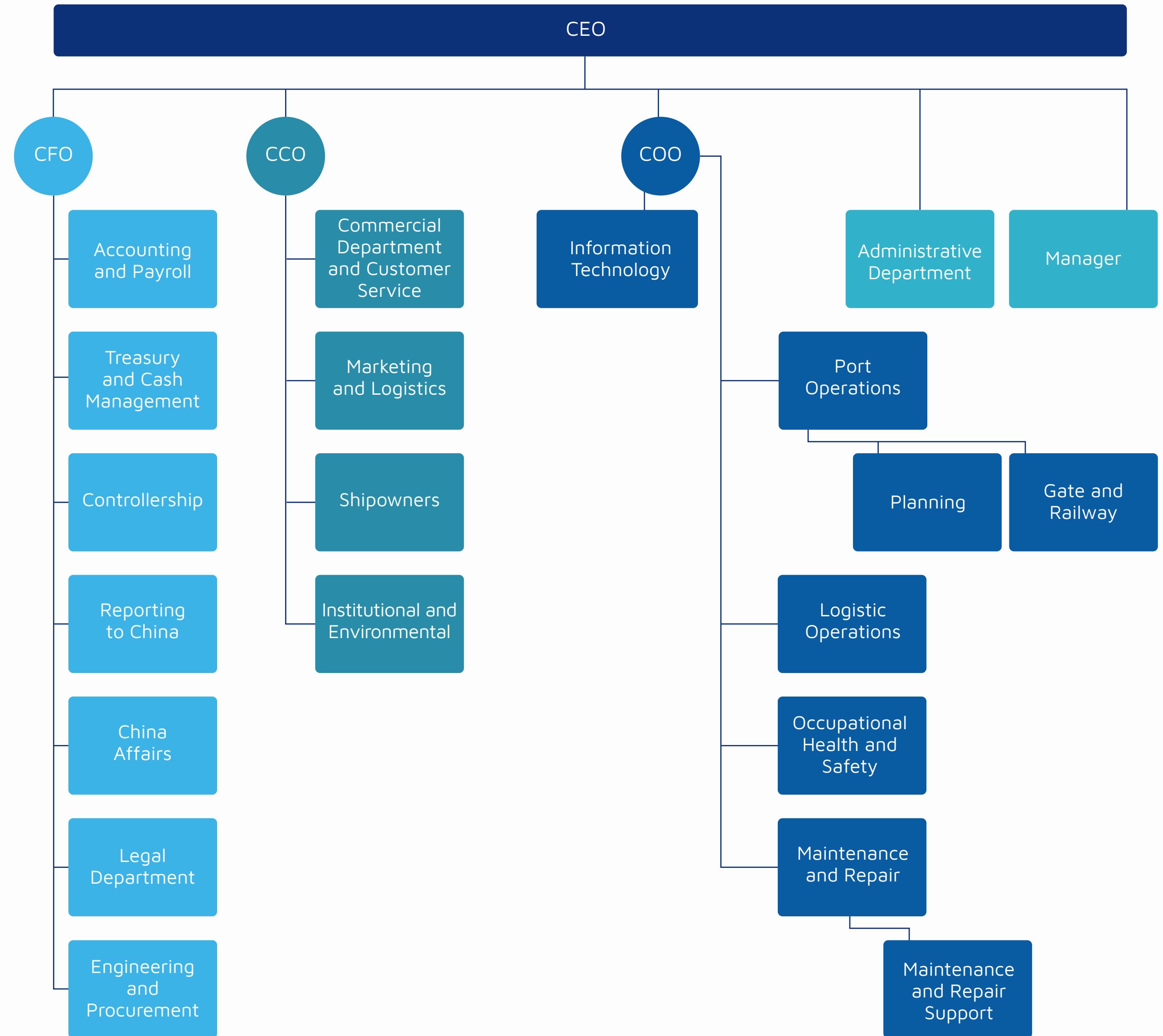
subject to its dismissal at any time for a term of office of one year, with reelection being permitted, with at least: one Chief Executive Officer, one Chief Financial Officer, one Deputy Director-General and Chief Operating Officer; and, while the company is registered as a publicly-held company, one Chief Investor Relations Officer, another Officer may hold such position, by decision of the Board of Directors. The Officers must report on the Company's operations and results to the Board of Directors, and, for such purpose, they must make presentations in which such information and clarifications are provided.



Aerial view of TCP

## Governance structure [102-18]

The Executive Board of TCP does not have its own regulation. It is responsible for **the management of company business in general** and the performance, for such purpose, of all necessary or convenient acts, except for those which, either pursuant to the law or the Articles of Incorporation, are incumbent upon the Shareholders' Meeting or the Board of Directors. In the exercise of their duties, the Officers may perform all operations and all ordinary management acts necessary to achieve the goals of their positions, subject to the provisions of the Articles of Incorporation regarding the form of representation and the scope for the execution of certain acts, and the business general guideline established by the Board of Directors. The Executive Board is also assessed for compliance with the Company's individual and annual goals, determined by the Board of Directors.



# Compliance, ethics, and transparency

## VISION



To be perceived as the best integrated logistics company, with a port base, in the areas of influence in which it operates, being the first choice of employees and customers, generating value for investors.

## VALUES



**Client focus**



**Valuing People**



**Meritocracy**



**Commitment and Attitude**



**Ethics and Transparency**



**Excellence**



**Safe Work**



**Result Oriented**



**Social and Environmental Responsibility**

The Values are the basis for the company to continue constantly evolving and to enable business longevity. The **Code of Conduct** is the main document that reflects the company's desired behaviors and values; it is shared and promoted by all TCP employees and sets forth the rules of conduct and principles that must be implemented by all. The document is constantly adapted to the needs and reality of the company.

Among the Values supported, TCP highlights **Excellence, Valuing of People, Ethics and Transparency, Safe Work, and Respect for Diversity**. These values reflect the guideline that the economic activity must be undertaken sustainably. Compliance with environmental and labor standards is one of the company's main pillars. The company also sponsors and seeks compliance best practices, which maintain structures and policies aimed at having an **ethical and righteous** environment in its activities. <sup>[102-16]</sup>

Thus, compliance with environmental and labor laws and regulations is one of the company's main pillars, aimed at maintaining its operation, providing quality services, good financial performance, and generating results for its shareholders and employees.

## Legal compliance

Legal compliance is an essential tool to guide actions in accordance with the sustainable development goals of the Global Compact, enabling the company to play an active role in achieving the desired scenario by 2030. By striving to ensure that the regulations are observed, the company also strives for a **more ethical and transparent environment**, for a **more prosperous community**, and for the **sustainable local economic development**. [103 | 307]

Legal compliance is part of TCP's daily activities. Many procedures are implemented internally, and procedural organization is essential. In recent years, the company faced external audits with ease, without any non-conformities. In addition, TCP provides an **Ethics Channel** for reporting violations of the Code of Conduct, which may be done anonymously. An outsourced company is responsible for the complaints office to protect the identity of the person making the complaint securely. There were two complaints in 2021, which were duly resolved. [103 | 307]

As a highlight for the year 2021, employees received training regarding compliance in accordance with international standards and directly from the parent company in China.

### TCP's Main Policies

- Code of Conduct
- Policy for Interactions with Public Officials
- Supplier and Client Reputational Analysis Policy
- Gifts and Entertainment Policy
- Anti-Corruption and Anti-Bribery Policy (Compliance Policy)
- Environmental Legislation Policies: Systemic Procedure 4.3.2 Identification and Access to Environmental Legislation and monitoring of the service.

*The company's essential commitments on the subject of legal compliance are the organization, implementation, training, and maintenance of good practices, for all TCP employees, engaging teams to require the same commitment from third parties related to TCP.*

[103 | 307]

Currently, the goal is to obtain ISO 37.001, so in order to comply with it, the company must meet small goals, such as training at least 95% of employees regarding anti-corruption, anti-bribery, and good practices for interacting with public officials. To this end, the contract drafts have been updated to encompass the main topics related to legal compliance. Additionally, the company is investing in software and external consultants to organize our supplier reputational analysis processes.

[103 | 307]

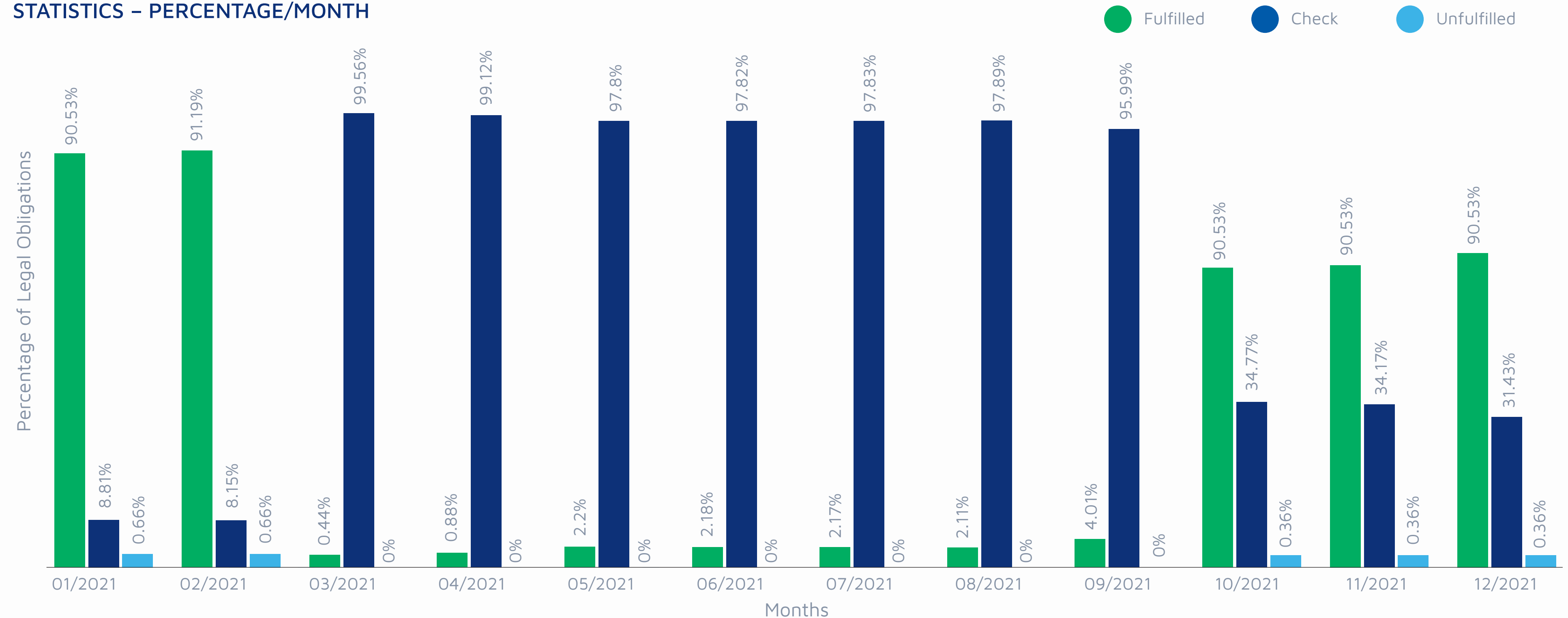
Environmentally, TCP's purpose is to comply with 100% of the legal obligations that apply to the industry and topic. Thus, the company uses the Legal system of the online software *Âmbito*, which lists all laws according to the answers to a questionnaire, identifying which are applicable to the company. In 2021, legal obligations began to be reviewed one by one, as shown in the chart below. [103 | 307]

As TCP holds the ISO 14.001 certificate, constant audits are carried out at the terminal, and the

environmental management system is executed in order to comply with all the legal and regulatory requirements. Thus, events in which there is a notification of non-compliance on the subject are rare.

In 2020, TCP received a fine of R\$151,000.00 administratively imposed by IBAMA as a result of a minor leakage of biodegradable hydraulic oil on the TCP wharf in 2016. There was an appeal at the judicial level, and the proceeding is still under analysis and judgment. [307-1]

STATISTICS – PERCENTAGE/MONTH



# Economic and financial performance

The data contained in this document refer to the **financial statements of TCP - Terminal de Contêineres de Paranaguá S.A.** and the results of the subsidiary TCP Log S.A. are not included [102-45]

The company's **financial strategy** is determined and monitored by the executive board and management, who hold follow-up meetings throughout the plan. The management and budget reports, the business plans, and the alignment with the parent company's guidelines are used as a basis for the meetings to assess the actual performance compared to the plans, make projections, and risk-mitigating actions. [103 | 201] [103 | 207]

Within this strategy, in order to maintain the company's financial health, minimum cash of R\$50 million is maintained, corresponding to the appropriate level of indebtedness assessed using the Net Debt indexes in relation to the adjusted EBITDA and, also, the adjusted EBITDA in relation to the adjusted Financial Result. The company also manages resources on an ongoing basis, with the purpose of reducing service costs and investing in the maintenance and expansion of its assets to guarantee not only sustainability but also business growth. [103 | 201]



Handling of containers on the ship

As a result of the development of new lines of revenue generation, the increase in activities, and the control of costs and expenses, the company experienced an increase in EBITDA over the past few years. There was a period of great contributions at the end of 2019 due to the expansion project, which was considered the largest investment in the port sector for the period. For this purpose, approximately R\$600 million was raised in debentures and other debts with an extended payment term, enabling better cash flow management for the company. [103 | 201]

Regarding gross revenue, in 2021, there was an increase of 28% compared to the same period in 2020, totaling R\$ 1,041 million. As a result of the increase in the volume of total containers and the pass-through of prices, revenues from wharf Operations in 2021 increased by 12.5% in comparison to the same period of the previous year. The revenues from Storage and Others, on the other hand, increased by 43% compared to 2020. The main impact is on revenue related to the storage of containers in the yard, strongly affected by the increase of the average CIF (*Cost, Insurance, and Freight*)<sup>2</sup> of import cargo. [201-1]

<sup>2</sup> Cost, insurance, and freight (CIF) is an international transportation agreement, which concerns the fees attributed for the costs of the asset, transportation, and insurance, which are the seller's responsibility while the product is in transit.

| DIRECT ECONOMIC VALUE GENERATED (IN THOUSANDS OF R\$)     | 2020                  | 2021                    |
|---|-----------------------|-------------------------|
| TOTAL REVENUES  | 813,401               | 1,041,386               |
| DISTRIBUTED ECONOMIC VALUE (IN THOUSANDS OF R\$) [201-1]  |                       |                         |
| OPERATING COSTS   | 291,538               | 328,454                 |
| SALARIES AND BENEFITS OF EMPLOYEES                        | 119,583               | 121,656                 |
| PAYMENTS TO CAPITAL PROVIDERS                             | 524,084               | 679,191                 |
| TAXES, FEES, AND CONTRIBUTIONS                            | 9,344                 | 294,556                 |
| <b>TOTAL</b>  | <b>R\$ 944,549.00</b> | <b>R\$ 1,423,857.00</b> |
| WITHHELD ECONOMIC VALUE (IN THOUSANDS OF R\$) [201-1]     |                       |                         |
| "ECONOMIC VALUE GENERATED" - "DISTRIBUTED ECONOMIC VALUE" | R\$ -131,148.00       | R\$ -382,471.00         |





TCP Yard - reefer area

## Tax

Potential tax opportunities and potential business risks involving taxes are assessed according to the company's fiscal strategy lines. Always relying on the advisory of the partner expert offices, the company assesses all scenarios and implements the necessary actions to avoid, mitigate, and reduce exposures. All tax planning and credit recovery opportunities are based on technical support, with the interpretation of case law and expert advice, for subsequent alignment and internal administrative decision. [103 | 207]

Concerning tax risks, daily monitoring is carried out by the accounting, tax, and legal departments, which monitor and rely on responses to inquiries, statements from managing government agencies, notices, and defenses prepared based on actual data on transactional transactions in the company's ERP system and the respective monitoring reports. Independent audits (B category of the CVM) are carried out on a quarterly basis at TCP, in addition to auditing of the internal controls pursuant to specific instructions received from the Parent Company. [207-2]

The financial statements are prepared and presented by the management of TCP according to the accounting practices adopted in Brazil and, also, the international financial reporting standards (IFRS)

issued by the International Accounting Standards Board (IASB). The management is also responsible for the internal controls to prepare financial statements free of relevant distortion, regardless of whether caused by fraud or error.

When preparing the financial statements, the management of TCP is responsible for assessing its ability to continue operating and disclosing, when applicable, the issues regarding its operational continuity and the use of this accounting basis when preparing the financial statements. [103 | 207]

Provisions are made for all contingencies regarding lawsuits in which there is a likelihood of an outflow of funds for its settlement, and a reasonable estimate can be made. Assessing the likelihood of loss includes assessing the available evidence, the hierarchy of laws, the case law available, the most recent court decisions and their relevance in the legal system, as well as the assessment of external lawyers. The provisions are reviewed and adjusted to consider changes in the circumstances, such as the applicable statute of limitations, findings of tax inspections, or additional exposures identified based on new issues or court decisions. [207-2]

# Commitment to people

## Employee Management and employability

TCP is the **largest employer on the Coast of Paraná** and significantly contributes to the local and national economy. The company's positive impact on job creation is mainly observed in the South Region of the country since 100% of its employees are from that region. As a highlight for 2021, TCP opened a new workplace creating more than 80 jobs. The employees' details presented were extracted from the Protheus payroll system. [102-8] [401-1]

Its strong role in the subject of employability is mainly motivated by business sustainability, social and economic responsibility, strategic planning, new businesses, and commercial plans. The company's commitments and goals are: legal adherence, reduction in turnover, engagement and effectiveness during the trial period, termination research, internal career, development and career of apprentices and interns, training and qualification, and continuous development. [103 | 401]



TCP Employee and family



TCP seeks a fair relationship with its employees based on:

**Compensation Policy**

**Position and Salaries Policy**

**Selection and Internal Opportunities Policy**

**Correct application of the law (Ports Law, Consolidation of Labor Laws, Collective Bargaining Agreement, and Collective Labor Agreement).**

The **functional categories of TCP<sup>3</sup> employees** are divided into:

- **Technicians:** Technician, Specialist, Pharmacist, Occupational Physician, Mechanic, Electrician, Electromechanical Technician;
- **Advisory:** Supplier, Warehouse Worker, Analyst, Timekeeper, Assistant, Tire Repairperson, Dispatcher, Intern, Stevedore, Minor Apprentice, Driver, Machine Operator, Attendant, Welder, Trainee, Vessel Planner, Inspector, Yard Planner;

And the **functional categories of members of the TCP governance bodies** are divided into:

- **Officers:** Officer and Deputy officer;
- **Managers:** Manager, Superintendent;
- **Unit heads:** Coordinator, Leader, Supervisor.

The main initiatives regarding employment carried out by TCP are: training programs in the local community, disclosure of job openings in the internal selection, internship, and young apprentice program, increase in the number of the full operating staff (7th gang), relationship and disclosure of job openings at the labor municipal department and institutions that promote employability, such as the Instituto Nacional do Trabalhador (INAT) and, also, actions involving agents from the communities surrounding the terminal, such as the residents' association. [103 | 401]

TCP employees are represented by Class entities, in which the provisions set forth in Collective Bargaining and Labor Agreements are observed. Furthermore, **the installation of employee committees** is encouraged to assist in drafting guidelines for negotiations with union entities. [102-41]

<sup>3</sup> The functional category "service providers" is not counted for.

## Combating Coronavirus

TCP's concern for its employees is evident in the actions taken during the COVID-19 pandemic. Employees classed in the risk group were removed from internal routines and received full salaries and benefits. Regarding the staff, there was a quantitative increase in employees during the pandemic period. In order to ensure the collective safety of all employees, a fixed cost was planned for the purchase of inputs to combat and protect against the pandemic, and periodic exams were carried out on 100% of the people in the company. [103 | 401]

**Labor relations in the port segment** require specific practices concerning Workers in categories considered to be differentiated. The port work of foremanship, stowage, cargo check, cargo repair, and block and vessel surveillance in organized ports will be carried out by port workers with an employment relationship for an indefinite period and by temporary port workers. [102-41]

The creation of jobs by TCP is due to the company's growth and is directly linked to the positive results of the Terminal. At the end of 2021, the number of its own employees reached 1,654, with 98.3% being covered by collective bargaining agreements and permanent contracts. Of these, 392 are new employees, equivalent to a new hires rate<sup>4</sup> of 23.7%. In comparison to 2020, **there was a 15% increase in new hires in 2021.** [102-41] [401-1]

Regarding gender equality, for the years 2019 and 2020, the **rates of new hires** were similar, while there was a higher rate for women in 2021. In all years presented, the rate of new hires was higher for those under 30 years of age, decreasing with the increase in the age of employees. The following tables show the number of new hires according to sex and age range. [401-1]

TOTAL NUMBER AND NEW HIRES RATE (REPLACEMENTS AND NEW JOB OPENINGS), ACCORDING TO SEX [401-1]

| SEX               | 2019   |          | 2020   |          | 2021   |          |
|-------------------|--------|----------|--------|----------|--------|----------|
|                   | NUMBER | RATE (%) | NUMBER | RATE (%) | NUMBER | RATE (%) |
| WOMEN             | 111    | 36.3     | 72     | 23.3     | 87     | 27.0     |
| MEN               | 469    | 35.6     | 269    | 21.0     | 305    | 22.9     |
| TOTAL (EMPLOYEES) | 580    | 35.7     | 341    | 21.5     | 392    | 23.7     |

TOTAL NUMBER AND NEW HIRES RATE (REPLACEMENTS AND NEW JOB OPENINGS), BY AGE RANGE [401-1]

| AGE RANGE                      | 2019   |          | 2020   |          | 2021   |          |
|--------------------------------|--------|----------|--------|----------|--------|----------|
|                                | NUMBER | RATE (%) | NUMBER | RATE (%) | NUMBER | RATE (%) |
| UNDER 30 YEARS OF AGE          | 337    | 44.3     | 227    | 31.4     | 193    | 32.1     |
| BETWEEN 30 AND 50 YEARS OF AGE | 215    | 26.6     | 103    | 13.9     | 170    | 19.5     |
| OVER 50 YEARS OF AGE           | 28     | 24.6     | 11     | 8.9      | 29     | 16.2     |
| TOTAL (EMPLOYEES)              | 580    | 35.7     | 341    | 21.5     | 392    | 23.7     |

<sup>4</sup> The New Hires Rate is equivalent to the ratio between the Total New Hires in the category and the Total Number of Employees in the category.

**Employee length of stay** at TCP varies according to the duty performed, with an interval between 3 and 7 years. For its own employees, this amount is, on average, 3 years for the advisory category, 4 years for technicians, while for members of governance bodies it is, on average, 5 years for officers and managers and 7 years for unit heads. [405-1]

In addition to attracting new employees, TCP also carries out activities in training new talent as an integral part of the initiative promoted by the **Internal Opportunities Program and young people's admission Programs**. These actions

increase employee engagement, reduce turnover, and improve work quality. [103 | 401] [401-1]

In 2021, TCP had a total of 56 interns, 26 of whom were women and 30 of whom were men, and 43 Young apprentices, 21 of whom were women and 22 of whom were men. The company's trainee program was terminated in 2021. [102-8]

Internally, TCP uses **turnover as an indicator** to guide talent attraction, selection, and retention processes. The turnover rate of women in the company varied during the period, with 29.4%

in 2019, 23.6% in 2020, and 26.1% in 2021. For men, the behavior was similar, with 29.5% in 2019, 20.3% in 2020, and 21.2% in 2021. Upon analyzing the number of employees who left the company according to age range, the number was higher for employees under 30 years of age and decreased with the age increase of employees. The number of new hires during the reported period is higher than the number of employees who left the company, reinforcing TCP's role in attracting and promoting employment. The following table shows the number of employees who left the company and the turnover rate. [401-1]

TOTAL NUMBER OF EMPLOYEES WHO LEFT THE COMPANY AND THE TURNOVER RATE [401-1]

| AGE RANGE                      | 2019       |             | 2020       |           | 2021       |             |
|--------------------------------|------------|-------------|------------|-----------|------------|-------------|
|                                | NUMBER     | RATE (%)    | NUMBER     | RATE (%)  | NUMBER     | RATE (%)    |
| UNDER 30 YEARS OF AGE          | 212        | 36.1        | 172        | 27.6      | 164        | 29.7        |
| BETWEEN 30 AND 50 YEARS OF AGE | 148        | 24.2        | 138        | 16.3      | 158        | 18.8        |
| OVER 50 YEARS OF AGE           | 18         | 20.2        | 15         | 10.5      | 20         | 13.7        |
| TOTAL (EMPLOYEES)              | <b>378</b> | <b>29.5</b> | <b>325</b> | <b>21</b> | <b>342</b> | <b>22.2</b> |

more than  
**R\$ 15 million**  
 in benefits offered

**Employee compensation** is essential to guarantee they stay in the company and to reduce turnover. The base salary in TCP is the same for men and women, equivalent to R\$1,524.60 in 2021. In any case, there are functions that are compensated in proportion to the workload performed, and, therefore, amounts may vary. [202-1] [103 | 202]

## Benefits Policy

Regarding the **benefits offered**, the company's expenses were R\$15,799,057.99 in 2021, distributed among the functional categories as follows: [401-2]

### OFFICERS AND MANAGERS:

Food and meal vouchers, maternity leave, paternity leave, profit sharing program (PPR), life insurance, study/language scholarship, and daycare assistance;

### UNIT HEAD, TECHNICIAN, ADVISORY, AND TRAINEES

Transportation voucher, food/meal voucher, maternity leave, paternity leave, PPR, life insurance, study/language scholarship, and daycare assistance

### INTERN

Transportation voucher, food voucher, and life insurance

### YOUNG APPRENTICE

Transportation voucher, maternity leave, paternity leave, and life insurance.

Regarding maternity and paternity leave - rights guaranteed by employment relationship - in 2021, out of 1,404 employees entitled to **maternity and paternity leave**, only 4.3% took the leave and, of those employees, 100% of them returned to work after such leave. By sex, for the same year, out of the 291 women entitled to take maternity leave, only 3.4% of them took the leave, equivalent to 10 pregnant women during the period; out of those women, 7 continued with their employment 12 months after returning to work. In relation to men, 1,113 were entitled to take paternity leave, 4.5% of whom took the leave (50 men), and 100% continued their employment after 12 months.

Despite the fact that 3 women left the company, it is not common practice for TCP to dismiss employees upon the end of maternity leave. The employees that did not return to work due to their resignation an average of 4 months after returning to work. Between the end of 2020 and the beginning of 2021, 3 women and 7 men were on parental leave. [401-3]

## Diversity and inclusion

TCP believes that **diversity adds value** to the company. Our recruitment and selection processes guarantee non-discrimination based on sex, race, sexual and religious orientation. However, due to the job function, most vacancies are filled by men. [103 | 405]

In 2021, out of a total of 1,654 employees, 81% were male, in comparison to 19% female. All employees (technicians, advisors, managers, and unit heads) are regularly assessed regarding performance and career development, except for interns, trainees, young apprentices, and service providers. [401-1] [404-3]

NUMBER OF EMPLOYEES, ACCORDING TO TYPE OF EMPLOYMENT AND SEX [102-8] [401-1]

| TYPE OF EMPLOYMENT               | 2019       |              |              | 2020       |              |              | 2021       |              |              |
|----------------------------------|------------|--------------|--------------|------------|--------------|--------------|------------|--------------|--------------|
|                                  | WOMEN      | MEN          | TOTAL        | WOMEN      | MEN          | TOTAL        | WOMEN      | MEN          | TOTAL        |
| FULL-TIME WORK SHIFT             | 171        | 568          | <b>739</b>   | 165        | 438          | <b>603</b>   | 170        | 452          | <b>622</b>   |
| PART-TIME WORK SHIFT (PART-TIME) | 135        | 751          | <b>886</b>   | 144        | 840          | <b>984</b>   | 152        | 880          | <b>1,032</b> |
| <b>TOTAL</b>                     | <b>306</b> | <b>1,319</b> | <b>1,625</b> | <b>309</b> | <b>1,278</b> | <b>1,587</b> | <b>322</b> | <b>1,332</b> | <b>1,654</b> |

NUMBER OF EMPLOYEES, ACCORDING TO FUNCTIONAL CATEGORY AND SEX (DOES NOT INCLUDE TOP MANAGEMENT) [405-1]

| TYPE OF JOB POSITION | 2019       |              |              | 2020       |              |              | 2021       |              |              |
|----------------------|------------|--------------|--------------|------------|--------------|--------------|------------|--------------|--------------|
|                      | WOMEN      | MEN          | TOTAL        | WOMEN      | MEN          | TOTAL        | WOMEN      | MEN          | TOTAL        |
| TECHNICIANS          | 9          | 88           | 97           | 10         | 91           | 101          | 7          | 91           | 98           |
| ADVISORY             | 264        | 1,109        | 1,373        | 265        | 1,077        | 1,342        | 277        | 1,118        | 1,395        |
| <b>TOTAL</b>         | <b>273</b> | <b>1,197</b> | <b>1,470</b> | <b>275</b> | <b>1,168</b> | <b>1,443</b> | <b>284</b> | <b>1,209</b> | <b>1,493</b> |

NUMBER OF MEMBERS OF GOVERNANCE BODIES, ACCORDING TO FUNCTIONAL CATEGORY AND SEX [405-1]

| TYPE OF JOB POSITION | 2019      |            |            | 2020      |            |            | 2021      |            |            |
|----------------------|-----------|------------|------------|-----------|------------|------------|-----------|------------|------------|
|                      | WOMEN     | MEN        | TOTAL      | WOMEN     | MEN        | TOTAL      | WOMEN     | MEN        | TOTAL      |
| OFFICERS             | 1         | 6          | 7          | 1         | 6          | 7          | 1         | 3          | 4          |
| MANAGERS             | 4         | 26         | 30         | 6         | 27         | 33         | 8         | 23         | 31         |
| HEADS                | 28        | 90         | 118        | 27        | 77         | 104        | 29        | 97         | 126        |
| <b>TOTAL</b>         | <b>33</b> | <b>122</b> | <b>155</b> | <b>34</b> | <b>110</b> | <b>144</b> | <b>38</b> | <b>123</b> | <b>161</b> |



Regarding **attention to ageism**, in 2021, 36.4% of employees fell into the category under 30 years of age, 52.8% between 30 and 50 years of age, and 10.8% over 50 years of age. Percentages of employees according to age range are presented below, as well as the number of members of the governance bodies by age range. [405-1]

NUMBER OF EMPLOYEES, ACCORDING TO AGE RANGE [401-1]

| AGE RANGE                      | 2019         |      | 2020         |      | 2021         |      |
|--------------------------------|--------------|------|--------------|------|--------------|------|
|                                | NÚMERO       | %    | NÚMERO       | %    | NÚMERO       | %    |
| UNDER 30 YEARS OF AGE          | 760          | 46.8 | 723          | 45.6 | 602          | 36.4 |
| BETWEEN 30 AND 50 YEARS OF AGE | 751          | 46.2 | 740          | 46.6 | 873          | 52.8 |
| OVER 50 YEARS OF AGE           | 114          | 7.0  | 124          | 7.8  | 179          | 10.8 |
| TOTAL (COLABORADORES)          | <b>1,625</b> | -    | <b>1,585</b> | -    | <b>1,654</b> | -    |

NUMBER OF EMPLOYEES, ACCORDING TO FUNCTIONAL CATEGORY AND AGE RANGE (DOES NOT INCLUDE TOP MANAGEMENT) [405-1]

| AGE RANGE                      | 2019        |              | 2020        |              | 2021        |              |
|--------------------------------|-------------|--------------|-------------|--------------|-------------|--------------|
|                                | TECHNICIANS | ADVISORY     | TECHNICIANS | ADVISORY     | TECHNICIANS | ADVISORY     |
| UNDER 30 YEARS OF AGE          | 45.4%       | 48.4%        | 43.6%       | 47.5%        | 36.7%       | 39.1%        |
| BETWEEN 30 AND 50 YEARS OF AGE | 49.5%       | 44.5%        | 49.5%       | 44.9%        | 53.1%       | 49.7%        |
| OVER 50 YEARS OF AGE           | 5.2%        | 7.1%         | 6.9%        | 7.7%         | 10.2%       | 11.1%        |
| TOTAL (EMPLOYEES)              | <b>97</b>   | <b>1,373</b> | <b>101</b>  | <b>1,342</b> | <b>98</b>   | <b>1,395</b> |

NUMBER OF MEMBERS OF GOVERNANCE BODIES, ACCORDING TO FUNCTIONAL CATEGORY AND AGE RANGE [405-1]

| AGE RANGE                      | 2019     |           |            | 2020     |           |            | 2021     |           |            |
|--------------------------------|----------|-----------|------------|----------|-----------|------------|----------|-----------|------------|
|                                | OFFICERS | MANAGERS  | HEADS      | OFFICERS | MANAGERS  | HEADS      | OFFICERS | MANAGERS  | HEADS      |
| UNDER 30 YEARS OF AGE          | -        | 4         | 47         | -        | 4         | 38         | -        | -         | 20         |
| BETWEEN 30 AND 50 YEARS OF AGE | 3        | 25        | 64         | 3        | 26        | 59         | 1        | 29        | 97         |
| OVER 50 YEARS OF AGE           | 4        | 1         | 7          | 4        | 3         | 7          | 3        | 2         | 9          |
| TOTAL (EMPLOYEES)              | <b>7</b> | <b>30</b> | <b>118</b> | <b>7</b> | <b>33</b> | <b>104</b> | <b>4</b> | <b>31</b> | <b>126</b> |

70 PwD (people with disabilities) employees,

39 of whom are men, and

31 women

Regarding the **inclusion of people with disabilities** (PwD), the number of employees increased over the past three years. There were 53 PwD employees in 2019, 32 of them being men and 21 being women. In 2020, TCP had 56 employees, 31 men and 25 women. By the end of 2021, the number reached 70 PwD employees, 39 of them being men and 31 being women, reducing the difference between males and females. No PwD assumed management positions at TCP in 2021.

TCP's staff is mostly made up of people identified as being white. For the year 2021, 1,348 employees in the advisory category consider themselves as white, 15 as black, 31 as mixed race, and 2 as Asian, while for the technicians' category, 96 employees identify themselves as white, and 2 as black. For that same year, in relation to the individuals holding governance positions, employees who identify themselves as Asian are 3 officers, 8 managers, and 1 unit head; the remaining individuals identified themselves as white (1 officer, 23 managers, and 123 unit heads). [405-1]



TCP Employees



TCP Employee

## Employee training

The **port operation services** carried out by TCP are considered differentiated, requiring specific, mandatory, and regulatory knowledge following the Port Security and Operation Policy. As a main commitment, the company seeks to match the training adherence with what was planned. The total investment for employee training was R\$450,748.45 for 2021. In 2020, investment was higher (R\$502,088.01) to promote prevention actions against COVID-19. [103 | 404] [404-1]

### TRAINING OFFERED

- NORMATIVE TRAINING (NR);**
- TRAINING OF MACHINE OPERATORS;**
- FIRE BRIGADE;**
- SOFT SKILLS;**
- PROGRAM FOR THE DEVELOPMENT OF INTERNS, OUTSTANDING EMPLOYEES, AND LEADERSHIP.**



in 2021,  
**1,787**  
 employees underwent training

**92.5%**  
 adherence to training

In 2021, 1,787 employees underwent training (212 women and 1,575 men), totaling 1,564 hours, equivalent to an average of 0.9 hours per employee. This number is higher than in the years 2020 and 2019, in both of which there was an average of 0.5 hours of training per employee. Specifically in training for operating equipment, 202 employees were in attendance, 15 for trilateral forklifts, 110 for truck tractors, 17 for reach stackers, 56 for transtainers, and 4 for portainers. [404-1]

The **average number of training hours per functional category** was 0.1 hours for Unit Heads, 0.7 hours for Managers, 1.8 hours for Technicians, 0.9 hours for Advisory, 0.2 for Interns, and 0.1 hours for Young Apprentices. In 2021, the goal established of 90% adherence to training<sup>5</sup> was met and exceeded, resulting in 92.5% adherence. The normative adherence goal<sup>6</sup> of 98% was met (98.07%). The company considers a 2% margin for absenteeism, leaves, and medical leaves. [404-1]

In order to promote the growth of operators, TCP provides internal training for equipment operators, in addition to creating the TCP Experience, intern, and scholarship programs: [404-2]

- **Internship Program:** a program to encourage the learning and development of young people through training and resolution of the challenges faced to implement an improvement project in the area;
- **TCP Experience:** a Personal/Professional Innovation and Development program, created specifically to identify internal talent. The purpose of the project is to value employees by encouraging development, in addition to providing greater knowledge about our business and promoting internal visibility;
- **Training of equipment operator:** training courses for equipment operators are delivered internally to provide employees with opportunities for growth;
- **Scholarship:** An incentive for employees to start or continue their studies, subsidized by reimbursing a percentage of the monthly fee.

<sup>5</sup> The calculation is the average of the percentage of training held divided by planned training sessions and participants divided by planned employee participation.

<sup>6</sup> This indicator is the number of normative training sessions so far divided by the total number of normative training sessions to be applied to each employee.



TCP Employee

## Occupational health and safety

Occupational health and safety are directly related to the company's operating and financial activities and can have major impacts when disregarded. When effective safety measures are not implemented, operations may be suspended until they are safe for employees. In addition, employee productivity tends to be higher in safer environments. When analyzing the financial part, the higher the occurrence of Accidents with Leave (ACA), the higher the Accident Prevention Factor (FAP), i.e., the higher the ACA, the higher the tax applied. [103 | 403]

*The company's occupational safety department carries out preventive campaigns to raise employee awareness of safety measures implemented by the company; it conducts monthly drills to ensure rapid response in an emergency and conducts daily dialogues to promote health and safety.*

TCP relies on the **commitment of the company's departments and executive board** to enable an increase in occupational health and safety culture. Combined with the company's commitment, health and safety measures that reinforce the mission and values are implemented, such as internal policies, manuals, training, among others. [103 | 403]

The **Safety Committee** is composed of top management and has the duty to discuss and establish health and safety policies, procedures, and regulations. As policies, TCP has the **Occupational Health and Safety Policy, the Service Provider Manual, the Emergency Plans, the Fire Fighting and Prevention Policy, and the Hazardous Products Handling and Storage Policy**, the purpose of which, together, is to reduce occupational and operating accidents, reduce injury rates and leaves of absence, promote investment in training and the dissemination of the company's safety culture, and implement international practices to increase and improve safety in operations. [103 | 403]



**R\$ 2 million**

invested in projects related to improving equipment and facility safety

**Decreases in the rate of accidents, injuries, and leaves of absence related to accidents at work,** a decrease in the FAP, and greater engagement between departments, were highlights for the year 2021. To achieve this, over 2 million reais were invested in projects related to improving equipment and facility safety. [103 | 403]

In addition to occupational safety, TCP also provides an annual **specialized exam protocol for all executives** (Executive Check-ups), to provide personalized assessments of the health conditions of the managers and officers. In line with the health insurance, there is a **monitoring group** for employees and dependents with chronic diseases, who are identified during the periodic exam and referred for medical assessment and supervision. Additional tests are required whenever a health discrepancy is identified in employees in general. In addition, the company's health insurance also provides coverage for employees' dependents, thus expanding the audience served. Among the services offered are: [403-6]

- **Quality of Life Program:** specific monitoring program for operators who enroll voluntarily, and includes monthly consultations with a general practitioner, nutritionist, and psychologist, to monitor chronic diseases. The consultations enable ways of controlling chronic diseases to be identified, in particular high blood pressure, cholesterol, and diabetes, and, also, promoting the inclusion of healthy habits in the routine, greater awareness of the effects of disease on the body, and a consequent weight loss;
- **Health Campaigns:** monthly campaigns with at least two topics determined in advance;
- **Health Dialogues:** in parallel to the campaigns, dialogues on health matters are prepared and applied in all departments in different shifts to reach the largest number of employees;
- **Partnership with Suppliers:** suppliers whose services are not covered by the TCP health insurance are contacted to enable employees to have a discount on health care services. This program provided employees with greater access to physical activity and treatments not covered by the health insurance.

## Health and safety goals

With the Health Campaigns and Health Dialogues programs, employees became more aware of the topics discussed regarding health, in addition to health care and undergoing preventive exams more often, such as mammography, breast ultrasound, cervical, and prostate prevention.

TCP implemented goals to improve employee health and safety, such as reducing the rate of employee injury, accident, and intoxication, complying with ISO 45.001 certification requirements, adjusting the firefighting system, and promoting occupational health and safety campaigns. For each goal, actions were established to achieve the initially proposed purposes, so the indexes stayed below the specified limit. [403-6]

For 2021, the main goals were to reduce the accident and injury rate compared to 2020. As initiatives for lowering rates, the use of WhatsApp and schedules in internal communication emails to increase engagement and coverage of the number of employees stand out. With these initiatives, the company increased the scope of health care services provided to employees from 70.6% in 2019 to 76.7% in 2021. As a result, TCP promoted greater dissemination of information regarding health and quality of life to employees and dependents. [403-6] [403-8]

In relation to the ISO 45.001 certification goal, the health and safety department carries out department inspections to verify work environment conditions, but it does not yet have a certified health and safety management system. TCP is currently in an adjustment phase to apply for the certification. Currently, there is also no third-party auditing of the occupational health and safety system. [403-8]

In its aim for certification, the company is structuring and adjusting to the required demands. Initially, a strategic plan was created to meet the demands in the last quarter of 2021, the entire year 2022, and 2023 until the date of the certification application. Based on such document, the main points needing to be met to obtain certification of the occupational health and safety management system were established. It is estimated that for the first half of 2023, a gap analysis audit will be undertaken to verify the faulty points that can be improved on. Based on this, it is possible to direct efforts toward more sensitive areas. [403-8]



TCP Employee

## Relationship with the Community

TCP's activities go beyond its obligations regarding environmental conditions, always striving to act in the best way to impact the surrounding communities positively. The company values and acts with commitment to the Sustainable Development Goals (SDGs), especially with SDG 11, which relates to Sustainable Cities and Communities, in addition to other SDGs that may, directly or indirectly, affect the region in which TCP is located.

**Contributing to the development of the community** in which it is located, whether socially or environmentally, is also its commitment as a company, since it is through this kind of development that market prominence is achieved and alignment with social and environmental responsibility is maintained. [103 | 413]

TCP is committed to promoting actions that meet the needs of communities, and to that end, it carried out the **Diagnóstico Socioambiental Participativo (Participatory Community Diagnosis) (DSAP) in the communities of TCP's Direct Influence Area (AID)** in 2012. The DSAP was used to assess social impacts to identify community needs. Then, programs and projects that add real value for the residents of these areas were developed. [103 | 413]

Other occasions in which the community is consulted are: open hearings of the Neighborhood Impact Study (EIV), public consultation on the Forestation Plan, and the fishing GT, the latter with monthly meetings. Even though the company has no specific goals for this type of action, the marketing team works to identify the community's view of TCP operations mainly using social media. Additionally, the community can also file complaints using the **TCP Customer Service Call Center**. [103 | 413] [413-1]

## Programa de Educação Ambiental para a Comunidade (Environmental Education Program for the Community) (PEAC)

As part of the company's (federal) Environmental Licensing, this program is carried out in the restrictive TCP Direct Influence Area (AID) and encompasses seven communities: Eufrasina, Amparo, Piaçaguera, São Miguel, Ponta do Ubá, Ilha dos Valadares, and Costeira. Within the PEAC, various projects are carried out, which are divided into line of action I, corresponding to strengthening local production chains, and line of action II, corresponding to education for promoting local social and environmental development, as follows: [103 | 413] [413-1]

### Line of action I:

- GT Artisanal Fishing (2018 - current);
- Fishing School (2018 - current);
- Fishers' Health and Well-being (2018 - current);
- Strengthening the Associação dos Recicladores Nova Esperança (Recyclers Association Nova Esperança) (2018 - current);
- Strengthening of Community-Based Tourism (2018 - current);
- Strengthening of Boatpersons (completed);
- Professional qualification (completed).

### Line of action II:

- Environmental Education Project for Solid Waste Management in Communities - *Troca Solidária* (Solidary Exchange) (2015 - current);
- Combat Dengue Project (2016 - current);
- Work Group for Integration of PEA Project (2018 - current);
- Safe Navigation Project (2018 - current);
- Safe Traffic Project (2018 - current);
- Environmental Watchers Project (2018 - current);





TCP implements projects with three Indigenous communities of the region through the **Basic Environmental Plan of Indigenous Component**. **As an example, for actions carried out in 2021, we can highlight:** [103 | 413]

- Donation of materials for the manufacture of handicrafts;
- Support of trips for seeds exchange between the Guarani villages;
- Donation of computer materials;
- Donation of Guarani-Portuguese dictionaries;
- Start of the preparation of the tourist visit plan for the communities;
- Installation of internet points for Indigenous communities;
- Donation of a vehicle for the Sambaqui community.

In addition, TCP carries out the projects set forth in the Second Amendment to the Instrument of Commitment with the City Hall, executed in May 2018. This instrument includes projects arising from the prior consent granted by city hall in 2016, for TCP's expansion works, so that the result of the actions will always be in favor of the communities of Paranaguá. [103 | 413]

The company's performance positively influences the economic development of areas with a high poverty rate through the creation of jobs and taxes and the provision of free vocational courses. In order to improve environmental conditions, TCP carries out **programs to monitor environmental parameters**, such as air quality and noise pollution, and promotes the correct disposal of all waste generated by the company. [203-2]

Regarding environmental impacts, the Environmental Study (EA) was prepared, and the Basic Environmental Plan was executed in accordance with the requirements of the terminal's Environmental License, which were disclosed through the creation of the ICMBio Work Group (GT), with annual meetings, and the submission of the Consolidated Activities Report (RAC) to IBAMA, also on an annual basis. [413-1]



TCP Community Effort against Dengue

TCP does not have a specific internal policy on the subject of local communities, but it has an Environmental Policy with the following description: “TCP recognizes its responsibility regarding the environment and its commitment to the prevention of pollution, jointly with the local community, its employees and stakeholders.” Furthermore, within regulatory policies, TCP mainly follows those required by the federal environmental agency (IBAMA) responsible for licensing the company and its technical opinions that analyze the projects carried out by TCP and complement them, if necessary, with other actions to strengthen further what is executed. [103 | 413] [103 | 203]

One health care investment action carried out by TCP was the **Dengue Community Effort**, in which 1,000 kits against Dengue were distributed to local communities jointly with folders on the risk of the disease. The purpose of the action was to reduce mosquito breeding sites, and it is a free project with a specific action. [203-1]

During the pandemic period, many of the projects had to be halted due to the human contact the activities required. Despite this, the **Solidary Exchange project** - the purpose of which is to promote the exchange of recycled waste for food and hygiene items - was essential for the communities and was maintained during this period. The communities served by the project are: Europinha, Amparo, Piaçaguera, São Miguel, Ilha dos Valadares, Eufrasina and Ponta de Uba. The importance of this project during the pandemic is evident since when many families saw their monthly income significantly reduced, this project benefited them even more, especially because the price of the food for exchange was reduced. The result was a significant increase in families participating in the project, as shown in the following table. [203-1]

| MONTH     | NO. OF PARTICIPANTS |               |
|-----------|---------------------|---------------|
|           | 2020                | 2021          |
| JANUARY   | Vacation            | Vacation      |
| FEBRUARY  | 60                  | 90            |
| MARCH     | 54                  | Pandemic Peak |
| APRIL     | Pandemic Peak       | 92            |
| MAY       | 63                  | 45            |
| JUNE      | Pandemic Peak       | 91            |
| JULY      | Pandemic Peak       | 89            |
| AUGUST    | 66                  | 108           |
| SEPTEMBER | 81                  | 124           |
| OCTOBER   | 84                  | 82            |
| NOVEMBER  | 91                  | 106           |
| DECEMBER  | 104                 | 169           |
| TOTAL     | 603                 | 996           |

## ACTIVITIES DURING THE COVID-19 PANDEMIC

TCP played an important role for the community during the COVID-19 pandemic, donating over 100,000 reais worth of equipment to the regional Hospital of Paranaguá through a campaign led by the Ports Administration of Paraná. In addition, TCP donated supplies for families to manufacture protective masks, either for personal use or resale, along with an explanatory booklet containing the step-by-step instructions for manufacturing them. Alcohol hand sanitizer kits were also donated, and booklets were distributed informing preventive measures regarding the disease. For the Indigenous communities in the region, the booklet on the subject was written in the Guarani language, making it easier for all residents of the communities to understand the risks of coronavirus. [103 | 413]



TCP social and environmental press releases for the community

In order to carry out activities in projects benefitting the community, TCP is in regular contact with stakeholders, such as partner companies and institutions. A few examples are the Public Port (Portos do Paraná) itself, the S system - SESC, SENAC, and SEBRAE - and the City Hall of Paranaguá through the secretariats. [413-1]

As a highlight for 2021, we concluded projects such as:

- Planimetric and Altimetric Cadastral Surveying projects of the areas without urban restrictions on Ilha dos Valadares;
- Communication plan for Paranaguá as a tourist destination;
- Urban Forestation Municipal Plan;
- Preparation of the Geospatial Database (BDG) of the City Hall of Paranaguá.

*Regarding social and economic infrastructure, the risk posed by TCP is low. The company monitors factors that could have negative impacts due to the proximity of the operations, such as noise and emissions, classifying them as low risk. Due to the constant activities with the communities by means of social communication and environmental education programs, the risk with the level of social organization is also low. As a result of the company's efforts, TCP has a history of very few formal complaints from the communities.* [413-2]

TCP recognizes that, despite efforts to benefit the community, port activity has negative impacts on the community, and it actively and continuously strives to either reduce or control such impacts. The company's location does not imply physical isolation from the community, but it presents a moderate risk to social and economic development since artisanal fishing is the main source of income for local communities in Paranaguá. The main negative impact of the operation is ship traffic and dredging activities. Even though dredging is the responsibility of the Portos do Paraná, TCP benefits and, in this way, impacts fishing activities.

The **risk associated with using hazardous substances** by TCP, which can affect both the environment and human health, may be due to oil leakage from equipment or leakage of dangerous cargo. In any case, exposure is considered low since the company has control over these situations, which

include immediate mitigation with trained employees or contracting a third-party company specializing in environmental emergencies, with which TCP has entered into an agreement. [413-2]

TCP also carried out campaigns to **monitor atmospheric emissions** during the company's Expansion Phase, obtaining data on the concentration of total gases and suspended particles within the legal limit. In addition, for the Operation Phase, there was an improvement in air quality due to the reduction in the concentrations for all parameters analyzed. [413-2]

Concerning **noise pollution**, according to the monitoring, it can be inferred that noise from the predominantly industrial area does not affect the comfort of the community close by the undertaking, both during the day and during the night, although they are audible at the sample points located in Bairro Costeira. Such information is based both on identifying the decline of sound pressure levels, observed in the interpolation maps, and on the instant records recorded in the field spreadsheets. Noise coming from the undertaking is audible at the community sample points; however, they are not high enough to alter the instant sound pressure levels. [413-2]

Real and potential negative impacts of TCP in the region of Paranaguá [413-2]

| IMPACT  | DURATION  | REVERSIBILITY | SCALE/INTENSITY |
|---|-----------|---------------|-----------------|
| Increase of pressure on public health care services   | Permanent | Reversible    | Weak            |
| Increase of traffic accidents   | Permanent | Reversible    | Weak            |
| Destruction of possible archaeological sites of primary deposition  | Temporary | Irreversible  | Weak            |
| Destruction of possible archaeological sites of secondary deposition  | Temporary | Irreversible  | Weak            |
| Creation of expectations related to employment and income   | Temporary | Reversible    | Average         |
| Conflict with fishing activity  | Permanent | Reversible    | Strong          |
| Conflicts with the surrounding community  | Permanent | Reversible    | Average         |
| Conflicts with users of the navigation channel  | Permanent | Reversible    | Average         |
| Possible obliteration or difficulty of traffic through the Canal da Cotinga (Cotinga Channel) during the implementing phase | Temporary | Reversible    | Average         |
| Possible obliteration or difficulty of traffic through the Canal da Cotinga (Cotinga Channel) during the operating phase    | Permanent | Reversible    | Average         |
| Discomfort and anxiety among the population   | Temporary | Reversible    | Weak            |
| Possible occurrence of accidents involving spillage of hazardous substances   | Permanent | Irreversible  | Average         |
| Road deterioration  | Permanent | Reversible    | Average         |
| Deterioration of residences   | Temporary | Reversible    | Weak            |
| Generation of ground vibration  | Temporary | Reversible    | Average         |
| Pressure on the local road system   | Permanent | Reversible    | Average         |
| Reduction of production costs   | Temporary | Reversible    | Weak            |
| Price reduction in port operations  | Temporary | Reversible    | Weak            |

# Commitment to the Environment

## Management of Water Resources and Care for Biodiversity

TCP recognizes its **active role in the sustainable development** of the region of Paranaguá, and its activities are based on the SDGs. Through the execution of its Environmental Policy, the company is committed to continuously improving its performance in the industry, ensuring the protection of its surroundings, and maintaining its environmental goals, including drinking water and sanitation, SDG number 6. [103 | 303]

**Access to water** in quantity and with quality is recognized as a fundamental human right, and, thus, the company seeks to reduce its water footprint by reusing rainwater and managing processes and activities to protect water resources: Examples of these processes are reducing pollution and eliminating the discharge of hazardous substances into water bodies.

To ensure compliance with the current law, TCP carries out monthly analyses of water and effluents, as set forth by the Environmental Licensing, governed by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA). [103 | 303]



TCP Environmental Stroke

Monthly goals for reducing water consumption are set based on historical data. If a significant change in the consumption pattern is observed or the monthly goal is not reached, an attempt is made to identify a possible leak or a specific activity that is not expected and, then, an action plan is developed to reduce the exceptional consumption. [103 | 303] [303-1]

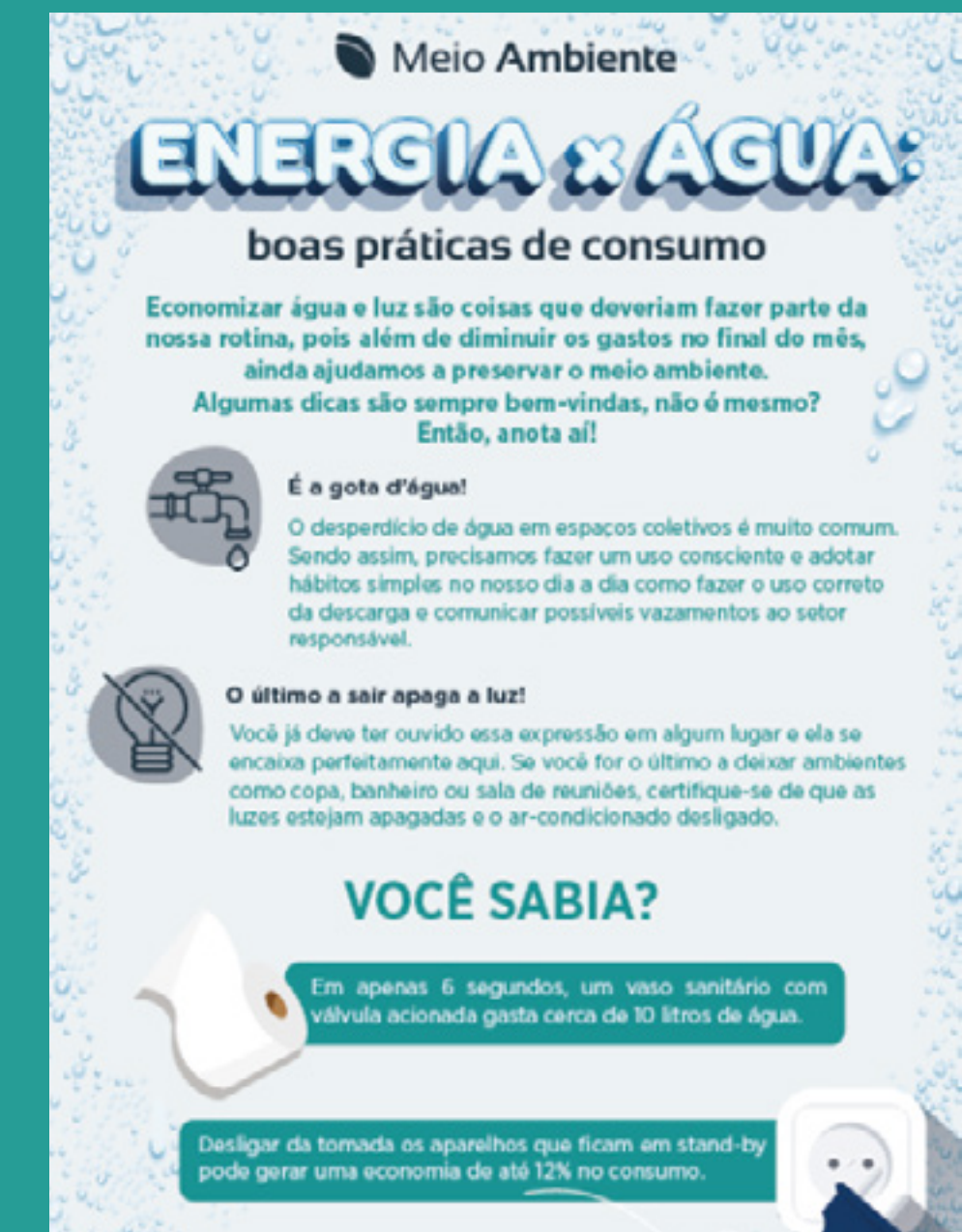
The main water source used to supply TCP comes from the municipal supply network, which, in 2021, corresponded to 14,321 m<sup>3</sup>, 9.4% less than in 2020. Additionally, **a rainwater harvesting structure with a reservoir with a storage capacity of 80 m<sup>3</sup>** per month was implemented, totaling 960 m<sup>3</sup> in 2021. This water is used to wash containers that will undergo inspection by the intervening bodies and the operating area itself where the inspections take place, thus avoiding the use of water from the municipal network for such purposes. The sum of the water withdrawal amounts for 2021 is equivalent to 15,281 m<sup>3</sup>. [303-1] [303-3]

Water consumption in 2021 was 15,281 m<sup>3</sup>, mainly used for washing equipment in the washing area and the buildings and yard. There was an 11.41% increase in total water consumption by TCP between 2019 and 2020, even though the goal for water consumption per unit handled was lower than the goal set. Such an increase in TCP's water consumption was due to the addition of a new container storage area, greater use of equipment, and the hygiene protocols required by the World Health Organization due to the COVID-19 pandemic. [303-5]

As a way of internally approaching the impact of water use, there are charts in every department of TCP displaying the aspects and impacts survey. In addition, as a way of externally approaching the matter, dialogues and publications are promoted to boost the environmental education of employees and the community. [303-1]

## Awareness of water use

*Recognizing the importance of environmental awareness for disseminating knowledge and promoting sustainable practices and, in view of the beginning of the Ocean Decade, TCP launched educational publications regarding good practices related to water consumption. In addition, posters were also released on World Water Day, reinforcing the importance of conscious resource consumption.*



Sewage from the administrative areas, such as bathrooms and sinks, is directed to the municipal treatment network, while the operating effluent is treated on site using oil-water separators. In order to ensure treatment efficiency, effluents are analyzed periodically, with results in compliance with the applicable law (CONAMA Resolution No. 430 of 2011). TCP also works with internal Environmental Indicators to assess treatment efficiency before disposal. Protection of the receiving body for the disposal of effluents was set forth and approved by the company's Environmental Licensing. [303-2]

Regarding the disposal of water from rain drainage and the oil-water separator systems, in 2021, 11,316 m<sup>3</sup> were destined to the ocean, 9.7% less than in 2020, and 125.3 m<sup>3</sup> were sent to third parties, 10.6% more than in 2020, totaling 11,441.3 m<sup>3</sup>. For better control of effluent discharge after the expansion work, oil-water separators were installed at the end of the entire rain drainage network in the new cargo storage area. Additionally, the washing area has two separators with a capacity of five thousand liters each. This structure collects the oil, enabling water alone to be discarded. Systems are maintained and cleaned periodically to ensure full operation of the treatment structures. [303-4]

Whenever contaminated effluent is generated from a specific activity, such material is, preferably, destined for co-processing in accordance with environmental legislation. Furthermore, to ensure safety and avoid contamination of the drainage networks, all IMO units and cargo are stored in a containment area with waterproof flooring and barriers. [303-4]









Paranaguá Bay



SURVEYS OF ENVIRONMENTAL ASPECTS AND IMPACTS:  
LEARN HOW THE SECTOR'S ACTIVITIES INTERACT WITH THE ENVIRONMENT AND WHAT ACTIONS SHOULD BE TAKEN TO PREVENT ENVIRONMENTAL IMPACTS.

ADM, OUTPATIENT CLINIC, AND CCO

| ASPECT<br>Interaction with<br>the environment   | IMPACT<br>modification of the environment  | PERFORMANCE INDICATOR<br>right way to act  | CONTROL MECHANISM  |  |
|---|--|--|--|--|
|   |  |  | DOCUMENTATION  | APPLICABLE LAW   |
|  ENERGY CONSUMPTION  | <ul style="list-style-type: none"> <li>Change of air quality, greenhouse effect, acidification, depletion of the ozone layer;</li> <li>Reduction of the availability of natural resources.</li> </ul>  | <ul style="list-style-type: none"> <li>Avoid wasting energy.</li> </ul>  | Not applicable   | Not applicable   |
|  FIRE HAZARD IN ADMINISTRATIVE BUILDINGS                                 | <ul style="list-style-type: none"> <li>Fire;</li> <li>Atmospheric pollution;</li> <li>Health risk.</li> </ul>  | <ul style="list-style-type: none"> <li>Minimize the risks to people, the environment, and property.</li> </ul>   | PCE (Emergency Control Plan)                               | IBAMA Normative Instruction No. 15; NR - Regulatory Standard No. 23 - Fire Protection; CONPORTOS Resolution No. 52.                |
|  GENERATION OF PAPER, PLASTIC, METAL, ORGANIC, AND NON-RECYCLABLE ITEMS | <ul style="list-style-type: none"> <li>Change of air quality, greenhouse effect, acidification, depletion of the ozone layer;</li> <li>Change of the quality/contamination of soil, groundwater, and estuarine waters;</li> <li>Vector attraction;</li> <li>Visual pollution if they are not stored properly;</li> <li>Reduction of landfill useful life;</li> <li>Risks to marine fauna.</li> </ul> | <ul style="list-style-type: none"> <li>Correctly separate waste;</li> <li>Reduce generation of solid waste;</li> <li>Properly dispose of waste;</li> <li>Reuse whenever possible.</li> </ul> | Solid Waste Management Plan and IT - AMB - 09 (EMS of TCP) | Law No. 12305 - National Solid Waste Policy; State Law No. 12493; CONAMA Resolution No. 275/313.                                   |
|  WATER CONSUMPTION   | <ul style="list-style-type: none"> <li>Depletion of natural resources.</li> </ul>  | <ul style="list-style-type: none"> <li>Avoid wasting water.</li> </ul>   | Not applicable   | Not applicable   |
|  GENERATION OF SANITARY EFFLUENT                                       | <ul style="list-style-type: none"> <li>Change of the quality/contamination of soil, groundwater, and estuarine waters.</li> </ul>  | <ul style="list-style-type: none"> <li>Designate sanitary effluents to the municipal sewage network.</li> </ul>  | Not applicable   | Decree No. 3926; Law No. 9966  |
|  GENERATION OF HOSPITAL (PATHOGENIC) WASTE                             | <ul style="list-style-type: none"> <li>Change of the quality/contamination of soil, groundwater, and estuarine waters.</li> <li>Proliferation of illnesses and discomfort for workers;</li> <li>Reduction of landfill useful life.</li> </ul>  | <ul style="list-style-type: none"> <li>Properly store waste and dispose of it appropriately.</li> </ul>  | IT - AMB - 13 (EMS of TCP) and PGRS                        | Law No. 12305 - National Solid Waste Policy; Law No. 12493; CONAMA Resolution No. 313/358; SEMA PR/SESA PR Joint Resolution No. 2. |

|   |   |  |   |   |                        |  |
|---|---|--|---|---|------------------------|--|
| ! |    | GENERATION OF BATTERIES                          | <ul style="list-style-type: none"> <li>• Change of air, water, and soil quality;</li> <li>• Contamination of bodies of water and marine fauna;</li> <li>• Contamination of the environment with heavy metals;</li> <li>• Release of heavy metals into the environment;</li> <li>• Visual pollution if not stored properly.</li> </ul>   | <ul style="list-style-type: none"> <li>• Send all batteries and uninterrupted power supplies to the appropriate final destination;</li> <li>• Perform reverse logistics of all batteries;</li> <li>• Keep track of service contracted.</li> </ul> | IT-AMB-17 (EMS of TCP) | Law No. 12305 - National Solid Waste Policy; Law No. 12493; CONAMA Resolution No. 275, of April 25, 2001; CONAMA Resolution No. 313/401. |
| ! |    | GENERATION OF PRINTER CARTRIDGES AND TONERS      | <ul style="list-style-type: none"> <li>• Change of the quality/contamination of soil, groundwater, and estuarine waters;</li> <li>• Reduction of landfill useful life;</li> <li>• Risks to marine fauna.</li> </ul>   | <ul style="list-style-type: none"> <li>• Reduce volume of printing;</li> <li>• Send printer cartridges and toners for reverse logistics.</li> </ul>   | IT-AMB-16 (EMS of TCP) | Law No. 12305 - National Solid Waste Policy; Law No. 12493; CONAMA Resolution No. 275/313; SEMA PR Resolution No. 16.                    |
| ! |    | GENERATION OF USED LIGHT BULBS                   | <ul style="list-style-type: none"> <li>• Contamination of the environment with heavy metals;</li> <li>• Reduction of landfill useful life.</li> </ul>   | <ul style="list-style-type: none"> <li>• Store unusable light bulbs in the contaminated container and send them for decontamination and appropriate final destination.</li> </ul>   | IT-AMB-02 (EMS of TCP) | Law No. 12.305 - National Solid Waste Policy; State Law No. 12493; CONAMA Resolution No. 275/313.  |
| ! |    | GENERATION OF ELECTRONIC WASTE                   | <ul style="list-style-type: none"> <li>• Change of the quality/contamination of soil, groundwater, and estuarine waters;</li> <li>• Contamination of the environment with heavy metals;</li> <li>• Depletion of natural resources;</li> <li>• Release of heavy metals into the environment;</li> <li>• Visual pollution if they are not stored properly;</li> <li>• Reduction of landfill useful life;</li> <li>• Risks to marine fauna.</li> </ul> | <ul style="list-style-type: none"> <li>• Send electronic waste for decontamination, when applicable, and to an appropriate final destination.</li> </ul>  | IT-AMB-24 (EMS of TCP) | Law No. 12305 - National Solid Waste Policy; Law No. 12493; CONAMA Resolution No. 275/313.   |
| ! |  | GENERATION AND COLLECTION OF EXPIRED MEDICATIONS | <ul style="list-style-type: none"> <li>• Contamination of soil, bodies of water, and health risk;</li> <li>• Visual pollution if they are not stored properly;</li> <li>• Reduction of the availability of natural resources.</li> </ul>  | <ul style="list-style-type: none"> <li>• Send expired medications to the appropriate final destination.</li> </ul>  | IT-AMB-13 (EMS of TCP) | Law No. 12305 - National Solid Waste Policy; Law No. 12493; CONAMA Resolution No. 313/358; SEMA PR Resolution No. 16.                    |
| ! |  | PAPER CONSUMPTION                                | <ul style="list-style-type: none"> <li>• Reduction of the availability of natural resources.</li> </ul>   | <ul style="list-style-type: none"> <li>• Avoid wasting paper.</li> </ul>  | Not applicable         | Not applicable   |

! Non-significant aspects

! Significant aspects

SUSTAINABILITY  
REPORT  
2021

CEO letter

About the report

About TCP

Ethics, transparency,  
and governance  
in business

Economic  
and financial  
performance

Commitment  
to people

**Commitment to  
the Environment**

GRI Summary



Paranaguá Bay

## Biodiversity

TCP considers biodiversity to be an important factor in promoting sustainability. The Baía de Paranaguá - Paranaguá Bay, where the company is located, is one of the most biodiverse places in the country. Thus, the company seeks to promote local social and environmental health, mitigating negative impacts and guaranteeing a prosperous environment for future generations, linked to the region's development and nearby communities. Therefore, it is essential to promote effective port operation management with continuous monitoring, biodiversity preservation programs and projects. [103 | 304]

In order to promote **the preservation and monitoring of the surrounding biodiversity**, TCP carried out more than 25 programs and projects described in the company's Environmental License. The company invests approximately R\$ 1,000,000 each year in promoting biodiversity. [103 | 304].

As an example, we have:

1. **Environmental Supervision Program**
  - Field inspections
2. **Solid Waste Management Program de Resíduos Sólidos**
3. **Effluent Management Program**
4. **Groundwater Monitoring Program**
5. **Atmospheric Emissions Monitoring Program**
  - Air Quality Monitoring Subprogram
  - Mobile Source Monitoring Subprogram
6. **Noise Monitoring Program**
7. **Estuarine Water Quality Monitoring Program**
8. **Bathymetric and Sedimentary Composition Monitoring Program**
9. **Cotinga Channel Hydrodynamic Currents Monitoring Program**
10. **Cotinga Channel Hydrodynamics And Morphology Monitoring Program Through Numerical Modeling**
11. **Monitoring Program for Aquatic Biota and Bioindicators**
  - Phytoplankton Community Monitoring Subprogram
  - Zooplankton Community Monitoring Subprogram
  - Ichthyoplankton Community Monitoring Subprogram
  - Unconsolidated Fund Benthic Community Monitoring Subprogram
  - Consolidated Fund Benthic Community Monitoring Subprogram
  - Ichthyofauna and Carcinofauna Monitoring Subprogram
  - Decapod Crustacean Monitoring Subprogram
  - Exotic Crab Management Plan
12. **Monitoring Program for Cetaceans, Chelonia, and Grass Banks**
  - Fixed-point observation
  - Embarked and intensive fixed-point transect observation
  - Fixed-point observation of Chelonia
  - Grass bank
  - Underwater noise monitoring
13. **Tidal Plan Monitoring Program Associated with Tidal Plans and Sandy Banks**
14. **Monitoring of Broad-snouted caiman**
15. **Monitoring of Otters**
16. **Monitoring of Bats**
17. **Synanthropic Fauna Monitoring and Control Program**
18. **Ballast Water Management Verification Program**
19. **Artisanal Fishing Monitoring Program**
20. **Cotinga Channel User Assistance Program**
21. **Heavy Vehicle Traffic Management Program**
22. **Social Communication Program**
23. **Environmental Education Program**
  - Strengthening of Associação Nova Esperança (Nova Esperança Association)
  - Strengthening of Production Chains
  - Fishing GT
  - Participatory Solid Waste Management
  - Environmental Watchers
  - Escola da Pesca (Fishing School) Project
  - Professional Qualification
  - Strengthening of the Boatpersons Project
  - Fishers' Health and Well-being Project
  - Safe Traffic Project
  - Community Effort against Dengue

Programs related to biodiversity are carried out by an environmental consultancy company contracted by TCP named Acquaplan. The results of these programs are presented each year in a consolidated report for IBAMA and, also, for the Work Group (GT), made up of environmental agencies and other interested parties, such as educational institutions of the region. [103 | 304]



Ilha do Amparo - TCP Community Effort against Dengue

The activities employed by TCP have positive and negative impacts on the biodiversity of the Complexo Estuarino de Paranaguá (Paranaguá Estuarine Complex) (CEP). The duration of the observed impacts varies according to their type: Negative impacts are generally temporary and occasional in the CEP, such as the process of carving piles during the expansion project of 2018, while positive impacts are continuous for the economic growth of Paraná, such as job creation and tax collection. [304-2]

With the execution of regional expansion works and infrastructure for road and railway cargo transportation, the CEP is positively impacted, as is the State of Paraná. There were no changes to ecological processes outside the natural range of variation, nor as a result of any activities of resettlement and closing operations. [304-2]

Port operations are responsible for generating air emissions, effluents, luminescence, and noise, which negatively affect local biodiversity. Thus, the company constantly monitors exotic species, as well as the number of species present, and no reduction was detected in 2021. Considering temporal and spatial differences, the species in the CEP are subject to potential impacts, as well as the conversion of habitats in the area directly affected by the undertaking. [304-2]

## Monitoring the surroundings since 2012

As a highlight of 2021, monitoring of **cetaceans (dolphins)**, carried out since 2012, recorded more than eight thousand sightings in different activities, such as fishing and socialization of the dolphins. Likewise, **ichthyofauna (fish)** monitoring, also carried out since 2012, identified more than 85 species in the region and 24 species of **carcinofauna (crustaceans)**. Based on such continuous monitoring of biodiversity, it is understood that **TCP's operations** do not alter the behavior of a range of sensitive organisms such as dolphins, turtles, fish, and crabs. [103 | 304]



## Waste Management

TCP was among pioneering Brazilian companies in obtaining the **ISO 14.001 certification**, and, since then, has striven to ensure that the standard is understood as an integral part of the company's corporate governance and strategic policy. In addition to this certification, the company also highlights social and environmental responsibility among its guiding values, motivating the development of actions related to waste management, not only internally but also operating in the surrounding communities. [103 | 306]

The main guiding document on environmental issues is the Operating License (LO), issued by IBAMA, subject to the execution of the **Solid Waste Management Program (PGRS)**, in addition to other waste-related programs, such as the Environmental Education Program. The PGRS describes preventive and corrective actions in the management of all the different types of waste generated, in addition to stressing the importance of providing training to instruct and engage employees and top management. [103 | 306]

*The TCP Environmental Policy sets forth the company's commitment to carrying out its activities with a focus on protecting the environment and complying with current laws. Regarding regulatory policies, the company relies on the environmental laws in force, such as the National Solid Waste Policy (PNRS) and Ordinance 280 of 2020 of the Ministry of the Environment, in addition to state and municipal legal requirements.*

[103 | 306]



the goal is for

**60%**

of total waste generated by TCP to be either sent for recycling or reuse as a final destination

In relation to **solid waste**, three indicators are measured, mainly regarding the quantity being diverted from landfill, in other words, recycled or reused. The first goal relates to hazardous waste, aiming to allocate at least 85% for recycling or reuse. An example of hazardous waste that can be reused is lubricating oil, which goes through a refining process. To calculate this indicator, the amount of hazardous waste sent for recycling or reuse is extracted on a monthly basis and divided by the total amount of hazardous waste generated. [103 | 306]

Another goal set by the company is for at least 50% of non-hazardous waste to be destined for recycling. In order to calculate this indicator, the amount of waste destined for recycling is divided by the total waste generated during that period. Finally, the third indicator regards the total amount of recycled waste, including hazardous and non-hazardous waste. In this case, the goal is for 60% of total waste generated by TCP to be directed to recycling or reuse as a final destination. [103 | 306]

In 2021, the company achieved all goals regarding waste management, with a highlight on recyclable or reusable hazardous waste, representing 95% of total hazardous waste generated and allocated. For such waste, co-processing is the main form of disposal, which uses waste as alternative fuels for cement production.

A milestone for 2021 was starting to use the **Sistema Nacional de Informações sobre a Gestão dos Resíduos Sólidos (National Information System on Solid Waste Management) (SINIR)** to issue documentation regarding waste leaving the terminal, enabling better traceability until its final destination, and better organization of the data. The use of this system to issue the Waste Transportation Manifesto (MTR) and the Final Destination Certificate (CDF) became mandatory as of 2020, following the publication of Ordinance 280 of the Ministry of the Environment, which established the National MTR as a management tool and declaratory document for implementing and operating the Waste Management Plan. [103 | 306]

*Thus, a Waste Transportation Manifesto (MTR) is issued whenever waste leaves the terminal through SINIR, for which the final recipient must issue a Final Destination Certificate. Additionally, on a quarterly basis, the Waste Handling Declaration is made to evidence and provide inventory for the generation over the period. Such documents are filed, and the MTRs are added to a System known as MONITOR, which allows for control of storage locations and handling, of costs and indicators regarding waste management, enabling traceability. Each year, the full waste generation and disposal report is sent to IBAMA. [306-2]*

In relation to waste generated, in the years 2019, 2020, and 2021, approximately 30% of total waste generated by TCP, mainly composed of non-recyclable waste, was sent to landfill. Such waste is transported by a company licensed for this activity. Despite being considered an adequate final destination by the National Solid Waste Policy (PNRS), landfill is likely to cause environmental impacts, such as soil and groundwater contamination resulting from the leachate generated, acceleration of erosive processes and of soil compaction, increase in noise levels, proliferation of vectors, and air pollution caused by gases generated as the waste breaks down. Thus, destination to landfills encompasses a shared responsibility for the impacts caused and, even if these are reduced, must be reconsidered in the future, seeking to reduce the amount of waste allocated for such purpose. [306-1] [306-2]

Recyclable waste generated by TCP is donated to the *Associação de Recicladores Nova Esperança* on Ilha dos Valadares, where the material is sorted and prepared for sale - a practice that highlights the importance of the work carried out by the institution in contributing to income generation for several families, generating a positive impact on the community. [306-1]

The Environmental team works jointly with those responsible for the import warehouse to enable the reuse of wooden pallets in the operation itself and, thus, reduce the generation of this type of waste, which represents, on average, 19.2% of the total in the last three years. In addition, the possibility of using such wood in the production of sawdust, a material used in procedures for mitigating oil leakages within the terminal, is also being assessed. [306-2]

Another type of action taken by TCP, aiming to reduce waste generation, is encouraging reduced use of plastics. The company promotes reducing the use of plastic cups by employees, providing paper cups as an alternative, and encouraging the use of reusable bottles or mugs. Finally, the company has locations for donating bottle caps and aluminum ring pulls, which are donated to the Lar dos Idosos Perseverança, which sells this material and uses the money to purchase personal hygiene products for the elderly. [306-2]



Lar de Idosos Perseverança (Perseverança Nursing Home) in Paranaguá



**Hazardous waste generation (Class 1)** was 5.7% higher in 2021 than in 2020, with contaminated liquid being the greatest contributor, equivalent to 156.73 tons, 100% of which volume was sent for appropriate treatment (co-processing). [306-3] [306-4] [306-4] [306-5]

There was a 7% increase in the generation of **non-hazardous waste (Class 2)** compared to 2020, the greatest contributors of which were common waste (40%), wood (27%), and metal (15.9%). In addition, in 2021, TCP started measuring the quantities of organic waste and its destination for composting. Regarding **non-recyclable waste generated by TCP**, the largest share corresponds to common waste (toilet paper, napkins, dirty items), which was allocated to landfill and presented a 13.8% decrease compared to 2020. Aiming to achieve 90% landfill deviation by 2025, **the company is preparing to obtain the Zero Waste certification.** [306-3] [306-4] [306-5]

In order to control waste disposal, first, all the waste bins in the terminal are mapped and departments are surveyed about the need to install new waste bins to ensure correct primary disposal. Simultaneously, a daily inspection is carried out to verify whether the waste sorting is adequate, the state of the containers, and, also, to enable control of the need for collection. Recyclable waste is generally collected three times a week, and non-recyclable waste is collected according to need. [306-5]

GENERATION OF OWN WASTE ACCORDING TO COMPOSITION, IN METRIC TONS (T) [306-3] [306-4] [306-5]

| TYPES OF WASTE                   | 2021          |                                  |                                     | DESTINATION           |
|----------------------------------|---------------|----------------------------------|-------------------------------------|-----------------------|
|                                  | GENERATED     | WASTE DIVERTED FROM LANDFILL (T) | WASTE DISPOSED OF IN LANDFILL (TON) |                       |
| <b>CLASS 1 – HAZARDOUS</b>       |               |                                  |                                     |                       |
| USED OIL                         | 50.01         | 50.01                            | -                                   | Refining              |
| LIGHT BULBS                      | 0.05          | 0.05                             | -                                   | Recycling             |
| BATTERIES                        | 12.60         | 12.6                             | -                                   | Reverse logistics     |
| CONTAMINATED MATERIALS           | 43.71         | 43.71                            | -                                   | Co-processing         |
| HEALTH-RELATED WASTE             | 0.01          | 0.01                             | -                                   | Autoclaving           |
| GREASE TRAP WASTE                | 12.12         | -                                | 12.12                               | Industrial landfill   |
| CONTAMINATED LIQUID              | 156.73        | 156.73                           | -                                   | Co-processing         |
| ELECTRONIC WASTE                 | 1.55          | 1.55                             | -                                   | Reverse manufacturing |
| <b>TOTAL HAZARDOUS WASTE</b>     | <b>276.78</b> | <b>264.66</b>                    | <b>12.12</b>                        | -                     |
| <b>CLASSE 2 - NÃO PERIGOSOS</b>  |               |                                  |                                     |                       |
| METAL                            | 106.41        | 106.41                           | -                                   | Recycling             |
| PLASTIC                          | 30.91         | 30.91                            | -                                   | Recycling             |
| PAPER / CARDBOARD                | 46.36         | 46.36                            | -                                   | Recycling             |
| ORGANIC                          | 14.56         | 14.56                            | -                                   | Composting            |
| REGULAR TRASH                    | 271.53        | -                                | 271.53                              | Landfill              |
| TIRES                            | 16.64         | 16.64                            | -                                   | Recycling             |
| WOOD                             | 184.05        | 184.05                           | -                                   | Recycling             |
| <b>TOTAL NON-HAZARDOUS WASTE</b> | <b>670.46</b> | <b>398.93</b>                    | <b>271.53</b>                       | -                     |

## Climate Change: GHG Emissions and Energy Consumption

An integral part of its Environmental Policy, **reducing greenhouse gas emissions** is a TCP goal that not only reinforces its engagement with the National Policy on Climate Change (PNMC) but also puts into action “SDG 13: Action against climate change.” [103 | 305]

The company’s Operating License requires the execution of an **Air Quality Monitoring Program**, as well as other emission-related programs, such as the Environmental Education Program. In order to ascertain the emissions caused by the fleet, the company monitors black smoke emissions, both from internal equipment and third-party vehicles that access the terminal. [103 | 305]

*In 2021, the first GHG Inventory was carried out, the data of which will contribute to directing carbon management, with strategies for reducing and offsetting the CO<sub>2</sub> emitted and determining goals for coming years.*

2021 GREENHOUSE GAS EMISSIONS (TCO<sub>2</sub> EQUIVALENT) [305-1] [305-2] [305-3]

| SCOPE 1 - DIRECT EMISSIONS            | 2021             |
|---------------------------------------|------------------|
| STATIONARY COMBUSTION                 | 28,018.57        |
| MOBILE COMBUSTION                     | 61,366.36        |
| FUGITIVE EMISSIONS                    | 100.85           |
| <b>SCOPE 1 TOTAL</b>                  | <b>89,485.78</b> |
| SCOPE 2 - INDIRECT EMISSIONS          | 2021             |
| ENERGY ACQUISITION                    | 10,300           |
| SCOPE 3 - OTHER INDIRECT EMISSIONS    | 2021             |
| TRANSPORT AND DISTRIBUTION (UPSTREAM) | 366.35           |
| SOLID WASTE                           | 199.25           |
| COMMUTING                             | 38.86            |
| BUSINESS TRIPS                        | 65.4             |
| <b>SCOPE 3 TOTAL</b>                  | <b>669.86</b>    |

\*Gases considered in the calculations: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O

Regarding the **terminal's electricity** consumption, between 90% and 95% refer to the operation of reefer containers, which require power throughout their stay in the company yard. It is worth remembering that TCP is the terminal with the highest number of outlets for reefer containers in the country, and it is also the largest poultry export corridor in the world, which is a significant part of the company's consumption and overall costs in terms of electricity. [103 | 302]

As an internal policy, TCP tends to increasingly strive to **use cleaner energy sources** and promote renewable energy development. As part of the free energy market, the company is always aware of the regulations regarding the subject and relies on the advisory services of a specialized company to manage relations with the authorities in the industry. Over the next few years, the company intends **to move 100% of its electricity consumption to renewable sources**, and a plan to electrify its equipment is already being discussed. [103 | 302]

The **total energy consumed** in 2021 increased by 13.8% for diesel fuel consumption and 32.0% for electricity compared to 2020. Diesel consumption is used in operating handling equipment and, when necessary, in electric generators. The energy amounts consumed between 2019 and 2021 are presented in the following table.

TOTAL ENERGY CONSUMED (IN GJ) [302-1]

| SOURCES                                    | 2019       | 2020       | 2021       |
|--|------------|------------|------------|
| FUELS FROM NON-RENEWABLE SOURCES (DIESEL*) | 149,725.48 | 163,861.81 | 186,424.01 |
| ELECTRICITY CONSUMED                       | 204,477.65 | 225,685.61 | 298,029.29 |
| TOTAL                                      | 354,203.13 | 389,547.42 | 484,453.30 |

\*Diesel consumption used in the operation of handling equipment and electric generators, when necessary.

\*\*Conversion factors used: 1 Megawatt-hour [MWh] = 3.6 Giga joule [GJ]; 1000 L Diesel = 41.03064 Gigajoules

Since electricity consumption is directly linked to the volume of reefer containers at the terminal, and to the length of stay of the cargo, after the pandemic, it was possible to observe an increase in such stay due to global logistics problems. Such an increase directly impacted the consumption of both electricity and diesel, requiring the contracting of generators to meet customers' needs. [302-1]

The company has goals for reducing energy consumption, which are measured on a monthly basis, and TCP is currently focused on making further efforts to replace energy sources with cleaner sources.



Aerial view of TCP at night

# GRI Summary [102-55]

## GENERAL DISCLOSURES

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| GRI 102: GENERAL CONTENTS 2016 | 102-1 Name of the Organization                                      | Page 7  | -                   |
|                                | 102-2 Activities, brands, products, and services                    | Page 7  | -                   |
|                                | 102-3 Location of headquarters                                      | Page 7  | -                   |
|                                | 102-4 Location of operations  | Page 7  | -                   |
|                                | 102-5 Ownership and legal form                                      | Page 7  | -                   |
|                                | 102-6 Markets served  | Page 7  | -                   |
|                                | 102-7 Scale of the organization                                     | Page 9  | -                   |
|                                | 102-8 Information on employees and other workers                    | Page 18 | -                   |
|                                | 102-9 Supply chain  | Page 8  | -                   |
|                                | 102-10 Significant changes to the organization and its supply chain | Page 7  | -                   |
|                                | 102-11 Precautionary principle or approach                          | Page 8  | -                   |
|                                | 102-12 External initiatives   | Page 8  | -                   |
|                                | 102-13 Membership of associations                                   | Page 8  | -                   |

STRATEGY

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| GRI 102: GENERAL CONTENTS 2016 | <b>102-14</b> A statement from the most senior decision-maker of the organization | Page 3 | -                   |

ETHICS AND INTEGRITY

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| GRI 102: GENERAL CONTENTS 2016 | <b>102-16</b> Values, principles, standards, and norms of behavior | Page 12 | -                   |

GOVERNANCE

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| GRI 102: GENERAL CONTENTS 2016 | <b>102-18</b> Governance structure of the organization | Page 12 | -                   |

STAKEHOLDER ENGAGEMENT

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| GRI 102: GENERAL CONTENTS 2016 | <b>102-40</b> List of stakeholder groups             | Page 5  | -                   |
|                                | <b>102-41</b> Collective bargaining agreements       | Page 19 | -                   |
|                                | <b>102-42</b> Identifying and selecting stakeholders | Page 5  | -                   |
|                                | <b>102-43</b> Approach to stakeholder engagement     | Page 5  | -                   |
|                                | <b>102-44</b> Key topics and concerns raised         | Page 6  | -                   |

REPORTING PRACTICES

| GRI STANDARD               | CONTENT   | PAGE    | REASON FOR OMISSION  |
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| SUSTAINABILITY REPORT 2021 | 102-45 Entities included in the consolidated financial statements | Page 15 | -  |
|                            | 102-46 Defining report content and topic boundaries               | Page 6  | -  |
|                            | 102-47 List of material topics                                    | Page 6  | -  |
|                            | 102-48 Restatements of information                                | -       | N/A<br>This is TCP's first sustainability report                                   |
|                            | 102-49 Changes in reporting                                       | -       | N/A<br>This is TCP's first sustainability report                                   |
|                            | 102-50 Reporting period   | Page 4  | -  |
|                            | 102-51 Date of most recent report                                 | -       | N/A<br>This is TCP's first sustainability report                                   |
|                            | 102-52 Reporting cycle  | Page 4  | -  |
|                            | 102-53 Contact point for questions regarding the report           | Page 4  | -  |
|                            | 102-54 Reporting Statements in accordance with GRI Standards      | Page 4  | -  |
|                            | 102-55 GRI Content Index  | Page 52 | -  |
|                            | 102-56 External assurance   | -       | N/A - The information presented herein did not undergo external assurance process. |

MATERIAL TOPICS

ECONOMIC PERFORMANCE

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| GRI 201: ECONOMIC PERFORMANCE 2016  | <b>201-1</b> Direct economic value generated and distributed      | Page 16 | -                   |

MARKET PRESENCE

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| Ethics, transparency, and governance in business<br><br>Economic and financial performance<br><br>Commitment to people | <b>103-1</b> Explanation of the material topic and its boundaries                         | Page 22 | -                   |
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| GRI 202: MARKET PRESENCE 2016  | <b>202-1</b> Ratios of standard entry level wage by gender compared to local minimum wage | Page 22 | -                   |

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INDIRECT ECONOMIC IMPACTS

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| GRI 203: INDIRECT ECONOMIC IMPACTS 2016 | <b>203-1</b> Infrastructure investments and services supported    | Page 34 | -                   |
|   | <b>203-2</b> Significant indirect economic impacts                | Page 33 | -                   |

TAX

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| GRI 207: TAX 2019                 | <b>207-2</b> Tax governance, control, and risk management         | Page 17 | -                   |



ENERGY

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| GRI 302: ENERGY 2016              | 302-1 Energy consumption within the organization           | Page 51 | -                   |

WATER AND EFFLUENTS

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| GRI 103: MANAGEMENT APPROACH 2016 | 103-1 Explanation of the material topic and its boundaries | Page 38 | -                   |
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|                                   | 103-3 Evolution of the Management approach                 | Page 38 | -                   |
| GRI 303: WATER AND EFFLUENTS 2018 | 303-1 Interactions with water as a shared resource         | Page 39 | -                   |
|                                   | 303-2 Management of water discharge-related impacts        | Page 40 | -                   |
|                                   | 303-3 Water withdrawal                                     | Page 39 | -                   |
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BIODIVERSITY

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|                                   | <b>103-3</b> Evolution of the Management approach                                     | Page 43 | -                   |
| GRI 304: BIODIVERSITY 2016        | <b>304-2</b> Significant impacts of activities, products and services on biodiversity | Page 45 | -                   |

EMISSIONS

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| GRI 305: EMISSIONS 2016           | <b>305-1</b> Direct (Scope 1) GHG emissions                       | Page 50 | -                   |
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WASTE

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| GRI 306: WASTE 2020               | 306-1 Waste generation and significant waste-related impacts | Page 48 | -                   |
|                                   | 306-2 Management of significant waste-related impacts        | Page 47 | -                   |
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ENVIRONMENTAL COMPLIANCE

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| GRI 307: ENVIRONMENTAL COMPLIANCE 2016 | 307-1 Non-compliance with environmental laws and regulations | Page 14 | -                   |

EMPLOYMENT

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| GRI 401: EMPLOYMENT 2016          | <b>401-1</b> New employee hires and employee turnover  | Page 18 | -                   |
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OCCUPATIONAL HEALTH AND SAFETY

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| GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 | <b>403-6</b> Promotion of worker health   | Page 30 | -                   |
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|                                      | <b>404-3</b> Percentage of employees receiving regular performance and career development reviews | Page 23 | -                   |

DIVERSITY AND EQUAL OPPORTUNITIES

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| GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016 | <b>405-1</b> Diversity of governance bodies and employees         | Page 24 | -                   |

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| GRI 413: LOCAL COMMUNITIES 2016   | <b>413-1</b> Operations with local community engagement, impact assessments, and development programs | Page 32 | -                   |
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## TCP

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James Wang – CFO

Jan Zhang – CCO

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Heloisa Rodrigues

Igor França Coffani

Katlyn Eliege dos Santos

Kayo Zaiats Szatkovski

Marjhory Mariana Gonçalves Vieira

Mateus Jose Campagnaro

Mauricio Faceto Boaretto

Octavio Eliot Silva e Souza

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