



FONASBA

**FONASBA
ANNUAL MEETING 2023**

ASSOCIATION BEST PRACTICES PLENARY MEETING

17th OCTOBER 2023

ENVIRONMENTAL SOCIAL GOVERNANCE IN THE SHIPPING INDUSTRY

PRESENTATION BY:
THIAGO SOUZA DOS SANTOS, YABA WINNER 2023



FONASBA

The Federation of National Associations of Ship Brokers and Agents

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) IN THE SHIPPING INDUSTRY: IMPACTS AND OPPORTUNITIES FOR THE SHIPPING AGENCIES.

2023 FONASBA YOUNG SHIP AGENT OR SHIP BROKER AWARD



UNIMAR

WHY ESG ?

THE EVOLUTION AND CURRENT SCENARIO OF A SHIPPING AGENCY

1 Evolution of Ship Agent Role: Ship agents have evolved their role over time, adapting to changes in the global maritime transport industry.

2 Initial Responsibilities: Initially, ship agencies were primarily responsible for operational tasks, such as managing shipping operations and coordinating port activities.

3 Expanded Functions: With advancements in technology and increasing complexity in marine operations, ship agents have taken on a broader range of functions.

4 Current Role: Today, ship agents serve as intermediaries and logistics experts, connecting shipowners, port authorities, customers, and regulatory institutions. They also provide services like consulting, risk management, digital solutions, and compliance support.

5 ESG Influence: Environmental, Social, and Governance (ESG) concerns have significantly impacted the ship agent's importance. Ship agents now play a crucial role in promoting sustainability, environmental compliance, cleaner technologies, transparency, and socially responsible practices within the maritime industry.



WHY ESG ?

CONCEPT AND PRINCIPLES OF ESG (ENVIRONMENTAL, SOCIAL, AND GOVERNANCE)

ESG as an Integrated Approach: ESG (Environmental, Social, and Governance) represents an integrated approach that combines environmental, social, and corporate governance aspects into sustainable development and business management. It emphasizes the significance of positive performance in these areas for long-term value creation and their impact on stakeholders.

Response to Global Challenges: ESG emerged in response to growing global concerns regarding environmental, social, and governance challenges faced by companies. It addresses issues like climate change, pollution, social inequalities, corruption, and unethical practices by integrating these factors into business decision-making.

Benefits of ESG: The relevance of ESG for companies is evident in its potential to enhance reputation, attract investments, support risk management, and ensure long-term sustainability. Companies adopting sustainable practices can gain competitive advantages, access new markets, and engage socially conscious customers, while also contributing to social well-being, environmental preservation, and ethical standards on a global scale.



WHY ESG ?

BENEFITS OF ADOPTING ESG PRACTICES FOR MARITIME AGENCIES



Reputation and Positive Image

- Adoption of ESG practices enhances a company's reputation and fosters an image of responsibility and commitment to sustainability and governance.
- This builds trust with customers, business partners, and investors, making the company more attractive in the market.



Access to Business Opportunities

- ESG-aligned companies gain access to opportunities that prioritize sustainability and social responsibility, potentially leading to participation in projects and contracts with high ESG standards.



Reducing Operational and Financial Risks

- ESG practices help identify and mitigate operational and financial risks, including environmental damage, fines, reputational damage, and improved resource and safety management.

WHY ESG ?

BENEFITS OF ADOPTING ESG PRACTICES FOR MARITIME AGENCIES



Attracting and Retaining Talent

- Younger professionals value companies committed to sustainability and social responsibility.
- Adopting ESG practices attracts and retains skilled talent, resulting in more engaged and motivated teams.



Operational Efficiency

- Implementing ESG practices often improves operational efficiency, including reducing energy consumption, adopting cleaner technologies, optimizing processes, and reducing waste.

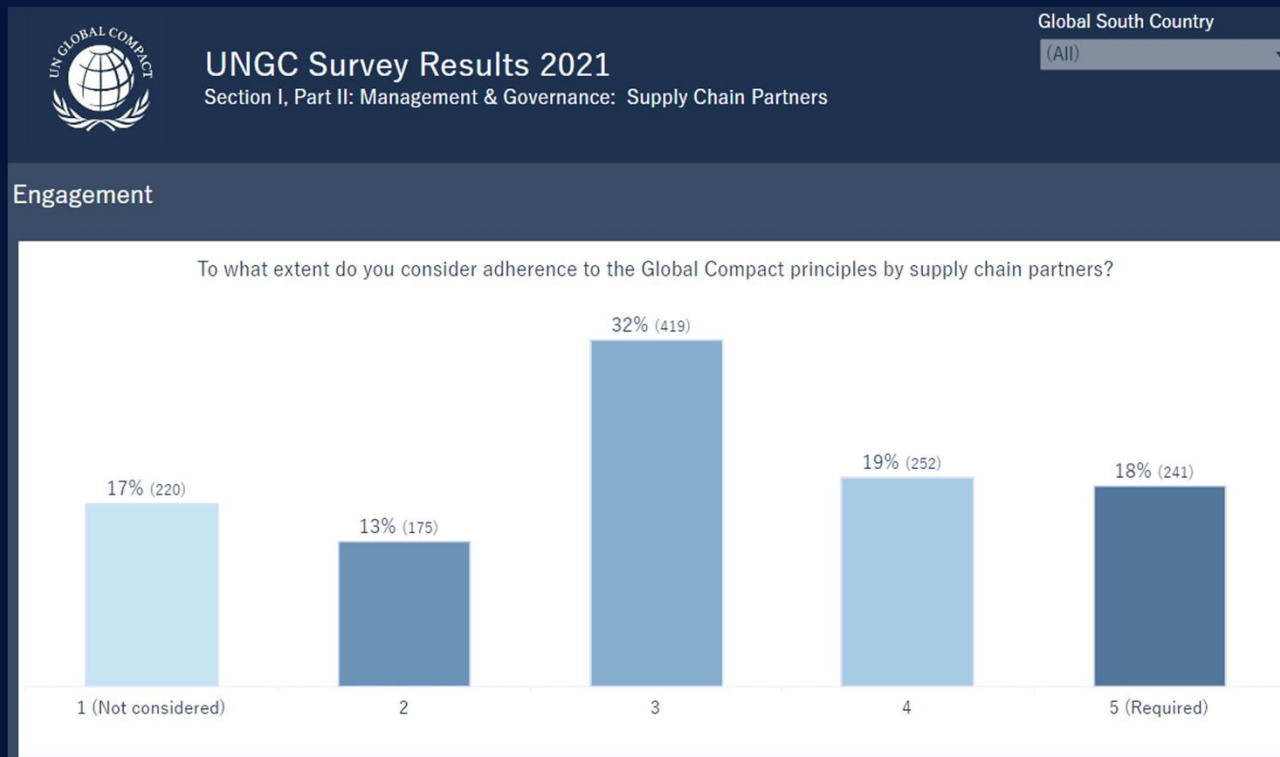


Stakeholder Relationship Management

- Incorporating ESG into stakeholder relationships strengthens ties with customers, suppliers, communities, and regulatory authorities.
- This leads to stronger partnerships and new collaboration opportunities

WHY ESG ?

BENEFITS OF ADOPTING ESG PRACTICES FOR MARITIME AGENCIES



WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - UN GLOBAL COMPACT



The screenshot shows a web browser window with the URL <https://unglobalcompact.org/what-is-gc/participants/133315>. The page is titled "Company Information" and features a dark blue header with the text "Company Unimar Agenciamentos Maritimos Ltda" and the website "www.unimar-agency.com.br". The main content area is divided into two columns. The left column lists the following details: Type: SME; Country: Brazil; Sector: Diversified; Ownership: Privately Held; Global Compact Status: Active; Participant Since: 14 August 2018; Letter of Commitment; and Next Communication on Progress (COP) due on: 15 July 2023. The right column is titled "Non-Financial Information" and lists "Business and Human Rights Resource Centre".

Company Information	
Type:	SME
Country:	Brazil
Sector:	Diversified
Ownership:	Privately Held
Global Compact Status:	Active
Participant Since	14 August 2018
Letter of Commitment	
Next Communication on Progress (COP) due on:	15 July 2023

Non-Financial Information	
Business and Human Rights	Resource Centre

2018 Unimar became aware of the UN initiative called the Global Compact. Then our actions were directed towards adhering to the programme that certified the actions of Unimar, awarding the certification as Participants in the Global Compact and with actions registered in its 17 SDGs - Objectives Sustainable Development.

WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES

Founded in 1995 in Santos, Brazil, near the largest port in Latin America.

Specialized in shipping agency services for both regular lines and tramp ships.

The company has expanded and now operates in 11 Brazilian states with 14 offices.

Unimar began to focus on its environmental role and responsibilities around 2017.

This shift in focus came as the concept of sustainability gained prominence, prompting the company to seek ways to contribute to environmental efforts.



WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - ENVIRONMENT



2017 - Reuse water project, which consisted of capturing rainwater to reuse in the maintenance of the Headquarters building, generating a saving of 783,000 litres of water since then.



2018 - Unimar joined its green electricity consumption project, which essentially involves using solar energy in 100% of its energy consumption. By joining a cooperative, Unimar was one of the first companies in the sector at the national level to embrace this practice, preventing the emission of 56,563 kilograms of Carbon Dioxide (CO₂) in the atmosphere.

WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - GOVERNANCE



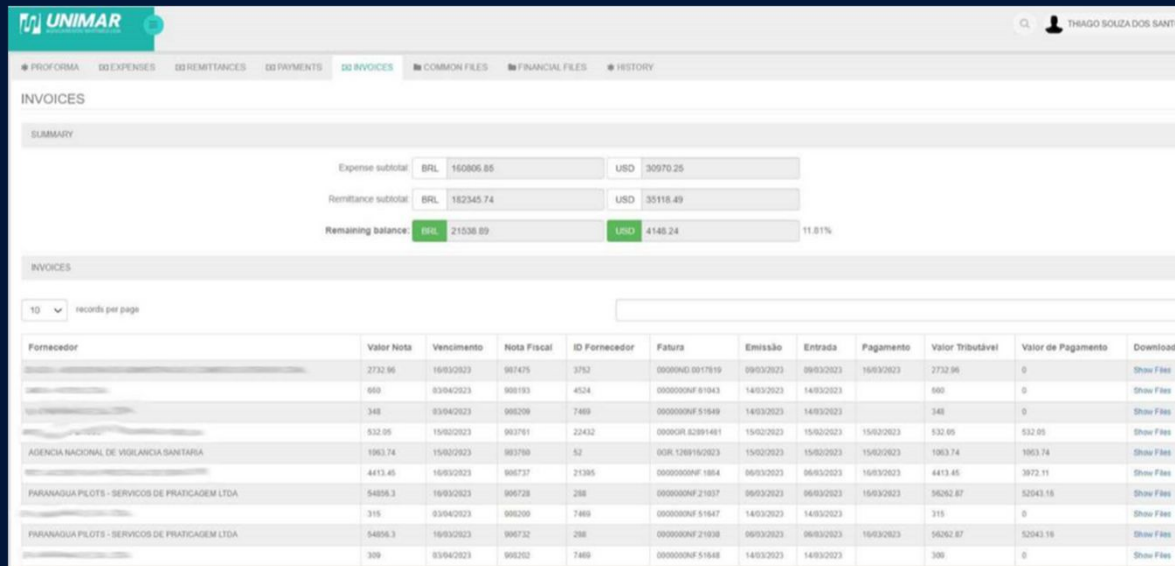
The screenshot shows a web browser window with the URL https://tpms.tcompliance.com/T_Entities/ProfileTraInfo/14009. The page header features the "ETHIXBASE 360" logo and a navigation menu with items: "My Dashboard", "Orders", "Users", "Messages (16)", and "Directories". The main content area is titled "TRAC Information For: Unimar Agenciamentos Marítimos Ltda". Below the title is a "Back to Overview" button and the following details:

- TRAC Number : 4-17-413-5667-26
- Expiration Date: 05/10/2023
- TRAC Member Since: 01/31/2017

2017 Unimar joined the certification process of its compliance policies by TRACE, one of the main anti-corruption seals that attest to the governance of the company's operations providing maximum transparency and ethics for its partners and customers.

WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - PAPERLESS & IT



The screenshot displays the UNIMAR Invoices system interface. At the top, there is a navigation menu with options: PROFORMA, EXPENSES, REMITTANCES, PAYMENTS, INVOICES (selected), COMMON FILES, FINANCIAL FILES, and HISTORY. The user's name, THIAGO SOUZA DOS SANTOS, is visible in the top right corner.

The main section is titled "INVOICES" and contains a "SUMMARY" table with the following data:

Category	BRL	USD
Expense subtotal	160806.86	30970.25
Remittance subtotal	182345.74	35118.49
Remaining balance	21538.89	4148.24

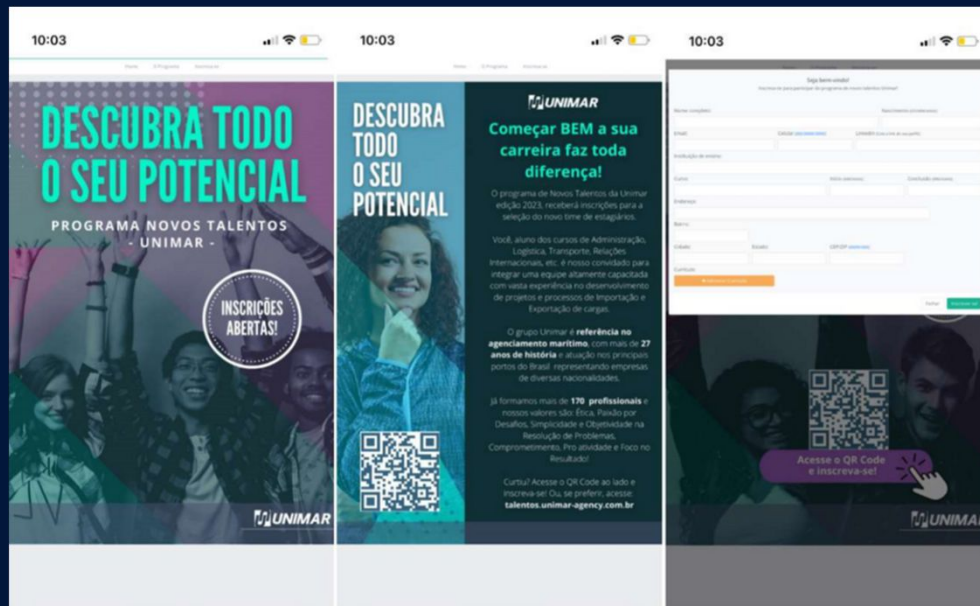
Below the summary is a table of invoices with the following columns: Fornecedor, Valor Nota, Vencimento, Nota Fiscal, ID Fornecedor, Fatura, Emissao, Entrada, Pagamento, Valor Tributavel, Valor de Pagamento, and Download. The table contains 10 rows of invoice data.

Fornecedor	Valor Nota	Vencimento	Nota Fiscal	ID Fornecedor	Fatura	Emissao	Entrada	Pagamento	Valor Tributavel	Valor de Pagamento	Download
	2732.96	16/03/2023	901475	3753	000000NF 0117819	09/03/2023	09/03/2023	16/03/2023	2732.96	0	Show Fias
	660	03/04/2023	908193	4524	000000NF 01043	14/03/2023	14/03/2023		660	0	Show Fias
	348	03/04/2023	908209	7469	000000NF 51649	14/03/2023	14/03/2023		348	0	Show Fias
	532.05	15/02/2023	902761	22432	000000NF 02891461	15/02/2023	15/02/2023	15/02/2023	532.05	532.05	Show Fias
AGENCIA NACIONAL DE VIGILANCIA SANITARIA	1963.74	15/02/2023	903760	52	00R 1269152023	15/02/2023	15/02/2023	15/02/2023	1963.74	1963.74	Show Fias
	4413.45	16/03/2023	906737	21395	000000NF 1854	06/03/2023	06/03/2023	16/03/2023	4413.45	3972.11	Show Fias
PARANAGUA PILOTS - SERVICOS DE PRATICAGEM LTDA	54856.3	16/03/2023	905728	288	000000NF 21037	06/03/2023	06/03/2023	16/03/2023	54262.87	52043.15	Show Fias
	315	03/04/2023	908200	7469	000000NF 51647	14/03/2023	14/03/2023		315	0	Show Fias
PARANAGUA PILOTS - SERVICOS DE PRATICAGEM LTDA	54856.3	16/03/2023	906732	288	000000NF 21038	06/03/2023	06/03/2023	16/03/2023	54262.87	52043.15	Show Fias
	306	03/04/2023	908202	7469	000000NF 51648	14/03/2023	14/03/2023		306	0	Show Fias

Unimar took action to eliminate paper in response to its ESG policy and the digitalization of the sector to generate costing accounts (Disbursements Accounts). As a result, currently, a development system internally in the company provides 100% of the data of its services in electronic/digital format, thus presenting a cutting-edge tool for the market.

WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - TALENT AQUISION



Unimar seeks to provide young students with a gateway to the Maritime/Port Sector. In this way, our constant goal is to influence them on the importance of the sector and how careers can be built for professionals from diverse backgrounds. In this sense, we have established partnerships with the primary educational institutions in our location and established our Young Talent program, where a web platform that is also available on smartphones was internally created and developed to capture these profiles during the presentations and events held by Unimar

WHY ESG ?

UNIMAR SHIPPING AGENCY AND ITS ESG PRACTICES - SOCIAL & EDUCATION



Unimar was invited by the Santos Commercial Association (an institution founded in 1870) to promote the Maritime Agency sector in a contest in March 2023. On the occasion, 9 educational institutions of Santos took part in a marathon, where Unimar presented the market problem and the young students had the support of our professionals and teachers to develop business solutions.

The winning solution received an award provided by the Santos Commercial Association. The event was attended by more than 220 young people, besides the teams of Unimar professionals from different areas like technology, HR, new business, quality/processes, and more

WHY ESG ?

CONCLUSION

Strengthened Brand and Market Position

1

- Unimar strengthened its brand and gained prominence in the market by adopting ESG practices.
- Customers, partners, and employees recognized Unimar's strategic role in pursuing an ethical logistics chain focused on well-being and social responsibility.

Debunking Myths about ESG

2

- Unimar's experience disproves myths associated with ESG practices, showing that they don't hinder business success but rather enhance a company's reputation and relationships with stakeholders.

Collaborative Effort Across the Logistics Chain

3

- Implementing ESG policies is a collaborative effort involving the entire logistics chain.
- Shipping agencies play a crucial role in influencing the practices of suppliers, customers, and partners, fostering ethics, sustainability, and well-being

Importance of ESG Implementation

4

- Companies should see ESG policies as an opportunity for positive transformation, strengthening their brands, gaining competitive advantages, attracting investments, and contributing to a more sustainable and fair future.
- Collaboration among companies in the logistics chain is vital for sustainability and social responsibility, and sharing good practices can lead to a more ethical and sustainable economy.



FONASBA

The Federation of National Associations of Ship Brokers and Agents

THANKS FOR YOUR TIME!



Thiago Santos

Corporate Strategy Director na Unimar
Agenciamentos Maritimos Ltda. – Shipping...

