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Optimization of ESG actions in Naval Terminal through the Compliance area

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Abstract

The pillars of Environment, Social and Corporate Governance at Naval Terminal are of utmost relevance, which it carries out 70% of the bulk loading of soybean meal in the Santos Harbor, and responsible for 40% in Brazil. This study aims to present the optimization of ESG actions developed by the Compliance area. A project was developed based on financial, social and environmental materiality, implementation of internal audits and monitoring for Certifications. This is an exploratory research carried out by the naval terminal Compliance area. Implementation of a Reporting Channel, Due Diligence for suppliers, and Certifications: ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), GMP Plus (Good Manufacturing Practices and Food Safety) and ISO 45001 (System of Occupational Health and Safety Management), HACCP Certification - Hazard Analysis & Critical Control Point (Food Safety on Hazard Analysis and Critical Control Points). These actions contributed to ensuring excellent quality in its bulk loading processes.

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1. Introduction

Business engagement is essential for socioeconomic development and strengthening the environmental agenda. Therefore, the naval terminal's operations are carried out in a responsible and sustainable way to build a production chain committed to the ESG (Environment, Social & Governance) agenda encompassing the environmental, social and governance pillars.

Specifically, the sustainability of this organization, supported by these three main pillars, is focused on the economic-financial results of its raw soybean meal shipment operations, social responsibility with its stakeholders and respect for the environment for zero waste, with dialogue with stakeholders are key to formulating strategic and effective initiatives.

Raw loading is a line of business that goes hand in hand with sustainability [10]. It is always attentive to relevant initiatives in the market and society and seeks to contribute on different fronts, especially in combating climate change and promoting positive social impacts in the communities located where it operates.

The Naval Terminal has established important social, environmental and governance commitments and policies that, together, describe expectations for business partners, service providers, society and employees [1].

Nomenclature

A	ESG - Environment, Social & Governance
B	Naval Terminal
C	SDG - Sustainable Development Goals of the 2030 Agenda

1.1. ESG - Environment, Social & Governance Project

This Project is being developed based on issues of social and environmental materiality, together with financial materiality.

Financial materiality is based on the value of the company in the broadest sense and not just on the financial statements. The way money moves in Santos Harbor impact on the financial sector [6].

In which, the impacts of the Naval Terminal activity at what level impacts the environment, with the biggest affected being the stakeholders.

Therefore, the materiality matrix is being developed relating to financial, environmental and social risks, and their impacts on the organization and its stakeholders.

However, financial systems are also impacted in terms of sustainability. Currently, the step towards the total digitalization of the physical base in contrast to sustainability is one of the main points for the alignment of information technology services [9]. This sustainability action has become a focus area to ensure compliance with the Sustainable Development Goals (SDGs).

The study of the impact of materiality will be considered from an internal and external perspective, in which an investigation will be carried out by Naval Terminal leaders and analysts. At the same time, the relevance of this impact will be verified with stakeholders.

The impact on companies' financial performance varies according to various industry sectors, including shipping. The analysis of which demonstrates the importance of governance mechanisms (ESG, board composition, risk management, internal audit) in implementing growth in company performance [2].

Relevant points were addressed in the project, such as: Brand image, regulatory compliance, investment efficiency and competitive advantage are processes as these must be aligned with sustainable strategic investment such as assertive decision making [1].

1.2. Social Responsibilities

The main objective today is to work to transform the future, promoting harmonious coexistence between the company and communities. The valorisation of human capital incorporates the Company's actions.

This process takes place through an ethical, transparent and respectful relationship. The transportation planning that is carried out by the Operations and Boarding area of Naval Terminal is important because it provides adequate access to products and services for the disembarkation process in a broad way, as also reported by Rezaei et al [7].

These areas work in 4 shifts and support the process 24x7.

The Naval Terminal has the Certification ISO 45001 (System of Occupational Health and Safety Management).

1.3. Environment

Naval Terminal environmental management is based on best practices. In each project, we seek to reduce the environmental impacts resulting from different activities and contribute to the preservation of natural resources that are part of our areas of activity and are important for the healthy development of the population.

JIANG & LI [5] comments on how to provide effective technical support for bulk material transportation.

The transport of the product to the Naval Terminal is carried out in two modes: road transport and rail transport, and the technical and economic viability for future mass hybrid energy transmission for rail transport is proven [4].

The Naval Terminal have Certifications: ISO 14001 (Environmental Management System), GMP Plus (Good Manufacturing Practices and Food Safety) and HACCP Certification - Hazard Analysis & Critical Control Point (Food Safety on Hazard Analysis and Critical Control Points).

1.4. Corporate Governance

The Naval Terminal believe that, through effective and transparent corporate governance, we are able to generate value and serve society, contributing to building a more sustainable world, in line with the expectations of our stakeholders and the longevity of the business.

To this end, the Naval Terminal define strategies and processes in accordance with the best governance practices, legislation, regulations and public commitments assumed by the company. Furthermore, always incorporate the values and the agendas and initiatives in which participate or support into decision-making, such as the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda.

Mapping, evaluating and preventing risk factors are fundamental activities in strengthening the company's governance structure, as well as supporting business areas to achieve operational and financial results and protecting the company's reputation.

In the coming decades, shipping companies will have to implement governance policies indispensably [8].

The Naval Terminal has the Certification ISO 9001 (Quality Management System).

2. Methodology

This study is based in the first part on bibliographical research, and also on exploratory research in Naval Terminal. The research allowed the identification and analysis of events that occurred in the last year.

Presenting the advantages regarding:

Predict in advance the relevance of risk situations;

Observe whether there is a need for new research and in new joint areas to be explored.

Evaluate the relevance of the explored item and how this can contribute to the academic community.

Centralize the focus on the topic so that this does not become very broad research.

3. Results and discussions

According to the analyzes carried out regarding the materialities relating to the social, environmental and governance pillars, the following results were identified:

- The social responsibilities resulting in actions with the objective of:
- The governance
 - Promote respect for human rights and the rejection of discrimination in all of the Company's business relationships.

- Value the physical and mental health of employees, ensuring working conditions and promoting a healthy life and well-being for all.
- Value gender equality, promoting actions that maintain parity and equal access to opportunity.
- Value and encourage diversity and inclusion by establishing goals, initiatives and actions to ensure that the Company is more diverse.
- Attract, retain and develop talent by developing actions and projects to serve and seek young and future professionals in the most different locations and realities.
- Create training and training programs for employee development, stimulating leadership and creativity.
- Combat the exploitation of child labor, forced and/or unpaid labor and slave labor, analogous to slavery or carried out in precarious or degrading conditions.
- Promote customer engagement and partnership throughout the term of the contract with the Company.
- Environment resulting in actions with the objective of:
 - Conscious consumption of resources and materials in all processes and services, focusing on waste reduction.
 - Develop indicators to monitor environmental issues in the Company's actions, to seek to mitigate impacts.
 - Promote the generation of electrical energy from renewable energy sources, aiming for internal adoption and promotion among our stakeholders.
 - Support projects and initiatives of an environmental nature, contributing to the development of actions by civil society organizations, higher education institutions, among other groups or bodies that have an affinity with the cause.
- The governance resulting in actions with the objective of:
 - Promote and strengthen a Company that values ethics, integrity and transparency, materialized through a Compliance Program.
 - Promote continuous improvement of employees and those involved with the company to internalize the culture.
 - Promote an environment of trust, strengthening the reputation and organizational culture based on ethical principles, encouraging collaboration and collective intelligence, necessary in times of social and institutional change.
 - Encourage the reporting of unethical, unprofessional, illegal, fraudulent or questionable behavior to the channels provided by the Company, the main one being the Reporting Channel.
 - Ensure independent audits are carried out to analyze the Company's balance sheets, financial statements, administrative processes and policies.
 - Keep the Company's regulatory instruments and policies up to date.
 - Maintain and improve the Company's risk management, at all levels to meet the company's objectives and conduct business.
 - Evaluate and implement management systems to add value and ensure integrity in the Company's processes.
 - Ensure that the Board of Directors acts independently and seeks to formulate and maintain the Company's general policies.
 - Ensure transparency and clarity of the Company's operations to all interested parties through reports and indicators.

4. Conclusion and future trend

Regarding the observed ESG issues, effective activities were leveraged such as: creation of a code of conduct aiming at ethical conduct and aligned with the company's culture, ISO 9001 certification for quality alignment, 45.001 certification for occupational health and safety, 14.001 certification for the environment, HAPPC certified and GMP certified. Provide differentiated services to Brazilian agribusiness, generating value for customers, partners and the

community. With social and environmental responsibility, being the link between Brazilian agribusiness and the world.

In this study, the characteristics of port engineering in terms of risk were not taken into account, which is a limitation, such as that presented by ZHI-QIANG & YA-MEI [11]. It will be continued in the next research [9].

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