



SANTOS BRASIL

2Q21

Institutional Presentation



Content

■ Environmental, Social and Corporate Governance	03
■ Macroeconomic context, port sector in Brazil and its growth potential	08
■ About Santos Brasil	12
■ Tecon Santos	18
■ Tecon Imbituba	24
■ Tecon Vila do Conde	29
■ TEV – Vehicle Terminal	34
■ Saboó Terminal	35
■ SBLog – Santos Brasil Logística	36
■ Financial highlights	39



Environmental, Social e Corporate Governance (ESG)



ENVIRONMENTAL

- CO₂ emission control
- Sustainable water consumption
- Waste management
- Sustainability Committee



SOCIAL

- Work safety and health
("Zero Accident" campaign)
- Social development
("Formare Apprentice" program)
- Individual appreciation
("I am a volunteer" program)



GOVERNANCE

- Transparency
- Compliance Committee
- Independent anonymous tip hotline
- Shares listed at "Novo Mercado" - B3

	2014	2015	2016	2017	2018	2019	2020	2Q20	1Q21	2Q21
CO₂ emissions										
CO ₂ emissions (tons)	30,435	30,337	31,437	31,556	32,297	33,515	29,452	6,663	7,734	8,026
Port operations (kgCO ₂ e/TEU ¹)	17.32	15.49	15.32	14.85	13.99	13.29	13.14	12.65	12.46	12.03
Bonded warehouses (kgCO ₂ e/TEU)	26.57	27.21	19.81	27.61	25.03	23.62	21.99	23.40	19.17	18.33
Truck transportation (kgCO ₂ e/Km)	1.03	0.97	1.01	1.02	1.02	1.02	1.05	1.00	1.05	1.03
Distribution centers (kgCO ₂ e/pallet)	0.99	1.30	0.63	0.53	0.41	0.36	0.90	0.52	0.48	0.41
Water (m³)										
Water consumption	82,611	69,858	84,817	110,041	82,724	74,176	67,776	17,349	23,104	14,676
Employees (own + third party)	48,645	50,274	48,539	43,587	41,139	42,498	39,672	10,032	9,496	10,486
Water consumption <i>per capita</i>	1.70	1.39	1.75	2.52	2.01	1.75	1.71	1.76	2.43	1.85
Waste (tons)										
Non-recyclable	117	119	723	594	627	645	508	131	160	140
Recyclable	395	156	1,454	1,646	1,552	2,175	1,675	532	424	505
Total waste	512	275	2,176	2,239	2,179	2,820	2,183	663	584	645

¹ Twenty-Foot Equivalent Unit: equivalent to a twenty-foot container.

- ESG Report¹ compliant with GRI Standard since 2011
- Sustainability Committee
- Sustainability Policy
- The Company's stocks participates of the S&P/B3 Brazil ESG Index

² Access our website: [Santos Brasil - ESG Report](#)

ZEROACIDENTE

Nossa carga mais preciosa é a sua vida.

- Zero Accident campaign: dissemination of risk and accident prevention culture
- 71% reduction in the number of accidents in 2020
- Port terminals reached a record of days without lost-time accidents

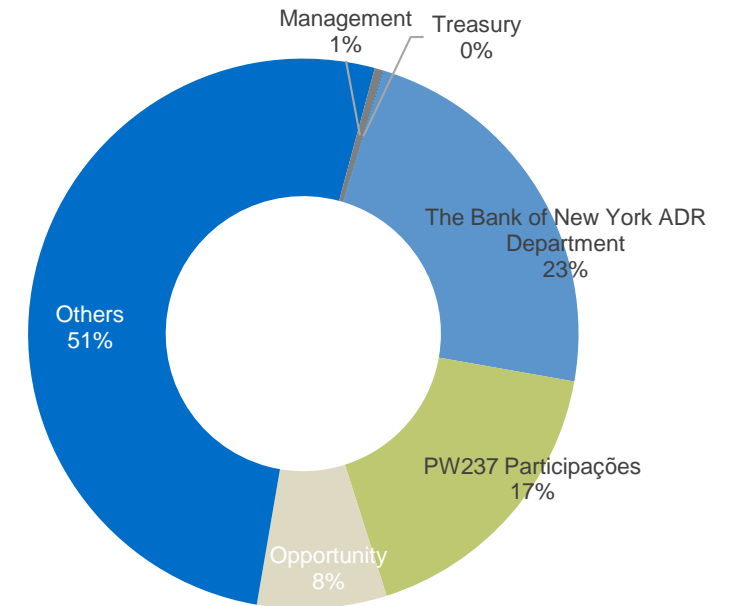
Aprendiz FORMARE

- Formare Apprentice program completed 11 years in 2020
- More than 80 volunteers
- 271 graduated youngsters;
- 102 youngsters hired by Santos Brasil

Shares listed on Novo Mercado (B3)

- 100% Tag Along for all minority shareholders
- One Share, One Vote (no shareholders agreement)
- Board of Directors with at least 40% of independent members
- Permanent Fiscal Board
- Compliance Committee
- Compensation Policy
 - Performance Shares and Matching programs for key executives;
 - Bonus program oriented by business metrics, which include ESG goals, management and individual metrics
 - Progression, promotion and compensation based on meritocracy

Shareholders (June/2021)



862,478,378 voting shares.

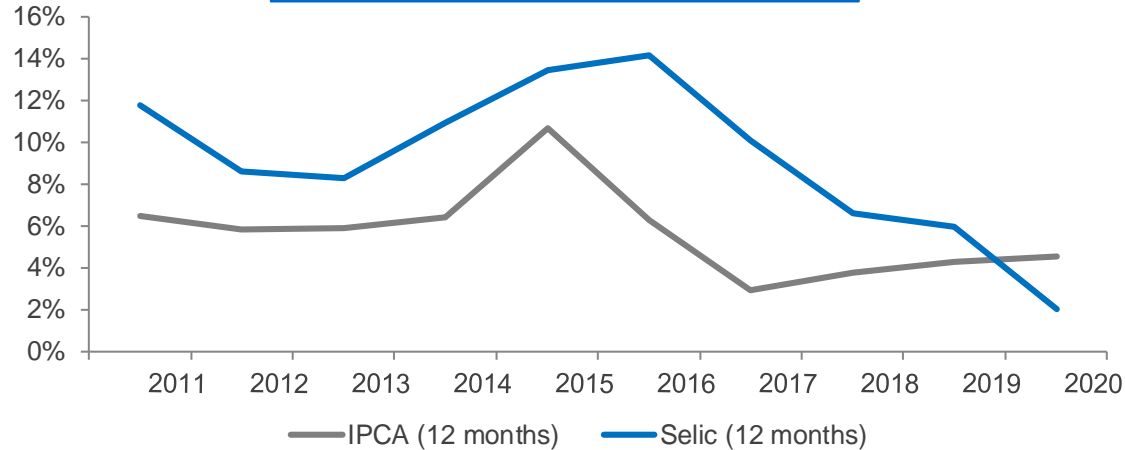


**Macroeconomic context, port sector
in Brazil and its growth potential**

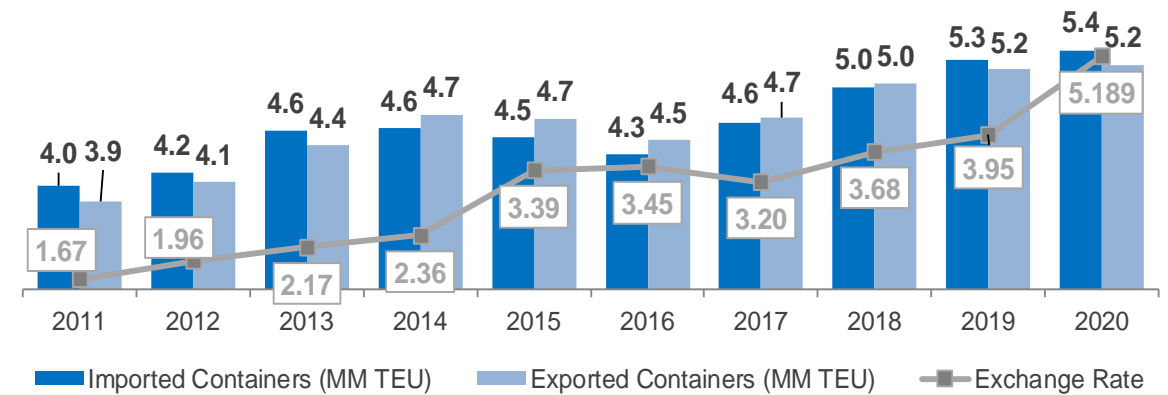
Macroeconomic indicators

Brazilian Container Throughput: resiliency in crisis periods

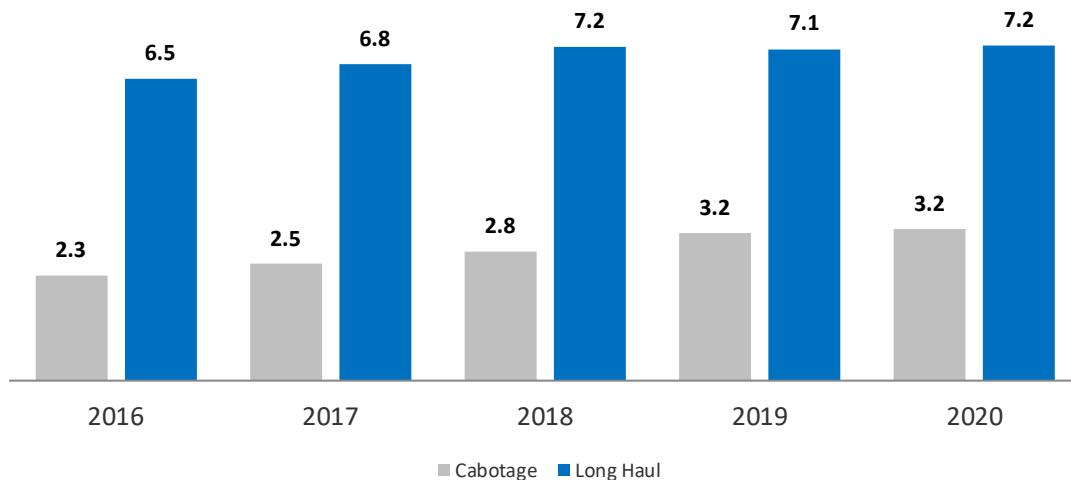
Inflation x interest rate



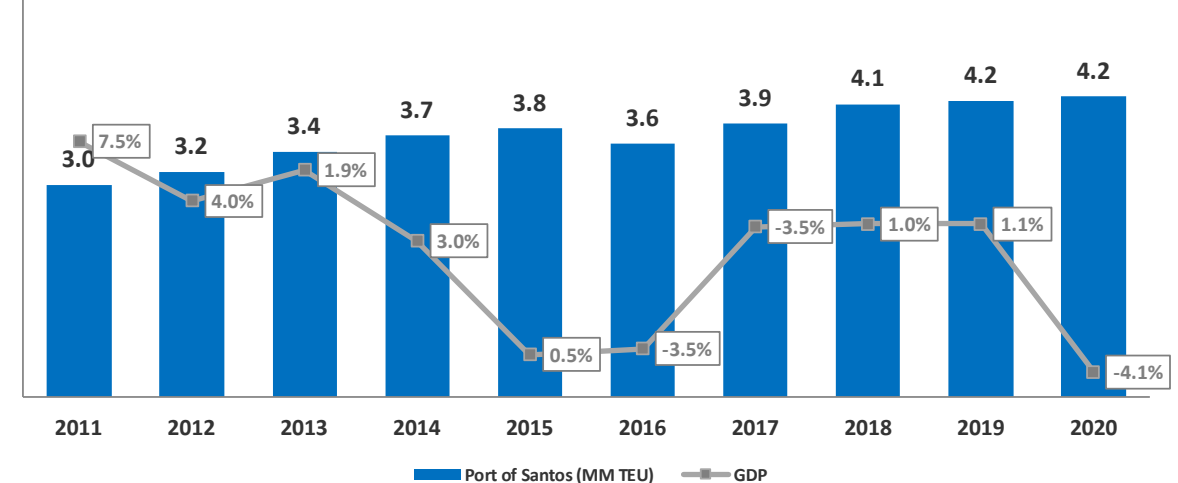
Industrial activity x exchange rate



Brazilian container throughput (MM TEUs)



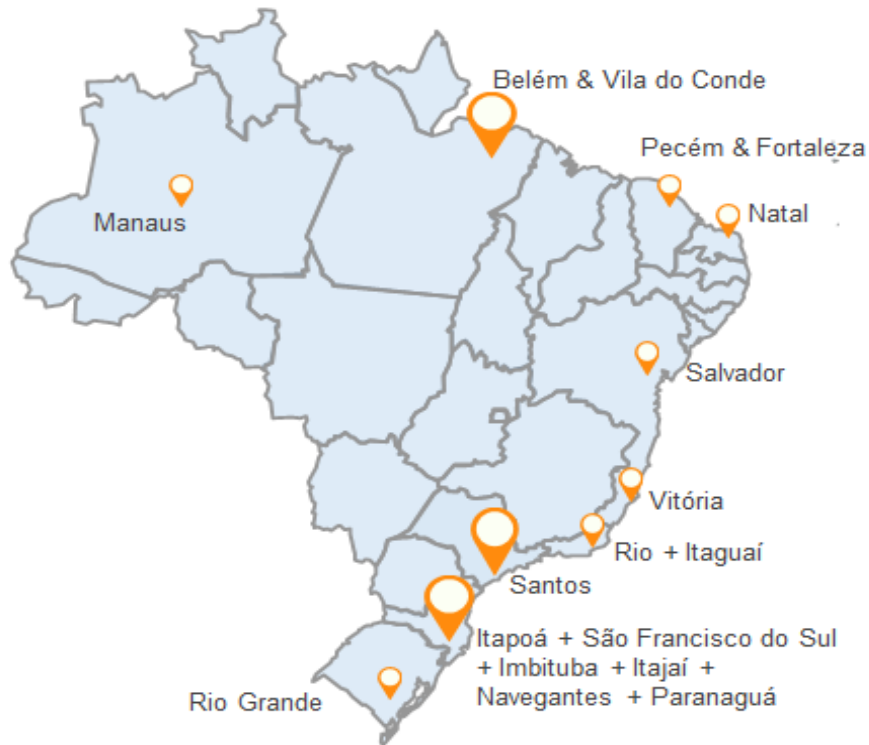
Brazil GDP x Container throughput of the Port of Santos (MM TEUs)



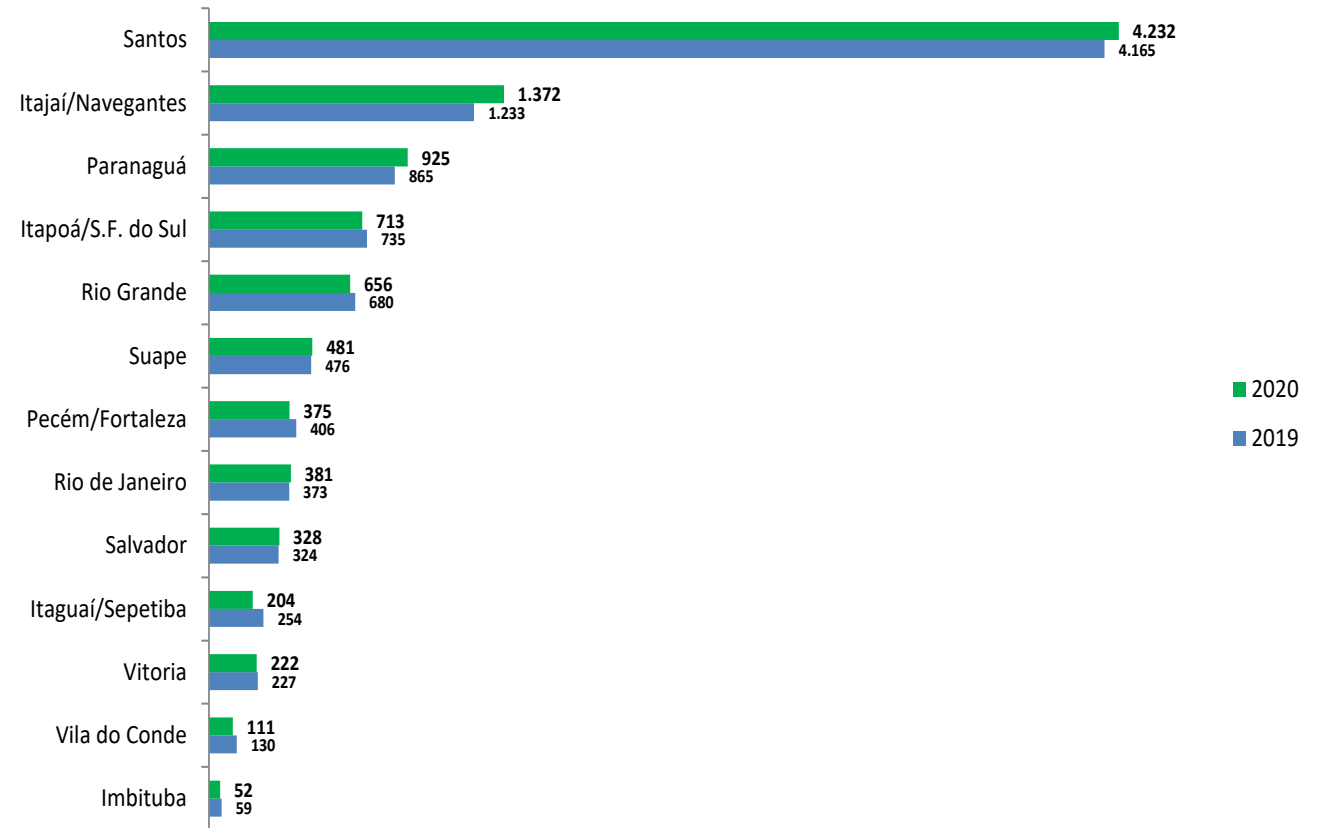
Port sector in Brazil

South and Southeast ports have the largest container throughput

	North	Northeast	Southeast	South
% Population	9%	28%	42%	14%
% GDP	6%	15%	53%	17%
% Volume (TEU)	7%	12%	46%	35%



Container throughput – Main Brazilian ports (Thousand TEUs)



Upsides in the Brazilian container market

Cabotage (BR do Mar program)

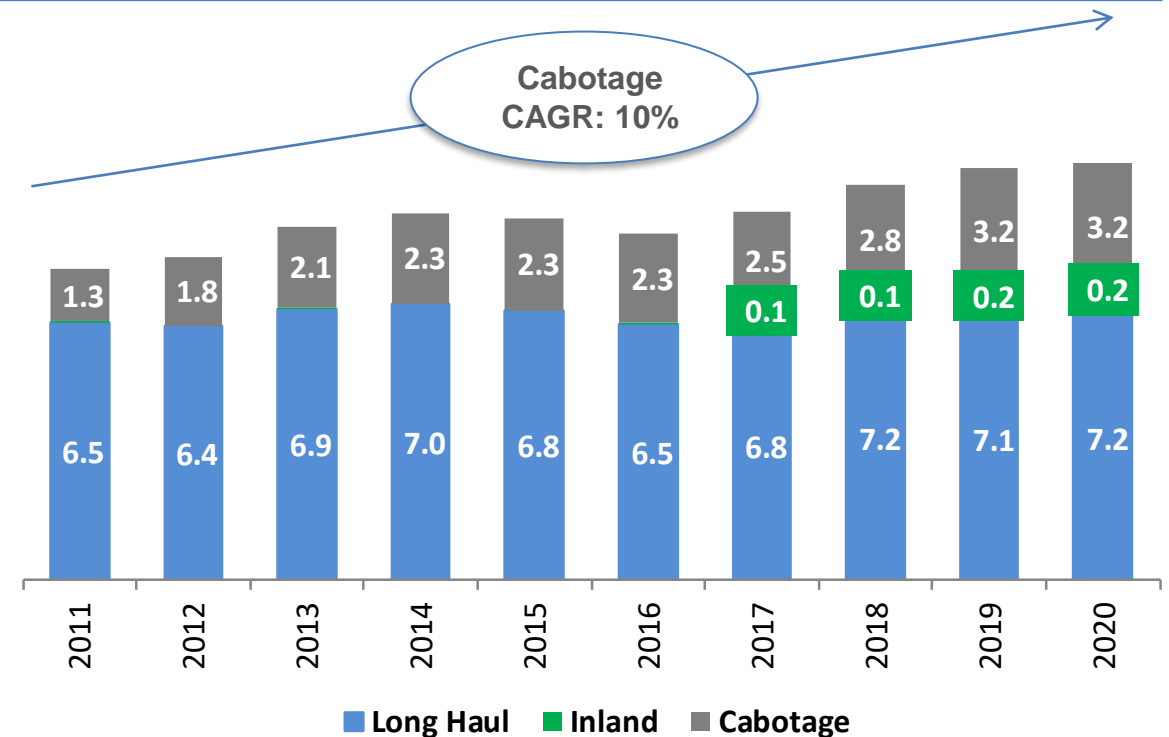


Cabotage growth drivers

Container transportation through cabotage presented a compounded annual growth rate of 10% in 2010 – 2020 period in Brazil. Some of the main drivers were:

- **Lower logistics costs** compared to road transportation for large TKU (high tonnage and long distances)
- **Diversification** in companies' logistics chain to reduce the dependence on truck freight
- **Greater security** in cargo transportation - less accidents, damage and theft - compared to road transport

Container throughput (MM TEUs)

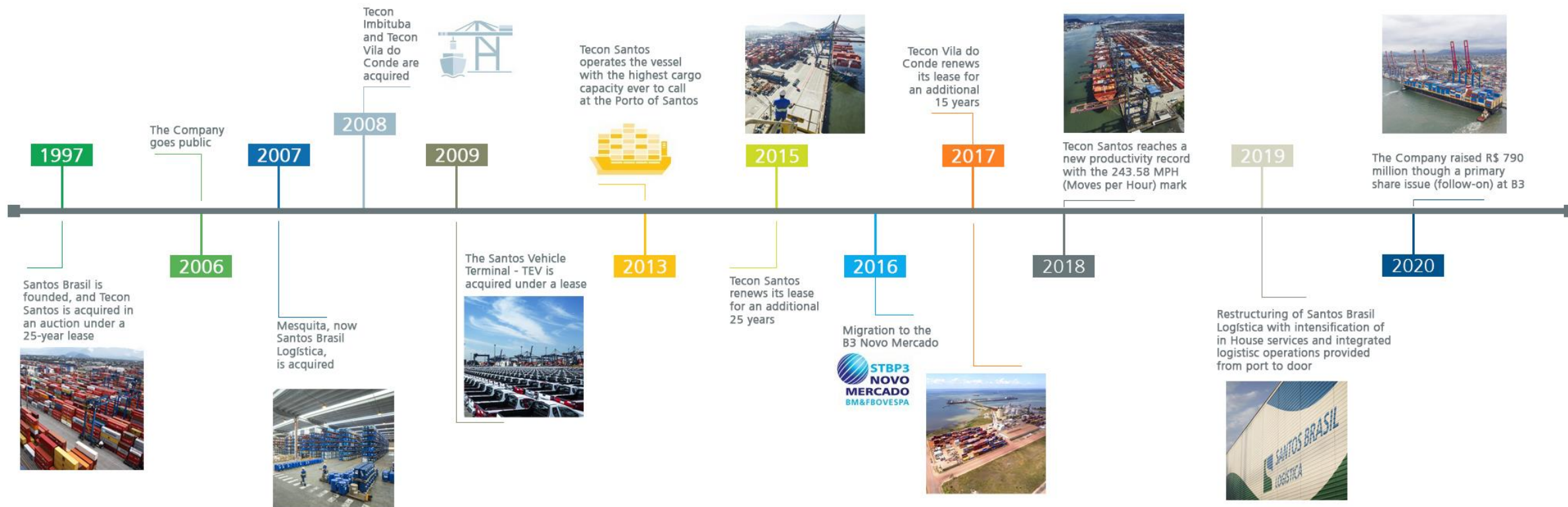




About Santos Brasil

About Santos Brasil

History



About Santos Brasil

Highlights



- Publicly-traded company, listed in B3's Novo Mercado segment

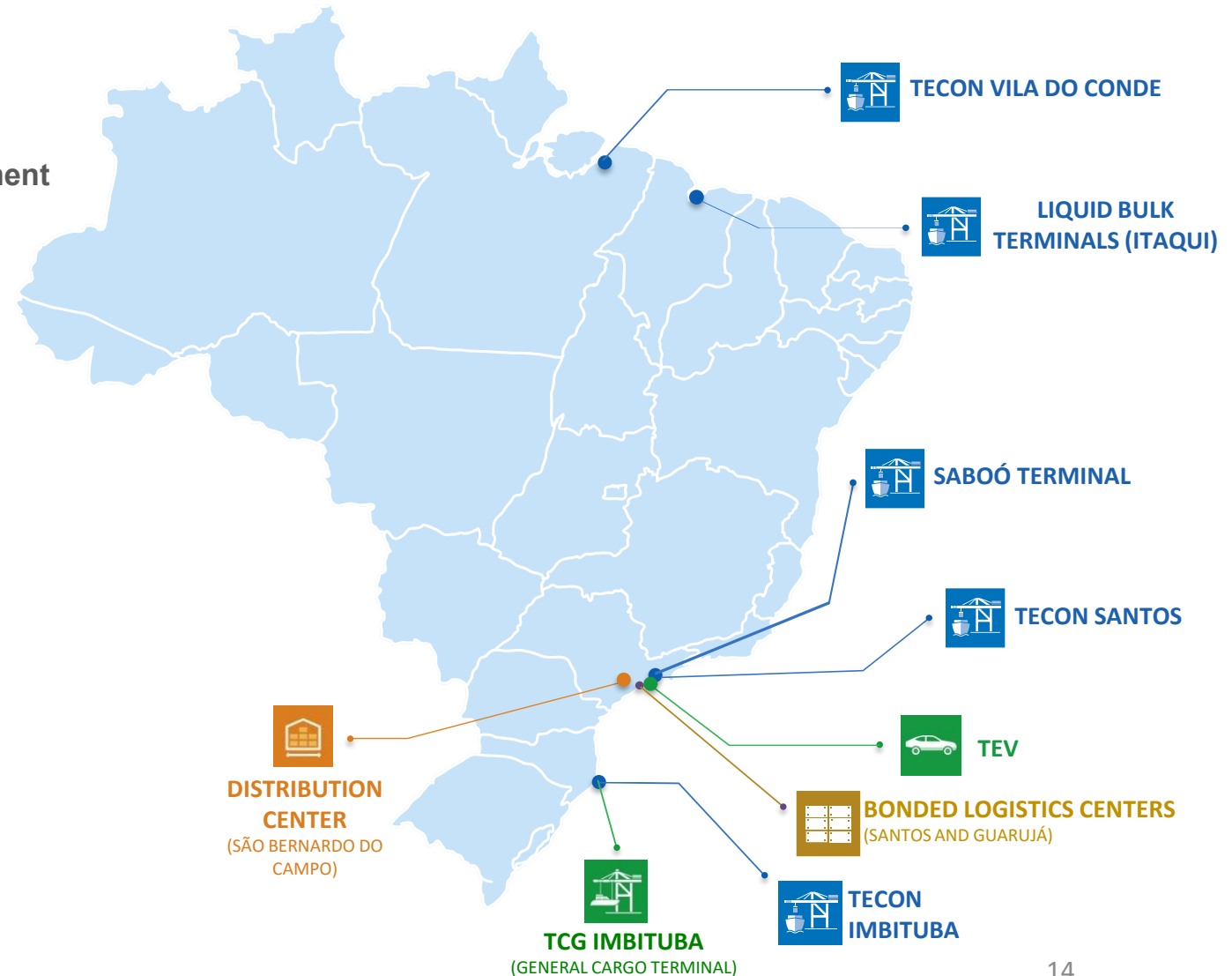
- Eight terminals on the Brazilian coast:

- Three container terminalsTrês terminais de contêineres;
- One vehicle terminal
- One general cargo terminal
- Three liquid bulk terminals

- Container throughput: 1.68 million TEUs in 2020

- Port-to-door full logistics solution (SBLog)

- 16% of the Brazilian container throughput in 2020¹.



¹ Source: ANTAQ

About Santos Brasil

Innovation and technology



Higher productivity, more safety and better customer experience

■ Seal reading with OCR (Optical Character Recognition)

- Replaces manually entering container data;
- Seal reading time reduction from 7 seconds to 1.43 second

■ Automated Gates

- Facial recognition at entrance
- Self check in for trucks

■ ChatBot

- Artificial intelligence personal assistant
- Optimizing customer and employee attendance service.



Porto of Santos

Must call port in South America east coast

- Largest Port in South America
- Over 25% of Brazilian trade balance
- Hinterland covers 55% of the Brazilian GDP
- Connected to Brazil's main roads and railways
- ~90% of São Paulo's industrial base is located less than 200 km from the Port of Santos
- Saboó Terminal: two areas, in transitional basis, for handling general cargo, project cargo and empty containers

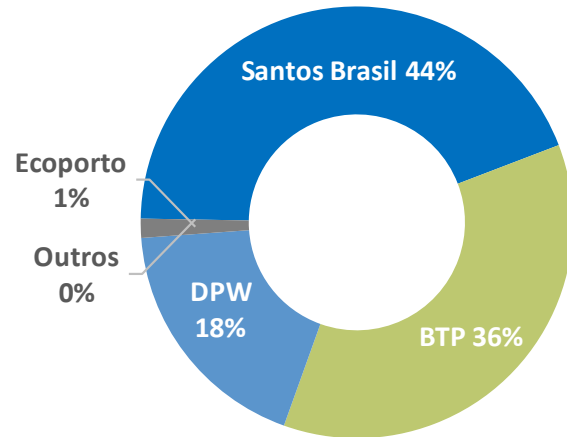


Port of Santos

Tecon Santos' market share: 43.9% in July 2021



Market share – July 2021



Container throughput

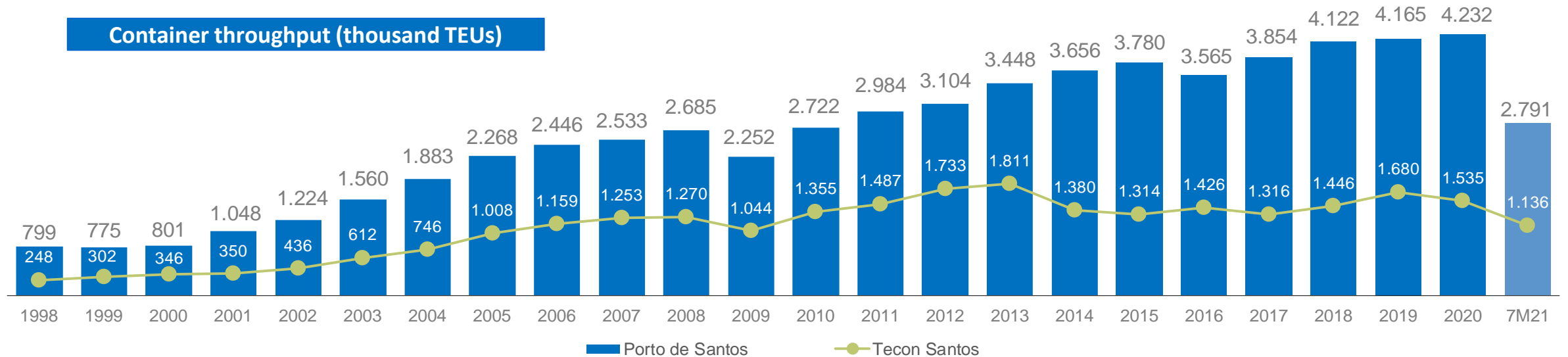
■ 2020 x 2019

- Port of Santos: +2.7% (+1.6% in TEUs)
- Tecon Santos: -7.8% (-8.7% in TEUs)

■ CAGR 1998 – 2020

- Porto of Santos: 7.9% p.y.
- Tecon Santos: 8.6% p.y.

Container throughput (thousand TEUs)



TECON
SANTOS



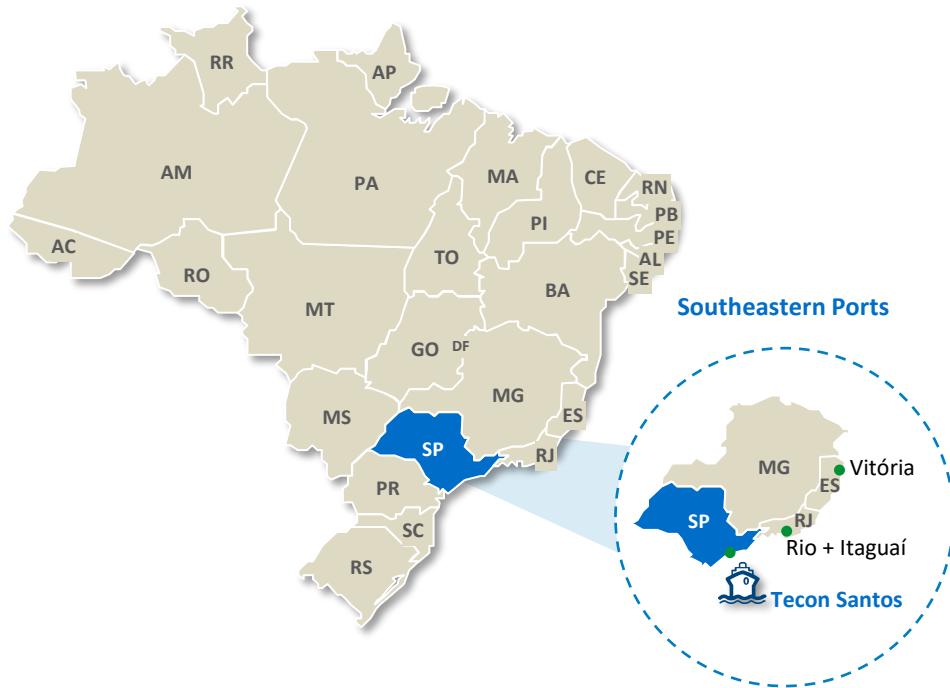
SANTOS BRASIL



Tecon Santos

Best solution for containers in South America

Geographical location



- Lease contract renewed until 2047
- Capex: R\$1.5 billion to be invested in expansion and automation
- Connected to Brazil's main roads and railways
- 4 internal railway tracks
- Automated access gates
- Equipment 100% GPS-controlled

Tecon Santos

Infrastructure and other information



General Data

Depth: 13.5m

Quay extension: 980 m + 310 m (TEV)

Area: 596,000 m²

Annual capacity: 2,000,000 TEU

Security

Scanner (non-invasive inspection)

Surveillance cameras

Restricted access

**Allows Post-Panamax
vessels to dock**



Equipment

13 Ship-to-Shore

1 MHC

12 Reach Stackers

46 RTG

STS



MHC



Reach Stacker



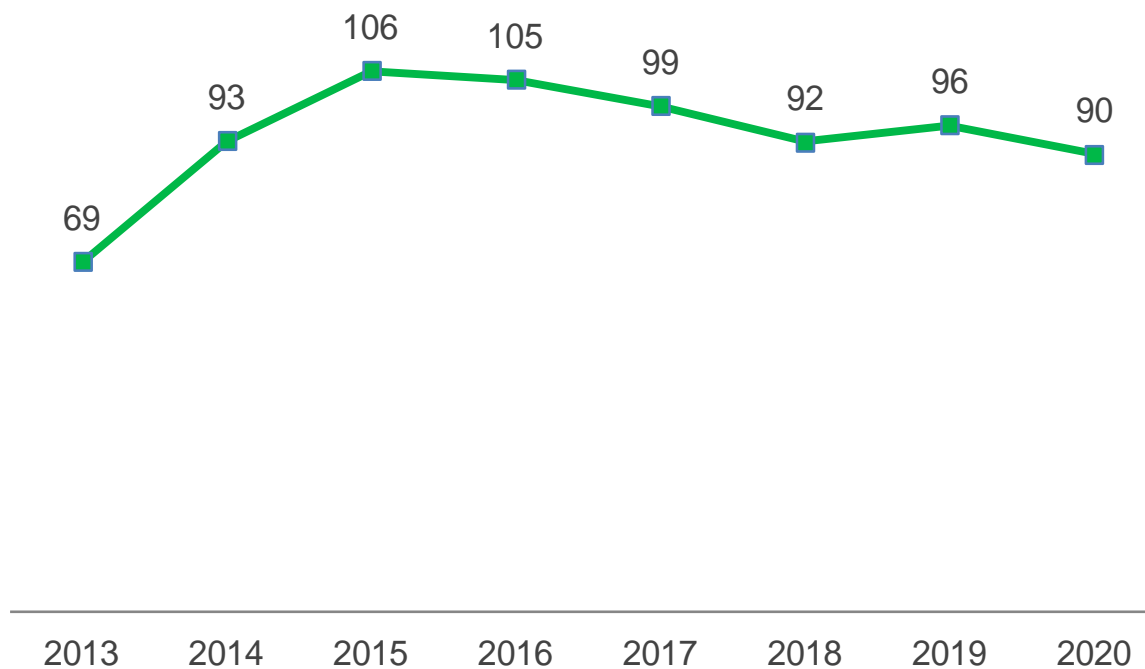
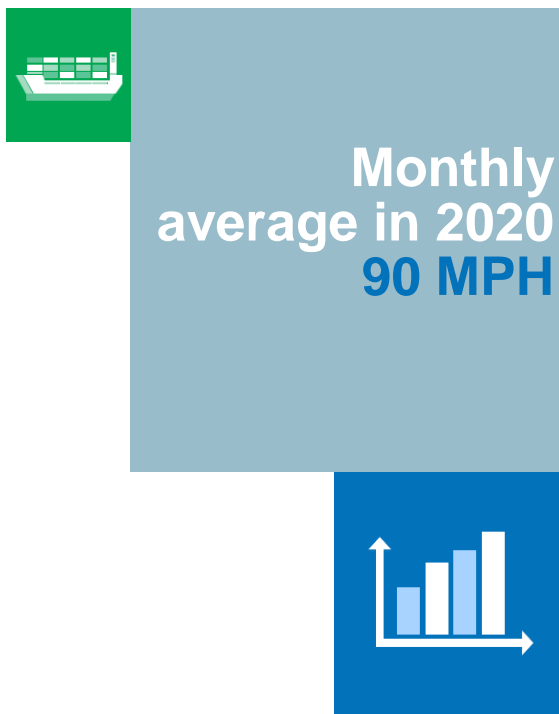
RTG



Tecon Santos

R\$ 3.0 billion¹ invested to upgrade and expand the terminal

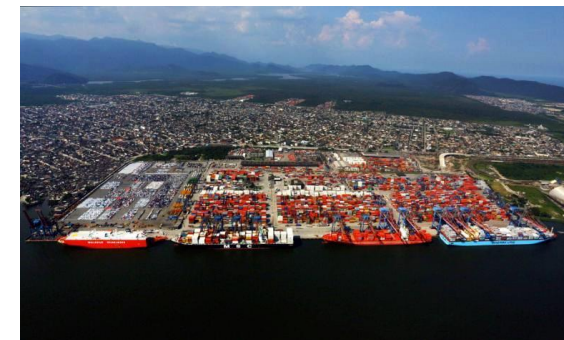
High Productivity - movements per hour per vessel (MPH)



Tecon Santos in 1997: 11 MPH



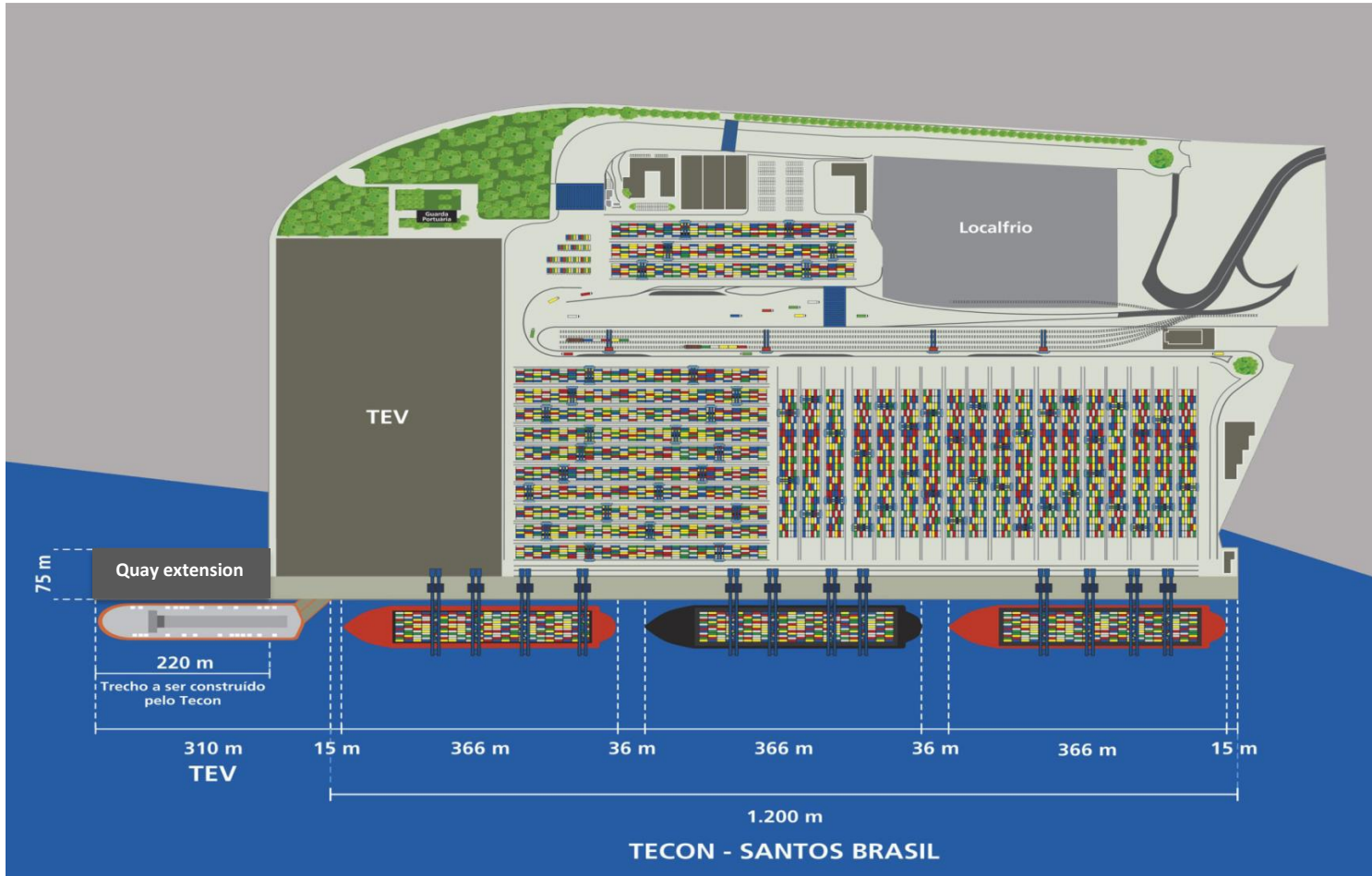
Tecon Santos in 2020: 90 MPH



¹ Adjusted by IGP-M index.

Tecon Santos

Investment cycle in progress: cutting-edge technology and modern layout



NEW LAYOUT

Automation

Focus on efficiency

New Capacity

2,400,000 TEUs

Estimated Capex

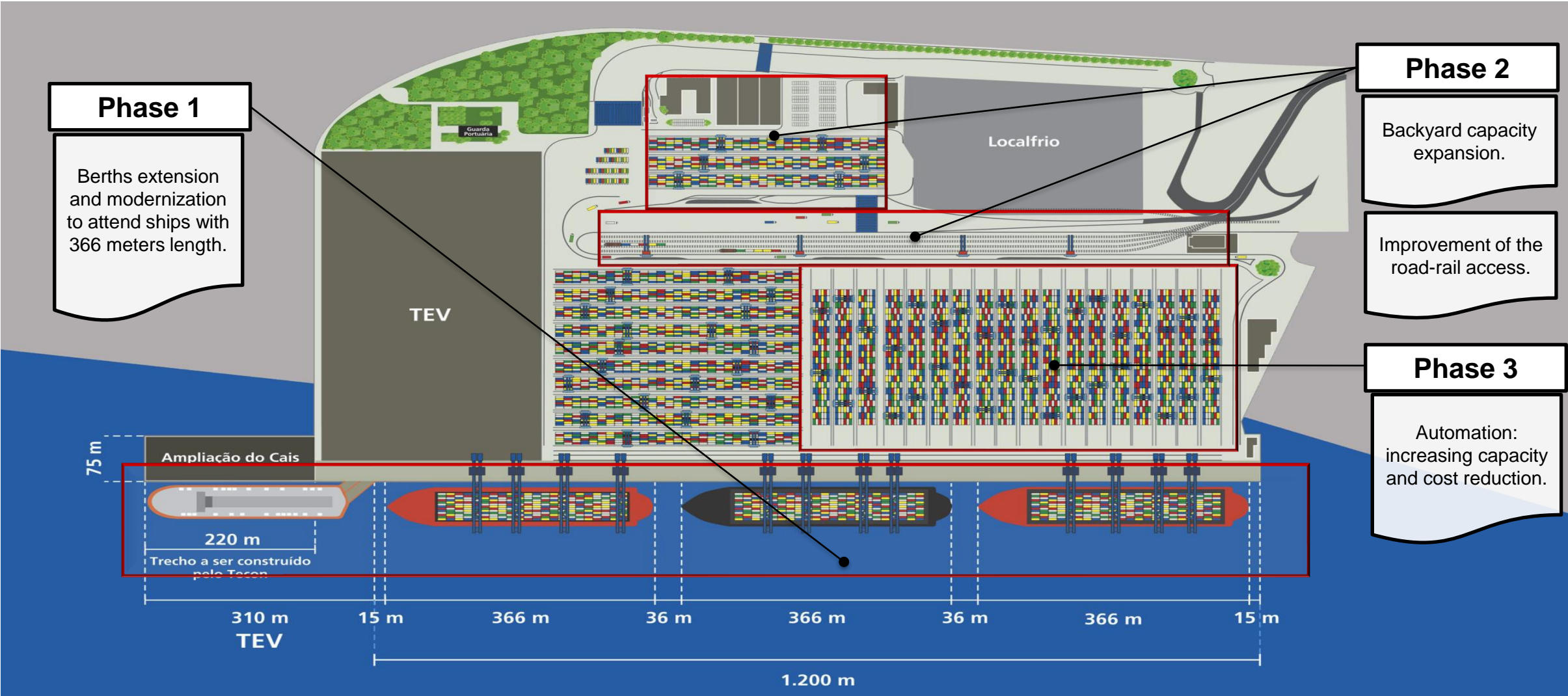
R\$ 1.5 billion

Investments between 2018 and 2Q21

~R\$ 420 million

Tecon Santos

Phases of the project



TECON
IMBITUBA



SANTOS BRASIL

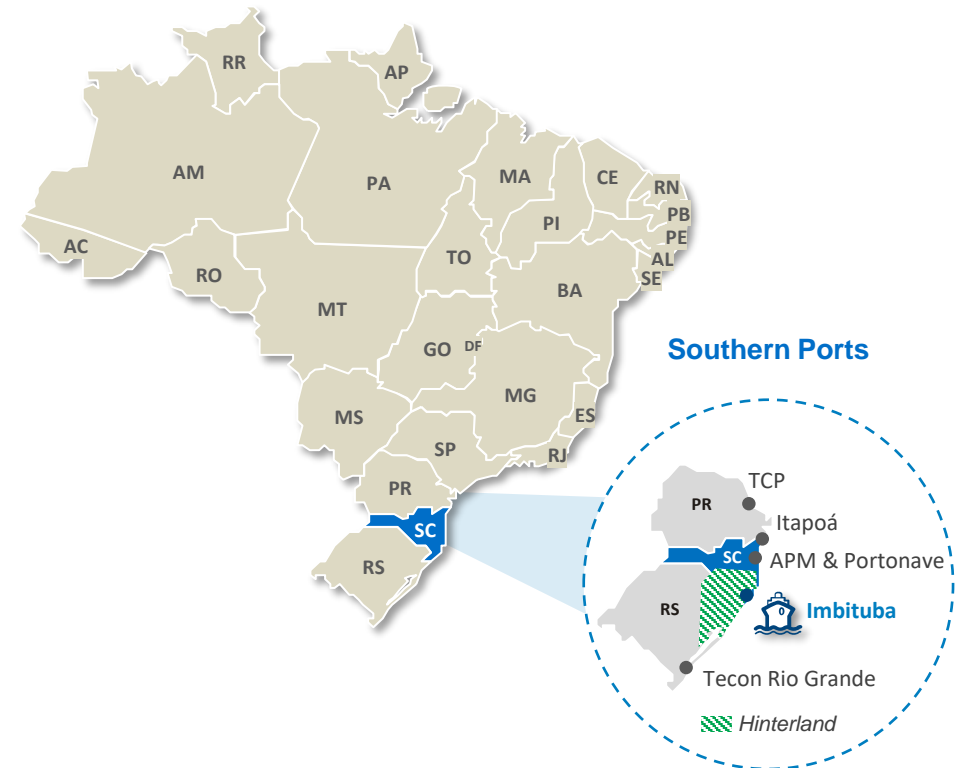


Tecon Imbituba

Strategic location at the Southern Region, with developed logistical access

- **Draft of 15.0 m:** terminal ready to receive Super Post-Panamax ships
- **Close to Santa Catarina and Rio Grande do Sul industrial zones**
- **25-year lease contract (starting in 2008), with a renewal option for additional 25 years**
- **Beneficiary of adjacent infrastructure projects:** widening of BR101 federal highway and the construction of the railway Translitorânea
- **Favorable meteorological conditions and 24-hour access**
- **Container and general cargo operations**
- **One-stop-shop:** ship, DEPOT and container freight station (CFS) operations

Geographical location



Tecon Imbituba

Infrastructure and other information



General Data

Depht: 15.0 m

Quay extension: 660 m

Area: 207,000 m²

Annual Capacity: 450,000 TEU

Security

Scanner (non-invasive inspection)

Surveillance cameras

Restricted access

Allows Super Post-Panamax vessels to dock.



Equipments

2 Ship-to-Shore

2 MHC

8 Reach Stackers

STS



MHC



Reach Stacker



Tecon Imbituba

Potential for volume increase

- **Tecon Imbituba and its peer terminals (Itajaí/Navegantes and Rio Grande) are equidistant from the industrial zones and the consumption centers in the Southern region**

Agricultural Export Zone

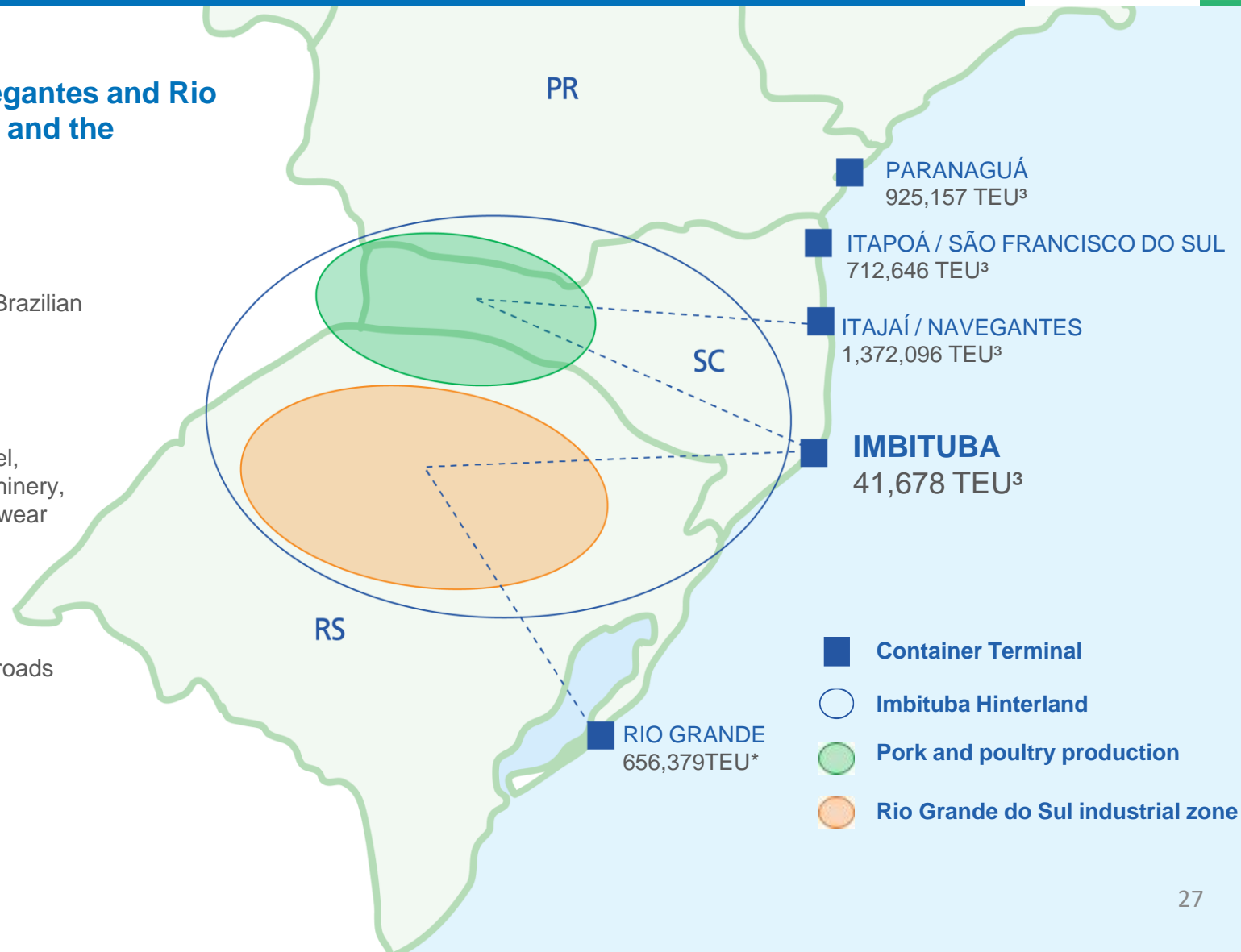
- RS and SC together accounted for 50.4% of Brazilian chicken and 70.6% of pork exports in 2018¹.

Industrial Cluster

- RS holds the largest concentration of biodiesel, tobacco, automation, agricultural & road machinery, wine, trailers & car bodies, and leather & footwear producers / manufacturers in Brazil²

Premium Logistics

- Premium transportation logistics with 2 main roads and railways under construction



¹ Brazilian Association of Animal Protein 2019 Annual Report

² InvestRS – Rio Grande do Sul State

³ ANTAQ (2020)

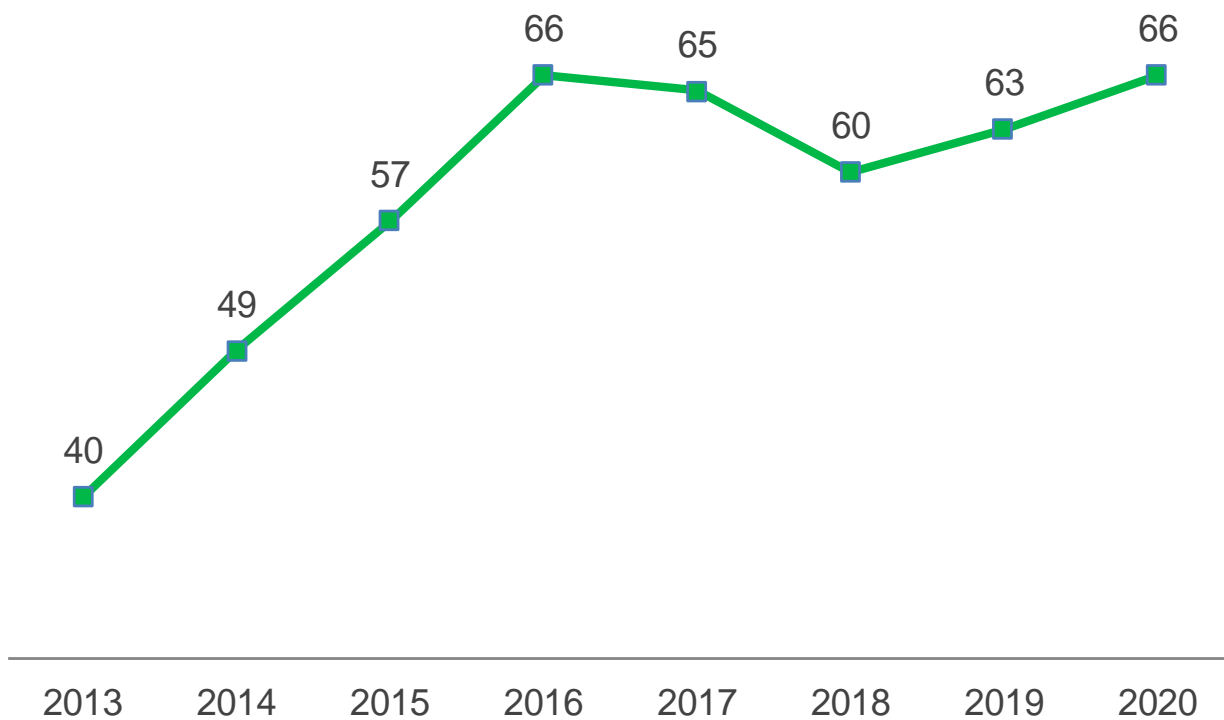
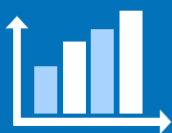
Tecon Imbituba

R\$ 965 million¹ invested since 2008

High Productivity - movements per hour per vessel (MPH)



Monthly
average in 2020
66 MPH



¹ IGP-M inflation adjusted. Includes investments in Imbituba General Cargo terminal.

TECON
VILA DO
CONDE

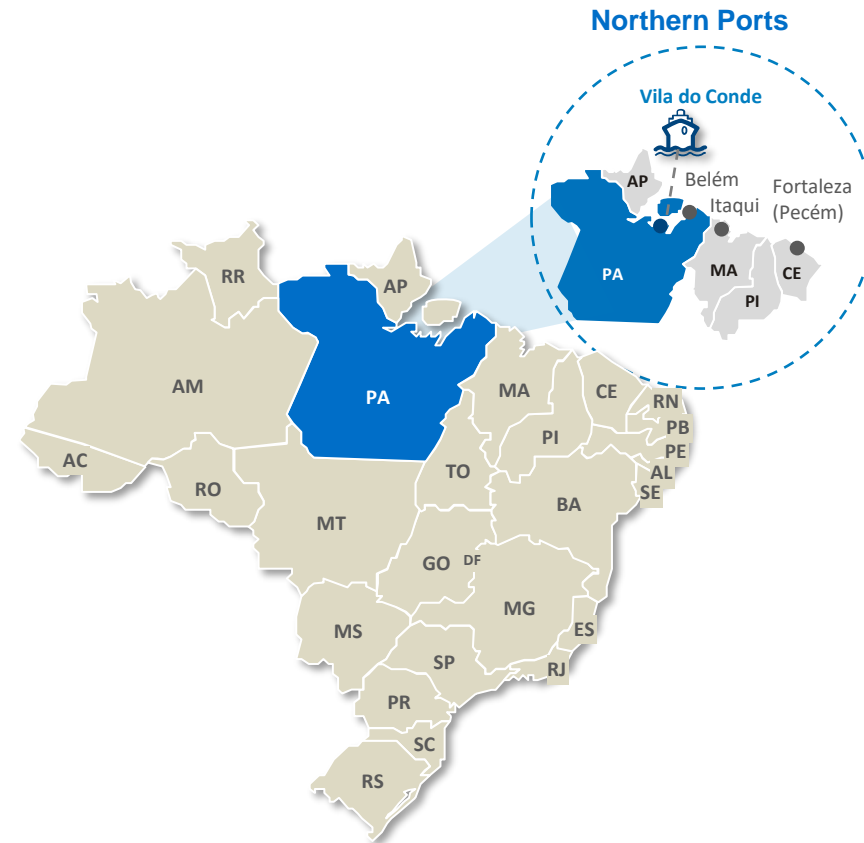


Tecon Vila do Conde

Located in the delta of Amazon River

- **Located in the North region of Brazil:** without physical constraints to receive long haul vessels
- **Dominant container terminal in Pará state:** connected to other Brazilian ports via cabotage
- **Connected to all continents, directly, through Caribbean hub ports and Panamá Canal**
- **Offers container stuffing and unstuffing services, as well as refrigerated warehousing**
- **Investments in new equipment and infrastructure modernization in 2018**
- **Lease contract renewed for an additional 15-year period (by 2033)**
- **Commodity export hub of the region** (timber, frozen meat, pepper, agricultural products, metals, minerals and fruits)

Geographical location



Tecon Vila do Conde

Infrastructure and other information



General Data

Depth: 13,5 m

Quay extension: 254 m

Area: 86.615 m²

Annual capacity: 217.000 TEU

Security

Scanner (non-invasive inspection)

Surveillance cameras

Restricted access

**Allows Post-Panamax
vessels to dock**



Equipment

3 MHC

11 Reach Stackers

MHC



Reach Stacker



Tecon Vila do Conde

North Region: inland waterway cargo transportation



Tecon Vila do Conde

Recent upgrade and capacity expansion to 217,000 TEU annual capacity



TEV – Vehicle Terminal

Largest vehicle terminal in Brazil

- Neighbour to Tecon Santos
- Handling of diferente types of cargo:
 - Trains, dismantled industrial plants, power transformers, dismantled machinery, large sculptures, electric vehicles chargers...
- Annual capacity: 300,000 vehicles
 - Quay extension: 310 m
 - Static capacity: 10,000 vehicles
 - Throughput in 2020: 153,511 vehicles
 - Area: 164,000 m²



Saboó Terminal

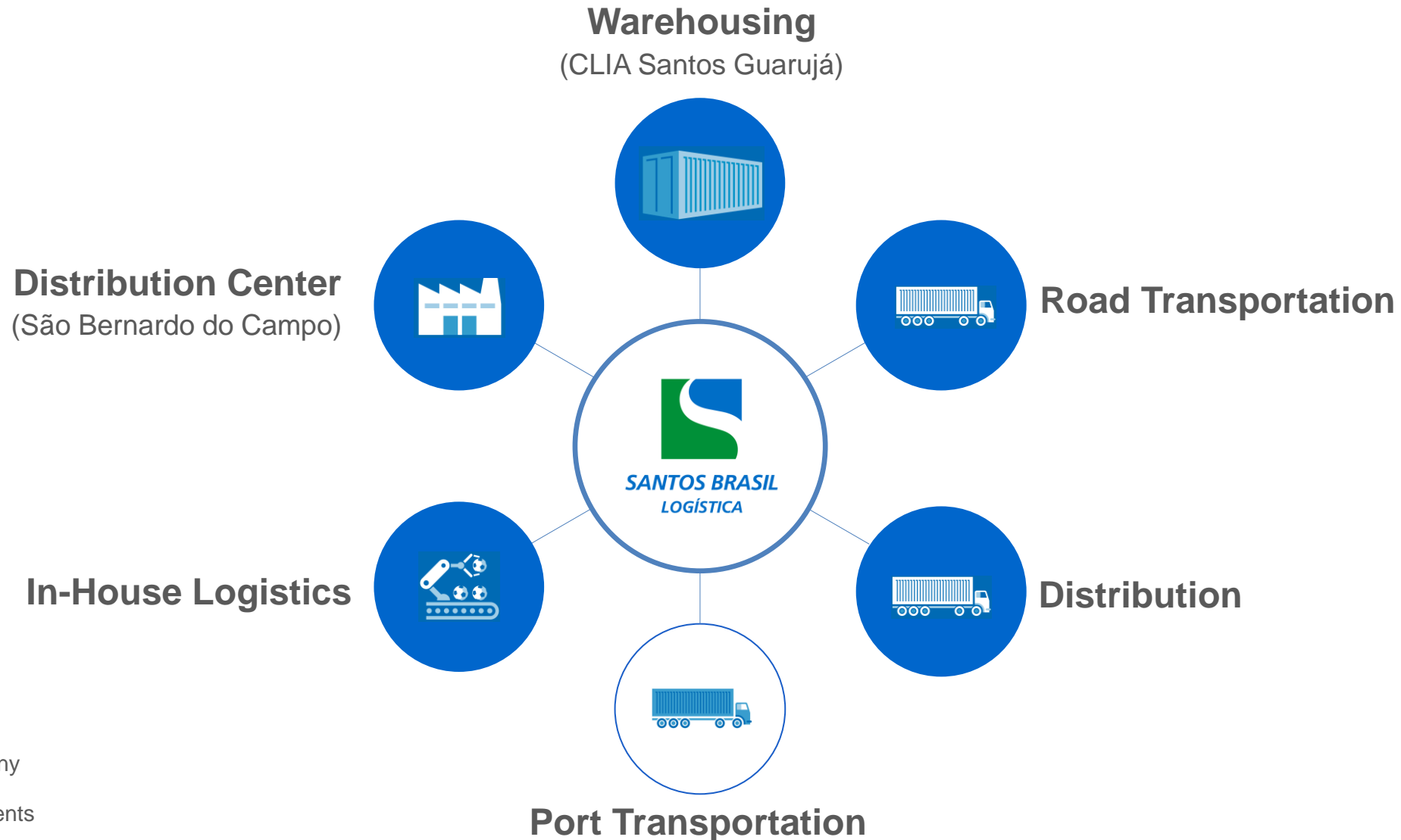
Exploration of two areas (transitional lease contracts)

- **Two areas:** 42,000 m² and 64,412 m²
- **Greater presence in the Port of Santos:** operation in the right bank
- **Handling of different types of cargo:**
 - General cargo (pulp, metal scrap, solid bulk...) and project cargo
- **Empty containers warehousing**



Santos Brasil Logística (SBLog)

Business units



Santos Brasil Logística (SBLog)

3PL vertical integration



- Integration between maritime transportation and exporters and importers supply chain

- Increase customers' competitiveness providing tailor-made logistics services

- **Scope of provided services**

- Receiving
- Inventory management
- Picking
- Expedition
- Transportation

- **Infrastructure**

- CLIA Santos (bonded warehouse - 64,755 m² in total area)
- CLIA Guarujá (bonded warehouse - 52,900 m² in total area)
- Distribution Center in São Bernardo do Campo (105,000 m² in total area)
- Truck fleet (~130 vehicles)



Main clients

Port terminals and logistics



MEDITERRANEAN SHIPPING COMPANY

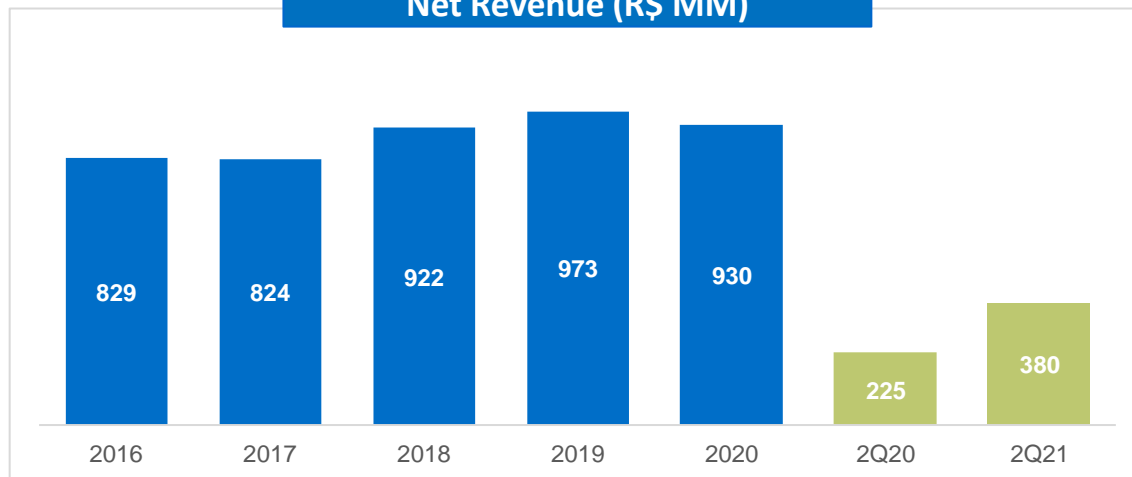




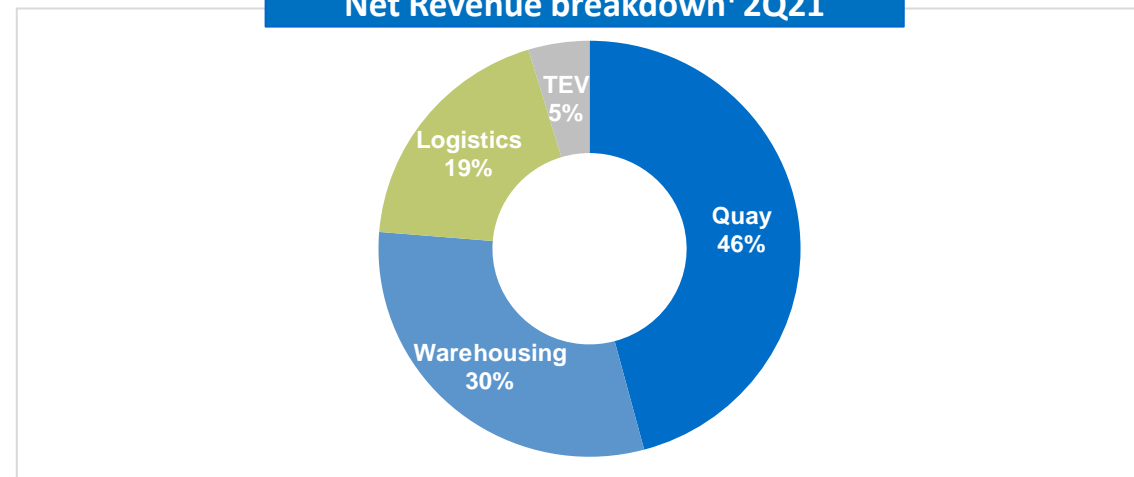
Financial highlights

Financial highlights

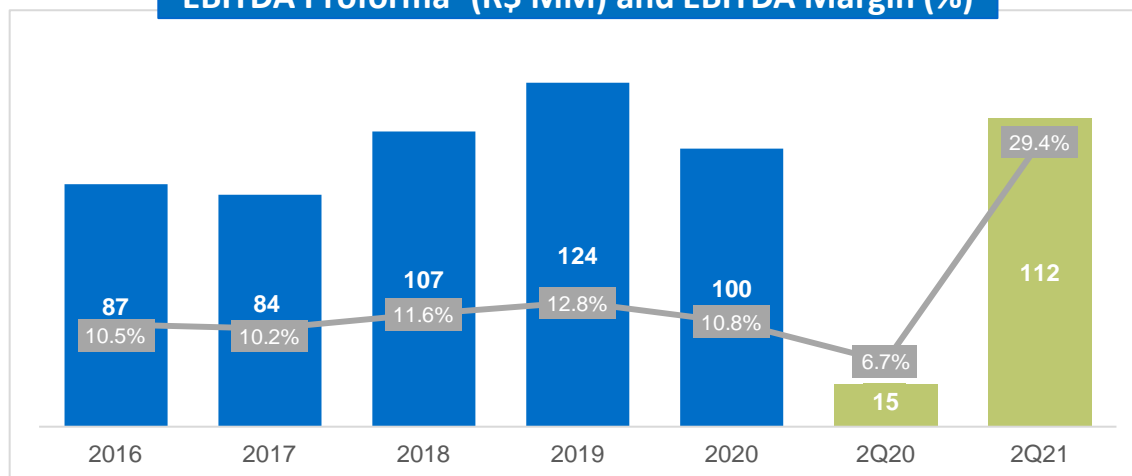
Net Revenue (R\$ MM)



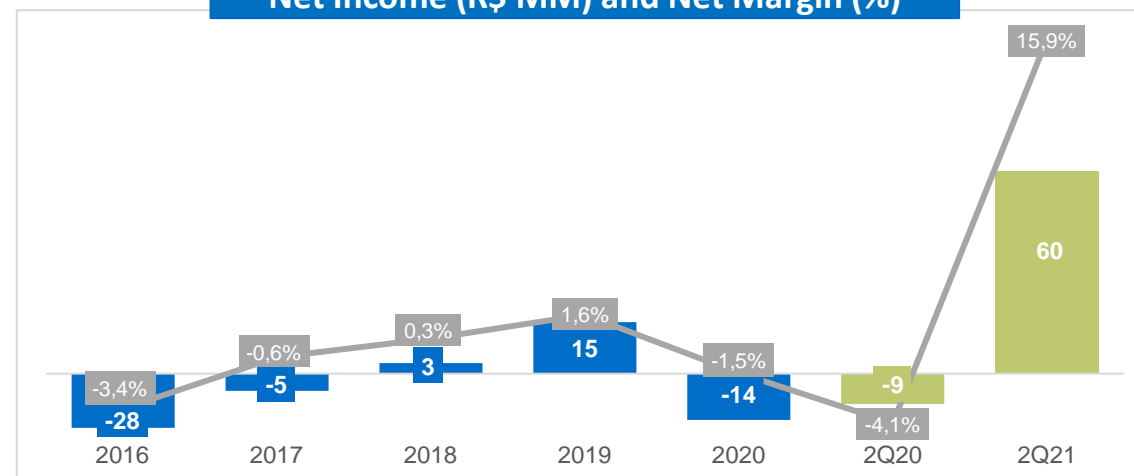
Net Revenue breakdown¹ 2Q21



EBITDA Proforma² (R\$ MM) and EBITDA Margin (%)



Net Income (R\$ MM) and Net Margin (%)



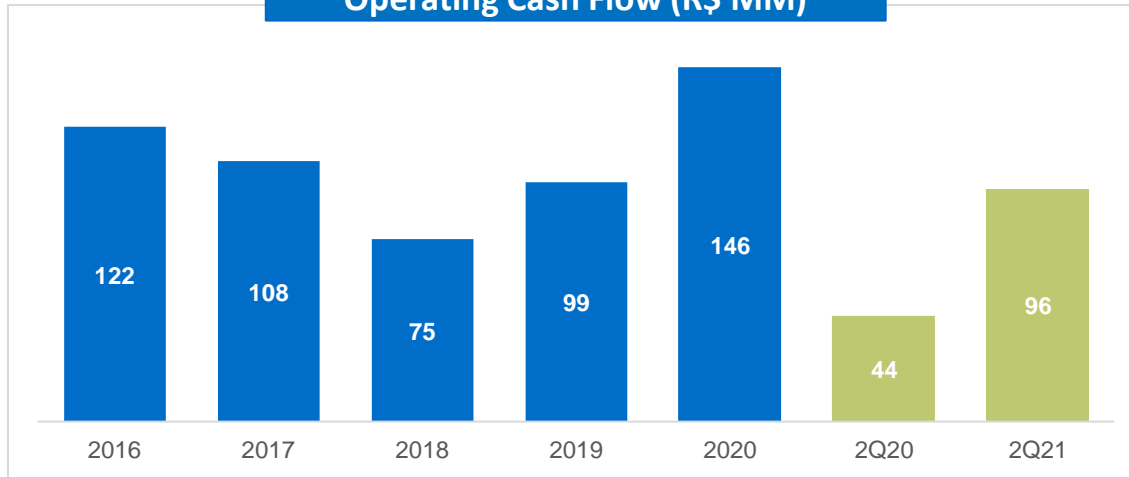
¹ Does not consider intracompany eliminations.

² EBITDA proforma adds leasing and rent expenses.

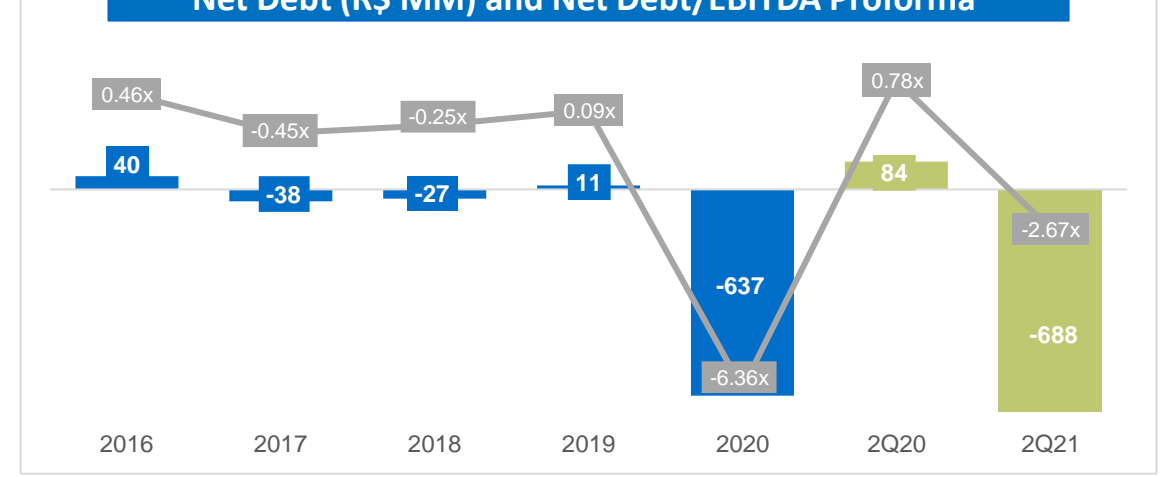
Debt Leverage and Cash Flow

S&P – Corporate rating in national scale: brAAA

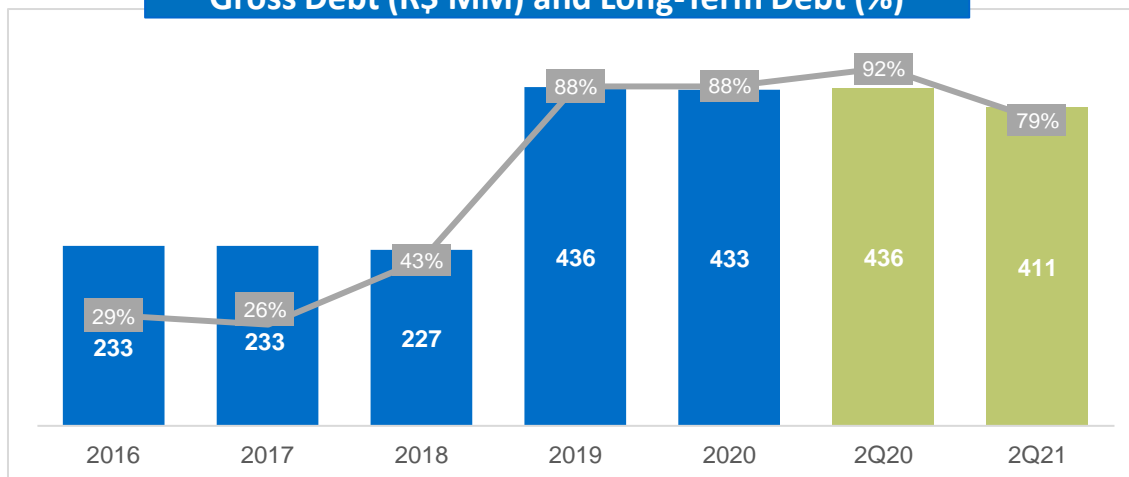
Operating Cash Flow (R\$ MM)



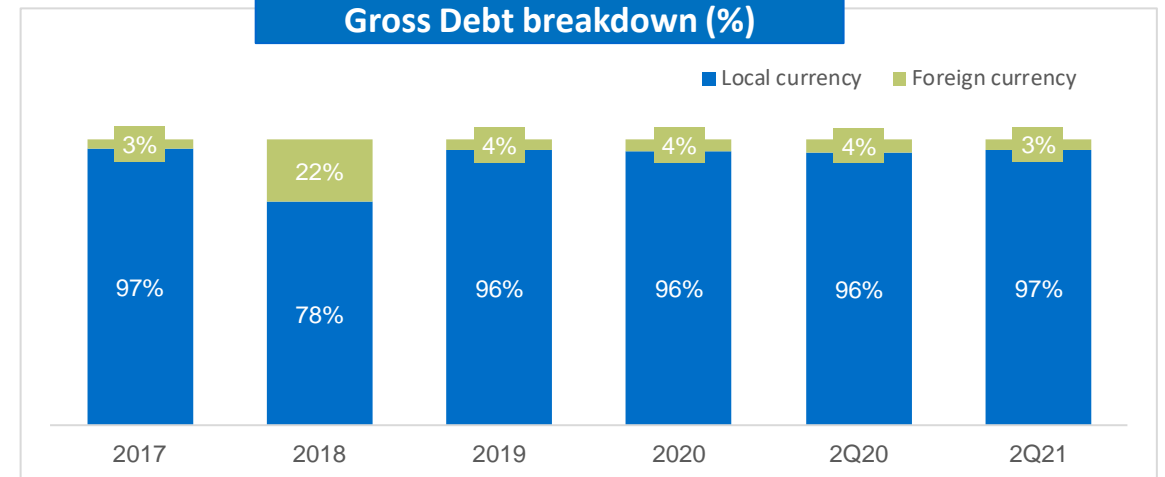
Net Debt (R\$ MM) and Net Debt/EBITDA Proforma¹



Gross Debt (R\$ MM) and Long-Term Debt (%)



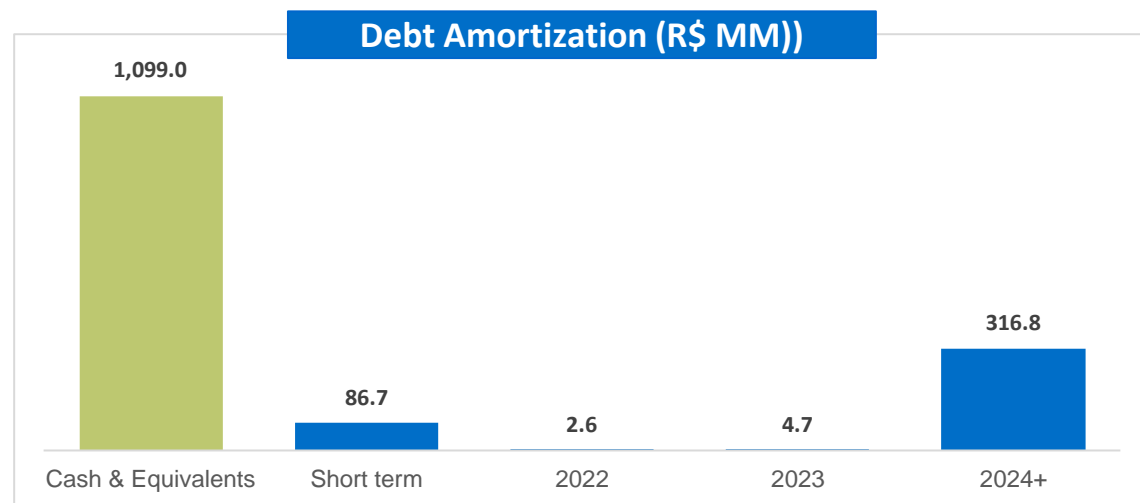
Gross Debt breakdown (%)



¹ EBITDA proforma LTM.

Debt highlights and financial ratios

Net cash of R\$ 688.3 million in 06/30/2021



Debt	Currency	Outstanding (R\$ MM)	%
NCE	BRL	40.1	9.8%
FINIMP	USD/EUR	13.8	3.4%
FINAME	BRL	1.1	0.3%
Debêntures	BRL	355.8	86.6%
TOTAL		410.7	100.0%

Financial indicator – 2Q21		
Debt leverage	-2.67x	Net debt / pro-forma EBITDA LTM
Coverage ratio	3.3	Proforma EBITDA LTM / interest expenses LTM
Current ratio	3.3	Current assets / current liabilities
Quick ratio	3.2	(Current assets - inventories) / current liabilities
Cash ratio	2.7	Cash & equivalents / current liabilities

Investments

R\$ 5 billion¹ in 22 years



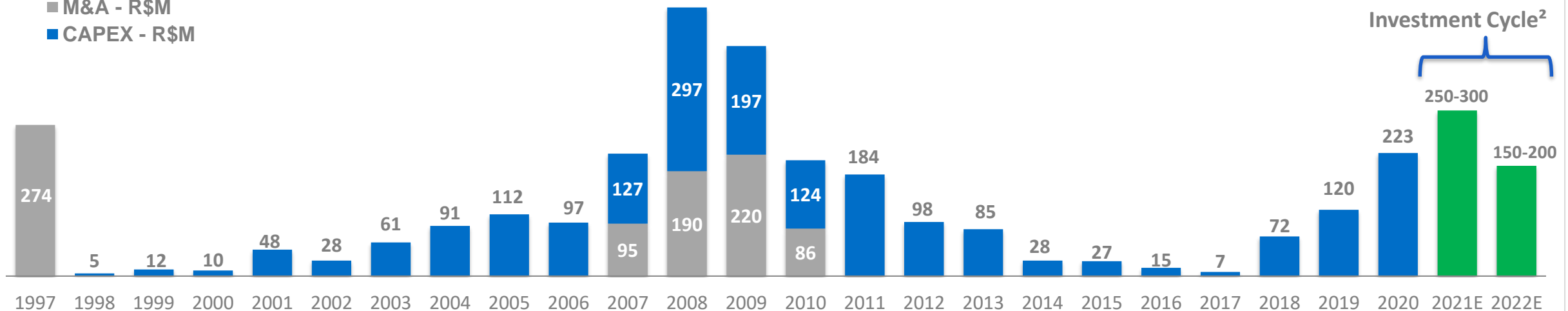
M&A

- **1997** – Tecon Santos bidding
- **2006** – Santos Brasil IPO
- **2007** – Santos Brasil Logística acquisition
- **2008** – Tecon Imbituba bidding & Tecon Vila do Conde acquisition
- **2009** – Vehicle's terminal bidding

CAPEX

- **2004/2006** – Tecon Santos first expansion
- **2008/2010** – Tecon Santos second expansion
- **2008/2011** – Tecon Imbituba expansion
- **2018 - 2021** – Tecon Santos, Tecon Vila do Conde and SBLog capacity expansion and infrastructure upgrade

■ M&A - R\$M
■ CAPEX - R\$M

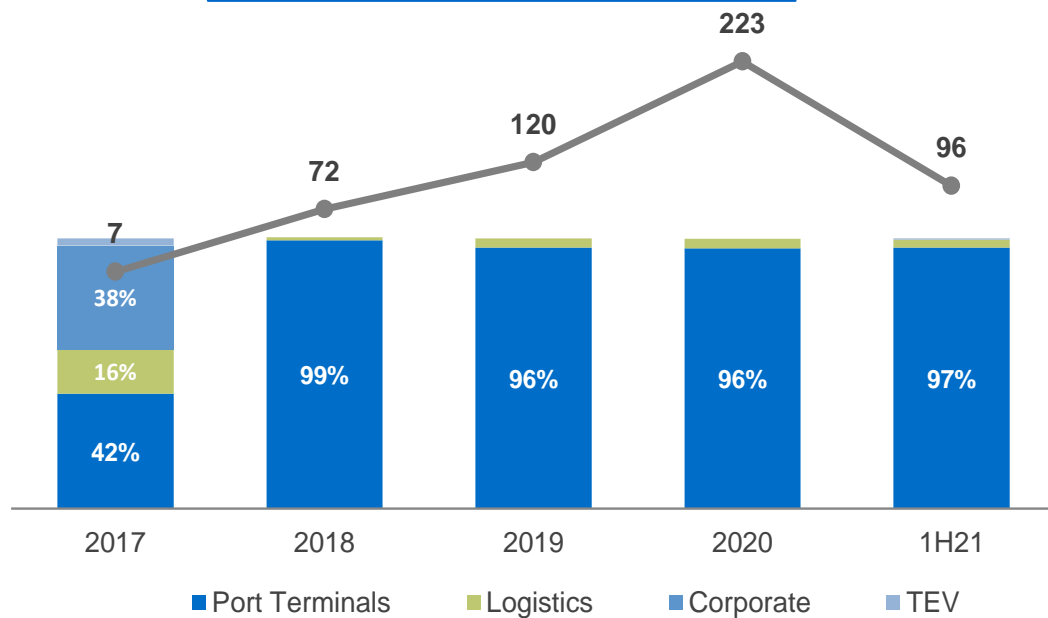


¹ Adjusted by IGP-M.

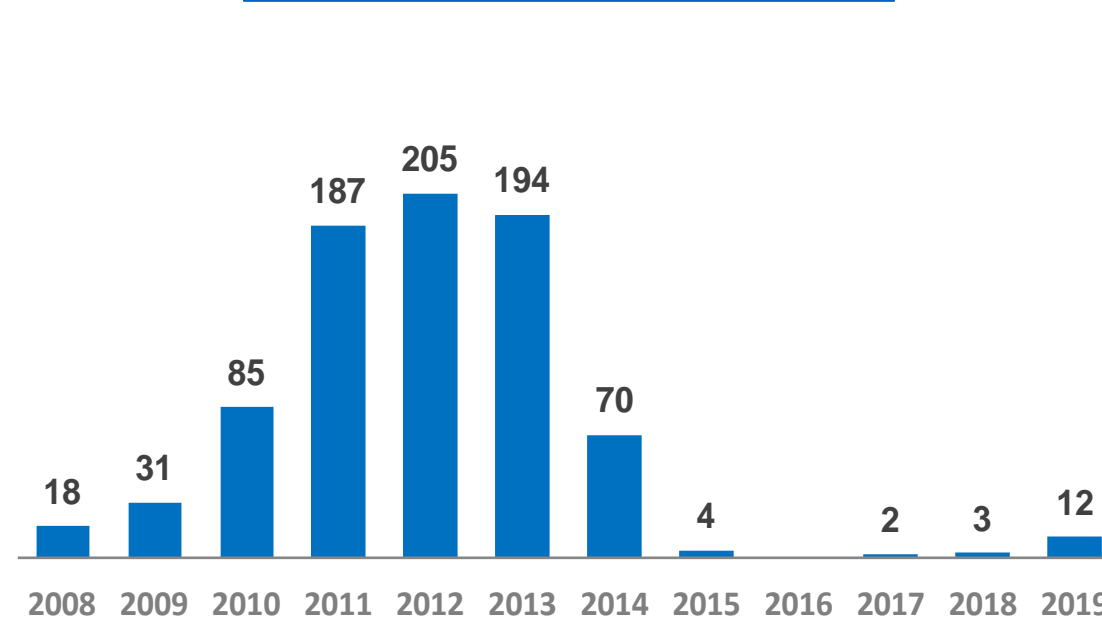
² Forecast.

Capex e Dividends

Capex (R\$ MM)



Dividends and IOE paid (R\$ MM)



Investor Relations contacts



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Vinicius Bioni | IR Coordinator

Marjorie Samaha | IR Senior Analyst



Índice
Brasil Amplo
BM&FBOVESPA **IBRA**

Índice de
Ações com Tag Along
Diferenciado **ITAG**

Índice
Governança Corporativa
Novo Mercado **IGC-NM**

Índice de
Ações com Governança
Corporativa Diferenciada **IGC**

Índice de
Governança
Corporativa Trade **IGCT**

Índice
BM&FBOVESPA
Small Cap **SMLL**

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