



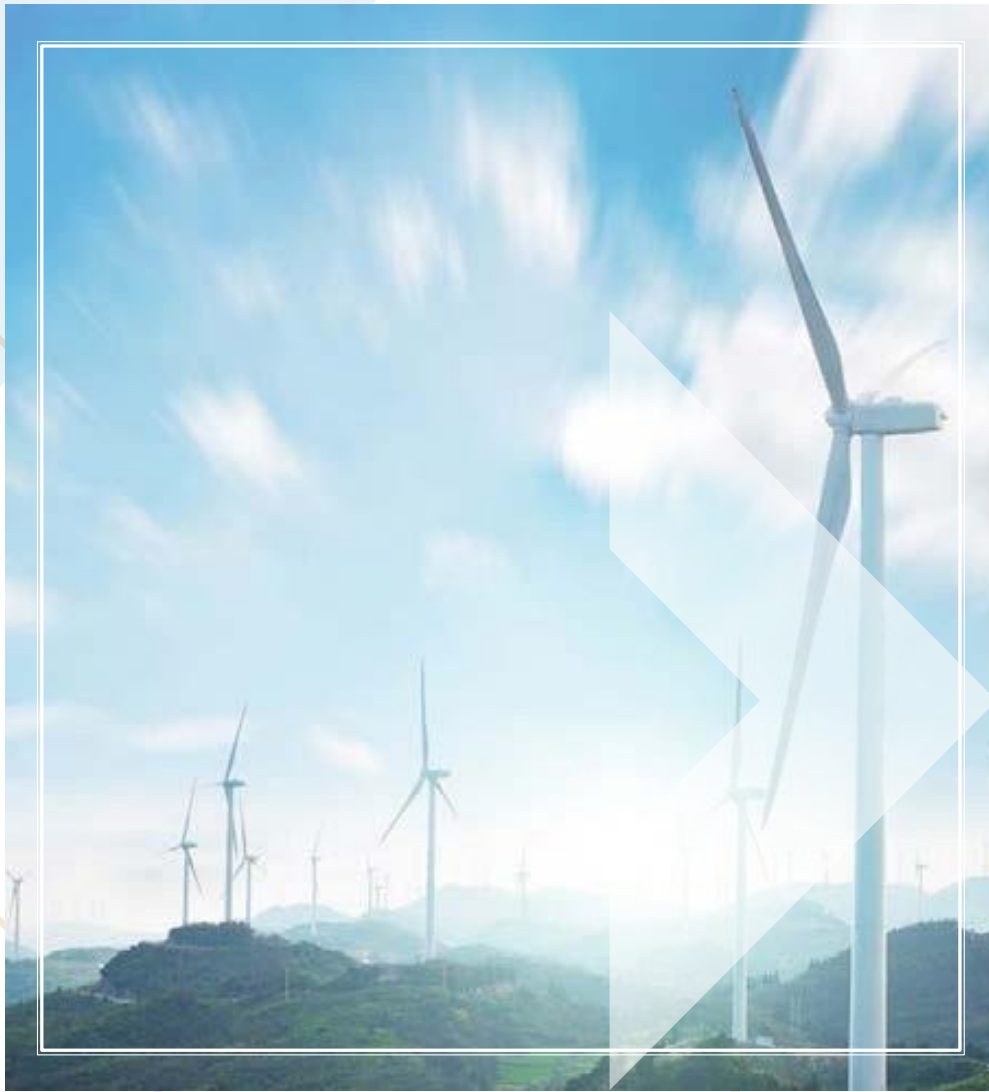
➤ ESG IN SUPPLY CHAINS IN BRAZIL



BCCC
Brazil-Canada Chamber of Commerce
Chambre de Commerce Brésil-Canada



Alice Kasznar



Consultancy focused on ESG, corporate sustainability, sustainable finance and Human Rights

MISSION

Support clients and partners to achieve excellency in ESG performance and in finding solutions for sustainable investments, generating effective positive impact.

CLIENTS



PARTNERS





➤ ESG IN SUPPLY CHAINS IN BRAZIL



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OBJECTIVE

- Brief overview of ESG trends starting to impact supply chains in Brazil

OUTLINE

- ESG context in Brazil
- Main ESG trends
 - Examples
- Good practices in supply chains

ESG frameworks

INTERNATIONAL GUIDELINES AND PRINCIPLES



INDICES



S&P 500 ESG Index



DISCLOSURE STANDARDS





ESG CONTEXT IN BRAZIL

THE WALL STREET JOURNAL.
 English Edition | Print Edition | Video | Podcasts | Latest Headlines

Home World U.S. Politics Economy Business Tech Markets Opinion Books & Arts Real Estate Life & Work WSJ.N

RISK & COMPLIANCE JOURNAL

Brazil's Recent Past a Challenge to Winning ESG Credibility
 Corruption, environmental disasters and deforestation worry some investors



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Emergency workers in May 2019 looked for bodies months after a Vale dam collapsed in Brumadinho, Brazil.

11 The time has come: The KPMG Survey of Sustainability Reporting 2020

Americas lead in sustainability reporting

ESG

Era of Impact: How B3 Pioneered ESG in the Brazilian Market

The Sustainability Yearbook 2021

Tackling parity, plastics and petroleum - reflecting on values, anticipating risks and identifying opportunities

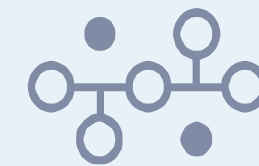
MAIN ESG TRENDS



Consumers:
Increased interest for sustainable products and transparency



Civil society:
Increased scrutiny and demand for transparency, strategic litigation



Supply chains:
Increased demand for transparency and risk management



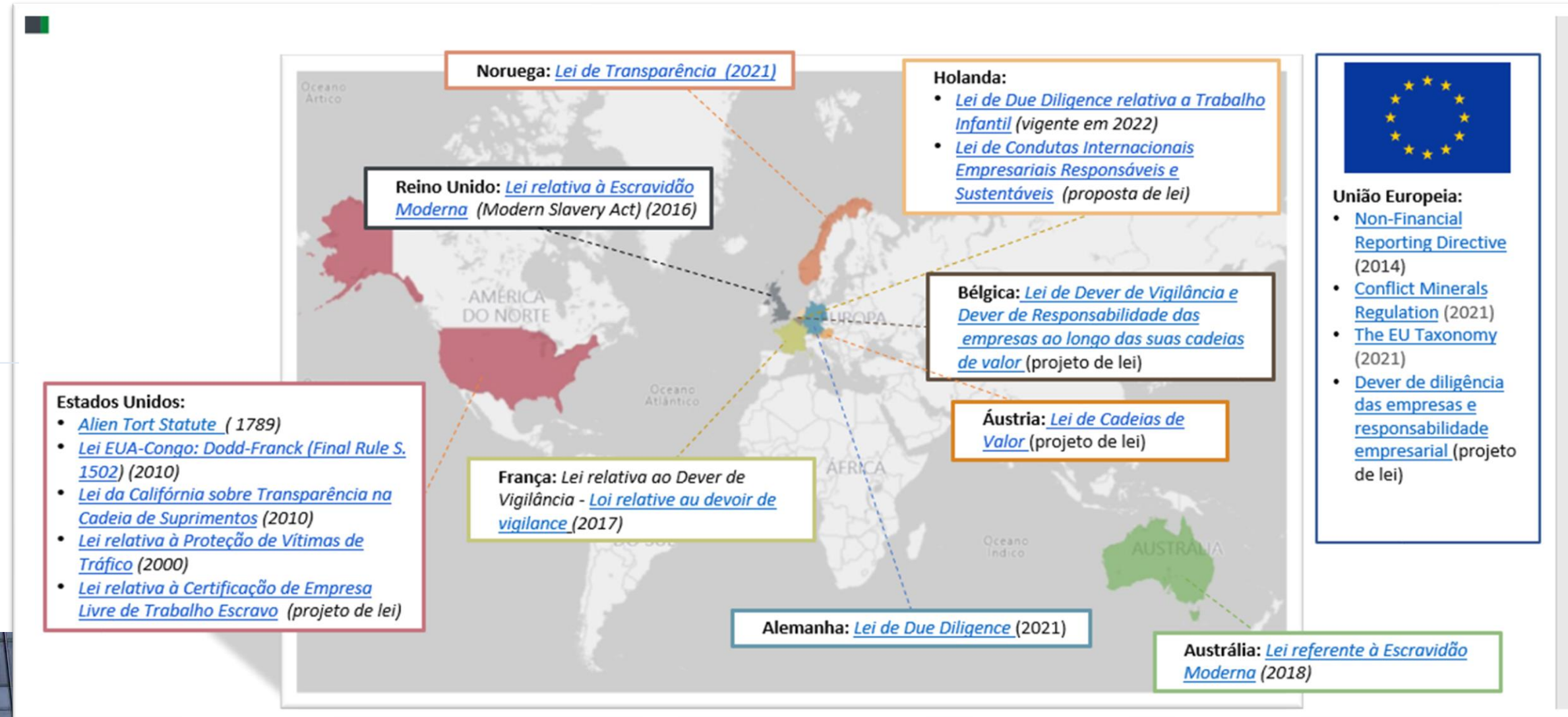
Regulation:
Voluntary measures becoming mandatory abroad



Banks and Investors:
ESG conditions for funding, sustainable companies being prioritized

ESG regulation

- Voluntary measures becoming mandatory abroad



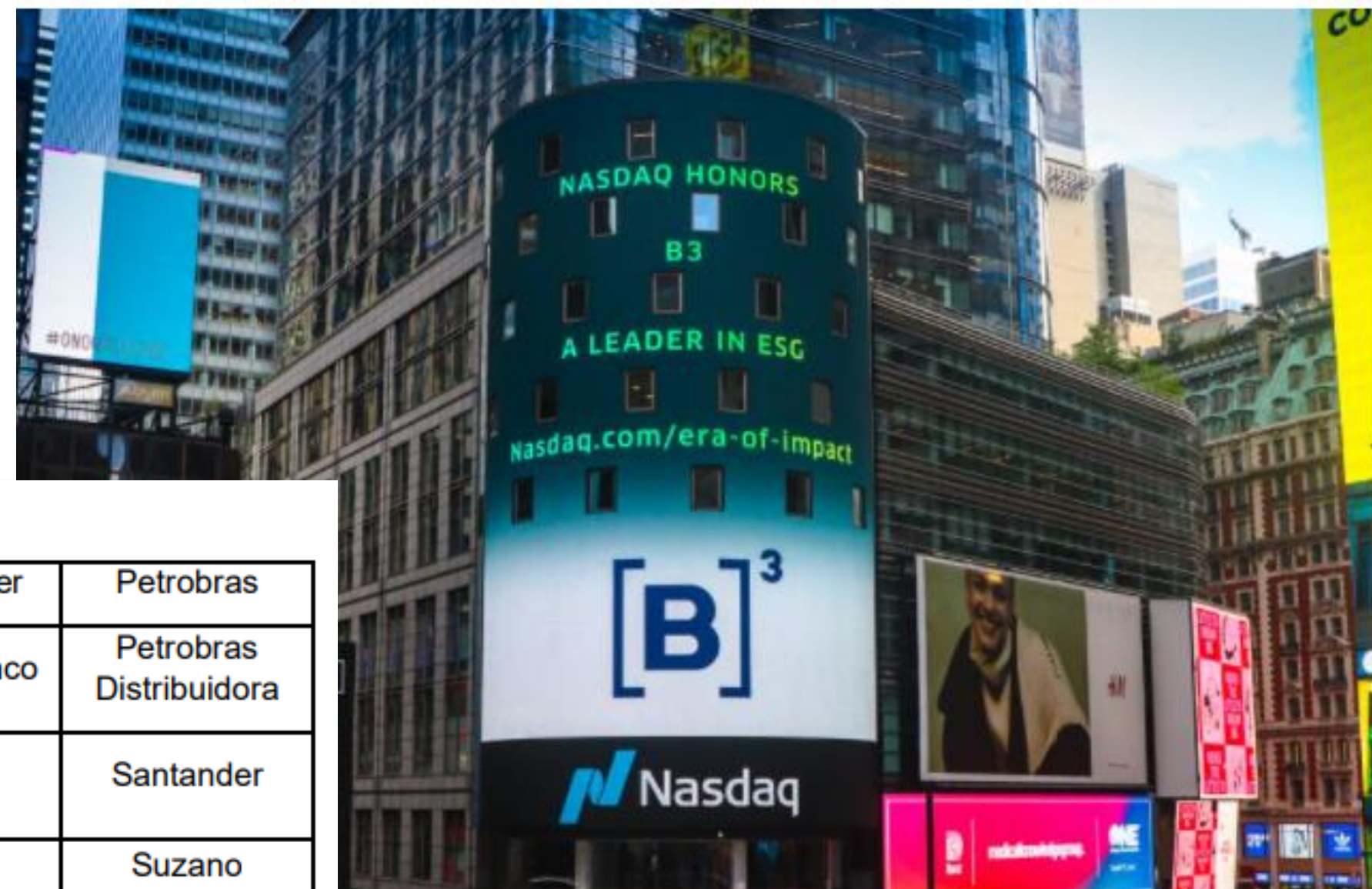
- Brazil: Strengthening the ESG agenda within financial institutions
 - Regulations clarifying the meaning of social and environmental risks for financial institutions

Sustainability parameters

[B]³
ISEB3

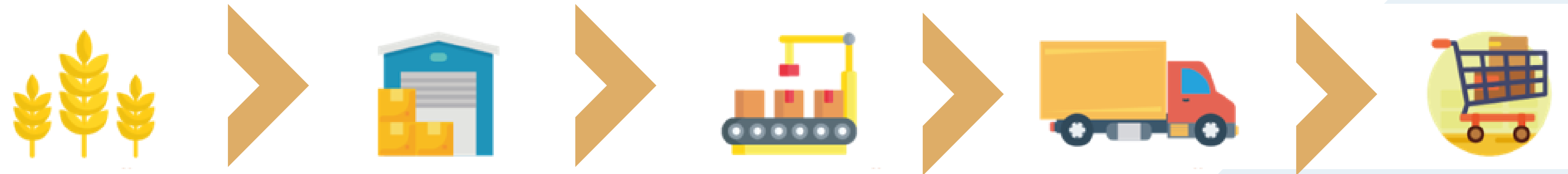
NOVA CARTEIRA 2021

AES Tiete	Cielo	Engie	Lojas Renner	Petrobras
B2W	Copel	Fleury	M. Dias Branco	Petrobras Distribuidora
Banco do Brasil	Cosan	GPA	Marfrig	Santander
Bradesco	CPFL	Itaú Unibanco	Minerva	Suzano
BRF	Duratex	Itaúsa	Movida	Telefônica
BTG	Ecorodovias	Klabin	MRV	TIM
CCR	EDP	Light	Natura	Weg
Cemig	Eletrobras	Lojas Americanas	Neoenergia	



Sectoral evaluations with a focus on supply chains

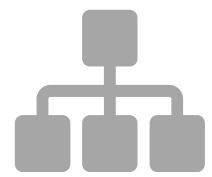
Example: Supermarket chains



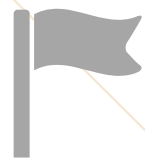
GOOD PRACTICES: STEPS IN SUPPLY CHAIN RISKS MANAGEMENT



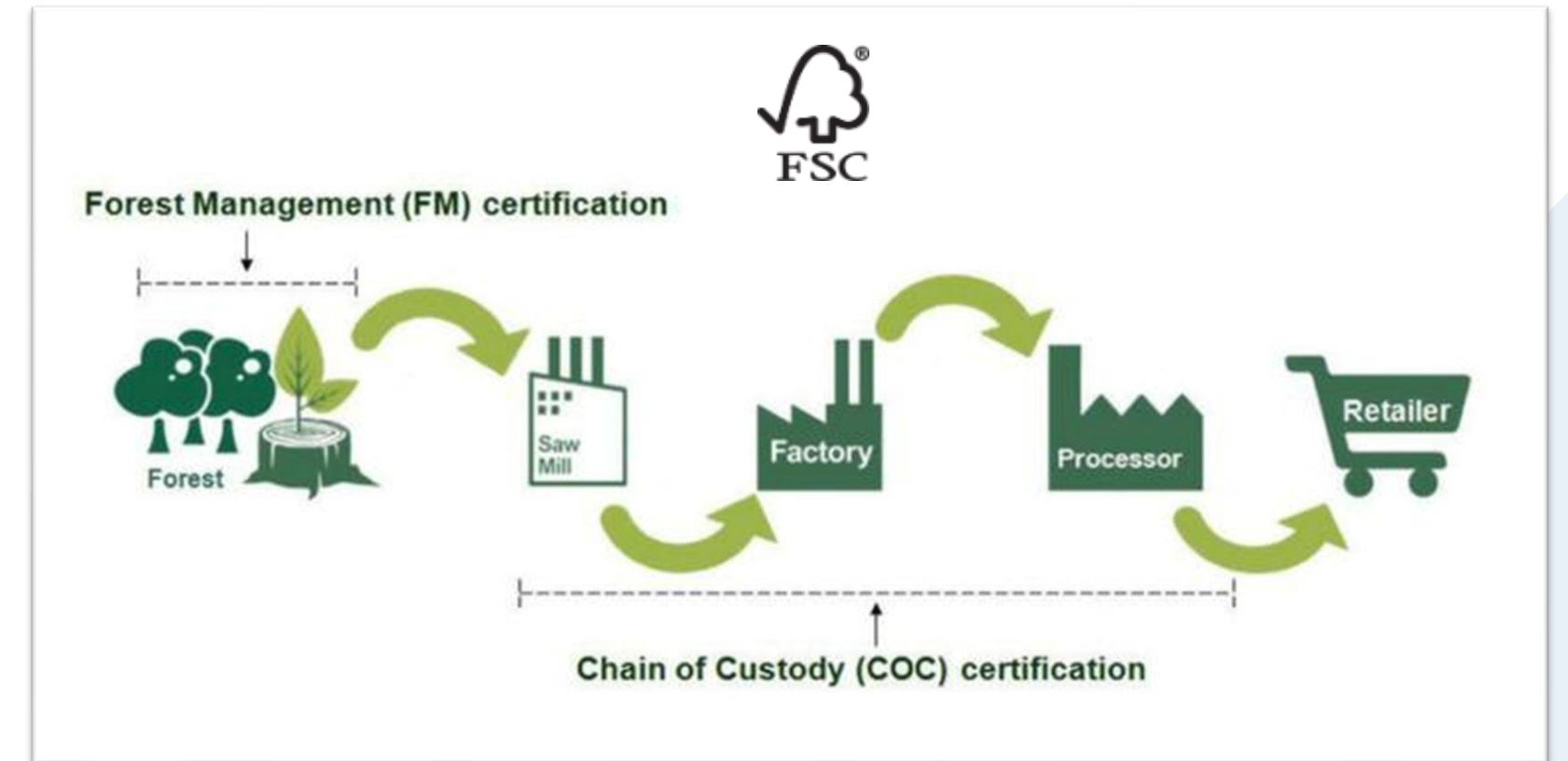
Policies, strategies and commitments



Supply chain ESG risk management



Reporting on risks and impacts



Dimension	General Issue Category	Biotechnology & Pharmaceuticals	Drug Retailers	Health Care Delivery	Health Care Distributors	Managed Care	Medical Equipment & Supplies	Click to expand	Click to see
Environment	GHG Emissions								
	Air Quality								
	Energy Management								
	Water & Wastewater Management								
	Waste & Hazardous Materials Management								
	Ecological Impacts								
	Human Rights & Community Relations								
	Customer Privacy								
	IT Security								



FINAL CONSIDERATIONS

- Many economic sectors in Brazil are being encouraged to improve ESG performance
- ESG is not a matter only for big companies – supply chain risks calls all buyers and suppliers to engage on improving sustainability
- Requirements regarding suppliers' ESG performance will vary across sectors and companies, but can definitely be a competitive strategy for suppliers when approaching specific companies and sectors



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