



PROGRESS REPORT

RECICLAR PROJECT

GLOBAL COMPACT

YEAR 2007



PROJETO GLOBAL COMPACT
Field of actuation: Environment
2007



BACKGROUND

Since 2004 YMF has an active participation with Global Compact.

After considering its cultures, principles and characteristics, the company chose to focus its actuation on the environment support, thus starting its Reciclar Project.

For the characteristics of its activities, YMF usually had a high consumption of printing paper and therefore generated a high production of scraps.

The initially adopted measure was the use of recycled paper and then, after a widespread internal campaign, we obtained a 100% adhesion from the areas and their respective collaborators.

During the years of 2005/2006, we celebrated partnerships and started to send the paper scraps and also plastics (disposable cups) to a company specialized on waste management, and sent all the material collected at YMF to a recycling plant maintained by this company.

In 2007 in the search for suppliers with focus on the social-environmental responsibility, YMF found on the paper industry Papel Gordinho Braune – Grupo Bignardi, the 100% recycled paper - Eco Millennium.

Since 1999, this ecology-concerned industry, made a partnership with Greenpeace for the manufacture of articles made out of 100% recycled paper, and part of the income obtained from the sales reverts to institutions.

With the use of 100% recycled paper, YMF in addition to preserving the environment, with the natural resource economy, cooperates with institutions which benefit from the product sale income.

PURPOSES

Actuation aimed at preservation and improvement of the environmental conditions, minimizing actions which can damage the environment.

Disseminate the culture and the awareness regarding the environment preservation needs with its collaborators, clients and suppliers.

Expand the awareness culture so it can transcend the professional environment and reach the private life, with the adoption by everyone, of the new consumption habits generating the natural resources economy and preservation, with social responsibility.



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RECICLAR PROJECT

USE OF 100% RECYCLED PAPER

Before recycling, the paper goes through a screening, during which it is separated according to its quality, compacted and arranged in large bundles.

The production process continues with the dewatering, pressing and drying of the paper sheet, which is rolled into bobbins.

Finally, the sheets are cut, packed and distributed to the market. The water used in the whole process follows to the treatment plants for reuse. The left over scraps are collected and go back to the beginning of the process. On the other side of the chain, the consumer buys the paper, uses it, throws it out and the cycle restarts.

Paper Characteristics

- 100% recycled fibrous composition:
 - 30% post-consumption scraps (the paper manufacturer acquires the raw material from the scrap collectors);
 - 70% of pre-consumption scraps (the manufacturer uses the scraps from its own previously disposed production).
- The paper presents good printing smoothness;
- Good dimensional stability;
- Color characteristic:
 - Moderate depuration (the end product loads all the raw material components which do not affect its performance, decreasing therefore the process wastes ⇔ environmental liability)
 - Free from chlorine or other bleaching substances
 - 10% of brown kraft scrap (increases the mechanical resistance of the end product, masks occasional spots coming from the scraps)
 - Use of pigment (attenuate the color variations arising from the scraps variability character)

Comparison

Conventional Paper (White or Colored) X 100% Recycled Paper

- Conventional Paper (White or Colored)
 - Virgin fiber
 - Large scale production (thousands of tons/day)
 - Integrated companies in the most part (the paper manufacturer produces its own cellulose)
 - Low-cost short fiber (Brazil has the largest eucalyptus wood productivity per area in the world)
- 100% Recycled paper
 - Fully recycled fiber
 - Lower scale production (tons/day)
 - Non-integrated companies (the paper manufacturer acquires the raw material from the collectors, who acquire it from the cooperatives)
 - Recycled fiber ends up having a similar cost to the virgin fiber, due to the supply chain compensation (collectors), and also the process to remove impurities and loads contained on the paper scraps.

With the use of this 100% recycled paper, the tree does not have to be cut for YMF to perform its activities.



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Continuing with the cycle, YMF donates all the scraps generated in its work environment through the partnership with Flacipel.

FLACIPEL PARTNERSHIP

Concerned with the goods use of its paper and plastic scraps and generation of positive and satisfactory results, YMF has a partnership with the company FLACIPEL Comércio de Aparas e Sucatas Ltda., which is responsible for the collection and final destination of the whole material we produce.

Flacipel created and maintains the Environmental Reference Center- CRA – a recycling plant which aims at generating sustenance conditions for the families which performed the collection of materials in landfills.

All the material withdrawn by Flacipel is destined to the CRA and the resources are reverted to the plant operation and the income distributed among the collaborators who work at the Center.

YMF's action reflected positively on its facilities area, as in addition to the dissemination of the practices and environmental quality in the whole area in which it is installed, the circulation of Flacipel vehicles to collect the recycling materials has called the attention of the other commercial plants.

What was previously a practice solely on YMF's plant, today counts with the adhesion of the other plants of the area.

Therefore, the collection of recycling material changed from three times a week to a daily collection.

RECYCLABLE PAPER COLLECTION

All the work stations of our collaborators count with a box for the selective paper collection.

All the paper is collected and measured daily by YMF/Flacipel and withdrawn.

Flacipel issues a report on a monthly basis, estimating the economy of natural resources obtained with the recycling.

This report currently shows that the recycling of these papers generates in average, the reduction on the cut of 1 tree a month, or 12 trees a year.

We point out that with the use of 100% recycled paper, YMF actively participated on the recycling cycle, with the commitment to "Zero Tree Cutting".

DISPOSABLE CUPS RECYCLING

The installation of plastic cups collectors on the YMF facilities, has allowed the material separation, which is collected by Flacipel for recycling.

The report presented monthly, indicates that in 2007 380 Kg of raw material returned for the production of new products.



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BATTERIES COLLECTION

The installation of a batteries collection had a great adhesion by the whole staff of YMF collaborators, as many of them had this material in their homes because they did not know where to take it to.

The whole material is collected and submitted to companies specialized in the recycling of used batteries or which provide treatment for a safe disposal.

SOCIAL RESPONSIBILITY

Flacipel created the Environmental Reference Center – CRA, a recycling plant, to which 30 families which collected materials in a landfill were hired.

These families were trained to carry out the correct separation and classification of the materials collected, generating income and reached a respectable way of living, entitled to several social benefits.

To ensure the survival of this project, great part of the recyclable material collected by Flacipel is destined to the CRA.

The material separated by the CRA personnel is arranged in bundles and sold by Flacipel, which reverts the resources obtained to maintain the plant in operation and to pay the families which work in the Center.

Currently, with the use of the 100% recycled paper – Eco Millennium, YMF also cooperates with the institutions which receive part of the income obtained with the sales. Therefore, the use of the 100% recycled paper adds to our social-environmental responsibility.

Donation to Charity Institution

Since 2006 the resources traditionally destined by YMF to the purchase of holidays giveaways for distribution to the companies clients, are directed to the Institution Lar São José, which cares for need children. The amount donated assists on the childcare facility maintenance.

CONCLUSION

Throughout the last few years, YMF has dedicated time and resources to the dissemination of culture, practices and actions communicated to all the collaborators and residents of the building where it is located, through lecturers and constant information, including a link in its intranet.

We could observe the full commitment of the collaborators in the programs developed, for the environment preservation, with the reduction on the consumption of the products obtained from the natural resources, reducing, therefore, the damages to nature, which is a global concern.

The great challenge of the corporations, today, is to seek the integration of man to the environmental, cultural and economical aspects. If each institution creates strong bonds with the individuals, the treatment will be more fair, caring, customized and equalitarian.

Within these initiatives, YMF tries to develop this integration in its collaborators, suppliers and clients, which is so necessary in the current days.



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NEXT STEPS

Maintain the focus on the communication to set the natural resources consumption reduction culture, always stimulating and orienting the social-environmental responsibility practices.

The continuous search for new partnerships which can add value to the environmental and social actions and practices of the company.

Despite the reduction obtained on the printings, YMF tries to improve this practice through the printing control, with the issuance of consumption reports, with the purpose of reducing even more the consumption of paper, minimizing printings.

We will begin the Campaign "Save Energy" on the YMF facilities, aiming at a 5% reduction on the electrical power consumption.

YMF Consultoria de Sistemas Ltda.
Diether Luiz Muller
Managin Partner