



***UNITED NATIONS GLOBAL COMPACT
COMMUNICATION ON PROGRESS (COP) 2006***

Message from the Director-President

COPAGAZ, more than being a signatory to the United Nations Global Compact, has the clear commitment to increasing the diffusion power of the principles and values it propagates, thus contributing to its strengthening.

Giving continuity and reinforcing our strategy of socially responsible actions, it is with great satisfaction that COPAGAZ presents the renewal of its commitment with the Global Compact, of which the company has been member since 2001.

Through the release of this second Communication on Progress, COPAGAZ demonstrates the continuous incorporation and implementation of the 10 Principles of Global Compact in the company's daily routine, as well as the headway made in 2006.

On behalf of COPAGAZ and all our employees, we disclose to the public our Communication on Progress, comprising an even larger number of parties involved in the Company's business, and presenting the Social-Environmental Principles Adoption Program, one of the many advancements of our Company in 2006, which permeates all the principles of our Communication on Progress.

Ueze Zahran
Director-President
Zahran Group

 <div> United Nations Global Compact Communication on Progress 2006 Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights </div>				
COPAGAZ commitment COPAGAZ supports and respects the protection of human rights as promulgated by the Universal Declaration of Human Rights, working with its employees, customers, suppliers, service providers, distributors and the communities where it operates toward the construction of a more just world.				
Continuous Progress in Human Rights Respect				
Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Respect to Rights COPAGAZ Conduct Code approaches the issue of rights, both those of the internal public and of suppliers, service providers, distributors and the communities where it operates.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: <ul style="list-style-type: none"> • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts 		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	PAPS is the direct channel to support and respect the internationally-proclaimed human rights, by means of practice sharing in the distribution chain. Its structure is specifically focused on gender equality issues as well as on fighting child labor.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Provisions Taking into account that the rights of children and adolescents are part of the internationally-proclaimed human rights, contracts with distributors rely on specific child labor clause, which evidences COPAGAZ's strong intolerance toward such a practice, and ensures that all parties are aware of that matter.		Labor of children under 14 is already forbidden by Brazilian legislation. Even so, Copagaz considers unacceptable for child labor to take place under any circumstances, even through ignorance of legislation in force and on penalties set forth by law. This effect of such a clause it to ensure that distributors are aware of this important human right matter. All new contracts, as well as those to be renewed, have specific clause about COPAGAZ's disapproval of child labor.
		Following Actions The following actions will be carried out during next phase: <ul style="list-style-type: none"> • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships. 		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Ueze Zahran Foundation	Established in 1998, the Foundation was created to generate and support social programs in education, culture, community initiatives and environment.		Since its foundation, an annual average R\$1.7 million has been being invested in several programs.	Copagaz keeps an average R\$1.7 million investment for its several programs.
		Scholarships Copagaz provides scholarships through Zahran Foundation covering up to 70% of annual cost of courses, from elementary school up to MBA studies.	Since its beginning 500 scholarships have been granted. The literacy level among workers increased from 70% to 100% in this period.	In 2006, the company granted 130 scholarships, reaching 8% of its employee base.



**United Nations Global Compact
Communication on Progress 2006**

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights

COPAGAZ commitment

COPAGAZ supports and respects the protection of human rights as promulgated by the Universal Declaration of Human Rights, working with its employees, customers, suppliers, service providers, distributors and the communities where it operates toward the construction of a more just world.

Continuous Progress in Human Rights Respect

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
Ueze Zahran Foundation (cont.)		IT schools Through the Foundation, Copagaz maintains three IT Schools in the states of Mato Grosso and Mato Grosso do Sul, with the purpose of providing education to lower household income persons. There are exclusive positions for government employees, firefighters, policemen and army employees.	Approximately 10.000 people have already been granted school certificates, which requires a GPA 7.0+ (out of 10).	In 2006, 890 persons, among youngsters, adults and elders, were granted certificates from the courses.
		Cireneu Project Partnership with the Municipality of São Paulo, the project runs two shelters to assist children, youngsters and adults who live in social risk situations.	Until 2006, there were 2 shelters which assisted over 1.000 persons daily, serving 3 meals a day, lodging, dental care, leisure and work at the project's training workshops.	Another shelter was opened in São Paulo, providing assistance for over 800 persons daily.
		Prato Popular Restaurant Partnership with State Government of Mato Grosso do Sul, Coca-Cola, Perkal and Vivo, Prato Popular (Affordable Dish) benefits low-income (up to 1 minimum wage) workers from the garbage dump area in Campo Grande, capital of the state of Mato Grosso do Sul.	Since 2004, more than 52.000 meals have been served, benefiting 300 persons/day. Children fed in the restaurant had an average weight gain of 8.33%.	The company maintains the partnership benefiting 300 persons/day, achieves similar results.
A Child-friendly Company	COPAGAZ in addition to promoting respect to human rights in its activities and with its internal public, participates in a network of companies committed to the situation of Brazilian children, and is acknowledged by Abrinq through its Child-friendly Company Seal.	COPAGAZ, being a child-friendly Company, takes on 10 commitments in behalf of childhood, involving its employees, suppliers, service providers, distributors and the community, to improve the life of the Brazilian children.	In 2005, the company was acknowledged as a child-friendly company for the 5th year in a row.	In 2006, the company was acknowledged as a child-friendly company for the sixth consecutive year.
Abrinq Foundation Program	Partnership with Abrinq Foundation, the program consists of transferring part of the sales revenues from COPAGAZ's gas cylinders to the Foundation for carrying out programs targeted at children and teenagers.		From December 2005 to March 2006, the program raised R\$124.560.64, which were transferred to Abrinq.	The program will be resumed in 2007 for four months.
Global Compact Leaders Summit	The summit gathers the top executives of the participating companies, Government officials, heads of international labor and civil society organizations, with the aim of discussing Corporate Social Responsibility, Global Compact's Human Rights, Rights at Work, Environmental Protection, and Anti-Corruption principles, and their future trajectory.		COPAGAZ is part of the select group of companies and organizations that participate actively in the most important world summit on Corporate Social Responsibility.	
Employee Benefit Plan	COPAGAZ provides its employees with a series of benefits in addition to those foreseen as per labor legislation.		Among other benefits, it includes dental care plans, drugstore assistance, assistance for children with special needs, pre-retirement employment guarantee, and medical care for retirees.	
Organizational Climate Assessment	COPAGAZ periodically assesses the organizational climate in all its Units, through internal surveys and participative meetings.	The assessment is carried out by the Human Resources Department at the weekly meetings with the employees.		
Work Safety	The company actively develops several programs, such as the Occupational Health Program, short-and long-term training for Fire Brigade improvement, and lectures on several different topics.			
Zero Accident Program	The Zero Accident Program is developed in all plants. The award is granted to plants that, after a certain number of days, does not record any accident with absence period.			The amount of accidents in 2006 was 16, including direct and indirect employees. Among those, only 4 still remain on leave.
Workplace Exercise	Workplace exercise program provided by fitness experts.			Workplace Exercise is carried out on a daily basis, at every branch, and involving all the employees.
Social Assistance	The company has a team of professionals specialized in employee assistance.	Social Assistance is provided by the Human Resources Department.		
São Paulo Children Protection Program - "Don't pay alms: promote citizenship and give a future"	Partnership with the Municipality of São Paulo, the program promotes awareness among population of the negative effects of paying alms to beggars, panhandlers and homeless people. The donation, amounting to R\$100 thousand, covers from 2005 to 2007.			From December 2004 to November 2006, the project rescued 2.639 children from labor exploitation, 1.000 of whom from candy sale/street art display in the streets - the estimate is that 2.000 children are exploited in these activities.
SOS Criança (SOS Child) Program	COPAGAZ, in partnership with the São Paulo State Government, prints the photographs of missing children on the mandatory labeling of gas cylinders distributed nationwide.		Since the beginning of the program, in 1996, a few dozen children have been found.	No child was found in 2006.

 <div> United Nations Global Compact Communication on Progress 2006 Principle 2 - Businesses should make sure they are not complicit in human rights abuses </div>				
COPAGAZ Commitment COPAGAZ is committed to avoiding taking part in human right abuses in all its branches. Hence, it takes several measures to ensure the respect toward children, environment safety of its plants, fair labor compensation, and economic development as the driving force of human development.				
Continuous Progress in Human Rights Respect				
Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Respect to Rights COPAGAZ Conduct Code approaches the issue of rights, both those of the internal public and of suppliers, service providers, distributors and the communities where it operates.			
	Third-party Labor Compliance Assurance It is mandatory that third-party service providers supply the evidential documents of their lawfulness and that their employees are actually included in the company's payroll.	Inclusion of contract provision delivering this commitment with third-party service providers - COPAGAZ does not hire companies that conduct labor relationships that are not compliant with law.		
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: <ul style="list-style-type: none"> • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts 		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	PAPS is the direct channel to support and respect internationally-proclaimed human rights, by means of sharing practices in the distribution chain. Its structure is specifically focused on gender equality issues as well as on fighting child labor.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Provisions Taking into account that the rights of children and adolescents are part of the internationally-proclaimed human rights, contracts with distributors rely on specific child labor clause, which evidences COPAGAZ's strong intolerance toward such a practice, and ensures that all parties are aware of that matter.		Labor of children under 14 is already forbidden by Brazilian legislation. Even so, Copagaz considers unacceptable for child labor to take place under any circumstances, even through ignorance of legislation in force and on penalties set forth by law. This effect of such a clause it to ensure that distributors are aware of this important human right matter. All new contracts, as well as those to be renewed, have specific clause about COPAGAZ's disapproval of child labor.
		Following Actions The following actions will be carried out during next phase: <ul style="list-style-type: none"> • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships. 		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
A Child-friendly Company	COPAGAZ in addition to promoting respect to human rights in its activities and with its internal public, participates in a network of companies committed to the situation of Brazilian children, and is acknowledged by Abrinq through its Child-friendly Company Seal.	COPAGAZ, being a child-friendly Company, takes on 10 commitments in behalf of childhood, involving its employees, suppliers, service providers, distributors and the community, to improve the life of the Brazilian children.	In 2005, the company was acknowledged as a child-friendly company for the 5th year in a row.	In 2006, the company was acknowledged as a child-friendly company for the sixth consecutive year.
Abrinq Foundation Program	Partnership with Abrinq Foundation, the program consists of transferring part of the sales revenues from COPAGAZ's gas cylinders to the Foundation for carrying out programs targeted at children and teenagers.		From December 2005 to March 2006, the program raised R\$124.560,64, which were transferred to Abrinq.	The program will be resumed in 2007 for four months.



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Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

COPAGAZ Commitment

COPAGAZ fosters harmonious labor relations, respecting all rights acquired by workers and always taking into account the Company's efficiency and competitiveness.

Continuous Progress in Labor Rights Respect

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
Free Union Association Rights	COPAGAZ allows its employees to freely associate to unions and negotiates labor-related matters with unions.		In 2005, 100% of COPAGAZ's employees were unionized.	100% of COPAGAZ's employees are unionized.
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Harmonious Labor Relations Our Code of Conduct explicitly states the Company's intention of promoting harmonious labor relations, always taking into account efficiency and competitiveness matters in the markets where it operates.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
Program for the Adoption of Social-Environmental Principles - PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	COPAGAZ's PAPS is the direct channel to reinforce guarantees to labor rights, by means of sharing practices in the distribution chain.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Employee Benefit Plan	COPAGAZ provides its employees with a series of benefits in addition to those foreseen as per labor legislation.		Among other benefits, it includes dental care plans, drugstore assistance, assistance for children with special needs, pre-retirement employment guarantee, and medical care for retirees.	
Organizational Climate Assessment	COPAGAZ periodically assesses the organizational climate in all its Units, through internal surveys and participative meetings.	The assessment is carried out by the Human Resources Department at the weekly meetings with the employees.		
Work Safety	The company actively develops several programs, such as the Occupational Health Program, short- and long-term training for Fire Brigade improvement, and lectures on several different topics.			
Zero Accident Program	The Zero Accident Program is developed in all plants. The award is granted to plants that, after a certain number of days, does not record any accident with absence period.			The amount of accidents in 2006 was 16, including direct and indirect employees. Among those, only 4 still remain on leave.
Workplace Exercise	Workplace exercise program provided by fitness experts.			Workplace Exercise is carried out on a daily basis, at every branch, and involving all the employees.
Social Assistance	The company has a team of professionals specialized in employee assistance.	Social Assistance is provided by the Human Resources Department.		



**United Nations Global Compact
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Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor

COPAGAZ Commitment

COPAGAZ respects and incorporates the United Nations Universal Declaration of Human Rights into its principles and actions and the International Labor Organization's Fundamental Principles of Labour Rights, actively supporting the banishing all forms of forced, compulsory or slave labor.

Continuous Progress Toward the Eradication of Forced Labor

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
National Compact for the Eradication of Slave Labor	COPAGAZ is member of the National Compact for the Eradication of Slave Labor.	Based on a report from the International Labor Organization, the Compact represents a commitment of not accepting any sort of slave labor in the production chain.		
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Third-party Labor Compliance Assurance It is mandatory that third-party service providers supply the evidential documents of their lawfulness and that their employees are actually included in the company's payroll.	Inclusion of contract provision delivering this commitment with third-party service providers - COPAGAZ does not hire companies that conduct labor relationships that are not compliant with law.		
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
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		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.



**United Nations Global Compact
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Principle 5: Businesses should uphold the effective abolition of child labor

COPAGAZ Commitment

COPAGAZ disapproves all forms of child labor, and reaffirms its commitment to eradicating the labor of those under the legal working age.

Continuous Progress Toward Effective Eradication of Child Labor

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	Through PAPS, COPAGAZ works toward the dissemination and promotion of practices to be conducted jointly with its distributors, including its public disapproval of child labor.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Provisions Taking into account that the rights of children and adolescents are part of the internationally-proclaimed human rights, contracts with distributors rely on specific child labor clause, which evidences COPAGAZ's strong intolerance toward such a practice, and ensures that all parties are aware of that matter.		Labor of children under 14 is already forbidden by Brazilian legislation. Even so, Copagaz considers unacceptable for child labor to take place under any circumstances, even through ignorance of legislation in force and on penalties set forth by law. This effect of such a clause it to ensure that distributors are aware of this important human right matter. All new contracts, as well as those to be renewed, have specific clause about COPAGAZ's disapproval of child labor.
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Ueze Zahran Foundation	Established in 1998, the Foundation was created to generate and support social programs in education, culture, community initiatives and environment.		Since its foundation, an annual average R\$1.7 million has been being invested in several programs.	Copagaz keeps an average R\$1.7 million investment for its several programs.
		Scholarships Copagaz provides scholarships through Zahran Foundation covering up to 70% of annual cost of courses, from elementary school up to MBA studies.	Since its beginning 500 scholarships have been granted. The literacy level among workers increased from 70% to 100% in this period.	In 2006, the company granted 130 scholarships, reaching 8% of its employee base.
A Child-friendly Company	COPAGAZ in addition to promoting respect to human rights in its activities and with its internal public, participates in a network of companies committed to the situation of Brazilian children, and is acknowledged by Abrinq through its Child-friendly Company Seal.	COPAGAZ, being a child-friendly Company, takes on 10 commitments in behalf of childhood, involving its employees, suppliers, service providers, distributors and the community, to improve the life of the Brazilian children.	In 2005, the company was acknowledged as a child-friendly company for the 5th year in a row.	In 2006, the company was acknowledged as a child-friendly company for the sixth consecutive year.
Abrinq Foundation Program	Partnership with Abrinq Foundation, the program consists of transferring part of the sales revenues from COPAGAZ's gas cylinders to the Foundation for carrying out programs targeted at children and teenagers.		From December 2005 to March 2006, the program raised R\$124,560.64, which were transferred to Abrinq.	The program will be resumed in 2007 for four months.
São Paulo Children Protection Program - "Don't pay alms: promote citizenship and give a future"	Partnership with the Municipality of São Paulo, the program promotes awareness among population of the negative effects of paying alms to beggars, panhandlers and homeless people. The donation, amounting to R\$100 thousand, covers from 2005 to 2007.			From December 2004 to November 2006, the project rescued 2.639 children from labor exploitation, 1.000 of whom from candy sale/street art display in the streets – the estimate is that 2.000 children are exploited in these activities.

		United Nations Global Compact		
		Communication on Progress 2006		
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation				
COPAGAZ Commitment				
COPAGAZ is committed to offer the best place to employees to develop professionally and as individuals The Company acknowledges and values its employees, promoting an integrating and non-discriminatory culture and practicing meritocratic policies in its selective process.				
Continuous Progress Toward the Respect to Workplace Rights				
Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Hire and Promotion related Issues COPAGAZ's Conduct Code expressly deals with hire- and promotion-related issues, establishing that the criteria adopted when dealing with these issues are related to the fulfillment of each function's requirements.			
	Workplace Discrimination COPAGAZ does not accept discrimination based on race, gender, age, sexual orientation, origin, social class, physical capability, or any other attributes, either in internal relationships or among its stakeholders.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to : • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	Through PAPS, COPAGAZ works toward the dissemination and promotion of practices to be conducted jointly with its distributors, including matters regarding respect to equality among genders and the banishment of workplace discrimination.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principals of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Millennium Development Goals	COPAGAZ adopts the Millennium Development Goals (MDGs), through which promotes, among other goals, the fight against all kinds of discrimination.	In 2006, COPAGAZ disclosed the 8 MDGs on the back cover of recipe books distributed along with gas cylinders throughout Brazil, in addition to publishing articles regarding these in the company's bulletin which is distributed to the headquarters and all branches.		
External Acknowledgment	Personnel-management awards granted to COPAGAZ attest the company's success in putting into practice its commitment to the elimination of workplace discrimination.	2006 "Valor Carreira - As Melhores na Gestão de Pessoas" (Valor Career - the Best in Personnel Management) award bestowed by Valor Econômico newspaper, shared with Hay Group consulting company)		COPAGAZ was the top winner company among the 6 best to work for in Brazil.
		2006 "Valor Carreira - As Melhores na Gestão de Pessoas" (Valor Career - the Best in Personnel Management) award bestowed by Valor Econômico newspaper)	In 2005, COPAGAZ was granted for the second year in a row the "Valor Carreira - As Melhores na Gestão de Pessoas" award, in category "501 to 1,000 employees".	In 2006, COPAGAZ was granted the "Valor Carreira - As Melhores na Gestão de Pessoas" award, in category "501 to 1,000 employees".
		2006 "150 Melhores Empresas para se Trabalhar" (150 Best Companies to Work for) granted by Exame and Você S/A magazines	The company was acknowledged among the 100 best Brazilian companies in human resources management.	COPAGAZ was acknowledged among the 150 best Brazilian companies to work for.



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Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation

COPAGAZ Commitment

COPAGAZ is committed to offer the best place to employees to develop professionally and as individuals. The Company acknowledges and values its employees, promoting an integrating and non-discriminatory culture and practicing meritocratic policies in its selective process.

Continuous Progress Toward the Respect to Workplace Rights

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
		2006 "100 Melhores Empresas Para Trabalhar" (100 Best Companies to Work for) granted by Época magazine		COPAGAZ was acknowledged among the 100 best Brazilian companies to work for.

 <div> United Nations Global Compact Communication on Progress 2006 Principle 7: Businesses should support a precautionary approach to environmental challenges </div>				
COPAGAZ Commitment COPAGAZ contributes to the improvement of quality of life and preservation of the environment, utilizing technologies that promote the sustainable development and the respect for the environment.				
Continuous Progress Toward Environmental Protection				
Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Preventive Approach COPAGAZ's Code of Conduct emphasizes the importance of a preventive approach within the Company, which in the LPG distribution industry is nothing more than a safety obligation.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: <ul style="list-style-type: none"> • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts 		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	PAPS is the direct channel to disseminate the preventive principle among COPAGAZ's distributors, by means of sharing practices in the distribution channel, in addition to contributing to the improvement of environmental management. Thus, distributors become more able to adopt a preventive attitude toward the environmental challenges.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: <ul style="list-style-type: none"> • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships. 		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Industrial Waste Recycling Program	Comprehensive set of initiatives beyond legal obligations, being implemented in all COPAGAZ branches, with the purpose of making the Company's operations safer to the environment.	The Program actions include the following initiatives: <ul style="list-style-type: none"> • Selective waste collection • Selective industrial waste collection • Registration with IBAMA • Acquisition of environmental licenses • Authorization to set up artesian wells • Replacement of painting systems for cleaner techniques • Decontamination of tanks • Drilling of shafts for monitoring the soil • Implementation of containment boxes and basins 		
Safety	In GLP distribution product safety is fundamental for a preventive approach to environmental challenges.	High-safety valves High-safety valves are standard at COPAGAZ, thereby ensuring that all possible measures are taken to prevent leakage and fires.		
		Special seal The seal on COPAGAZ's green cylinders is the only one that: <ul style="list-style-type: none"> • Has a leaking detection device. • Is acknowledged by INMETRO as inviolable. 		
		Safe cylinders COPAGAZ's cylinders are periodically submitted to strict tests to gauge their safety and ensure that they meet the best market standards.		



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Principle 7: Businesses should support a precautionary approach to environmental challenges

COPAGAZ Commitment

COPAGAZ contributes to the improvement of quality of life and preservation of the environment, utilizing technologies that promote the sustainable development and the respect for the environment.

Continuous Progress Toward Environmental Protection

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
Millennium Development Goals	COPAGAZ adopts the Millennium Development Goals (MDGs), whereby, among other goals, ensures environmental responsibility in all its activities.	In 2006, COPAGAZ disclosed the 8 MDGs on the back cover of recipe books distributed along with gas cylinders throughout Brazil, in addition to publishing articles regarding these in the company's bulletin which is distributed to the headquarters and all branches.		



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Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

COPAGAZ Commitment

The Mission of COPAGAZ clearly mentions the issue of environmental responsibility. For the Company, social responsibility, environmental responsibility and safety walk hand in hand.

Continuous Progress Toward Environmental Protection

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Environmental Responsibility COPAGAZ's Code of Conduct considers ecologic equilibrium of the environment essential not only for the healthy life of men, but also for the development of its own business.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	Through PAPS, COPAGAZ works toward the dissemination and stimulation of environmentally responsible practices to be conducted jointly with its distributors, including selective waste collection and recycling.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Industrial Waste Recycling Program	Comprehensive set of initiatives beyond legal obligations, being implemented in all COPAGAZ branches, with the purpose of making the Company's operations safer to the environment.	The Program actions include the following initiatives: • Selective waste collection • Selective industrial waste collection • Registration with IBAMA • Acquisition of environmental licenses • Authorization to set up artesian wells • Replacement of painting systems for cleaner techniques • Decontamination of tanks • Drilling of shafts for monitoring the soil • Implementation of containment boxes and basins		
Millennium Development Goals	COPAGAZ adopts the Millennium Development Goals (MDGs), whereby, among other goals, ensures environmental responsibility in all its activities.	In 2006, COPAGAZ disclosed the 8 MDGs on the back cover of recipe books distributed along with gas cylinders throughout Brazil, in addition to publishing articles regarding these in the company's bulletin which is distributed to the headquarters and all branches.		



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Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies

COPAGAZ Commitment

COPAGAZ is fully committed to the utilization of green technologies, within the standards of the LPG distribution industry in Brazil.

Continuous Progress Toward Sustainable Development

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Sustainable Development COPAGAZ contributes to the improvement of quality of life and preservation of the environment, utilizing technologies that promote the sustainable development and respect for private property.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee is the body in charge of investigating and assessing all the violations against the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	Through PAPS, COPAGAZ works toward the dissemination and stimulation of environmentally responsible practices to be conducted jointly with its distributors, including selective waste collection and recycling.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.
		Following Actions The following actions will be carried out during next phase: • Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs. • Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics. • Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.
Industrial Waste Recycling Program	Comprehensive set of initiatives beyond legal obligations, being implemented in all COPAGAZ branches, with the purpose of making the Company's operations safer to the environment.	The Program actions include the following initiatives: • Selective waste collection • Selective industrial waste collection • Registration with IBAMA • Acquisition of environmental licenses • Authorization to set up artesian wells • Replacement of painting systems for cleaner techniques • Decontamination of tanks • Drilling of shafts for monitoring the soil • Implementation of containment boxes and basins		
Millennium Development Goals	COPAGAZ adopts the Millennium Development Goals (MDGs), whereby, among other goals, ensures environmental responsibility in all its activities.	In 2006, COPAGAZ disclosed the 8 MDGs on the back cover of recipe books distributed along with gas cylinders throughout Brazil, in addition to publishing articles regarding these in the company's bulletin which is distributed to the headquarters and all branches.		



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Principle 10: Businesses should encourage the development and diffusion of environmentally friendly technologies

COPAGAZ Commitment

COPAGAZ's business must be fully compliant with the law, and it is incumbent upon its managers, employees and service providers to ensure such a compliance. Moreover, the company disapproves all forms of corruption.

Continuous Progress Against Corruption

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
Corporate Compact for Integrity and Against Corruption	Instituto Ethos's initiative aims to encourage the private sector to fighting misuse of public funds.	COPAGAZ is signatory to the Corporate Compact for Integrity and Against Corruption.		
COPAGAZ Code of Conduct	The Code of Conduct makes explicit the rules and behavior standards related to human rights and rights at work that COPAGAZ expects from all its employees, in addition to systematizing the essential values practiced in the relationships with each of the parties that influence and are influenced by its business: employees, customers, suppliers, service providers, distributors and communities.	All employees must sign an official commitment instrument, stating that they are aware, agree and subscribe to the Code of Conduct.	All the employees signed the Formal Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Conduct Code.	All the employees admitted in 2006 have signed the Official Commitment Instrument, officializing their commitment to the terms of the COPAGAZ Code of Conduct.
	Financial Records All of COPAGAZ's financial records must be accurate, complete and real, complying with the law, the fiscal rules, and the principles set forth by the company. All operations shall be duly recorded in the official records and such records shall be fully available, with no restrictions, to the company's controlling area and the tax authorities.			
	Gifts and Gratuities COPAGAZ's employees are strictly prohibited from asking for gifts, gratuities or any personal advantage from suppliers and service providers. In addition, they must not accept gifts, unless they have token value only.			
	Prohibition of payment and advantages COPAGAZ's employees, suppliers and service providers or anyone acting on behalf of COPAGAZ are forbidden to make, offer or promise payments or advantages to third parties, direct or indirectly, with the purpose of obtaining illicit advantage or inducing the approval, revocation or violation of instructions or norms.			
	Intellectual and Industrial Property COPAGAZ fully respects intellectual and industrial property. Its employees must comply with all laws and regulations related to such rights and, therefore, refrain from any type of embezzlement of research, studies, publications, software and similar works. The same procedure is demanded from suppliers and service providers when carrying out business transactions with the company.			
Ethical Conduct Committee	Comprised of Managers from Human Resources, Auditing and Legal areas, the Ethical Conduct Committee is COPAGAZ's qualified structure to ensure compliance with the Human Rights. Its goal is to centralize all the information deemed necessary by employees, customers, suppliers, service providers and distributors.	The Ethical Conduct Committee verifies and evaluates all violations of the Code of Conduct.		
Corporate Social Responsibility Committee	Comprised of the Chair Advisors and the Distribution and Supply, Information Technology, New Businesses, and Budget and Projects areas, the CSR Committee is a fundamental part of the company's Corporate Social Responsibility structure. Its goal is to point out the strategic direction for policies, standards, investments, training and social-environmental programs.	It is incumbent upon the Committee to: • Discuss the issues regarding Corporate Social Responsibility • Manage the Program for the Adoption of Social-Environmental Principles • Propose actions • Approve projects • Assess the social-environmental impacts that these initiatives may cause to the interested parts		
Program for the Adoption of Social-Environmental Principles – PAPS COPAGAZ	PAPS is a program aiming to disseminate information on Corporate Social Responsibility concepts and actions and share the practices based on social-environmental principles with COPAGAZ's distributors. The 10 Principles of Global Compact and the Millennium Development Goals are an integral part of PAPS content, which allows the actions focused on them to gain scale in COPAGAZ's business chain.	Through PAPS, COPAGAZ works toward the dissemination and stimulation of practices to be conducted jointly with its distributors, including disapproval of corruption in all its forms.		PAPS was rolled out nationwide in October 2006, with the introduction of the program to people at large. Its implementation will be carried out in 4 stages, involving over 2.000 distributors scattered throughout Brazil so as to reach, directly and indirectly, approximately 20.000 people. The first stage, which began in October, is focused on 250 distributors in the Metropolitan Area of São Paulo.
		Training of Regional Managers Sensitization and awareness action on Corporate Social Responsibility concepts and actions, PAPS, Principles of Global Compact, and Millennium Development Goals.		Training was conducted during the Annual Meeting, in December, in which all 15 Brazilian regional managers participated.



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Principle 10: Businesses should encourage the development and diffusion of environmentally friendly technologies

COPAGAZ Commitment

COPAGAZ's business must be fully compliant with the law, and it is incumbent upon its managers, employees and service providers to ensure such a compliance. Moreover, the company disapproves all forms of corruption.

Continuous Progress Against Corruption

Policies, Systems, Processes and Programs	Relevance for the Principle	Actions	Performance until 2006	Performance in 2006
		Following Actions The following actions will be carried out during next phase: <ul style="list-style-type: none">• Seminars and Lectures: promoting the dialogue with distributors on different matters concerning Corporate Social Responsibility, Principles of Global Compact and MDGs.• Explanatory Handbook: tool to promote awareness and explain CSR concepts and PAPS dynamics.• Code of Conduct: tool for transmitting corporate values so as to reach a new level of quality in relationships.		Communication tools and actions will include all distributors at all 15 branches scattered throughout Brazil.