Message from Presidents

We are a Brazilian corporation, established in 1956, based upon the sustainable development, integrating operational activities with missions concerning the preservation, recovering and valorization of the environment and biodiversity of the country, within the ecosystems in which we operate.

Beraca enrolls the concept under which the environment represents business opportunities, leveraging the protection of the natural resources, economic growth and income generation pursuant to, the reduction of the social inequality and enhancement of the dignity of the mankind.

Under this vision, Beraca, through its activities and products, besides recovering of water resources and extent access to potable water, also performs the sustainable handling of the natural resources, which, in turn and under a broader biodiversity conservation concept, provides protection and species conservation, resulting in the life quality improvement of the local communities.

In connection with social impacts, we were able to verify, among others, clear outputs regarding the reduction of social inequalities and the cultural identity recovery and valorization of the local communities.

The result is a well-proofed strategic management, efficiency wise, completely embedded with the principles and with ethic and moral standards that guide us, since Beraca's very beginning.

Nonetheless, it is needed to move forward and beyond. The vision and creativity of our company to create innovative and environmentally sustainable products and process was carried out to breed solutions for social issues, maintaining our quality level.

In this regard, Beraca is committed to encourage the scientific development, education, research and the technological enhancement, primarily for the solution of Brazilian issues and to the social development as well as the national and regional productive system to build up a free, fair and solidary society. In order to do so, Beraca relies on a strong, growing underlying instrument: Beraca's employees. Reinforcing and carrying out the social principles of Work, investing in the occupational safety and employees training programs, creating a healthy and solid workplace to face the increasing challenges of the global competition, valorizing family, maternity, and senior citizens, Beraca has gathered a well qualified and highly stimulated team which drives the potential and talent in order to support the development of the company.

On behalf of Beraca and over its 250 employees, we reinforce our commitment to the principles of the Global Compact and to spread out this relevant UN initiative to our stakeholders.

Marco Antonio Matiolli Sabará
Co-President

Ulisses Matiolli Sabará
Co-President

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

Commitment : Respecting individuality and the dignity of the people.

Policies, Systems, Processes and Programs	Actions	Performance
Human Resources	• Employees Satisfaction Survey • Life Quality's Program • Flu Immunization Program • Feeding benefits, Group Health and Life Insurance • Scholarship Program • Cultural Support	• Voluntary adherence of 85% of the employees, of which 73% of them are satisfied or very satisfied with the Company. • Tracking of health indicators with the diagnostic of the intern public. • Incentive to physical exercises and welfare actions, as well as preventive treatment of cases which may required medical care. • Adherence of 90% of the employees in the branches of Santa Barbara, Penha and Berrini. • Food subsidy of 80%, including the monthly food basket which is equivalent to 14% of the base-salary in the country. • Medical and dental assistance and life insurance to the employees, extended to the family. • Relevant academic level enhancement, with brand new graduated employees in several specialties as well as post graduate and masters degree personnel. • Production of a short film, prepared by FAAP's (Faculdade Armando Alvares Penteado) students under the "Lei Rouanet". • Traditional event of Holy Week in the city of Pacatuba, state of Ceará, in partnership with the local City Hall.

Principle 2 – Make sure that they are not complicit in human rights abuses.

Commitment : The Company is committed to make sure absence of complicity and the abuses of the human rights in every business units.

Policies, Systems, Processes and Programs	Actions	Performance
Human Resources SA 8000	• Internal Census • Voluntary work • Social Responsibility Policy	• The company employees are represented by 72% of men, 28% of women, under which 17% are over 45 years old. • Support children and youth institutions in the community close to our plant facilities. In São Paulo, in partnership with the Fire Department, we have done a Fire Dept Training Center visit with over 50 kids from different neighborhoods, located in the city of Franco da Rocha. • Extension to the productive chain of the commitment against the slave labour and child labour exploration.

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

Commitment : The Company stands for the freedom of union association of its employees.

Policies, Systems, Processes and Programs	Actions	Performance
Human Resources SA 8000 Union Agreement	• Internal release of the Social Responsibility Policy • Fully adherence to the terms celebrated between syndicate of employers (economic category) and employees (professional category) set forth in the Union Agreement	• 100% of the employees are represented by unions of the chemical industry, which is also assured in our Social Responsibility Guideline (chapter 1).

Principle 4 – The elimination of all forms of forced and compulsory labour.

Commitment : The Company does not allow any form of forced or compulsory labour, whether it is in its facilities or in any commercial relationship with customers, partners or suppliers.

Policies, Systems, Processes and Programs	Actions	Performance
SA 8000	• Registry and Certification of the Suppliers	• Restriction to any business done with companies using any form of forced labour. • 40% of the suppliers of the Health and Personal Care Division evidenced legal practices against forced labour, slave labour and the use of child labour.

Principle 5 – The effective abolition of child labour.

Commitment : The Company does not employ any form of child labour, whether it is in its facilities or in any commercial relationship with customers, partners or suppliers.

Policies, Systems, Processes and Programs	Actions	Performance
Social Promotion and Community Development SA 8000	• Permanent financial aid to the Charity Institutions in the states of Pernambuco, Ceará and São Paulo • External release of the Social Responsibility Policy by internet	• Proper actions for the child and youth development and welfare. • Child Labour prevention in our supply chain, and in our internal public.

Principle 6 – Elimination of discrimination in respect of employment and occupation.

Commitment : Respect individuality and the dignity, not tolerating any form of discrimination in workplace.

Policies, Systems, Processes and Programs	Actions	Performance
Human Resources SA 8000	• Salary and Position Corporate Plan, and Individual Performance Assessment System • Internal and external release of the Social Responsibility Policy	• Hiring process and promotions based on professional performance, through the Performance Assessment System. • Explicitly rejection to any form of discrimination.

Principle 7 – Businesses should support a precautionary approach to environmental challenges.

Commitment : To stimulate operations which enable the sustainable development and its associated values, assuring techniques that assert respect to environment.

Policies, Systems, Processes and Programs	Actions	Performance
PRODIR Policies and Programs (responsible care) ECOCERT Policies and Programs FSC Policies and Programs	• Training for the promotion of ecological handling of species and ecosystems • Encourage action to the rational use of the soil • Preventive safety program to handling, storing and transportation of chemical products • Tracking the destination of the dismissed wastes	• Positive impacts in the sales of the ECOCERT/FSC/PRODIR certified products. • Able to access and continuing increase of national and international markets in connection with such certifications. • Concerning PRODIR Policies and Programs, we verified a 25% reduction in the generation of liquid wastes, 17% in the electrical energy use, and 2% in the water usage.

Principle 8 – Undertake initiatives to promote greater environmental responsibility.

Commitment : To promote the respect to the environment (adherence to the Millennium Development Goals).

Policies, Systems, Processes and Programs	Actions	Performance
Sustainable management of wastes CIPA (Intern Committee of Labour Accident Prevention)	• Reserved locations for collection and separation of recycling materials • In partnership with EMBRAPA, 1050 samples of environmental, health and hygiene education were distributed to children assisted by charity institutions • Establishment of Committees in all business units, with members elected by the employees • Internal Week of Labour Accident Prevention on annual basis • Annual renew of the Control and Occupational Health Program (PCMSO) and of the Environmental Risks Prevention Program (PPRA)	• By selling the recycled material, there was a reduction of the solid wastes generation, as well as the need for new ores exploration and deforestation. • There were no accidents recorded in the year of 2007.

Principle 9 – Encourage the development and diffusion of environmentally friendly technologies.

Commitment : Company has the mission to promote the development of its employees, generating value for the customers, partners and stakeholders through the sustainable development.

Policies, Systems, Processes and Programs	Actions	Performance
Chlorine Dioxide Process: the investment in research in the production of chlorine dioxide has allowed our line to have a sanitary product less aggressive to the environment concerning its application and generation of undesirable subproducts in the water. Tablet Process: The development of a line of chlorine tablets used for disinfecting the water provides results which are compatible to gas chlorine, safer, minimizing the risks to health and environment, enabling the access to potable water and communities in remote regions. PAC Process: the research and investments in the production of aluminum polychloride enables a more efficient flocculation that mitigates the environmental impacts due to a smaller generation of solid wastes, as well as the reduction of over 50% of the concentration of aluminium in the mud.	• Donation and implementation of seed driers with the use of solar and wind energy, in local communities.	• The action promoted an improvement in the quality of the raw material produced by the local communities, and consequent monetary gains, besides the generation of direct and indirect jobs. • The Chlorine Dioxide Procedures, Chlorine and PAC Tablets enable, besides additional financial gains, more safety in the handling and application of the product, saving health and the environment; it promotes more agility in the water treatment, as well as a better final quality. • As an example, the application of the PAC and Chlorine Dioxide Process, in the Water Treatment Station of the city of Fortaleza/ CE (ETA Gavião da Cia de Água e Esgoto do Ceará), has contributed with the reduction of the trihalomethens (THM), with the dismissal of the pre-chlorination stage, and with the 12% raise of the treated water sewage, providing a better water quality and public health to the community of the entire city of Fortaleza.

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

Commitment : The development of a corporate culture based on principles of social equity, transparency, ethics and moral, supported by the commitments to the Global Compact Principles and on the Millennium Development Goals.

Policies, Systems, Processes and Programs	Actions	Performance
Writing of a Code of Ethics through a process of corporative governance, advised by an international consulting firm.	• Execution of the Corporate Pact for the Integrity and Against Corruption, promoted by Instituto Ethos.	• Promotion of consciousness concerning corruption, embedding ethical behaviors in the Company's business.