

Annual  
Report **2015**

 **EMBRAER**





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# PRESENTATION

This document was prepared in a participative manner, based on interviews with the top executive body of Embraer, and considering the stakeholders demands, formalized in the Materiality Matrix (learn more later on). The content also takes into account the requirements of the Dow Jones Sustainability Index (DJSI) and the Corporate Sustainability Index (ISE in Portuguese) of BM&FBOVESPA, as well as the ten principles of the United Nations Global Compact (UN), of which Embraer has been a signatory since 2008. **[GRI G4-18]**

With the aim of providing greater transparency and establishing a comparison of the Company's performance with other organizations, Embraer publishes its results annually and, since 2008, has followed the Global Reporting Initiative (GRI) guidelines. This material was prepared in accordance to the G4 version of GRI (Essential Option). The data presented, including the financial statements, refers to all Embraer units in Brazil and abroad (except for some environmental information, whose scope is clarified throughout the document) during the period from January 1st to December 31st, 2015. The previous Embraer Report, regarding 2014 performance, was released in May 2015. **[GRI G4-17, G4-28, G4-29, G4-30, G4-32]**

The financial data complies with international accounting standards – the International Financial Reporting Standards (IFRS) – and was audited by KPMG. The Greenhouse Gas emission inventory (GHG) was audited by Lloyd's Register Quality Assurance (LRQA) and additional environmental information was collected and verified, with no external audit. **[GRI G4-33]**

There were also no significant changes in figures and information released in previous publications. Any restatements are identified and clarified in footnotes or throughout the document content. **[GRI G4-22, G4-23]**

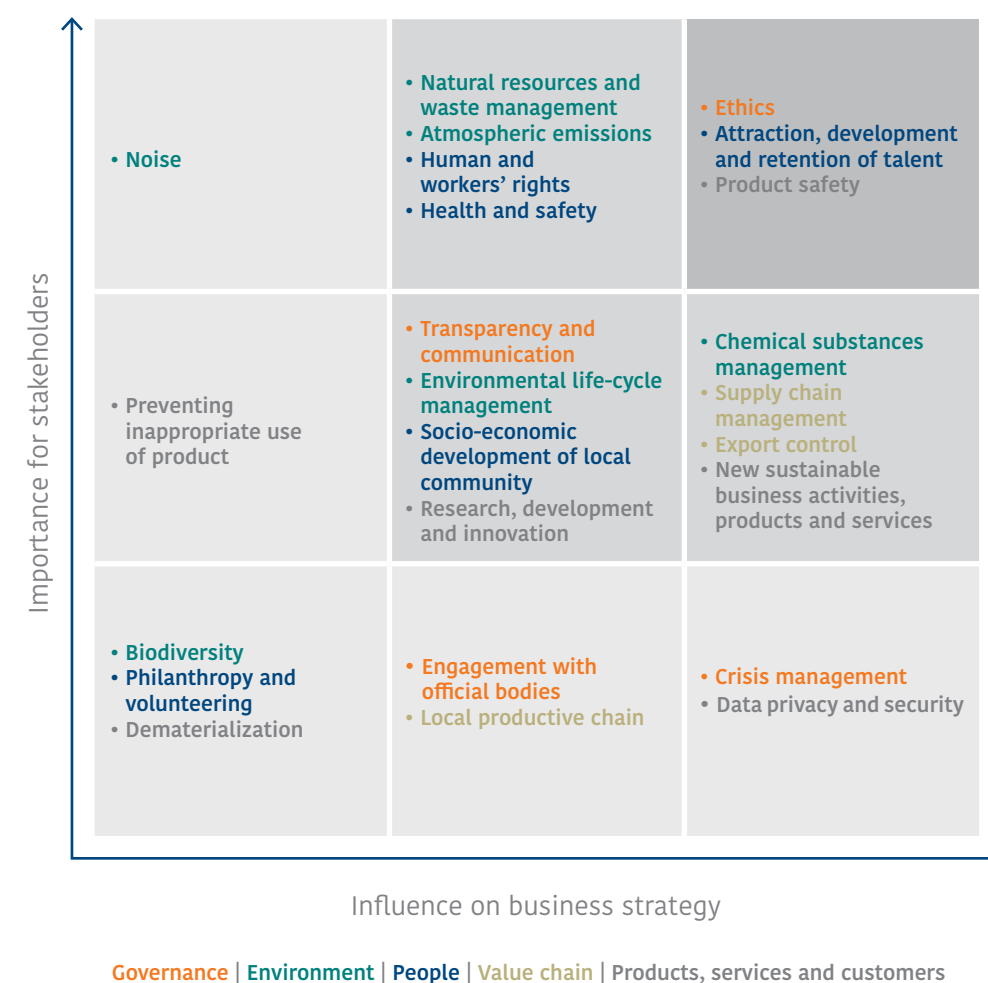
Questions, comments and suggestions concerning this Report may be forwarded to [investor.relations@embraer.com.br](mailto:investor.relations@embraer.com.br). More information is available at the Investor Relations website ([ri.embraer.com.br](http://ri.embraer.com.br)). **[GRI G4-31]**

## MATERIALITY MATRIX

To maintain performance and strategic positioning with a focus on sustainability, Embraer prioritizes and directs efforts to creating value for its business and key stakeholders (customers, shareholders, people, partners, society and the environment). In this context and aiming to identify the most material issues, the Company carried out a consultation process in 2012 with its key internal and external stakeholders, formalizing these demands in a Materiality Matrix. The process also included an assessment of best practices of other companies from various sectors, including aviation. The consultation work proceeded through 2012, and the results, revised in 2013, lead to a clearer picture of the indicators. The process requires a review every three years and the revision work will take place during 2016. The Materiality Matrix results provide the basis for the Sustainability Master Plan (2015-2017), whose objective is to define strategies and set targets, complying with the applicable legal requirements and Embraer's sustainability guidelines. **[GRI G4-18]**

For complete alignment with strategy and business, the material issues, the Sustainability Master Plan and the GRI indicators were validated by Embraer's Board of Directors, which concentrates management efforts on: governance; environment; people; value chain; and products, services and customers. **[GRI G4-19, G4-27, G4-48]**

## Embraer Materiality Matrix\*



\*The limit of the material aspect outside of Embraer can be found in the GRI indicators. **[GRI G4-21]**

## SUSTAINABILITY MASTER PLAN **[GRI G4-20]**

Embraer's Sustainability Master Plan spans three years, with the first cycle between 2015 and 2017, and is comprehensive, with the exception of water, energy, waste and atmospheric emissions indicators that are related to the units located at Faria Lima, Eugenio de Melo, Taubaté, ELEB, Gavião Peixoto and Botucatu, which represent about 90% of the Company's workforce. The collection of global environmental indicators will allow, for 2018, in the second cycle of the Master Plan, the definition of complete global strategies for Embraer.

There is an annual reassessment of the Plan to identify the need for adjustments, taking into account growth strategies, but always with the aim of building a sustainable future. With the same objective, the Sustainability Committee integrates Embraer's governance structure with the duty of evaluating and proposing to the Board of Directors strategies, indicators and targets related to the topic.



# SUSTAINABILITY MASTER PLAN

[GRI G4-2]

ASPECT	INDICATOR	GOAL DEC. 2017	2015
Ethics	Adherence percentage to compliance policies and procedures	100%	Leaders: 100% <sup>1</sup> Non-Leaders: 98.98% <sup>1</sup>
Attraction, development and retention of talent	Favorability percentage in climate survey in climate survey	80%	89%
Attraction, development and retention of talent	Number of training hours per year	500,000 hours/year	557,077 hours/year
Product safety	Retention of type-approval certificates (CHT in Brazil) for Commercial and Executive Aviation aircraft	100% of relevant accreditations	100%
Product safety	Retention of appropriate company accreditations across all Embraer premises identified as relevant by Business Units	100% of relevant accredited sites	100%
Chemical Substances Management	Development of new system for managing chemical substances, to ensure adequate knowledge of chemical composition of product line in order to conform to current and future environmental legislation	Phase I - definitions and structuring: by February 2015	Completed the first phase of the modification of registration of hazardous substances in the SAP system. Ongoing training of employees who input substance data in the system. Beginning of data input into the system, to comply with environmental legislation. From December 2015, all entries already include the changes made in the modified system.
		Phase II - platform availability and data input: by December 2016	
		Phase III - fully operational system: by 2017	
Supply Chain Management	Percentage of suppliers classified as "high environmental risky" by risk assessment	0%	0%
Export control	Adherence to export control policies and procedures	100% of areas covered by compliance assessment survey	77%
New sustainable business activities, products and services	Number of new businesses activities, products and services launched incorporating sustainability assumptions	To launch annually a project that demonstrates the incorporation of sustainability principles	Chrome-free leather available for use in aircraft interiors seats.
Management of natural resources and waste	Energy consumption (MWh) per aircraft equivalent	To reduce by 3%, the consumption per aircraft equivalent relative to the base-year 2014 (603,78 MWh/aircraft equivalent)	551.96 MWh/aircraft equivalent (9% reduction)
Management of natural resources and waste	Water consumption (m³) <i>per capita</i>	To reduce by 4% <i>per capita</i> water consumption in relation to the base-year 2014 (44.66 m³/ <i>per capita</i> )	41.78 m³/ <i>per capita</i> (6% reduction)
Management of natural resources and waste	Solid waste generation/net revenue	To reduce by 3% total waste generated per million dollars received relative to the base-year 2013 (2.76 ton/million dollars)	3.21 ton/million dollars (16% increase)
Management of natural resources and wastes	Hazardous solid waste generation/net revenue	To reduce by 3% total hazardous waste generation per million dollars received relative to the base-year 2013 (0.5 ton/million dollars)	0.57 ton/million dollars (14% increase)
Management of natural resources and waste	Percentage of industrial units (manufacturing) and Embraer service centers with ISO 14001 certification	100% of the industrial units and services centers operating in 2014 with ISO 14001 certification. New installations shall be certified within three years from its opening.	47.05% (8 of 17 units)
Management of natural resources and waste	Percentage of industrial units(manufacturing) and Embraer service centers assessed for environmental liabilities	100% of the industrial units and services centers existing in 2014 to be mapped with respect to environmental liabilities (and their respective treatment plans). New buildings acquisitions, new facilities or businesses activities must be preceded by environmental liability due diligence assessment, in order to ensure access to information necessary to the Company for decision-making	76.47% (13 of 17 units)
Atmospheric emissions	Greenhouse gas emissions (Scopes 1 + 2)/net revenue <sup>2</sup>	To reduce by 3% greenhouse gas emissions (Scopes 1 + 2) per million dollars of revenue in relation to the base-year 2013 (5.06 ton/million dollars)	5.48 ton/million dollars (8% increase)
Atmospheric emissions	Volatile Organic Compounds (VOC) emissions/net revenue	To reduce by 3% VOC emissions per million dollars received, compared to the base-year 2013 (0.0063 ton/million dollars)	0.0034 ton/million dollars (46% reduction)
Human and workers' rights	Percentage of individual cases derived from labor complaints per employee	Excellence standard (as a market reference), below the national average for similar size companies, in compliance with the regulatory body in each country	3.91%
Workers' health and safety	Lost Time Incident Rate (LTIR)	To reduce LTIR by 30% in relation to 2014 rate	Increase of 29.31%
Workers' health and safety	Percentage of industrial units (manufacturing) and Embraer service centers with OHSAS 18001 Certification	100% of the industrial units and service centers operating in 2014 with OHSAS 18001 certification. New installations shall be certified within three years from its opening.	47.05% (8 of 17 units)
Transparency and communication	Percentage of indicators addressed in the Company's Global Reporting Initiative report (GRI)	Annual GRI Report - Comprehensive Level	89.65%
Product environmental life-cycle management	Environmental requirements in product development	To incorporate environmental requirements, in addition to those regarding noise and emissions, in 100% of new products launched	The incorporation of environmental requirements products has already been implemented in the E2 program. Verification of compliance with these environmental requirements in the E2 program is ongoing. For the next aircraft program to be launched by the company, all environmental requirements will be incorporated, by way of the Integrated Development Product process rules.
Product environmental life-cycle management	Use of simplified life cycle assessment ("DfE Matrix") for products	To use the "DfE Matrix" to assess 100% of new products launched; for existing products, to evaluate their equivalent to a minimum of 50% of Embraer's revenue	New products in 2015: Legacy 450, which was assessed via the DfE Matrix. Total portfolio: The E-jets, Phenoms and the Legacy 500/450, responsible for 86% of Embraer's revenues, have already been assessed.
Product environmental life-cycle management	Customer orientation as to product end-of-life	To create a document containing Embraer's product strategic directives for end of life cycle	A customer technical guide containing operational guidelines regarding the proper disposal of end-of-life products has been completed.
Local socio-economic development	Social Partnership Program Balanced Score Card (BSC) average for each year supported projects results	Score 4, in a range from 0 to 5 points	2.45
Local socio-economic development	Number of Embraer volunteers engaged in Entrepreneurship programs, the Social Partnership Program and other social projects supported by Embraer Institute	To increase the number of volunteers by 20% in relation to the base-year 2014 (506 volunteers)	12% increase (565 volunteers)
Local socio-economic development	Pass-rate of Embraer Schools' students in Universities entrance examinations	To maintain the pass-rate of Embraer Schools' students in entrance examinations above 80%	Embraer School Juarez Wanderley: 84% pass-rate to public universities Embraer School Casimiro Montenegro Filho: 83% pass-rate to public universities
Research, development and innovation	Share of annual investment in technological development applied to environmentally beneficial projects	Continuous increase in the percentage of annual investment in technological development applied to projects yielding environmental benefits, reaching a minimum of 50% by 2017 (for resources to be applied in 2018)	78%

1. Percentage of employees who completed the Anticorruption training – Code of Ethics and Conduct.
2. Considering Scope 1 emissions related to: fugitive emissions; fuel consumption other than kerosene (jet fuel); and jet fuel consumption from production flights (the current portfolio aircraft). Fuel consumption from development flights, new product certification, as well as the Defence and Security UN aircrafts, are not considered.

## Ethics and Compliance

About 70% of the reports received by Helpline are related to behavioral problems. These cases are submitted to the Ethics Committee assessment, which consists of a multidisciplinary team of leaders from various areas.

These analysis results have been satisfactory, standardizing good management practices and raising important discussions about the company's values in day-to-day issues. Moreover, these reports have generated structural actions in the Human Resources department, such as action plans, policies and procedures reviews, awareness campaigns, group reading of the Code of Ethics and Conduct and staff training.

## Human Rights

In 2008, Embraer joined the UN Global Compact, integrating systematically its procedures with the Compact's ten principles. In both Embraer's Code of Ethics and Conduct and the Human Resources Policy (globally applicable) the commitment to the UN Global Compact is established, in particular regarding the respect of peoples' dignity and universal human rights, freedom of association and the right to collective bargaining, the absence of any form of forced or child employment as well as any discrimination on peoples' jobs or activities.

## Health and Safety

Among various disease prevention activities, the Embraer's Tensional Reeducation Training Program (acronym PERTO in Portuguese) – stands out. Since 2010, it has worked on postural reeducation and on guidance for carrying out activities focused on reducing eventual discomfort, all guided by physical therapy professionals. The program is based on the concepts of biomechanics and investigates human movement in the workplace through a quantitative assessment with instruments such as electromyography, accelerometer, force plates and video cameras.

From this analysis, activities with functional exercises are recommended aiming at improving the employee's overall physical condition, the correction of possible postural defects and minimization of muscle fatigue during the specific activity being investigated.

Monthly monitoring is carried out and the employees report improvements in productive activities and they also take the program's concepts to their personal lives. PERTO program contributed to a 44% reduction in perceived discomfort in the last three years.

# FLYING IN 2015 | GRI G4-1 |

GUIDED BY OUR CORPORATE VALUES AND STRATEGIC OBJECTIVES, WE HAVE ACTED OVER THE YEAR WITH A FOCUS ON STRENGTHENING OUR GLOBAL COMPANY POSITION by investing in the development of our people and the consolidation of our international presence, improving our processes, increasing our competitiveness and solidifying the foundation for the Company's long-term sustainable growth. Throughout this effort, the search for management excellence and continuous technological development are central elements of our activities.

During 2015 we have strengthened the Embraer Enterprise Excellence Program (P3E), with improvement in cell qualification, in leadership development and in culture management. This was certainly one key factor that contributed to the National Quality Award given by the National Quality Foundation (FNQ in Portuguese). We were considered in the *Magna cum laude* category, for demonstrating levels of excellence and for receiving this award for two consecutive years.

Our people management processes were also recognized, internally and externally. The organizational climate survey with our employees achieved 89% satisfaction, reflecting their support for our career development policies, remuneration and the benefits offered by the Company, in addition to the transparency that guides our internal communication process. We were listed in the rankings of the Best Companies to Work for in Latin America

and in Brazil, from the 'Great Place to Work' / *Época* magazine as well as in the 'Best People Management' from newspaper *Valor Econômico*/AON. We were also classified among the '35 Best Companies to Start a Career' according to *Você S/A* magazine and the Institute of Administration and Talent Company Foundation (FIA in Portuguese).

Regarding financial performance, we closed 2015 with higher revenue than in 2014. Whilst the Defense and Security segment contracted, the Commercial and Executive Aviation businesses expanded, boosting the Company's consolidated figures. We achieved a net revenue of R\$20.3 billion and an operating profit of R\$1.1 billion in the financial year. Cash flow generation, as measured by profit before interest, depreciation and amortization (EBITDA) increased by 10% to R\$2.6 billion. We fulfilled the aircraft deliveries expectations and recorded, in our portfolio, US\$22.5 billion in firm orders (backlog).

The year was one of the best in the Company's Commercial Aviation business history, with the delivery of 101 aircraft and sales of 170 more for future delivery. We estimate a global demand for 6,350 commercial jets in the 70-130 seat category during the next 20 years. We have accumulated a total portfolio of 640 aircraft (including firm orders and commitments to buy) for the new generation of E-Jets (E2), consisting of three models (E175-E2, E190-E2 and E195-E2), which will arrive in the marketplace in 2018.

“ WE CLOSED 2015 WITH A BETTER RESULT THAN IN 2014. (...) IN 2016 WE WILL CONTINUE TO DEVELOP PROJECTS, INNOVATE IN OUR PRODUCTS, INVEST IN OUR PEOPLE, SEEK EXCELLENCE IN MANAGEMENT AND ADVANCE IN CUTTING EDGE TECHNOLOGY ”

2015 also brought good results for our Executive Jets business, which celebrated ten years of experience in the market with a wide range of certified aircraft operating in five continents – the latest of which is the Legacy 450. Sales volume, which surpassed US\$2 billion in value, and the generation of positive cash flow were highlights of the financial year. We estimate a global demand for more than 9,100 new business jets during the next 10 years.

Embraer Defense and Security showed a decrease in net revenue as compared to the previous year, mainly due to devaluation of the Real and the downsizing of some contracts with the Brazilian Government. Given this scenario, we are seeking to expand our presence in the international market as well as to prospect for new customers, keeping our focus on four main programs: the LAS/Super Tucano for the United States Air Force, the KC-390 cargo aircraft for the Brazilian Air Force, the Brazilian Geostationary Defense and Communications Satellite (SGDC in Portuguese) and the Integrated Border Monitoring System (Sisfron in Portuguese) for the Brazilian Army.

In the industrial context, we have pushed forward in the consolidation of operations at units in Évora, Portugal, in Melbourne, United States, and completed the acquisition of 100% of the shares of Aero Seating Technologies (AST), an aircraft seat manufacturing company based in

the United States. In addition to these activities, we have transferred the head office of our European subsidiary in Villepinte, France, to the Netherlands, in Amsterdam.

We were included, by BM&FBOVESPA, in the 11<sup>th</sup> portfolio of the Corporate Sustainability Index (ISE in Portuguese) and, for the sixth consecutive year, listed in the Dow Jones Sustainability Index (DJSI) on the New York Stock Exchange. In the latest, we are a reference in the Aerospace and Defense sector in two economic dimension aspects: innovation management and supply chain management, in which we obtained the highest score among all the companies in the category. In line with our commitment to sustainability, we reaffirm our commitment to the United Nations Global Compact (UN), and moreover, our integration with other important multilateral forums, such as World Economic Forum's PACI – 'Partnering Against Corruption Initiative'.

In 2016 we will continue to develop projects, innovate in our products, invest in our people, seek excellence in management and advance in cutting edge technology. Throughout this journey, we would like to truly thank the contribution of all our stakeholders.

**FREDERICO PINHEIRO FLEURY CURADO**  
President and CEO



# EXCELLENCE MANAGEMENT

Through the four pillars of P3E, Embraer seeks continuous improvement in processes in order to ensure good performance and quality product delivery

The Embraer Enterprise Excellence Program (P3E) is the cornerstone for the Company's management model, by which all

## employees

work together in reviewing procedures, searching for constant improvement of results

The Management Excellence Model (MEG in Portuguese) provided by the National Quality Foundation (FNQ in Portuguese) is the basis of Embraer Business System (SEE in Portuguese), which defines the Company's business management model

## The four P3E pillars are:

- Organizational culture
- People development
- Leadership development
- Corporate efficiency

All activities undertaken by Embraer aim to create value for its stakeholders: customers, shareholders, people, partners and society and the environment

Embraer focuses on maintaining excellence. The Company operates in the global market and aims to expand its international operations in a sustainable way. In this sense, the Company maintains Embraer Business System (SEE in Portuguese), which defines the business management model and is based on the Model of Management Excellence (MEG in Portuguese) of the National Quality Foundation (FNQ in Portuguese). This system encompasses P3E, the management model and the organization model, as well as the definition and orientation of the key roles and responsibilities for the improvement of management practices.

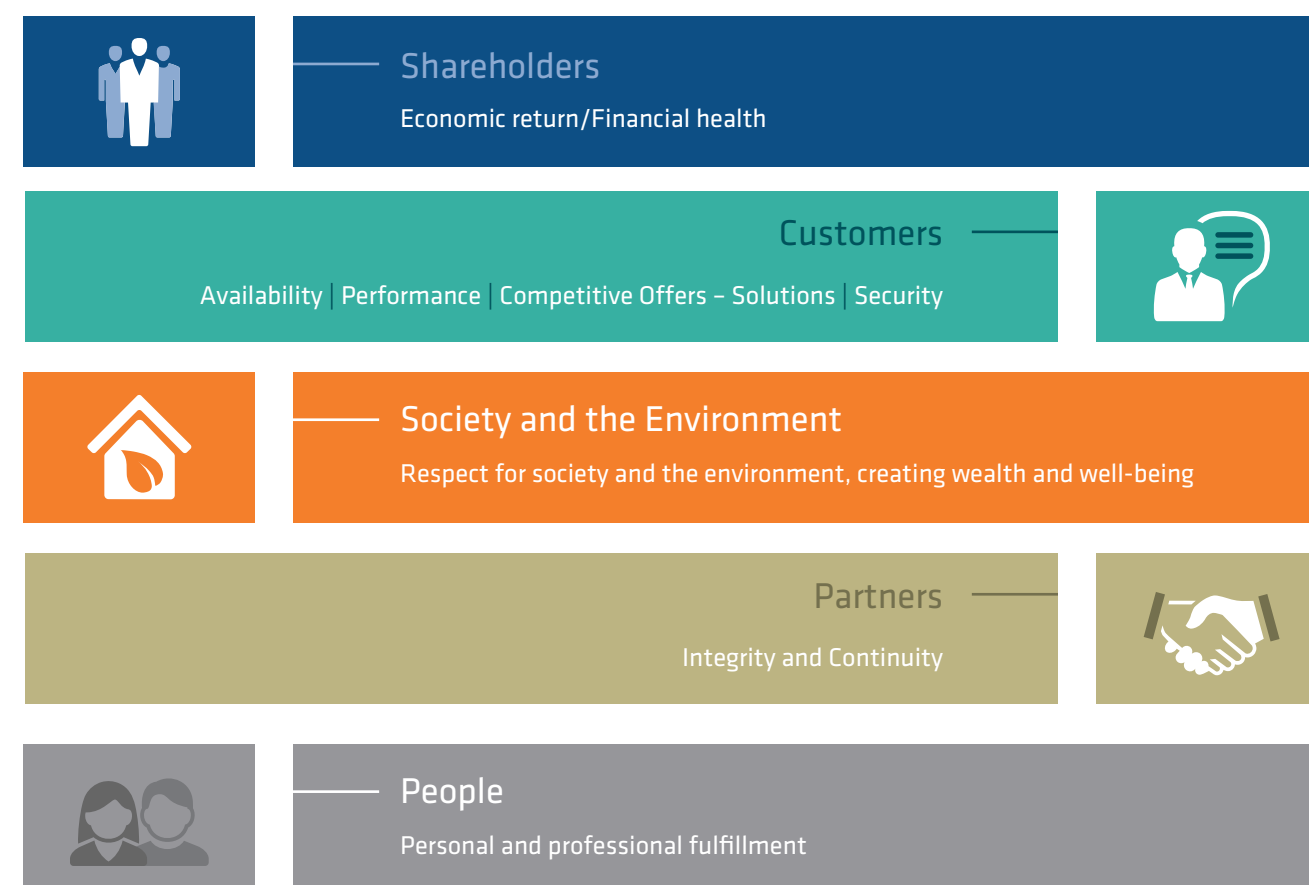
### P3E – Enabling excellence



Embraer also has a corporate procedure that defines guidelines for stakeholder engagement, and all Company-developed activity aims to create value for them, that is, entities and other interfaces that affect or are affected by the Company's activities and, directly or indirectly, have some influence over the management or the business outcome (learn more about forms of approach and stakeholders' engagement frequency in Embraer in the GRI Indicators). For this reason, in 2015, the Company directed its efforts to the evolution of P3E, with the implementation and management dissemination through value streams. The new concept also includes processes review and the pursuit of continuous improvement with a focus on stakeholders (customers, shareholders, people, partners, society and the environment). **[G4-24, G4-25, G4-26]**



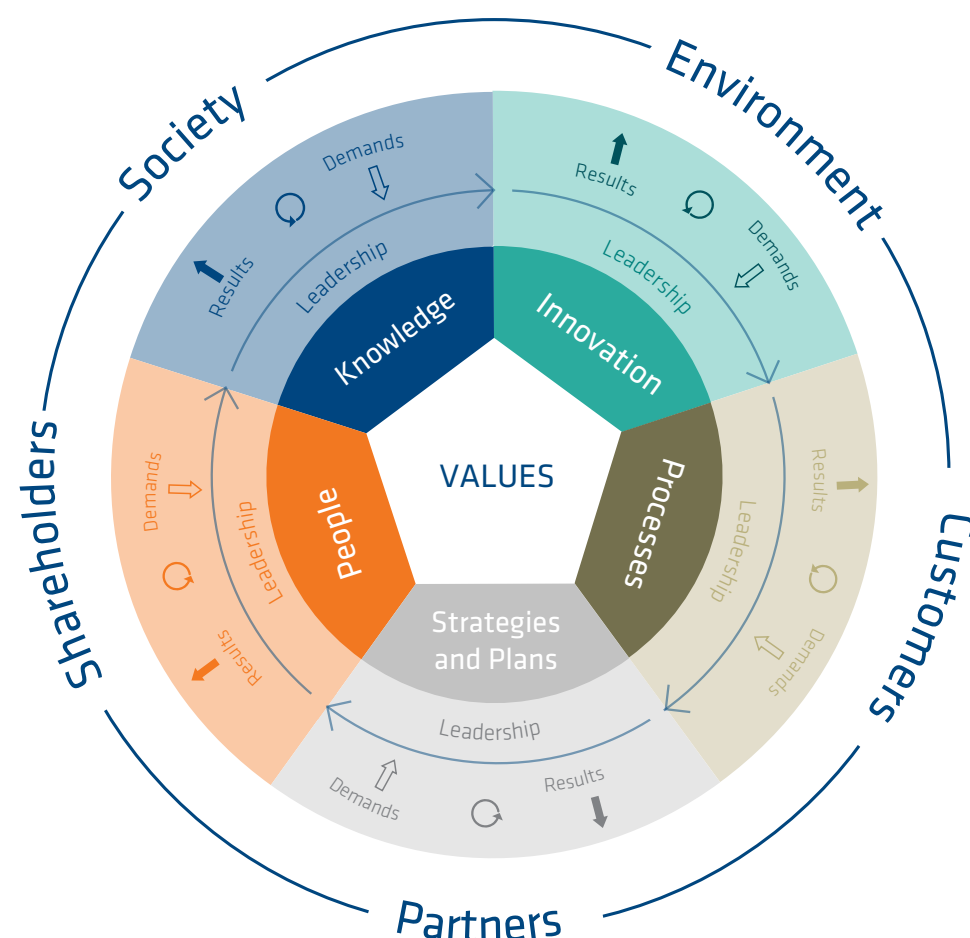
### Stakeholders' Values [GRI G4-24]





## FROM THE LEAN SYSTEM TO VALUE FLOWS MANAGEMENT

The primary mission of P3E was to implement the lean system philosophy in the Company's units, through waste reduction, increased productivity gains, process optimization and use of the kaizen concept, focusing on continuous improvement. Thus, P3E was based on the concept of lean enterprise and was developed based on its four pillars, in such a way as to contribute to the excellence of processes management and products quality performance.



The following value streams were defined\*:

**Attracting customers** | Taking advantage of marketing opportunities for products and services that generate economic and expected financial results, aiming to ensure complete customer satisfaction and loyalty. To develop and strengthen Embraer's presence in the market, establishing its strategic vision and long-term marketing.

**Developing products** | Transforming new ideas and opportunities into products, manufacturing systems and customer support systems, developing and delivering quality at the cost and time required by the market. To define and specify the product, executing, coordinating and integrating multiple processes.

**Responding to requests** | Providing Embraer products in time and with the quality needed to maintain customer satisfaction and loyalty, under cost conditions that allow the Company to compete successfully and maintain adequate remuneration for its investors. To plan, configure, modify, schedule and purchase products and services necessary for manufacturing and assembly; to manage internal and external logistics of materials, equipment and tools; to manufacture and assemble products according to specified procedures and standards, consolidating documentation and delivering the product to the customer.

**Serving customers** | Undertaking the necessary activities for after-sales support of aircraft, aiming to ensure customer satisfaction and operational safety. To provide technical and operational support, as well as special support services, parts repair management and aircraft maintenance, in order to ensure the highest level of dispatch reliability and operability.

**Serving shareholders** | Managing the activities of Embraer Business, ensuring adherence to the planned results and aiming at excellent management, the generation of economic value and financial health.

**Creating value for partners** | Developing a long-term relationship with partners and suppliers, focusing on integrity and business continuity.

**Respecting society and the environment** | Understanding the needs of society; to identify relevant compliance responsibilities; to analyse risks, opportunities and adherence to Embraer's performance; to generate internal requirements or developing projects; to ensure compliance with requirements or implementing and maintaining projects; to monitor and communicate results.

**Attracting and retaining talents** | Taking action for the continuous development of the entire workforce, aiming at personal and professional growth.

\*Embraer is studying the creation of a Business Management flow in order to aggregate Serving shareholders, Value generation for partners, Respecting the society and the environment and Attracting and retaining talents.



# CORPORATE IDENTITY

The constant pursuit of entrepreneurial excellence and customer satisfaction makes Embraer one of the main aerospace companies in the world

World's  
largest  
manufacturer

of commercial aircraft with up to 130 seats. Embraer is one of the leading companies in the global aerospace sector

US\$5.92

billion in net revenue and US\$22.5 billion in firm orders were confirmed by the Company in the financial year

About 1,100 leaders, 18,000 employees and 400 business partners were trained in anti-corruption

46 years  
of successful history

+ than 100  
countries

can count on Embraer's support and qualified service

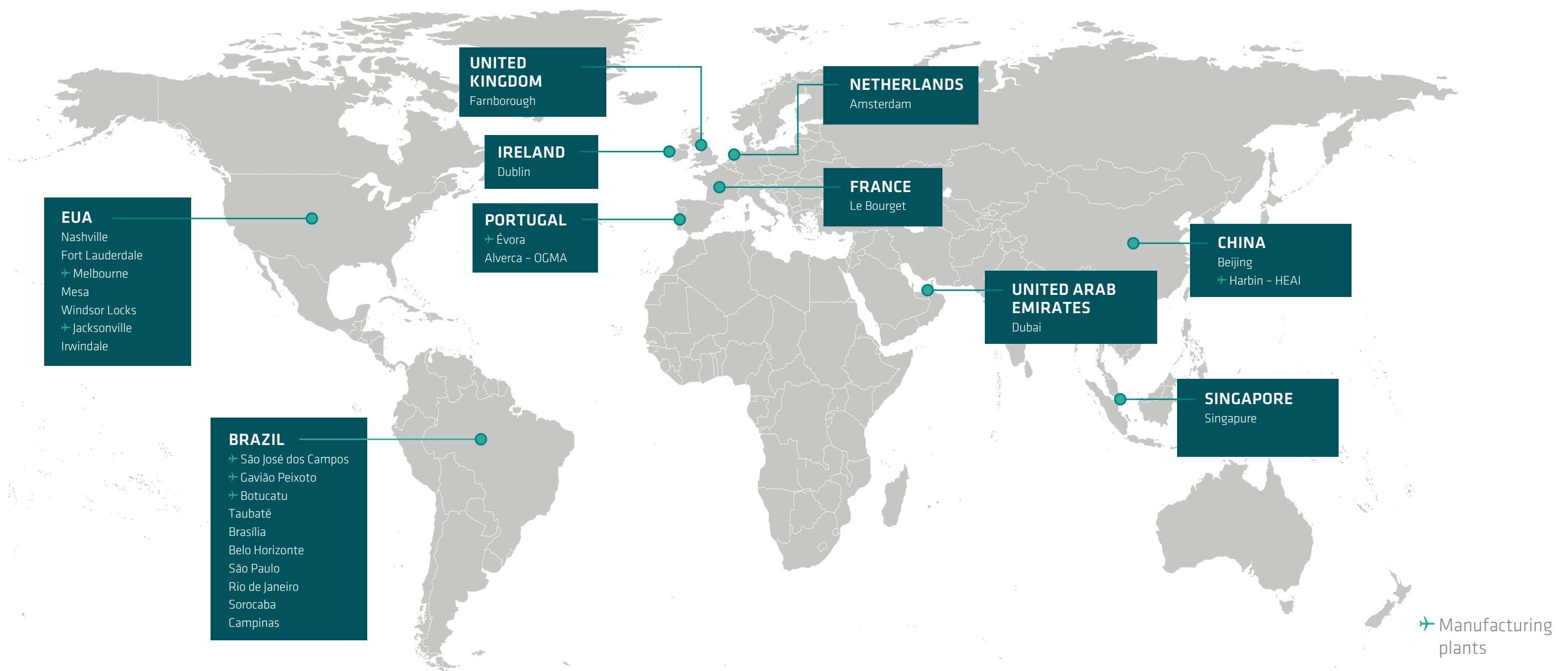
## FROM BRAZIL TO THE WORLD

Embraer is a Brazilian company with global presence that designs, develops, manufactures and sells aircraft, systems and solutions for Commercial Aviation, Executive Aviation, and Defense & Security. It also provides support and after-sales services for customers in more than 100 countries. With expertise in all stages of its complex activities, it is the world's largest manufacturer of commercial aircraft with up to 130 seats, and one of the leaders in the aerospace sector – a position achieved thanks to the constant pursuit of entrepreneurial excellence and the complete satisfaction of its customers. **[GRI G4-3, G4-4]**

With 46 years of history, completed in August 2015, Embraer's headquarters is located in São José dos Campos (São Paulo state), where it has two facilities and a wholly-owned subsidiary, ELEB, which produces landing gear systems and hydraulic and electro-mechanical components for the aviation industry. It also has manufacturing plants in Botucatu and Gavião Peixoto; Executive Aviation service centers in Sorocaba; Logistics centers in Taubaté and Campinas; Engineering and Technology Centers located in Brazil in Belo Horizonte, in the United States in Florida, and in Portugal in Évora, inaugurated in

2015; and offices in Brasília, São Paulo and Rio de Janeiro. Abroad, it has offices and facilities in the United States, Mexico, Portugal, France, Ireland, the United Kingdom, the Netherlands, the United Arab Emirates, Singapore and China. In China, the Company also owns 51% of Harbin Embraer Aircraft Industry Co. (HEAI), in association with the Aviation Industry Corporation of China company (AVIC), and in Portugal, it owns 65% of OGMA – a company with operations in the manufacture and maintenance of aero-structures. **[GRI G4-5, G4-6, G4-8]**

Along with its global presence, in 2015, Embraer had more than 19 thousand direct employees in Brazil and abroad, and delivered 241 aircraft, the highest number in five years. During the year, it earned US\$4.07 billion in exports, ranking as the fifth largest Brazilian exporter, with a significant contribution to the national trade balance. At the end of the year, it had recorded US\$5.92 billion in net revenue and US\$22.5 billion in firm orders. **[GRI G4-9]**





Embraer has a broad-based structure of share ownership, without the presence of a control group or controlling shareholder, and with only one class of common shares, thus extending the right to vote to all of its shareholders. The Company has shares trading in both São Paulo (BM&F-BOVESPA: EMBR3) and in New York (NYSE: ERJ) with structured governance practices, and its shares are listed in the portfolios of the Corporate Sustainability Index (ISE) of BM&FBOVESPA and the Dow Jones Sustainability Index (DJSI).

## VISION AND VALUES | GRI G4-56 |

### Vision

Embraer will further consolidate its position as one of the leading forces in the global aerospace and defense and security industries. Embraer is a market leader in the segments in which it operates and commands a reputation for excellence.

### Values

Embraer's values unite and model the attitudes of its workforce, strengthening its results and ensuring the Company's long-term future. These are the set of beliefs that guide business and strategic decisions on a daily basis, at all levels.

Based on collective creation, these values are truly present in the culture and routine of its employees, forming a solid ethical foundation

**Our people are what make us fly** | Happy, capable, valued, and fulfilled people who are committed to what they do. People who work as teams and who act with integrity, coherence, trust in each other and respect for diversity.

**We are here to serve our customers** | Customers are earned by delivering full satisfaction and by building strong and enduring relationships. Partnerships are based on genuine commitment and flexibility.

**We strive for company excellence** | The Company's activities are conceived with simplicity, agility, flexibility, and safety in mind, along with a sustained pursuit of continuous improvement and excellence. An entrepreneurial outlook based on coordinated planning, wise delegation, and disciplined execution.

**Boldness and innovation are our hallmarks** | Company in the technological vanguard, with a capacity for continuous learning; transforming from within and influencing the markets in which it operates. A strategic vision and an ability to overcome challenges with creativity and courage.

**Global presence is our frontier** | Global presence and local actions underpin the Company's competitive advantage, leveraging the best of each of the locations in which it operates. A vision of a borderless world that values diversity.

**We build a sustainable future** | A constant striving to consolidate the foundations for long-term success, delivering profitability to shareholders and heedful of quality of life, the environment and the community in general.

With solid and ethical corporate values, the Company strengthens its results and ensures its long-term future business

## PORTFOLIO | GRI G4-4 |

Synonymous with innovation, Embraer has internationally renowned partners and attracts and keeps its customers worldwide through a broad and varied portfolio of products and services.

### Commercial Aviation



ERJ 145 family  
(37 to 50 seats)



E170  
(70 to 76 seats)



E175  
(76 to 86 seats)



E190  
(97 to 106 seats)



E195  
(106 to 118 seats)



E175-E2'  
(80 to 88 seats)



E190-E2'  
(97 to 106 seats)

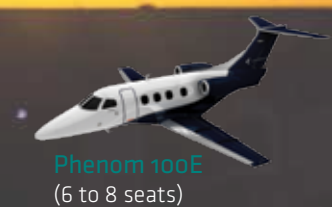


E195-E2'  
(120 to 132 seats)

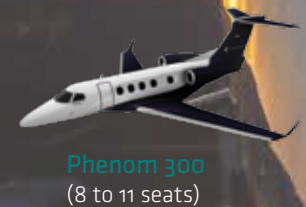


Check out the portfolio and their features at [www.embraercommercialaviation.com/en-us/Pages/Default.aspx](http://www.embraercommercialaviation.com/en-us/Pages/Default.aspx)

### Executive Aviation



Phenom 100E  
(6 to 8 seats)



Phenom 300  
(8 to 11 seats)



Legacy 450  
(7 to 9 seats)



Legacy 500  
(8 to 12 seats)



Legacy 600  
(13 or 14 seats)



Legacy 650  
(13 or 14 seats)



Lineage 1000E  
(13 to 19 seats)



Check out the portfolio and their features at [pt.embraerexecutivejets.com/en-us/Pages/Index.aspx](http://pt.embraerexecutivejets.com/en-us/Pages/Index.aspx)



Defense & Security

A-29  
Super Tucano

ISR

Special missions

KC-390

Aerial surveillance radar

Aircraft modernization • Maintenance and aircraft repair (Maintenance, Repair & Overhaul – MRO) • Unmanned aerial vehicles (UAV) • Training and operational support (Training and Operation Support System – TOSS) • Security Systems<sup>3</sup>/C4<sup>4</sup> • Air traffic control systems • Remote sensing • Aerial surveillance radar • Satellites • Development and integration of complex systems for sectors outside of aviation and defense.

**Development and integration of complex systems for sectors beyond aviation and defense**

Check out the portfolio and their features at [www.embraers.com.br/portugues/content/home/](http://www.embraers.com.br/portugues/content/home/) and [www.embraer.com.br/pt-br/sistemas/paginas/default.aspx](http://www.embraer.com.br/pt-br/sistemas/paginas/default.aspx)

Agricultural Aviation

Ipanema

Check out the portfolio and its features at [www.embraeragricola.com.br/pt-BR/Paginas/default.aspx](http://www.embraeragricola.com.br/pt-BR/Paginas/default.aspx)

In light of the maintenance of recognized corporate governance practices, the Company is listed on the Corporate Sustainability Index (ISE in Portuguese) of BM & FBOVESPA and the Dow Jones Sustainability Index (DJSI)

1. Under development.  
2. Transport of official representatives, MEDEVAC (medical evacuation) and in-flight inspection (FIS).  
3. Defense and security applications.  
4. Command, control, communication, computing and intelligence

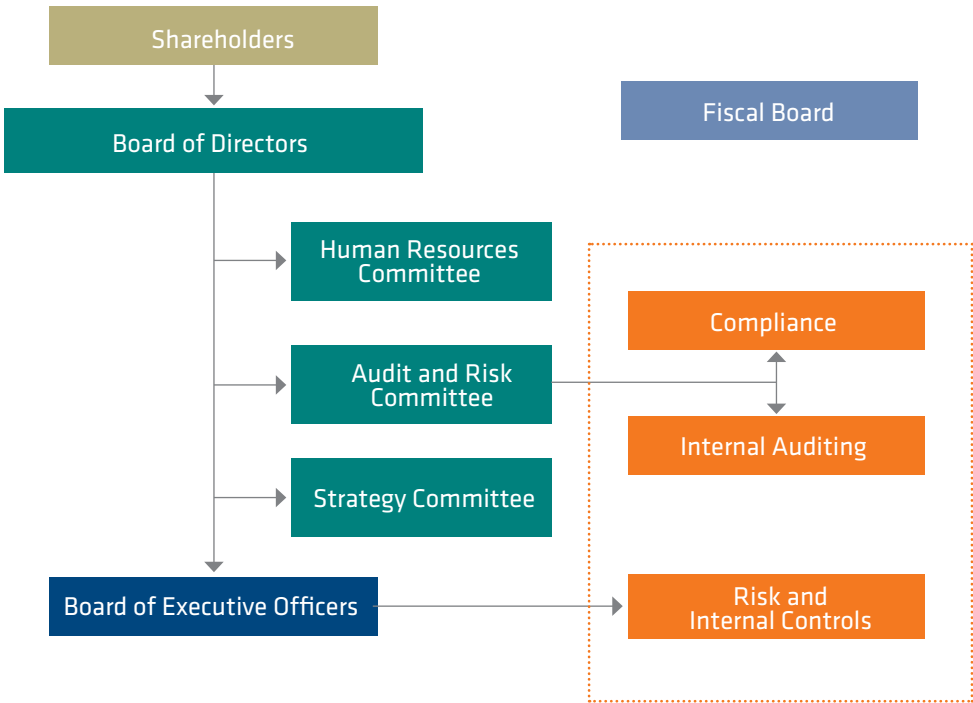
CORPORATE GOVERNANCE

To ensure an effective management and to minimize risks, the Compliance and Internal Auditing departments report directly to the Audit and Risk Committee. This Committee and the Human Resources and Strategy Committees advise the Board of Directors. The Internal Risk and Control department reports to the Board of Executive Officers.

All relevant issues to stakeholders are covered in the Board of Directors meetings, particularly the monitoring of action plans and of Embraer's strategic planning (consultation processes between stakeholders and the highest governance body in relation to economic, environmental and social topics are presented in the GRI Indicators). [GRI G4-37]

Moreover, there are executives responsible for the Company's performance in economic, environmental and social areas: the Executive Vice President of Finance and Investor Relations and the Vice President of People and Sustainability, respectively. [GRI G4-36]

Corporate governance structure [GRI G4-34, G4-40, G4-41, G4-42]



Embraer is associated with the Brazilian Institute of Corporate Governance (IBGC in Portuguese), the Brazilian Association of Public Companies (ABRASCA in Portuguese), the Brazilian Institute of Investor Relations (IBRI in Portuguese) and the National Institute of Investors (INI in Portuguese).

and strategies is monitored, allowing greater accuracy in discussions and deliberations. Issues that require constant monitoring, such as environmental topics (dealt with at least twice a year), internal auditing (also dealt with at least twice a year) and the risk map (dealt with at least once a year) are monitored on the recurring agenda. The measures taken to develop and improve the knowledge of the Board of Directors and the Board of Executive Officers members are disclosed in the GRI indicators. [GRI G4-43]

The Company maintains a Governance Portal, revitalized in 2015 to provide information to the Board of Directors. The time spent by the Board in following up Embraer's most critical issues

For greater effectiveness in the Board of Directors' work, there is a transparent process for assessing their performance. In the first year of mandate, each Board of Directors member makes a formal evaluation of the Board of Directors' performance as a formal body. In the second year, there is an assessment made by directors and the Committees of the Board of Directors as a formal body, conducted by the Human Resources Committee and supported through expert external advice. Thus, members evaluate themselves and assess each other by a 360° methodology and the President-CEO who, in turn, gives an evaluation of the Board of Directors' activities performance every year. **[GRI G4-44]**

Embraer's by-laws provide protection mechanisms to ensure not only the wide distribution of the company's shares, but also that any General Assembly decisions are exercised by Brazilian shareholders, guaranteeing the guidance established in the Company's privatization.

#### General Assembly

- Is the highest deliberative body.
- Decisions are made by a majority vote, with foreign shareholders restricted to a total of 40% of the votes present, in order to ensure the prevalence of national interest in the aerospace sector.

#### Board of Directors

- Consists of up to 11 full members, eight of them being independent.
- The Brazilian government, a special class shareholder (golden share) that has guaranteed the right of veto in certain strategic issues for the Company and the country, appoints a director and a deputy. The directors and their deputies indicate two others: one from the Investment Club of Embraer Employees (CIEMB in Portuguese) and the second directly.
- The Board's by-laws establish parameters for a knowledge and skills combination among the members, aiming at a more efficient management and diversified points of view.

- Meetings take place eight times a year, or whenever necessary, for the analysis of environmental, social and economic issues, as well as risks, opportunities and potential impacts assessment – 13 meetings were held in 2015. **[GRI G4-47]**
- Members are elected every two years. The last election was held in April 2015.

#### Strategy Committee

- Consists of up to five members.
- Meets quarterly.
- Supports the Board of Directors in the study of potential opportunities (new business), and by defining the Company's action and strategic plans.

#### Human Resources Committee

- Consists of up to five members.
- Meets quarterly.
- Supports the Board of Directors in the election and removal of Executive Officers, in evaluating the Company's resources transference, the definition of long-term incentive programs, salary policy and Human Resources.

#### Audit and Risk Committee

- Consists of three to five members.
- Meets every two months.
- Supports the Board of Directors in the monitoring and assessment of business risks; in the human and financial resources allocated for risk management adequacy evaluation; in the analysis and opinions regarding general financial information; in the assessment and management of risk models and in the analysis and review of risk management guidelines and policies.

#### Board of Executives Officers

- Comprises 4-11 members.
- Meets at least monthly.
- Proposes the business fundamental guidelines, creates and shuts down operations, opens, closes and transfers offices and subsidiaries, authorizes the provision of guarantees and allocation of resources to subsidiaries.

#### Fiscal Board

- Consists of five members and five deputies.
- Meets quarterly or whenever necessary.
- Monitors administrative activities and analyzes the Company's financial statements.



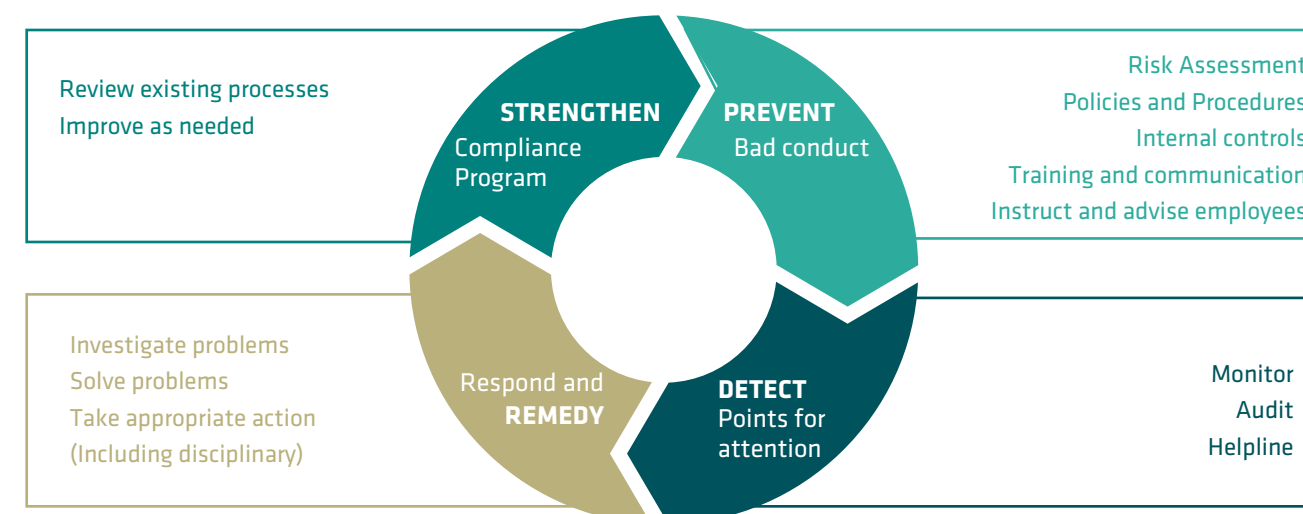
To learn more about the duties and the composition of the Board of Directors, of the Committees, the Fiscal Board and the Board of Executive Officers, please visit [ri.embraer.com.br/show.aspx?idCanal=faCmtrrpA6+GuZRYw7lVVw==](http://ri.embraer.com.br/show.aspx?idCanal=faCmtrrpA6+GuZRYw7lVVw==). The profile of the highest governance body and committees' members can also be seen in the GRI Indicators. **[GRI G4-35, G4-38]**

#### Strategic planning **[GRI G4-45]**

Besides forward planning with a 15 year vision, Embraer's strategic plan is reviewed annually with the participation of all business, operational and corporate areas of the Company. The plan is approved by the Board of Directors, in order to ensure that the management of impacts, risks and opportunities arising from economic, environmental and social issues is aligned with performance expectations and the stakeholders' interests. In this process, opinions and involvement of stakeholders are considered, as formalized in the Company's Materiality Matrix. Due diligence processes considered critical are forwarded to the Board of Directors for analysis.

#### Transparent Management **[GRI G4-503, G4-DMA (Anti-corruption)]**

Embraer is committed to the highest level of ethics and compliance with the laws, regulations and policies relevant to their activities. The Compliance Department is active in the dissemination and application of this concept based on four pillars: strengthening, preventing, remedying and detecting. Through these, the Company covers all processes and operations based on the risk assessment, policies and procedures, training and communication, monitoring and auditing, counseling and communication channels.





### Compliance Program |GRI G4-S03, G4-DMA (Anti-corruption)|

It aims to ensure the adoption of the highest international standards of integrity and good practice, as well as compliance with the laws of countries in which Embraer is operating, especially regarding anti-corruption practices and export control. This is a fundamental issue for the Company, formalized in its Materiality Matrix. Its main objectives are:

- to promote an integrity culture based on the corporate values and in Embraer's Code of Ethics and Conduct
- support the values and principles of the Company by prevention

- implement best practices in accordance with P3E
- consolidate all compliance initiatives, especially the Anti-Corruption and Export Control programs

It is divided into:

- Leadership and organizational structure
- Risk management
- Policies, procedures and controls
- Training and communication
- Monitoring, auditing and Helpline (learn more below)

### Code of Ethics and Conduct |GRI G4-S6, G4-S7, G4-S03, G4-DMA (non-discrimination), G4-DMA (Anti-corruption)|

The Code of Ethics and Conduct reflects Embraer's commitment to achieving business goals with social responsibility, valuing its relationships with shareholders, employees and suppliers, preserving the environment and contributing to the development of the communities where the Company is operating.

Through this document, the Company also seeks to comply with anti-corruption laws and international trade and to integrate volunteer initiatives, such as the International Forum on Business Ethical Conduct (IFBEC in Portuguese) and the Partnering Against Corruption Initiative of the World Economic Forum (PACI-WEF).

The Code of Ethics and Conduct ([compliance.embraer.com.br](http://compliance.embraer.com.br)) and the By-laws and Policy for Negotiation and Disclosure, approved by the Board of Directors in 2015, and drawn up in accordance with the Statement of the Securities Commission of Brazil (CVM in Portuguese) No. 358/2002, are both public available at: [ri.embraer.com.br](http://ri.embraer.com.br).

In 2015, more than 19,000 employees and more than 400 national and international suppliers were trained regarding the anti-corruption issue.

### Anti-corruption training – Code of Ethics and Conduct |GRI G4-S04|

	2013	2014	2015
Leaders	100% (1,152)	100% (1,171)	100% (1,110)*
Non-Leaders	51.05% (9,520)	77.80% (14,000)	98.98% (18,077)*

\*Employees who have completed new training or refresher training and/or new employees/leaders have been taken into account.

### Helpline |GRI G4-49, G4-S7, G4-S8, G4-S03, G4-DMA (Grievances and complaints procedures related to environmental impacts), G4-DMA (Grievances and complaints procedures related to labor practices), G4-DMA (Grievances and complaints procedures related to human rights), G4-DMA (Grievances and complaints procedures related to impacts on society)|

This tool allows employees and stakeholders to inform or seek support on ethical and behavioral issues related to possible violations of Embraer policies or national and international laws and regulations. The information is received and processed by an independent company and then forwarded to the Compliance Department. All contacts are treated confidentially, and the complainant receives a protocol through which it is possible to consult, at the Helpline's website, the status of their account.

In 2015, no complaints related to social and environmental impacts were registered. Also, there was no internal or external case of discrimination based on ethnic origin, gender, religion, ideology, nationality or social origin (the number of grievances and complaints related to labor practices and the impacts on human rights is available in the GRI Indicators). **|GRI G4-EN34, G4-LA16, G4-HR3, G4-HR12, G4-S011|**



[www.embraer.com.br](http://www.embraer.com.br), icon Helpline, or [www.embraerhelpline.com](http://www.embraerhelpline.com)



**Brazil:** 0800-721-5968  
**Portugal:** 800-180-118  
**United States:** 1-877-900-8779  
**Singapore:** 800-130-2122  
**China:** 400-120-4946  
**France:** 0805-080608

## QUALITY AND EFFICIENCY

In the year, Embraer was awarded the following recognitions:

**National Quality Award (PNQ in Portuguese) |** Awarded in the *Magna cum laude* category for presenting levels of excellence in management for the second consecutive year by the National Quality Foundation (FNQ in Portuguese).

**The Most Admired Companies in Brazil |** Chosen in the 'Most Admired in Brazil' category in a ranking sponsored by '*Carta Capital*' magazine.

**'Best Companies to Work for' |** Ranked among the top 130 companies in Brazil, by the magazine '*Voce S/A*', and voted one of the top 100 in Latin America by *Época* magazine – 'Great Place to Work' for the seventh consecutive year.

**Viracopos Logistics Excellence |** Awarded as the Best Importer, the Outstanding Exporter (company with the largest growth in 'free on board' values – FOB), Best Supply Chain (Recof category) and Best Plant (importer by the National Register of Legal Entities – CNPJ) by Viracopos Airports Brazil Concessionaire (ABV).

**Air Transport News |** Awarded in the Regional Aircraft Manufacturer category, by Air Transport News (ATN).

**Crystal Cabin Association Award |** Winner in the Industrial Design and Visionary Concepts category – for the E-Jets-E2 aircraft cabins area – in the Aircraft Interiors Expo annual event, in Hamburg, Germany, by the Crystal Cabin Award Association.

Embraer's Code of Ethics and Conduct provides the necessary foundations for compliance with anti-corruption and international trade legislation

# SUSTAINED GROWTH

Embraer delivers results and assists its diverse stakeholders working with respect for society and the environment



Embraer's strategic plan is composed of five sections, reviewed annually: Commercial Aviation; Executive Aviation; Defense & Security; Diversification; and People, sustainability, organization and processes

**100%**

of Aero Seating Technologies shares, manufacturer of luxury seats in California (USA), were acquired by Embraer in 2015

**10,797**

*kaizens* carried out in the financial year promoted a US\$51 million profit and a US\$238 million reduction in stocks

Embraer aims to achieve its international expansion in a sustainable manner and, for this reason, holds certification in ISO 14001/ Environmental Management and OHSAS 18001/ Occupational Health and Safety



**CONSOLIDATION AND EXPANSION**

To maintain its leading position in the world market and further its international expansion in a sustainable manner and with earnings for its diverse stakeholders, Embraer maintains qualified professionals and continually invests in improving its organizational culture, in innovation of its products and business diversification – all actions are supported by the SEE. Its implementation bases are the P3E (see more in Excellence Management on page 08), maintaining the Company's Environment, Health and Safety Systems certification in its units in Brazil (ISO 14001/environmental management and OHSAS 18001/occupational health and safety), to retain its position in the DJSI and ISE sustainability indexes and the adoption of the Management Excellence Model.

**Strategic plan**

Embraer's strategic plan, reviewed annually, is based on five aspects:

**Commercial Aviation** | Solidify Embraer's leadership position in its segment, expanding the customer base, perfecting the E-Jets, and pursuing excellence in the customer support model.

**Executive Aviation** | Consolidate Embraer's position as one of the world's leading manufacturers of executive jets, increasing its market share, developing new products and sustaining high levels of customer satisfaction with client services and support.

**Defense & Security** | Be a key player in Brazil's national defense and security system, diversify product and service offering and expand its international presence, while pursuing excellence in customer support.

**Diversification** | Invest effort in diversifying Embraer's business via a focus on synergies with the Company's core competencies.

**People, sustainability, organization and processes** | To keep advancing as a global organization committed both to delivering customer satisfaction and valuing its people; a Company that grows sustainably and serves as reference in the market for innovation and corporate excellence.

**Innovation and technology**

To maintain the competitiveness of its products and services, Embraer leads market trends, always attentive to its customers' requirements, its competition and the public's needs in general. For this reason, investing in technology and innovation is a key part of strategic planning. The Company, in addition to engineering and product development areas, also has three advanced Engineering and Technology Centers (CETEs in Portuguese), one in Brazil, one in the United States, and one in Portugal. It also allocates resources to courses and programs that encourage and recognize employees' contributions to qualified business and portfolio development.

Additionally, the Company has adopted stimulated and spontaneous innovation. One of the activities that has been developed is the Innova project, which fosters the spirit of team innovation by providing channels and areas for receiving and consolidating contributions. Other notable programs are Good Idea, which encourages employees to contribute suggestions, new tools and creative techniques to develop activities with more efficiency or at lower cost; and Green Light, which allows employees with innovative proposals to deviate from normal daily work for up to 100% of the time in order to develop them, with financial support from Embraer. Good Idea adopted 14,300 contributions in 2015, achieving US\$42.1 million in economic returns. Green Light received 126 proposals, of which nine were approved.

The Company also runs Stimulated Innovation, a program supported by Innova (learn more in the box) and which is aimed at areas that have the creation, development and implementation of innovations as their main role. In parallel, Embraer celebrates with its employees the adoption of creative programs by recognizing innovation. In 2015, 1,097 employees were recognized for 394 improvement suggestions.

Embraer also supports the strengthening of its sector through the Aerospace Investment Fund (FIP in Portuguese), established in 2014 in partnership with the Brazilian Development Bank (BNDES in Portuguese), the federal government's Funding Authority for Studies and Projects (FINEP in Portuguese) and the São Paulo development funding agency Desenvolve SP. The start-up capital of the fund was R\$131.3 million, of which R\$37 million was allocated in 2015 to four companies in three sectors: space, defense and cyber-security.

**Encouraging improvement**

Embraer leaders challenge employees to seek solutions for process improvement, cost reduction and production optimization. In 2015, there were seven challenges, which originated 183 ideas.

Improvements are also encouraged by the use of kaizen. In 2015, there were 10,797, which promoted earnings of US\$51 million and US\$238 million stock reduction.

**Luxury seats manufacturing company** |GRI G4-13|

Embraer acquired 100% of the shares of Aero Seating Technologies (AST), a manufacturer of luxury seats in California (USA). As part of its business strategy, the new AST seats assembly line will be transferred to the industrial complex of Titusville, Florida (USA), with a forecast for operational start-up in the second half of 2016.



R\$37

million from the Aerospace Participation Investment Fund was allocated in 2015 for the development of companies in this sector



## Sustainable development

### [G4-DMA (Products and services)]

Embraer maintains the Integrated Development of Environmentally Sustainable Products Program (DIPAS in Portuguese), based on the Design for the Environment (DfE) methodology. With this concept, products are designed with a focus on the inclusion of innovations and in compliance with environmental requirements.

The technological development plan, combined with innovation and efficiency, covers items such as aerodynamic improvement of aircraft; intensive use of lighter materials to reduce the aircraft structural weight; aircraft development with more electrical systems and less dependency on the engine energy generation; taking part in the development of new generations of engines in cooperation with propulsion system manufacturers; technological research to reduce internal and external noise levels, with the aim of increasing passenger comfort and reducing noise impact near airports; and the search for alternative fuels. The application of advanced technologies in engines, wings and avionics components of the new jets generation aims to reduce fuel consumption, emissions, noise and maintenance costs, and increase airlines operational efficiency.

## Supply chain management

### [GRI G4-12, G4-DMA (Environmental assessment of suppliers), G4-DMA (Evaluation of suppliers regarding labor practices), G4-DMA (Evaluation of suppliers regarding Human Rights), G4-DMA (Evaluation of suppliers' impacts on society), G4-DMA (Investments), G4-DMA (Child labor), G4-DMA (Forced or slave labor)]

Embraer separates its purchasing structure into direct supplies (products that are purchased directly for the aircraft) and indirect supplies (services and materials to support all industrial, administrative and technical activities). For the management of this chain, technical skill, productive capacity, reliability, after-sales service, competitive pricing, environmental responsibility, financial health, risks, certifications, experience and logistics criteria are adopted. In addition to these requirements, there are contractual clauses for 100% of partners that aim to ensure compliance with aspects of human rights, labor and environmental laws, besides avoiding impacts on society. For these reasons, there were no identification of significant or potential negative impacts in labor practices in the supply chain during 2015. [GRI G4-EN32, G4-LA14, G4-LA15, G4-HR1, G4-HR5, G4-HR6, G4-HR10, G4-S09]

The management of partners is monitored by scorecard, a tool used to control the monthly indicators; a shared action plan, in which Embraer executives discuss strategic issues with contractors that could affect the operation; risk assessment, to monitor supply capacity, including on-site audits in suppliers' plants. In 2015, many of the trading partners were submitted to environmental impact assessment. The process consists of applying a risk analysis questionnaire, which contains a specific section on environmental, health, safety and social rights requirements, with the analysis of nine aspects: finances, business, production, quality, after-sales, foreign trade, supply chain, engineering and environment. [GRI G4-EN33]

Embraer also has tools to help with the training of its suppliers. The Development of Aeronautics Chain Program (PDCA in Portuguese), implemented in partnership with the Brazilian Industrial Development Agency (ABDI in Portuguese), strengthens the chain and makes it more competitive, promoting sustainability in the aerospace supply chain. Improving quality and productivity of suppliers allows not only for an increase in Embraer's supply of parts and services, but also for other industries, with quality and efficiency.

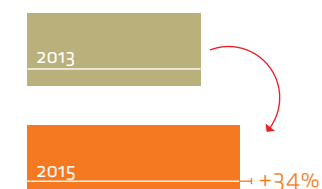
PDCA runs on four pillars – service, costs, quality and waste disposal – by applying excellence models in quality, kaizen concepts, cell-based, productive development and strategic management. The framework is from National Quality Foundation (FNQ in Portuguese) Management Excellence Model and was adapted to this segment.

Through the year, the Company also held meetings between suppliers and FINEP entities, the Research Support Foundation of São Paulo (FAPESP in Portuguese), BNDES and the Ministry of Development, Industry and Trade (MDIC in Portuguese) for project presentation, lines of credit and other clarifications.

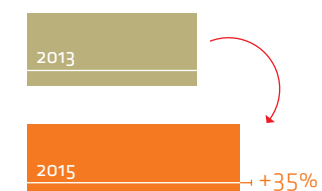
## Through the Aeronautics Chain Development Program (PDCA in Portuguese), Embraer strengthens its supply chain

### PDCA: Evolution chain

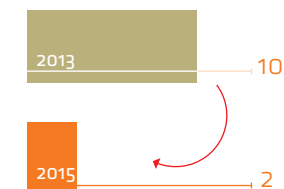
#### GROWTH IN VOLUME OF PURCHASES (%)



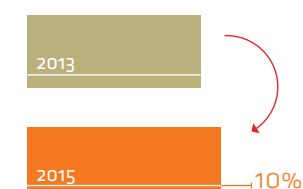
#### GROWTH IN AMOUNT OF PART NUMBERS



#### HIGH-RISK SUPPLIERS



#### DIRECT JOBS



#### DELIVERY PERFORMANCE (orders within deadline)



# Kaizens with suppliers

Between 2014 and 2015, the *kaizens* developed with suppliers resulted in improvements in 911 processes. The main gains in the period were:

- Average reduction of **50%** in the production cycle
- **40%** increase in productivity
- Reduction of **360** km in operators' movements
- Reduction of **2,135** hours of machine stoppage for set-up operations

The Company's Indirect Supplies Team also trained suppliers in accordance with lean concepts and key tools of the P3E methodology.



At Embraer, all business risks are monitored by risk owners who follow up on the development of mitigation action plans and monitor indicators. From the pre-project period to the serialized phase, risk management is carried out through monitoring

### Intangible assets

In its annual cycle of the strategic plan review, the Company identifies and prioritizes its intangible assets in order to maintain and enhance its value for the stakeholders.

ASSETS	IDENTIFICATION METHOD
Brand	Monitoring materials (positive and negative) of Embraer's brand; favorability index of organizational climate; portfolio of sustainability
Knowledge	Monitoring the activities index in communities and the developed practices maturity; Index of knowledge recycling
Intellectual Property	Invention patents portfolio; of industrial design patents portfolio; business secrets portfolio
People	Climate research; classification in the ranking of the 'Best Companies to Work for'; skills evaluation (annual cycle); reaction evaluation during training; results assessment
Leadership	Annual Leadership Cycle; external evaluation; 360° evaluation; Evaluation Committee

### Risk management [GRI G4-2, G4-14, G4-46]

2015 was the year for strengthening risk management at Embraer, with the consolidation of development processes and compliance. In June, in light of a more unstable market, the Company issued bonds to capture emerging markets funds amounting to US\$1 billion, an important milestone for preserving cash for ten years, the deadline for return of the obtained funds.

Analysis and periodic monitoring are also carried out to capture the executives' perspectives, in a structured manner, regarding key aspects of management and risks involved in operations, in the areas and processes of the Embraer business. These insights are obtained based on interviews with senior management, periodic risk reviews, questionnaires, action plan follow-up meetings, as well as addressing activities, validations and leadership assessments, reporting to the Board of Directors and the Audit and Risk Committee. Additionally, all business risks are monitored by risk owners who follow up on the development of action plans for mitigation and monitoring indicators.

Moreover, there is also risk management in product development, from pre-design to the serial phase, through constant monitoring (at least weekly), including the observance of opportunities identified by Audit and Risk Committee.

Risk management methodology focuses on four categories: strategic, operational, financial and regulatory/legal risks (learn more in the table). The structure is strengthened through work in the area of Risk and Internal Controls. Internal Auditing is also maintained, which operates independently and reports directly to the Audit and Risk Committee, ensuring the independence and objectivity of auditors contracted for external auditing services.



Consolidating the development of processes and  
**compliance**

marked the strengthening of risk management at Embraer in 2015



**DIPAS**  
is based on the Design for Environment methodology, and it allows, from conception, for Embraer's products to be designed with the constant effort to include innovations and compliance with environmental requirements

**100%**

of contracts with suppliers contain clauses that aim to ensure compliance with aspects of human rights and labor and environmental legislation

**US\$1 billion**

in bonds were issued by Embraer in 2015 to capture emerging market resources

Regarding climate change, risk assessment results have not shown vulnerability for Embraer to make substantial changes in its operations, revenues or costs due to risks related to legislation, physical or other climate parameters. The analysis carried out on the topic considered, with a five-year horizon, aspects such as Brazilian environmental legislation as well as from other countries where the Company operates, the European Union Emissions Trading Scheme (EU ETS) and discussions about carbon taxation. Embraer's main manufacturing sites are in Brazil, a country less susceptible to extreme natural phenomena such as tornadoes, earthquakes and volcanoes, and in regions with very low flooding or frost risks. The overseas units also present risks and possible impacts considered to be very low. All units follow crisis management guidelines to minimize the effects of possible events.

**[GRI G4-EC2, G4-DMA (Economic Performance)]**

Throughout 2015, the Company cooperated fully with the US Securities and Exchange Commission (SEC) and the US Department of Justice (DOJ) in the ongoing investigation concerning the possibility of non-compliance with the US Foreign Corrupt Practices Act (FCPA) in certain aircraft sales outside Brazil. Soon after learning of the investigation in the US, the company hired specialized lawyers in the US and Brazil to conduct a thorough internal investigation.

## Risk categorization

**[G4-DMA (Economic Performance)]**

**Strategic |** Based on the permanent monitoring of market trends, senior management decisions that may impact the economic value of Embraer. Issues that may pose risks to operations and the brand are communicated by the Investor Relations Department in advance to stakeholders.

**Operational | Related to the possibility of losses (in production, assets, customers and revenues) resulting from failures, deficiencies or inadequacy of internal processes, people and systems, as well as external events, such as natural disasters.**

**Financial | Related to the exposure of financial operations, including the efforts for managing cash flows in order to increase the operating cash flow generation, the financial transactions returns generation and funds collection and use. Guided by the Financial Management Policy, and approved by the Board of Directors, the Finance Committee analyzes and suggests action in scenarios with potential financial exposure.**

**Regulatory/Legal | Embraer operates with respect to the environmental legislation of all the locations where it operates and complies with aviation industry regulations in each step of the aircraft manufacturing design process, from design to after-sales support.**



# PERFORMANCE WITH QUALITY

In 2015, commercial aviation sales increased – the production line in 2016 is already filled – Executive Jets completed ten years of operation and the Defense & Security business has consolidated its presence, affirming its ability to perform

85%

average favorability in relation to after-sales support for Executive Aviation as measured at the Embraer Executive Operators Conference in 2015

The development and test flights of the first

KC-390,

a multi-role military transport aircraft, highlighted the performance of Embraer Defense & Security in this period

With 101 aircraft delivered in the year, the Company maintained its

leadership

in the 70-130 seat commercial aircraft category, with more than 50% of sales and 60% of deliveries worldwide



82 light and 38 large jets delivered in 2015 by the Company in the Executive Aviation sector

267

firm orders in 2015 for the E-Jets-E2 program

The Ipanema 203, launched and certified in 2015, is the leading aircraft in its category, with over

60%

market share in Brazil

## BALANCE IN BUSINESS

2015 ended positively, ensuring Embraer's business stability. Commercial Aviation sales grew and the production line in 2016 is already committed. Executive Aviation celebrated ten years and ended the year with an increase in deliveries compared to 2014. The Defense & Security business, in line with its commitment to strengthening Brazil's defense and security systems, has consolidated its presence affirming its capacity to deliver national strategic projects.

The Company applied research to assess the satisfaction of its Commercial and Executive Aviation customers regarding their products, services and support, employing the results for continuing improvement. At the 2015 Embraer Executive Operators' Conference, the Company measured an average of 85% favorability rate in relation to its Executive Aviation after-sales support. During the year, Embraer also won first place in the Satisfaction survey for Executive Aviation Product Support in ProPilot magazine, a leading specialist publication in the industry. In Aviation International News (AIN), also one of the most respected in the world, Embraer maintained the same level of satisfaction obtained in 2014, placing second and remaining for the fourth consecutive year among the best in the customers' opinion. Another important survey, the 5th Readers' Choice Survey, in Business Jet Traveler magazine, also highlighted the Company – of the eight categories assessed, Embraer won first place in four and second place in three.

[G4-DMA (Labelling of products and services)]

In the Commercial Aviation Satisfaction Survey (CSS), the General Spontaneous Satisfaction Index (ISGE) scored 85.9% and in the Absolute Favorability Index scored 77%, placing the company in second. These results confirm our commitment to serving customers with excellence. [GRI G4-PR5]

### Commercial Aviation

Accounting for 55.9% of total Company revenue, Commercial Aviation business achieved another milestone with the delivery of E-Jets number 1,200. The customer base is comprised of over 100 airlines in 70 countries. During the year, 101 aircraft were delivered maintaining the leadership in the 70-130 seat commercial aircraft category, with more than 50% of sales and 60% of deliveries in the world market. Several attributes justify this increase, such as attractive and competitive operating costs, allowing airlines to operate in less dense routes, with lower costs and, therefore, better economic results.

The E-Jets E2 program, launched in 2013 as the second generation of the E-Jets family, achieved a portfolio of 267 firm orders plus 265 options and purchasing rights to airlines and leasing companies from various world regions. About 40% of new E-Jets deliveries will be to leasing companies, which have a great global capillarity and are strategic for Embraer's commercial business, since they contribute to

consolidating the Company and expanding its presence in several markets. Examples are India and the United States – in which the company has targeted efforts to gain new sales.

At the end of 2015, the E-Jets family operated with approximately 70 customers – including nine gained in 2015 – in 50 countries. The target is, with the momentum of the new portfolio, to reach 100 operators by 2018. The first jet of the E-Jets E2 family, the E190-E2 model, will fly for the first time in the second half of 2016 (its entry into service will take place in 2018). The other two aircraft of the second generation, the E195-E2 and E175-E2 will come into operation in 2019 and 2020, respectively.

The E2 program reinforces Embraer's commitment to continuous investment in its range of commercial jets and to maintain its market leadership in the 70-130 seat category. These jets will have high performance and the cutting edge engines which, together with new wings with improved aerodynamics, full fly-by-wire flight controls and improvements in various systems, will enable lower fuel consumption, as well as reducing the maintenance cost, emissions and external noise.

### Commercial Aviation Deliveries in 2015



Embraer E170  
2 units



Embraer E175  
82 units



Embraer E190  
8 units



Embraer E195  
9 units

Total  
101

With its focus on continuous improvement, Embraer applies surveys to assess the satisfaction of its Commercial and Executive Aviation customers



## Embraer Executive Operators' Conference

An important relationship channel between Embraer and its business stakeholders is the Embraer Executive Operators' Conference (EEOC). This meeting aims to share experiences, by presenting technical sessions about the new aircraft models and thereby enhancing trade ties. During 2015, there were seven conferences involving more than 400 customers and operators.

### Executive Aviation

Celebrating ten years with 975 jets delivered in over 60 countries and a complete products portfolio, the Executive Aviation segment repositioned its brand and showed growth in an unfavorable global scenario. Business income represented 30% stake in the Company's total revenue.

Over the years, Executive Aviation has certified its aircraft, expanded product requirements and is currently working to optimize its position in customer support ranking. In this sense, the segment will expand its service to customers in Europe with the opening of a new maintenance service center at Le Bourget airport in Paris. The center will have 4,000 square meters, double the area of the current facilities, and a hangar will be built in a privileged area to facilitate routine inspections and planned or unplanned maintenance of Embraer executive jets. The new service unit will begin its operations in the second half of 2016. [\[GRI G4-13\]](#)

In 2015, 82 light and 38 large jets were delivered. The year was marked by the delivery of business jet number 300, 100<sup>th</sup> Phenom jet built at the Melbourne plant, and the success of the Legacy 500, with a total of six class speed records. The first model was delivered to Flexjet LLC, an American jet operator.

The Legacy 450 – the first executive jet in the mid-light category to have fly-by-wire flight control technology, fully digital, with the best

cabin in its class, with 1.83 meters in height and flat floor – received certifications from the Civil Aviation Agency (ANAC in Portuguese) and the Federal Aviation Administration (FAA), the aeronautical authorities in Brazil and the United States, respectively. The Legacy 450 was also certified by the European Aviation Safety Agency (EASA), allowing its operation in European Union member countries and other nations associated with this regulatory authority. The model entered service in the last quarter of 2015, and three aircraft were delivered.

For the next ten years, Embraer Executive Aviation plans to grow in the countries where it operates and consolidate its global presence. For this, the segment has partnered with Atlas Air Service, who will act as its sales representative in Europe. This German company will operate in Austria, Switzerland and Germany.

The forecasts indicate that light and mid-size aircraft will have greater market share, especially in the United States and European countries. The Company also foresees that these categories' demand will be higher due to the American and Chinese markets.

## Phenom 300 is Number 1 in deliveries

Embraer's Phenom 300 was the most-delivered executive jet in the world in 2015 for the third consecutive year, with 70 aircraft delivered to customers. The Phenom family project was based on the most sophisticated industry requirements and the product is recognized as one of the most-desired light jets for shared-ownership companies, charter services, corporate flight departments and private pilots. Because of its features, the Phenom 300 fleet of 320 jets is already in operation in 28 countries, and has accumulated around 300,000 flight-hours

### Executive Aviation deliveries in 2015



**Phenom 100E**  
12 units



**Phenom 300**  
70 units



**Legacy 450**  
3 units



**Legacy 500**  
20 units



**Legacy 600/650**  
12 units



**Lineage 1000E**  
3 units

**Total**  
**120**

## Partnership for production of the Gripen NG fighter

Embraer, in partnership with the Swedish company Saab, will coordinate the development of the F-X2 project (F-39 fighter), which is a fleet retrofitting and modernization program of the Brazilian Air Force's (FAB in Portuguese) supersonic military aircraft. The Company will be responsible for systems integration, flight testing, final assembly and delivery of the single-seat version of the Gripen NG to FAB. Also in partnership with Saab, Embraer will entirely develop the two-seat version. In October 2015, Embraer sent the first group of engineers and technicians to Sweden in order to begin the technology transfer process and also started building the Center for Design and Development of Gripen at its industrial plant in Gavião Peixoto. The center opening is scheduled for mid-2016.

### Defense & Security

As leader in the aerospace and defense industry in Latin America, the contribution of Embraer Defense & Security in the Company's revenue was 13%. While maintaining strong roots in the Brazilian market, in 2015 the segment sought to adopt new strategies focusing on the international market.

In 2015, the most important project was the development of the KC-390, the multi-role military transport aircraft. During the year, the first flight tests were carried out, and all procedures will continue moving forward in 2016. Moreover, the Satellite Program Geostationary Defense and Communication (SGDC in Portuguese), whose integration is the responsibility of Visiona Space Technology, continues on schedule, fulfilling all contractual deliveries as planned.

Embraer Defense & Security also offers a complete range of Command and Control integrated solutions and applications (C4I); radar; Intelligence, Surveillance and Reconnaissance (ISR); and space. This portfolio includes integrated information systems, communication, borders monitoring and surveillance, as well as authorities transportation and special-mission aircraft. With a growing presence in the global market, the Defense & Security products and solutions are available in more than 60 countries.

In 2016, Embraer Defense & Security will advance with the KC-390 project and the Brazilian Gripen. It also continues investment in the Sisfron Project (Integrated Border Monitoring System) which, in its third year of implementation, completed more than 50% of the project. Sisfron is managed by Savis & Bradar, subsidiaries of Embraer Defense & Security.

### Agricultural aviation

Agricultural Aviation launched the Ipanema 203 in 2015, the sixth version of the product, already certificated by ANAC. This aircraft is a category leader, with over 60% market share in Brazil and more than 1,360 models sold, 19 of which were delivered in 2015. The new version has a 16% larger capacity hopper and a wingspan two meters wider than the previous model, while the wing tips have been redesigned, increasing control and improving spray efficiency as well as the aircraft's productivity. Other new features are the air conditioning system, safety belt with air bag and an ergonomically-designed cabin. The control levers and pedals have also been redesigned, with smooth angles allowing more precise control.

### GENERATING VALUE

Embraer's revenues in 2015 totaled R\$20,301.8 million, representing 36.2% growth compared to 2014. The good performance was mainly due to the dollar's appreciation against the real. Total net income was R\$241.6 million and earnings per share were R\$0.3309. Gross margin was 18.4%, 1.4 p.p. less than in 2014, especially due to certain cost base revisions on Defense & Security contracts, changes in the product delivery mix in the Commercial Aviation segment and the lower gross margin presented by the Executive Aviation business.

### Operating income and operating margin

Operating income and operating margin amounted to R\$1,103.1 million and 5.4%, respectively. In 2014, the same figures were R\$1,303.8 million and 8.7%, respectively. The decrease was due to the cost base revisions for certain contracts in the Defense & Security segment, along with provisions related to the impairment of assets in the Company's portfolio of used aircraft.

### Net income and earnings per share

Adjusted net income, excluding income tax and deferred social contribution and also the net after-tax impact of the provision for financial guarantees regarding the Republic Airways bankruptcy filing, was R\$499.4 million for the year. Adjusted earnings per share, excluding these same items were R\$0.6839.

## Geostationary Satellite: Launch date in 2016

The Strategic Defense and Communications Geostationary Satellite (SGDC in Portuguese) will be launched in 2016 in French Guiana. The satellite is the first fully controlled by the Brazilian government and is being built in France. Through the joint venture with Visiona Space Technology, Embraer (with a 51% stake) and Telebras (49%) supervise the work and manage the system and technology absorption. In 2015, the installation of the 13 meter antennas for satellite control began and the joint between the platform and the satellite communication module was completed (payload), thereby initiating the integration and testing cycle of the satellite.

The SGDC will allow information traffic through a national network, increasing security and allowing remote communities to have access to communication services throughout the country. Once launched, it will be positioned at a distance of 35,786 kilometers above the Earth's surface. The satellite is expected to come into operation in the first quarter of 2017.

### Defense & Security Deliveries in 2015



Super Tucano  
19 units



EMB 145 AEW&C  
1 unit

Total  
20

### Balance Sheet indicators

The free cash flow generation was R\$1,244.6 million, above the free cash flow use presented in 2014 of R\$823.8 million.

### Value-Added Statement (Vas) | GRI G4-EC1

The VAS aims to confirm the wealth generated by Embraer and its distribution to society, represented by shareholders, employees, financial institutions and the municipal, state and federal government. The added value totaled R\$5,907.2 and represented 29.1% of net revenue in 2015.



**Consolidated VAS (R\$ million) | GRI G4-EC1**

	2015	2014	2013
<b>Revenue</b>	<b>22,360.1</b>	<b>16,343.0</b>	<b>15,163.1</b>
Inputs acquired from third parties	(16,364.1)	(11,144.2)	(9,968.8)
Gross value added	5,996.0	5,198.8	5,194.3
Depreciation and amortization	(1,073.4)	(676.8)	(633.3)
Net value added produced by the entity	4,922.6	4,522.0	4,561.0
Added value received by transfer	605.2	418.7	345.3
<b>Distribution of added value</b>	<b>5,527.8</b>	<b>4,940.7</b>	<b>4,906.3</b>
Personnel	3,342.4	2,502.3	2,368.5
Government (taxes, fees and contributions)	1,251.6	1,058.1	1,126.0
Interest and rent	652.2	553.7	625.4
Interest on Own Capital (JCP in Portuguese) and dividends	117.8	214.3	202.1
Retained earnings / losses for the year	123.8	581.8	575.6
Minority Interest	40.0	30.5	8.7

**Taxes and social contributions**

Taxes, social security contributions and local, state and federal taxes totaled R\$1,377.1 in 2015.

**Capital market | GRI G4-41**

The broad distribution of shares adopted by the Company results in the extension of voting rights to all shareholders, without distinction, with representation of, at most, 5% of the share capital. The By-laws also impose other conditions to avoid the concentration of stocks or stock receipts traded on the NYSE (American Depositary Receipts – ADRs), to prohibit any shareholder or group of shareholders acquiring a stake greater than or equal to a 35% stake in Embraer, except with the express permis-

sion of the Brazilian Government and subject to completion of a Public Tender Offer (OPA in Portuguese). In case of a purchase offer for the Company, all shareholders, including minority shareholders, have guaranteed rights of sale under the same conditions (tag-along).

In 2015, the Company remained in the theoretical portfolios of the Brazil Index (IBrX in Portuguese), of the Corporate Governance Stock Index (IGC in Portuguese), of the Stock Index with Differentiated Tag Along (ITAG in Portuguese), of the Industrial Sector Index (INDx in Portuguese), of the Bovespa Index Value 2<sup>nd</sup> Line (IVBx2 in Portuguese) and of the Brazil Index 50 (IBrX50 in Portuguese).

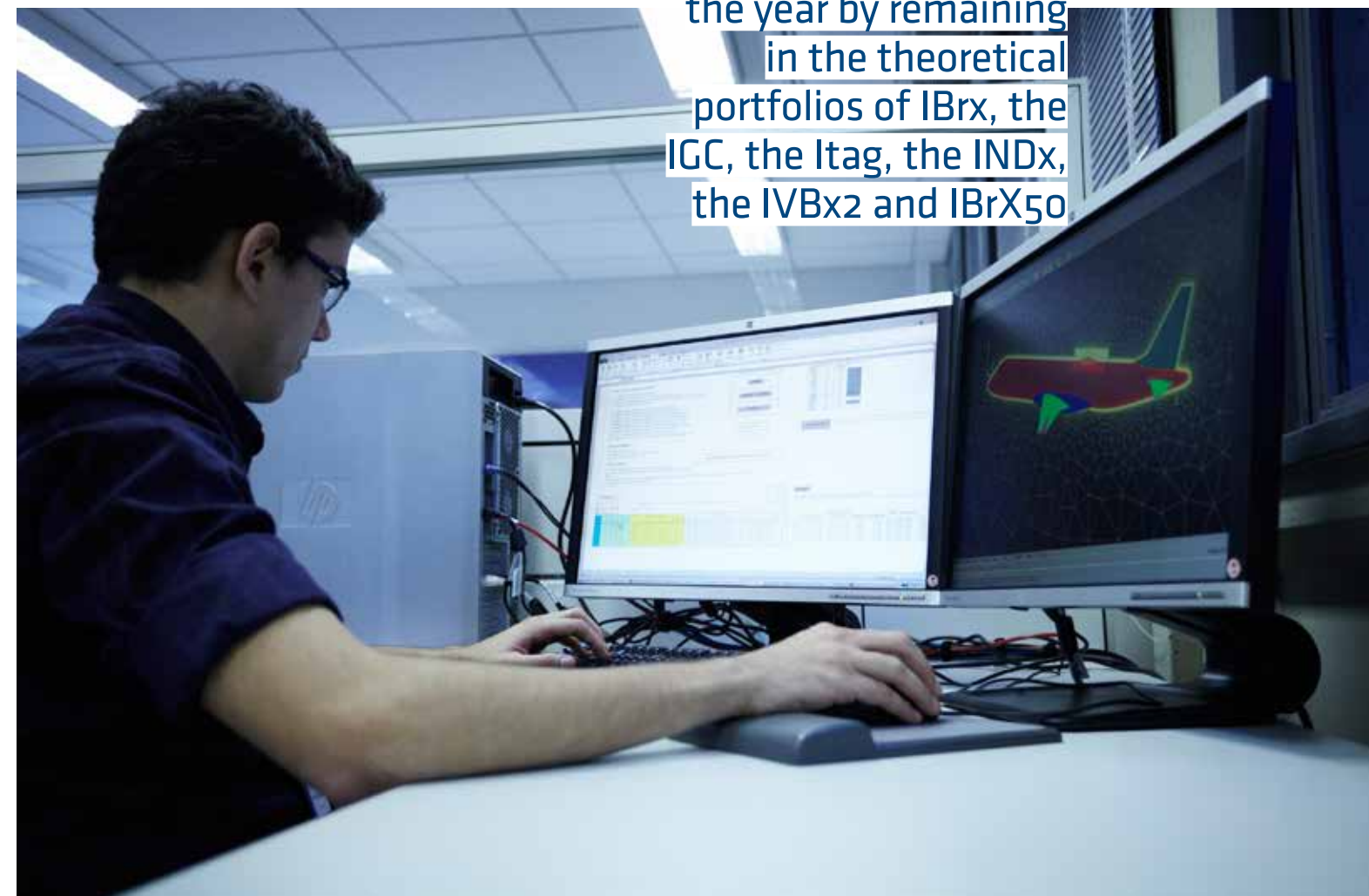
The Company's shares have been listed on the New Market (Novo Mercado in Portuguese) of the São Paulo Stock Exchange BM&FBovespa since 1989 and on the New York Stock Exchange (NYSE), through the Level III negotiated receipts program (ADRs), since 2000. The EMBR3 shares traded on the BM&FBovespa ended 2015 quoted at R\$30.19, an appreciation of 24% compared to the end of the previous year, while the index of the BM&FBovespa had declined 13% in the same period. The American Depositary Shares (ADSs) of the Company (ERJ), listed on the NYSE, reached a price of US\$29.54 at the end of the year, a

decline of 20% during the year. The decline of the Dow Jones Index in the period was 2%. The market value of Embraer reached US\$5.5 billion in 2015, lower than the previous year, when it was US\$6.8 billion.

**Allocation of the results of the Company and shareholder remuneration**

In 2015, Embraer distributed R\$117.8 million to its shareholders in the form of Interest on Capital (JCP in Portuguese), representing a payout of 49% of the consolidated net profit of R\$241.6 million. Earnings per share were R\$0.3309.

Embraer held its leading position in the year by remaining in the theoretical portfolios of IBrx, the IGC, the Itag, the INDx, the IVBx2 and IBrX50





# TALENT MANAGEMENT

In line with the corporate value  
“Our people are what make us fly,”  
Human Resources Policy aims at the  
organizational climate quality and the  
employees’ continuous development,  
with health and safety

With employees  
from more than 20  
nationalities and  
investment in their  
**training**

including people  
with disabilities as  
well as young people  
through the Young  
Apprentice Program  
(PJA in Portuguese),  
the Company aims  
to value diversity  
and to maintain its  
teams excellence

**19,373**

employees, with 17,007  
allocated in Brazil and  
2,366 abroad, contributed  
to the qualified  
performance achieved by  
Embraer in 2015

**4.9**million

was allocated for the  
Embraer Designer Program  
(PPE in Portuguese) and the  
Engineering Specialization  
Program (PEE in Portuguese),  
directed at Embraer’s  
internal and external public

**90%**

of leadership positions and 32%  
of others were filled internally,  
contributing to the maintenance  
of 89% of favorability in the  
organizational climate at Embraer

**12.9**million

was allocated for training  
provision in order to maintain  
continuous qualification of  
the workforce





TEAMS PROFILE

[G4-DMA (Employment)]

The Company’s Human Resources Policy aims at maintaining a favorable organizational climate, which leads to the expected results and allows the attraction and retention of talent. Bolstered by this commitment, the Company ended 2015 with 19,373 employees, with 17,007 allocated in Brazil and 2,366 abroad. The turn-over rate in the period was 6.23% (see the functional team framework formation and employment rates in GRI Indicators). [GRI G4-10, G4-LA1, G4-DMA (Diversity and equality of opportunities)]

Still with the purpose of keeping teams committed to excellence, Embraer values diversity in its workforce once the Company understands that different types of skills can boost performance. At the end of 2015, with employees from more than 20 nationalities, Embraer kept the investment in People with Disabilities (PCDs in Portuguese) training, through the Embraer program On The Path to Diversity, held since 2012 and carried out in partnership with the Center for Business-Schools Integration (Centro de Integração Empresa-Escola – CIEE in Portuguese). Focusing on young people, the program had 50 participants in 2015. In December, the Government of the State of São Paulo announced that the Company was recognized with the “São Paulo Diversity Seal” (see the composition of governance bodies and breakdown of employees per employee category according to gender, track age, minorities and other diversity indicators in GRI indicators). [GRI G4-LA12, G4-DMA (Diversity and equality of opportunities)]

Focus on development [G4-DMA (Training and education), G4-DMA (Investment)]

Embraer maintains improvement training programs for employees from different areas and positions. They are divided between behavioral and technical issues, in which, in some cases in the operational areas, there is a tutor’s support (a professional who has conducted the training course “Benefactors and Monitors”).

In line with the company’s innovative profile, more than 70 online courses were developed in 2015, with the aim of offering more versatility to employees. The courses are available in several formats: e-learning, game-playing, video learning, tutorials and infographics, as well as applications for smartphones. Another teaching strategy used is short videos, called Knowledge Pills, which can be accessed any-time and anywhere.

Employees are also offered a scholarship program, subsidized by the Company, for attending Undergraduate, Graduate and language courses. The training areas in such cases must be related to the improvement points identified in the Personal Development Program (PDI in Portuguese).

Embraer also has training partnerships, for people inside and outside the Company, such as the Engineering Specialization Program (PEE in Portuguese) held with the Technological Institute of Aeronautics (ITA in Portuguese). Participants receive a scholarship and complete a professional master schedule in Aeronautical Engineering. There is the possibility for the student to be hired by Embraer after completing the course. There is also the Embraer Designer Program (PPE in Portuguese), sponsored in conjunction with the São Paulo Faculty of Technology (FATEC in Portuguese), in which young professionals undergo technical training and personal development monitoring, working as interns in the Company, with employment prospects. In 2015, investment in PEE and PPE totaled R\$4,978,989.

Embraer also runs the Post-Career Program, which offers life-planning support for employees in the retirement phase. Participation is voluntary. [GRI G4-LA10]



Embraer’s employees have behavioral and technical training programs available, besides scholarships for Undergraduate, Graduate and language courses

Internal courses and planning for pre-retirement

[GRI G4-LA10]

	2013	2014	2015
Employees	80	116	90
Value invested (R\$)	170,476	190,820	80,000*
Scholarships	80	116	90

\*Embraer units in Brazil considered. The 2015 program will end in 2016, therefore the investment was lower when compared to previous years.

In 2015, R\$12,929,953 was allocated to training, which totaled 77,607 hours, representing an average of 26 hours per employee. Of the total workforce, 27.5% participated in human rights policies training (see the average number of hours of training per year per employee, broken down by gender and employee category, as well as the total number of hours of employee training human rights policies in the GRI Indicators). [GRI G4-LA9, G4-HR2]

Leadership Pillar [G4-DMA (Training and education), G4-DMA (Investment)]

Based on the P3E Leadership pillar, the Company continued the investment and the internal development for this audience. Actions were designed to meet the leaders’ functional and management needs essential for supporting the Company’s strategy and direction by encouraging continuous improvement in their teams, promoting career development. In this scenario, the Embraer Business Leader School was consolidated in 2015, with the goal of providing a comprehensive and continuous education envi-

ronment, strengthening the Business Leadership role, promoting readiness in Leadership for succession and the business growth and perpetuity. The development activities established in the School focus on improvement in Leadership, Market and Business and Results areas.

**Performance Analysis |GRI G4-LA11|**

Embraer uses three models to analyze human capital. One is the process for skills evaluation, covering employees of units in Brazil and abroad through ‘My Embraer’ – an online tool for global personnel management. The results subsidize the Personal Development Program (PDI in Portuguese), enabling the Manager to direct employees to courses designed for their improvement.

Another evaluation method is the automatic wage progression, directed at the operational workforce at the beginning of their careers – when the assessment is positive, the employee receives wage adjustment, automatically.

The leadership evaluation seeks to identify strong points and development opportunities in relation to the skills required for Embraer’s leaders through self-assessment, as through the assessment of their immediate superiors and subordinates, peers and customers (360° model). In 2015, the development and succession planning processes were reviewed. In 2016, the Company is planning a new review cycle (see the percentage of employees receiving regular performance and career development analyses, broken down into gender and job categories, in the GRI Indicators).

**Internal growth**

Embraer promotes an Internal Employment Program (API in Portuguese), which publishes vacancies for employees before their announcement to the public. Thus, any open positions are preferably filled by promotion (vertical growth) or lateral movement (horizontal growth). In 2015, 90% of leadership positions and 32% of all others were filled by the employees themselves.

**Organizational Climate**

Embraer identifies opportunities for continuous improvement in the workplace through the Internal Organizational Climate Survey and participation in External Surveys, conducted by market institutions. In 2015, the Climate Survey showed 89% favorability, three percentage points above the 2014 performance.

As to External Surveys, the company was again awarded in 2015 as one of the “Best Companies to Work for” in Brazil and in Latin America (GPTW), “The Best Companies to Start a Career” (*Voce S/A*), “The Best Companies to Work for” (*Voce S/A*) and “The Best in People Management” (*Valor Econômico* newspaper).

**Embraer Organizational Climate Survey**

	2013	2014	2015
Adherence*	89	91	89
Satisfaction	84	86	89

\*Global.

**Remuneration and benefits |G4-DMA**

**(Market presence), G4-DMA (Employment)|**

Professional’s remuneration is fixed according to the function’s complexity, individual performance and compatibility with the salaries offered in the market. It consists of fixed remuneration, which conforms to jobs and salaries plan, and variable, linked to the Company’s results and the employee performance (see variation in the proportion of the lowest wage, broken down by gender compared to the local minimum wage in GRI). **|GRI G4-EC5|**

In Brazil, the benefits offered include life insurance, health insurance, incapacity or disability coverage (through life insurance), maternity leave (180 days) and paternity leave (five days), and shares acquisition plan (Ciemb – optional). In units abroad, Embraer offers different benefits established according to the current legislation in each country. **|GRI G4-LA2|**

Employees in Brazil and from certain affiliates and subsidiaries may also participate voluntarily in the Embraer Prev complementary pension plan. There is no restriction for membership, and the service time is considered for the effect of benefit redemption. The sponsor (Embraer or its subsidiaries) deposits the same monthly contribution amount chosen by the participant, up to 8% of the employee’s salary. There is no charge rate for the participants, once they are fully funded by the sponsor. There are similar benefits in units abroad, subject to prevailing legislation and market conditions in each location. **|GRI G4-EC3|**

# First trainee program

More than 11,000 applications were received for the first Embraer trainee program, for Brazilian candidates. 23 vacancies were offered in Brazil for jobs in different areas of the Commercial Aviation and Defense and Security Business Units, as well as Internal Auditing, Human Resources, Corporate Excellence and

Innovation, Finance, Information Technology, Operations and Supplies. The program, beginning in 2016 and lasting two years, encompasses development activities in the classroom and on-the-job training, including job rotation. There is a forecast for expansion of this program in the United States in 2016.



To ensure a healthy and safe working environment in

## accordance

with ergonomic requirements and labor and environmental legislation, the Company maintains the Environment, Health and Safety Policy (MASS in Portuguese)



The first Embraer trainee program, for the candidates from Brazil, received more than 11,000 applications for 23 vacancies in different Company's areas

87.8%

of employees are represented by members of the Internal Accident Prevention Committee (CIPA in Portuguese), which operates in all industrial units

### Health and safety |G4-DMA (Health and safety at work), G4-DMA (Freedom of association and collective bargaining)|

In line with the Environment, Health and Safety Policy (MASS in Portuguese), Embraer is committed to a safe and healthy working environment, in accordance with ergonomic requirements and labor and environmental legislation. There are no employees involved in occupational activities who have a high incidence or high risk of specific diseases. Health programs are developed from the epidemiological profile of the teams, formulated through periodic medical examinations, which have a 100% employee adherence. From the results, the Company adopts preventive actions with an educational focus, such as the Behavioral Program, the Tensional Reeducation Training Program (PERTO in Portuguese), Educational and Communication Action Plan, Ergonomic Risk Management and Prevention through Design. |GRI G4-LA7|

Since 2001, following recognized management practices, the Company has maintained the international OHSAS 18001 certificate, with annual establishment of Management System targets, aimed at reducing incidents and improving working conditions. Safety indicators are also monitored and analyzed monthly by the Board of Executive Officers and the Board of Directors, in order to maintain excellence levels in accident prevention.

Since 1971, there is the Internal Commission for Accident Prevention (CIPA), representing 87.8% of the employees. The commission is formed by installed representatives and operates in all industrial units. CIPA organizes once a year the Internal Week of Occupational Accident Prevention (Sipat in Portuguese), and its Committee meets monthly. The body is composed of employees' representatives, elected once a year, and in the same proportion, representatives appointed by the employer. |GRI G4-LA5|

Health and safety issues are contained in agreements with the Trade Unions – in Brazil, 7.2% of Embraer's employees are unionized, but 100% are covered by the terms negotiated in collective bargaining agreements – including the supply and use of Individual Protection Equipment (EPI in Portuguese); the installation of health and safety committees composed of the leadership and employees; the participation of workers' representatives in safety and health inspections and accident audits; training and education; the complaints system; and periodic inspections. |GRI G4-11, G4-LA8, G4-HR4|

On these bases, in the year, there were 82 accidents involving personnel with time off work and the occupational diseases rate was 0.22% (see the safety indicators in GRI Indicators) |GRI G4-LA6|

### Quality of life

Embraer is investing in preventive health activities and promoting quality of life. The main initiatives are consolidated in the Well-Being program, that comprise several aspects for the various life stages of the employee: Well-Being Minute, Well-Being without Cigarettes, Well-Being without Drugs, Well-Being with Scales, Well-Being with Maternity, Well-Being with You, Well-Being with Physical Activity, Cycle of Lectures, Health Week, Immunization Program and Reintegration Program.



# SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Embraer invests in initiatives aimed at improving its industry and contributing to the long-term development of the communities in which the Company is located

**20**million

of reais was designated in 2015 to social projects promoted by the Embraer Institute for Education and Research

The Company's institutional historical management is promoted by the Embraer Historical Center, which also preserves and publishes information on the history of the Brazilian aviation industry

Aiming at improving its full compliance with current environmental legislation and at anticipating future regulations, the Company implemented the first phase of its new chemical substances management system during 2015

**565**people

engaged in programs and volunteer activities, demonstrating the staff's commitment to solidarity

**960**

students were benefited by Embraer Juarez Wanderley and Casimiro Montenegro Filho high schools





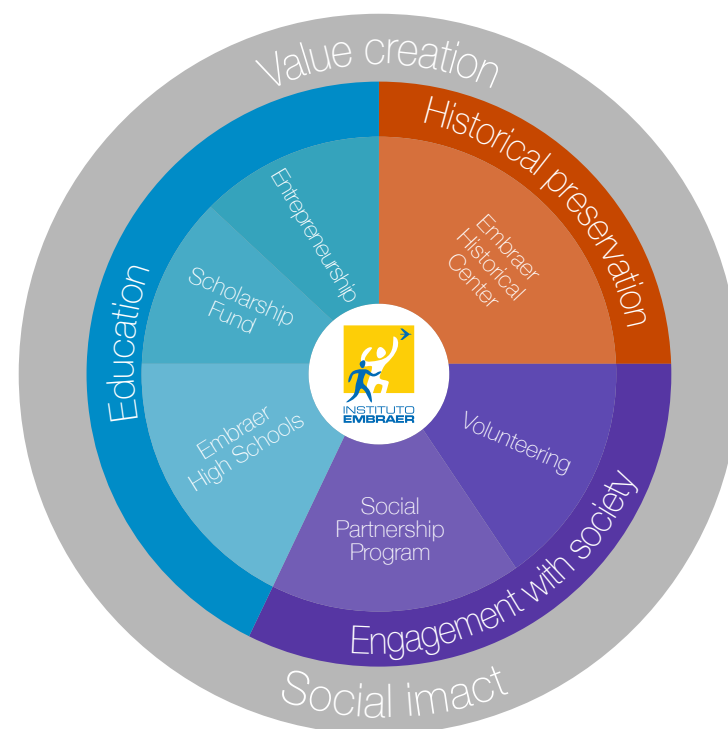
### EMBRAER INSTITUTE | GRI G4-SO1, G4-EC7, G4-EC8, G4-DMA (Indirect economic impacts), G4-DMA (Local communities)|

Embraer seeks to positively transform communities in the surrounding areas of the Company, and thus contribute to the empowerment of young people and partner institutions through education. Social projects are promoted by the Embraer Institute for Education and Research, for which funds in the order of R\$ 20 million were directed in 2015. Responsible for managing the Company's social investment capital, the Institute's pillars of activity are: Education (Embraer High Schools, scholarship fund and entrepreneurship), historical preservation (Embraer Historical Center) and engagement with society (volunteering and the Social Partnership Program).

#### Embraer High Schools

The highlight of 2015 was the inclusion of two new criteria in the selection process of Embraer's high schools – Juarez Wanderley High School in São José dos Campos and Casimiro Montenegro Filho High School in Botucatu. The first one, a socioeconomic criterion, aims at accepting students who have a gross monthly per capita income of up to 1.5 the national minimum wage,

and whose monthly family income does not exceed nine minimum wages. The second criterion requires that the applicant have attended all Primary Education – Cycles I and II – the first to the ninth year – at a municipal, state or federal public school in Brazil and be enrolled, in 2015, since the beginning of the school year, in the 9<sup>th</sup> grade of elementary school in São José dos Campos, Jacareí, Caçapava or Taubaté, to apply for São José dos Campos; and in the cities of Botucatu, São Manuel, Areiópolis, Pardinho, Itatinga, Anhembí, Bofete and Pratânia, to apply for Botucatu. Those selected will receive a full scholarship, plus uniform, teaching materials, meals and transportation during the school period. Students also have the opportunity to participate in the University Preparation Program (PPU in Portuguese), which provides professional guidance and an overview of the job market in different areas of knowledge (sciences, social sciences and biological sciences). In 2015, Embraer Juarez Wanderley College figured in the ranking of highest scores in ENEM 2014, compiled by the National Institute of Educational Studies and Research (INEP in Portuguese), with 1st place in the Vale do Paraíba region, 12<sup>th</sup> in the State of São Paulo and 54<sup>th</sup> in Brazil.



In 2015, the Embraer Institute focused efforts on expanding its activities abroad. Besides the presence of the Historic Center in several units, the volunteering portal Asas do Bem became available to employees in Évora, Portugal. The Institute also coordinated actions with focal points in various units and the number of volunteers abroad almost doubled to 336 people.

### Entrepreneurship

Embraer encourages entrepreneurship internally and externally. For this, the Company has the following programs: Cockpit for Talents, Company in Action, Company Program, Let's Talk About Ethics, Economics for Success and Job Shadow.

### Social Partnership Program

Embraer, with the Social Partnership Program, funds and supports educational projects promoted by civil society organizations. The working issues are chosen in public consultations with local community representatives, in a participative and transparent method, in order to meet main regional social gaps.

In 2015, the program covered the topics: formal education, infrastructure and technology, women's empowerment and prosperity and equity.

### Volunteering

Managed by Embraer Institute, the program aims to promote the volunteering culture among employees. Activities promote solidarity culture, by keeping an active virtual community to exchange experiences and share opportunities for volunteer work. In 2015, 565\* people were actively involved in programs and voluntary actions, with highlights for actions abroad, which reached a total of 336 volunteers in Portugal, the United States and China. Throughout the year, the Institute also conducted campaigns to encourage this engagement. See testimonials from Embraer volunteers: [www.noticiasinstituto.embraer.com.br/blog/Paginas/Detalhes.aspx?IDP=216](http://www.noticiasinstituto.embraer.com.br/blog/Paginas/Detalhes.aspx?IDP=216).

\*Taking into account volunteers effectively engaged, the Scholarship Fund program donors, participants in social campaigns and the corporate volunteer portal, there is a total of 4,805 people involved.

## Scholarship Fund Program

Managed by Embraer Institute, the Scholarship Fund is available for former Embraer High School students approved in public or private universities with full exemption of tuition. The goal is to financially support students during university, with a monthly stipend to cover general expenses. In order to provide economic sustainability for the program, the former students also become donors, once they find a place in the job market, after a grace period. The initiative, which benefited 277 students in 2015, also is supported by other companies and individual donors.

Through the Scholarship Fund, Social Partnership and Volunteering programs, Embraer Institute contributes to sustainable social development



### Embraer Historical Center

The Embraer Historical Center (CH in Portuguese) manages the Company's historical preservation, while it also covers the aviation industry in Brazil.

Catavento Museum, in São Paulo, held in 2015 a thematic exhibition on Technology in Aviation, based on Embraer Institute's collection, which featured a full size passenger cabin. In October 2015, in partnership with the Brazilian Air Force (FAB in Portuguese), the Center launched a virtual exhibition celebrating 30 years since the first AMX flight in Brazil.



Audiovisual and text historical contents can be found on the website  
[www.embraerhistoricalcenter.com](http://www.embraerhistoricalcenter.com)

### SUCCESSFUL PARTNERSHIPS

[GRI G4-15, G4-16]

Embraer seeks to contribute, through partnership with associations, organizations, multi-lateral organizations and voluntary initiatives, to the formulation of public policies aimed at developing its industry. Participation is always aligned with the compliance program and Embraer's Code of Ethics and Conduct (learn more about Embraer's participation in associations and national and international organizations in the GRI Indicators).

Sector related actions were also conducted. In March 2015, at the ITA Aula Magna ceremony, the Embraer Chair was announced, which will have as its first occupant Carlos Cesnik, a Company's former engineer and now professor at the University of Michigan. The chair is supported by Embraer and honors the former ITA student Guido Pessotti, who died in April 2015.

### Charters, principles, and other externally-developed initiatives [GRI G4-15]

NAME	Adoption Date	Countries and/or operations in which they are applied	Stakeholders involved
Towards Sustainable Aviation	22/03/2012	Worldwide	Suppliers, manufacturers, transportation companies and organizations in the aerospace sector
Friends of Rio+20	June 2012	Worldwide	Companies from various sectors
UN Global Compact	16/06/2008	Worldwide	Suppliers, manufacturers, transportation companies and organizations from various sectors
Commitment to Greenhouse Gases emission reduction in aviation (ICAO/ATAG)	23/09/2014	Worldwide	Suppliers, manufacturers, transportation companies and organizations in the aerospace sector
Call to Action	10/12/2014	Worldwide	Suppliers, manufacturers, transportation companies and organizations from various sectors
Biofuels research center	Inaugurated in 14/01/2015	Installed in Brazil with global impact potential	Partnership with Boeing

## Beyond the walls

The expression of citizenship is active daily at Embraer. In this context, it is worth mentioning the firefighters, who can be found working beyond fire prevention duties in Embraer units. These firefighters directly help the local communities of the Emergency Integrated Network (Rinem in Portuguese) in the Vale do Paraíba region (SP), which brings together City Hall teams, hospitals and 39 private companies for speedy service in critical situations.

The network can be activated to provide support like first aid, terrestrial, aquatic and altitude rescue, as well as isolating areas in emergency situations such as fires or major accidents on highways. It also works in the defense of the environment and wildlife, in case of fire.

The Embraer firefighting unit is formed by 50 professionals working in units at Eugenio Melo, Faria Lima, Gavião Peixoto and Botucatu, all located in the State of São Paulo. To answer the calls, the Company has ambulances, support vehicles and firefighting trucks. Embraer firefighters have repeatedly been recognized for their contributions, and the Company is one of three private organizations that provide more support for society, according to the classification by Rinem. The Brazilian Security Agency Association (ABS in Portuguese) also certified Embraer in the diamond category, after winning gold for two consecutive years for its commitment to social safety and welfare.



**ENVIRONMENT** |G4-DMA (Energy), G4-DMA (Water), G4-DMA (Emissions), G4-DMA (Effluents and waste)|

In line with the guidelines and principles of its Environment, Health and Safety at Work Policy (MASS in Portuguese), the Company fully complies with environmental legislation, aiming to minimize impact and manage risks. The Company identified that the main environmental aspects associated with facilities, processes and products are Greenhouse Gas emissions (GHG), the generation and disposal of waste and the consumption of natural resources. In order to reduce and mitigate these, the Company operates with a focus on supply chain engagement and eco-efficient products and services development. The analysis of environmental impact is carried out based on ISO 14001 standards, and the development of products that meet the requirements of Integrated Development of Environmentally Sustainable Products Program (DIPAS in Portuguese) (learn more in Sustainable Growth).

In 2015, the Company did not record any significant volume leaks. |GRI G4-EN24|

**Greenhouse Gas (GHG)**

Embraer operates in line with its commitment to aviation industry sustainability – signed in 2012, and which establishes a 50% GHG emissions reduction target in the sector by 2050, based on year 2005. Other initiatives to minimize emissions in 2015 were the air-conditioning temperature operation and control in the Faria Lima unit, the replacement of incandescent bulbs with LED bulbs, and the movement of aircraft without turning on the APU in flight preparation for Commercial Aviation.

Embraer’s inventory of greenhouse gas emissions has been certified for the sixth consecutive year by ISO 14064 Part I, which sets standards for quantification, monitoring, verification and validation of GHG emissions (see inventory results of Embraer emissions in the GRI Indicators). |G4-EN15, G4-EN16, G4-EN17, G4-EN21|

**Waste**

Embraer manages its waste materials in an environmentally responsible manner, with outsourced and qualified companies promoting co-processing, decontamination, reuse, recycling and/or disposal of materials (see total weight of waste generated and their destinations in the GRI Indicators). |G4-EN23|

REDUCTION OF GREENHOUSE GAS EMISSIONS (GHG)  GRI G4-EN19	Weight	
	(tCO <sub>2</sub> e)	
	2014	2015
Process Redesign – Scope 1	77	98
Equipment conversion and modernization – Scope 2	47	239
Equipment conversion and modernization – Scope 1	120	0
Employees' behavior changes	22	0
Total emissions avoided	266	337

N: Atmospheric emissions data relates to units at SJK, EGM, TTE, ELEB, GPX and BOT.

## Chemical Substances Management System

In 2015, the Company implemented the first phase of the new chemicals management system to improve its full compliance with current environmental legislation and to anticipate future regulations. To create this system, all the laws and regulations for chemicals in the world, as well as the trends in this sector, were assessed. The system allows for the preparation of the Bill Off Substance (BOS), a list of substances

that compose each part of the aircraft and which ensures their proper use as well as the total safety of employees and customers.

The E-Jet E2 is the first Embraer jet to be manufactured using BOS information. To continue this initiative, a committee was formed in the Company to develop the second phase of the chemicals management system, to be implemented by 2017.

**Energy and water**

Embraer measures and monitors energy and water consumption (industrial and human) in their units through an intranet tool which is updated monthly. In 2015, energy consumption totaled 428,214 GJ, 0.6% less than in 2014. Reductions of 2,145,595 kwh/year in energy requirements were also obtained at Embraer sites through LED lamp replacement, operational air-conditioning control, adoption of an energy management system in computers, among other improvements. |GRI G4-EN3, G4-EN6|

As aircraft operation is the longest stage (more than 15 years) of their life cycle, reducing energy consumption, in relation to fuel consumption, has great potential for improving their environmental performance. Fuel consumption

is the main expense in the aircraft operation and, therefore, design options that promote fuel efficiency are always the focus of aircraft manufacturers, thus meeting both market and environmental needs. Scheduled to go into operation in 2018, the new generation of Commercial Aviation jets (E2) has improvements that will allow a reduction of up to 24% in fuel consumption and emissions. |GRI G4-EN7|

The Company’s main water consumption is administrative, in contrast to its small use in industrial processes. The water supply comes from local dealers and deep wells. In 2015, Embraer used 96.0152 cubic meters of water, of which 2% corresponds to recycled/reused water. |GRI G4-EN8, G4-EN10|

In order to have an environmentally responsible management and encourage consumption reduction, the Company measures and monitors its units' water and energy data, on a monthly basis

Up to  
24%  
reduction in fuel consumption and emissions per seat with the new generation of commercial aviation (E-Jets E2), scheduled to enter service in 2018

Total water use by source (m³) |GRI G4-EN8|\*

WATER SOURCES	2013	2014	2015
Subterranean water	541,900	647,616	616,545
Municipal water supplies or from other water supply companies	103,180	115,737	344,268
<b>Total volume of water used</b>	<b>645,080</b>	<b>763,353</b>	<b>960,813</b>

\*For 2015, data from units in Belo Horizonte, Sorocaba, Fort Lauderdale, Nashville, Melbourne, Évora, Beijing and affiliates OGMA and Harbin were also reported. The total water supplied by source in 2015, considering only the units reported in previous years, is equal to 710,544 m³.

Effluents

Only two Embraer units discard their effluent into fresh-water environments (Gavião Peixoto, in the Mulada stream, and Taubaté, in the Boçoroca stream), after proper treatment in their own Sewage Treatment Plants (ETE in Portuguese). The disposal volume is much lower than the carrying capacity of water bod-

ies and both are located outside of Environmental Protection Areas (APA in Portuguese). The remaining wastewater is disposed of in the public network (see water discharge data of units broken down into treatment and disposal in the GRI Indicators). |GRI G4-EN22|

Product Responsibility |GRI G4-EN27|

In January 2015, Embraer, together with Boeing, inaugurated the Joint Research Centre for Sustainable Aviation Biofuels, in an effort to consolidate the establishment of the aviation biofuel industry in Brazil. Installed at the Technological Park in São José dos Campos (SP), the Center will coordinate and fund researches from universities and other Brazilian institutions into the production of raw materials, economic feasibility studies and biofuel processing technologies.

The two companies also announced during the year a partnership to improve aviation performance concerning environmental aspects.

An Embraer aircraft will be used in 2016 to perform tests within the Boeing EcoDemonstrator Program. The program aims to accelerate the use of new technologies in order to increase flight safety and reduce fuel consumption, greenhouse gas emissions and aircraft noise.

The year was also marked by the release of a manual developed by Embraer which provides guidance to customers regarding the aircraft end of life. The aim is to encourage the proper disposal or aircraft parts reuse without harming the environment, in line with the sustainability principles adopted and defended by the Company.



1 – Calculation basis	2015 (R\$ mil)	2014 (R\$ mil)
Net income (RL)	15,125,054	10,846,351
Operational profit (RO)	241,601	796,085
Gross Payroll (FPB)	2,282,515	2,058,643
Total Added Value (VAT)	4,457,294	3,969,878

2 – Internal social indicators	R\$ mil	% above FPB	% above RL	% above VAT	R\$ mil	% above FPB	% above RL	% above VAT
Food	29,940	1.31	0.20	0.62	29,724	1.44	0.27	0.75
Mandatory social charges	356,425	15.61	2.36	7.40	359,781	17.48	3.32	9.06
Private pensions	68,956	3.01	0.46	1.43	63,106	3.07	0.58	1.59
Health	121,458	5.30	0.80	2.51	113,678	5.52	1.05	2.86
Health and safety at work	21,737	0.95	0.14	0.45	15,643	0.76	0.14	0.39
Education	471	0.02	0.00	0.01	498	0.02	0.00	0.01
Culture	365	0.02	0.00	0.01	186	0.01	0.00	0.00
Training and professional development	17,791	0.78	0.12	0.37	12,160	0.59	0.11	0.31
Day care or day-care assistance	1,287	0.06	0.01	0.03	1,144	0.06	0.01	0.03
Sport								
Profit-sharing Program	89,462	3.91	0.59	1.85	97,475	4.73	0.90	2.46
Transport								
Others	59,940	2.62	0.40	1.24	48,663	2.36	0.45	1.23
<b>Total – Internal social indicators</b>	<b>767,832</b>	<b>33.57</b>	<b>5.08</b>	<b>15.91</b>	<b>742,058</b>	<b>36.05</b>	<b>6.84</b>	<b>18.69</b>

3 – External social indicators	R\$ mil	% above RO	% above RL	% above VAT	R\$ mil	% above RO	% above RL	% above VAT
Education	20,468	4.24	0.14	0.42	19,945	2.51	0.18	0.50
Culture	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Health and sanitation	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Sport	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Fight against hunger and food security	55	0.01	0.00	0.00	51	0.01	0.00	0.00
Sector indicator								
Others	1,149	0.24	0.01	0.02	745	0.09	0.01	0.02
<b>Total contributions to society</b>	<b>21,672</b>	<b>4.49</b>	<b>0.14</b>	<b>0.45</b>	<b>20,741</b>	<b>2.61</b>	<b>0.19</b>	<b>0.52</b>
Taxes (excluding social charges)	685,172	141.87	4.53	14.18	412,829	51.86	3.81	10.40
<b>Total – External social indicators</b>	<b>706,844</b>	<b>146.35</b>	<b>4.67</b>	<b>14.63</b>	<b>433,570</b>	<b>54.46</b>	<b>4.00</b>	<b>10.92</b>

4 – Environmental Indicators	R\$ mil	% above RO	% above RL	% above VAT	R\$ mil	% above RO	% above RL	% above VAT
<b>Total investments in the environment</b>	<b>19,385</b>	<b>4.01</b>	<b>0.13</b>	<b>0.40</b>	<b>12,806</b>	<b>1.61</b>	<b>0.12</b>	<b>0.32</b>
<b>Distribution of environmental investments</b>	<b>R\$ mil</b>	<b>% above total</b>			<b>R\$ mil</b>	<b>% above total</b>		
Total investments in environmental preventive actions	19,385				12,806			
Total investments in environmental maintenance actions	0				0			
Total investments in environmental compensatory actions	0				0			
Regarding the establishment of annual targets for minimizing waste and consumption in general in production/operations to increase efficiency in the use of natural resources, the company:	( ) No targets set ( ) Complies from 0% to 50% ( ) Complies from 51% to 75% (X) Complies from 76% to 100%				( ) No targets set ( ) Complies 0% to 50% ( ) Complies from 51% to 75% (X) Complies from 76% to 100%			

5 – Workforce Indicators	2015 (in units)	2014 (in units)
Number of employees at end of the period	17,007	17,094
Number of admissions during the period	827	788
Number of outsourced employees	985	912
Number of trainees	336	337
Number of employees over 45 years old	3,104	3,055
Number of women working in the company	2,519	2,523
Number of man working in the company	14,488	14,571
Percentage of management positions held by women	10.51	10.58
Number of black people working in the company	889	829
Percentage of management positions occupied by black people	2.60	2.67
Number of persons disabled or with special needs	755	709

6 – Relevant information re. the exercise of corporate citizenship	2015	2014
Ratio between the highest and lowest salaries in the company	49	49
Total number of work accidents	191	184
The social and environmental projects developed by the company were defined by:	( ) Board of Executive Officers (X) Board of Executive Officers and managers ( ) All employees	( ) Board of Executive Officers (X) Board of Executive Officers and managers ( ) All employees
Safety and health standards in the workplace were defined by:	( ) Board of Executive Officers and managers ( ) All employees (X) All employees + CIPA	( ) Board of Executive Officers and managers ( ) All employees (X) Everyone + CIPA
Regarding union freedom, the right to collective bargaining and internal representation of workers, the company:	( ) Not involved ( ) Complies with ILO standards (X) Encourages & complies with ILO	( ) Not involved ( ) Complies with ILO standards (X) Encourages & complies with ILO
Private pensions include:	( ) Board of Executive Officers (X) Board of Executive Officers and managers ( ) All employees	( ) Board of Executive Officers ( ) Board of Executive Officers and managers (X) All employees
Participation in profits or results include:	( ) Board of Executive Officers ( ) Board of Executive Officers and managers (X) All employees	( ) Board of Executive Officers ( ) Board of Executive Officers and managers (X) All employees
When selecting suppliers, the same standards of ethics and social and environmental responsibility adopted by the company:	( ) Are not considered (X) Are suggested ( ) Are required	( ) Are not considered (X) Are suggested ( ) Are required
Regarding participation of employees in voluntary work programs, the company:	( ) Is not involved ( ) Supports (X) Organizes and encourages	( ) Is not involved ( ) Supports (X) Organizes and encourages

<b>Total amount of damages and fines paid due to judicial decision:</b>				
<b>Total added value to be distributed (R\$ thousands):</b>		4,457,294		3,969,878
<b>Distribution of Added Value (DVA in Portuguese):</b>	<b>R\$ mil</b>	<b>% above total</b>	<b>R\$ mil</b>	<b>% above total</b>
Government	1,076,882	24.16	732,840	18.46
Employees	2,449,729	54.96	1,984,542	49.99
Shareholders	92,266	2.07	214,373	5.40
Third parties	689,098	15.46	456,139	11.49
Retained	149,319	3.35	581,984	14.66

## 7 – Other information

# GRI INDICATORS

## Profile of employees |GRI G4-10|

BY FUNCTIONAL LEVEL	2013 <sup>1</sup>		2014		2015	
	Men	Women	Men	Women	Men	Women
Director <sup>2</sup>	84	7	79	8	73	9
Manager	364	55	234	43	235	40
Supervisor	670	68	726	81	678	75
Pilot	104	0	106	0	102	0
Engineer	3,642	526	3,708	576	3,783	586
Professional	1,263	956	1,271	961	1,300	965
Technician	2,940	258	3,013	277	3,168	300
Administrative	526	425	490	386	480	377
Operational	6,800	590	6,619	589	6,603	599
Total by gender	16,393	2,885	16,246	2,921	16,422	2,951
Total	19,278		19,167		19,373	

BY TYPE OF CONTRACT	2013 <sup>1</sup>		2014		2015	
	Men	Women	Men	Women	Men	Women
Fixed term	264	90	226	67	217	89
Indefinite term	16,129	2,795	16,020	2,854	16,205	2,862
Total by gender	16,393	2,885	16,246	2,921	16,422	2,951
Total	19,278		19,167		19,373	

BY JOB TYPE	2013 <sup>3</sup>		2014		2015	
	Men	Women	Men	Women	Men	Women
Full day	15,247	2,674	16,219	2,916	16,403	2,945
Part time	0	6	27	5	19	6
Total by gender	15,247	2,680	16,246	2,921	16,422	2,951
Total	17,927		19,167		19,373	

BY COUNTRY	2013		2014		2015 <sup>4</sup>	
	Men	Women	Men	Women	Men	Women
Brazil	14,793	2,509	14,571	2,523	14,488	2,519
China	45	30	43	27	48	26
USA	1,147	204	1,189	221	1,406	262
France	206	81	187	75	89	19
Netherlands	3	0	4	1	56	10
Ireland	2	1	2	1	0	1
Portugal	150	44	209	57	294	97
Singapore	46	17	41	16	41	17
Total by gender	16,392	2,886	16,246	2,921	16,422	2,951
Total	19,278		19,167		19,373	

WORKFORCE	2013		2014		2015 <sup>5</sup>	
	Men	Women	Men	Women	Men	Women
Contracted employees	16,393	2,885	16,246	2,921	14,488	2,519
Outsourced <sup>6</sup>					3,935	
Total	0		0		20,942 <sup>6</sup>	

1. In 2013, trainees were categorized (who are classified as operational) and apprentices (who are part apprentices with disability and administrative and part Senai apprentices, who are operational).
2. The Board of Executive Officers is classified as: President and CEO, Vice Presidents and Directors. The difference between the years 2013 and 2014 in relation to effective leadership is due to the fact that in 2013 the classification sent abroad was taken into account. In 2014, an equalized classification was used.
3. In 2013, there was missing information from abroad. Values for Brazil and abroad were declared, except the United States.
4. In previous years the actual number in Brazil by region of the Country was declared; from 2015 the number began to be declared by country.
5. Numbers refer to sites in Brazil.
6. The system used for third-party control does not allow breakdown by gender, but Embraer will work towards having this division in the next report.

## Participation in associations and national and international organizations |GRI G4-16|

(All abbreviations apply to the Brazilian original format)

ORGANIZATION/ASSOCIATION	Seat on the Governance Board	Participation in projects/ commissions	Strategic participation	Contributes with resources in addition to the registration/ association fee
NATIONAL AGENDA				
Brazilian Association of Public Companies (Abrasca)	Yes	Yes	No	No
Brazilian Association of Industries for Defense and Security Materials (ABIMDE)	Yes	Yes	No	No
Brazilian Association of General Aviation (ABAG)	Yes	Yes	No	No
Brazilian Association of Mechanical Sciences (ABCM)	No	Yes	No	No
Aerospace Industries Association of Brazil (AIAB)	Yes	Yes	No	No
Foreign Trade Association of Brazil (AEB)	Yes	Yes	No	No
Technology Park of São José dos Campos Association	No	Yes	No	No
National Association for Research and Development of Innovative Companies (ANPEI)	Yes	Yes	No	No
Center for Competitiveness and Innovation of the Eastern Region of the State of São Paulo (CECOMPI)	Yes	Yes	No	No
National Confederation of Industry (CNI)*	No	Yes	No	No
Federation of Industries of the State of São Paulo (Fiesp)	Yes	Yes	No	No

\*Associative participation through FIESP system.



ORGANIZATION/ASSOCIATION	Seat on the Governance Board	Participation in projects/ commissions	Strategic participation	Contributes with resources in addition to the registration/ association fee
NATIONAL AGENDA				
Brazilian Institute of Corporate Governance (IBGC)	No	Yes	No	No
Industrial Enterprise Development Institute (IEDI)	Yes	Yes	No	No
Brazilian National Confederation of Industry (MEI)	No	Yes	No	No
INTERNATIONAL AGENDA				
Aerospace Industries Association (AIA)	No	Yes	No	No
Air Transport Action Group (ATAG)	Yes	Yes	No	No
Aviation Working Group (AWG)	Yes	Yes	No	No
Brazil Industries Coalition (BIC)	Yes	Yes	No	No
American Chamber of Commerce (Amcham)	Yes	Yes	No	No
Portuguese Chamber of Commercein Brazil (CPCB)	Yes	Yes	No	No
Brazilian Center for International Relations (CEBRI)	Yes	Yes	No	No
Brazil-China Corporate Council (CEBC)	Yes	Yes	No	No
Brazil-United States Corporate Council (CEBEU)	Yes	Yes	No	No
European Policy Center (EPC)	No	Yes	No	No
Global Compact Foundation	No	Yes	No	No
Foreign Trade Study Center Foundation (Funcex)	Yes	Yes	No	No
General Aviation Manufacturers Association (GAMA)	No	Yes	No	No
International Aerospace Environmental Group (IAEG)	No	Yes	No	No
National Aeronautic Association (NAA)	Yes	Yes	No	No
United States Chamber of Commerce (USCC)	No	Yes	No	No
Woodrow Wilson Center	No	Yes	No	No
World Economic Forum (WEF)	No	Yes	No	No

Limit of scope of materials outside the Organization |GRI G4-21|

TOPICS	STAKEHOLDER
Management of natural resources and waste	Society
Atmospheric emissions	Society and customers
Ethics	People (employees), society and shareholders
Product safety	Society and customers
Transparency and communication	Customers, partners and shareholders
Environmental life cycle management	Society and customers
Local socio-economic development	Society
Research, development and innovation	Customers, partners and shareholders
Management of chemical substances	Customers, partners and shareholders and society
Supply chain management	Customers, partners and shareholders
Export control	Customers and shareholders
New businesses, products and sustainable services	Customers

Focus and frequency of stakeholder involvement |GRI G4-26|  
Consultation processes between stakeholders and the highest governance body |GRI G4-37|

STAKEHOLDER INVOLVEMENT		AIM	RESPONSIBILITY	FREQUENCY
Customers		Conferences, dedicated meetings and workshops with operators are carried out to maintain and improve their relationships and discuss issues related to aircraft (maintenance, operation and field items). It is a means for customers to meet regularly, expressing their needs, their expectations, their satisfaction, technical topics and their experiences with Embraer products. Customer Support department collect, analyze, prioritize and develop action plans for the adoption of improvements in products and processes. It is a process of continuous improvement.	Customer Support Department	Annual
	Kaizen with customers	To assist in the implementation of improvements in products and processes, aimed at improving customer interface processes with Embraer.	Customer Support Department	Continuous/ According to demand
	Research for the development and improvement of products	The technical know-how of some aircraft-operating customers are used in product improvement projects. For this reason, these customers are contacted by the Company for meetings and research.	Market Intelligence, Customer Support and Engineering	Continuous/ According to demand
	Customer satisfaction surveys	To carry out research to gauge customer satisfaction levels.	Customer Support Department	Annual
	Aeronautical fairs	Promotion and presentation of products to potential customers and aircraft sales.	Sales Department	According to the global calendar

STAKEHOLDER INVOLVEMENT		AIM	RESPONSIBILITY FREQUENCY	
Suppliers	Embraer Suppliers Conference (ESC)	Strategic alignment, presentation of future scenarios, alignment of suppliers' with Embraer's expectations, and awards for the best suppliers of the year.	CEO, VPs of the Business Units and Directors	Annual
	Supply Chain Alignment (SCA), Supply Chain Quality Alignment (SQA)	Strategic and operational alignment, presentation of scenarios and the year's challenges, aligning suppliers' and Embraer's expectations; work and action plans.	Program Managers, Directors and Supplier Quality Department	Annual
	Executive meetings (action plan and indicator book with suppliers)	Following up indicators and action plans and aligning suppliers' and Embraer's expectations.	CEO, VPs of the Business Units and Directors	Quarterly
	Customer Support Meeting (CSM)	Meeting dedicated to the aftermarket, in order to discuss with suppliers' executives matters that impact the fleet and Embraer operators. At these executive meetings, fleet action plans concerning technical and commercial issues and individual operators are presented and discussed.	CEO, VPs of the Business Units and Directors	Quarterly
	Program Review Meeting (PRM)	Technical/operational follow-up of developmental activities regarding the programs, for series production and aftermarket. Monitoring action plan and route corrections.	Directors and Program Managers	Half-yearly
Shareholders	Board of Director's Meeting	Monitoring Embraer's performance and approval of the Strategic Plan (SP) and Action Plan (AP).	Statutory VP	According to the calendar
	Strategy Committee (CEST)	Assistance in the definition of the SP and AP and monitor management and results.	CEO	According to the calendar
	Audit and Risk Committee (CAR)	Advising on risk and internal controls issues.	CEO	According to the calendar
	Human Resources Committee (CRH)	Assistance in the election or removal of directors and establishing their respective functions, definition of remuneration and HR policies, among others.	VP of People	According to the calendar
	Investor Relations Portal	Communication channel between Embraer and its investors/shareholders in order to transmit information with transparency and fairness, ensuring corporate governance.	Investor Relations Department	Continuous
	Annual report	Communication and transparency tool for stakeholders concerning the Company's sustainable practices, in alignment with sustainability practices.	Corporate Sustainability Management	Annually
	Embraer Day	A time for Company interaction with its key analysts and investors, focusing on key Embraer information during the period.	Investor Relations Department	Half-yearly
Society	Ministry of Labor and Employment Meetings	Relationship with regulatory bodies, routine inspections and compliance with the law.	Management of Work Safety, Occupational Health and the Environment	Bimonthly
	Meeting with State Sanitation Tech. Co. of S.P.(Cetesb), Health Surveillance, Federal/State Police, Department of the Army, mayors, municipal secretaries of Education, professional associations and Brazilian business associations	Relationship with regulatory bodies, routine inspections and compliance with the law. Meetings for survey of requirements and expectations of municipalities related to education and social development. Strategic discussions and sectoral policies, as well as greater integration and learning with various sectors.	Corporate Sustainability Management/ Management of Work Safety, Occupational Health and the Environment	Throughout the current year/ Fortnightly

STAKEHOLDER INVOLVEMENT		AIM	RESPONSIBILITY FREQUENCY	
Society	Participation in international forums and organizations (WEF, ATAG, IATA, ICAO, UNDP, Global Compact, WTO, AWG, among others)	Contributing to debate, proposing strategies, best practices and solutions for global issues, and support for public-private dialogue.	Department of External Relations and Corporate Sustainability Management	Throughout the current year
	Meetings with federal and state governments, municipalities and government agencies	To ensure complete understanding of Embraer's activities and projects; develop mechanisms for strengthening the relationship of the private company and the government; contribute to the formulation of public policies of interest to the aerospace industry.	Department of External Relations and Corporate Sustainability Management	Throughout the current year
	President-CEO's Blog	A direct communication channel from the President with all of Embraer's employees.	President	Continuous
People	Values Cycle	Events between leaders and employees to disseminate and internalize Embraer's Values. Divided into integrated cycles: individual practice, collective practice and adequacy of processes, tools and policies.	Department of Culture and Internal Communication Management	Bimonthly
	Meetings for following-up AP/ SMP and half-yearly alignment	Meetings to monitor progress of the AP and SMP, in which the leader gives instructions and takes corrective course actions for achieving the agreed targets.	Leaders	At least quarterly
	Climate survey and meetings between leaders and employees	Carrying out research to find out the employees' level of satisfaction, and meetings with employees for publicizing, development of sectoral action plans and monitoring of the evolution of climate improvement activities.	Leaders	Continuous
	Helpline	Confidential tool for employees and stakeholders to inform or seek support on ethical issues and behavior related to possible violations of Embraer policies or laws and regulations.	Compliance Department	Continuous
	Blue Day	Meetings to reflect on and celebrate the practice of the Company's values.	Department of Culture and Internal Communication Management	Bimonthly
People	Messages to Leaders	Communication tool for the entire leadership, which aims to support leaders in their guidance to employees on specific issues.	Department of Culture and Internal Communication Management	Continuous



Profile of the highest governance body and its committees |GRI G4-38|

COMMITTEE		Function				Gender	
NAMES OF THE MEMBERS	Executiva	Non-executive	Independence (someone from outside the organization without links)	Number of other functions and commitments	Nature of other functions and commitments	Female	Male
Alexandre Gonçalves Silva		x	x	3	Chairman of the Board of Directors		x
Sergio Eraldo de Salles Pinto		x	x	5	Company President Vice-Chairman of the Board of Directors		x
Alexandre Magalhães Filho		x		4	Member of the Board of Directors, Auditing and Executive		x
Antonio Franciscangelis Neto		x					x
Cecília Mendes Garcez Siqueira		x	x	1	Director of Previ Administration	x	
Herbert Claros da Silva		x		1	Union Vice President		x
Israel Vainboim		x	x	5	Chairman of the Board of Directors and Audit Committee and the Board of the Brazil-Israel Chamber of Commerce and member and Executive of the Board of Directors		x
João Cox Neto		x	x	2	Company President and member of the Board of Directors		x
Josué Christiano Gomes da Silva		x	x	4	President and Co-President of the company, President of the Board of Directors and Board member		x
Pedro Wongtschowski		x	x	9	President and Member of the Board		x
Samir Zraick		x	x				x
Frederico Pinheiro Fleury Curado	x			5	Member of the Board of Directors		x
Marco Tulio Pellegrini	x						x
Jackson Medeiros de Farias Schneider	x			5	Vice President of the Foundation and member of the Board		x
José Antonio de Almeida Filippo	x						x
Mauro Kern Junior	x			2	Member of the Board of Trustees and Foundation		x
Paulo Cesar de Souza e Silva	x						x
Terena Penteado Rodrigues	x					x	
Maurício Rodrigues Aveiro		x					x
Nelson Krahenbuhl Salgado		x					x

Measures taken to develop and improve highest governance body’s knowledge on economic, environmental and social topics |GRI G4-43|

MEASURES	Governance body	Economic	Environmental	Social
Presentation on the directors' duties, focusing on insider trading	Board of Directors	x		
Presentation on environmental issues in the Company's units	Board of Directors		x	
Presentation by the Embraer Institute Education and Research (IEEP)	Board of Directors			x
Visibility of current governance issues of in the United States	Board of Directors	x		
Annual compliance training	Board of Directors	x		
Presentation by the Financial Management Committee	Board of Executive Officers	x		
Presentation of the Control Committee's work and of Environmental Risks (CCRA)	Board of Executive Officers		x	
Presentation of the Sustainability Committee's work	Board of Executive Officers		x	x
Presentation by the Ethics Committee	Board of Executive Officers	x		

Variation in the proportion of the lowest salary, distinguished by gender, compared to the local minimum salaries in important operating units |GRI G4-ECS|

COUNTRY	Gender	Lowest salary paid			Reference	Percentage ratio (%)
		2013	2014	2015		
Brazil	Men	R\$1,155.00	R\$1,337.60	R\$,339.80	R\$788.00 <sup>1</sup>	170
	Women	R\$1,148.62	R\$1,337.60	R\$1,470.55		187
USA	Men	US\$2,621.41	US\$1,733.33	US\$1,733.33	US\$1,395.33 <sup>2</sup>	124
	Women	US\$2,588.42	US\$2,080.00	US\$2,080.00		149
Portugal	Men	€700.00	€700.00	€700.00	€505.00 <sup>3</sup>	139
	Women	€821.54	€700.00	€700.00		139
France	Men	€1,890.00	€1,891.99	€1,891.99	€1,455.52 <sup>4</sup>	130
	Women	€1,475.23	€1,891.99	€1,513.59		104

1. Minimum salary in Brazil.  
2. Minimum salary in the state of Florida.  
3. Minimum salary in Portugal.  
4. Minimum salary in France.  
Important operation units are considered to be those where Embraer is present and have a significant effect. None of the offices in the following countries were considered: Ireland, Singapore, China and the Netherlands, as added together they represent only 1.11% of the workforce.

Electricity consumption per unit |GRI G4-EN3|

Consumption in MW/h

Faria Lima	65,864
Botucatu	17,291
Évora	14,218
Eugênio de Melo	13,707
Gavião Peixoto	13,443
OGMA	12,929
ELEB	10,959
Melbourne	8,147
Taubaté	4,031
Nashville	3,626
Fort Lauderdale	2,180
Sorocaba	900
Harbin	830
Belo Horizonte	636
Beijing	179
<b>TOTAL</b>	<b>168,940</b>

DIRECT EMISSIONS OF GREENHOUSE GASES BY SOURCE (SCOPE 1 – IN TCO <sub>2</sub> E)  GRI G4-EN15	2013	2014	2015	Variation (%)
Combustion Processes	49,567	28,165	28,343	1
Fugitive emissions	2,343	2,111	3,058	45
Total	51,910	30,276	31,401	4

Note: Atmospheric emissions data relates to units at SJK, EGM, TTE, ELEB, GPX and BOT.

INDIRECT EMISSIONS OF GREENHOUSE GASES BY SOURCE (SCOPE 2 – IN TCO <sub>2</sub> E)  GRI G4-EN16	2013	2014	2015	Variation (%)
Generation of electricity, heat or steam	11,063	16,693	15,699	-6

Note: Atmospheric emissions data relates to units at SJK, EGM, TTE, ELEB, GPX and BOT.

OTHER INDIRECT EMISSIONS RELATED TO RELEVANT GREENHOUSE GASES (SCOPE 3 – IN TCO <sub>2</sub> E)  GRI G4-EN17	2013	2014	2015	Variation (%)
Transportation of employees and materials	8,864	7,569	8,396	11
Business travel	19,109	20,949	23,859	14
Other emissions (waste management)	705	771	1,866	142
Total	28,678	29,289	34,121	16

Note: Gases included in the calculations and potential rate of global warming (or GWP source): carbon dioxide (CO<sub>2</sub>) – 1; methane (CH<sub>4</sub>) – 25; Nitrous oxide (N<sub>2</sub>O) – 298; hydrofluorocarbons (HFCs) – 140 to 1,700; perfluorocarbons (PFCs) – 8,830.  
Air emissions data refers to the units at SJK, EGM, TTE, ELEB, GPX and BOT.

Total water disposal, distinguished by quality and destination |GRI G4-EN22|

TOTAL VOLUME OF WATER DISCHARGED (M³)	2013	2014	2015
<b>Domestic<sup>1</sup></b>	442,602	372,878	414,049
SJK	292,078	213,196	164,318
BOT	46,551	54,435	38,518
EGM	56,249	46,867	56,970
GPX	36,650	38,009	34,465
TTE	11,074	20,371	13,311
OGMA	N/C	N/C	104,165
HEAI	N/C	N/C	2,302
<b>Industrial<sup>2</sup></b>	79,472	72,233	117,892
SJK	28,627	23,708	25,690
BOT	39,716	37,702	37,670
EGM	4,161	4,160	4,200
GPX	920	615	827
ELEB	6,048	4,923	4,714
OGMA	N/C	N/C	19,562
HEAI	N/C	N/C	1,763
EVO	N/C	N/C	23,466

1. Sum total of domestic effluents in 2015, only for units previously reported: 307,528 m³.

2. Sum total of industrial effluents in 2015, only for units previously reported: 73,101 m³.

Total weight of waste, distinguished by type and disposal method |GRI G4-EN23|\*

DISPOSAL METHOD	Hazardous waste (kg)	Non-hazardous waste (kg)
Recycling	113,000	12,284,373
Composting	-	1,007,740
Co-processing	1,090,759	9,214
Recovery, including energy recovery	2,217,450	2,489,554
Incineration (mass burning)	12,487	373,635
Landfilling	-	1,408,181
Industrial landfilling	29,869	-
Sewage Treatment Plant (ETE)	757,770	695,380
Physical-chemical treatment	128,537	29,360
<b>Total</b>	<b>4,349,872</b>	<b>18,297,437</b>

\*Data for hazardous waste from the Évora unit is not included in the table, totaling 96.7 t and is referred to a responsible company that treats and disposes it according to local regulations. The variation in results between the years 2014 and 2015 is due to the inclusion of data from the Évora unit and OGMA and Harbin affiliates, in addition to the previously already reported units at SJK, EGM, ELEB, BOT, GPX and TTE. Data relating to the Embraer units in the United States is not included.



Total number and turnover rate of employees by age group, gender and region in 2015 |GRI G4-LA1|

COUNTRY	Age group	Men		Women		Grand total	
		Total	%	Total	%	Total	%
Brazil	Under 30	221	1.14	99	0.51	320	1.65
	Between 30 and 50	350	1.81	97	0.50	447	2.31
	Above 50	132	0.68	13	0.07	145	0.75
Brazil total		703	3.63	209	1.08	912	4.71
China	Under 30	1	0.01	0	0.00	1	0.01
	Between 30 and 50	2	0.01	9	0.05	11	0.06
	Above 50	0	0.00	0	0.00	0	0.00
China total		3	0.02	9	0.05	12	0.06
USA	Under 30	15	0.08	4	0.02	19	0.10
	Between 30 and 50	67	0.35	12	0.06	79	0.41
	Above 50	31	0.16	4	0.02	35	0.18
USA total		113	0.58	20	0.10	133	0.69
France	Under 30	7	0.04	6	0.03	13	0.07
	Between 30 and 50	51	0.26	41	0.21	92	0.47
	Above 50	12	0.06	4	0.02	16	0.08
France total		70	0.36	51	0.26	121	0.62
Portugal	Under 30	5	0.03	0	0.00	5	0.03
	Between 30 and 50	15	0.08	4	0.02	19	0.10
	Above 50	0	0.00	0	0.00	0	0.00
Portugal total		20	0.10	4	0.02	24	0.12
Ireland	Under 30	0	0.00	0	0.00	0	0.00
	Between 30 and 50	1	0.01	0	0.00	1	0.01
	Above 50	0	0.00	0	0.00	0	0.00
Ireland total		1	0.01	0	0.00	1	0.01
Singapore	Under 30	1	0.01	0	0.00	1	0.01
	Between 30 and 50	1	0.01	1	0.01	2	0.01
	Above 50	0	0.00	0	0.00	0	0.00
Singapore total		2	0.01	1	0.01	3	0.02
Grand total		912	4.71	294	1.52	1,206	6.23

Total number and rate of new hiring by age, gender and region in 2015 |GRI G4-LA1|

COUNTRY	Age group	Men		Women		Grand total	
		Total	%	Total	%	Total	%
Brazil	Under 30	464	2.40	153	0.79	617	3.18
	Between 30 and 50	156	0.81	50	0.26	206	1.06
	Above 50	4	0.02	0	0.00	4	0.02
Brazil total		624	3.22	203	1.05	827	4.27
China	Under 30	1	0.01	1	0.01	2	0.01
	Between 30 and 50	7	0.04	7	0.04	14	0.07
	Above 50	0	0.00	0	0.00	0	0.00
China total		8	0.04	8	0.04	16	0.08
USA	Under 30	98	0.51	22	0.11	120	0.62
	Between 30 and 50	210	1.08	28	0.14	238	1.23
	Above 50	51	0.26	5	0.03	56	0.29
USA total		359	1.85	55	0.28	414	2.14
France	Under 30	10	0.05	1	0.01	11	0.06
	Between 30 and 50	5	0.03	0	0.00	5	0.03
	Above 50	0	0.00	0	0.00	0	0.00
France total		15	0.08	1	0.01	16	0.08
Netherlands	Under 30	7	0.04	2	0.01	9	0.05
	Between 30 and 50	34	0.18	7	0.04	41	0.21
	Above 50	11	0.06	0	0.00	11	0.06
Netherlands total		52	0.27	9	0.05	61	0.31
Portugal	Under 30	36	0.19	23	0.12	59	0.30
	Between 30 and 50	76	0.39	22	0.11	98	0.51
	Above 50	1	0.01	0	0.00	1	0.01
Portugal total		113	0.58	45	0.23	158	0.82
Singapore	Under 30	1	0.01	1	0.01	2	0.01
	Between 30 and 50	5	0.03	1	0.01	6	0.03
	Above 50	0	0.00	0	0.00	0	0.00
Singapore total		6	0.03	2	0.01	8	0.04
Grand total		1,177	6.08	323	1.67	1,500	7.74

Accident frequency rate with time off work for all employees (contracted employees)<sup>1</sup> |GRI G4-LA6|

REGION	2013 <sup>2</sup>	2014 <sup>2</sup>	2015	
			Women	Men
South America (Brazil)	44	47	2	36
North America (United States of America)	11	11	3	17
Europe, Middle East and Africa	8	6	7	17
Asia	0	0	0	0
Total	63	64	12	70

1. One fatal accident in 2015 taken into account and which attributed 6,000 days lost in compliance with NBR 14280.  
2. 2013 and 2014 data are consolidated because there was no gender discrimination.

### Occupational accidents with time off work for all employees (contracted employees) |GRI G4-LA6|

REGION	2013	2014	2015
South America (Brazil)	1.37	1.45	1.17
North America (United States of America)	4.30	4.29	7.63
Europe, Middle East and Africa	11.16	6.96	22.23
Asia	0	0	0
<b>Total</b>	<b>1.77</b>	<b>1.77</b>	<b>2.25</b>

### Occupational illness rate for all employees (contracted employees) |GRI G4-LA6|

REGION	2015			
	2013	2014	Women	Men
South America (Brazil)	0	0	0	1
North America (United States of America)	0	0	0	0
Europe, Middle East and Africa	0	0	0	0
Asia	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

### Occupational illness rate for all employees (contracted employees) |GRI G4-LA6|

REGION	2013	2014	2015	
	Number of occupational illnesses – Women + Men		Percentage of occupational illnesses	
South America (Brazil)	28	15	8	0,25
North America (United States of America)	0	0	0	0
Europe, Middle East and Africa	0	0	0	0
Asia	0	0	0	0
<b>Total</b>	<b>28</b>	<b>15</b>	<b>8</b>	<b>0,22</b>

### Rate of days lost (accidents + illness) for the total number of employees (contracted employees) |GRI G4-LA6|

REGION	2013		2014		2015	
	Number of days lost	Rate of days lost	Number of days lost	Rate of days lost	Number of days lost	Rate of days lost
South America (Brazil)	1,440	44.83	993	30.55	6,945*	213.7
North America (United States of America)	614	240.09	203	79.23	423	161.47
Europe, Middle East and Africa	92	128.37	110	127.65	438	405.64
Asia	0	0	0	0,00	0	0
<b>Total</b>	<b>2,146</b>	<b>60.15</b>	<b>1,306</b>	<b>36.08</b>	<b>7,806</b>	<b>214.04</b>

\*One fatal accident in 2015 taken into account and which attributed 6,000 days lost in compliance with NBR 14280.

### Accidents with time off work for all employees (outsourced) |GRI G4-LA6|

REGION	2013	2014	2015 Women	Men
South America (Brazil)	33	22	0	17
North America (United States of America)	0	0	0	0
Europe, Middle East and Africa	11	12	0	1
Asia	0	0	0	0
<b>Total</b>	<b>44</b>	<b>34</b>	<b>0</b>	<b>18</b>

### Rate of accidents with time off work for all employees (outsourced) |GRI G4-LA6|

REGION	2013	2014	2015
South America (Brazil)	4.02	2.37	1.49
North America (United States of America)	0	0	0
Europe, Middle East and Africa	24.99	29.10	4.95
Asia	0	0	0
<b>Total</b>	<b>5.08</b>	<b>3.51</b>	<b>1.54</b>

### Fatality for all workers (outsourced) |GRI G4-LA6|

REGION	2013	2014	2015
South America (Brazil)	0	0	0
North America (United States of America)	0	0	0
Europe, Middle East and Africa	0	0	0
Asia	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Rate of days lost (accidents + illness) for the total number of employees (outsourced) |GRI G4-LA6|

REGION	Women + Men					
	2013		2014		2015	
	Number of days lost	Rate of days lost	Number of days lost	Rate of days lost	Number of days lost	Rate of days lost
South America (Brazil)	315	36.58	223	24.04	210	1.49
North America (United States of America)	0	0	0	0	0	0
Europe, Middle East and Africa	0	0	0	0	17	4.95
Asia	0	0	0	0	0	0
<b>Total</b>	<b>315</b>	<b>34.00</b>	<b>223</b>	<b>23.00</b>	<b>227</b>	<b>1.54</b>



Average number of hours of training per year per employee, distinguished by gender and employment category |GRI G4-LA9|\*

		2013		2014		2015	
EMPLOYMENT CATEGORY		Men	Women	Men	Women	Men	Women
Board of Directors	Total workload	803	270	1,101	297	5,383	967
	Total of employees in category	84	7	79	8	73	9
	Employees' hours in category	10	39	14	37	74	107
Manager	Total workload	6,244	1,390	4,512	1,692	16,544	3,312
	Total of employees in category	364	55	234	43	235	40
	Employees' hours in category	17	25	19	39	70	83
Supervisor	Total workload	42,731	4,279	31,266	3,901	35,363	4,015
	Total of employees in category	670	68	726	81	678	75
	Employees' hours in category	64	63	43	48	52	54
Pilot	Total workload	1,160	0	1,332	0	1,285	0
	Total of employees in category	104	0	106	0	102	0
	Employees' hours in category	11	0	13	0	13	0
Engineer	Total workload	158,778	27,585	133,344	23,180	105,260	18,843
	Total of employees in category	3,642	526	3,708	576	3,783	586
	Employees' hours in category	44	52	36	40	28	32
Professional	Total workload	44,047	27,723	31,691	21,669	29,652	21,756
	Total of employees in category	1,263	956	1,271	961	1,300	965
	Employees' hours in category	35	29	25	23	23	23
Technician	Total workload	115,267	21,893	98,781	14,151	95,219	8,807
	Total of employees in category	2,940	258	3,013	277	3,168	300
	Employees' hours in category	39	85	33	51	30	29
Administrative	Total workload	20,002	19,118	16,108	13,558	11,382	8,679
	Total of employees in category	526	425	490	386	480	377
	Employees' hours in category	38	45	33	35	24	23
Operational	Total workload	242,002	17,779	197,431	14,677	179,383	11,229
	Total of employees in category	6,800	590	6,619	589	6,603	599
	Employees' hours in category	36	30	30	25	27	19
Total	Total workload	631,033	120,038	515,565	93,126	479,470	77,607
	Total of employees	16,393	2,885	16,246	2,921	16,422	2,951
	Employees' hours	38	42	32	32	29	26

\*There was a change in data in relation to previous years because, in 2014, the Embraer standard of functional categorization was used. The consolidation of hours of training per capita, in which the total number of participants in training was considered, there was a change in the number of the Company's workforce to be considered. Data from 2013, 2014 and 2015 is global. In 2015 there was an increase in Leadership training hours, due to the installation of the Leadership School.

Analysis of career performance and development in 2015 |GRI G4-LA11|

EMPLOYMENT CATEGORY	Total of men	Number of men who underwent regular assessment	Percentage of men who underwent regular assessment	Total of women	Number of women who underwent regular assessment	Percentage of women who underwent regular assessment
Board of Directors	73	73	100	9	9	100
Manager	235	235	100	40	40	100
Supervisor	678	0	0	75	0	0
Pilot	102	97	95	0	0	0
Engineer	3,783	3,763	99	586	573	98
Professional	1,300	1,193	92	965	896	93
Technician	3,168	2,909	92	300	271	90
Administrative	480	418	87	377	310	82
Operational	6,603	6,196	94	599	494	82
Total	16,422	14,884	91	2,951	2,593	88

Composition of groups responsible for governance and breakdown of employees by employee category, according to gender, age group, minorities and other diversity indicators |GRI G4-LA12|

EMPLOYEES PER EMPLOYMENT CATEGORY	Total	Women (%)	Men (%)
Board of Directors	82	11	89
Manager	275	15	85
Supervisor	753	10	90
Pilot	102	0	100
Engineer	4,369	13	87
Professional	22,65	43	57
Technician	3,468	9	91
Administrative	857	44	56
Operational	7,202	8	92
Total	19,373	15	85

EMPLOYEES BY MINORITY GROUPS*	2014	2015
Number of black employees working in the company	829	889
Percentage of management positions occupied by black employees	2.67	2.60
Number of people with disabilities or special needs	709	755

\*Data refers only to Brazil.

EMPLOYEES PER EMPLOYMENT CATEGORY	Total	Below 30 years old (%)	From 30 to 50 years old (%)	Over 50 years old (%)
Board of Directors	82	0	45	55
Manager	275	1	67	32
Supervisor	753	1	81	18
Pilot	102	0	54	46
Engineer	4,369	20	68	12
Professional	2,265	14	73	12
Technician	3,468	22	62	17
Administrative	857	35	53	12
Operational	7,202	24	69	7
<b>Total</b>	<b>19,373</b>	<b>20</b>	<b>68</b>	<b>12</b>

**Total number of hours of employee training in human rights policies or procedures related to aspects of human rights relevant to the organization’s operations, including the percentage of employees trained** |GRI G4-HR2|

COUNTRY	Number of hours dedicated by employees (units)	Total number of hours dedicated	Percentage of hours dedicated
Brazil	510,867	3,006	0.6
China	1,421	16	1.2
Portugal	2,775	93	3.6
USA	40,692	536	1.4
France	462	14	3.2
Singapore	455	20	4.7
Netherlands	404	35	9.3
Ireland	1	1	100
Total	557,077	3,721	0.7

**Number of complaints and claims related to labor practices recorded, processed and resolved through formal procedure** |GRI G4-LA16|/Number of complaints and claims related to impacts on human rights recorded, processed and resolved through formal procedure |GRI G4-HR12|

	2015 (Helpline)
<b>Reports registered on the complaints channel</b>	<b>304</b>
Out of scope	40
Within scope	264
Measures applied	64
Warnings and suspensions	9
Dismissals	8
Others (coaching, monitoring, orientation, awareness campaign and improvement of processes and policies)	47

**NOx, SOx and other significant atmospheric emissions (t)** |GRI G4-EN21|

	2013	2014	2015
CATEGORIES	Volume of emissions in kg or multiples	Volume of emissions in kg or multiples	Volume of emissions in kg or multiples
NOx	153	103	97
SOx	2	2	2
Volatile Organic Compounds	39	27	20
Particulate Matter	28	36	26

Note: atmospheric emissions data relating to SJC, EGM, TTE, Eleb, GPX and BOT units only.

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# CREDITS

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TheMediaGroup

## **CONTENT**

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## **ENGLISH TRANSLATION**

Corporate Sustainability Management

## **PHOTOGRAPHY**

Embraer's collection

