



SUSTAINABILITY REPORT 2015

SUMMARY

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MESSAGE FROM THE CEO

Hi,

I would like to invite all of you to learn about our *Annual Sustainability Report*, which contains all our achievements and shows how we overcame challenges throughout 2015. The document was produced relying on the involvement of all company areas in order to advance in sustainability management through an integrated process.

The aspects covered in this report were identified through a process that includes consultations with our main stakeholders.

Our Global Stance on Sustainability is based on the Corporate Principles for Food and Agriculture, of UN's Global Compact, and on the engagement of stakeholders, which to us, represents a critical and continuous process.

With clearly defined goals and objectives, we work to achieve an increasingly more global cooperation, with transparency and sustainability. To this end, the participation of all our employees, suppliers, institutional partners, and communities where we operate, is instrumental.

Enjoy your reading!

Waldemir Ival Loto
CEO at AMAGGI

G4-1



PROFILE

AMAGGI

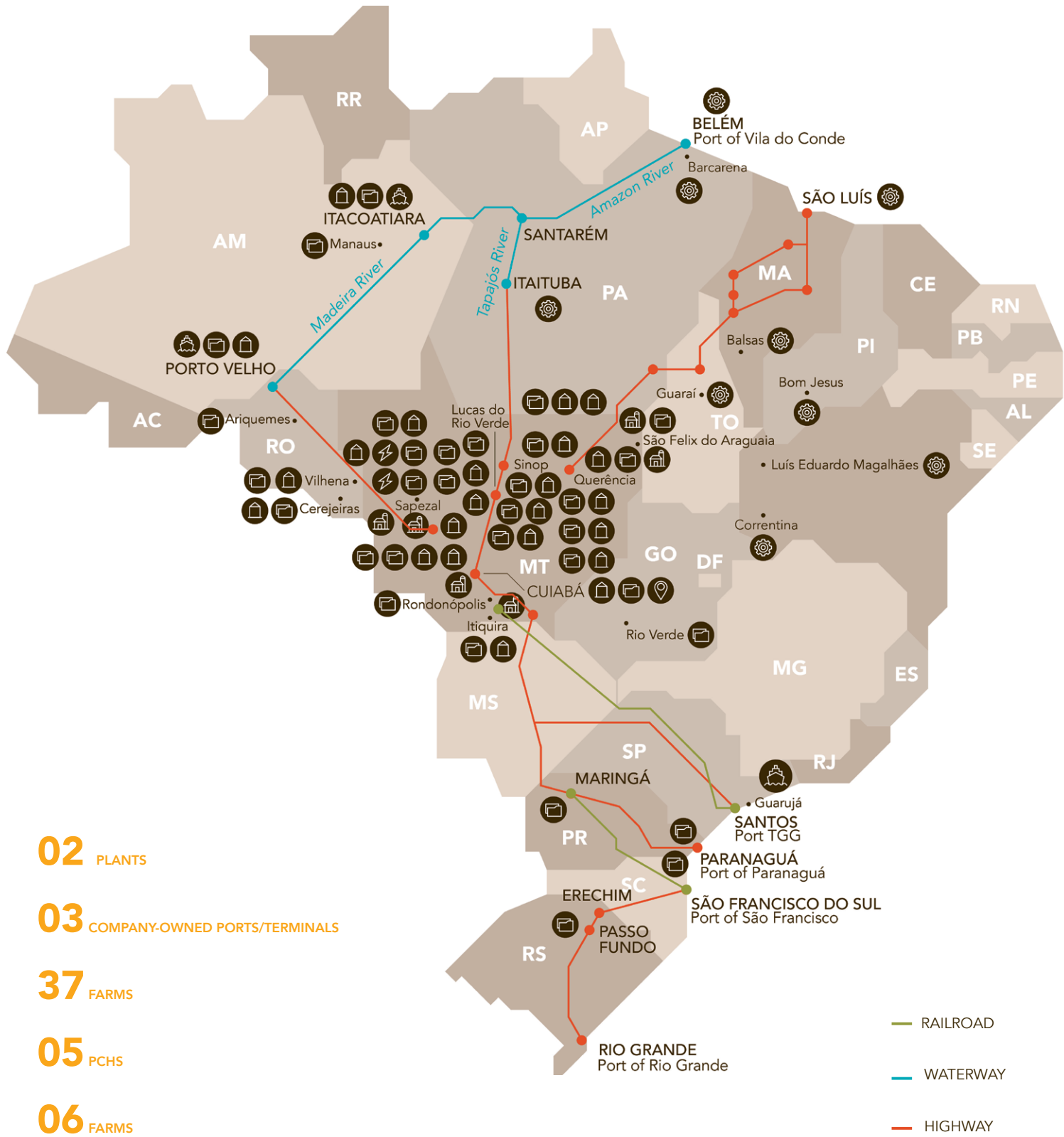
G4-5, G4-6



SUSTAINABLE DEVELOPMENT GOALS

**HIGHLIGHTS FOR 2015****BRL 9 million**
in investments and spending on
environmental protectionBuilding the Global Stance
on Sustainability**USD 186 million**
invested in assets**130,000**
training hours involving almost
all employees**USD 3.8 billion**
annual revenueImplementation of SAP and Comex
systems at international facilities**30,000 people**
directly impacted by projects by
the Foundation**1 new office**
in China**97,000 ha**
preserved area**56% of actions**
in the 2015/2016 Stakeholder
Engagement Plan already carried out**Telegram**
begins operations**08006470004**
Created the Corporate Security
Department and Hotline

In Brazil



International presence



01 plant



05 offices



07 countries in which it operates

PROFILE

GOVERNANCE

STRUCTURE

G4-34, G4-35, G4-36, G4-38, G4-39, G4-40, G4-47, G4-51

AMAGGI's governance model follows the best practices defined by the Brazilian Corporate Governance Institute (IBCG).

The Board of Directors and the Executive Board comprise the company's senior leadership, with distinct roles and responsibilities. The Chairman of the Board does not hold a position on the Executive Board, pursuant to best governance practices. To provide support to these two bodies, the company relies on several committees.

The Board of Directors is formed by seven members, elected for three-year terms, eligible for reelection, and one independent board member. Board members convene at least once every two months to discuss strategies associated with economic, environmental, and social aspects.

The Executive Board, comprised of the CEO and 11 directors, manages the aspects in a structured and hierarchical manner, with authority and purview for such. The results of the business areas, as well as the challenges and opportunities, are discussed in monthly meetings.

Performance of sustainability indicators reflects on the variable remuneration of directors and managers. Performance goals that comprise bonuses are shared with two hierarchical levels immediately below.

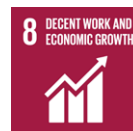


GLOBAL COMPACT



Companies must support a precautionary approach to environmental challenges.

SUSTAINABLE DEVELOPMENT GOALS



MISSION, VISION AND VALUES

GRI G4-56

MISSION

To contribute to the development of agribusiness, by adding value, respecting the environment and improving life in the communities.

VISION

To be a reference in sustainable development.

VALUES



- Integrity - to be ethical, fair, and consistent with our thoughts, words, and actions



- Respect for the Environment - to be a reference in social and environmental management



- Simplicity - focus on the essential, encouraging agility and less bureaucracy



- Humility - to show respect for people, maintaining common sense in professional and personal relationships



- Participatory Management - to encourage participation by promoting recognition and professional growth, involving people in key company processes



- Commitment - "Fly the Flag" Word with passion and pride and strive for the company's success



- Innovation and Entrepreneurship - retain creative, participative, bold, talented, and enthusiastic people who can make a difference in the competitive market.



- Respect for our Partners - foster good business relations, remaining faithful to the commitment of being a company admired and respected by all

SENIOR MANAGEMENT COMMITMENT TO SUSTAINABILITY

G4-37, G4-42, G4-43, G4-44, G4-45

Sustainability at AMAGGI is considered, by the Board of Directors and the Executive Board, as one of the strategic pillars for the business.

Senior management's commitment to sustainability was reinforced in 2015 through the approval of the Global Stance on Sustainability, developed for two years, and launched in 2016. This material provides on the company's commitments in all its operations in Brazil and abroad. The aspects that comprise the Stance and the Vision for the year 2025 were discussed and validated by the entire Executive Board, after a long process to incorporate the most important information to audiences and for the company's growth strategy.

Alignment of senior management with the organization's strategic objectives and coherence with organizational values are addressed and developed through initiatives of project Aroeira. Deliberation meetings will be held with the Board of Directors on strategic leadership aspects, and there is a formal evaluation of competencies and execution of strategies, involving the entire Executive Board, in which commitment to sustainability is one of the topics assessed.

IN 2015:

- Deliberation of the Board of Directors and the Executive Board about the guidelines for 2025.
- Development of Global Stance on Sustainability and Vision for 2025
- Discussion with business areas to develop an action plan focused on specific challenges in the area
- Meeting of leaders with employees in the operating units, with dissemination of values and paths trailed, demonstrating coherence of leaders with institutional values.

Global Stance on Sustainability

Through the strengthening of AMAGGI's international operations and the plans to become an increasingly global company, came the need to strengthen the company's commitment to sustainability, in terms of global challenges. The company began, in 2014, the preparation of the Global Stance on Sustainability, which should be launched in the first half of 2016

Definition of priority aspects occurred based on studies and gathering of information, and the main examples are:

- Corporate Principles for Food and Agriculture, of UN's Global Compact
- Materiality Matrix developed in 2014, after consulting various stakeholders
- Determination of priority aspects together with direct and indirect clients that comprise our value chain
- Work conducted with the company's senior management to identify strategic topics on sustainability for the coming years
- Additional literature on the aspect of sustainability on debate or addressed as key aspects for the agribusiness

"It's neither a policy nor a standard. It is a stance. We write down our beliefs and commitments to sustainability, but the document is open for debate, and for joint development. We have made great advancements by sharing our risks and challenges, and we believe that this is how we will find the best opportunities and achieve the best results."

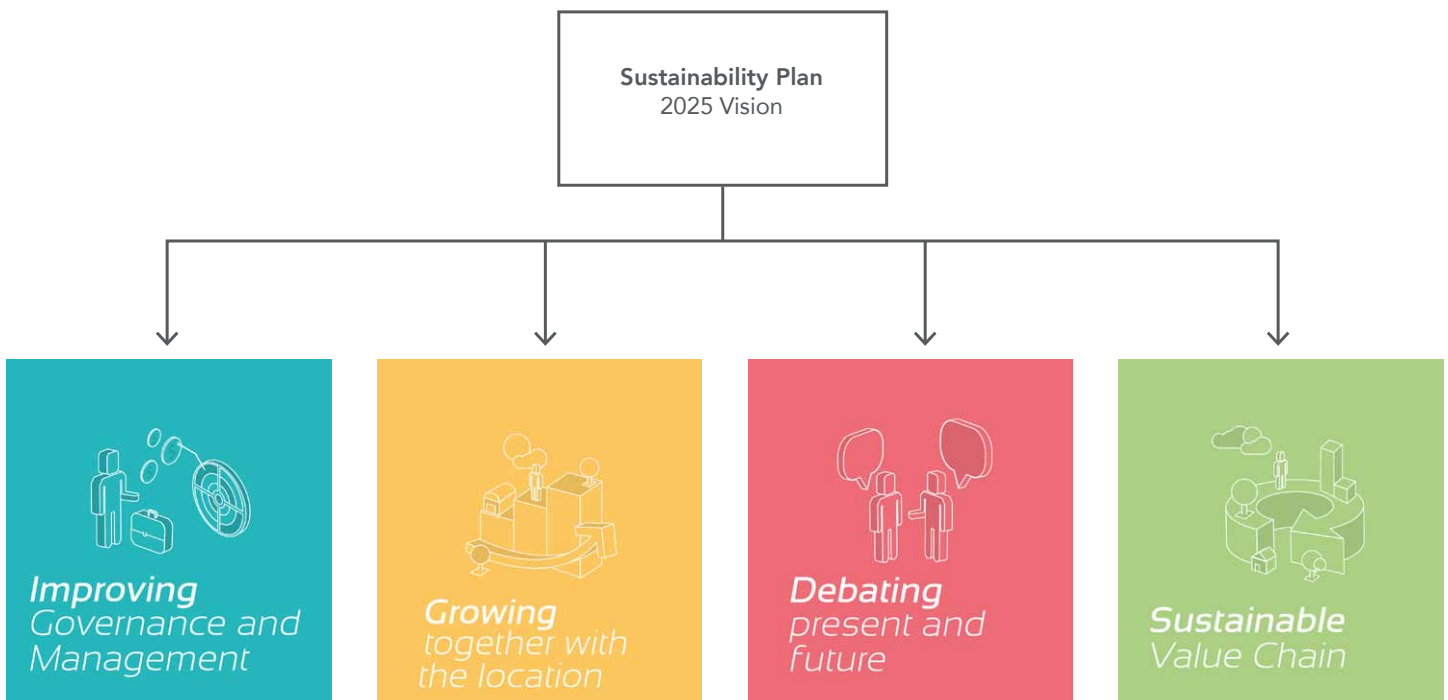
Juliana Lopes, Sustainability Director

2025 Vision

In order to integrate the strategies of the business areas for the next 10 years, AMAGGI added the 2025 Vision to the Global Stance on Sustainability. After merging the two documents and decoding the strategies of the business areas, the company devised an initial action plan for each of the aspects, within the four business areas and the André and Lucia Maggi Foundation. The year 2015 was important for the development of this plan and, in 2016, AMAGGI intends to report what is being done and the main challenges and priorities for each aspect.

The aspects covered in the Global Stance and in the 2025 Vision were divided into groups called strategic blocks.

GLOBAL STANCE ON SUSTAINABILITY – STRATEGIC BLOCKS



RISK MANAGEMENT

G4-14, G4-38, G4-41, G4-46, G4-49

Risk management at AMAGGI is based on the Corporate Risk Management Policy, launched in 2015, and aims to mitigate the following risks: financial, strategic, operational, and regulatory. The document provides the company's risk management guidelines, including the definition of tools that are allowed for mitigation of commercial and financial exposure risks.

The basic principles of corporate risk management are:

- Risk management is a process and not an one-off event, and should involve all areas of the company
- Implementation of this management should be led by the Board of Directors, by the CEO, and by the executive board of each business unit
- The Risk Management Department requires dissemination of a culture of knowledge and mitigation of risks, with the routine participation of the workforce

The main phases of the risk management process are:



Assessment and gauging of risk factors;



Preliminary assessment of risk factors and evaluation of mitigation alternatives;



Implementation of mitigation alternatives;



Communication of strategies implemented;



Control and monitoring;

The management process is conducted by the Risk Management Committee, which assesses full compliance with the Corporate Risk Management Policy, and proposes applicable alternatives. Additionally, the committee has the power to veto operations that, from their standpoint, are not suitable for the company when evaluated.

IN 2015:

- Launch of the Corporate Risk Management Policy
- Project to Systematize Exposure to Currency, with a financial focus, risk assessment of pre-established operations, and risk of exposure to foreign currencies
- Pricing project for commercial exposure of *commodities*. Before, the reports covered risks in volumes. This project includes risk assessment of monetary values

COMPLIANCE WITH LEGISLATION

Respect to legislation is a strategic priority at AMAGGI, and management of this aspect is done by all company areas for those topics that are pertinent to each area. Topics of general repercussion to the company, as well as clarification of questions and interpretation of other topics, are a responsibility of the Legal Department and its team, which tend to the legal security of the activities developed by AMAGGI concerning the applicable legislation, based on preventive operating.

Updating in terms of amending legislation is continuously done through research and receipt of information from specialized companies.

Compliance with legislation is verified through internal and external audits, in addition to internal committees created for assessment of the results of such audits and for establishing actions for improvement.

The Company's Code of Ethics and Conduct also provides guidance to employees concerning legislation.

In order to comply with the environmental aspects, the applicable legislation is identified through a consulting company specializing on this aspect, aiming to maintain the legal standards always updated. Assessment of legal compliance is done annually, as a procedure of the Environmental Management System. Inconsistencies, once identified, are recorded and subsequently the necessary actions for remediation are defined.

In terms of fiscal aspects, the company's statements are audited annually by an external and independent consulting company.

To analyze the viability of new developments, projects and activities, the company carries out a risk assessment associated with financial impacts, licensing and environmental factors, among others.

In order to control compliance with all items provided for in the labor laws, the Human Resources Department carries out on-site assessments in all units. Considering the issues on occupational health and safety (OHS), the company adopts the proactive principle, seeking to implement stricter standards even before they become mandatory.

AMAGGI also evaluates social and environmental regulations, labor laws, and occupational health and safety aspects of its supply chain and, in its contracts for procurement of materials, services and inputs, and commodities, AMAGGI includes clauses that require respect to legislation, including environmental and labor, as well as clauses involving respect to human rights.

When any possibility of nonconformity is observed, AMAGGI's Executive Board is immediately notified, receiving proper guidance and risk assessment in order to adopt the necessary measures to adjust the conduct of the company to the legislation.

IN 2015:

- Creation of civil and labor suits indicators that allow for the identification of the root cause and areas with greater incidence, allowing for a better understanding by senior management and improvement in the management process.
- Debates, training and definition of initiatives associated with Anticorruption Law, enacted in March 2015, for a preventive operation in all business relations and negotiations
- Adoption of clauses concerning anticorruption legislation in contracts to procure materials, services and marketing of inputs and commodities

TRAINING AND DEVELOPMENT

People development is one of the greatest challenges for the company's growth strategy and consequently it is a priority strategy.

Initiatives and impacts of training courses are managed through the Human Resources Policy, implemented through human and organizational development programs. Planning of initiatives is defined based on the strategy and business plan of each area, as well as the needs to develop employees, identified through assessments and analysis of the competencies demonstrated.

The Organizational and Human Development Department relies on specialists who work together with the business areas, identifying demands and opportunities, ensuring efficiency in the decision-making process about people and guaranteeing the implementation and monitoring of results of programs.

In 2015, based on the definition of strategies for the business areas, the Human Resources department designed a strategic plan for the next 10 years. Considering the company's international expansion strategy, one of the largest challenges, in addition to fluency in languages, is to develop skills for working in a global environment, with a variety of cultures and legislations.

Another main challenge for the future is to implement the People Committee in company units, already in place at the company headquarters, and intended to discuss specific needs in terms of people.

IN 2015

School of Leaders

Created in 2013 to train leaders through projects to develop competencies for supervisors, coordinators, managers, and directors. The year 2015 saw the continuation of work groups that started in 2014, with the participation of 12 directors, 89 managers, 125 supervisors, 58 field coordinators, and 21 waterway leaders. In addition to expanding the aspects with the groups already formed, operational coordinators were included, with the participation of 70 employees.

School of Talents - self-knowledge module

At the School of Talents, which aims at training professionals in the technical area, a self-knowledge module was provided in 2015 with the participation of 666 employees. The objective was to have employees identify their own profiles, and how this impacts their fluency and well-being, in order to gain greater awareness of their behavior and of the results they can offer to the company, thereby positively contributing to the organizational climate and health of the employees.

Trails for Improvement

The project was developed by mapping job positions and the needs identified in the mid- and long-term strategy. These are technical training and personalized behavioral programs, for each business area, aiming to improve administrative, technical, and operational performance of employees. In 2015, a total of 48 employees from the sales department and 45 from the technical areas participated. Also in 2015, new critical job positions were mapped, which will be addressed in 2016, in the area of logistics, in plants, and in the mechanical department of farms.

Share Program

Implemented in 2014 as a pilot project aiming to develop knowledge management among employees. Through fortnightly meetings, one of the employees presents a topic from a congress, seminar or presentation in which they participated. In 2015, the project was consolidated in the Human Resources department, and will be expanded, in 2016, to other areas of headquarters

Climate Survey

In 2014, a climate survey was conducted involving 80% of the employees. The goal was to identify aspects that have helped AMAGGI engage people in their business objectives and strategies, matching the results against those of the market in general, as well as best practices, and recommending actions for improvement. In 2015, the business areas designed and initiated the implementation of an improvement plan.

Strengthening our roots

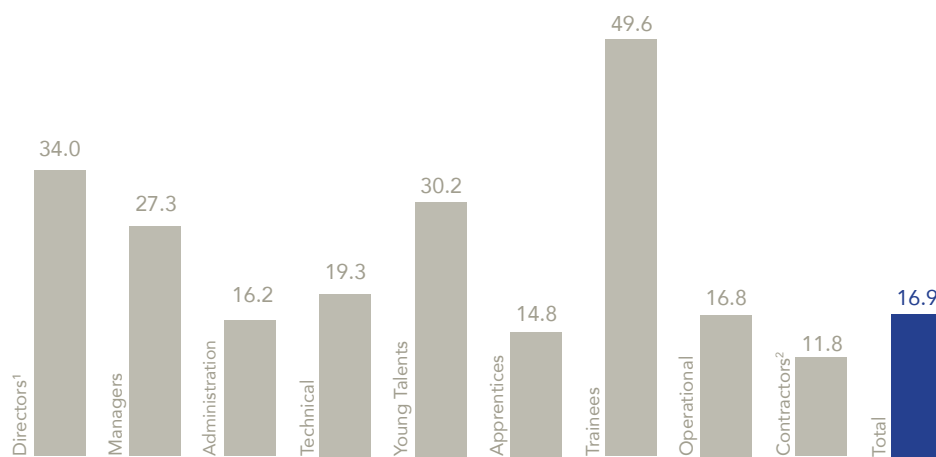
A project implemented in 2015 as the continuation of the work initiated in 2013, when the People Department gathered leaders to reflect about institutional values. It was identified that there was coherence between what the organization records and discloses, and what is perceived. Based on this, meetings were organized in 2015 between executives and employees of the units, where managers talk about their trajectory and the possible paths for employees who identify themselves with the AMAGGI culture. The project was taken to several locations and, for 2016, is being organized for the remaining business units.

Employer Branding

Project initiated three years ago to develop the AMAGGI brand as an employer brand. The website used for recruitment - Vagas.com - applies surveys to evaluate the selection process from an applicant's standpoint, and the companies are ranked based on the results. In 2015, the company remained for 11 months among the 10 best-ranked companies, placing second in the overall annual ranking in 2015. In 2015, as part of the project, a University Circuit was conducted, giving lectures about the company and its practices, in universities in the state of Mato Grosso, involving more than 5,000 students. The idea is to attract to the Young Talents program people whose values are in line with those of the company.

AVERAGE NUMBER OF TRAINING HOURS BY FUNCTIONAL CATEGORY

G4-LA9



¹For the purposes of calculating the indicator, the CEO is included in the directors category.

²Not monitored by gender.

Note: The difference between hours/employees among genders is due to a historical characteristic of the agribusiness, which has more male than female employees.

PROFILE

INTERNAL AUDIENCE

In 2015, the number of AMAGGI employees increased by approximately 12%. As a result of the characteristics of the industry where the company operates, and of a historical and cultural process, male employees are predominant. Most employees are located in the Midwestern Region (71%) and in the agribusiness sector (47%).

All agreed-upon terms in the collective bargaining agreements apply to every employee registered in the corresponding units. G4-11



4,848
DIRECT EMPLOYEES



GLOBAL COMPACT



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

SUSTAINABLE DEVELOPMENT GOALS



TOTAL NUMBER OF EMPLOYEES

G4-10

G4-LA9 – Total number of employees by functional level¹

	2015	
	Men	Women
Administration	520	445
Board of Directors	2	2
Executive Board ²	11	1
Managers	362	50
Young Talents	7	8
Operational	3,040	222
Technical	56	18
Apprentices	61	35
Trainees	4	4
Total by gender	4,063	785
Total	4,848	

¹ For the 2015 report, the breakdown of functional levels was rearranged; consequently, comparison with previous years is not possible.

² For the purposes of calculating the indicator, the CEO is included in the Directors category.

Number of employees by type of employment contract

	2013		2014		2015	
	Men	Women	Men	Women	Men	Women
Fixed-term contract	0	0	0	0	705	111
Open-ended contract	3,293	656	3,646	730	3,358	674
Total by gender	3,293	656	3,646	730	4,063	785
Total	3,949		4,376		4,848	

Number of employees by job type

	2013		2014		2015	
	Men	Women	Men	Women	Men	Women
Full-time employment	3,091	617	3,436	683	4,010	742
Part-time employment ¹	202	39	210	47	53	43
Total by gender	3,293	656	3,646	730	4,063	785
Total	3,949		4,376		4,848	

¹ A significant reduction in the number of male employees working part time, between 2014 and 2015, is a result in the change of work hours for waterway workers, from 180 hours/month to 220 hours/month.

Number of employees by region

	2013		2014		2015	
	Men	Women	Men	Women	Men	Women
Southern Region	11	7	13	10	15	10
Southeastern Region	0	0	0	0	0	0
Midwestern Region	2,381	507	2,685	567	2,868	589
Northeastern Region	0	0	0	0	0	0
Northern Region	901	142	948	153	1,180	186
Total by gender	3,293	656	3,646	730	4,063	785
Total	3,949		4,376		4,848	

Number of employees by business¹

2015		
	Men	Women
Commodities	887	214
Agro	2,036	228
Navegação	887	139
Energia	58	11
Headquarters	195	193
Total by gender	4,063	785
Total	4,848	

¹ Indicator reported for the first time in 2015.

Number of employees (contractors) hired by region

	2013	2014	2015 ¹
Midwestern Region	538	358	573
Northern Region	283	252	182
Southern Region	0	0	0
Total	821	610	755

HEALTH AND SAFETY RATES FOR EMPLOYEES

INJURY RATES, OCCUPATIONAL DISEASES, LOST DAYS, ABSENTEEISM AND WORK-RELATED FATALITIES, BY REGION AND BY GENDER
G4-LA6

Health and safety rates for employees (own employees), by gender

	2013	2014	2015
Injury rate ¹	13.19	6.75	7.81
Occupational disease rate	0	0.09	0.16
Total number of lost days²	8,207	4,401	8,824
Absenteeism rate	0.16%	0.15%	0.19%
Total number of fatalities	1	0	1

AMAGGI gives high priority to occupational health and safety initiatives and, despite not considered a material aspect, the company constantly monitors indicators in a continuous improvement process.

Health and safety rates for employees (own employees), by region

	2013			2014			2015		
	Mid-West	North	South	Mid-West	North	South	Mid-West	North	South
Injury rate ¹	12.32	16.31	0	7.08	5.75	0	8.27	6.48	0
Occupational disease rate	0	0	0	0	0.41	0	0.11	0.34	0
Total number of lost days²	1,673	6,534	0	1,738	2,663	0	7,569	1,255	0
Absenteeism rate	0.15%	0.19%	0%	0.11%	0.27%	0%	0.14%	0.36%	0%
Total number of fatalities	0	1		0	0	0	1	0	0

¹ Injury rate does not take into account minor injuries.

² Accidents in commuting and involving contractors were not considered in calculation of rates and lost days. The increase in total number of lost days in 2015 is a result of a fatality that occurred in one of the company's units.

For its employees, the company adopts the standards NBR 14,280 - Work-Related Accident Registry and OHSAS (Occupational Health & Safety Administration), in addition to Social Security and labor laws. The goal for 2016 is to reduce the injury rate by 10%.

AMAGGI invests in tools and technologies to prevent and reduce work-related accidents. One such example is the Occupational Health and Safety Management System (OHS), through which the company monitors training and involvement of personnel; compliance with applicable legislation; assessment and planning of tasks; and correction of inadequate conditions, among others.

Behavioral Health Program

This program was implemented in 2013, as a pilot program, in the Água Quente, Itamarati, and Tucunaré Farms. The idea is to identify and correct deviations, improve the perception of risks by employees, foster participation of leaders in issues associated with OHS, and create proactive indicators. In 2015, the program was expanded to Tanguro and Vale do Araguaia Farms.

Mutual Alert Program

As part of the Occupational Health and Safety Management System (OHS), the program aims to reinforce the concept that each employee is responsible for their safety and that of their peers, irrespective of job position or hierarchical level. The company conducted a communication campaign to disseminate the culture of prevention and awareness among employees, and their importance in this task.

Amaggi inclusion program

The program was reformulated in 2015 based on the diagnosis of aspects such as accessibility, attitude, and social and cultural values. Based on the results obtained, a Corporate Policy on Inclusion will be implemented in 2016. The policy provides guidelines on establishing a harmonious environment that values and includes all forms of human diversity, ensuring equal opportunities. AMAGGI's objective is to be recognized as a reference company in terms of inclusion in all its business areas.

In 2015, the company promoted inclusion and adaptation of 42 professionals, in addition to training on the aspect, with 1,393 employees, and this will be continued in 2016.

PROFILE

CERTIFICATIONS

Certifications are tools for AMAGGI to attest to its commitment to responsible production, ensuring compliance with criteria on social and environmental issues and internal quality processes, and in its production chain. Social and environmental certifications are already common in the soybean market and considered, by the industry, as an important instrument for managing best agricultural practices, conservation of natural resources, and quality of life of the employees and communities involved.

SOCIAL AND ENVIRONMENTAL CERTIFICATIONS



ISO 14001

An international standard that establishes requirements for planning, implementing, and operating an Environmental Management System (SGA). Had its first operating unit certified in 2007. Currently, there are 22 units, including farms, warehouses, plants, ports and offices. The other AMAGGI units have the SGA in place and are undergoing annual internal audits to check for compliance.

The scores from internal audits, from certified and noncertified units, comprise the calculation of the annual bonus for managers and directors, thereby demonstrating senior management's commitment to the SGA.



ProTerra Standard

This standard establishes criteria for compliance with environmental and social requirements, in addition to guaranteeing that the certified project is not a GMO, (genetically modified organism). The audits are responsible for ensuring that rural producers produce wood sustainably, respecting human rights and legislation, and maintaining quality control standards that ensure that grains are not transgenic, from cultivation, handling, and transportation throughout the entire production chain. Audits are conducted in the farms, warehouses, ports, and plants

In 2015, AMAGGI's certifications involved its own farms Itamarati, Tanguro, Tucunará, and Água Quente; the warehouses Brasnorte, Campos de Júlio, Campo Novo do Parecis, Cerejeiras, Sapezal and Vilhena; the ports of Itacoatiara, AM and Porto Velho, RO; the grain crusher at Itacoatiara, AM; and approximately 600 rural producers.

Denofa, a Norwegian plant that crushes soy from AMAGGI, is a reference throughout Europe for non-GMO soybean processing, which is one of the main destinations for products certified by ProTerra.



GLOBAL COMPACT



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



The elimination of all forms of forced and compulsory labour.



The effective abolition of child labour.



Undertake initiatives to promote greater environmental responsibility.

SUSTAINABLE DEVELOPMENT GOALS



IN THIS SCOPE, MORE THAN ONE MILLION TONS OF SOY WERE CERTIFIED, IN GRAINS, MEAL, OR OIL.



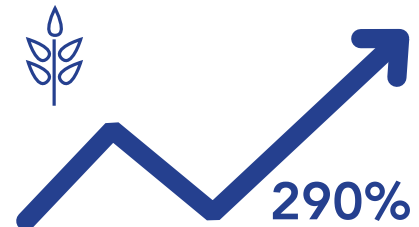
Round Table on Responsible Soy (RTRS)

A civil society organization involving key representatives from the worldwide soy value chain, from producers, industry, and the consumer market to governments, NGOs, and associations. AMAGGI was the first company in the world to obtain this certification.

Verification is carried out through external audits throughout the entire supply chain. There are 98 indicators, divided into five principles: legal compliance and best practices, fair and responsible labor conditions, responsible community relations, environmental responsibility, and best agricultural practices. The RTRS has stood out in the soybean market, with a major increase in sales volume due to the increasing demand of the European market.

In 2015, Agro certified 243,000 tons at Tucunará and Tanguro farms. Commodities certified 464,000 tons from 37 partner producers. Also within the scope were 16 warehouses, five port terminals - Porto Velho, Itacoatiara, Guarujá Grain Terminal (TGG), and Miritituba-Barcarena Complex (as service providers), as well as two soybean crushing plants (Lucas do Rio Verde and Itacoatiara). For AMAGGI, these figures represented a 28.5% increase in the volume of RTRS certified soy.

In 2015, AMAGGI sold nearly 883,000 tons of RTRS soy. RTRS credit sales rose 37%, and physical soybean sales increased by 290%. This year, AMAGGI was responsible for marketing 87% of all RTRS certified physical soy in the world.



International Sustainability & Carbon Certification (ISCC)

The ISCC certification system was developed primarily to meet the requirements of the European Union, through its renewable energy guideline. The certificate involves the entire production process, from cultivation to transport and processing, requiring the sustainable use of land, protection of the natural environment and management of greenhouse gases.

In order to obtain certification, it is necessary to ensure that biofuel produced from soybeans pollutes at least 35% less than fuel derived from petroleum. The scope in 2015 involved Itamarati, Tucunará, and Água Quente farms, in addition to the ports of Porto Velho and Itacoatiara and the soybean crushing plants in Lucas do Rio Verde and Itacoatiara.



A TOTAL OF 330,000 TONS OF SOYBEANS FROM THESE THREE FARMS WERE CERTIFIED IN 2015.

PRODUCT QUALITY CERTIFICATIONS



FSSC 22000

Certification for food manufacturers recognized by the Global Food Safety Initiative (GFSI), a private organization created and managed by the International Trade Association and the Consumer Goods Forum. This certification specifies the requirements for food safety management systems by incorporating all the elements of Good Manufacturing Practices (GMP), Hazard Analysis, and Critical Control Points.



GMP+

Certificate granted by the Dutch agency GMP+ International, related to the quality control of food materials. It covers port areas, origination, trade, execution, and logistics.



Non-GMO

Monitoring program for the entire production chain that enables the supply for the non-genetically modified soy products (Non-GMO) market..

Hard IP Program

Conventional soybean quality control methodology that begins with the seeds and extends to the delivery of products to clients.



Kosher

Document certifying that manufactured products conform to the specific rules governing the orthodox Jewish diet. Globally recognized and considered synonymous with maximum quality control.

PROFILE

AWARDS AND RECOGNITION

Exame Sustainability Guide

For the third consecutive year, AMAGGI is listed among the most sustainable companies in Brazil, according to this yearbook.

Exame's Best and Biggest

AMAGGI Commodities ranks 57th, in the Sales category of the new edition of this publication. In the Exports category, Commodities ranks 11th.

Valor 1000

AMAGGI ranked 54th in overall, and was the only company in the national capital agribusiness sector to rank among the top 60. AMAGGI also ranked 3rd in the North and Midwest region.

Gestão & RH

Ranked first with Editora Gestão & HR publishing house in Corporate Citizenship and ranked among the 10 Most Admired HR departments in Brazil, with certification in Mato Grosso Highlights and Midwest Highlights. The company was also awarded among the "Top 10" in Latin America in People Management Practices in 2015.

InPacto

Honor for contributing to the fight against contemporary bonded labor in Brazil throughout the past decade.

Childhood Brazil

The company received the trophy Together on the Road for Childhood Protection, in recognition of the efforts of the Responsible Trucker Program.

Top of Mind 2015

For the seventh consecutive year, the company with the largest brand recall in the Trading/Logistics segment.

Legislative Assembly Social Responsibility Certificate

For the ninth consecutive year, AMAGGI was recognized by the Legislative Assembly of Mato Grosso as a socially responsible company that contributes to the development of the state.

Motion for applause

The company received the Motion for Applause from the Cuiaba Municipal Council for the Rights of Persons with Disabilities, for their support and work toward the inclusion of people with disabilities (PWD).

BUSINESSES

HIGHLIGHTS



4
business areas



1
foundation



87% of the soybeans
certified by the RTRS Mass Balance
worldwide were sold by AMAGGI



USD 2.9 billion
in export revenue



1 million
tons of PROTERRA
certified soybeans



3.5 million
tons of grains transported



SUSTAINABLE DEVELOPMENT GOALS



BUSINESSES

COMMODITIES

Operations: buying and selling of grains (soybeans and corn), industrialization, logistics, port operations, imports, and marketing agricultural inputs.

HIGHLIGHTS



1.72 million

tons of grains is the
storage capacity



3

soybean crushing plants: Lucas do Rio Verde (MT), Itacoatiara (AM), and Fredrikstad, in Norway.



8 million

tons of grains originated in 2015

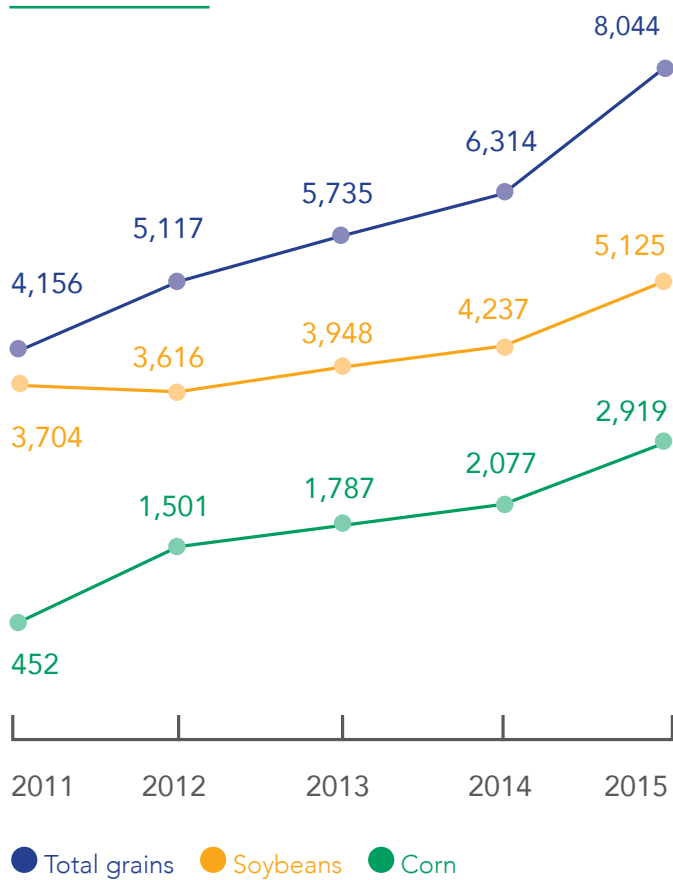


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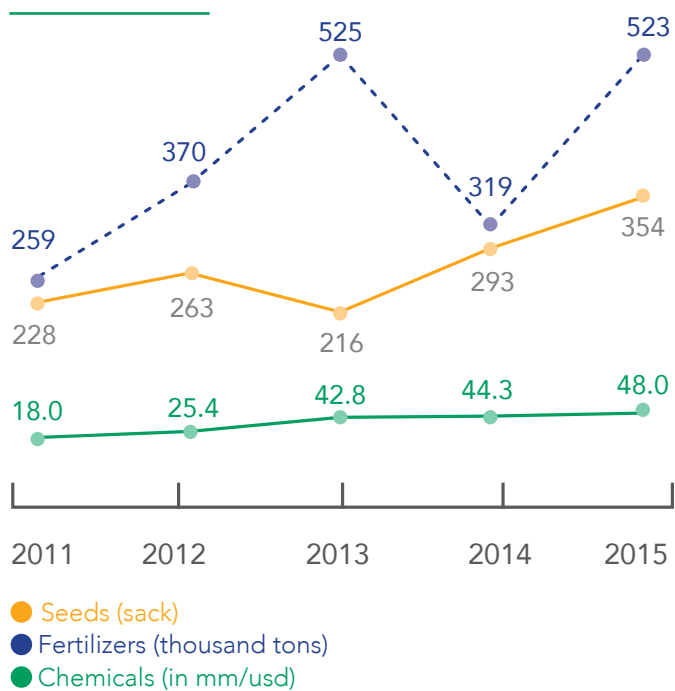
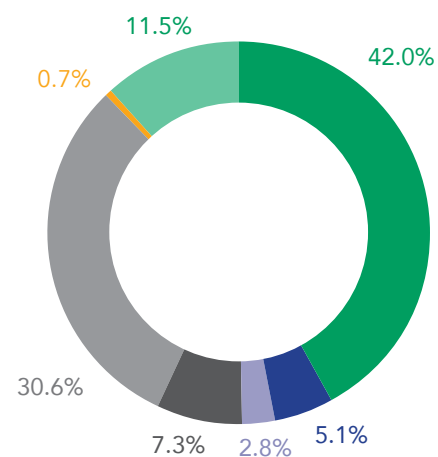
warehouses in 3 states

ORIGINATION OF GRAIN BY
AMAGGI IN BRAZIL

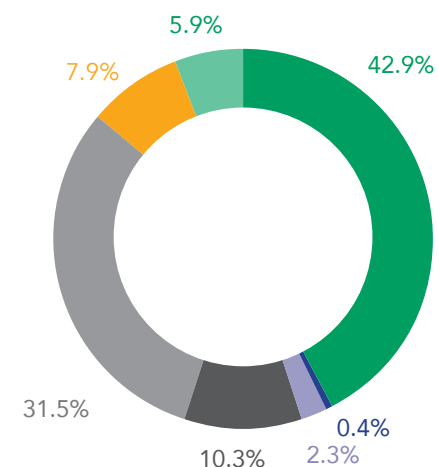
(in thousands of tons)



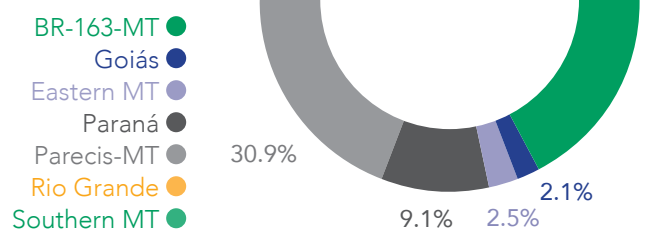
TOTAL INPUTS MARKETED 2015

PERCENTAGE OF GRAINS
MARKETED IN 2015 BY REGION
Corn

Soybeans



Total

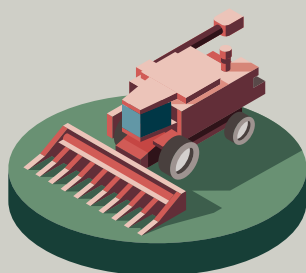


BUSINESSES

AGRO

Operations: agricultural production of soybeans, corn, and cotton, soybean seeds, and cotton processing, in 6 production units,* all located in Mato Grosso.

** In previous years, the company reported the number of properties, including areas intended for legal reserve or compensation only. Learn more in Impact of activities on deforestation.*

HIGHLIGHTS

Agricultural production in 2015:

517,431 tons of soybeans,
395,777 tons of corn,
132,719 tons of cotton



Storage capacity at farms:
551,000 tons of grains

Soy

Harvest	area realized (in thousand ha)	productivity realized (sacks/ha)	volume realized (t)
2012/2013	129,033	53.32	412,779
2013/2014	139,429	53.46	447,191
2014/2015	160,873	53.61	517,431
Total	429,335	160.38	1,377,400
Average productivity			53.47

Soy seed

Harvest	area realized (in thousand ha)	productivity realized (sacks/ha)	volume realized (t)
2012/2013	10,054	37.62	22,692
2013/2014	11,534	26.97	18,666
2014/2015	10,121	45.07	27,369
Total	37,709	109.66	68,726
Average productivity			36.12

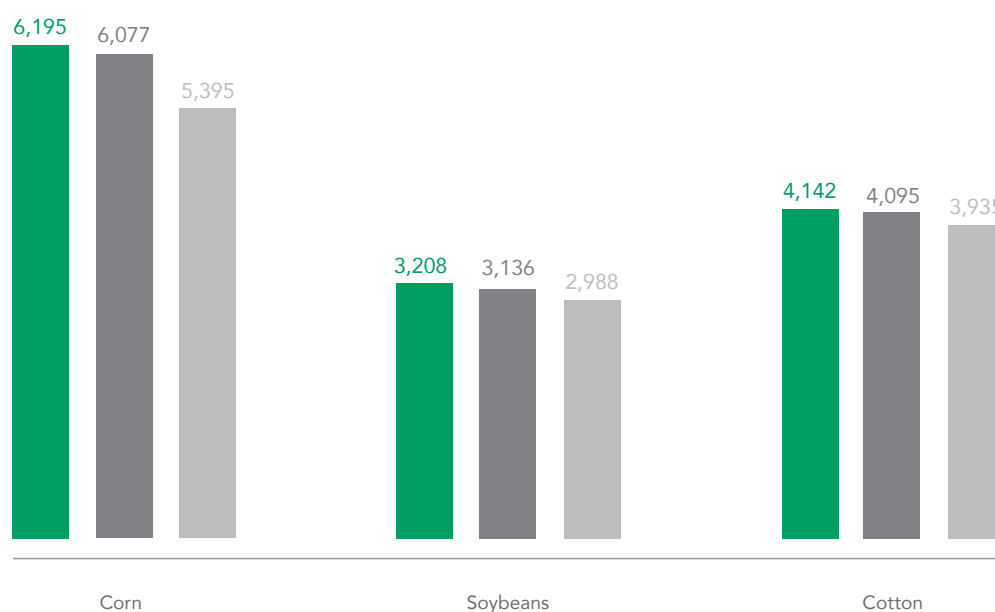
Corn

Harvest	area realized (in thousand ha)	productivity realized (sacks/ha)	volume realized (t)
2012/2013	73,958	101.98	452,518
2013/2014	64,878	95.78	372,837
2014/2015	58,275	113.19	395,777
Total	197,111	310.95	1,221,131
Average productivity			103.25

Cotton

Harvest	area realized (in thousand ha)	productivity realized (sacks/ha)	volume realized (t)
2012/2013	10,415	278.76	43,549
2013/2014	30,279	257.36	116,888
2014/2015	30,082	294.13	132,719
Total	70,776	830.24	293,155
Average productivity			276.13

AVERAGE PRODUCTIVITY IN 2015 (harvest 2014/15)



■ Amaggi Agro ■ Mato Grosso ■ Brazil

Source: AMAGGI, Instituto Mato-grossense de Economia Agropecuária (Imea), Companhia Nacional de Abastecimento (Conab).

BUSINESSES

NAVEGAÇÃO

Operations: river navigation in the Northwest Export Corridor, where grains from the Northwestern region of Mato Grosso and the Southern region of Rondônia are shipped. The soybeans are transported from Porto Velho, RO through the Madeira River to the grain port in Itacoatiara, AM.

HIGHLIGHTS



Madeira Corridor

**162**

grain barges

17

pusher tugs in operation

3

pusher tugs under construction

**3.5 million**

tons of grains transported

**415,000 tons**

Storage capacity at the ports

Volume of grains transported 2013-2015¹ (in millions of tons)

**2.8****2.7****3.5**

¹ The increase in volume transported is due to the increase in the fleet and the beginning of operations at Portochuelo, in Porto Velho, RO.

The company also operates in a joint venture in navigation along the Tapajós de Miritituba River (PA) to the Port of Barcarena (PA).

Corredor Tapajós

**90**

grain barges

3

pusher tugs in operation

2

pusher tugs under constructio

**1.5**

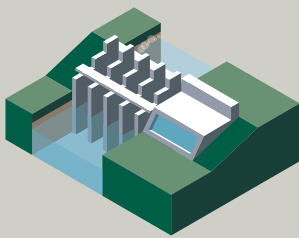
million tons of grains transported

BUSINESSES

ENERGIA

Operations: electricity generation through small hydroelectric plants in Mato Grosso, integrated into the National Interconnected Power System.

HIGHLIGHTS

**5**

small hydropower plants (PCHs), located in Mato Grosso

4

on the Jurena River, in the municipality of Sapezal, bordering Campos de Júlio

1

on the Formiga River, in the municipality of Campos de Júlio

**70 MW**

Approximately 70 MW installed capacity



Completion of the automation of the PCHs. Today, all PCHs can be controlled remotely, from the Operations Center located at the office in Sapezal.

BUSINESSES

ANDRÉ AND LUCIA MAGGI FOUNDATION

Operations: non-profit institution, a federal public service, which coordinates all AMAGGI private social investments.

HIGHLIGHTS



BRL 3,249,850.68
invested in 2015



30,000 people
directly affected



18 municipalities
benefitted by the foundation

MATERIAL ASPECTS

ACCOUNTABILITY AND TRANSPARENCY TOWARD SOCIETY

MANAGEMENT APPROACH

AMAGGI considers communication with stakeholders to be a fundamental process for the perpetuity of the business. Dialogue with stakeholders is accomplished through partnerships between Corporate Communication and the other areas of the company.

The mission of Corporate Communication is to care for the company's image. Therefore, it acts as a strategic agent among its various stakeholders, in order to share the company's values with them and provide more transparency to company processes.

The sustainability report is one of the company's main tools for communicating with the public. Therefore, AMAGGI invests in improvements and communication campaigns, in order to facilitate understanding and accessibility.

There are also specific channels for employees, such as internal magazines and newsletters, and a reporting hotline. Since 2014, AMAGGI has invested in modernizing its intranet, representing a breakthrough in communication with employees. The company also opened new channels, such as Talk with the President, which allows any employee to make suggestions or ask questions directly to the company's senior management.

In order to strengthen relationship with employees, the company hired a consulting firm, which, in 2016, will carry out an internal communication diagnosis, aiming to improve communication channels with these stakeholders.

AMAGGI also provides both internal and external audiences with channels for complaints, suggestions, and questions concerning social, environmental, labor, and ethical issues, among others.



STAKEHOLDERS

Executive Board
Community
Specialists
Suppliers

GLOBAL COMPACT



Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.



Encourage the development and diffusion of environmentally friendly technologies.

SUSTAINABLE DEVELOPMENT GOALS



CHANNELS



Contact Us, [available on the AMAGGI site](#);



A form available at the unit receptions, which may be deposited in a box for this specific purpose, or sent by mail (sealed letter);



telephone numbers, with trained personnel to answer the calls or receive communication and complete the registration form



In 2015, the company implemented an Ombudsman's channel via toll-free number **0800** which serves the internal and external audiences.

PROJECTS AND INITIATIVES IN 2015

REPORTING HOTLINE – 0800 647004 (TOLL-FREE)

G4-57, G4-58

In 2015, AMAGGI created the Corporate Security area, responsible for, among other initiatives, implementing the Ombudsman's channel for both internal and external audiences. The hotline is open for complaints, inquiries, and reports of fraud, theft, and behavior in conflict with the Code of Ethics and Conduct.

The channel is open 24 hours a day, where an attendant is available during business hours – (8am – 6pm Brasília time), and during other hours, users may leave a message.

Dissemination of the toll-free number was carried out for the employees through internal communication channels, and to the general public, by distributing brochures at all units, and posting on the company's website.

In 2015, the Corporate Security area implemented a system for standardizing and optimizing occurrences. In 2016, the department plans to improve analyzes by using data from the baseline year to generate indicators for management improvement and accountability to society.

GRIEVANCES REGISTERED ON THE HOTLINE ABOUT LABOR PRACTICES, DISCRIMINATION, IMPACTS ON HUMAN RIGHTS, IMPACTS ON SOCIETY, AND CORRECTIVE MEASURES.

G4-50, G4-LA16, G4-HR3, G4-HR12, G4-SO11



Reports concerning Conflicts with the Company Code of Ethics and Conduct via toll-free number

Reports **72**

Under investigation **12**

Concluded **60**



Measures taken for confirmed cases

Termination with just cause **14**

Termination without just cause **7**

Warning /suspension **11**

Guidance **7**

STAKEHOLDER ENGAGEMENT

G4-24, G4-25, G4-26, G4-27, G4-48

In order to build a Global Stance on Sustainability that includes the expectations from AMAGGI's strategic audiences and supports the expansion of business areas, in 2013, the company structured the Stakeholder Engagement Plan with the support of a consulting firm.

In 2014, in a new materiality process, the company set new priorities for the business (*learn more in About the Report*). In the same year, the company implemented initiatives of the Engagement Plan: Training in Engagement in the areas of Communication and Sustainability, a workshop on supply chain

sustainability given to the procurement area, an online survey of several priority stakeholders, and panels for dialogue in three cities.

In 2015, the company revised the Engagement Plan, through new mapping of stakeholders that evaluates the degree of impact and influence of each audience, and redefined the map of priority stakeholders, as shown in the following image.



The company also restructured an action plan for the Engagement Plan, which will be implemented by 2016. In 2015, the company implemented several training, awareness, and dialogue actions with priority stakeholders. Of the 54 actions scheduled for 2015/2016, a total of 32 have already been carried out, five are in progress, and 17 will begin next year.

AMAGGI stipulated that every three years there will be a review of the materiality matrix, followed by a review of the Stakeholder Engagement Plan. The actions are assessed annually in a continuous improvement process.



32

already carried out

5

are ongoing

54

ACTIONS OF THE ENGAGEMENT PLAN
WERE SCHEDULED FOR 2015/16,

17

of which will be
initiated next year

MONITORED INDICATORS

G4-EN29, G4-EN34, G4-SO6, G4-SO7, G4-SO8, G4-SO11 (management approach), G4-PR5, G4-PR9, G4-LA16 (management approach), G4-HR3 (management approach), G4-HR12 (management approach)

G4-EN29

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations
AMAGGI received no significant fines or non-monetary sanctions, nor faced litigation by arbitration mechanisms, in 2015. During that year, actions to meet the terms of adjustment of conduct (TAC), to recover degraded

permanent protection areas (APPs), complying with legal requirements, according to MT Legal legislation. AMAGGI has not had any sanction related to environmental impacts in the last three years.

G4-EN34. Number of grievances related to environmental impacts filed, addressed, and resolved through formal grievance mechanisms

In 2015, AMAGGI received three complaints related to environmental impacts, all of which received the proper attention, and two have already been resolved. Two related outstanding issues from the previous year were resolved.

G4-SO7. Total number of legal actions for anti-competitive behavior

The company has no lawsuits involving unfair competition, antitrust or monopoly practices.

G4-SO8. Monetary value of significant fines and total number of non-monetary sanctions

In 2015, the company did not receive significant fines and/or non-monetary sanctions due to non-compliance with laws and regulations. Fines considered significant are those which, individually, or together if concerning the same subject, total at least 1% (one percent) of the company's revenues and, cumulatively, whose defenses and administrative and/or judicial resources have been exhausted.

G4-PR5. Results of surveys measuring customer satisfaction

Client relations is the responsibility of the Sales Department, which carries out customized service for clients. Issues related to other areas are addressed by this department, with remedies and provide feedback to customers. There is no formal satisfaction survey; however, all client complaints or product nonconformities are analyzed and addressed according to the quality criteria set by the company (*learn more* in Quality Certifications).

G4-PR9. Fines for noncompliance in the provision and use of products and services

In 2015, the company received no significant fines due to non-compliance with laws and regulations concerning the provision and use of products and services. Fines considered significant are those which, individually, or together if concerning the same subject, total at least 1% (one percent) of the company's revenues and, cumulatively, whose defenses and administrative and/or judicial resources have been exhausted.

MATERIAL ASPECTS

MAINTENANCE OF NATIVE FORESTS IN PRESERVATION AREAS AND IMPACT OF ACTIVITIES ON DEFORESTATION

MANAGEMENT APPROACH

Deforestation and preservation of native forests are frequently debated topics in the agribusiness industry, and a priority for AMAGGI.

AMAGGI believes that this is an issue to be discussed with society in order to identify and share best management practices, and participates in the main debates on the subject (*learn more in* Management of Initiatives and Industry Partnerships). The company's guidelines for managing this issue are formalized in the Environmental Policy and Global Stance on Sustainability.

The company is in compliance with the Forest Code in its operations. Agricultural expansion happened through increased productivity and the acquisition of areas with the already converted and consolidated vegetation, not causing deforestation, nor conversion of areas where there were remnants of vegetation, where current legislation would authorize use. In the supply chain, the company strictly follows the agreed upon criteria in the Soy Moratorium and develops projects with producers to help them adapt to the Forest Code (*learn more in* Support to rural producers).

AMAGGI develops wildlife and flora monitoring programs in the vicinity of its projects, when determined by EIS-EIA. Projects are aligned with the company's Environmental Policy, which provides compliance with legal requirements and the guidelines established by the company itself.

The company has an extensive conservation area, classified as legal reserves and permanent preservation areas, with a total of 97,017 ha, a total of 19,284 ha of which are located within state parks and intended for compensation or exemption from legal reserve. Additional 77,733 ha are preserved on AMAGGI farms.



STAKEHOLDERS

Executive Board
Specialists
Institutional Partners

GLOBAL COMPACT



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



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



5 The effective abolition of child labour.



7 Businesses should support a precautionary approach to environmental challenges.



8 Undertake initiatives to promote greater environmental responsibility.



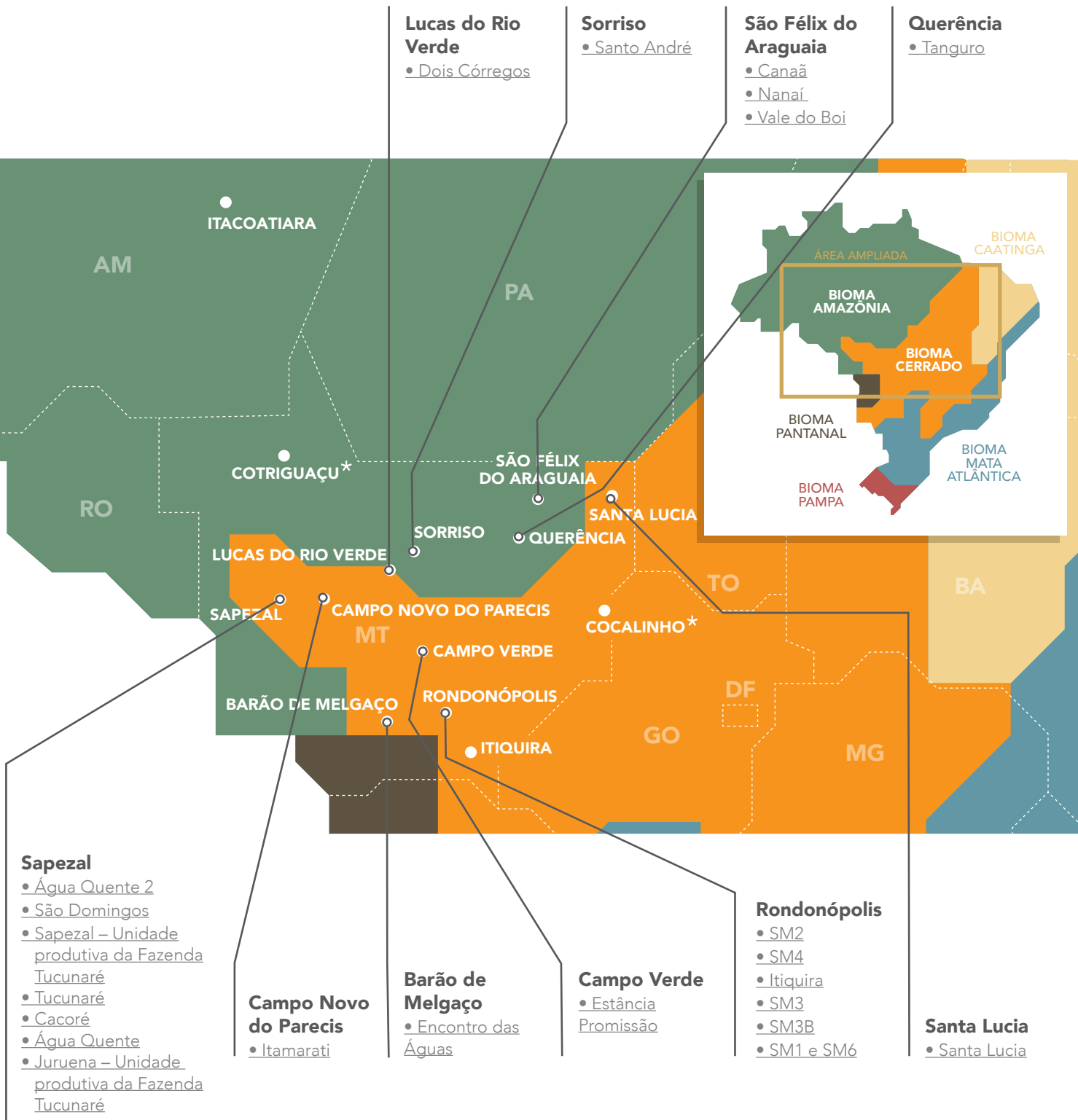
9 Encourage the development and diffusion of environmentally friendly technologies.

SUSTAINABLE DEVELOPMENT GOALS



AMAGGI'S PROPERTIES

G4-EN11 OWN, LEASED OR MANAGED OPERATING UNITS, WITHIN OR ADJACENT TO PROTECTED AREAS OR AREAS WITH HIGH LEVEL OF BIODIVERSITY LOCATED OUTSIDE PROTECTED AREAS



* Properties with native forests only for environmental compensation purposes

Santa Lúcia - AMAGGI Agro +

Municipality	Santa Lúcia
Type	Cerrado/forest
Biome	Amazon
Catchment basin/watershed	Amazon/Xingu
Area of the property (hectares)	7,908.10
Area explored (hectares)	6,055.24
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	1,892.79
Permanent preservation area under recovery (hectares)	40.0061
Position in relation to the protected area	Located in the surroundings of Indigenous land

SM1 and SM6 - AMAGGI Agro +

Municipality	Itiquira
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	5,188.63
Area explored (hectares)	3,609.70
Activity	agriculture/livestock
Legal reserve area/permanent preservation areas (hectares)	1,578.92
Permanent preservation area under recovery (hectares)	1.4035
Position in relation to the protected area	

SM2 - AMAGGI Agro +

Municipality	Rondonópolis
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	1,170.061
Area explored (hectares)	1,018.649
Activity	agriculture/livestock
Legal reserve area/permanent preservation areas (hectares)	151.4116
Permanent preservation area under recovery (hectares)	3.9043
Position in relation to the protected area	

SM4 - AMAGGI Agro +

Municipality	Rondonópolis
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	783.1588
Area explored (hectares)	632.0151
Activity	agriculture/livestock
Legal reserve area/permanent preservation areas (hectares)	151.1437
Permanent preservation area under recovery (hectares)	5.7161
Position in relation to the protected area	

SM3 - AMAGGI Agro +

Municipality	Itiquira
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	1,572.71
Area explored (hectares)	1,447.50
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	125.2019
Permanent preservation area under recovery (hectares)	0.4
Position in relation to the protected area	

SM3B - AMAGGI Agro +

Municipality	Itiquira
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	8,672.36
Area explored (hectares)	8,407.03
Activity	Agriculture/reforestation
Legal reserve area/permanent preservation areas (hectares)	265.3286
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

São Domingos - AMAGGI Agro +	
Municipality	Sapezal
Type	Cerrado/floresta
Biome	Cerrado
Catchment basin/watershed	Amazônica/Juruena
Area of the property (hectares)	1,566.31
Area explored (hectares)	1,058.01
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	508.2986
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Estância Promissão - AMAGGI Commodities +	
Municipality	Campo Verde
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	120.4694
Area explored (hectares)	120.4694
Activity*	reforestation
Legal reserve area/permanent preservation areas (hectares)	0
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Santo André - AMAGGI Commodities +	
Municipality	Sorriso
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazônica/Teles Pires
Area of the property (hectares)	3,370.44
Area explored (hectares)	1,809.91
Activity*	reforestation
Legal reserve area/permanent preservation areas (hectares)	1,560.53
Permanent preservation area under recovery (hectares)	5.1888
Position in relation to the protected area	

Sapezal - Production unit of the Tucunará Farm+

Municipality	Sapezal
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	9,930.69
Area explored (hectares)	7,729.161
Activity*	agriculture
Legal reserve area/permanent preservation areas (hectares)	2,201.529
Permanent preservation area under recovery (hectares)	0
Permanent preservation area under recovery (hectares)	

Tucunará - AMAGGI Agro +

Municipality	Sapezal
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	44,590.15
Area explored (hectares)	35,762.44
Activity	Agriculture/livestock/ reforestation/warehouse
Legal reserve area/permanent preservation areas (hectares)	8,827.70
Permanent preservation area under recovery (hectares)	13.9117
Position in relation to the protected area	

Cacoré - AMAGGI Agro +

Municipality	Sapezal
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	3,027.10
Area explored (hectares)	0.00
Activity	
Legal reserve area/permanent preservation areas (hectares)	3,027.10
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Água Quente - AMAGGI Agro +	
Municipality	Sapezal
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	20,474.1
Area explored (hectares)	15,181.228
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	5,292.871
Permanent preservation area under recovery (hectares)	2.0041
Position in relation to the protected area	

Juruena - Production unit of the Tucunaré Farm +	
Municipality	Sapezal
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	491.7466
Area explored (hectares)	314.9137
Activity*	agriculture
Legal reserve area/permanent preservation areas (hectares)	17.8283
Permanent preservation area under recovery (hectares)	0
Permanent preservation area under recovery (hectares)	

Dois Córregos - AMAGGI Commodities +	
Municipality	Lucas do Rio Verde
Type	Cerrado/forest
Biome	Cerrado
Catchment basin/watershed	Amazônica/Teles Pires
Area of the property (hectares)	3,134.51
Area explored (hectares)	1,585.757
Activity*	reforestation
Legal reserve area/permanent preservation areas (hectares)	1,548.752
Permanent preservation area under recovery (hectares)	8.0628
Position in relation to the protected area	

Tanguro - AMAGGI Agro +	
Municipality	Querência
Type	Forest
Biome	Amazon
Catchment basin/watershed	Amazon/Xingu
Area of the property (hectares)	80,862.99
Area explored (hectares)	33,957.54
Activity	Agriculture/reforestation/ warehouse
Legal reserve area/permanent preservation areas (hectares)	46,905.451
Permanent preservation area under recovery (hectares)	44.258
Position in relation to the protected area	

Água Quente 2 - Properties with native forest only for the purpose of environmental compensation +	
Municipality	Sapezal
Type	Forest
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	1,260.30
Area explored (hectares)	0
Activity*	compensation area
Legal reserve area/permanent preservation areas (hectares)	1,260.30
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Wildlife, Flora and Cerrado - Properties with native forest only for the purpose of environmental compensation +	
Municipality	Cocalinho
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Tocantins/Araguaia
Area of the property (hectares)	14,840.2946
Area explored (hectares)	0
Activity*	compensation area
Legal reserve area/permanent preservation areas (hectares)	14,840.2946
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	Within the protected area

Encontro das Águas - Properties with native forest only for the purpose of environmental compensation +

Municipality	Barão de Melgaço
Type	Pantanal
Biome	Pantanal
Catchment basin/watershed	Paraná/Alto Paraguai
Area of the property (hectares)	1,683.45
Area explored (hectares)	0
Activity*	compensation area
Legal reserve area/permanent preservation areas (hectares)	1,683.45
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	Within the protected area

Unnamed (compensation area) - Properties with native forest only for the purpose of environmental compensation +

Municipality	Cotriguaçu
Type	Forest
Biome	Amazon
Catchment basin/watershed	Amazon
Area of the property (hectares)	1,200.00
Area explored (hectares)	0
Activity*	compensation area
Legal reserve area/permanent preservation areas (hectares)	1,200.00
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	Within the protected area

Canaã - AMAGGI Agro +

Municipality	São Félix do Araguaia
Type	Cerrado/forest
Biome	Amazônico
Catchment basin/watershed	Amazônica/Xingu
Area of the property (hectares)	6,203.63
Area explored (hectares)	5,648.017
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	555.612
Permanent preservation area under recovery (hectares)	41.4978
Position in relation to the protected area	

Nova Esperança II - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	325.61
Area explored (hectares)	99.775
Activity*	reforestation
Legal reserve area/permanent preservation areas (hectares)	225.835
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Novo Destino I (compensation area N. Esperança II) - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon
Area of the property (hectares)	300.00
Area explored (hectares)	0
Activity*	compensation area
Legal reserve area/permanent preservation areas (hectares)	300
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Açaí - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	152.2835
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	152.2835
Permanent preservation area under recovery (hectares)	
Position in relation to the protected area	

Araçá - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	283.3767
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	283.3767
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Bacaba - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	819.9885
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	819.9885
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Bacuri - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	210.6136
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	210.6136
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Buriti - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	334.0606
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	334.0606
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Patauá - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	978.2018
Area explored (hectares)	0
Activity*	
Legal reserve area/permanent preservation areas (hectares)	978.2018
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Total +	
Area of the property (hectares)	221,455.335
Area explored (hectares)	124,437.36
Legal reserve area/permanent preservation areas (hectares)	97,017.975
Permanent preservation area under recovery (hectares)	166,3532
Position in relation to the protected area	

THIRD-PARTY PROPERTY LEASED BY THE GROUP

Itamarati - AMAGGI Agro +	
Municipality	Campo Novo do Parecis
Type	Cerrado
Biome	Cerrado
Catchment basin/watershed	Amazon/Juruena
Area of the property (hectares)	51,919.40
Area explored (hectares)	51,919.40
Activity	Agriculture/warehouse
Legal reserve area/permanent preservation areas (hectares)	0
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Nanaí - AMAGGI Agro +	
Municipality	São Félix do Araguaia
Type	Cerrado/forest
Biome	Amazon
Catchment basin/watershed	Amazon/Xingu
Area of the property (hectares)	5,497.94
Area explored (hectares)	4,454.69
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	392.9069
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Vale do Boi - AMAGGI Agro +	
Municipality	São Félix do Araguaia
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Xingu
Area of the property (hectares)	14,532.65
Area explored (hectares)	14,532.65
Activity	agriculture
Legal reserve area/permanent preservation areas (hectares)	0
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	

Bom Sucesso - AMAGGI Commodities +	
Municipality	Itacoatiara (AM)
Type	Amazon rainforest
Biome	Amazon
Catchment basin/watershed	Amazon/Urubu
Area of the property (hectares)	641.35
Area explored (hectares)	116.35
Activity*	reforestation
Legal reserve area/permanent preservation areas (hectares)	524.9939
Permanent preservation area under recovery (hectares)	0
Position in relation to the protected area	
Total +	
Area of the property (hectares)	72,591.33
Area explored (hectares)	71,023.09
Legal reserve area/permanent preservation areas (hectares)	917.9008
Permanent preservation area under recovery (hectares)	0



BRL 9 million
IN INVESTMENTS
AND SPENDING ON
ENVIRONMENTAL
PROTECTION

The percentage of legal reserve calculated according to the current legislation may range from 20% to 35% when the area is located in the cerrado, and 50% to 80% when located in the forest. This range is defined by the Brazilian Forest Code, always observing the current state laws and depending upon the size, and year of opening of the property. Note that when there are two types in a single property, calculation is carried out individually.

Where the vegetation in permanent preservation areas does not meet the parameters required by Brazilian law, AMAGGI maintains Degraded Area Recovery Plans. (see G4-EN13.)

The company employs two types of reforestation, one in compliance with legal requirements and to understand the benefits of the return of native vegetation (APPs), and another that uses eucalyptus plantations as a way of reusing sites unsuitable for agricultural production, and seeking to overcome the energy deficit in drying grain.

The biomass is used to produce thermal energy in the soybean crushing plant in Lucas do Rio Verde and drying grain in AMAGGI storage units. The company

uses biomass from reforestation and biomass from native origin and, to prevent clearing new areas, invests in its own areas of reforestation. G4-EN27

In 2014, the company was committed to reducing consumption of biomass from native origin. However, in 2015, the significant increase in the cost of eucalyptus and the impact of biomass on the cost of the company's operations caused the company to choose to increase its purchase of biomass from native origin. The acquisition process for this type of biomass was very strict in order to ensure respect for the law. For 2016, the company is working to rebalance its reduction plan for this type of biomass

CLIMATE CHANGE RISK MANAGEMENT G4-EC2

Climate change affects agricultural production in different ways. Changes in temperature may cause extreme events such as drought or heavy rain, which also contribute to pests and spreading diseases. In addition, the increase in carbon dioxide (CO₂) in the atmosphere influences production volume and changes intensity of the harvest.

Another risk related to climate change is the change in rainfall patterns, which impacts the riverine operations and power generation. The volume of the river is fundamental for small hydropower plants (PCH in the Brazilian acronym) and river transport. Prolonged drought hinders the loading of barges. The excessive rise of the water level may cause tree trunks to fall, damaging vessels. During periods of heavy rain, consumption of biomass and energy increases at industrial plants. Grain storage is also influenced by the weather. When the ambient temperature rises, the use of fans in the warehouses is necessary in order to prevent soy from "burning," which also raises energy costs.

Reduced productivity impacts sales and, as a consequence, economic results. In addition, since AMAGGI operates in commodities, the result of the harvest in other countries may also pose risks or opportunities due to price fluctuations of the product in the market.

In order to manage these risks and improve productivity, AMAGGI has invested in generating knowledge and new technologies. Production has also been adapted, with the use of better seeds and more effective pest control. When identifying and mitigating these risks, the company increases its operational efficiency, turning risk into competitive advantage.

PROJECTS AND INITIATIVES IN 2015

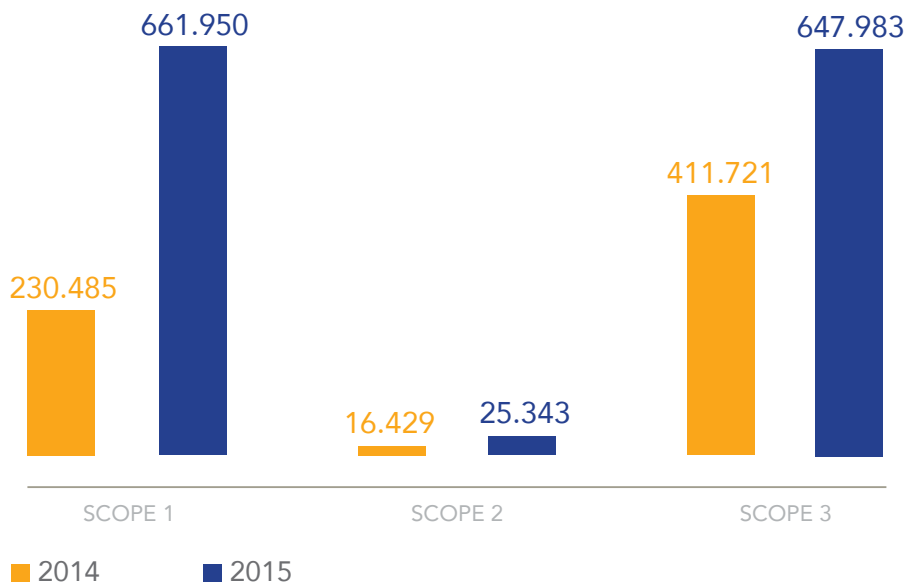
MANAGEMENT OF GREENHOUSE GAS EMISSIONS

The methodology used in AMAGGI's GHG Emissions Inventory, regarding the allocation of emissions from burning biomass, was revised, taking into account their origin and handling, impacting the results of scopes 1 and 3.

After studies and improvements in monitoring, the units may segregate the fuel used in stationary and mobile combustion, in addition to including in scope 1, accountability of "fugitive emissions" and "waste" and in scope 3, the "waste generated in operations," which covered more emissions sources and enriched the company's inventory.

In a brief comparison of the inventory carried out in 2015 with that from 2014, the following can be considered as the main reasons for the variations: the start of activities at the new units; increased planted areas of soybeans by 6%; corn by 17%; and cotton by 1%, and consequently, the increase in the volume of transported grain, impacting the company's entire business.

GHG EMISSIONS (TCO₂E) (safra 2014/15)



Increase in scope 1

- Agro: scope 1 of this business area increased, from 166,654 tCO₂e to 551,400 tCO₂e, and some of the main factors may have been the increased consumption of urea and nitrogen fertilizers in soybean and cotton agricultural activities, and the increased amount of biomass used on farms, due to increased operating time at the cotton mills.
- Commodities: there was a 63,768 st decrease in biomass consumption, to 40,903 st, because in this harvest the grains received were drier than the previous harvest, decreasing the amount of grain that passed through the drying process.
- Navigation and ports: the increase in the volume of grain transported from 2014 to 2015 resulted in an increase in consumption of marine fuel oil (MF180), and diesel, resulting in a 30% increase in emissions of these business areas from 2014 to 2015.

Increase in scope 2

- A AMAGGI increased the amount of electricity purchased from utilities by around 43%. The main contributors were the cotton mills, which at Água Quente Farm did not operate in 2014 and resumed operations in 2015, resulting in twice the energy consumption. At the Tucunará Farm, the increase was six times higher than in 2014, due to the prolonged cotton harvest, which usually ends in August, but lasted until December.
- Vale do Araguaia Farm, which started its activities in late 2014, operated during every month of the year 2015. However, Tanguro Farm installed a solar power system and decreased consumption of electricity purchased from utilities by 33%.
- Some units in this business area use electricity produced at the company's small hydropower plants (PCH) (Cuiabá, Lucas do Rio Verde, Brasnorte, Sapezal, Campo Novo, and Campos de Júlio, all in Mato Grosso). However, the energy generated by these power plants is added to the National Interconnected Power System, and is not a direct connection, so it is necessary to consider the emission factor calculated by MCTI. The amount of renewable energy added to the Brazilian grid for these units was 37,273 MWh, or 134,184 GJ, representing 20% of all of the company's energy consumption through self-generation.
- In addition to the decrease in consumption of electricity from utilities by 25% at the Itacoatiara plant and port, beginning the month of May, the units located in the state of Amazonas started receiving electricity from the National Interconnected Power System, and are no longer exclusively thermoelectric power. Consequently, they began having the same emissions factors as other locations in Brazil, in other words, a lower factor, resulting in a reduction in emissions. The National Interconnected Power System emissions factor decreased by around 8% from 2014 to 2015.

Increase in Scope 3

- Commodities: the increase in volume of transported grain, represented by twice the number of truck trips and by the 60% increase in volume transported by railway, resulted in the increase from 257,487 tCO₂e to 498,032 tCO₂e from 2014 to 2015. The new transport route via the Maranhão Grain Terminal (Tegram) accounted for 18% of emissions from Commodities in 2015.

- Agro: in the corn harvest, parts of the fields were used to plant “corn coverage” for non-commercial purposes, in order to cover the soil and maintain its properties. Thus, a smaller volume of inputs was used (fertilizers, lime, urea, and seeds) and, consequently, a 4% reduction in emissions.

The calculated values and detailed results for each AMAGGI business area may be checked in the Public Emissions Registry – Brazilian GHG Protocol Program (<https://www.registropublicodeemissoes.com.br>). To guarantee the reliability of the information, in 2016, the inventory will be externally assured, and that may also be monitored on the aforementioned website.

MONITORED INDICATORS

G4-EC2, G4-EN11, G4-EN12, G4-EN13, G4-EN14, G4-EN27
(management approach), G4-EN31

G4-EN31 – Total investments and expenditures in environmental protection

Cost of waste disposal, emissions treatment, and mitigation:	2013	2014	2015
	BRL 459,471.31	BRL 1,268,344.57	BRL 1,116,066.15
Waste treatment and disposal	BRL 459,471.31	BRL 546,727.62	BRL 585,934.01
Environmental liability insurance	BRL 0.00	BRL 201,666.00	BRL 98,927.23 ¹
Total cost of cleaning, including cost of remediation of spills	BRL 0.00	BRL 519,950.95	BRL 431,204.91
Cost of prevention and environmental and management:	BRL 12,013,196.21	BRL 32,642,515.51	BRL 8,035,587
Research & Development	BRL 888,186.91	BRL 824,458.05	BRL 574,400.00
Additional expenses for installing cleaner technology	BRL 7,358,720.50	BRL 27,899,816.51	BRL 2,671,684
Other environmental management costs	BRL 3,766,288.80	BRL 3,918,240.95	BRL 4,789,503
Total	BRL 12,472,667.52	BRL 33,910,860.08	BRL 9,151,653

¹ The amount dropped in 2015 due to contract renegotiation

AMAGGI's properties G4-EN11

AMAGGI has 19,284.0446 ha of area located within protected areas exclusively intended for compensating the deficit of legal reserve in its properties. These areas are continuously monitored, ensuring their preservation. All of the company's production is carried out outside any protected area. Only one property is in the vicinity of Indigenous land, and properly respects its boundaries (see map of AMAGGI's properties).

Monitoring impacts on biodiversity G4-EN12

In the year 2015, AMAGGI continued the Degraded Area Recovery Plans (PRADs) for the hydroelectric plants in Segredo, Santa Lúcia, Ilha Comprida, Divisa, and in the clay and gravel quarries, totaling 58 hectares.

As positive impacts of the recovery of these degraded areas, there was reduced local erosion, considering that grasses and forage species were placed that are able to better structure the soil.

In addition, in some farm areas, there was an increased amount of water at the location, due to the recovery of headwaters and riverbeds. In areas acquired by AMAGGI Agro in 2013, the company began recovering over 50% of degraded permanent protection areas, in order to recover environmental liabilities, restoring the location's biodiversity.

Currently, over 90% of the company's degraded permanent protection areas are in recovery.

Habitats protected or restored G4-EN13

In 2015, the company acquired nearly 10,500 forest seedlings for the recovery of permanent protection areas. At Tanguro Farm, a total of 5,000 seedlings were produced again and used for local recovery. Next year, the company will start a partnership with Vale do Araguaia for the production of a larger number of seedlings in order to serve both units, taking advantage of the collection of local seeds.

The Degraded Area Recovery Plans are monitored every six months by the environmental team to ensure the expected results of the project implementation. Currently, the company may report the effective recovery of over 8 hectares of permanent protection areas that no longer need intervention.

G4-EN14 – Total number of IUCN red list species and species on other conservation lists with habitats in areas affected by operations of the organization, by level of risk of extinction

Number of endangered species, by level of risk	2013	2014	2015
Critically endangered	-	-	1
Endangered	-	-	0
Vulnerable	3	5	17
Near threatened	2	2	11
Least concern	224	156	388

Survey is carried out at AMAGGI Energia units, overseen by terrestrial wildlife monitoring programs.

Through environmental programs, local wildlife and its variables are monitored throughout the different phases of the projects of the small hydroelectric power plants (PCHs - AMAGGI Energia). Among the activities carried out in the monitoring programs, there was an assessment of the presence of endangered species, according to the national list of the Environmental Ministry and international lists IUCN and CITES.

In this context, during each monitoring campaign, several species of the wildlife considered are recorded: habitat specialists, predators at the top of the food chain, and species sensitive to environmental changes.

Among the endangered wildlife in the region, it is worth highlighting the remarkable presence of several bird species, such as the cone-billed tanager (*Conothraupis mesoleuca*) that are critically endangered according to the IUCN and vulnerable according to the MMA, the chestnut-bellied guan (*Penelope ochrogaster*), a vulnerable species, as well as some parrots: yellow-faced parrot (*Alipiopsitta xanthops*), mealy amazon (*Amazona farinosa*) and orange-cheeked parrot (*Pyrilia barrabandi*) classified as near threatened by the IUCN and included on the CITES list.

For the mammals group, despite recording a smaller number of endangered species, this group includes species with large living areas that suffer from the pressures of hunting for meat consumption or the sale of their hides. Even so, good environmental indicators have been registered, such as the puma (*Puma concolor*), the giant armadillo (*Prionomys maximus*), and the tapir (*Tapirus terrestris*), species classified as vulnerable.

Identification over the past few years of several species with some degree of threat reinforces the importance of the still existing forest remnants in the region as maintainers of biodiversity of interest for conservation on a national and international scale.

MATERIAL ASPECTS

WATER MANAGEMENT

MANAGEMENT APPROACH

Water management is based on the company's Environmental Policy. Within the guidelines of the Environmental Management System, in addition to compliance with legal requirements, such as obtaining a license and grant for the use or withdrawal of water, measuring and monitoring the volume and quality of water and wastewater is planned, thus guaranteeing indicators for analyzing the responsible use of water.

The company establishes goals for reducing consumption, according to the opportunities for improvement identified and implemented through the Environmental Management Program.

In the plants, water is used in various processes. When processing soybeans, the most use is for producing steam in the boilers. In Itacoatiara, there is also significant consumption for generating electricity, carried out by the steam turbine. At these units, the company treats the water consumed, and then reuses the resource in the process, or to irrigate green areas.

To avoid contaminating the water through the use of agrochemicals, the company decontaminates the land and air equipment at an appropriate location. The effluent is routed to separation boxes and is then treated by an ozonation system. The company also analyzes the water quality in all wells, ensuring drinkability and quality standards according to the law.

AMAGGI participates in debates on the subject and is a member of the Thematic Water Board, organized by CEBDS with the purpose of promoting water resources management in the business sector, and the State Council for Water Resources (Cehidro), organized by the Environmental Department (*learn more in Management of Initiatives and National and International Industry Partnerships*).



Stakeholders
Executive Board
Suppliers
Specialists

GLOBAL COMPACT



Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.

SUSTAINABLE DEVELOPMENT GOALS



3 GOOD HEALTH AND WELL-BEING



6 CLEAN WATER AND SANITATION



8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



14 LIFE BELOW WATER

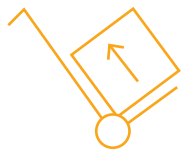


15 LIFE ON LAND

PROJECTS AND INITIATIVES IN 2015

ENVIRONMENTAL MANAGEMENT PROGRAM (PGA)

Through the Environmental Management System, AMAGGI identifies projects with an environmental focus at its units, which may contribute to continuous improvement, reducing costs, and the efficient use of natural resources. Highlighted below are some of the projects in progress.



ARMAZÉM CAMPOS DE JULIO (MT)

At the unit, a reduction in water consumption of an average of at least 5% in 2015, based on the monthly average from 2014.



FÁBRICA DE ITACOATIARA (AM)

Reduction in water consumption by implementing a closed circuit in the laboratory.



FAZENDA TUCUNARÉ (MT)

Implementation of the Compact Water Treatment Station in order to reuse the water when washing vehicles and agricultural machinery.



PORTO DE PORTO VELHO (RO)

Study about the reuse of rainwater.

SUSTAINABLE MOVEMENT PROGRAM

In 2015, the second year of the Environmental Management Program (PGA) at the headquarters in Cuiabá, the Sustainable Movement Program was created, with goals for reducing consumption of water, paper, and plastic cups, and raising awareness about the proper disposal of waste. EN27



"I Recycle" Campaign – awareness campaign about separating recyclables, inviting headquarters employees to bring waste from their homes to be disposed of correctly, and promote a debate about the continuity of this process.



Paper and plastic cup consumption – despite monitoring, there was an increase in consumption of these materials from 2014 to 2015, of 17% for paper, and of 6% for plastic cups. The company expects to reduce consumption in 2016 through campaigns.



Water consumption – through awareness campaigns as well as maintenance and upkeep of the facilities, the company reduced water consumption at the headquarters by 6%. The company expects to increase the reduction percentage in 2016.

MONITORED INDICATORS

EN8, EN9, EN10, EN22, EN26, EN31 (reported in Impact of activities on deforestation)

G4-EN8 – Total water withdrawal by source

Total water withdrawal by source (m³) – 2015 ¹	Surface water (rivers, lakes, wetlands, oceans)	Ground water	Total
Plants	188,312	595,092	783,404
Farms	66,929	920,219	987,148
Warehouses	0	110,237	110,237
Ports	0	34,910	34,910
Offices (Cuiabá, Rondonópolis, and Commodities offices)	7,049	7,139	14,188
Energia	457	11,136	11,593
Total	262,747	1,678,733	1,941,480

¹ For these calculations, measurements are made through monthly readings of water meters installed in underground wells and at collection points of surface water used by AMAGGI.

Note: by 2015, the report of this indicator showed data from the plants only, where the impact is more significant. Early 2015, the company began reporting the data broken down by scope of activity: plants, farms, warehouses, ports, offices and small hydroelectric power plants.

Note: due to the change of address and shipyard processes, in Itacoatiara, AM, the company was unable to account for the annual consumption for AMAGGI Navegação.

In 2015, the water consumption monitoring process was improved at AMAGGI units, with the acquisition and installation of water meters and corporate monitoring of data recording and analysis.

- **Plants:** There was a 6% increase in water consumption at the Lucas do Rio Verde and Itacoatiara plants, when comparing the years 2015 and 2014. The increase was due to a larger volume of crushed soybean and steam production. However, the company treats the water consumed and reuses the resource in its process or to irrigate green areas.
- **Farms:** in 2015, at two farms, the company started withdrawing surface water, taking advantage of bodies of water close to the crops, which streamlines preparation of the juice. In one of the farms, where there is livestock activity, there was an increase in water consumption due to the increase in the number of animals.
- **Warehouses:** the increase of about 23% occurred due to inconsistencies identified in the measurement carried out in 2014 that were adjusted in 2015. In addition, to mitigate dust-related impacts caused by a longer period of drought, it was necessary to increase the use of water on the yards. At some warehouses, there was a decrease in consumption, such as in the case of Sinop, where an adjustment of the grass irrigation process contributed to a 38% reduction in water consumption.

- Ports: the increase in consumption compared to 2014 is a result of opening the Portochuelo unit that began operating in 2014, and began measuring water consumption beginning October of this year.
- Offices: at the main office in Cuiabá, there was a 6% reduction in consumption, due to the decreased number of washings and decreased number of purging processes in the water cooling system. Employee awareness programs contributed to decreased consumption (*learn more* in Sustainable Movement Program).

G4-EN9. Water sources significantly affected by withdrawal of water

At the Lucas do Rio Verde unit, all water used is removed from an artesian well. At Itacoatiara, the water comes from a well and the Amazon River, and over recent years, a decreasing volume of water has been withdrawn. AMAGGI does not withdraw or use water, either surface or groundwater, in amounts that may significantly affect the stock or access to these sources.

G4-EN10 – Percentage and total volume of water recycled and reused

	Water Recycled and Reused ¹	Total volume of water recycled/reused (m ³)	Recirculation rate (%)
2013	Cuiabá ²	1.113	0,72%
	Itacoatiara	72.369	14,52%
	Lucas do Rio Verde	3.003	0,92%
2014	Itacoatiara	60.081	16,56%
	Lucas do Rio Verde	860	0,23%
2015	Itacoatiara	79.180	22,90%
	Lucas do Rio Verde	140	0,03%
	Porto Velho ³	45	1,59%

¹ Calculation is based on the total volume of recycled water divided by the total volume of water withdrawn by the unit.

² The unit closed its operations in 2013.

³ The unit did not recycle or reuse water in previous years.

The Itacoatiara unit produced more steam in 2015 compared to 2014. Since the recycled water comes from the boiler system, the increased recirculation is justified.

At the crushing plant in Lucas do Rio Verde, the water reuse process in the laboratory established in October 2011 was adjusted between November 2014 and October 2015, and did not operate during the period, leading to a consequent decrease in the amount of recycled water in 2015.

The Porto Velho unit began the process of harvesting rainwater, and in 2015, reused 45 m³ of water in processes of washing areas of the port.

G4-EN22 – Total water discharge by quality and destination

Total water disposal				
	Destination	Operating Unit	Water quality and treatment method	Volume (m³)
2013	Orchard fertigation	Cuiabá	–	13,750
	Evaporation and/or body of water	Itacoatiara	117 mg/l – 29.30 mg/l TSS	44,882
	Orchard fertigation	Lucas do Rio Verde	129 mg/l – 300 mg/l TSS	65,311
2014	Evaporation and/or body of water	Itacoatiara	55 mg/l BOD – 189 mg/L TSS	13,427
	Orchard fertigation	Lucas do Rio Verde	60 mg/l BOD – 360 mg/L TSS	113,997
2015	Evaporation and/or body of water	Itacoatiara	92 mg/L BOD - 322 mg/L TSS ¹	7,471
	Orchard fertigation	Lucas do Rio Verde	94.8 mg/L BOD - 193 mg/L TSS ²	76,288

¹ Greater release of BOD in May 2015 (average 35.64 mg/l). Average removal efficiency: 85.8%. Greater release of TSS in May 2015 (average 196.33 mg/l). Average removal efficiency: 26.93%.

² Greater release of BOD in December 2015 (average 59.33 mg/l). Average removal efficiency: 82.16%. Greater release of TSS in June 2015 (average 158.42 mg/l). Average removal efficiency: 69.39%.

The amount of effluent for disposal is measured through a flow meter. Collection of samples follows the guidelines established in the National Water Collection and Sample Preservation Guide - Cetesb - 2011 and is carried out by a contracted laboratory or an internal laboratory. Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) analyses are carried out by authorized laboratories using calibrated equipment. The analyses follow methodologies from the Standard Methods for Examination for Water and Wastewater (22st), and the American Public Health Association (APHA, 2012).

At the Itacoatiara crushing plant, improvements were made to monitoring the monthly readings of the effluent flow meter. In addition, at the Itacoatiara and Lucas do Rio Verde units, the high temperatures and the rain shortage caused the evaporation of large amounts of wastewater, reducing the amount of disposed effluents.

Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) parameters indicate the amount of organic material released into effluents from the industrial process. All effluents generated receive biological treatment prior to disposal. There is no maximum legal limit for BOD and TSS parameters. However, a minimum of 60% of BOD removal efficiency is required when treating the effluents, and the company obtained in excess of 80%.

G4-EN26. Identification, size, protection status, and biodiversity value of bodies of water and related habitats significantly affected by discharges and water drainage carried out by the organization

AMAGGI does not discharge into bodies of water or habitats that are significantly affected. The only disposal into water carried out during company activities is in Itacoatiara, where effluents flow into the Amazon River. Water purification capacity of this river is intense, and the local climate is hot and humid, providing much evaporation of the effluents from the treatment ponds, significantly reducing the amount of effluents released into the river.

MATERIAL ASPECTS

SUPPORT FOR RURAL PRODUCERS

MANAGEMENT APPROACH

Rural producers are strategic partners for AMAGGI and essential to the company's growth plans. Approximately 4,000 producers make up its supply chain.

Actions supporting producers are based on the Environmental Policy and the Company Global Stance on Sustainability, and aim to promote responsible agricultural production, encouraging rural producers to use best agricultural practices, contribute to the social and environmental development of rural properties, and improve the quality of life in their neighboring communities.

In addition to the veto criteria that may prevent the company from conducting business with a producer, AMAGGI fosters sustainability with two principles: incentive for sustainable agriculture and fight against illegal deforestation. The company develops actions in its grain supply chain and establishes partnerships that support and participate in projects with goals common to these two principles. G4-EC8 (*learn more in Incentive for sustainable agriculture and fight against illegal deforestation.*)

AMAGGI also has Environmental Control Instructions for **Social and Environmental Assessment of Grain Suppliers**, describing the procedures and documents required in order to avoid noncompliance with the vetoes.

The company establishes specific rules for assessment of producers who market grains in the futures market mode. The properties that fall into this category must have a social and environmental form duly completed by the AMAGGI unit, which is also responsible for the inspection, in order to validate the information declared by the producer. Regarding a new client, negotiations may only take place after this inspection is completed.

The form covers labor issues, water conservation and land use, infrastructure, working conditions, proper use and handling of pesticides and PPE, and compliance with the Forest Code. The goal is to guide rural producers toward gradually improving their legal compliance and their social and environmental performance.

There is also a project, initiated in 2015 in partnership with the company's Agricultural Inputs area, to train and teach farmers about the proper, safe use of pesticides.

**STAKEHOLDERS**

Executive Board
Unit managers
Specialists
Institutional Partners

GLOBAL COMPACT

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



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



5 The effective abolition of child labour.



7 Businesses should support a precautionary approach to environmental challenges.



8 Undertake initiatives to promote greater environmental responsibility.



9 Encourage the development and diffusion of environmentally friendly technologies.

SUSTAINABLE DEVELOPMENT GOALS

INCENTIVE FOR SUSTAINABLE AGRICULTURE AND FIGHT AGAINST ILLEGAL DEFORESTATION

There are several initiatives and partnerships in which the company participates, to support sustainable agriculture and curb illegal deforestation, aiming toward a sustainable supply chain.

Food and Agriculture Business Principles, of which AMAGGI participates and coordinates in Brazil, is an initiative of the UN Global Compact. The process started at Rio+20, with the discussion about the desired future for agriculture, in order to trace a path for sustainable agriculture.

AMAGGI actively participates in the Soy Working Group, composed of companies, associations and environmental NGOs that manage and discuss compliance with the Soy Moratorium. The Soy Working Group also discusses other fundamental topics for developing the industry and fighting illegal deforestation.

Partnerships with NGOs such as TNC, IPAM, Earth Innovation, and Earth Alliance also promote farmer development, with issues such as forest restoration, development of local communities, RTRS certification in the producer group, and joining the Rural Environmental Registry (CAR) of the Brazilian federal government, an essential step toward good environmental governance in Brazil (*learn more in* Management of initiatives and national and international industry partnerships).

In partnership with TNC (The Nature Conservancy), a Strategic Plan for Forest Restoration in Mato Grosso is being developed, in order to strengthen the restoration chain and its ability to meet the expected demand for inputs and technical advisory in the context of the post-CAR agenda. The project also promotes planned land use and the development of a sustainable landscape model to increase the use of improved agricultural practices in the nine municipalities covered, which are: Brasnorte, Campos de Júlio, Feliz Natal, Nova Mutum, Nova Ubiratã, Lucas do Rio Verde, Sapezal, Sorriso, and Tapurah.

The Querencia Project: More Sustainable Landscapes, developed in partnership with the Amazon Institute for Environmental Research (IPAM), the overall objective is to catalyze social, economic, and environmental benefits for the municipality of Querencia, improving sustainability not only of soy, but also of other agricultural activities. The proposal is to do this through interventions in three areas throughout 2015 and 2016: strengthening local social and environmental governance; supporting the implementation of a local pact for sustainable territory through a multi-industry forum; and evaluating and promoting the best opportunities for family farmers and the resettled population in the region.

PROJECTS AND INITIATIVES IN 2015

PREPARING NEW CERTIFIED PRODUCERS

The RTRS certification project for a group of producers was started in 2012 through a partnership between the André and Lucia Maggi Foundation, HDI organizations, and Solidaridad. The main objective is to carry out the environmental diagnosis of producers and guide them to meeting the legal requirements and social and environmental criteria of RTRS certification. This project was also the partnership of the NGO Earth Alliance, which develops processes of internal audits and technical support for rural producers.

The group began with 40 rural properties, reached 55 properties certified, and in 2015, the number of producers dropped to 37. The reduction was due to the producers' difficulty meeting the standards required for certification. The certified soybean volume was 463,000 tons.

In 2015, in addition to continuing with the 37 producers, AMAGGI started a new certification preparation project with seven new properties. Because of the difficulties encountered in previous groups, the process was improved so that the groups will be able to meet the required conditions. A novelty during 2015 was stipulating premium payments for farmers, based on sales volume for the year.

TECHNOLOGICAL CIRCUIT

Events and lectures were held to publicize the AMAGGI portfolio and bring technical information that contributes to increasing crop productivity and adopting the best agricultural practices that have the least possible environmental impact.

Some aspects discussed were related to the correct, safe use of plant protection products, reverse packaging logistics, innovations in the areas of seeds, changes in technology, and variety in the soybeans and corn profiles. Beginning 2013, the company intensified these actions: in crop year 2013-14 and 2014-15, eight events were held. In the 2015-2016 crop year, there will be approximately 25 events in Mato Grosso and Rondônia.

For 2016, the company is establishing partnerships with banks and specialized consulting firms to include issues related to the political and economic scenario.

In 2015, the input area also developed training materials for technical sales representatives, for lectures at technical schools on the topics of sustainability and the proper use of pesticides.

MATERIAL ASPECTS

SOCIAL AND ENVIRONMENTAL CRITERIA TO ASSESS SUPPLIERS

MANAGEMENT APPROACH

MAPPING THE SUPPLY CHAIN G4-12



ORIGINATION – RURAL PRODUCERS

Approximately 4,000 soybean and corn suppliers, including buyers of inputs. These suppliers are divided into subgroups:

- Large properties
- Midsized properties
- Small properties
- Producers certified by RTRS and ProTerra



SUPPLIERS

Divided by categories of products and operation activities (local, regional, national, and international), totaling 5,000 suppliers, organized into the following subgroups:

- Environmentally Critical: suppliers of biomass, fuels, lubricants, chemicals and minerals;
- Civil construction builders: contractors mainly for the construction and/or renovation of warehouses, small hydropower plants, factories, ports, and other industrial facilities;
- Shipyards: contractors for construction or repair of vessels and barges;
- Service providers: companies contracted for general services (transport, customs clearance, maintenance, cleaning, rentals, etc.);
- Equipment suppliers: companies that provide dryers for warehouses, furnaces, silos, and boat materials (engines, propellers, lodging, communications, kitchen) and for PCHs (turbines, electric motors, etc.). Many of these products are imported;
- Other: suppliers, usually local, of materials such as office supplies, hygiene/cleaning products, and food.



LOGISTICS – TRANSPORT PROVIDERS

There are approximately 2,500 contracts for the transport of corn and soybeans between AMAGGI Commodities and large, medium, small and micro transport companies. The main sub-categories are:

- Large and Midsized Companies: establish relationships directly with the headquarters transport area;
- Small and micro businesses: are contracted at stations or transport offices in Rondonópolis, Lucas do Rio Verde, and Cuiabá, MT, Vilhena, RO, and Paranaguá, PR.



STAKEHOLDERS

Executive Board
Institutional Partners
Suppliers

GLOBAL COMPACT



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



The elimination of all forms of forced and compulsory labour.



The effective abolition of child labour.



Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.

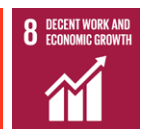


Encourage the development and diffusion of environmentally friendly technologies.



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

SUSTAINABLE DEVELOPMENT GOALS



SUPPLY CHAIN MANAGEMENT

With a procurement practice that prioritizes local and regional suppliers, AMAGGI seeks to contribute to developing the regions where it operates (*learn more in G4-EC9*).

Management of all AMAGGI suppliers is based on internal rules and procedures approved by the Executive Board. One hundred percent of the contracts have specific clauses about respect for human rights, such as non-exploitation of child labor, degrading, or compulsory work, and a specific anticorruption clause. G4-HR5, G4-HR6

The contracts also include provisions about labor and social security obligations, to preserve the health and safety of the professionals, such as use of personal protective equipment (PPE) and training and awareness practices concerning these issues. To ensure compliance with these requirements, AMAGGI establishes partnerships only with suppliers that are under collective bargaining agreement. Currently, the highest risk of incidents of this nature is in Mato Grosso, where most of the company's units are located. G4-HR4

All suppliers are evaluated by verifying the regularity of social security (INSS) and government severance fund (FGTS) payments, proving employee registration and the respective payroll, in addition to evaluating compliance with labor and social security legislation, and periodic examinations and health and safety programs. G4-LA14

For business partners considered **environmentally critical** (suppliers of biomass, sand, gravel, and fuel, and waste management companies, among others), in addition to the standard contractual clauses, the Procurement area requires legal and environmental analysis before formalizing the contract. And, where appropriate, the Sustainability area carries out an inspection to confirm the absence of degrading working conditions and environmental irregularities before proceeding with the contract.

In the specific case of **biomass suppliers**, the inspection is mandatory for all contracts, regardless of the type of biomass that is being purchased. For native wood, the requirements are even stricter, because, after the contract is signed, the inspections continue until the contract is completed. The goal is to determine the balance between the supplier's production capacity and compliance with environmental legislation for the logging process.

When there are irregularities to be corrected, the supplier is notified and activities are suspended until the problem is resolved. The contract may be terminated if the situation persists. The company also adopts the Environmental Management System (SGA) to monitor requests for the environmental assessment of these suppliers, as well as audit processes, and information about legal compliance.

In 2015, all 514 suppliers considered critical were assessed concerning their environmental, human rights, and labor practices, as well as impacts on communities. Three of the contracts were terminated, two of them due to irregularities found when inspecting the purchase of biomass, and one because a sand supplier was withdrawing from an unauthorized location. G4-EN32, G4-EN33, G4-HR10, G4-HR11, G4-SO9, G4-SO10, G4-LA15

For rural producers, the company has **Minimum Principles for Marketing Grain** where it establishes a veto criteria for its grain suppliers (G4-EN32), as described below.

- **Veto the producers appearing in the blacklist of bonded labor of the Ministry of Labor and Employment:** the company does not maintain a business relationship with any blacklisted company. In addition to following the list updates, AMAGGI signed the Pact for the Eradication of Bonded Labor, which further reinforces the commitment. AMAGGI is also part of InPacto, a partnership made to strengthen and expand the actions taken under the National Pact for the Eradication of Bonded Labor;
- **Veto areas embargoed by IBAMA for deforestation:** prohibits the marketing of grain grown in areas embargoed by IBAMA. The list is updated periodically;
- **Veto areas in Indigenous lands and protected areas:** the company does not trade grains with producers who have their areas within protected areas or Indigenous lands;
- **Veto areas within the Amazon biome deforested after 2008:** it is the commitment of the Soy Moratorium to ensuring that soybeans do not originate from these areas. In 2014, the GTS, which brings together industry, civil society, and government, due to the need to improve the environmental governance system in Brazil, through the Rural Environmental Registry (CAR), decided to maintain its commitment to refrain from marketing soybeans from areas deforested after 2008 until May 31, 2016. Thus, the transition period respects the need for improvements in the Brazilian government's governance in order to guarantee that deforestation does not progress and incorporate the guidelines of the new Forest Code.

AMAGGI also invests in technologies that can ensure greater security and credibility when monitoring its grain supply chain. The company has procedures in place for mapping the areas of producers who sell in the futures market mode: through an image bank of updated satellite imagery, the units outline the polygon of the origin of that product.

In 2015, the company advanced in governance of this information, improving the monitoring of areas not authorized for the supply of grain. Today, the company already has a coordinate registered for almost 80% of its supply chain, enabling the company to superimpose these coordinates over the lists of restrictions. The more accurate identification of the locations of these areas can guarantee the veto, not only in the register of the area with the restriction, but also at the area of origin.

PROJECTS AND INITIATIVES

- Include an anticorruption clause in all supplier contracts
- Since organic waste from the units is sent to municipal landfills, which are still in process of being adapted by local governments, the company began to monitor the progress of projects for the effective implementation of National Solid Waste Policy (PNRS) 2014 by municipalities
- Project for the development of environmentally critical suppliers, including recommendations and technical inspections, to start in 2016

MONITORED INDICATORS

G4-EC9, G4-EN32 (in the text), G4-EN33 (in the text), G4-LA14 (in the text), G4-LA15 (in the text), G4-HR1, G4-HR4 (in the text), G4-HR5 (in the text), G4-HR6 (in the text), G4-HR10 (in the text), G4-HR11 (in the text), G4-SO9 (in the text), G4-SO10 (in the text)

G4-EC9 – Policies, practices, and percentage of spending on local suppliers at significant operating units

Percentage of spending on local suppliers at significant operating units ¹	2013	2014 ²	2015 ³
	85.37%	72.35%	72.02%

¹In this parameter, all acquisitions for AMAGGI business areas (purchases via Procurement as well as other areas, with the exception of purchases and freight related to grain) are included. Purchases for the joint ventures are not included. Operating units that AMAGGI considers important are those that are in the states where the company performs its main activities.

²In 2014, the state of Pará was included in the calculation of the indicator; however, in 2015 this state is not included. In addition, only acquisitions made by the Procurement area are included; however, in 2015 acquisitions in other areas are also included (except for purchases and freight related to grain).

³Purchase amounts from suppliers in MT, RO, and AM.

The company preferably purchases supplies in regions where it has units. When local suppliers are not able to meet the demand or do not meet the requirements established by AMAGGI, other suppliers are sought.

G4-HR1. Total number and percentage of significant investment agreements and contracts that include human rights clauses

Real estate purchase contracts and enterprise contracts for the construction of new warehouses and ports, as well as the acquisition of equipment installed in such warehouses and ports, contain clauses where the parties declare that they do not practice and do not tolerate child labor or compulsory labor conditions, and that they comply with environmental and labor legislation. These contracts, related to business expansion, are considered a significant investment, totaling BRL 116,418,734.11 in 2015. The clauses mentioned are included in 100% of these contracts.

For the purchase of real estate, in 100% of cases, before completing the purchase, compliance with human rights clauses is verified by analyzing certifications.

In enterprise contracts for the construction of new warehouses and ports, 100% compliance with the contract terms is continuously verified. In addition, there is an inspection before each payment to the contractor, with rules established in the contract itself.

MATERIAL ASPECTS

IMPACTS OF ACTIVITIES UPON COMMUNITIES WHERE THE COMPANY OPERATES AND CONTRIBUTION TO LOCAL DEVELOPMENT AND DRIVING THE LOCAL ECONOMY

MANAGEMENT APPROACH

In 2015, AMAGGI operated in 50 municipalities in 13 states: Mato Grosso, Goiás, Amazonas, Pará, Rondônia, São Paulo, Santa Catarina, Rio Grande do Sul, Paraná, Maranhão, Tocantins, Piauí, and Bahia, as well as at international units. Operations with significant impacts are located in the states of Mato Grosso, Amazonas, Pará and Rondônia. G4-SO2

New management of Private Social Investment, established in 2015 by the Sustainability Department, is responsible for managing the social impacts on communities and the company's involvement in local development, which is through the work of the André and Lucia Maggi Foundation. Management of the environmental impacts of AMAGGI activities is the responsibility of the Social and Environmental Center.

Community development work is based on the Private Social Investment Policy, published in 2015, on the Environmental Policy, and on the Global Stance on Sustainability.

Because of the synergy in managing the aspects of local development and impact of the business on communities, these topics are grouped in the same section.

DRIVING THE LOCAL ECONOMY

The economic development of Mato Grosso, the result of various aspects, including the practice and expansion of agribusiness, progressed side-by-side with AMAGGI's performance history in the mid 1970's. It is based on this experience that the company considers the social and environmental impacts when planning its activities and business, combining entrepreneurship with respect for environmentally responsible and socially just practices.

In rounds of community dialogue (*learn more in DialogAção*), the main indirect economic impacts mentioned were generating employment and income, and driving the local economy. The indicators G4-52, G4-EC6, G4-LA1, and G4-LA4, show the employment data by region, age, and gender, as well as information about the company's wage policies. G4-EC8



STAKEHOLDERS

Executive Board
Community
Employees
Unit managers
Suppliers
Specialists

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SUSTAINABLE DEVELOPMENT GOALS



MANAGEMENT OF IMPACTS ON COMMUNITIES AND LOCAL DEVELOPMENT

Management of social and environmental impacts is a highly relevant aspect for AMAGGI, considered in the planning stages of its projects, in line with its vision to be a reference in the sustainable development of its business.

Regarding environmental impacts, the company carries out in all its units in Brazil, as a procedure of the Environmental Management System (SGA), the identification and analysis of aspects and impacts. The analysis is conducted during the implementation and maintenance of the SGA whenever there are changes in processes, products, or services, and when purchasing equipment, and before a new unit begins operation.

When the aspects are considered significant, the unit prepares Environmental Control Instructions (ICA), with the necessary operational controls. In an emergency situation, the unit draws up an Individual Emergency Plan (PEI). The processes are managed by the Social and Environmental Center at all the company's units.

For management of social impacts on communities, the André and Lucia Maggi Foundation strategically plans AMAGGI's social investments, considering the revision carried out in 2013 and 2014 of the institution's operating model. The revision brought a more targeted focus on implementing projects in the communities, involving different participants and fostering partnerships.

In 2014, the survey carried out in five municipalities in Mato Grosso - Campo Novo do Parecis, Sapezal, Lucas do Rio Verde, Querência, and Cuiabá – established the ground zero (diagnosis) of these locations, so that in 2015 implementation of the *Potencializa* Project could begin, included in the Foundation's strategic plan, aiming to promote the sustainable development of cities where AMAGGI operates. Thus, the plan is that by 2018, *Potencializa* begins its work in these five municipalities identified. G4-SO1

In 2015, *Potencializa* began its activities in Campo Novo do Parecis, during this first year of work, carrying out the process of mobilizing the local community, involving the government (public bodies), trade and industry, and organized civil society, stimulating the validation process and the discussion about perceptions registered in the diagnosis of the municipality held in 2014. This step also brought together the local players engaged in the municipality in order to form the working group aiming to take charge in carrying out the Local Development Agenda, developed and validated collectively. G4-SO1

Potencializa is planned for two years in each municipality, and may be extended for a third year, depending on the dynamics and development of the projects at each location.

The results of the participatory diagnosis carried out in the five municipalities in 2014 is publically available at http://fundacaoandreeluciamaggi.org.br/?post_type=biblioteca.

PROJECTS AND INITIATIVES IN 2015

G4-EC7

The work of the André and Lucia Maggi Foundation with the community is in three areas, namely: human development, community development, and mobilizing partnerships. The latter has a cross-sectional influence on all of the Foundation's projects. See below some of the projects related to the first two areas.

HUMAN DEVELOPMENT

Social, educational, and cultural projects, planned, implemented, and maintained by the André and Lucia Maggi Foundation, such as the Casa Maggica and Young Dancers projects in Rondonópolis, MT, and the Velha Serpa Cultural Center in Itacoatiara. The expansion plan for the Foundation also includes implementing the Casa Maggica project in the city of Cuiabá, MT.

COMMUNITY DEVELOPMENT

These projects are aimed at developing the communities through the following premises:

- Listen and dialogue with the community in order to identify and learn about challenges and opportunities to develop actions
- Identify and join with partners seeking to create a collaborative local agenda with discussions and actions to be taken to change the local reality
- Strengthen local networks, offer qualification, promote specific technical training for local organizations, and open bids for financial support

PROJECTS CARRIED OUT IN 2015

CASA MAGGICA

Project that works with children and adolescents before or after school hours, developing art and education activities, contributing to the formal education process.

Impact (positive and negative, actual and expected)

- Expanded the service capacity by 34% compared to 2014, reaching 240 students.
- Signed a partnership with two public schools in the city of Rondonópolis, implementing the Mundo Maggico pilot project, promoting four pedagogical training courses for 37 school teachers, and 12 follow-up technical visits for the proposed methodology in these schools.
- Effective participation in social control models, represented in the Municipal Council of Children and Adolescents and the Social Services Council.
- The project had the child representation- two students as members of the Municipal and State Conference of Children and Adolescents.
- It was found that, within two years of participation in the project, the students presented 10% improvement in school performance, reaching a relevant scale for the impact of the project.

- The family participation in the project took place in four annual meetings, the service goal always above 80% of parents, thus reaching a very relevant scale for this activity.
- Cultural performances happened in two ways: 3 caravans, reaching an audience of 1,500 people, and 1 cultural presentation for parents, family, and partners, reaching 600 people.

Perspectives for 2016

- Increase to 20% improvement of academic performance of students who are two years in the project.
- Validate and strengthen the proposed methodology in order to apply the project with institutional partners beginning 2017.
- Raise the educational indicators of two priority schools, positively influencing the students so they stay in school and take charge of their own education.

MUNDO MAGGICO

Project that aims to evaluate the use of art education methodology to develop the skills of children and young adults, promoting improvement in their family and educational experience.

Impact (positive and negative, actual and expected)

- Pilot project implemented in the city of Rondonópolis in two schools, one city and one state, serving 102 students.
- Presentation of the project's starting point, aligning the challenges and progress. Performed technical benchmark visits at three social institutions in order to begin the process of building the proposed methodology.

Perspectives for 2016

Validate the project's methodology, its premises, and action fronts.

VELHA SERPA CULTURAL CENTER

Project that aims to provide and promote partnerships in order to carry out cultural, educational, and income generating activities with the community.

Impact (positive and negative, actual and expected)

- Extended the ability to serve the public to 6,291 people, exceeding the year 2014 by 36%.
- In História Viva activities, 13 editions were presented, serving an average of 520 people, in addition to conducting technical training for a group of project participants (8 members).
- The Culture in School project works with the theme of heritage education, serving 4 schools, totaling 120 directly benefited students.
- The Reading Rounds project held eight sessions during the year, with the themes of consumerism, local legends, and popular culture.

- 24 institutional grants of space to partners were promoted, aligned through a public call for bid.
- Participation in the Itacoatiara Educational Day, and the Cultural space used as part of cultural routine. In partnership with the City Department of Culture, a Cultural Caravan was promoted in one neighborhood, serving over 300 people, leading recreational and theatrical activities.
- In conjunction with the Consulate of Women, the Artisans Association of Itacoatiara (*Arteira*) was legalized, including the transfer of working papers, promoting training for governance, entrepreneurship, and visual communication, and holding fairs and structuring the association's headquarters.
- Six qualification and/or technical training sessions were held with educators, local artists, and the community. For the first time, the Cultural Center received Fecani activities (Itacoatiara Song Festival), with activities such as: Photo, Film, Spoken Poetry, and Visual Arts Contests. The activity attracted an estimated audience of 200 people to the space and put the Cultural Center on the list of public spaces promoting culture in the Amazon region.

Perspectives for 2016

- Ampliar a capacidade de atendimento das ações contínuas em 20%. Realizar 8 ações culturais recebidas por meio do Edital de Chamamento Público.
- Realizar dois eventos semestrais, em parceria com a Secretaria Municipal de Cultura, para o desenvolvimento da Caravana Cultural nos bairros de Itacoatiara.
- Transformar o História Viva em um projeto itinerante.
- Ampliar o atendimento do projeto Cultura na Escola de 4 para 8 escolas.

APROXIMA

Project aiming to promote a process of closeness and listening with the communities where AMAGGI operates, ensuring its social license to remain, implement, or decommission its enterprises and thus maintaining dialogue and operations in the community.

Impact (positive and negative, actual and expected)

In 2015, Aproxima started its actions through a process of evaluating two projects in Northern Brazil. By applying a social and economic diagnosis of the municipalities, it was possible to map the main demands of these regions in the social dimensions (health, education, social assistance, employment, and income) and design an action plan aligned with the company's private social investment.

Perspectives for 2016

- Create an AMAGGI Social License to Operate Guide.
- Proceed with the purpose of serving these two projects in Northern Brazil, ensuring that actions are aligned with the company's focus and its social investment policy.

POTENCIALIZA

Encourage players to take leading roles in local development, also aiming to influence municipal public policies.

Impact (positive and negative, actual and expected)

Potencializa began in Campo Novo do Parecis, with the following results for the year: 25 institutional players, and nearly 500 total participants in the activities, 5 themed activities, 9 workshops, 27 industry meetings, 3 technical visits, 1 survey completed and 1 survey started, and a Local Development Agenda validated for 2016, with the following activities to enable the city's working group: community engagement workshops, alignment of local actions, collective development agenda, lectures on municipal observations, models and development cases (via companies and integrated consultations) and fundraising. The working group was not put together in 2015; however, enrollment began in order to coordinate contacts and begin developing the work in 2016.

Perspectives for 2016

- Expand Potencializa to two more municipalities in 2016 (Lucas do Rio Verde and Querência).
- In 2016, create a document containing Potencializa guidelines and criteria for the purpose of transparency and communicating the type of action to the public in general, and make it available on the Foundation's website.
- In Lucas do Rio Verde and Querência (1st year of Potencializa): create a working group and a Local Development Agenda proposal for these municipalities.
- In Campo Novo do Parecis (2nd year of Potencializa): start coordination for implementing, in an either integrated or customized way, at least one project from the Foundation's portfolio, while developing the municipality's local agenda.

PUBLIC PROJECT SELECTION

Through public call for bid, sought to financially support projects that meet one or more of the Millennium Development Goals.

Impact (positive and negative, actual and expected)

With the closing of the Public Project Selection in the Foundation's activity history, there were 7 editions, and a total of 72 organizations supported since 2007. During the Foundation's period of strategic review, it was understood that allocating resources could be converted to a training process among the beneficiaries, expanding the impact of its activities within the communities. Thus, the Public Project Selection closed in 2015 in order to begin *Transformar*.

Perspectives for 2016

Closed in 2015.

TRANSFORMAR

Project aiming to promote training at social institutions, strengthening the efficiency/efficacy of the projects in the communities.

In 2015, the strength of the first edition of the project was offering training on issues that are in fact necessary for the beneficiaries, based on the application of an institutional diagnosis that maps the points for improvement for management of participating organizations over 13 aspects. In 2015, Transformar conducted training in virtual mode (online), allowing organizations in different locations to participate – that edition covered 12 municipalities in MT and 34 social organizations, and one social control entity as a guest. The ten training sessions applied during the first edition of Transformar were: Impact Strategy, Strategic Planning, Social Media, Social Project Management (PMD certification), Website Development, Financial Aspects, Fundraising, Information Management, Legal Aspects, and Personnel Management. In addition to training, participants who met the performance criteria for the project (attendance, perform the tasks, and complete the diagnosis, among others) competed to receive up to BRL 10,000 in financial incentives to be invested in its social project. Three organizations were included, in the following cities: Cuiabá (health-related project), Lucas do Rio Verde (project related to social assistance) and Querência (culture-related project).

Perspectives for 2016

- Certify that the content and training provided brought positive impact on management of participating organizations, leading to positive changes in their operations, through an applied assessment.
- Raise positive and negative points from the first edition of the Project in order to remodel the second edition of Transformar, for 2016.

ANDRÉ AND LUCIA MAGGI FOUNDATION AWARD

Project that aims to recognize and encourage best practices in social institutions located in the municipalities where AMAGGI operates and that contributes to sustainable local development.

Impact (positive and negative, actual and expected)

In 2015, internal discussions were held to structure the awards and research for benchmark.

Perspectives for 2016

Implement the awards in 2016, by publishing a call for bid containing the competition criteria for each category.

JOVENS BAILARINOS (YOUNG DANCERS)

Strengthening public educational and cultural policies in the state of Mato Grosso and partnerships to implement the Casa Mato Grosso in Joinville, SC.

Impact (positive and negative, actual and expected)

Training of two students from the Bolshoi School of Theater in Brazil, one in Classical Dance and the other in Contemporary Dance, who will join national and/or international dance companies beginning 2016.

Perspectives for 2016

Coordination with public and private institutional partners to create the project's Managing Committee, thus validating its intention to become a public policy.

DIALOGAÇÃO

For a more comprehensive analysis of its impact, including social and economic aspects, AMAGGI prioritized the state of Mato Grosso, where it has its largest operations, and implemented the DialogAção project - a dialogue project with communities that includes panels, lectures, and workshops, which occurs every three years.

The goal of DialogAção is to identify the opinions of participants about the main aspects related to AMAGGI's performance in the community, to promote management improvements, and communication about priority issues.

G4-SO1

INITIATIVES WITH CARRIERS AND TRUCKERS

To mitigate impacts related to truck traffic on the communities where it operates, AMAGGI develops several projects focused on this audience. The main one is the **Responsible Trucker Program**.

In 2015, the company consolidated a partnership with Rota do Oeste in the *Parada Legal*. Over 2,500 drivers attended the program, which toured four cities in Mato Grosso (Cuiabá, Nova Mutum, Rondonópolis, and Sorriso) for the health and well-being of truckers. In addition, AMAGGI, in 2015, directly approached 100% of the truckers served during *Parada Legal*, spreading awareness about **Fight Against Sexual Exploitation of Children and Adolescents** through a channel for reporting violations of human rights, the Dial 100 hotline.

Another feature of the **AMAGGI Responsible Trucker Program** was the training of 288 AMAGGI employees who directly work with truck drivers, about issues related to cordiality and respectful service, ethics, and conduct.

At four AMAGGI units, (Lucas do Rio Verde Plant, Campo Novo do Parecis Warehouse, Itamarati Farm, and Itiquira Warehouse), a satisfaction survey was conducted with truckers about the service and infrastructure that the company offers professionals in order to identify points for improvement for the coming years. Conversation Sessions were also held at these units, and Trucker Safety primers were distributed. G4-SO1

For 2016, among the main actions planned are to form partnerships with leading carriers in order to raise awareness about the **Responsible Trucker Program**, continue sponsorship and participation in the campaigns of the Na Mão Certa Program, the NGO Childhood Brazil, and continue to improve company service and infrastructure related to truckers.

MONITORED INDICATORS

G4-10 (in Profile – Internal stakeholders), G4-EC5, G4-EC6, G4-EC7 (in Management approach), G4-EC8 (in Management approach), G4-LA1, G4-LA4, G4-SO1 (in Management Approach), G4-SO2 (in the text), G4-SO9 (In Social and environmental criteria for assessing suppliers) G4-SO10 (In Social and environmental criteria for assessing suppliers) G4-HR11 (In Social and environmental criteria for assessing suppliers)

G4-EC5 – Ratios of standard entry-level wage by gender compared to local minimum wage, at significant locations of operation

Difference between the lowest salary and minimum wage – 2015 ¹		Lowest paid salary	Percentage ratio ²
Energia	Men	R\$ 1,048.49	75%
	Women	R\$ 1,222.06	64%
Navegação	Men	R\$ 816.24	97%
	Women	R\$ 810.90	97%
Commodities	Men	R\$ 863.61	91%
	Women	R\$ 840.00	94%
Agro	Men	R\$ 925.00	85%
	Women	R\$ 900.00	88%
Amaggi	Men	R\$ 1,245.91	63%
	Women	R\$ 1,047.00	75%

¹Young Apprentices and interns were not included in this indicator.

²Percentage ratio calculated based on the monthly minimum wage in 2015: BRL 788.00.

G4-EC6. Procedures for hiring locally and the percentage of members of senior management recruited in the local community in significant operating units

100% of members of senior management (executive board and president) are from local communities.¹

¹AMAGGI defines “local” as being the same state where a certain company unit is located. In this regard, there is a hiring preference of local labor, whether in the city or state where the company operates, regarding board members and employees in general. This way of working allows the employee to build a career within the company.

G4-LA1 – Total number and rates of new employee hires and employee turnover

Turnover rate by gender *		Male	Female	Total
Commodities	2015	3.93	1.47	5.40
Agro		7.05	0.78	7.83
Navegação		2.73	0.43	3.16
Energia		8.61	1.54	10.15
Total		22.28	4.26	26.55

Turnover rate by age group*		Under 30	Between 30 and 50	Over 50	Total
Commodities	2015	2.59	2.57	0.24	5.40
Agro		3.63	3.56	0.64	7.83
Navegação		1.11	1.76	0.29	3.16
Energia		4.72	4.85	0.58	10.15
Total		11.79	12.85	1.91	26.55

Turnover rate by region (%)*		Southern Region	Midwestern Region	Northern Region	Total
Commodities	2015	0.08	4.37	0.95	5.40
Agro		NA	7.83	NA	7.83
Navegação		NA	NA	3.16	3.16
Energia		NA	10.15	NA	10.15
Total		0.14	19.46	7.05	26.65

* Calculation for the indicator was reformulated in 2015, using GRI's standard turnover calculation method as a reference, where: turnover rate = No. of total terminations year/Total employees in the year (12/31/2015). The indicator does not include seasonal workers (temporary contracts). As a result of the reformulation, there is no comparison with the previous year.

Rate of new hires ² by gender (%) – 2015 ¹		Commodities	Agro	Navegação	Energia	Total
Male		48	63	24	43	50
Female		13	3	5	4	7

Rate of new hires by age group (%) – 2015	Commodities	Agro	Navegação	Energia	Total
Under 30	42	41	19	26	36
Between 30 and 50	18	24	10	22	20
Over 50	1	2	0	0	1

Rate of new hires by region (%) – 2015	Commodities	Agro	Navegação	Energia	Total
Mid-West	48	67	0	48	46
Northern Region	13	0	29	0	10

¹ Data from 2014 not available.

² The rates of new hires were calculated as follows: number of new hires in 2015/headcount in 2015 broken down by gender, age, and region, including seasonal workers.

G4-LA4. Minimum period of notice of operational changes and whether they are specified in collective bargaining agreements

All information about changes, whether institutional or about the movement of employees (internally), are made available to the units by the Communication department, in the period prior to the fact, or immediately after confirmation of modification or change, regardless of whether it is included in the collective agreement.

MATERIAL ASPECTS

MANAGEMENT OF INITIATIVES AND INDUSTRY, NATIONAL AND INTERNATIONAL PARTNERSHIPS

MANAGEMENT APPROACH

Partnerships and commitments assumed by AMAGGI are selected if the initiatives are aligned with the company's values and strategies. The goal is to disseminate the company's principles in the value chain and manage the positive and negative impacts of the sector on the necessary scale. For volunteer agreements, before deciding on a new membership, the company verifies that the initiative already meets at least 70% of the defined commitments and goals, even if partially.

In 2015, the Sustainability Department created a methodology to assess its partnerships. There was no exclusion of any partner, but rather an analysis of the places where AMAGGI should hold a discussion and those where the company should take part in practical projects. The department also examined which partnerships were more focused on agribusiness and which were more focused on the industry and that required an industry approach. The analyses defined the company's performance within each partnership, in order to add more value to sustainable activities of the agribusiness.

It is worth mentioning that in the year 2015, the company strengthened its presence in debates about public participation, production industries, associations representing agribusiness, NGOs, and the public sector. With these discussions, especially in the state of Mato Grosso, the purpose is to evaluate the role of each sector in the development of the state.

PROJECTS AND INITIATIVES IN 2015

Commitments assumed G4-15

GLOBAL COMPACT – UNITED NATIONS

Companies commit to including in their practices principles related to human rights, labor relations, and the environment, as well as the fight against corruption. AMAGGI joined the UN Global Compact in 2009 (*learn more about the principles at www.pactoglobal.org.br*).

CORPORATE PRINCIPLES FOR FOOD AND AGRICULTURE, – PEAA (GLOBAL COMPACT)

In September 2014, the Global Compact (UN) launched the Business Principles for Food and Agriculture. AMAGGI participated in all stages of the project, along with 20 other private sector organizations from all over the world, and was the only Brazilian company invited to participate in the drafting process. Currently, AMAGGI coordinates the Working Group on Food and Agriculture of the Brazilian Network of the Global Compact. In 2015, the group started preparing a booklet to guide implementing PEAA, with information about success stories in sustainable agriculture (*learn more at: [http://www.pactoglobal.org.br/Public/upload/ckfinder/files/Folder_PEAA_portugues\(1\).pdf](http://www.pactoglobal.org.br/Public/upload/ckfinder/files/Folder_PEAA_portugues(1).pdf)*).



STAKEHOLDERS

Executive Board
Specialists
Institutional Partners

GLOBAL COMPACT



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



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



The elimination of all forms of forced and compulsory labour.



The effective abolition of child labour.



Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.



Encourage the development and diffusion of environmentally friendly technologies.



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

SUSTAINABLE DEVELOPMENT GOALS



NATIONAL PACT FOR THE ERADICATION OF BONDED LABOR (InPacto)

AMAGGI joined this pact on November 16, 2005, committing to defending human rights and eliminating any form of compulsory labor from its production chain. AMAGGI is a founding member of the Institute of the National Pact for the Eradication of Bonded Labor (InPacto), launched in 2014 with the purpose of strengthening, expanding, and ensuring sustainability in the actions carried out under the pact.

www.inpacto.org.br

CORPORATE PACT FOR INTEGRITY AND ANTI-CORRUPTION (CLEAN COMPANY – EMPRESA LIMPA)

The pact aims to promote company engagement in the fight against all forms of corruption and establish guidelines for the relationship between organizations and the government. AMAGGI joined the initiative on April 22, 2009.

www.empresalimpa.org.br

CHILD FRIENDLY COMPANY PROGRAM

Created by the Abrinq Foundation, aims to mobilize companies toward social action for the benefit of children and adolescents in Brazil. AMAGGI has been recognized as a Child Friendly Company since April 24, 2009.

<http://www.fundabrinq.org.br/protecao/protecao-empresa-amiga-da-crianca>

SUSTAINABLE DEVELOPMENT GOALS

Constitutes a set of 17 macro-objectives to be achieved by the signatory countries by the year 2030, through the concrete actions of governments and society. AMAGGI supports and disseminates the Sustainable Development Goals to its employees and key stakeholders.

<http://www.pnud.org.br/ODS.aspx>

LEADERSHIP FOR NATURAL CAPITAL PACT

In 2012, the company became a signatory of the pact designed by the Program for Leadership in Sustainability, at the University of Cambridge. Launched during the UN Conference Rio+20, where the only Brazilian business organizations were AMAGGI and Natura, the pact aims to obtain the mutual agreement of business leaders to value and maintain natural resources.

www.cpsl.cam.ac.uk

CORPORATE PACT AGAINST THE SEXUAL EXPLOITATION OF CHILDREN AND ADOLESCENTS ON BRAZILIAN HIGHWAYS

Commitment made in 2014 with the Na Mão Certa Program, organized by the NGO Childhood Brazil, and part of the World Childhood Foundation, an international organization dedicated to promoting and defending children's rights worldwide. The program aims to mobilize enterprises and organizations to fight the sexual exploitation of children and adolescents on Brazilian highways.

www.namaocerta.org.br/

INSTITUTIONAL PARTNERSHIPS

G4-16

SUSTAINABILITY COMMITTEE OF THE VEGETABLE OIL INDUSTRIES ASSOCIATION (ABIOVE)

as a member of the committee, the aim is to discuss and implement sustainability projects jointly with member companies to ensure the sustainability of the soy production industry.

SOYBEAN WORKING GROUP (GTS)

Soy Moratorium – GTS member, formed by member companies of Abiove, and the National Association of Grain Exporters (Anec), the Ministry of the Environment, Banco do Brasil, and by civil society organizations represented by Greenpeace. The renewal was approved for an additional year, until May 2016, aiming to improve the database and adhere to CAR Federal, so that the government will be able to carry out good governance and supervision of the Forest Code until 2016. AMAGGI's position in the GTS was important for the decision to continue in the moratorium.

BOARD RTRS

Round Table on Responsible Soy - as a member, discusses and approves guidelines and projects for the development of the market for certified products and improvements in the certification process.

RTRS TASK FORCE BRAZIL

Brazilian RTRS group develops projects for the development of the market and the certification process itself. For three years, AMAGGI has been certifying partner producers, and through a partnership with the NGO Aliança da Terra, provides support for rural producers to help them meet the required criteria.

EARTH INOVATION INSTITUTE

An international reference on issues related to food safety, protection of tropical forests, and climate change. The partnership aims to discuss issues about land performance, and existing financial and market mechanisms, in order to fight deforestation on a legal and regional scale.

SOJA PLUS

Program organized by Abiove and the Association of Soy and Corn Producers of Mato Grosso (Aprosoja), which aims to generate a gradual and continuous improvement process of environmental, social and economic aspects of production through better rural property management. The program started in Mato Grosso and now extends to other producing regions of the country. AMAGGI, through Abiove, has been supporting the project since its beginning.

THE NATURE CONSERVANCY (TNC)

In a partnership that has lasted over five years, AMAGGI finances improvement of environmental performance of rural producers of Mato Grosso. The main focus of the initiative is on strengthening the post-CAR (Rural Environmental Registry) agenda in the municipalities of Brasnorte, Campos de Júlio, Feliz Natal, Nova Mutum, Nova Ubiratã, Lucas do Rio Verde, Sapezal, Sorriso, and Tapurah, with restoration projects for APPs and mapping municipalities through the social and environmental registry.

AMAZON INSTITUTE FOR ENVIRONMENTAL RESEARCH (Ipam)

AMAGGI has two fronts in its partnership with this NGO. The Sustainable Territories project in MT, aims to develop local partnerships to improve the social and environmental performance of the municipality of Querência, MT. On the other front, the company has been developing scientific research projects on environmental protection at the Tanguro Farm for over ten years.

BRAZILIAN BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (CEBDS)

AMAGGI participates in various thematic chambers, such as CTClima, CTBio, CTÁgua, and CTSocial, in order to seek, jointly with other companies, continuous improvement in management of emissions, biodiversity, water, and local development.

THE GETULIO VARGAS FOUNDATION – SUSTAINABILITY CENTER (GVces)

AMAGGI participates in the Business Platform for the Climate, the GHG Protocol Brazilian Group. The company has also contributed to preparing the GHG Protocol for Agriculture, and was the first company to publish its emissions inventory meeting the standards set for the industry. Also in 2014, the company participated in the Trends in Ecosystem Services Group (TeSE), to develop methodology for qualifying ecosystem services; in the IDLocal, to build business strategies and guidelines for local development; and in Innovation and Sustainability in the Value Chain (ISCV).

MT STRATEGY: PRESERVE, CONSERVE, AND INCLUDE (GOVERNMENT OF MATO GROSSO)

In 2015, AMAGGI participated in the Conference of the Parties (COP) of the UN Climate Convention, an international treaty that aims to fight climate change caused by human action. The participation of Mato Grosso and AMAGGI was very expressive in this event, and also brought good results to the fight against climate change in Brazil. The strategy designed for Mato Grosso is called the **MT Strategy: Produce, Conserve, and Include**, and among its objectives, these stand out: eliminate illegal deforestation in the state by 2020; replace 6 million hectares of degraded pastures with high productivity crops by 2030; recompose 1 million hectares (100%) of degraded APPs by 2030; conserve the native area in the state, currently estimated to be 60% of its territory; and increase the share of family farming in the domestic food market by 20 to 70%.

The company also participates in the GT Black List of the Ministry of Labor and Employment (MTE), and Ibama Technical Group for Embargoes. The company also participates in studies with the Life Institute to analyze an evaluation methodology for biodiversity. AMAGGI is a member of the Environmental Commission of OAB Mato Grosso, the Mato Grosso State Council for Water Resources (Cehidro), and the Thematic Environmental Council (Contema), of the Federation of Industries in the State of Mato Grosso (Fiemt).

MATERIAL ASPECTS

INNOVATION

MANAGEMENT APPROACH

The aspect of innovation has always been a priority for AMAGGI and is included in its business strategies.

Agribusiness is related to the great challenges that demand innovation and involve various economic and social interests that go beyond national boundaries, on aspects such as climate change and food safety.

The company invests in innovating its production process, such as that implemented in agricultural production, which is now a world reference in terms of process and technology, as well as innovations in logistics, which stand out for their Northern flow strategy by river and the adoption of advanced navigation technology.

Today, one AMAGGI innovation is not in its product, but rather in the way that it supplies grains. Its work in the supply chain, projects, and social, environmental, and quality certifications, and the way the company includes the expectations and demands of stakeholders in their strategies, are issues that allow the company to deliver grains in a transparent and sustainable process.

The monitoring program of the entire production chain, which enables the supply for the non-genetically modified soy products market (GMOs), also stands out as a company advantage.

PROJECTS AND INITIATIVES

INNOVATIONS IN AGRICULTURAL PRODUCTION

With the modernization of agriculture in recent years, AMAGGI invested in restructuring the management and technology model, providing better operational governance, optimizing the use of available resources such as machines, agricultural inputs, and labor, resulting in reduced environmental impact and improved productivity.

In the 2015/2016 crop year, the company plans to use 70% of the farmable land in the second crop.

The area has also invested approximately BRL 2 million in systems in recent years. With this, the company managed to identify performance indicators to optimize the use of equipment and minimize waste.



STAKEHOLDERS

Employees
Institutional Partners
Specialists (industry studies)
Suppliers

GLOBAL COMPACT



Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.



Encourage the development and diffusion of environmentally friendly technologies.

SUSTAINABLE DEVELOPMENT GOALS



The area has also invested approximately BRL 2 million in systems in recent years. With this, the company managed to identify performance indicators to optimize the use of equipment and minimize waste.

Among the implemented systems, note Geo Agrícola, which adopts tablets for the daily collection of information relating to field activities (the system allows, through the use of a GPS, employees to note the crop conditions and record the critical points) and AgroSIG (Geographic Information System), which enables the analysis of key performance indicators, combining information and spatial location.

Thus, the company found a more practical way to navigate information, with very detailed references to spatial location. In the field, in the office, or at headquarters, employees and managers access detailed information about each farm, which guides increasingly assertive decision-making, with more efficiency and less resource consumption.



↓26%

OF FUEL SAVINGS IN
CROP OPERATIONS,
IN THE LAST FIVE
CROPS

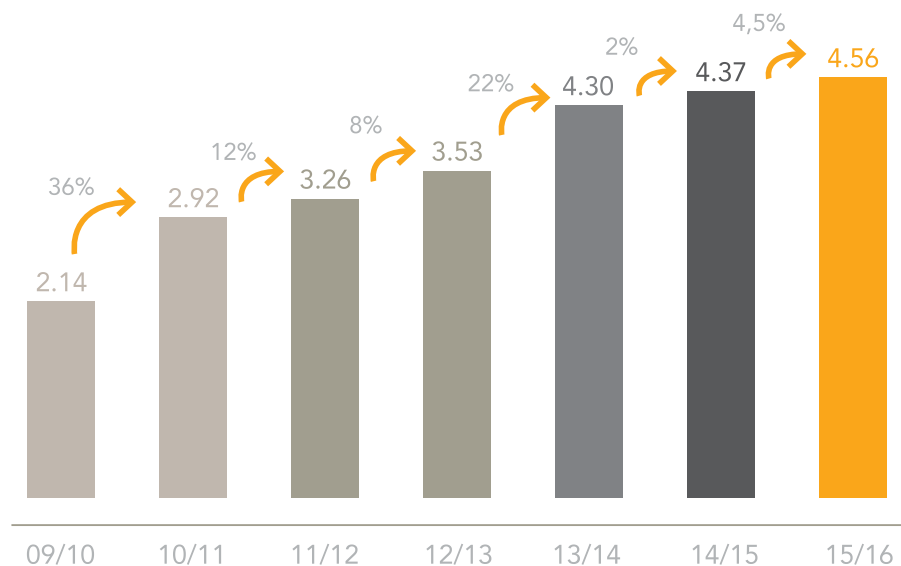
In 2015, the company also invested over USD 20 million in renovating the fleet. New and more efficient machines mean improved operating efficiency and lower fuel consumption, which increases productivity, and reduces costs and environmental impacts.

All initiatives developed, and the restructuring of the governance model, contribute to the maintenance of environmental certifications such as the ISCC, which was only possible due to greater control of greenhouse gas emissions (learn more in Certifications).

EVOLUTION OF OPERATING INCOME IN AMAGGI AGRO SOYBEAN PLANTING

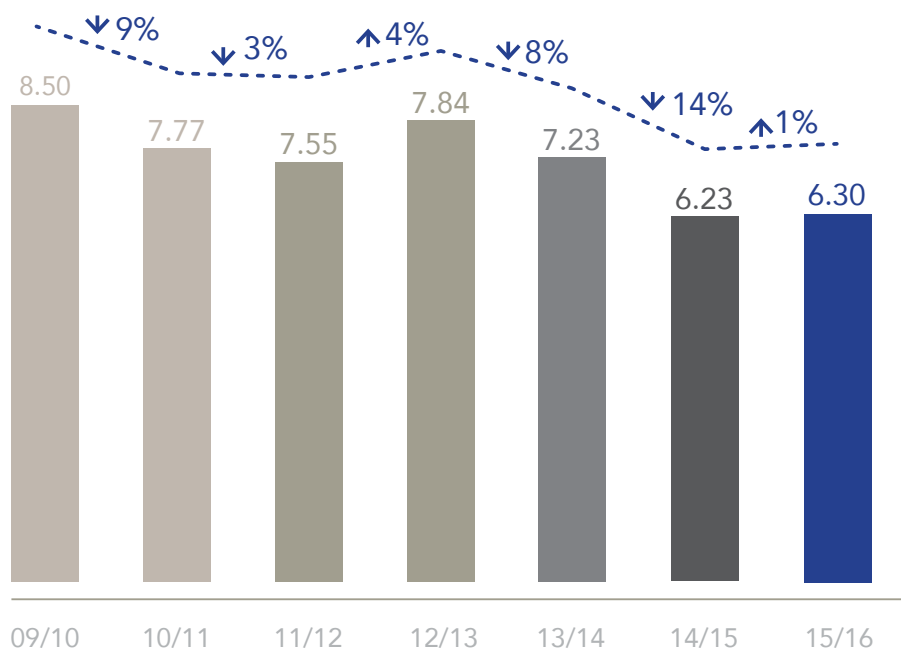
hectares per hour

Increase in operating income = **104%**



EVOLUTION OF DIESEL CONSUMPTION IN SOYBEAN PLANTING OPERATION AT AMAGGI AGRO

liters per hectare



Research on precision agriculture

In 2015, AMAGGI Agro initiated a study also considered a Proof of Concept (PoC), called Telemeclima, which aims to cross telemetry data provided by machines with measurements of weather conditions. With real-time information, it will be possible, in the future, to improve the quality of applications and planting operations, reducing the use of products and mitigating rework.

At Tucunará and Itamaraty Farms, new varieties of soybeans and cotton, agrochemical and biological products, and plant coverage are being tested, enabling the control of soil pests. The first results should be published at the end of the 15-16 crop year.

INNOVATIONS AT NAVEGAÇÃO

In 1997, AMAGGI innovated with a new possibility for shipping grain, with lower cost, more efficiency, and less environmental impact, and opened the first river corridor in the country through the Madeira River, in Northern Brazil.

A new phase of innovation, AMAGGI Navegação invests in technology in the Madeira-Amazon corridor and the new Tapajós corridor, both in the Amazon forest region, expanding capacity and improving efficiency of operations, with less social and environmental impact.

- **Terminal Cuiabá Project** (crane barge) – in 2015, the crane barge operation for the port of Itacoatiara in the Madeira-Amazonas corridor began, which loads grain directly from the barge to the ship, using loading equipment with features combining a crane with a backhoe loader. The project allows for the expansion of the terminal capacity, without the need for more land, avoiding deforestation in the Amazon region.
- **Pusher Tugs – Tapajós corridor** – the company designed and built more efficient pusher tugs with less social and environmental impact, in partnership with the company InterOcean. • Pusher Tugs use diesel electric propulsion and generators that provide better operating conditions and reduce carbon emissions by 20% to 40%. It is the first pusher tug with these characteristics to be built and operated in Brazil for inland navigation.
- **Automatic aluminum covers for closing barges** – new technology, developed in 2014 in partnership with a Belgian company, for closing grain barges. Traditionally, the grains were covered with tarps, which needed to be tied down by employees who were exposed to risks. The tarps were also less reliable in terms of keeping moisture out. The new covers provide more safety to the staff and ideal sanitary conditions for the grains. AMAGGI is the only company in Brazil to use this technology.
- **Shipyard maintenance and vessel repair** – in early 2015, AMAGGI Navegação inaugurated the facilities for shipyard maintenance and ship repair along the Amazon River in Itacoatiara-AM. The facilities, and the proper and adequate equipment are allowing the company to gain efficiency in vessel repairs, which were previously carried out at third-party facilities.



OVER THE PAST FIVE YEARS,
AMAGGI NAVEGAÇÃO'S
INVESTMENT IN TECHNOLOGY
(ASSETS) WAS APPROXIMATELY

USD 237.46 MI

MATERIAL ASPECTS

MARKET PRESENCE

MANAGEMENT APPROACH

The AMAGGI business strategy for the coming years is for growth. The challenge for the future is to increasingly position AMAGGI as a global company, leading the major grain production markets such as South America, and selling to markets such as Europe and Asia.

According to the ranking of the Ministry of Development, Industry, and Foreign Trade (MDIC), in 2015 AMAGGI Commodities was the 16th largest exporter in the country. The company sells grains in Brazil, Argentina, and Paraguay, with sales offices in the three countries, plus Holland and Switzerland, and a soybean crushing plant in Norway.

In 2015, AMAGGI began integrating an office in Hong Kong, China. This office already existed and belonged to two large cooperatives, one Argentine and another, Japanese. The company began operating directly in China with this partnership.

AMAGGI considers the Chinese market one of the most important in the world, due to the volume exported there. Currently, China imports 79 million tons of soybeans, which represents 62% of the world trade. By 2024, China's imports are expected to reach 108 million tons. The company has served the Asian market through AMAGGI Switzerland, and with the new office, intends to expand its presence in this market and thereby achieve better results.

Considering the opportunities that will come with the expansion in the Asian market, and the growing demand for grains in the world, and the fact that Brazil is generally expanding its agricultural production, in addition to opening new delivery routes through the Northern part of the country, the company believes in its growth strategy, in terms of volume and value creation for shareholders and stakeholders.

"We continue reviewing and aligning our goals in order to achieve the targets set for the coming years, which will make AMAGGI Commodities a 20-million ton business in 2020"

Waldemir Loto, AMAGGI CEO

**STAKEHOLDERS**

Executive Board
Specialists

GLOBAL COMPACT

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



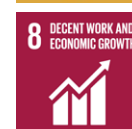
Businesses should support a precautionary approach to environmental challenges.



Undertake initiatives to promote greater environmental responsibility.



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

SUSTAINABLE DEVELOPMENT GOALS

OS INDICADORES A SEGUIR DEMONSTRAM A EVOLUÇÃO DA AMAGGI NOS SEUS PLANOS DE EXPANSÃO

13.89
MILLION TONS

Volume of origination and trading, in Brazil and abroad

2.68
MILLION TONS

static capacity of grain storage – 2015

5 MILLION TONS

lifting capacity – capacity of its own ports (excluding TGG)

5 MILLION TONS

logistics capacity – navigation capacity

	2011	2012	2013	2014	2015
Commodities	28.4	32.6	37	68.7	61.2
Agro	29.9	84.6	111	77.8	35.8
Navegação	25.8	24.2	19.56	79.46	88.44
Energia	85.6	87.6	37.5	2	1.06

SUSTAINABLE GROWTH

AMAGGI believes that its growth strategy can create value for both shareholders and stakeholders. For this, the company has brought the areas of sustainability, human resources, legal, and communication increasingly closer to the strategy for each of these business areas.

The Sustainability area designed the Vision 2025 with an action plan for each of the priority aspects for the business, and for society as defined in the Global Stance on Sustainability, in order to offer sustainability to the projected growth and continuity to the company.

PROJECTS AND INITIATIVES IN 2015

BEGAN INTEGRATING AN OFFICE IN HONG KONG, CHINA

MONITORED INDICATORS

EC1, EC4 and internal indicators mentioned in the text.

G4-EC1. Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations, and other investments in the community, retained earnings, and payments to capital providers and governments

	2013	2014	2015
Direct economic value generated – revenue (BRL)	BRL 9,504,888.00	BRL 10,314,642.00	BRL 13,597,426.00
Distributed economic value (%)	2013	2014	2015
Shareholders (remuneration on own capital)	2.48%	0.95%	2.15%
Employees (remuneration, benefits, payroll charges)	16.67%	28.97%	20.86%
Government (taxes, fees, contributions)	28.82%	14.69%	26.87%
Retained profit/loss in the period	13.83%	4.06%	10.71%
Interest and rent (outside capital remuneration)	38.19%	51.33%	39.41%
Total	100%	100%	100%
Retained economic value (BRL) ("direct economic value generated" less "distributed economic value")	2013	2014	2015
	BRL 9,504,888.00	BRL 10,314,642.00	BRL 13,597,426.00

G4-EC4. Significant financial assistance received from government

In 2015, the amount received in tax incentives was BRL 9,485,259.57.

ABOUT THE REPORT

PROFILE, SCOPE, AND BOUNDARIES OF THE REPORT

G4-17, G4-23, G4-28, G4-29, G4-30 e G4-33

In this *Sustainability Report*, AMAGGI presents the balance of the main activities of the units located in Brazil during the period from January 1 to December 31, 2015.

The publication reports the operations of the units located in Brazil and of which AMAGGI has full control, including leased units. Quantitative data is not reported about companies not fully controlled by AMAGGI; this excludes joint ventures and those located in other countries.

The twelfth annual report, and eighth developed based on the guidelines of the Global Reporting Initiative (GRI), a world reference for corporate reports, now in its G4 version, released in 2013, consolidates information about 48 performance indicators associated with aspects considered priorities. The application level adopted was the Core level, as the report presents at least one indicator related to the aspects considered material.

The annual retrospective, combined with a set of goals and future objectives, provides a scenario of the company's progress in its sustainability practices related to the business, and its responsibility in the agribusiness chain.

The economic and financial indicators were calculated according to the criteria defined by Brazilian accounting standards, and subsequently analyzed and validated by an independent external audit.

As for social and environmental data, covering both the administrative activities at the company's headquarters in Cuiabá, MT, and the activities developed by the various units and business areas, have been consolidated without the analysis and validation of external auditors. This measure, which has been planned since 2013, is being studied for the next cycle, since the adoption of version G4 of the GRI required changes to the collection of indicators. G4-18

Comparisons with the contents of the previous report (2014) is guaranteed, since any changes and restatements are properly highlighted, when necessary, in different passages in the text or in explanatory notes. G4-22, G4-23

Two major institutional commitments with which AMAGGI engaged in 2009 (Global Compact and the Millennium Development Goals) are still in evidence, with the respective correlation of the issues addressed by the two global initiatives throughout the report, presented at the beginning of each section.

The same is true for GRI items and performance indicators, a practical way of easily identifying them while at the same time making the reading more didactic.

The report includes an online version and an abridged edition, which will be widely disseminated to priority stakeholders.

PARAMETERS FOR PREPARATION OF THE REPORT / MATERIALITY

G4-24, G4-25, G4-37, G4-48

The principle of materiality refers to defining the most relevant aspects for the company's management, including its strategy and stakeholder perception, internally and externally, about the impacts caused by its activities.

The last materiality process carried out by AMAGGI in 2014 included interviews with industry experts and 11 company directors, and multi-stakeholder panels in the cities of Cuiabá, Campo Novo do Parecis, and Lucas do Rio Verde, in Mato Grosso, as well as online questionnaires for employees, strategic partners, and suppliers. In all, over 500 stakeholders were heard, and the issues identified by them as priorities were validated by the AMAGGI Executive Board, as shown in the following table.

G4-19, G4-20, G4-21, G4-24 e G4-27

Material aspects	Aspect	G4 Indicator	Stakeholders related to the aspect
Contribution to local development and the movement of the local economy	Market presence	G4-EC5	Executives, employees, unit, communities, suppliers and specialists
		G4-EC6	
	Indirect economic impacts	G4-EC7	
		G4-EC8	
	Employment	G4-LA1	
	Labor relations	G4-LA4	
	Local Communities	G4-SO1	
Maintenance of native forests in preservation areas, protected by the Forest Code	Biodiversity	G4-EN11	Executives, specialists, and partner institutions
		G4-EN13	
	Products and Services	G4-EN27	
	Transport	G4-EN31	
	Economic Performance	G4-EC2	

Material aspects	Aspect	G4 Indicator	Stakeholders related to the aspect
Accountability and transparency toward society	Compliance	G4-EN29	Executives, communities, specialists, industry studies, and suppliers
		G4-SO8	
		G4-PR9	
	Environmental grievance mechanisms related to environmental impacts	G4-EN34	
	Grievance mechanisms related to labor practices	G4-LA16	
	Non-discrimination	G4-HR3	
	Human rights grievance mechanisms	G4-HR12	
	Public Policies	G4-SO6	
	Anti-competitive Behavior	G4-SO7	
	Environmental grievance mechanisms related to impacts on society	G4-SO11	
	Product and Service Labeling	G4-PR5	
Support to rural producers	Internal indicators		Executives, unit managers, specialists, and partner institutions
	Indirect economic impacts	G4-EC8	
Impact of activities on deforestation	Economic Performance	G4-EC2	Executives, specialists, and partner institutions
	Biodiversity	G4-EN12	
	Biodiversity	G4-EN11	
		G4-EN13	
	Product and Services	G4-EN27	
	Transport	G4-EN31	
Water management	Water	G4-EN8	Executives, specialists, and industry studies
		G4-EN9	
	Effluents and Waste	G4-EN10	
		G4-EN22	
	Effluents and Waste	G4-EN26	
	Products and Services	G4-EN27	
	Transport	G4-EN31	
Market presence	Economic Performance	G4-EC1	Executives and specialists
		G4-EC4	
	Internal indicators		
Management of initiatives and industry, national, and international partnerships	Internal indicators		Executives, specialists, partner institutions, and industry studies
	Public Policies	G4-SO6	

Material aspects	Aspect	G4 Indicator	Stakeholders related to the aspect
Social and environmental criteria to assess suppliers	Procurement practices	G4-EC9	Executives, partner institutions, and suppliers
	Supplier environmental assessment	G4-EN32	
		G4-EN33	
	Supplier assessment for labor practices	G4-LA14	
		G4-LA15	
	Investments	G4-HR1	
	Freedom of association and collective bargaining	G4-HR4	
	Child Labor	G4-HR5	
	Forced or compulsory labor	G4-HR6	
	Supplier assessment for human rights	G4-HR10	
		G4-HR11	
	Supplier assessment for impacts on society	G4-SO9	
Impact of activities on communities where the company operates	Local Communities	G4-SO2	
	Supplier environmental assessment	G4-EN33	
	Supplier assessment for labor practices	G4-LA15	
	Supplier assessment for human rights	G4-HR11	
	Supplier assessment for impacts on society	G4-SO9	
	Supplier assessment for impacts on society	G4-SO10	
Innovation	Internal indicators		Employees, partner institutions, industry studies, and suppliers

The results, in addition to guiding management, helped develop this report and define the content to be included in the publication. When planning the calculation, data from the Global Reporting Initiative methodology were cross-referenced with results of the materiality process, and aspects covered by the GRI most suited to monitoring progress in each topic considered priority were identified. Each GRI aspect related to list 1 of the topics merited specific coverage, involving data about the management approach and performance indicators. G4-18

GRI CONTENT INDEX



GENERAL STANDARD CONTENT

General standard content	Page/disclosure	External Assurance	Sustainable Development Goals*
Strategy and Analysis			
G4-1 Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Message from the CEO	No	
G4-2 Description of main impacts, risks and opportunities: focus on the organization's main impacts on sustainability and their effects on stakeholders	Profile – Governance – Risk management and Global Sustainability Ranking, Impact of activities on communities	No	
Organizational Profile			
G4-3 Name of the organization	Businesses	No	
G4-4 Primary brands, products, and services	Businesses	No	
G4-5 Location of organization's headquarters	Profile	No	
G4-6 Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Profile	No	
G4-7 Nature of the property and the organization's legal form	Profile	No	
G4-8 Markets in which the company operates (broken down by geography, sectors covered and types of clients and beneficiaries)	Businesses	No	
G4-9 Scale of the organization	Profile	No	8
G4-10 Total number of employees UNGC	Profile – Internal audience	No	8
G4-11 Percentage of employees covered by collective bargaining agreements UNGC	Profile – Internal audience	No	
G4-12 Description of the organization's supply chain	Social and environmental criteria to assess suppliers	No	
G4-13 Significant changes that occurred in the period covered by the report regarding size, structure, ownership, and supply chain	Profile and Businesses	No	
G4-14 Report if and how the precautionary approach or principle is addressed by the organization	Profile – Governance – Risk management	No	

General standard content	Page/disclosure	External Assurance	Sustainable Development Goals*
G4-15 Externally developed economic, environmental and social charters, principles to which the organization subscribes or which it endorses	Management of initiatives and industry, national, and international partnerships.	No	
G4-16 List memberships in associations and national or international advocacy organizations (ex.: trade associations)	Management of initiatives and industry, national, and international partnerships.	No	
Identified Material Aspects and Boundaries			
G4-17 List all entities included in the organization's consolidated financial statements or equivalent documents	About the report	No	
G4-18 Explain the process for defining the report content and the aspect boundaries	About the report	No	
G4-19 List all material aspects identified in the process for defining report content	About the report	No	
G4-20 For each material aspect, report the aspect boundary within the organization	About the report	No	
G4-21 For each material aspect, report its boundary outside the organization	About the report	No	
G4-22 Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	About the report	No	
G4-23 Report significant changes from previous reporting periods in the scope and aspect boundaries	About the report. There were no significant changes compared to the previous report	No	
Stakeholder engagement			
G4-24 List of stakeholder groups engaged by the organization	About the report and Accountability and transparency with society – Stakeholder engagement	No	
G4-25 Basis for identification and selection of stakeholders with whom the company engages	About the report and Accountability and transparency with society – Stakeholder engagement	No	
G4-26 Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	About the report and Accountability and transparency with society – Stakeholder engagement	No	

General standard content	Page/disclosure	External Assurance	Sustainable Development Goals*
G4-27 Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including the reporting process. Report the groups of stakeholders that raised each issue and concern mentioned	About the report and Accountability and transparency with society – Stakeholder engagement	No	
Report Profile			
G4-28 Reporting period (such as fiscal or calendar year) for information provided	About the report	No	
G4-29 Date of most recent previous report (if any).	About the report	No	
G4-30 Reporting cycle (such as annual, biennial, etc.)	About the report	No	
G4-31 Contact point for questions regarding the report or its contents	sustentabilidade@amaggi.com.br e comunicacao@amaggi.com.br	No	
G4-32 Option “in agreement” chosen by the organization	GRI Content Index	No	
G4-33 Current policy and practice adopted by the organization for submitting the report for external assurance	About the report	No	
Governance			
G4-34 Governance structure of the organization, including committees of the highest governance body. Identify all committees responsible for advising the board when making decisions that have economic, environmental, and social impacts	Profile – Governance	No	
G4-35 Process used for delegating authority on economic, environmental, and social topics to the highest governance body, to senior executives and other employees	Profile – Governance	No	
G4-36 Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	Profile – Governance	No	
G4-37 Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. If the query has been delegated to other structures, bodies, or persons, indicate to whom, as well as any existing processes of feedback to the highest governance body	About the report, Profile – Governance and Senior management’s commitment to sustainability	No	
G4-38 Composition of the highest governance body and its committees	Profile – Governance	No	
G4-39 Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization’s management and the reasons for this arrangement)	Profile – Governance	No	
G4-40 Selection and appointment processes for the highest governance body and its committees, as well as the criteria used to select and appoint the members of the highest governance body	Profile – Governance	No	

General standard content	Page/disclosure	External Assurance	Sustainable Development Goals*
G4-41 Processes used by the highest governance body to ensure prevention and management of conflicts of interest. Reports of conflicts of interest are disclosed to stakeholders	Profile – Governance	No	
G4-42 Roles of the highest governance body and the senior executives in the development, approval, and updating of the purpose, mission, vision and values statement, and in defining strategies, policies, and goals related to the organization's economic, environmental, and social impacts	Profile – Governance	No	
G4-43 Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Profile – Governance	No	
G4-44 Process for delegating authority from the highest governance body for economic, environmental, and social topics. Report whether this assessment is independent or not, and the frequency with which it is carried out. Report whether this assessment is a self-assessment	Profile – Governance	No	
G4-45 Role of the highest governance body in the identification and management of impacts, risks and opportunities derived from economic, environmental, and social issues. Mention the role of the highest governance body in the implementation of due diligence	Profile – Governance	No	
G4-46 Role of the highest governance body in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	Profile – Governance	No	
G4-47 Frequency of the highest governance body's review of impacts, risks, and opportunities arising from economic, environmental and social issues	Profile – Governance	No	
G4-48 Highest level body or position that analyzes and formally approves the organization's sustainability report and ensures that all material aspects are addressed	About the report, Profile – Governance	No	
G4-49 Process used for communicating critical concerns to the highest governance body	Profile – Governance	No	
G4-50 Nature and total number of critical concerns that were communicated to the highest governance body and the mechanisms adopted to address and solve such concerns	Accountability and transparency toward society	No	
G4-51 Remuneration policies applied to the highest governance body and senior executives	Profile – Governance	No	

General standard content	Page/disclosure	External Assurance	Sustainable Development Goals*
G4-52 Process for determining remuneration. Report whether remuneration consultants are involved in determining salaries and whether they are independent of management. Report any other relationship between remuneration consultants and the organization	AMAGGI's structure of positions and salaries follows the Hay methodology (Hay Consulting Group), which adopts a scoring system for each function and salary steps for each position group. Periodically, the salary ranges are reviewed. In parallel, AMAGGI conducts a salary survey to assess the competitiveness of salaries and benefits for the market	No	
G4-53 How the opinions of stakeholders regarding remuneration are requested and taken into account, including the results of votes on remuneration policies and proposals, if applicable	Contribution to local development and movement of the local economy	No	
G4-54 Ratio of the total annual remuneration of the highest paid individual at the organization in each country where the organization has significant operations and the average annual total remuneration of all employees (excluding the highest paid) in the same country	Not reported – reason for omission: strategic company information	No	
G4-55 Ratio of the percentage increase of the annual total remuneration of the highest paid individual at the organization in each country where the company has significant operations and the average percentage increase of the total annual remuneration of all employees (excluding the highest paid) in the same country	Not reported – reason for omission: strategic company information	No	
Ethics and integrity			
G4-56 Organization's values, principles, standards and norms of behavior, such as codes of ethical behavior	Profile	No	16
G4-57 Internal and external mechanisms for seeking advice on ethical and lawful behavior and in compliance with legislation, such as relationship channel (ex.: Ombudsman's Office).	Accountability and transparency toward society	No	
G4-58 Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	Accountability and transparency toward society	No	

SPECIFIC STANDARD CONTENT

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Category: Economic					
Economic Performance UNGC	G4-DMA Management approach	Market presence		No	
	G4-EC1 Direct economic value generated and distributed	Market presence		Yes	2, 5, 7, 8, 9
	G4-EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change	Maintenance of native forests in preservation areas and impact of activities on deforestation		No	13
	G4-EC4 Financial assistance received from government	Market presence		Yes	
Market presence	G4-DMA Management approach	Market presence		No	
	G4-EC5 Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy		No	1, 5, 8
	G4-EC6 Proportion of senior management hired from the local community at significant locations of operation	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy		No	8
Indirect economic impacts	G4-DMA Management approach	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy		No	
	G4-EC7 Development and impact of infrastructure investments and services provided	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy		No	2, 5, 7, 9, 11
	G4-EC8 Significant indirect economic impacts, including the extent of impacts	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy		No	1, 2, 3, 8, 10, 17

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Procurement practices	G4-DMA Management approach	Social and environmental criteria to assess suppliers		No	1, 5, 8
	G4-EC9 Proportion of spending on local suppliers at significant operating units	Social and environmental criteria to assess suppliers		No	12
Environmental category					
Water	G4-DMA Management approach	Water management	No		
	G4-EN8 Total water withdrawal by source	Water management	No		6
	G4-EN9 Water sources significantly affected by withdrawal of water	Water management	No		6
	G4-EN10 Percentage and total volume of water recycled and reused	Water management	No		6, 8, 12
Biodiversity	G4-DMA Management approach	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		
	G4-EN11 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high level of biodiversity outside protected areas	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		6, 14, 15
	G4-EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high level of biodiversity outside protected areas	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		6, 14, 15
	G4-EN13 <i>Habitats</i> protected or restored	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		6, 14, 15
	G4-EN14 Total number of IUCN red list species and in other conservation lists with habitats in areas affected by operations of the organization, by level of extinction risk	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		6, 14, 15

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Effluents and Waste	G4-DMA Management approach	Water management	No		
	G4-EN22 Total water discharge by quality and destination	Water management	No		3, 6, 12, 14
	G4-EN26 Identification, size, protection status, and biodiversity value of bodies of water and related habitats significantly affected by discharges of water and runoff from the organization	Water management	No		6, 14, 15
Products and Services	G4-DMA Management approach	Certifications	No		
	G4-EN27 Extent of impact mitigation of environmental impacts of products and services	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		6, 8, 12, 13, 14, 15
Compliance	G4-DMA Management approach	Profile – Governance – Respect for the Law	No		
	G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Accountability and transparency toward society	No		16
General	G4-DMA Management approach	Governance, maintenance of native forests in preservation areas and impact of activities on deforestation. Water management	No		
	G4-EN31 Total investments and expenditures in environmental protection by type	Maintenance of native forests in preservation areas and impact of activities on deforestation	No		7, 9, 12, 13, 14, 15, 17
Supplier Environmental Assessment	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-EN32 Percentage of new suppliers that were screened using environmental criteria	Social and environmental criteria to assess suppliers	No		
	G4-EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken	Social and environmental criteria to assess suppliers	No		

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Environmental grievance mechanisms related to environmental impacts	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-EN34 Number of grievances related to environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Accountability and transparency toward society	No	16	
Social Category – Labor practices and decent work UNGC					
Employment	G4-DMA Management approach	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		
	G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		5, 8
Labor relations UNGC	G4-DMA Management approach	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		
	G4-LA4 Minimum period of advanced notice of operational changes and whether they are specified in collective bargaining agreements	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		8
Occupational Health and Safety	G4-DMA Management approach	Profile – Internal audience	No		
	G4-LA6 Types and rates of injuries, occupational diseases, lost days, absenteeism and number of work-related fatalities, by region and gender	Profile – Internal audience	No		3, 8

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Training and Education	G4-DMA Management approach	Profile – Governance – Training and development	No		
	G4-LA9 Average number of training hours per year per employee, broken down by gender and job category	Profile – Governance – Training and development	No		4, 5, 8
Supplier Assessment for Labor Practices	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-LA14 Percentage of new suppliers that were screened using labor practices criteria	Social and environmental criteria to assess suppliers	No		5, 8, 16
	G4-LA15 Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Social and environmental criteria to assess suppliers	No		5, 8, 16
Grievance mechanisms related to labor practices	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-LA16 Number of grievances related to labor practices filed, processed and solved through formal grievance mechanisms	Accountability and transparency toward society	No	16	
Social category – Human Rights UNGC					
Investments	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-HR1 Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Social and environmental criteria to assess suppliers	No		
Non-discrimination UNGC	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-HR3 Total number of incidents of discrimination and corrective actions taken	Accountability and transparency toward society	No		5, 8, 16

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Freedom of Association and Collective Bargaining UNGC	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-HR4 Operations and suppliers identified where the right to exercise freedom of association and collective bargaining may be violated or there is significant risk, and actions taken to support these rights	Social and environmental criteria to assess suppliers	No	8	
Child Labor UNGC	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-HR5 Operations and suppliers identified as at risk for the occurrence of child labor and measures taken to contribute to the effective eradication of child labor	Social and environmental criteria to assess suppliers	No	8, 16	
Forced or Compulsory Labor UNGC	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-HR6 Operations and suppliers identified as having significant risk of incidents of forced or compulsory labor and measures taken to contribute to the elimination of all forms of forced or compulsory labor	Social and environmental criteria to assess suppliers	No	8	
	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
Supplier Human Rights Assessment	G4-HR10 Percentage of new suppliers that were screened using human rights criteria	Social and environmental criteria to assess suppliers	No		
	G4-HR11 Significant actual and potential negative human rights impacts in the supply chain and corresponding actions taken	Social and environmental criteria to assess suppliers	No		

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Human rights grievance mechanisms	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-HR12 Number of grievances about human rights impacts filed, addressed, and resolved through formal mechanisms	Accountability and transparency toward society	No	16	
Social category – Society					
Local Communities UNGC	G4-DMA Management approach	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		
	G4-SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		
	G4-SO2 Operations with significant actual and potential negative impacts on local communities	Impacts of activities upon communities where the company operates and contribution to local development and movement of local economy	No		1, 2
Anti-competitive Behavior	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Accountability and transparency toward society	No		16

Material aspects	DMAs and indicators	Page/ disclosure	Omission	External Assurance	Sustainable Development Goals*
Compliance	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Accountability and transparency toward society	No		16
Supplier Assessment for Impacts on Society	G4-DMA Management approach	Social and environmental criteria to assess suppliers	No		
	G4-SO9 Percentage of new suppliers that were screened using criteria for impacts on society	Social and environmental criteria to assess suppliers	No		
	G4-SO10 Significant actual and potential negative impacts on society in the supply chain and actions taken	Social and environmental criteria to assess suppliers	No		
Environmental grievance mechanisms related to impacts on society	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-SO11 Número de queixas e reclamações relacionadas a impactos na sociedade registradas, processadas e solucionadas por meio de mecanismo formal	Accountability and transparency toward society	No	16	
Category: Social - Product Responsibility					
Product and Service Labeling	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-PR5 Results of surveys measuring customer satisfaction	Accountability and transparency toward society	No		
Compliance	G4-DMA Management approach	Accountability and transparency toward society	No		
	G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Accountability and transparency toward society	No		16

*SUSTAINABLE DEVELOPMENT GOALS:



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ENGLISH VERSION

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