Our report

This publication is a report by Copersucar and its Partner Mills about their main social, environmental, economic, financial, and governance operations in the 2014-2016 biennium. The information is accompanied by performance indicators selected for the two crop years occurring in this period. (G4-28, G4-30)

This is the fourth report published by the company according to the guidelines of the Global Reporting Initiative (GRI). In this edition, we adopted the G4 Core version of these guidelines, which seeks to objectively cover the most relevant aspects of the business from an entrepreneurial and society standpoint—here, with an expanded focus on the value chain. (G4-29, G4-32)

The report covers the operations of Copersucar in Brazil, such as the head office in São Paulo, SP, and the logistics facilities of its subsidiaries: the Copersucar Sugar Terminal (TAC) in Santos, belonging to Companhia Auxiliar de Armazéns Gerais; multimodal terminals at São José do Rio Preto and Ribeirão Preto, SP; and the Copersucar Ethanol Terminal (TCE) in Paulínia, SP, all linked to Copersucar Armazéns Gerais S.A. (G4-22, G4-23)

The topics considered most relevant are addressed by the company’s stakeholders: shareholders, financial institutions, governments, clients, employees, Partner Mills and non-Partner Mills, suppliers, and civil organizations, among others. These aspects were reviewed through interviews with stakeholders in the second half of 2014, which resulted in an updated version of the Materiality Matrix, presented in detail in this section. We conducted engagement activities with stakeholders as needed to address specific material aspects or to meet the demand of a given audience. We have committed to shareholders and society to include the perceptions of stakeholders in our business strategy. (G4-18, G4-24, G4-25, G4-26)

When selecting performance indicators, the nine most relevant aspects of the new matrix as well as Copersucar’s commitments for the next biennium were considered. This report uses 55 indicators:

- 40 relating only to Copersucar, including the head office, TAC, São José do Rio Preto and Ribeirão Preto terminals, TCE, and Eco-Energy expats, working in the United States but maintaining active employment agreements with Copersucar in Brazil. Environmental and social indicators include the head office and the four Copersucar terminals1.
- 15 related only to Production Mills: 37 Mills, including those that formed the framework of the Cooperativa de Produtores de Cana-de-açúcar, Açúcar e Álcool do Estado de São Paulo on March 31, 2016.

Collection of indicators was carried out by a computer system that gathers and integrates the data into a single environment, which can be freely joined by Partner Mills. For this report, 100% of the mills reported their information for the 2014-15 and 2015-16 crops. (G4-23, G4-28)

The report was the object of independent assurance by Bureau Veritas Certification, which certified adherence to the GRI Principles for Reasonable Assurance. Check the assurance report at this link (G4-33)

Questions, comments, or suggestions about the Copersucar 2014-2016 Report should be sent by e-mail to sustentabilidade@copersucar.com.br. (G4-31)

For more information on Copersucar’s economic-financial performance, read the company's financial statements at this link. (G4-17)

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1 Alvean and Eco-Energy are not included in the GRI indicators in this report.
Updated materiality

(G4-18, G4-24, G4-25, G4-26)

In 2014, Copersucar carried out a new round of internal and external consultations in order to verify the aspects related to sustainability of the business that are most relevant to stakeholders. Throughout this process, we surveyed 10 categories of company stakeholders, including leaders, shareholders, mills, industry and trade associations, NGOs, clients, government, the press, the financial sector, and suppliers. There was also an internal panel with representatives from 20 areas of the company and a specific panel with Copersucar Partner Mills.

The Materiality Matrix will be revalidated when there are structural changes in the company or the business model, or when Copersucar achieves the desired maturity levels in each material aspect.

The materiality process resulted in the material aspects listed in the table below. GRI defines “boundary” as the description of where the impacts occur related to the material aspect. The boundaries may be defined inside or outside the organization. (G4-20, G4-21, G4-27)

All GRI aspects listed in the table below are material inside and outside the organization.

| **Air emissions** |
| **Related GRI Aspects (G4-19)** |
| - Energy |
| - Emissions |

| **Water management and consumption** |
| **Related GRI Aspects (G4-19)** |
| - Water |
| - Effluents and waste |

| **Management of social and environmental risks of the supply chain** |
| **Related GRI Aspects (G4-19)** |
| - Environmental assessment of suppliers |
| - Supplier assessment for labor practices |
| - Supplier assessment for human rights |
| - Child labor |
| - Forced or compulsory labor |

| **Management of impacts on biodiversity** |
| **Stakeholders for which the aspect is material inside and outside Copersucar** (G4-20, G4-21) |
| Copersucar Leadership, NGOs, banks, industry and trade associations |
### Related GRI Aspects (G4-19)
- Biodiversity

### Stakeholders for which the aspect is material inside and outside Copersucar¹ (G4-20, G4-21)
Shareholders, banks, certifier, clients, government agencies, NGOs, Copersucar leadership

### Health and Safety

### Local social and economic development

### Related GRI Aspects (G4-19)
- Occupational health and safety

### Stakeholders for which the aspect is material inside and outside Copersucar¹ (G4-20, G4-21)
Shareholders, banks, certifier, the press, NGOs

### Recognition and economic valuation by society of sustainable practices

### Related GRI Aspects (G4-19)
- Indirect economic impacts

### Stakeholders for which the aspect is material inside and outside Copersucar¹ (G4-20, G4-21)
Shareholders, certifier, the press, associations

### Quality and innovation of products and services

### Related GRI Aspects (G4-19)
- Economic performance

### Stakeholders for which the aspect is material inside and outside Copersucar¹ (G4-20, G4-21)
Banks, associations, Copersucar leadership

### Social and environmental impacts of Copersucar operations

### Related GRI Aspects (G4-19)
- Customer health and safety
- Labeling of products and services

### Stakeholders for which the aspect is material inside and outside Copersucar¹ (G4-20, G4-21)
Shareholders, customers, the press, NGOs, Copersucar leadership

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¹ Stakeholders for which the aspect is material inside and outside Copersucar operations.
Mechanisms for grievances and complaints regarding environmental impacts
Mechanisms for grievances and complaints relating to impact on society

Stakeholders for which the aspect is material inside and outside Copersucar\(^1\) (G4-20, G4-21)

NGOs, government, financial sector, suppliers

\(^1\) All aspects listed are relevant to the internal stakeholders of Copersucar, especially the company’s leadership. In the table, this group appears for those aspects considered to be highly material.