Our value proposition

1. Good practices in corporate governance, risk management, compliance and innovation support the generation of sustainable value by Copersucar S.A., which celebrated its 10th anniversary in the crop year 2018-2019
We are Copersucar, a global leader in the sale of sugar and ethanol. Our purpose is to connect the fields to the world, providing renewable energy and natural food for the well-being of society.

We do this based on a unique business model, which combines the large-scale offer of high-quality products with an integrated system of logistics, transportation, storage, and marketing, in Brazil and abroad.

Our strategy of growth and longevity is based on the management of sustainability and our ability to integrate all links in the value chain. We connect everything ranging from the sugarcane fields and the industrial production of the mills that supply Copersucar to the delivery of sugar and ethanol to our clients. The mills (production units) that integrate our value chain, all of them autonomous and independent, are called by Copersucar as partner mills.

We believe in Brazil’s vocation to produce clean energy and food for the world. To meet this scenario, we invest heavily in strategic partnerships, which we call investees. They enable us to accelerate business growth and internationalize our operations, as these synergies provide knowledge and penetration in markets complementary to ours, in sugar, ethanol, and logistics.
We have the largest sugar and ethanol storage capacity in the industry in Brazil, with a capacity for 2.5 million metric tons of sugar and 3 billion liters of ethanol. We also have multimodal terminals for storage and transportation of sugar located at strategic points - Ribeirão Preto and São José do Rio Preto (in the State of São Paulo) - in addition to the Copersucar Sugar Terminal (TAC), in the Port of Santos (São Paulo).

For the storage of ethanol, we invested in Opla Logística Executivo, in Paulínia (São Paulo), a joint venture with BP Combustíveis. Opla is integrated with the Paulínia Refinery and the Logum pipeline system, of which we are also partners, alongside Petrobras and Raízen.

With the Sugarcane Technology Center (CTC), in which we hold a 16.93% share, we seek genetic improvements and the development of sugarcane varieties that increase the productivity of sugar-energy mills and deliver even more value to society through biotechnology.

Alvean is a joint venture with Cargill that has operated since 2014 in the origination, marketing and trade of raw and white sugar. We join forces to further scale up, combine knowledge, and accelerate growth.

With the largest capacity for storing sugar and ethanol in Brazil and acting through investees, we have strengthened our leading position in the sugar-energy sector.

To strengthen our ethanol position, in 2012, we acquired Eco-Energy, one of the leading companies in the sector in the United States. Thus, we currently have an expressive operation in the two main ethanol producing and consuming countries in the world.

All of our activities and operations are inextricably linked to sustainability, both in ethanol, as the main alternative for reducing greenhouse gas emissions, and in sugar, a natural food that, if consumed in a balanced way, is healthy and comprises an energy source for human beings. Our differentiator is our ability to manage this collaborative network, taking the greatest value from existing assets, while remaining always committed to sustainable development and value generation.
PARTNERS MILLS

1. Grupo Econômico Balbo – Santo Antonio Mill (Sertãozinho-SP)
2. Grupo Econômico Balbo – São Francisco Mill (Sertãozinho-SP)
3. Usina Uberaba (Uberaba-MG)
4. Caçu (Vicentinópolis-GO)
5. Cerradão (Frutal-MG)
6. Cocal Narandiba (Narandiba-SP)
7. Cocal Paraguaçu Paulista (Paraguaçu Paulista-SP)
8. Ferrari (Pirassununga-SP)
9. Furlan Avaré (Avaré-SP)
10. Ipiranga Descalvado (Descalvado-SP)
11. Ipiranga Iacanga (Iacanga-SP)
12. Ipiranga Mococa (Mococa-SP)
13. Jacarezinho (Jacarezinho-PR)
14. Melhoramentos (Jussara-PR)
15. Melhoramentos Nova Londrina (Nova Londrina-PR)
16. Pedra Agroindustrial – Buriti Mill (Buritizal-SP)
17. Pedra Agroindustrial – Pedra Mill (Serrana-SP)
18. Pedra Agroindustrial – Ipê Mill (Nova Independência-SP)
19. Pitanqueiras (Pitanqueiras-SP)
20. Santa Adélia Jaboriçaba (Jaboriçaba-SP)
21. Santa Adélia Pereira Barreto (Pereira Barreto-SP)
22. Santa Adélia Pioneiros (Sud Mennucci-SP)
23. Santa Lúcia (Araras-SP)
24. Santa Maria (Cerquilho-SP)
25. São José da Estiva (Novo Horizonte-SP)
26. São Luiz S.A. (Ourinhos-SP)
27. São Manoel (São Manuel-SP)
28. Umoe Bioenergy II (Sandovalina-SP)
29. Viralcool Castilho (Castilho-SP)
30. Viralcool Distilaria Santa Inês (Sertãozinho-SP)
31. Zilor – Pitanqueiras (Pitanqueiras-SP)
32. Zilor – Barra Grande (Lençóis Paulista-SP)
33. Zilor – Açucareira Quitâ (Quitâ-SP)
34. Zilor – Açucareira Zillo Lorenzetti (Macatuba-SP)

TERMINALS

1. Copersucar Multimodal Terminal (São José do Rio Preto-SP)
2. Copersucar Multimodal Terminal (Ribeirão Preto-SP)
3. Copersucar Sugar Terminal (Santos-SP)
History of Copersucar S.A.

2008
We started our operations as Copersucar S.A. on October 1, already as a global leader in the sugar and ethanol market.

2009
We began to adopt the corporate governance model, in effect to this day.

2011
2012
We expanded our logistical capacity with investments in Logum and the start of activities at the São José do Rio Preto Terminal (São Paulo).

2014
We expanded the Copersucar Sugar Terminal in Santos (São Paulo), which reached the capacity to export 8.5 million metric tons per year.

2015
We acquired the shareholding control of Eco-Energy, consolidating our leading position in ethanol. Investments in logistics continued with the opening of the Ribeirão Preto Terminal (São Paulo).

2017
We formalized the creation of Alvean, alongside Cargill, for the origination and global marketing of sugar. In the logistics area, we inaugurated a fuel terminal in Paulínia (São Paulo).

2018
With the aim of optimizing operations, we created Opla Logística, in partnership with BP Combustíveis, guaranteeing ethanol storage capacity. At the corporate level, we revealed our purpose.

2019
We then held 100% of Eco-Energy’s capital stock.

2020
Relocation to the new headquarters, installed in a building with sustainability certification and whose project favored materials with less environmental impact.

2020
We strengthened the team’s unity with the business and the vision of sustainability integrated into the strategy through cross-sectional organizational initiatives: The Business School and the project to strengthen the Culture of Sustainability.

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Awards and recognitions

2019

For the second time in three years, we won first place in the Valor 1000 rankings, in the Sugar and Alcohol category. We also ranked as the 20th largest company in Brazil in net revenue.

The 15th edition of the Globo Rural yearbook - The 500 Largest Companies in the Agribusiness awarded us for the 14th time as the best company in the Bioenergy category.

2018

We were named as the best in Agribusiness in the publication Exame Maiores e Melhores, which includes the 500 largest companies in Brazil. The publication highlighted our extensive investment in logistics structure and expansion of operations.

The 14th edition of the Globo Rural yearbook - The 500 Largest Agribusiness Companies - awarded us for the 13th time as the best company in the Bioenergy category.

We ranked third in the Wholesale and Distribution category of the Empresas Mais rankings, of the O Estado de São Paulo newspaper, whose index is the result of the crossing of information related to the size and financial performance of each company in its respective sector.

We received the Best Sugar and Bioenergy award at The Best of Dinheiro Rural award. The award highlights companies linked to the field, directly or indirectly, which apply the best practices in financial and corporate management in their businesses.
Corporate governance

Our corporate governance model incorporates the best market practices recommended by the Brazilian Institute of Corporate Governance (IBGC).

We have all the pillars of governance structured and well managed, with consolidated management bodies. Our Board of Directors consists of 11 members - two of whom are independent - elected by the General Shareholders’ Meeting for a two-year term, with the possibility of reelection.

We also have permanent committees made up of experts on each subject, who advise the company’s management bodies within their scope and support the performance of our Executive Board.

In the last biennium, we had some changes in the management framework, such as management evolution, which contributes to business growth. The main goal was to increase synergy, particularly in investees, which now have a greater presence of Copersucar members with great knowledge of the market. We also underwent a change in the Board. Executive João Roberto Teixeira, who led Banco Votorantim between 2011 and 2016, replaced Paulo Roberto de Souza, who took over Alvean.
Shareholding interests

- Companhia Auxiliar de Armazéns Gerais (100%)
- Terminal de Combustíveis Paulínia S.A. (50%)
- Uniduto Logística S.A. (39.07%)
- Logum Logística S.A. (30%)
- CTC – Centro de Tecnologia Canavieira S.A. (16.93%)
- Alvean Sugar Intermediação e Agenciamento Ltda. (50%)
- Alvean Sugar S.L. (50%)
- Copersucar North America LLC (100%)
- Copersucar Trading AVV (100%)
- Copersucar Europe S.L. (100%)
- Sugar Express Transportes S.A. (100%)
- Copersucar Europe S.L. (100%)
- Eco-Energy Global Biofuels LLC (100%)
Relationship with shareholders

The 34 mills whose production is marketed by Copersucar consist of autonomous companies that belong to 20 economic groups and conduct their corporate policies independently. They play a simultaneous role as partners – for the production of the sugar and ethanol we market – and shareholders – establishing strategic guidelines for Copersucar.

In order to qualify the performance and dialogue with the mills, in 2018, we held the second edition of the Shareholder Training and Relationship Program. The initiative, which counted on the participation of 19 successors from 11 partner mills, aimed to improve knowledge about our business model, operations and corporate governance structure, in addition to strengthening our relationship with this audience.

With 152 hours of duration and academic supervision by Insper, the curriculum included the subjects of Governance and Ethics, Finance, Market, Economy, Culture, Sustainability, and Management Model. The class also had three new subjects: Strategic Negotiation, Critical Thinking, and Power Dynamics. The incorporation of the so-called soft skills aimed to train participants on skills that affect the way of interacting and relating in the corporate environment. In addition to lectures and classes, the class went to the field to learn about operations, with visits to TAC, in Santos, and Opla, in Paulínia.
Risk management

The complexity and diversification of our business model is accompanied by a wide range of risks that can have an impact on the continuity of logistical, productive and asset operations. To monitor the scenarios, identify risk factors and address action plans for mitigation or prevention, since 2017, we have had a management model that covers the different aspects of the entire production chain. It is continuously updated, offering leaders and managers a complete view of our actions in order to protect the capacity to generate value.

Our corporate matrix identifies the main risks to be monitored by the different administrative and operational areas through key indicators. These risks are grouped on three pillars: market, operational, and strategic.
The level of exposure to these risks is assessed according to the best market practices. Based on objective criteria, we identified the possibility of materializing and the effectiveness of the controls that we already have for management. In parallel, we analyze the level of impact in the event that these risks occur, considering seven different vectors (see diagram).

The evolution of this work is monitored every month by the Risk, Finance, Internal Controls and Audit Committee and subsequently submitted to the Board of Directors.

In the crop year 2019-2020, we began implementing the methodology known as BIA (Business Impact Analysis), which will allow, through the engagement of the different areas of the company, the structuring of a business continuity plan based on risk management and updating greater impact, and which should already be reflected in the 2020-2021 crop indicators.

Another ongoing action is the integration of the areas of auditing and internal controls into our structure dedicated to corporate risk management. Thus, we will increase the synergy of the process for evaluating scenarios and identifying opportunities for improvement and business security.
Ethical conduct

For Copersucar, ethics, integrity and transparency are indispensable values in the business environment and essential conditions for the sustainable growth of the company, as well as that of its partners. To guide relations, we rely on the Code of Business Conduct and Ethics, which underwent a review in 2019, being extended from employees and suppliers to all stakeholders with whom we have a business relationship.

More than ensuring full commitment to the legal precepts of the countries where we operate, our Code incorporates the defense of the fundamental rights of human beings and the precepts of sustainable business development. In the internal environment, we disseminate the concepts brought in the document to all employees, from offices to terminals, through communication campaigns and training. Every biennium, 100% of employees are trained under these guidelines, which occurred in the crop year 2019-2020. In the previous period, only new employees were trained during the Integration Program.

We also have a permanent channel for receiving reports of situations that may violate ethics, both in internal and external relations. Our Ethical Channel, available in Portuguese and English, can be accessed by phone, email and on the company’s website, with guaranteed confidentiality. The tool is managed by an external company, ensuring absolute autonomy and independence.
Innovation

In the last decade, new technologies and digitalization have transformed personal and business relationships. The faster connections between suppliers and customers, who are increasingly involved in the search for new options to meet the demands for renewable energy and natural foods, drive the transformation of our company towards an even more agile and collaborative model, with a focus on new solutions.

Innovation is the engine behind this transformation. The development of an environment that fosters and supports a culture of business innovation is one of the critical success factors that we are proposing to do in the next crop year. Our goal is to ensure that our employees are always engaged to identify and experiment with new possibilities and, thus, make processes more dynamic and oriented towards customer satisfaction. In this sense, technology becomes an ally for solving daily challenges.

The expansion of the Integrated Continuous Improvement System (SIM), an initiative that started in 2017 at TAC (Santos) and already implemented in our Ribeirão Preto and São José do Rio Preto units, exemplifies this process. Based on the Lean methodology, the SIM aims to achieve greater productivity and eliminate waste through innovation and a change in culture that requires a daily commitment to improving behaviors. The method includes the training of professionals, review, and standardization of processes, in addition to the implementation of activities with a focus on improvement and with the fundamental premise of ensuring the safety of people and the structure.
In the crop year 2019-2020, the SIM was also adopted in the administrative areas of the company’s headquarters, in São Paulo. Employees from different areas underwent training and received capacity building to absorb these concepts and propose innovations in their specialties, generating gains in financial management, logistics, execution, planning, and quality.

The creation of a service channel, weekly planning meetings and the monitoring of the main maintenance performance indicators are examples of improvements achieved with the SIM. Another key point is the ability to give all employees the autonomy to present ideas and propose kaizens, which are suggestions for improvements.

Since the establishment of the SIM, 646 kaizens have been completed, 90 classes have been trained in 596 hours of training, and 1,163 training sessions have been carried out. In order to value employees’ efforts to promote improvements in our three terminals, we created the SOU SIM Award. The second edition, held in 2019, selected 17 finalist projects and awarded the winning teams with bicycles, speakers and video cameras for action sports.

One of the awarded initiatives was the development of a technique for the reuse of water dispensed by air conditioning units at the Ribeirão Preto Terminal, based on the collection directly from condensing machines. At the TAC, the winning project enabled an operational improvement that increased the efficiency of loading the ships at the port terminal.

Last year, the expansion of the SIM to the corporate areas strengthened a culture of efficiency, agility and continuous improvement also in administrative activities.
Information Technology

Information Technology (IT) is one of the main drivers of efficiency and innovation. In the last biennium, we invested heavily in adapting IT services and infrastructure to the demands and strategies of the business.

In order to have more agile and flexible processes, we migrated the infrastructure to cloud services and adjusted scopes, service level agreements and contract costs. Additionally, we reviewed our portfolio of services and applications that support our value levers - logistics and sugar & ethanol marketing.

We transformed the work tools of our employees by providing 100% digital collaboration and communication platforms, with all the appropriate and standardized resources to have a much more digital and collaborative environment and way of working. In return, there was a much higher level of collaborative engagement than before this transformation. These actions proved to be vital so that we could face the challenges imposed by the Covid-19 pandemic.
Three other initiatives stood out in the context of digitalizing the business. The launch of the Application Programming Interface (API) platform facilitated the provision of digital services to customers, partners, and shareholders. In this first block, we developed a platform for delivering critical business information with security and agility to the partner mills. On another front, we created a core of excellence for the evaluation, design and application of Robot Process Automation (RPA) technologies in our business. We began implementing these robots, which have already ensured gains in reducing costs and execution time and in greater process reliability. In addition, we applied mathematical modeling based on artificial intelligence techniques to increase the ability to predict future behavior of important variables to the business, thereby contributing to the scenario assessment processes.

We also invested in structuring information systems to ensure better support for the decisions of the operations and business management teams. An example was the construction of the dashboards that enabled the implementation of our Integrated Operations Center for our logistical activities. We also maintained investments in automation, such as in the unloading processes at the Copersucar Sugar Terminal, in Santos.

We restructured our process for evaluating and approving investments in technology, with the creation of a multidisciplinary committee of leaders, which establishes governance to address the business and defines priorities in operational and strategic demands. Our expectation is that, in the coming years, we will be able to deliver structuring projects to ensure efficiency and agility not only for our operations, but also for our partners, such as banks, customers, and carriers.

Sowing innovation

In order to plant a seed for a culture of innovation within the company, we participated, in 2018, in the sixth edition of IBM Bluehack in Brazil. The event brought together over 230 participants for a single goal: to use Information Technology to solve major problems in society and improve people’s lives, in a 30-hour programming marathon. Our challenge was to turn to developers to predict, map and influence the behavior of fuel users, with the aim of promoting more conscious and sustainable consumption of resources.