

2015 Sustainability Report





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Stage of the crop protection package recycling process (pellets)

Image on cover: A truck from Campo Limpo Reciclagem e Transformação de Plásticos S.A. transporting Ecoplastics, crop protection packaging made from recycled empty packaging resins collected by the Campo Limpo System.

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MESSAGE FROM
THE PRESIDENT

**Strategic
planning and
the quest towards
self-financing**

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**NEW FRONTIERS
inpEV opens its
third self-managed
central station**



12

2015 IN NUMBERS
45,537
tons
of disposed packages



39

**ELECTRONIC
SCHEDULING**

Scheduling the return of Empty Packages (adEV) expands the outreach of central stations with internet access to 100% and allows producers to schedule delivery of materials



34

**RECYCLER
Lid factory is
inaugurated in
Taubaté (SP)**



**The Campo Limpo
System [Clean Field
System] starts receiving
improper products
and leftover post-
consumption products**

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**LEFTOVER
AND IMPROPER
PRODUCTS**

Message from the president

| GRI G4-1, G4-2 |

“Our objectives are clear since the creation of inpEV: contribute towards preserving the environment and be a reference in reverse logistics”



Brazilian production has reached 209.5 million tons in 2015, a 7.7% growth according to IBGE. The high dollar has favored the export of commodities and the negative impacts of the exchange rate came later, with the import of inputs. Despite the widespread crisis, the agricultural GDP was the only one that grew in the country.

At the end of the agricultural chain, the return of crop protection packaging was impacted in the fourth quarter, and the Campo Limpo System ended 2015 with lower inventories. However, aware of the unstable scenario that set on since the beginning of the year, we focused on productivity by doing more with less and were thus able to achieve our goal of receiving 45,500 tons of empty packaging, reaching 45,537 tons by December, 2015. The efforts made regarding efficiency and productivity coupled with an action plan to reduce costs contributed towards a 4% budget reduction in 2015.

Our objectives are clear since the creation of inpEV: contribute towards preserving the environment and be a reference in reverse logistics. Plus, we continue to pursue self-financing in order to reduce the System's costs, which are shared among the links in the chain. We look at this issue from different perspectives: increase efficiency, reduce costs and capture value.

In 2015, we took an important step in this direction when we started our activities at the lid factory in Taubaté, in the São Paulo state countryside, by adding value to the recycled material. Campo Limpo Tampas e Resinas Plásticas Ltda. symbolizes another breakthrough in our history.

We moved forward once we achieved a 15% reduction in our incineration costs, which generated yearly savings of nearly R\$ 1 million. We are also continuing our work to achieve tax reductions. Our argument that the Tax

on Circulation of Goods and Services (ICMS - Imposto sobre a Circulação de Mercadorias e Serviços) upon the packages was already levied at their origin was rejected by Confaz - National Council on Finance Policies, but we believe that this is in fact double taxation and will insist on trying to get this exemption.

Attentive to the expansion of the plantation areas in Brazil, we have invested in knowledge and infrastructure in order to increase the capillarity of the Campo Limpo System, mainly in the Matopiba region (Maranhão, Tocantins, Piauí & Bahia), where we inaugurated our third self-owned central station in Alto Parnaíba (MA).

We have standardized itinerant receipts and have implemented the receipt of leftovers and unsuitable materials. Currently, 24 central stations of the Campo Limpo System are ready to receive packages with leftover products. Our goal is to expand this type of receipt to an additional 45 stations in 2016 and to the remaining ones in 2017. We are working so that by 2020 100% of the System units (central stations and outposts) are prepared to receive packages containing leftover products.

The receipt of leftovers complies with a requirement of the Solid Waste National Policy (PNRS – Política Nacional de Resíduos Sólidos) – to also implement reverse logistics for such products - besides benefiting the environment and human and animal health, since this mitigates the risks of improper disposal.

The continuous improvement of our transportation and reverse logistics operations in 2015 achieved success due to the expansion of the Empty Packages return Scheduling System (adEV - Agendamento de Devolução de Embalagens Vazias), via the web, at

all receiving stations having access to internet. And in order to reinforce our commitment regarding emissions, we have adhered to the Climate protocol of the State of São Paulo Government, a voluntary initiative to stimulate companies to reduce greenhouse gas (GHG) emissions and adopt actions to adapt to climate changes.

The value of sustainability is in inpEV's essence. Recycling brings about environmental, social and economic-financial gains; it adds value to the System and helps in achieving self-financing. We have many reasons to celebrate the System's results and now, for 11 years, we have developed various activities on the National Clean Field Day (DNCL – Dia Nacional do Campo Limpo). Celebrated on August 18, it has already become a consolidated milestone with the participation of over one million people since its first edition.

We also invest in education in order to focus on future generations. The Campo Limpo Environmental Education Program (PEA – Programa de Educação Ambiental Campo Limpo) material was reformulated in 2015 and, has gained a digital platform in 2016, thus increasing its outreach and taking transformational and sustainable knowledge to the school communities surrounding the receiving units.

We continue pursuing innovation in the Campo Limpo System. Launched in November, the corporate project "A new tomorrow now! How?" will support our mid-term strategic objectives by using the experience gained along this 14-year journey to continue adding to our success.

Our tomorrow has arrived.
And it starts now!

João Cesar M. Rando
Chief Executive Officer

Innovation is part of our history

In its 14 years of existence, inpEV has overcome several challenges. Below, the main milestones of our journey



2001

Creation of inpEV

December 14: constitutional assembly in São Paulo. inpEV is born having as members 7 sector representative entities and 27 crop protection sales and manufacturing companies.

2002

SIC

With 80 SCL receiving stations, the Stations' Information System (SIC) becomes operational, which computerizes operations at the stations.

2005

DNCL

August 18: The first National Clean Field Day (DNCL) on which date the yearly results of the reverse logistics of empty crop protection packages in Brazil are celebrated. Since then, more than 1 million people have been involved.

2006

Global leadership

Brazil becomes leader in the reverse logistics of empty crop protection packages. The Campo Limpo System gains worldwide projection and inpEV becomes a reference.

Mission, Vision & Values | GRI G4-56|

MISSION

Contribute towards preserving the environment and the Campo Limpo System by means of self-sustainable management of the final disposal of empty packages of plant health products and by providing services in the solid waste area, with the involvement and integration of all links of the agricultural productive chain.

VALUES AND PRINCIPLES

- Integrating attitude
- Innovation
- Integrity
- Socio-environmental responsibility
- Safety

VISION

Be acknowledged worldwide as a center of excellence in the final disposal of empty plant health packages and a reference in providing services in the solid waste and self-sustainable area in Brazil.

Ecoplastic manufacturing at Campo Limpo Plastic Transformation and Recycling S.A.

2008 Campo Limpo Plastic Transformation and Recycling

- Creation of Campo Limpo Reciclagem e Transformação de Plásticos S.A., a company that closes the management cycle for packages within the chain itself.
- Federal law 11,657 of April 16, 2008 establishes that August 18 is the National Clean Field Day on the National Calendar.

2010 PEA

Start of the Clean Field Environmental Educational Program (PEA) intended for elementary school students in the vicinities of the central stations

2013 adEV and RIs

- Implementation of the pilot project for the Scheduled Return of Empty Packages (adEV), via web, at seven central stations.
- Systematization of the Itinerant Receipts (RIs) in regions where production levels do not justify keeping a fixed infrastructure.

2015 Campo Limpo Lids and receipt of leftovers

- Inauguration of Campo Limpo Tampas e Resinas Plásticas Ltda. in Taubaté, (SP), a new partner of the Campo Limpo System to recycle package lids.
- Start of the receipt of leftover and improper products (those manufactured and sold on a regular basis, but past their valid date or damaged, which makes them impossible to be used).