



sustainability  
report  
2015



MESSAGE FROM THE PRESIDENT

# LEADER OF GLOBAL SECTOR

GRI G4-1; G4-2



Eldorado Brasil is proud of the challenges overcome in its three years of existence, as they reveal the potential of the company to continue growing in a sustainable way. In a short time the company has gained a special place in the global market of eucalyptus bleached cellulose.

As we work in a sector that involves the environment and natural resources, directly, sustainability is a fundamental pillar of the business and is included in all company's actions. Our objective is to act responsibly, from the plantation up to the delivery of cellulose to our clients.

The year 2015 represented a milestone in Eldorado's history. All the eucalyptus in São Paulo state was harvested in the middle of the year 2015, which allowed us to consolidate forest operations in Mato Grosso do Sul and have significant reduction on average distance between forests and factory, therefore having decrease in costs. Moreover, on July 30th, its own Port Terminal was opened in Santos, in São Paulo coast. This represents effective gains in operation and reduction on logistic costs.

We also had progress on the Head Project 2.0., launching the cornerstone on June 15th. It's aligned to the company's growth plan, when we'll have an additional production line, having capacity for more than two million tons a year.

Another important highlight is the modernization of the mapping system on planted areas, as the use of drones, cellular apps, pen drive for tractors and GPS analysis. We also intensified the use of sophisticated materials and equipment in order to ensure better evaluation and planning of plantation in our forests, thus reaching expressive results technically and economically speaking.

Prioritizing the company's activities was also essential for us to develop better internal procedures, having then great operation and management gains.

In 2015, despite the local economy challenges we had to overcome, Eldorado kept its strategy. There was an increase in the demand of cellulose worldwide and exports increased. In face of this scenario, we are more confident that the company is competitive and aware of the challenges and obstacles that are yet to come. We'll keep acting seriously and committed to people, the environment, the country, and the world. I invite all of you to know the seeds planted and the crop harvested along 2015, described in the following pages.

Enjoy your reading!  
**José Carlos Grubisich**  
President



# ABOUT THE REPORT

[G4-17, G4-22, G4-23, G4-28, G4-29, G4-30, G4-31, G4-32, G4-33]

Eldorado Brasil Celulose S/A has been operating for three years. It publishes its annual sustainability report for the third consecutive time, following the Global Reporting Initiative (GRI) guidelines, according to G4 version, 'Essential' option. The document presents the activities performed by the company from January 1st to December 31st, 2015. It was written based on the revalidation of materiality matrix, interviews with Eldorado Brasil employees, official documents, and other company's publishing.

The main results and challenges the company had in economy governance, financial, and socioenvironmental areas, are presented. Environmental impact management, transparency and engagement with stakeholders, and employees' health and safety are taken into consideration.

For further questions about the report, please send an email to: [sustentabilidade@eldoradobrasil.com.br](mailto:sustentabilidade@eldoradobrasil.com.br).



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# MATERIALITY MATRIX

[G4-18, G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27]



ANDRESSA SOUZA, JOEL SANTOS, JANETE DE JESUS, TERESINHA SOARES  
Assistants at the Tree Nursery





Eldorado Brasil prioritizes the direct and close relationship with its stakeholders, so as to keep growing responsibly and having high productivity rates. This intention is included in all the company's activities and it encourages open dialogs so all parties concerned are addressed according to their particularities and expectations.

The main stakeholders groups are employees, shareholders, clients, suppliers, communities, society, public entities and institutions.

For this report writing there was a revalidation of the materials topics, in order to update its significance level. This new validation was made through critical analysis on sustainability reports from 2013 and 2014, considering the Materiality Principle defined by GRI.

The first company's sustainability report was about the year 2013, one year after having started its activities in Três Lagoas, Mato Grosso do Sul. The document followed the international guidelines by Global Reporting Initiative (GRI) model G4, and its content considered the results of materiality matrix procedures, which determined the materials theme for the report. In the next report, about the year 2014, Eldorado used the same relevant themes, which were taken from the

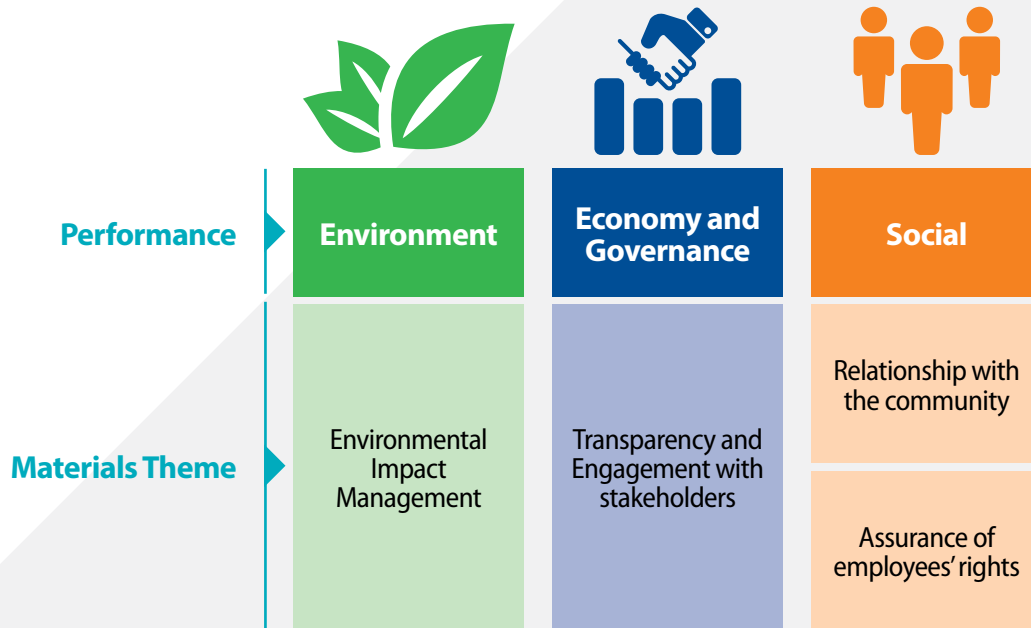
Industrial Unit in Três Lagoas, São Paulo Head office, Tree Nursery in Andradina, Forestry Office Inocência, Forestry Office Água Clara and Forestry Office Selvíria.

The GRI protocol model G4 determines that the content of the sustainability report follows the Materiality Principle to determine the main themes to be approached, that is, all those that are priority because they show the economic, environmental and social impact of the organization or because they influence the stakeholders' decisions.

Based on this guidance and on information published in previous reports, Eldorado Brasil highlighted this year materials themes of high relevance, which disclose the company's essential factors for long-term objectives.



## MATERIALS THEMES OF HIGH RELEVANCE



KELLY BÔA  
Work Safety Technician



EMANOEL ELÍDIO AMARAL  
Operator in Fiber Thread Area



# ELDORADO'S ORGANIZATIONAL **PROFILE**

(G4-3, G4-4, G4-5, G4-6, G4-7, G4-8, G4-9, G4-10, G4-12, G4-15)

## ELDORADO'S ORGANIZATIONAL PROFILE

Eldorado Brasil is a publicly-held corporation, 100% Brazilian that has been working for three years. It's innovative and efficient, with experience and knowledge on high quality eucalyptus cellulose production. It has the biggest plant on single production line of eucalyptus bleached cellulose, worldwide, and harvests eucalyptus planted in its forests according to procedures and practices that fully respect the world's sustainability guidelines. All this is possible thanks to great effort and motivation its 4,758 employees have (in December, 2015). They work with the most advanced technology to deliver the best results.

All those who are part of this great team are committed to the objective of achieving leadership in the sector's global market.

Eldorado's culture is the differential for the achievement of its results. The company's values guide and underlie all employees' work, encouraging them to have owner's attitude in order to contribute for the maintenance of high energy level and commitment, encouraging determination, valuing availability, believing in discipline for better practices, aiming at simplicity about the rules, favoring honesty in relationships e humbleness, which assure respect and openness for new opportunities.

Following the world's growth flow on demand for cellulose – essential input for production of different kinds of paper - Eldorado keeps its growth strategy embedded in four guides: competitiveness, sustainability, innovation, and valuing people.

The company's plant, located in Três Lagoas (MS), has annual production capacity for 1.7 million tons and it was built in record time, having had a total investment of R\$ 6.2 billion in the project. All the industrial plant has clean and highly-efficient processes. It operates using the most modern and advanced technology found in the market, besides being self-sufficient in electric energy through generation of biomass.

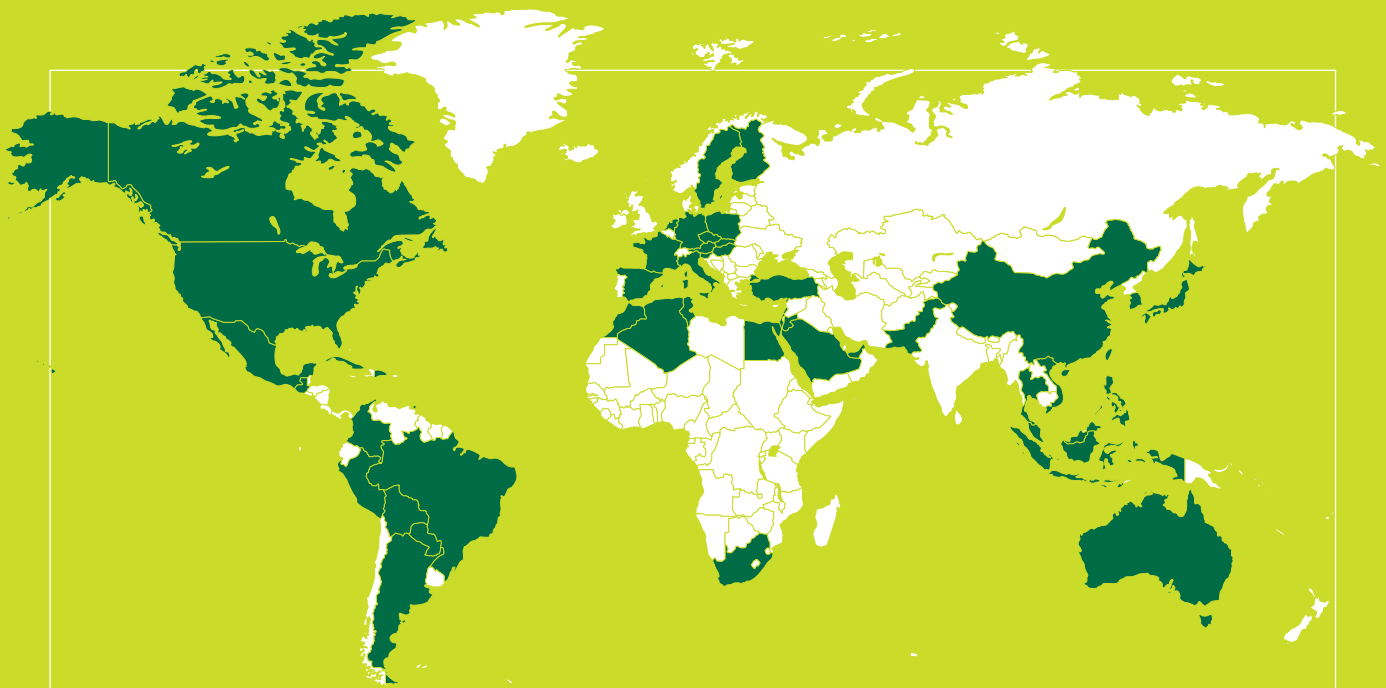
The company also has a tree nursery in São Paulo state, with production capacity for 28 million seedlings a year in a 159,000 m<sup>2</sup>-constructed area. It distributes cellulose for Brazil and countries in Latin America, North America, Europe, the Middle East, Africa, and Asia, a total of 49 countries. Its industrial clients worldwide work in sectors of tissue, special papers, for printing and writing, as well as packaging.

In order to fulfill the global demand, the industrial plant in Três Lagoas has a renewable forest and uses highly efficient distribution procedures.





# ELDORADO OPERATES IN 49 COUNTRIES



- ▶ South Africa
- ▶ Germany
- ▶ Saudi Arabia
- ▶ Algeria
- ▶ Argentina
- ▶ Australia
- ▶ Austria
- ▶ Bolivia
- ▶ Brazil
- ▶ Canada
- ▶ China
- ▶ Colombia

- ▶ South Korea
- ▶ Cuba
- ▶ Egypt
- ▶ Emirates
- ▶ Slovakia
- ▶ Slovene
- ▶ Spain
- ▶ The USA
- ▶ The Philippines
- ▶ Finland
- ▶ France
- ▶ Guatemala

- ▶ Holland
- ▶ Hungary
- ▶ Indonesia
- ▶ Israel
- ▶ Italy
- ▶ Japan
- ▶ Jordan
- ▶ Lebanon
- ▶ Malesia
- ▶ Morocco
- ▶ Mexico
- ▶ Pakistan

- ▶ Paraguay
- ▶ Peru
- ▶ Poland
- ▶ The UK
- ▶ Dominican Republic
- ▶ Czech Republic
- ▶ Sweden
- ▶ Thailand
- ▶ Taiwan
- ▶ Trinidad-Tobago
- ▶ Tunisia
- ▶ Turkey
- ▶ Vietnam

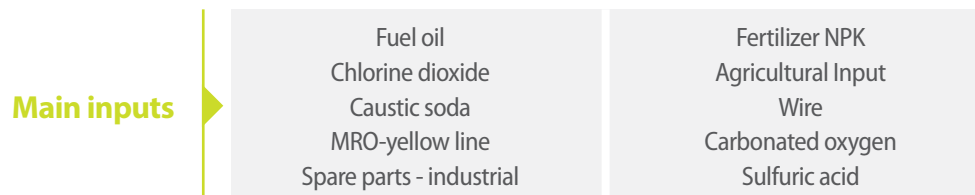
Eldorado's greatest differentials are: having its own forests, approved by FSC® (Forest Stewardship Council - Conselho de Manejo Florestal); generation of own energy through biomass; reuse of resources and innovative logistic model, which is competitive and has low carbon emission; social-economic development in communities in the region they operate; procedures done in the plant, using high technology; excellence in management being innovative in its sector; experienced and high performance level employees team.

In 2015 the opening of its own port terminal in Santos also contributed, significantly, to improve the production flow to other countries, reducing operational costs and improving the logistic procedures of the company. The new terminal made it possible for the competitiveness and efficiency to be intensified, aligned to best sustainable practices. After the harvesting and wood transport in São Paulo state, in 2015 the eucalyptus harvesting was intensified in its own forests in Mato Grosso do Sul, which also reduced, significantly, the operational costs.

The Program for Prioritizing Forest Areas happened this year. It extended Eldorado's self-sufficiency in planted areas management. This way, all the plantation was under the company's responsibility, including people and equipment, which results, directly, in increase in productivity, besides better costs on activities and equalization on working conditions in the field, having appropriate meals, supply of individual protection equipment, transport and appropriate accommodation, when necessary.

Eldorado uses its own land and leases farms in Mato Grosso do Sul, to plant eucalyptus. It has 14-year-contracts with the farms- this period corresponds to two cycles for the eucalyptus – from planting to harvesting. This strategy is good for the company, and it assures efficiency in supplying raw-material. It also benefits rural producers, as it develops the area where this activity takes place.

## SUPPLY CHAIN – BRAZIL



Note: the total number of suppliers registered by Eldorado is 11 thousand and the estimated number of suppliers in the supply chain is 3 thousand.



## LOGISTICS

The great highlight of the area in 2015 was the opening of its own port terminal in Santos (SP). It's modern, has the latest technology and a privileged location, near the ships mooring berth. The new terminal made it possible for the increase in competitiveness and it contributed for reduction in the company's costs.

Other good news in the year was the opening of new shipping port in the south region of the country. Eldorado started to operate with containers in ports in Paranaguá (PR) and Itapoá (SC) aiming at expanding its containers shipping operations, having better operational costs, and minimizing risks of having just one shipping port.

There were changes in the logistics team strategy related to export for cellulose distribution. In order to have better efficiency and costs, the company reduced the rail operation – preferring the use of road transport– and it diversified the export operation in containers, which brings agility and flexibility in direct service to clients from Brazil, without the need for using terminals abroad.

An example of success in this area is the operation in Asia, where the company has clients in 22 ports, with a minimum order of 26 tons. Compared to breakbulk – ships that carry greater amount of cellulose in their holds – there was a 20% decrease, in 2015, in the total cost of the logistics operation, due to the diversity of options from ports to container ships.



SILVÂNIO MOREIRA DOS REIS  
Tritrem driver

About the shipping, if compared to the previous year, there was an increase of more than 11 thousand containers in 2015. As a consequence, Eldorado started to use 49% of its shipping this way – it was 31% the previous year– and it kept its delivery efficiency.

Following this same way of diversification and cost reduction, new operations in ports in Italy (Naples), and in the USA (Lake Charles), were started, through breakbulk ships.

## MISSION, VISION AND VALUES

(G4-56)



### Mission

Building relationships of trust with shareholders and partners, through permanent forestry assets valuing - both planted and renewable ones.



### Vision

Consolidating Eldorado Brasil as a global leader in the cellulose market, building new ways for creation of value.



### Values

- ▶ Acting as owner
- ▶ Determination
- ▶ Discipline
- ▶ Availability
- ▶ Simplicity
- ▶ Humbleness
- ▶ Honesty



# TIME LINE AND HIGHLIGHTS 2015

20**10**

- ◆ Establishment of Eldorado Brasil and beginning of the construction of the plant in e Três Lagoas. Beginning of the project, having investments of R\$ 6.2 billion.

20**11**

- ◆ Incorporation of Florestal Brasil S/A and consolidation of the forest park.
- ◆ National record of plantation: 30 thousand hectares.

20**12**

- ◆ Opening of the plant in Três Lagoas, responsible for the largest volume of cellulose production in single line, worldwide.
- ◆ Creation and implementation of the management plan.
- ◆ Eldorado's forests were approved by FSC®.

20**13**

- ◆ The production reached 100% on export quality.
- ◆ Eldorado Brasil registers the first million units produced.

20**14**

- ◆ The cellulose production is over 1.5 million tons.
- ◆ Record revenue of R\$ 2.5 billion.
- ◆ Obtained site license to expand its production for 4 million tons.
- ◆ Level of mechanization in forestry operation reaches 75%.
- ◆ Highest Ebitda in the sector, in the last semester.

20**15**

- ◆ Opening of its own port terminal in Santos.
- ◆ Consolidation of priorities of the company's activities.
- ◆ Production of 1,597,302 tons of cellulose.
- ◆ Modernization of the system on supervision of planted areas.
- ◆ Started the construction project for the Recycling Plant.
- ◆ First year of profit in the company's history.
- ◆ Gross income of R\$ 3,272 million (46% variation compared to 2014).
- ◆ Ebitda of R\$ 1,868 million (56% variation, compared to the previous year).
- ◆ Launching of the cornerstone for 2.0 Head Project.

## THE ORGANIZATION'S GOVERNANCE STRUCTURE

(G4-34)

Eldorado continuously reinforces its commitment to the best practices of governance before all stakeholders. It consists of Board of Directors, Fiscal Board, Executive Board, and four Advisory Committees. The governance structure was created to be the pillar for all the company's activities.

The Board of Directors (CA), for instance, is responsible for directing the company's businesses, specifying directors' tasks, and inspecting the managers' operations and actions. It consists of seven members – who attend quarterly meetings and are elected by the General Assembly, having a one-year mandate and possibility of being reelected.

The Presidency of the Board and Director-Presidency or main Executive positions of the company cannot be fulfilled by the same person.

The Fiscal Board consists of three members. It acts on the inspection of the company's administrative management and its main attribution is to rule on the annual management report, proposing necessary improvement measures to the General Assembly, as well as analyzing the balance sheet and the other financial statements of the company, every three months.

The Advisory Committee (Auditing, Financial and Risk Management; Related Parties and Conflict of Interests; Personnel and Development and Sustainability and Social Responsibility) support the Board of Directors in strategic decisions for the company. In all of them there are minority shareholders representatives.

The Executive Board responds to the Board of Directors and has five directors as members. They are nominated by the Board of Directors for a one-year-period, being allowed consecutive nomination. On economic impact, the decisions are made by the Directors and, if necessary, according to the bylaws, by the Board of Directors, advised by the Advisory Committee, Financial and Risk Management.



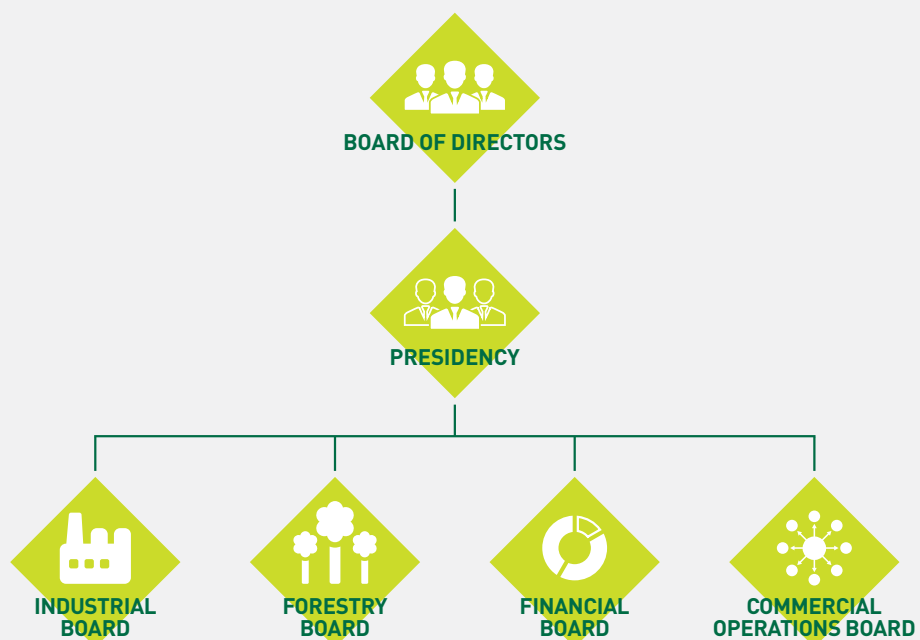




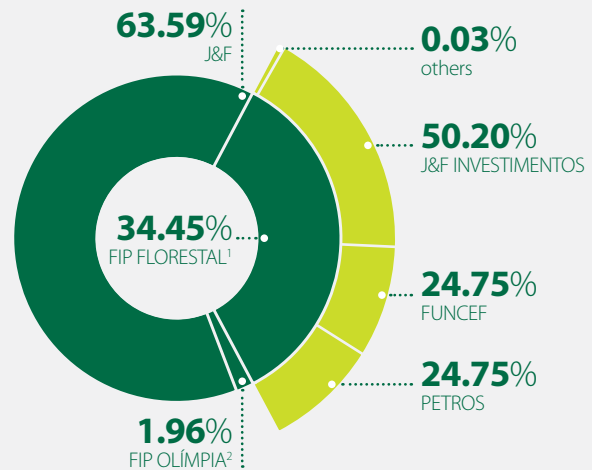
CAMILA ALVES EVANGELISTA  
Controller Analyst

## ORGANIZATIONAL STRUCTURE

Eldorado Brasil has an organizational structure consisting of Boards and Managements that develop strategic actions for the success of the business. They serve and represent the different areas involved in production and distribution chains.



## SHAREHOLDER STRUCTURE



1 Equity investments fund that counts on the two major pension funds in Brazil: Petros (Petrobras) and FUNCEF (Caixa Econômica Federal).

2 Investment fund with shares held by the company's management.

### CODE OF CONDUCT

(G4-56)

The Eldorado Brasil Code of Conduct is presented to all the employees at the moment they are hired. It's a complete guide that establishes ethical standards and behavior expected from the employees regarding personal and professional relationships, inside or outside the company. It's also about the relationships with the main partners and other public of interest (clients, suppliers, service providers, shareholders, government and community).

Besides including the current legislation, in all countries where the company operates, the document also includes topics as equal treatment and opportunities for all employees, as well as its position towards issues involving conflict of interest and politics.

Since 2014, when the Code of Conduct was launched, the Human Resources team uses these rules and standards in the selection procedures and new employees hiring procedures. They all must sign and agree to following the guidelines. In its official site, the company makes available the document versions for broad access.

In order to assure effective compliance to the standards established by the document, the Ethics Committee was created. It includes directors who are responsible for the Judicial Department, Human Resources, Financial and Supply Departments. The members meet every two months or have extraordinary meetings, if necessary. Every three months the Committee's results are reported to the Personnel and Development Committee.



## COMMUNICATION CHANNELS AND OMBUDSMAN

(G4-SO11)

Eldorado counts on communication channels to assist the different people involved in the business. They have transparency, fast response and attentive listening. This way, it increases the potential to achieve, for all, the company's dreams and accomplishments.

One of the main communication channels is Ombudsman – implemented in 2014 aiming at making Eldorado closer to employees, ex-employees, people who live nearby, suppliers, partners and press. They are always open to respond to reports, complaints, compliments or suggestions, with transparency. The Ombudsman channel can be reached through the telephone number (0800 5275 280) and by e-mail

(ouvidoria@eldoradobrasil.com.br). It assures confidentiality. In 2015 Ombudsman was expanded for external stakeholders, including suppliers and clients.

The Demand Central Channel received seven complaints along the year. All of them were properly solved. There had been a register of 23 complaints the previous year.

In order to directly assist the community where it is, besides having open dialogs with them, Eldorado has the following communication channels: e-mail, regular meetings with the community, Fale Conosco channel (Talk to Us) at the company's site, Facebook and LinkedIn.



VINÍCIUS PASCHOALIN, LORAINÉ SILVA  
Support Analysts

**SUSTAINABILITY POLICY**

By having this guideline that assures the applicability of the best sustainable practices, Eldorado certifies its commitment to issues related to environmental impact reduction. The company ensures return to all interested parties involved, by having sustainable operations and management.

**SUSTAINABILITY POLICY**  
**MAIN COMMITMENTS**

-  Supply goods in an affordable way, environmentally correct and socially fair;
-  Sustainable use of natural resources and operations focused on prevention of pollution;
-  Meet the laws and other applicable requirements according to the company's activity;
-  Ethical relationship and transparent communication to interested parties;
-  Have motivating work environment, and quality in health and safety;
-  Develop and use technologies that ensure innovation and competitiveness;
-  Identify socio-environmental improvements in all the organizations processes;
-  Focus on quality excellence of products and services;
-  Respond to demands on approval in activities of forest management in accordance to Principles and Criteria from the Forestry Management Committee;
-  Invest in employees' qualification and procedures to ensure continuous improvement on the management system of the company.

**RISK MANAGEMENT**

(G4-14)

Risk is part of the business, in any organization that grows rapidly and has a broad practice area. Therefore, Eldorado continuously monitors the risks that may directly affect its activities, including forest, industrial and commercial operations, as well as those related to judicial and financial areas, information technology and supplies.

Based on this analysis, the company is always alert to changes that are happening in macroeconomics and sectorial areas, and may

influence its business. Monitoring includes the levels of economy activity, price indexes and exchange rate.

Besides that, the company adopts the principle of precaution and uses specific monitoring system to detect possible impact issues. It also uses advanced technology to identify possible environmental incidents (online monitoring of atmospheric emissions, management of air quality station, etc.).



## PARTICIPATION IN ORGANIZATIONS

(G4-16)

In order to consolidate its representation in different areas and actively participate in the sectors discussions, Eldorado incorporates many organizations in a strategic way. In some of them it contributes financially, for the development of actions and projects.

### IPEF - INSTITUTO DE PESQUISAS FLORESTAIS (FORESTRY RESEARCH INSTITUTE)

- ▶ Programa Tolerância de *Eucalyptus Clonais* aos Estresses Hídrico e Térmico (TECHS) - (Clonal Eucalyptus Tolerance Program to Water and Thermal Stress)
- ▶ Programa Cooperativo de Certificação Florestal (PCCF) - (Cooperative Program for Forestry Approval)
- ▶ Programa de Proteção Florestal (PROTEF) - (Forest Protection Program)
- ▶ Programa de Silvicultura e Manejo (PTSM) - (Forestry and Management Program)
- ▶ Programa Cooperativo de Pragas e Exóticas (PCPE) - (Cooperative Program against Plagues and Exotic species)
- ▶ Programa Cooperativo de Melhoramento Florestal (PCMF) - (Cooperative Program on Forestry Improvement)
- ▶ Programa Cooperativo de Desenvolvimento de Plantas Poliploides - (Cooperative Program on Development of Polyploid Plants)

### IBÁ - INDÚSTRIA BRASILEIRA DE ÁRVORES (BRAZILIAN TREES INDUSTRY)

- ▶ Accreditation Committee
- ▶ Climate Change Committee
- ▶ Sustainability Committee
- ▶ Technical Group on Environmental Licensing

### ABTCP - ASSOCIAÇÃO BRASILEIRA TÉCNICA DE CELULOSE E PAPEL (BRAZILIAN TECHNICAL ASSOCIATION ON CELLULOSE AND PAPER)

- ▶ Technical Committee on Water Resources

### REFLORE - ASSOCIAÇÃO SUL-MATO-GROSSENSE DE PRODUTORES E CONSUMIDORES DE FLORESTAS (SOUTH MATO GROSSO ASSOCIATION OF FORESTRY PRODUCERS AND CONSUMERS)

- ▶ Technical Group on Environment

### COEMA/IMASUL - CONSELHO TEMÁTICO DE MEIO AMBIENTE (THEMATIC BOARD ON ENVIRONMENT)

- ▶ Participation in meetings

### AGROICONE SP

- ▶ Participation in meetings of Roadmap for Implementation of Forest Code on Planted Forest Chain

### WWF - WORLD WIDE FOUND FOR NATURE, MS

- ▶ Talks

**PARTNER  
INSTITUTIONS AND  
PROJECTS  
DEVELOPED**

# ECONOMIC PERFORMANCE

[G4-17, G4-EC1, G4-EC2, G4-S08]

HYSTER





**TATIANA ALVES TOSTA**  
Logistics transport operator

The year of 2015 was notable in Eldorado's history, having its achievements reached. The company has a great cash flow and ended the period with profit, showing its commitment to grow responsibly and alert to all socio-environmental aspects included in the business. The gross revenue of the company reached the value of R\$ 3,272,883.00, 46% higher than the previous year (R\$ 2,236,254.00 in 2014).

Even having a significant increase in the gross revenue, the company managed to reduce the costs of products sold, materials, energy, outsourced services and others – reaching 20% on reduction compared to the



previous year (R\$ 929,047 in 2015 and R\$ 1,165,871 in 2014). This was possible due to actions on improvements on productivity in forestry area and logistics efficiency.

All these elements contributed for the total value added to be distributed – that is R\$ 2,354,802, being that 117% higher than the previous year (in 2014 this figure was R\$ 1,085,337).

### ADDED VALUE STATEMENT (IN THOUSAND OF REAIS)

REVENUES	3,464,194
Sales of goods, products and services	3,272,883
Non-operational	191,311
INPUTS ACQUIRED FROM THIRD PARTIES	929,047
Costs of goods and services sold	929,047
GROSS ADDED VALUE	2,535,147
DEDUCTIONS	231,591
Depreciation, amortization and exhaustion	231,591
NET ADDED VALUE MADE BY THE ORGANIZATION	2,303,556
ADDED VALUE RECEIVED ON TRANSFERS	51,246
Financial Income	51,246
TOTAL ADDED VALUE TO BE DISTRIBUTED	2,354,802
DISTRIBUTION OF THE ADDED VALUE	2,354,802
Personnel and expenditures	785,752
Taxes, fees and contributions	-142,895
Interests and leasing	1,431,300
Income retained/accounting period loss	280,645

## SUMMARIZED ADDED VALUE STATEMENT (IN THOUSAND OF REAIS)

Income	3,464,194
Inputs acquired and from third parties	929,047
Gross added value	2,535,147
Deductions	231,591
Net added value made by the organization	2,303,556
Added value received in transfers	51,246
Total added value to be distributed	2,354,802

## ADDED VALUE STATEMENT (%)

Employees (payment and benefits to employees)	33.37
Government	-6.07
Interests and leasing (operational costs)	60.78
Profit deducted	11.92

### GROSS REVENUE (R\$ MILLION)



### EBITDA (R\$ MILLION)



### PRODUCTION PERFORMED (MILLIONS OF TONS)



### VOLUME OF SALES (THOUSAND TONS)



### TOTAL ADDED VALUE TO BE DISTRIBUTED (R\$ MILLION)





# ENVIRONMENT

(G4-EN27)





Eldorado's priority in this area is to develop projects and strategies that respect the environment, combining sustainability to competitiveness in all operating areas. Therefore, the company works with advanced technology and constant innovation to continue balancing the impact of its activities as an example for the sector.

Sustainability is the basis of all the company's activities, known for the record of cellulose planted by area in certified forests. The company plants in previously anthropized areas. Moreover, for 7 years, the eucalyptus forest has absorbed CO<sub>2</sub>, thus encouraging conscious consumption of natural resources and providing generation of income and jobs, as well as life quality, to the population in the region.

With the rapid expansion of the forestry base, Eldorado works with proper planning to ensure the business is long-lasting and reach the highest standards of management, always respecting the environment and society. The company is constantly expanding its plantation areas, by acquiring own areas or leasing or having partnerships with rural producers. Eldorado works in anthropized areas, previously used for pasture.

In the area of genetic improvement, the company aims at constantly updating its genetic data to reach better results in hybridization of eucalyptus species. Consequently, it is possible to improve productivity and reduce production costs.

## PHASES OF CELLULOSE PRODUCTION



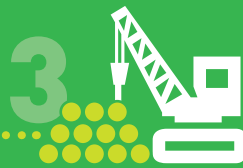
### SEEDLING NURSERY

Eldorado Brasil's seedling nursery is located in Andradina (SP), and it has capacity to produce 28 million of seedlings a year. The objective of the Nursery is to assist part of the plantation program of the company, which is complemented with seedlings acquisition from the market. The company's staff is composed – mostly – by women, who, in comparison to men, have better plants handling skills.



### PLANTATION

Eldorado has more than 200 thousand hectares of eucalyptus plantation. It uses mechanized process with advanced technology and it is monitored 24 hours a day by employees specialized in forestry management. In 2015 the average distance of planted areas, from the industrial plant in Três Lagoas, was 138 kilometers.



### HARVESTING

The harvesting procedure is fully mechanized and the focus is to reach high performance relying on employees well trained in operating new equipment and technologies. The harvesting machines cut and remove the eucalyptus bark and branch, which are left at the local for the soil to be fertilized with them.



### TRANSPORT OF WOOD

This sector is responsible for the transport of 5.9 million m<sup>3</sup> (cubic meters) of wood a year, from the eucalyptus forests to the factory yard. It is also responsible for the planning of the wood transport, own road transport of cellulose, the factory gas station, and infrastructure of the roads.



Nowadays, the species used in plantation are: Eucalyptus urophylla, E. grandis and E. pellita and their respective hybrids. Some biotechnology tools are used for early selection of superior genetic materials.

The main research lines in the area of forest technology are focused on genetic improvement, soils and nutrition, monitoring of plague, diseases and wood quality. Besides that, there is research done to ensure the operational development, in forestry as well as in harvesting and transport.

Aiming at reaching the highest standards on quality, productivity and cost, with effective alignment to sustainable practices, the

forestry area (tree growth) of Eldorado is interested in all the production steps, from preparing the area up to the maintenance necessary before the harvesting. The tree nursery in Andradina (SP) is responsible for the production of approximately 28 million tree seedlings of eucalyptus a year. Besides that, tree seedlings are also bought from production tree nurseries in the market, which have the same genetic materials.

For the harvesting phase, the company has a 100% mechanized model that efficiently ensures the supply of wood for the plant. It takes into consideration economic and environmental aspects and provides comfort and safety for employees.



## INDUSTRIAL PROCESS

When the wood arrives in the factory, it is cut in small pieces and storage. Then, the transformation process is: it is boiled and originates a brown paste of cellulose. After the chemical treatment, this paste gets white and the product goes through a drying process that generates cellulose sheets. After being baled, the cellulose is sent to the logistics team.



## TRANSPORT OF CELLULOSE

The cellulose logistics has the mission of transporting and delivering the cellulose produced by the factory, using the following transportation modals: road, rail and sea. They are sent to clients in Brazil, South America, North America and Central America, as well as European and Asian continents.

Approximately **30%** of the company's area is destined to biodiversity protection. These are areas of **permanent preservation**, legal reserve and other areas that have original vegetation.

Comparing 2015 to the previous year, the industrial plant in Três Lagoas had an increase of 2% in productivity. This didn't impact on the wood consumption, specifically, which continued at 3.38 m<sup>3</sup>/adt (air dry ton), 2% less than expected by the factory. This represents an economy of 378,370 m<sup>3</sup> in wood, comparing to the project figure, which is 3.45 m<sup>3</sup> by ton of produced cellulose, great efficiency.

About water collection, the company had good news during the year: even with the increase in production, there was a reduction of 4% in water collection, by ton of produced cellulose.



DANIELLA SAID HEID SCHETTINI  
Intern at the Tree Nursery

## CERTIFICATION

(G4-15)

Eldorado Brasil daily expresses its commitment to the origin of the wood used in cellulose production and it has certification FSC® (Forest Stewardship Council - Conselho de Manejo Florestal), renewed every year. Created in 1993, FSC® is an independent international organization that encourages good use of forests around the world and awards the companies that are in accordance to the certification rules. There are two categories: Forestry Management and Chain of Custody, which assures the product's traceability.

In general, the forest certification is a way for companies to voluntarily certify the execution of environmental, economic and social issues, in a process that is annually audited. The company has great part of its handling areas certified, and it is always aiming at certifying every new acquired handling area under FSC®.

Located in the east regions of Mato Grosso do Sul, the certified areas include the cities of Água Clara, Anastácio, Aparecida do Taboado, Dois Irmãos do Buriti, Inocência, Santa Rita do Pardo, Selvíria, Paranaíba, Três Lagoas, Ribas do Rio Pardo and Terenos.

The company monitors all of its operations in order to ensure the quality and compliance with legislation and current rules. Besides the certified areas for the plantation of eucalyptus, it has conservation areas equivalent to 30% of the total area of the company, including permanent preservation areas, legal reserve and areas with native vegetation.

## ENVIRONMENTAL MANAGEMENT

Eldorado's environmental management is based on rules and procedures that aim at continuous improvement on the company's activities. The actions organized in this area ensure that all procedures are aligned to the environmental legislation, prioritizing the long-term contribution for sustainability in the business.

## MAIN ACTIONS IN ENVIRONMENTAL MANAGEMENT

- ▶ Environmental license: all the activities subjected to environmental regulations are licensed with the competent agencies. Thus, we assure the compliance of necessary constraints, regulations and procedures;
- ▶ Environmental Impact Assessment: the impacts are assessed in all the company's operational procedures and, so, are identified and incorporated to prevention measures and mitigation;
- ▶ Natural Resources: the maintenance of existent natural resources contributed for improvements on environmental conditions in recovering degraded areas, biodiversity and environmental preservation areas;
- ▶ Environmental Monitoring: identification and assessment of positive and negative impacts in the company's activities.

### INNOVATION ON THE RISE

(G4-15)

In 2015 Eldorado invested in innovation and updated the system on planted areas monitoring, which increased the quality on results obtained. After the mechanization of the forest production process, which had been implemented in the previous years, it was possible to increase productivity through new technologies and improve the professional qualification of the workers.

With the continuous improvement of this model, the company assures the reduction of the workers' efforts, more comfort (the machines have air conditioner and padded armchairs) and more safety, having then less risk of accidents at work.

During the year the company started using drones that overfly the eucalyptus forests to see areas of difficult access, characterize the land use, evaluate the post-harvesting area, and detect damage in plantations, among other objectives. The company also started

to use pen drives in tractors and tablets/ smartphones for remote access and integrated to all information on planted areas. This technology replaced maps and other printed documents, making the monitoring process faster and more dynamic.



RENAN AZAMBUJA, PEDRO LUIZ ESTEQUE,  
CARLOS EDUARDO FRASNELI  
Forest Measurement Assistants



## WATER

(G4-EN8, G4-EN9, G4-EN10)

The water used in Eldorado’s industrial procedures comes from Paraná River, and it is also used by the local community. They use this body of water – which has high biodiversity value and endemic species – for activities such as fishing, tourism, and leisure. Therefore, the company is strongly committed to returning the water under the pre-established standards.

When comparing the results of water collection between 2014 and 2015, there was a reduction of 2% in the collected volume from Paraná River. During the same time there was an increase in the company’s production. So, the company continues to assure the lowest use of this natural resource, which assures more productivity capacity.

About flow and quality, the use of water by Eldorado does not affect the other users at all, as the collection point in the river has approved grant by ANA (Agência Nacional de Águas)(National Water Agency). The data on the amount used are sent to a

data bank and collected by an automatic measurer that is on the road of the Water Treatment Station.

Around the factory in Três Lagoas, the company monitors the quality of the surface water every two months as well as the water communities in six areas. For irrigation there are specific operational procedures to ensure the best use of water according to each period of the year. In the seedlings nursery in Andradina (SP), the water source is from underground.

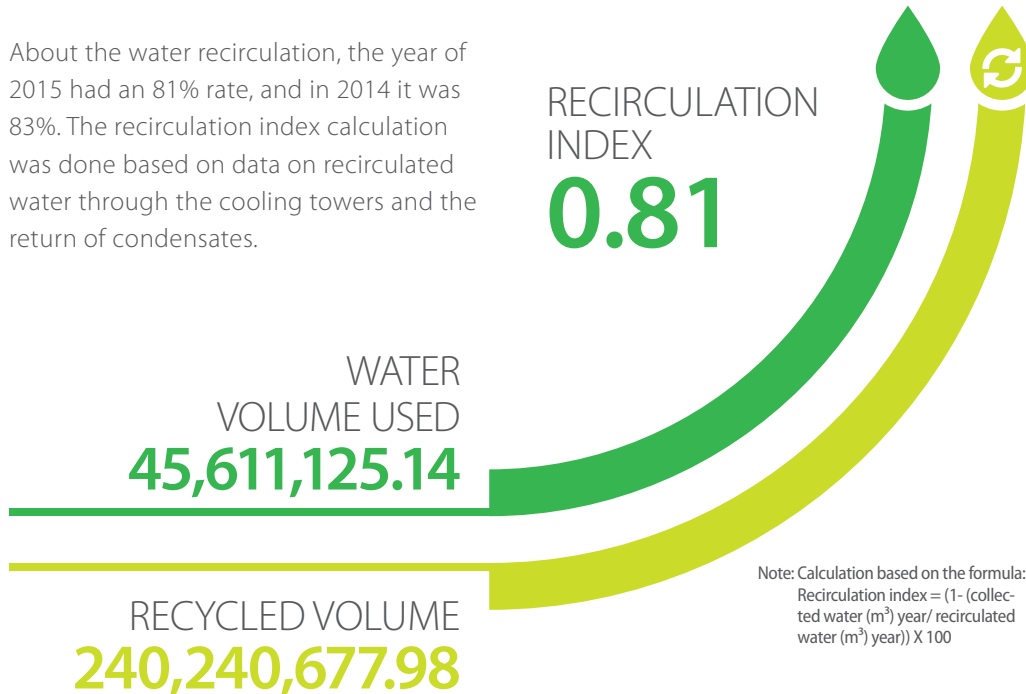
In 2015 Eldorado automatized the irrigation system with tractors, providing more water saving. The machines were equipped with a single tube that is directly activated on each of the eucalyptus seedlings.

During the year Eldorado withdrew a total of 45,959,942.14 m<sup>3</sup> of water, 99.24% of that was identified as coming from surface water and the other 0.76% from underground water. In comparison to the year of 2014 the company reached a reduction of 1,079,997.86 m<sup>3</sup> of water withdrawal, even showing higher production.

Water withdrawal, by source (m <sup>3</sup> )	2014	2015
Surface water	46,588,677.00	45,611,125.14
Underground water *	451,263.00	348,817.00
Total	47,039,940.00	45,959,942.14

\* Regarding the water consumption in the Forestry Tree Nursery (Andradina-SP)

About the water recirculation, the year of 2015 had an 81% rate, and in 2014 it was 83%. The recirculation index calculation was done based on data on recirculated water through the cooling towers and the return of condensates.



## ENERGY

(G4-EN3)

Having had the biomass boiler installed in the factory in Três Lagoas, Eldorado became totally self-sufficient on the energy issue. This initiative was very important for the company to continue presenting sustainable energy solutions that assure excellent environmental practices.

Comparing 2015 to 2014 there was an increase of 3% in energy generation, providing improvement in the operational efficiency. There was also a 20% increase in sales of energy generated by the company, which contributed to minimize the results of energy challenges Brazil faced along the year. One

of the practices that made it possible for the better use of energy generation by the company was the installation of CICEEL (Comissão Interna de Conservação de Energia Eldorado-Internal Committee for Energy Conservation Eldorado).

In general context the energy consumed by the company is originated in non-renewable sources, renewable sources and electricity. The total consumption in 2015 was 53,814.54 tons of fuel oil, 2,465,228.82 tons of liquor, 186,452.54 tons of biomass and 1,785,111.72 MWH of electricity.

## TOTAL CONSUME BY SOURCE

Non-renewable sources	
Fuel oil (ton.)	53,814.54
Liquor (ton.)	2,465,228.82
Renewable sources	
Biomass (ton.)	186,452.54

Electricity	MWH
Generated	1,338,036.65
Bought	13,997.63
Total	1,352,034.27
Consumed	1,179,048.81
Sold	172,985.47

About electrical energy, in 2015 the company generated 1,338,036.65 MWh, bought 13,997.63 MWh (totaling 1,352,034.27 MWh). Out of this, 1,179,048.81 MWh was consumed and the surplus (172,985.47 MWh) was available for sales in the national energy system.

From a broad mapping of areas available for eucalyptus plantation, the company analyses the possible impacts on the activities taking place in each of the new acquired areas, putting together productivity and advanced techniques in reforestation.

## BIODIVERSITY

(G4-EN11, G4-EN12, G4-EN13, G4-EN14)

Eldorado's business is broadly connected to all aspects of the environment. Therefore, the company is focused on the preservation of the areas located near its plantations, assuring the flora is perpetuated and there is maintenance of the refuge areas for the fauna of the region.

The groups preferably used in the monitoring studies on flora and fauna are made of birds and mammals of medium and big sizes, as there is much information available about its ecology, besides the easiness of seeing and identifying them. They also have great sensitivity regarding possible environmental alterations in the natural habitat.

The results of the flora monitoring are used to constantly update the Forestry Handling Plan and also to improve the environmental management of the company.



Area	Size (km)
Total area	398
Legal Reserve and Permanent Protection Areas	104
Pasture, Dams and Roads	10
Productive Area	205

## SPECIES UNDER THE LIST

OF IUCN AND NATIONAL LISTS OF CONSERVATION WITH HABITATS IN AREAS AFFECTED BY THE OPERATIONS, DETAILED BY EXTINCTION RISK LEVEL.

### VULNERABLE VU (07 SPECIES)

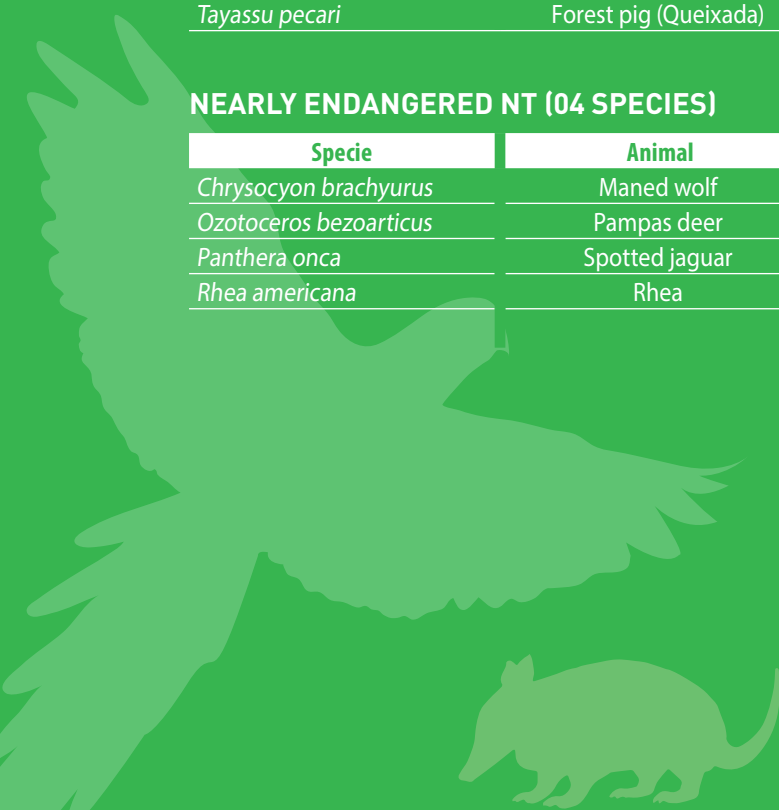
Species Animal	Animal
<i>Anodorhynchus hyacinthinus</i>	Hyacinth macaw
<i>Blastocerus dichotomus</i>	Wetland Deer
<i>Crax fasciolata</i>	Curassow
<i>Myrmecophaga tridactyla</i>	Giant anteater
<i>Priodontes maximus</i>	Giant armadillo
<i>Tapirus terrestris</i>	Tapir
<i>Tayassu pecari</i>	Forest pig (Queixada)

### NEARLY ENDANGERED NT (04 SPECIES)

Specie	Animal
<i>Chrysocyon brachyurus</i>	Maned wolf
<i>Ozotoceros bezoarticus</i>	Pampas deer
<i>Panthera onca</i>	Spotted jaguar
<i>Rhea americana</i>	Rhea

### MINIMUM CONCERN IC (33 SPECIES)

Specie	Animal
<i>Arundinicola leucocephala</i>	Hail nunbird
<i>Rupornis magnirostris</i>	Hen Hawk
<i>Ara ararauna</i>	Canindé macaw
<i>Ardea Alba</i>	Big white heron
<i>Athene cunicularia</i>	Screech Owl
<i>Caracara plancus</i>	Carcará
<i>Cariama cristata</i>	Seriema
<i>Celeus flavescens</i>	Yellow Head Woodpecker
<i>Cerdocyon thous</i>	Wild dog (fox)
<i>Coragyps atratus</i>	Black head vulture
<i>Crotalus durissus</i>	Rattlesnake
<i>Crotophaga ani</i>	Black Anu
<i>Crypturellus parvirostris</i>	Small-billed Tinamou
<i>Cuniculus paca</i>	Paca
<i>Dasybus novemcinctus</i>	Nine-banded Armadillo
<i>Didelphis marsupialis</i>	Skunk
<i>Eira barbara</i>	Irara
<i>Euphractus sexcinctus</i>	Peba armadillo
<i>Hydrochoerus hydrochaeris</i>	Capybara
<i>Leopardus pardalis</i>	Ocelot
<i>Mazama gouazoubira</i>	Forest deer
<i>Nasua nasua</i>	Coati
<i>Penelope superciliaris</i>	Jacupemba
<i>Procyon cancrivorus</i>	Raccoon
<i>Puma concolor</i>	Puma
<i>Ramphastos toco</i>	Toucan
<i>Rhynchotus rufescens</i>	Partridge
<i>Saltator similis</i>	Saltators
<i>Salvator merianae</i>	Teiú
<i>Tamandua tetradactyla</i>	Collared anteater
<i>Theristicus caudatus</i>	Curucaca
<i>Turdus amaurochalinus</i>	Thrush
<i>Vanellus chilensis</i>	Lapwing



## PROTECTED AND RESTORED HABITATS

(G4-EN13)

Besides Três Lagoas, where the industrial plant is located, the company has farms with conservation areas in other eleven cities in Mato Grosso do Sul. All the actions related to the restoration of these areas are approved by the state environmental agency (IMASUL).

The savanna – second Brazilian biome in extension – is where prevails the catchment area of Eldorado's plantation farms, which are spread through different conditions – geological, climatic, pedological and relevant ones, having areas of tension with other Brazilian biomes, such as the Amazon, the Caatinga and the Atlantic Forest. The savanna has different soil composition and water availability:

- ▶ Strictu sensu savanna: in shallow soils and subjected to fire, with typical species such as faveira (*Dimorphandra mollis*) and mamica de cadela (*Brosimum gaudichaudii*);
- ▶ Big Savanna: takes place in deeper and leachate soils and has typical trees species such as pequi (*Caryocar brasiliensis*) and barbatimão (*Stryphnodendron barbatiman*);
- ▶ Gallery and pathway forests: along the watercourses and rivers having great variety of species as copaíba (*Copaifera langsdorffii*), jatobá (*Hymenaea courbaril*), buriti (*Mauritia* spp.) and embaúba (*Cecropia* spp.).

## CONSOLIDATED VEGETATION (HECTARES)

Água Clara	11,434.50
Anastácio	1,338.73
Aparecida do Taboado	3,890.39
Brasilândia	1,300.39
Dois Irmãos do Buriti	4,230.32
Inocência	9,887.97
Paranaíba	1,012.77
Ribas do Rio Pardo	3,675.40
Santa Rita do Pardo	10,026.61
Selvíria	15,514.59
Terrenos	54.32
Três Lagoas	18,898.59



**GIANT ANTEATER**  
Picture taken for the program: You and the animal

### RESTORATION AREA (HECTARES)

Água Clara	3,321.76
Aparecida do Taboado	1,808.46
Brasilândia	309.83
Dois Irmãos do Buriti	473.38
Inocência	3,978.35
Paranaíba	133.95
Ribas do Rio Pardo	1,462.71
Santa Rita do Pardo	152.57
Selvíria	6,028.72
Três Lagoas	5,112.16

The Canoas Farm, located in Selvíria city, is located in an area of high conservation value and great biological diversity, including endemic, rare, endangered or in danger of extinction species, globally, regionally or nationally speaking. Into the conservation areas, made basically of native forests, there is no activity or exploitation, and in the nearby areas there is eucalyptus plantation. In the farm the monitoring is intensified and the company has people living in its headquarters, besides having an

inventory for the fauna and flora considering the seasons of the year.

The company also does usual studies to identify the general conditions of the native vegetation in the natural areas of the farms where there is plantation. Consequently, it adds knowledge and monitoring to the dynamics of the phytophysiological structure and floristic composition with time. The areas selection includes the different phases of regeneration of the forests found in the region.



## EFFLUENTS

(G4-EN22, G4-EN26)

Eldorado keeps daily monitoring and does its own analysis on the effluent generated from cellulose production. It also reaffirms its commitment to the environment and society by doing so. Besides that, once a month it sends the effluent data to be evaluated by an external laboratory.

Following quality standards guided by IMASUL, the industrial effluent goes through a treatment process of activated mud, and returns to Paraná River right after. The river is 700,000 km<sup>2</sup> long and it is the fifth largest river basin in the world. In this case, Eldorado is aware of the importance of returning the water to the river, following the environmental standards.

In 2015 the efficiency on the system for treating the water reached 96% of BOD (biochemical oxygen demand) removal.

The thrown effluents follow the standards established by resolution 430/2011 of CONAMA (Conselho Nacional de Meio Ambiente-National Environmental Committee) and deliberation 36/12 of CECA (Conselho Estadual de Controle Ambiental-Environmental Control State Committee).

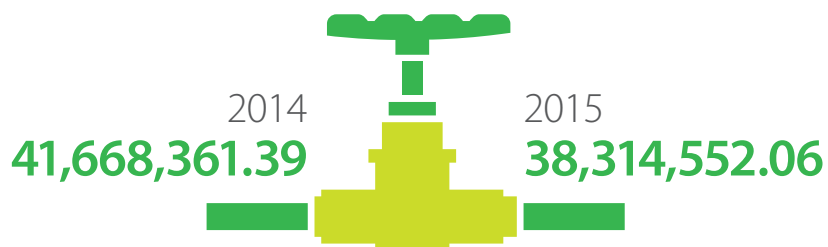
## WASTE

(G4-EN23)

About the solid waste, the company is continuously minimizing its generation in all production phases, from collection to final destination. In order to mitigate probable environmental impacts, Eldorado manages this waste following some procedures and guidelines, aiming at ensuring health and safety of employees and preservation of natural resources.

The waste management counts on support from PGRS (Solid Waste Management Plan), created to implement rules and techniques that assure reduction on waste generation and a forwarding that is safe and traceable. The Plan is connected to all the phases of physical and material resources planning, as well as the qualification of people involved in the waste handling.

### VOLUME OF WATER DISCHARGED (M<sup>3</sup>)



\* In 2014 there was incrustation in the praschal pipeline, where the effluent exits. The consequence was higher volume in the measurement specifications. The failure was identified in 2015 and it was properly amended, assuring the measurement values to be back to regular in the procedures.

Waste sorting	Origin of the waste	Destination	Amount (ton) 2014	Amount (ton) 2015
Class I	Industrial	Re-refining	4.92	12.32
	Industrial and Forest-based	Industrial landfill Class I (external)	144.37	192.86
Class II	Industrial	Industrial landfill Class II (internal)	119,637.26	124,695.19
		Recycling	6,227.42	748.50
	Co-processing	196,858.11	186,452.54	
	Forest-based	Industrial landfill Class II (external)	68.07	153.79
		Recycling	102.57	48.00

Note: In the previous years, for the accounting on Recycling amount (which showed great reduction-Industrial Waste Class II - Recycling) – information on iodine was added (used in the industry of recycled paper and packaging). In 2015, due to alterations in the sectorial effluents, the removal system was stopped. Consequently, the fibers that used to be removed through this system, were now removed in the biological iodine and destined to the internal industrial landfill.



**JOSÉ AVELINO**  
Assistant at the Tree Nursery



## EMISSIONS

(G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19)

Based on the world challenge to implement strategies and actions in order to reduce damaged caused to the environment because of the gas emissions in the atmosphere, it is extremely important that Eldorado has clear positioning regarding this issue.

In 2015 the company had good news: reduction of 16,513.28 tons of CO<sub>2</sub> and of direct emissions of GEE (Greenhouse Gases Effect) due to lower fuel oil consumption in stationary sources in the industrial area (recovery boiler, power boiler, lime kiln). In order to quantify and manage the emissions of GEE, the company uses the tool GHG Protocol (scopes 1, 2 and 3) besides taking into account the emissions of IPCC (Intergovernmental Panel on Climatic Changes).

Due to the reduction on fuel oil consumption in stationary sources, it was possible to avoid emitting 27,90.45 tons of CO<sub>2</sub> equivalent of saving the amount of R\$ 13,907,049.39. The method used to check risks and opportunities on reduction was the daily follow-up of the fuel consumed in the industry's stationary sources.

There are other sources of emissions, too, as transport of wood and cellulose by train or ship, transport for employees, receiving supplies, use of fertilizers (nitrogenous and limestone), cooling gases and waste management. The gases included in the analysis in the GHG Protocol were:

R-22, SF<sub>6</sub>, R-410<sup>a</sup>, HFC-134<sup>a</sup>, CO<sub>2</sub>, CH<sub>4</sub> e N<sub>2</sub>O.

### GREENHOUSE GAS DIRECT EMISSIONS (SCOPE 1) TONS

CO <sub>2</sub>	367,778.66
CH <sub>4</sub>	633.07
N <sub>2</sub> O	129.68
HFCs	1.,156.93
SF <sub>6</sub>	76.48
Total	369,774.82

\* The GHG Protocol was the method used.



During the year of 2015, The Greenhouse Gas indirect emissions (scope 2) totaled 357 tons of CO<sub>2</sub> equivalent, regarding energy consumption described in the inventory of Greenhouse Gas Emissions of the year. The total of other Greenhouse Gas Indirect

emissions is 275,432.90 tons of CO<sub>2</sub> equivalent and 3,060.62 tons of biogenic CO<sub>2</sub>.

For now, there are no goals to reduce the greenhouse gas emissions for 2016.

### EMISSION FACTORS (TCOE/ ADT)

2014	2015
0.28	0.27

Note: measuring used for the calculation: tons of cellulose produced (ADT), considering scopes 1 and 2 – direct emission + emissions coming from energy purchase (tCO<sub>2</sub>e/ADT); gases included in the calculation: CO<sub>2</sub>/CH<sub>4</sub>/N<sub>2</sub>O/SF<sub>6</sub>/HFCs.

## CLAIMS AND COMPLAINTS ON ENVIRONMENTAL IMPACT MEASURES

(G4-EN34)

In 2015 Eldorado had 15 claims about the odor perception in the community. The company has a communication channel which includes a specific telephone number for complaints. After the contact there is a procedure to check the productivity and meteorological conditions. According to the results found, the caller has the proper return.

For complaints received the procedure mentioned has been done and the modeling software showed the results – 14 out of 15 complaints were about meteorological conditions, especially

wind direction and speed, which couldn't bring odor perception to the caller. One complaint was about the dispersion plume that could bring odor perception to the caller. However, the concentration the odor molecules were found were below the limit recommended by the World Health Organization, that is, the quality of the air was not affected at that time. It's important to highlight that in all complaints the productivity process was also checked and it operated following the limits of atmospheric emissions determined by law.



# SOCIAL PERFORMANCE





Eldorado  
Brasil

EXTRA

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## INTERNAL PUBLIC

(G4-10, G4-EC5, G4-LA1, G4-LA2, G4-LA3, G4-LA10, G4-LA11, G4-LA13)

Considering that what drive the company to improve are the employees, they are motivated to perform their functions and do it with great effort, because they believe in the groups' dreams and in Eldorado's potentials. There are 4,758 employees in different jobs and strongly contributing for the company's responsible consolidation in the sector.

3,966 of the employees are men and 792 are women. In the previous year the company had a total of 4,500 employees. The increase was due to the company hiring its own employees.

An important point to be highlighted is hiring its own employees, a planned procedure that brought good results for the company, especially regarding improvements in internal operations, cost reduction and flexibility in decisions.

In 2015 the company could progress even more in the alignment of cultural concepts that include all the employees. This made it easier for strategic positioning and unification in all areas. By focusing on strengthening this internal cultural, it was possible to raise employees' commitment, always based on the company's principles and values.

As part of one of the four guidelines – valuing people -, the employees are constantly trained and encouraged to progress in internal procedures. All of them have different benefits, which values and recognizes each one of them, continuously.

About salary policy, the company is alert to offer fair and egalitarian salaries. Nowadays the salaries are above the minimum one decided by the government (R\$ 788) being the lowest one R\$ 860, regardless of genre.

### TOTAL NUMBER OF EMPLOYEES – BY POSITION – 2015

	Men	Women
Presidency	1	0
Board	4	0
Management	23	4
Administrative	385	193
Operational	3,539	589
Interns	14	6
Total by genre	3,966	792
<b>Total</b>	<b>4,758</b>	

Note: On December 31st, 2015, Eldorado had no apprentices.



### TOTAL NUMBER OF EMPLOYEES – BY AGE GROUP

	Men	Women
Up to 30 years old	1,480	311
From 31 to 50 Years old	2,162	428
Over 50 years old	324	53
Total by genre	3,966	792
<b>Total</b>	<b>4,758</b>	

About the interns, the company has partnerships with educational institutes to have exchange between the academy and the corporative world. During the internship the students may apply what they learn in class and do specific research on technology and forest and industrial development.

The Program Jovem Aprendiz (Young Apprentice), is done in partnership with SENAI. It allows teenagers under 18 to have their first contact with the corporative world, which contributes for their integrated growth. In 2015 the company hired 23 apprentices, but their contracts were due at the end of the year.

### TOTAL NUMBER OF EMPLOYEES BY REGION

	Men	Women
Center-West	3,852	651
Southeast	114	141
Total by genre	3,966	792
<b>Total</b>	<b>4,758</b>	

**NUMBER AND RATES OF NEW HIRING, BY GENDER, AGE GROUP AND REGION**

Genre	Permanent contract		Temporary contract	
	Number of hired people	%	Number of hired people	%
Male	1,751	83.1	13	61.9
Female	356	16.9	8	38.1
Total	2,107	100	21	100
Age group	Number of hired people	%	Number of hired people	%
From 18 to 30 years old	908	43.1	16	76.19
From 30 to 50 years old	1,098	52.11	5	23.81
Over 50 years old	101	4.79	0	0
Total	2,107	100	21	100
Region	Number of hired people	%	Number of hired people	%
Southeast	165	7.83	10	47.62
Center-West	1,942	92.17	11	52.38
Total	2,107	100	21	100

**NUMBER AND RATES OF DISMISSAL, BY GENDER, AGE GROUP, AND REGION**

Genre	Permanent contract		Temporary contract	
	Number of hired people	%	Number of hired people	%
Male	1,451	78.77	5	62.5
Female	391	21.23	3	37.5
Total	1,842	100	8	100
Age group	Number of hired people	%	Number of hired people	%
From 18 to 30 years old	787	42.73	5	62.5
From 30 to 50 years old	925	50.22	3	37.5
Over 50 years old	130	7.06	0	0
Total	1,842	100	8	100
Region	Number of hired people	%	Number of hired people	%
Southeast	139	7.55	0	0
Center-West	1,703	92.45	8	100
Total	1,842	100	8	100

**RATIO OF SALARY AND REMUNERATION BETWEEN MEN AND WOMEN, ITEMIZED BY POSITION**

Genre	Average salary		Total remuneration with variable pay	
	Female	Male	Female	Male
Director		100%		100%
Manager	94%	100%	94%	100%
Administrative	49%	100%	54%	100%
Operational	66%	100%	76%	100%
Intern	100%	100%	100%	100%

Note: VR – Variable Remuneration



## BENEFITS

Eldorado Brasil offers many benefits to the employees, as it believes in valuing people and their professional growth in the company, so the achievements are shared by all. For the full-time employees or the temporary ones the following benefits are offered: life insurance, health insurance, transport, private pension plan, dental insurance, meal ticket and meals (for those who work in an area without a cafeteria a meal ticket or outsourced meal is offered).

## PARENTAL LEAVE



Note: Out of the 314 employees who take the parental leave, 309 kept their jobs 12 months after being back from the leave.

## HEALTH AND SAFETY

The continuous improvement on well-being and life quality of the employees is at the daily agenda of the company, as only an engaged and balanced team it is possible to reach higher levels in the sector. In this respect, health and safety are essential items and all the employees are dedicated to the building and maintenance of a high work standard – from the Board to the operational employees.

This commitment allows the processes to be always driven to non-existence of accidents. The Health Forestry Program, for instance, monitors occupational health (blood pressure, diabetes, workshops and first-aid) of workers in the forestry area.

The DDS project (Daily Discussion on Safety) guides and answers questions on the proper procedures related to Occupational Health and Safety aspects. It also works as a discussion forum among the employees. In order to assess accident risks in new activities on forestry handling, a safety mapping is done.

Finally, there is training on safety to disclose or recycle rules and practices on safety at work. On these occasions the employees are oriented on the best working conditions and reduction on accidents risks.

## MAIN INITIATIVES IN HEALTH AND SAFETY

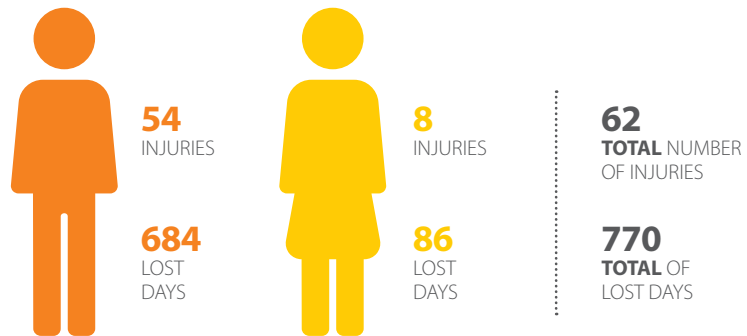
The safety sector of the company includes the forest, industrial, and logistic areas. The main initiatives performed in 2015 for accident prevention in forest and industrial environment were:

- ▶ Campaign on Safety at Work
- ▶ DDS (Daily Discussions on Safety)
- ▶ Behavior Watching
- ▶ Safety Management Inspection
- ▶ Safety Committee
- ▶ Legal Trainings on Regulatory norms
- ▶ Internal Trainings on Safety
- ▶ APR (Preliminary Risk Assessment)
- ▶ Energy Source Blockage
- ▶ Work Permit
- ▶ Incident Reporting
- ▶ Risk Reporting
- ▶ CIPA (Accident Internal Commission)
- ▶ Hot Working Release
- ▶ Work in Confined Spaces Release

(G4-LA6, G4-LA9)

## INJURY AND LOST DAYS

In 2015 62 injuries and 770 lost days were accounted












### TRAININGS

Eldorado is committed and attentive to constant improvement of employees, so it annually promotes trainings in different areas. By doing so, it provides growth opportunities and

improvement in internal procedures. In 2015 there was an investment of R\$ 2,068,391.06 for technical, legal and behavior qualification of the employees, which represented an average application of R\$ 434.72 for each employee being trained.

## SOME TRAINING THAT HAPPENED IN 2015

-  TRAFFIC LAW
-  CHEMICAL EMERGENCIES
-  MS FISCAL LAW
-  NEGOTIATION TECHNIQUES BY HARVARD METHODOLOGY
-  EXCEL – BASIC, INTERMEDIATE AND ADVANCED LEVELS
-  SECOND AID
-  FIRST AID FOR PROFESSIONALS IN ELETRIC AREA
-  PREVENTION AND COMBATING FOREST FIRE
-  APPLICATION OF AGRICULTURAL PESTICIDES



### NUMBER OF TRAINING HOURS X LEVEL

Position	Number of employees	number of hours	Average of hours
Board	4	3	0.75
Management	27	150	5.56
Administrative	578	9,340	16.16
Operational	4,128	89,241	21.62
Interns	20	863	43.15
Apprentices	23	757	32.91
<b>Total</b>	<b>4,780</b>	<b>100,354</b>	<b>21</b>

Note: This chart accounted 23 working apprentices in the year 2015.

### TRAINING COURSE LOAD X GENRE

Genre	Number of employees	Number of hours	Average of hours
Male	3,966	91.636,68	23.11
Female	792	8.717,32	11.01
<b>Total</b>	<b>4,758</b>	<b>100.354,00</b>	<b>21.09</b>

Note: This chart didn't include the number of apprentices.

During the year there were 247 courses given by internal facilitators. There was significant achievement and it brought many results; approximately 1,500 old and new employees took the courses in many areas:

- ▶ Safety at Work
- ▶ Health and Environment
- ▶ Risk Perception and Awareness
- ▶ Fire Outbreak
- ▶ Internal client Service Quality
- ▶ Cellulose production process concepts
- ▶ Code of Conduct and Institutional presentation of the company
- ▶ Behavior Watching Program
- ▶ Workshop on remuneration
- ▶ Training on plagues and diseases

- ▶ Maintenance Techniques
- ▶ Forest Machine Operation
- ▶ Processes on transport tracking

The safety trainings management, done by the Organizational Development sector, happens through the matrix having guidelines created by the forest, industrial and logistics safety areas, which evaluate the need of training, taking into consideration the risks of each occupational activity. The technical trainings are made after mapping the needs, which is done by the applicant area.

The company also invests in the qualification of new employees in the area of Forest Harvesting. The development program makes

it possible the acquisition of theoretical and practical knowledge and the progress on specific skills in order to be Harvester and Forwarder operators. Besides that, this qualification also relies on actions aimed at environmental education, which contribute for the adoption of preservation actions towards the environment.

In 2015 Eldorado established partnership with an educational institution in order to map the need of qualifying people in the Garcias area, in Três Lagoas (MS). A course on the civil construction area will be offered in order to qualify professionals and provide structure improvements in areas where there are community events, assuring safety to all.

### PERFORMANCE ASSESSMENT

Every year the company assesses the performance of employees in management positions (personnel or technical). It always considers the seven organizational values: determination, acting as an owner,

discipline, honesty, simplicity, humbleness and availability. The assessment starts with the leadership teams and aims at spreading the Organizational Culture to all the areas in the company.

In the 360° evaluation, the whole team that manages people and/or procedures goes through. Behavior concerns, adopting the company's value and professional performance of each one, are evaluated. Created in 2015, the Personnel Committee proposes a new approach to this evaluation, having open and honest speech, providing improvement opportunities, promotions and bonuses.

Out of the total number of employees, 258 are often analyzed on their performance and career development. 233 of them are men and 25 are women. There is also the initiative of strengthening the leaders of the company, in learning a new language, for instance, so that they can promote the company when going to other countries.

### PERFORMANCE ASSESSMENT X POSITION

Position	Number of own employees that are assessed	Total number of own employees	Percentage of total employees who are assessed
Presidency	1	1	100
Board	4	4	100
Management	27	27	100
Administrative	185	578	32.01
Operacional	41	4,128	0.99

## SUPPLIERS

(G4-EN32, G4-LA14, G4-LA15, G4-HR5, G4-HR6, G4-HR10, G4-HR11)

Eldorado is aligned to the best commercial practices and is always following all agreements with responsibility. It has a broad and diversified management concerning supply chains, including the selection and qualification of the suppliers. As often as possible they prioritize local hiring. In order to minimize risks on economic dependency concerning the company, the financial situation of each supplier is also analyzed.

The company also promotes the regional development by encouraging the setting up of new local companies. The objective is to offer better organization and increase professional knowledge and qualification in these companies. The suppliers that work with industrial and forest inputs present documents certifying operational and working licenses, or certificates and measures on environmental protection.

In 2015 Eldorado contracted 85 new suppliers. All of them were tested on environmental criteria and they received a certificate request or a form to be filled out informing the needed equivalence on following the environmental law. Moreover, all of them were assessed regarding good labor practices. Altogether, 3 thousand suppliers were assessed regarding human rights criteria.

Regarding the fulfillment of the law on non-utilization of child/slave labor, in 2014, the company requested strategic suppliers a signed declaration. In 2015 around 3 thousand working suppliers received the same request.

Moreover, Eldorado's Code of Conduct was sent to all the suppliers, who can also rely on the ombudsman channel. The harassment cases and the conduct deviations ones are followed by and reported by the Human Resources.

The hiring policy respects technical, professional and ethical criteria. It also assures meeting the legal demands, as well as the labor, pension plans, work, health and environmental safety demands. The suppliers that work in the local market and those that are certified under ISO 9001, ISO 14001 and OHSAS 18000, are priority at the moment of hiring.



The cases related to health and safety, are sent to the medical and work safety areas, respectively. This does not impact, directly, in the supplying sector.

## LABOR PRACTICES

Along 2015, an average of 85 suppliers was analyzed regarding good labor practices. It included operations in forest, industrial, logistics and transportation areas. There was no evidence of suppliers having negative impact in this issue. Every month a monitoring assuring the compliance of social security and labor contribution is done.

For service provision contract, there is a monthly assessment on social security and labor collection besides having measures adopted in order to assure they are followed, including payment deduction and suspension, according to procedures, principles and flow reported by the company.

## CLIENTS

(G4-PR5)

Eldorado has open and regular relationship with its clients involved in many areas of the business. It works in a transparent and responsible way, in order to be closer and closer to this public.

The company assesses the clients' satisfaction, directly or by meetings in person. This assessment is done in a qualitative way,

aiming at designing specific actions based on the clients' reports.

The main services offered to this stakeholder are:

- ▶ *Customer service: technical-commercial development focused on the clients' specific needs;*
- ▶ Technical service before and after sales: product qualification, licensing tests for industrial operation, and regular follow-up on the use of cellulose, including suggestions on how to have better results in producing paper (reduction of costs and energy consumption, action to improve the quality of the final product, etc.);
- ▶ Highlight for clients and market services: regarding criteria by international organizations as European Timber Regulation (EUTR), Lacey Act, BfR (Bundesinstitut für Risikobewertung , Germany) and FDA ( United States Food and Drug Administration ), more than 200 questionnaires were answered in 2015, having clarification on technical and legal services, considering the origin of the wood and the quality management system, besides information on Eldorado's environmental performance in order to follow specific requirements for the green certification.



## COMMUNITY

(G4-SO1, G4-SO2)

Local development with social responsibility is one of the pillars that drive Eldorado's actions in every project and activity. It believes the authentic and open partnership with the communities adds even more value to the business and brings gains to all involved. Therefore, since the company went to Três Lagoas, the city has shown great growth rate.

The benefits brought to people who live in the region started even before the implementation of the industrial plant: when the plant was being built many direct and indirect jobs were created. Other cities in Mato Grosso do Sul, where the company is also present, are having benefits by income growth, updating on labor relations, investments in infrastructure and consumption of goods produced locally.

The company has a chronogram for the communities' monthly visits to the settlements near its operations area and it meets the meetings requests. The communities and settlements are in the cities of Três Lagoas, Selvíria, Inocência, Brasilândia, Santa Rita do Pardo, Água Clara, Bataguassu, Paranaíba and Ribas do Rio Pardo. The neighbors who are 50 meters around the plantation areas are also visited by the company.

Some issues and aspects that needed to be evaluated and improved were found in the engagement procedure with the communities: generation of dust, damage to roads that lead to the farms and noise coming from forest operations. The company worked hard in order to reduce these impacts: internal procedures to report the reached phases, tank truck to reduce dust and communication channels for the community. These actions resulted in a closer relationship.

The communication channels the company has encourage exchange of information and the efficient service by the interested parties in the different practice areas. Eldorado has an internal tool for the management with the stakeholders, prioritizing investments in health and education sectors.

The company broadens the diversity of its actions in many society areas through redistribution of materials and equipment, labor, having meetings with the interested parties, environmental education, agro-ecological project in settlements, among others.



MEETING WITH THE COMMUNITY,  
Canoas Settlement, Selvíria (MS)

Eldorado tries to avoid new reports on impacts already identified in local communities by using the social matrix tool. The constant monitoring make it possible for the interpretation of every company's activity and their impacts, which public was affected, the operational measure, and the procedure needed. This matrix is continuously reviewed, according to the updating of the social activities performed by the company.

### SOCIAL-ENVIRONMENTAL PROGRAMS AND PROJECTS

#### Eldorado Sustainability Program:

**(PES):** arise critical vision on the main problems related to the environment and propose sustainable solution for the local development, are the main objectives of the program, focused on the communities and employees. The engagement is done through courses, workshops and many activities about the environment. Having the core of sustainability implemented inside the plant in Três Lagoas, the PES created educational structures for the development of the proposed activities, and it works in three areas:

- ▶ PES Schools: the objective is to bring environmental awareness to students in preschool and primary school, teachers and professionals in public schools;
- ▶ PES Communities: information spread on the company and improvement of life quality to places near its operations;
- ▶ PES Employees: development of socio-environmental education activities with the company's employees.

#### Sustainable Agro-ecological Production

**Project (PAIS):** is about a social technology that is being reproduced in many regions in the state of Mato Grosso do Sul, including reduced costs and economic and social returns for family farmers who have low income. The project encourages the organic handling of the production and incentives the farmers to use polyculture in their lands. Since the beginning 45 families have been benefited and for 2016 they are foreseeing the sales of organics planted by the farmers, to the restaurant in the plant.

#### Eldorado's Friends Project (AME):

formed by a group of Eldorado's employees, this volunteering project acts on service provision to the community through local institutions, including Warm Clothing Campaign, and collection of milk, diapers and food.

### OTHER SOCIAL ACTIONS

The company has a broad diversity in initiatives in the social area, which aim at strengthening the communities and the residents' self-sufficiency. The main projects in this area are:

#### Redistribution of materials for the Circus and Theatre Municipal Group (Libertart):

to contribute with improvements in drama and circus practices, which promote artistic and group learning, Eldorado redistributed some circus equipment for the Circus and Theater Municipal Group Libertart, in Três Lagoas (MS).

**REDISTRIBUTION RURAL SCHOOL BUILDING**  
São Joaquim Settlement, Selvíria (MS)



**Building of Rural Municipal School São Joaquim:** opened in June, 2015 in the city of Selvíria (MS), São Joaquim School benefits the settlements São Joaquim, Alecrim and Canoas, besides the farms around. Eldorado also redistributed equipment to the school, as computers, multimedia projector, desks and chairs for the classrooms, air-conditioners, televisions and appliances for the cafeteria (industrial oven, microwave oven, fridge and kitchen supplies in general). The school is approximately 1,110 m<sup>2</sup> big, and it has 12 classrooms for 35 students, each, sports gymnasium, special care classroom, theater with dressing room, cafeteria, library, and restrooms.

**Modernization of SENAI:** aiming at improving skilled labor qualification in the region of Três Lagoas, Eldorado redistributed to SENAI a variety of equipment for the laboratories for technical courses, including the Mechanics, Automation, Cellulose and Paper ones.

**Redistribution of equipment for the Municipal Health Secretary :** the equipment redistributed to the Secretary of the city of Inocência (MS) were for the physiotherapy

and osteopathy areas, as well as for the Clinical Analysis Laboratory of the city and Dental Health sector.

**Implementation of a playground in Lagoa Maior:** in June, 2015 the new playground in Lagoa Maior, in Três Lagoas, was opened. Now there are rides for disabled children, too.

**Redistribution of equipment for the cancer combat female area:** furniture was sent to the new head office of the group, located in Três Lagoas. This entity offers service for people who have cancer, and their families.

**Redistribution of sports materials to Master Soccer School Clube Recando do Galo:** redistribution of sports material for the soccer school, non-profit entity who attends around 300 children and teenagers who have low income, in the city of Três Lagoas.



**Redistribution of sports materials for Soccer SCHOOL MASTER CLUBE RECANDO DO GALO**

## PLACES UNDER CONSTRUCTION IN CITIES ELDORADO BRASIL IS



### Health

TRÊS LAGOAS	Construction of UBS - Unidade Básica de Saúde - Health Basic Unit
INOCÊNCIA	Construction of a Laboratory for Clinical Analysis



### Education

TRÊS LAGOAS	Construction of CEI - Centro de Educação Infantil - Center for Children's Education
TRÊS LAGOAS	Roof for the Firefighters Sports Court
INOCÊNCIA	Multi-Sports Court – Moranga Rural School
ÁGUA CLARA	Construction of CEI - Centro Educacional Infantil - Center for Children's Education
ÁGUA CLARA	Expansion area for Day-Care Irmã Olga Salin Dualib



### Social

AP. TABOADO	Reform and Construction of Adapted Restrooms at Lar Vicente Marques de Queiróz
TRÊS LAGOAS	Reform and Expansion of Social Center in Pontal Faia Settlement
TRÊS LAGOAS	Construction of an area to keep milk tanks in Pontal do Faia Settlement



**ENVIRONMENTAL EDUCATION**

Eldorado is aware of its essential role in the sustainable development in communities where it is. It establishes environmental education aligned with preservation of

natural resources and economic and social development of each region, in its projects. This influences, directly, the life quality of the people who live in these regions. The main initiatives in this area are:

**MAIN ACTIVITIES IN ENVIRONMENTAL EDUCATION ACTIVITY**

Activities	Description of Activities	Objective	Target audience
Workshops on 'Water and Waste'	Activities developed through sensitiveness, awareness and practice.	Have activities done in a cooperative way, spreading environmental knowledge and integrating all the people involved in the activities.	Students from 4 to 15 years old, who go to Elma Garcia State School, located in Distrito de Garcia.
Visits to "PES" Center – Eldorado Sustainability Program	Activity done in PES Center, where there are houses that have been rebuilt. They used to be original areas of the old head office of Eldorado Farm. This area is destined for execution of activities on environmental education and guided visits.	Bring attention of the employees of the company, and the community to the environment they are living in (environment/factory).	Schools, employees, and society, in general.
Workshops / "PES" Center	Creative activities done to celebrate the International Environment Day, at the PES Center, in Três Lagoas/MS.	Make the target audience involved sensitive and aware, aiming at the importance on preserving the environment, through dynamic, theoretical and hands-on activities.	Children from 9 to 12 years old, who attend Municipal School Prof. Elson Lot Rigo in Três Lagoas.



Activities	Description of Activities	Objective	Target audience
Environment Week	<p>Activities done at Eldorado site to celebrate International Environment Day. 1-The topics were: "Planted Forests", "Conservation of the Soil". Interactive resources and visuals were used, together with information transfer in a clear and objective way, in a short time. 2- Drawing and pictures contest – with employees and their children, on the topic: "Nature and its forms"</p>	<p>Tell the employees of the company about the fauna, flora and soils that are found in this region, as well as the importance of their conservation.</p>	<p>Eldorado Brasil's employees and their children.</p>
Distribution of fliers	<p>Campaign on prevention and combat to forest fires, in partnership with Reflore, where there was discussion and distribution of fliers containing tips on how to avoid incidents that may cause fire in forests around the road and in rural areas.</p>	<p>Make drivers and rural producers aware of the risks of clearing land by burning.</p>	<p>Drivers and rural producers</p>



# GRI CONTENT

(G4-32)







Indicator	Description	Notes	Page on the report
<b>STRATEGY AND ANALYSIS</b>			
G4-1	Statement from the most senior decision maker of the organization		2, 3
G4-2	Provide a description of key impacts, risks, and opportunities		2, 3
<b>ORGANIZATIONAL PROFILE</b>			
G4-3	Name of the organization		11, 12
G4-4	Primary brands, products, and/or services		11, 12
G4-5	Location of organization's headquarters		11, 12
G4-6	Number of countries where the organization operates		11, 13
G4-7	Nature of ownership and legal form		11, 12
G4-8	Markets served		11, 12
G4-9	Scale of the reporting organization		11, 12
G4-10	Total number of employees		11, 12, 46
G4-11	Percentage of all employees covered by collective bargaining agreements	100% of the employees have deals on group negotiation.	
G4-12	Describe the organization's supply chain		11, 14
G4-13	Significant changes during the reporting period	There were no changes on size, structure or participation in shares.	
G4-14	Precautionary approach or principle		22
G4-15	Externally developed social charters, principles, or other initiatives to which the organization subscribes or which it endorses		11
G4-16	Memberships of associations and/or organizations		23
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>			
G4-17	Entities included in the organization's consolidated financial statements or equivalent documents		4, 24
G4-18	Process for defining the report content and the Aspect Boundaries		6, 8
G4-19	List all the material Aspects identified in the process for defining report content		6, 8, 9
G4-20	Aspect Boundary within the organization		6, 8
G4-21	Aspect Boundary outside the organization		6, 8
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements		4
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries		4
<b>STAKEHOLDER ENGAGEMENT</b>			
G4-24	Provide a list of stakeholder groups engaged by the organization		6, 8
G4-25	Report the basis for identification and selection of stakeholders with whom to engage		6, 8
G4-26	Report the organization's 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	For the public sector, Eldorado has meetings whenever required by the organizations or the company itself. Among them: IMASUL (Instituto de Meio Ambiente de Mato Grosso do Sul-Environmental Institute in Mato Grosso do Sul), SEMADE (Secretaria de Estado do Meio Ambiente e Desenvolvimento – MS- Secretary of Environment and Development), INCRA (Instituto Nacional de Colonização e Reforma Agrária-National Institute on Colonization and Land Reform), Public Ministries, Unions and City Halls. Eldorado also has relations with institutions as FSC® (Forest Stewardship Council), WWF (World Wide Fund for Nature), SEBRAE, SENAI e IBÁ (Indústria Brasileira de Árvores-Brazilian Tree Industry), among others.	6, 8

Indicator	Description	Notes	Page on the report
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 through its reporting. Report the stakeholder groups that raised each of the key topics and concerns		6, 8
<b>REPORT PROFILE</b>			
G4-28	Reporting period		4
G4-29	Date of the most recent previous report (if any)		4
G4-30	Reporting cycle		4
G4-31	Provide the contact point for questions regarding the report or its contents		4
G4-32	Table identifying the location of information in the report		62
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report		4
<b>GOVERNANCE</b>			
G4-34	Report the governance structure of the organization		18
<b>ETHICS AND INTEGRITY</b>			
G4-56	Describe the organization's mission or values, codes of conduct and principles relevant to economic, environmental and social performance, as well as the status of their implementation		20
<b>ECONOMIC PERFORMANCE</b>			
G4-DMA	Management approach		24
G4-EC1	Direct economic value generated and distributed		24, 26, 27
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change		24, 26
G4-EC3	Coverage of the organization's defined benefit plan obligations	Has no Private Pension Plan with defined benefit.	
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.		66
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Eldorado Brasil does not have top directory members (directors and presidency) hired from the local community located in Três Lagoas.	
<b>ENVIRONMENTAL PERFORMANCE</b>			
G4-DMA	Management approach		28
G4-EN3	Energy consumption within the organization		35
G4-EN8	Total water withdrawal by source		34
G4-EN9	Water sources significantly affected by withdrawal of water		34
G4-EN10	Percentage and total volume of water recycled and reused		34
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		36
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		36

Indicator	Description	Notes	Page on the report
G4-EN13	Habitats protected or restored		36
G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk		36, 37
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)		42
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)		42
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)		42
G4-EN18	Greenhouse gas (ghg) emissions intensity		42
G4-EN19	Reduction of greenhouse gas (GHG) emissions		42
G4-EN22	Total water discharge by quality and destination		40
G4-EN23	Total weight of waste by type and disposal method		40
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff		40
G4-EN27	Extent of impact mitigation of environmental impacts of products and services		28, 30, 31
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	In 2015 the total amount of fines was R\$ 227,592-R\$ 105,000 related to IBAMA and installments of R\$ 15,092, R\$ 2,500 R\$ 105,000 related to IMASUL. Description of fines: - IBAMA (Infraction notice nº 9074222 E): related to the probable environmental degrading in Córrego Bandeira, in Ribas do Rio Pardo/MS, during the execution of the project on forestry in Fazenda Java II. Payment of Infraction and Notice - IMASUL (A.I. nº 24651 e nº 22487): exactly like the one related to IBAMA, related to Córrego Bandeira. Payment of Fine and Infraction Notice - IMASUL (A.I. nº 17068): notice for the public service responsible declared the existence of water supply and collection in the local sewage (Project Eld. Alojamento - III) and promoted the state register of users of Water Resources.	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria		54
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	There was no contract of suppliers who showed potential risks and there was no case/report on cases during the service provision.	
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms		43
<b>SOCIAL PERFORMANCE – LABOR PRACTICES AND DECENT WORK</b>			
G4-DMA	Management approach		44
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region		46
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation		46

Indicator	Description	Notes	Page on the report
G4-LA3	Return to work and retention rates after parental leave, by gender		46
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Notifications on operational changes must be given within 30 days.	46, 48
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender		51
G4-LA9	Average hours of training per year per employee by gender, and by employee category		51, 52
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		46
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category		46
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation		46
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria		54
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken		54
<b>SOCIAL PERFORMANCE – HUMAN RIGHTS</b>			
G4-DMA	Management approach		44
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	There was no training related to Human Rights in 2015.	
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor		54
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor		54
G4-HR10	Percentage of new suppliers that were screened using human rights criteria		54
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken		54
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	In 2015 there were 88 reports registered in Eldorado Ombudsman.	
<b>SOCIAL PERFORMANCE – LOCAL COMMUNITIES</b>			
G4-DMA	Management approach		56
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs		56
G4-SO2	Operations with significant actual or potential negative impacts on local communities		56



Indicator	Description	Notes	Page on the report
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	In 2015 there was no suit of this kind.	
		<p>In 2015 the total amount of fines was R\$ 5,778,166.93.</p> <p>Description:</p> <ul style="list-style-type: none"> <li>- Infraction Notice and Launch Notice nº 717: tax not collected (ISSQN) by the company providing services Hidroplan) - R\$ 271,828.11.</li> <li>- A.I. nº 117721 and nº 173187: transport of 71 m<sup>3</sup> of eucalyptus logs without State tax collection documents - DAE – wood apprehension and fine – two installments of R\$ 20,015.10 each</li> <li>- A.I. nº 166180: transport of 77 m<sup>3</sup> of eucalyptus logs without the state tax collection documents - DAE – wood apprehension and fine - R\$ 21,671.52.</li> <li>- A.I. nº 166181 and nº 166182: transport of 76 m<sup>3</sup> of eucalyptus logs without state tax collection documents - DAE – wood apprehension and fine – two installments of R\$ 21,395.45 each</li> <li>- A.I. nº 166161: transport of 79 m<sup>3</sup> of eucalyptus logs, showing state tax collection documents on only 34 m<sup>3</sup> of wood, having 45 m<sup>3</sup> more than what was declared in the document – apprehension of 45 m<sup>3</sup> of wood and fine - R\$ 15,139.13.</li> <li>- A.I. nº 166160 and nº 173194: transport of 67 m<sup>3</sup> of eucalyptus logs, with presented document - DAE, on only 34 m<sup>3</sup> of wood, 33 m<sup>3</sup> more than presented in the document – apprehension of 33 m<sup>3</sup> of wood and fine – two installments of R\$ 11,296.13 each.</li> <li>- A.I. nº 166168: transport of 87 m<sup>3</sup> of eucalyptus logs, having the DAE document presented on only 34 m<sup>3</sup> of wood, 53 m<sup>3</sup> more than the amount presented – apprehension of 33 m<sup>3</sup> of wood and fine - R\$ 17,714.38.</li> <li>- A.I. nº 151953: transport of 66 m<sup>3</sup> of eucalyptus logs, having the DAE document presented, on only 34 m<sup>3</sup> of wood, 32 m<sup>3</sup> more than the amount presented in the document – apprehension of 32 m<sup>3</sup> of wood and fine - R\$ 10,975.88.</li> <li>- A.I. nº 151954: transport of 73 m<sup>3</sup> of eucalyptus log, with document presented - DAE, on only 34 m<sup>3</sup> of wood, 39 m<sup>3</sup> more than amount declared – apprehension of 39 m<sup>3</sup> of wood and fine - R\$ 13,217.63.</li> <li>- A.I. SAFIA nº 0117600/00095/12 (Process nº 10.111.720.255/2013-11): no tax collection or insufficient tax collection of COFINS (Import) and PIS/PASEP (Import) - R\$ 289,345.36.</li> <li>- Launch Notice on Tax Credit (TCFA) nº 6415222: fee on Environmental Control and Monitoring(TCFA); payment for environmental license on use of chainsaw - R\$ 233.73.</li> <li>- A.I. nº 151968: transport of 96 m<sup>3</sup> of eucalyptus logs, with DAE document presented, on only 51 m<sup>3</sup> of wood, 45 m<sup>3</sup> more than the amount declared – apprehension of 45 m<sup>3</sup> of wood and fine - R\$ 14,411.25.</li> <li>- A.I. nº 151969: transport of 95 m<sup>3</sup> of eucalyptus logs, having DAE document presented, on only 51 m<sup>3</sup> of wood, 44 m<sup>3</sup> more than the amount declared – apprehension of 44 m<sup>3</sup> of wood and fine - R\$ 14,091.00.</li> <li>- A.I. nº 151970: transport of 89 m<sup>3</sup> of eucalyptus logs, having DAE document presented, on only 51 m<sup>3</sup> of wood, 38 m<sup>3</sup> more than the amount declared – apprehension of 38 m<sup>3</sup> of wood and fine - R\$ 12,897.38.</li> </ul>	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		

Indicator	Description	Notes	Page on the report
		<ul style="list-style-type: none"> <li>- A.I. nº 151972: transport of 96 m<sup>3</sup> of eucalyptus logs, with DAE document presented, on only 51 m<sup>3</sup> of wood, 45 m<sup>3</sup> more than the amount declared – apprehension of 45 m<sup>3</sup> of wood and fine - R\$ 15,139.13.</li> <li>- A.I. nº 151971: transport of 94 m<sup>3</sup> of eucalyptus logs, with DAE document presented, on only 51 m<sup>3</sup> of wood, 43 m<sup>3</sup> more than the amount declared – apprehension of 45 m<sup>3</sup> of wood and fine - R\$ 14,498.63.</li> <li>- Term of Apprehension nº 2.146 Posto 002 – Jupiá: apprehension of goods not including fiscal document. No tax collection -ICMS (return on goods sent to be fixed) - R\$ 53,600.00.</li> <li>- Fiscal Notice and A.I. nº 0006/2014, administrative process 004/2014: tax not collected (ISSQN) by companies that provide services - R\$ 656,912.85.</li> <li>- Fiscal Notice e A.I. nº 0007/2014, administrative process 005/2014: tax not collected (ISSQN) by companies that provide services - R\$ 702,804.25.</li> <li>- Administrative Procedure 029/2014 – Infraction Notice and subpoena nº 007/2014: tax not collected (ISSQN) by companies that provide services - R\$ 85,922.69.</li> <li>- A.I. nº 913/2015: penalty for probable not collected tax ISSQN to the city of Três Lagoas/MS - R\$ 19,799.64.</li> <li>- A.I. nº 869/2015: penalty for possible not collected tax ISSQN to the city of Três Lagoas/MS - R\$ 1,214,033.56 – Security mandates filed nº 001467117.2015.4.03.6100, nº 0010124-19.2015.4.01.3600, nº 0001902-53.2015.4.03.6107 and nº 0009038-34.2015.4.06.6000: due to no patronal contribution on budget not related to employees– four installments of R\$ 200.000,00 each.</li> <li>- A.I. e Imposition of Fine nº 4.074.603: no presentation of invoice for sales of fuel used in third parties vehicles (added); Credit of ICMS on fuel used on own vehicles and third parties ones - R\$ 5,500,000.00.</li> </ul>	
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms		21
<b>SOCIAL PERFORMANCE - PRODUCT RESPONSIBILITY</b>			
G4-DMA	Management approach		55
G4-PR5	Results of surveys measuring customer satisfaction		55
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Eldorado Brasil has a Code of Conduct that includes all communication actions towards the stakeholders. So, all the information, disclosures and participations of the company in events, are planned based on them. Eldorado does not have and has never had problems with regulatory organizations related to Public Relations area.	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	In 2015 non-conformities to laws and regulations were not found.	

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[G4-31]

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