



INSTITUTO NACIONAL DE PROCESSAMENTO DE EMBALAGENS VAZIAS

2013 Sustainability Report



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Ecoplastic Triex Packaging Materials, produced from resin recycled from empty crop protection packaging by Campo Limpo Reciclagem e Transformação de Plásticos, [Clean Field Plastic Transformation and Recycling] located in Taubaté (SP - São Paulo).

About the cover:

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Empty crop protection packages received at the central office of Rondonópolis (MT - Mato Grosso). In 2013, this unit disposed of 965 tons of this material.

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The report contained hereinafter confirms inpEV's commitment towards the environmentally correct final disposal of empty crop protection packages in Brazil. Besides, it presents the Campo Limpo System's capacity to maintain its results when considering the growth trend of the country's agriculture.

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An employee of the Rondonópolis (MT - Mato Grosso) office prepares bails containing empty packages of crop protection products to be sent for recycling.

Introduction

>>>

The results of the Campo Limpo System follow the growth trend of agricultural production

The inpeV (Instituto Nacional de Processamento de Embalagens Vazias [The National Institute for Processing Empty Packages]) discloses, in its 2013 Sustainability Report, its annual performance in the economic, environmental and social areas, during the period from January 1 to December 31.

<2.1, 3.1 & 3.9>

For the fourth consecutive year, this publication is presented in accordance with the Global Reporting Initiative (GRI) guidelines, which reporting format is adopted by companies from the public and private sectors as well as governmental agencies from around the world. The key performance indicators presented in this edition reflect the challenges faced by the institute, which manages the Campo Limpo System (SCL [Clean Field System]), a national and international reference in reverse logistics of post-consumption empty crop protection packaging material.

The economic-financial data were consolidated in accordance with Brazilian accounting principles, with the analytical support of an independent auditor. The social-environmental information, which refers to the administrative activities of inpeV and to those developed for and by SCL under the institute's administration, determined with the support of internal areas, are not submitted to an external verification. <3.13>

By means of this annual report, inpeV continues its accountability regarding these initiatives, which covers its operational

performance and activities strategies. Towards this effect, the purpose is also to reinforce the communication with stakeholders: farmers, distribution channels and cooperatives, employees of the System's receiving units, member companies and entities, recycling companies and incinerators, institutional partners, suppliers, press agencies, representatives of the public sector, collaborators and society as a whole. <3.5>

The 2013 Sustainability Report, besides reassuring inpeV's commitment towards the environmentally correct final disposal of empty crop protection packaging, also reveals a promising outlook of the growth perspectives of Brazilian agriculture, as well as the implications of this trend for all of SCL.

Enjoy your reading!

“The Campo Limpo System was a part of the Sustainable Management of Agriculture publication, released in 2013 by the Ministry of Agriculture, Cattle and Supply.”



Message from the president



<1.1 & 1.2>

“New paths: everything new, again.”

This message inspires inpEV’s future actions and reflects the moment that the Campo Limpo System is facing (SCL). In 2013, many activities presented positive results, thanks to the direct involvement of all links in the chain. For starters, 40,404 tons of empty crop protection packages were removed from the field, 8.2% more than in 2012.

We continue to be ready to meet the demand coming from the field and with new solutions such as on-line scheduling to return empty packages. Based on the efficiency achieved at the seven units that have already been installed, this system will be expanded in 2014 to service the main regions having large amounts of packages.

The capacity to foresee the flow of returns represents a crucial advantage for logistical planning. For this, important contributions are discussed by the new Logistics Committee, formed by member companies and institute representatives. Also, the Packages Committee stimulates discussions on technologies and materials. Those associated to inpEV also rely on a new on-line tool to inform the amount of commercialized packages, thus increasing the information reliability. In the field, we have systematized the itinerant receipt, which is intended for small farmers, offering further support to points of sale and retail associations, by structuring three pilot actions. This was so successful that we will start to replicate this model throughout the country.

The focus on innovation also involves other strategic audiences. In this context, we have continued with our participation in the Work Group, which includes representatives from various sectors to discuss tax breaks for SCL and similar programs.

Also in 2013, the System was included by the Ministry of Agriculture, Cattle and Supply in the Sustainable Management of Agriculture publication. Besides this, representatives from the Mozambique government, the Food and Agriculture Organization of the United Nations (FAO) and two specialists in reverse logistics of post-consumption crop protection packages from France and Germany, visited the Campo Limpo Plastic Recycling and Transformation, one of the recycling partners located in Taubaté (SP - São Paulo), due to their interest in learning about the SCL operations.

In the area of education, the ninth edition of the Campo Limpo [Clean Field] National Day, celebrated in 120 cities in 23 states, has promoted several initiatives on environmental awareness. These and many other accomplishments, detailed throughout the following pages, reinforce our commitment to not be satisfied with the success we have achieved so far over more than a decade of SCL activities. What we want is to trail new paths, by facing the challenges that come about with the same consistency in results.

João Cesar M. Rando
Chief Executive Officer

Profile



inpEV coordinates the reverse logistics of post-consumption empty crop protection packages

inpEV, a non-profit entity headquartered in São Paulo (SP), was created by the industry of crop protection products to coordinate the reverse logistics of empty post-consumption packages of its products, in compliance with the requirements of Federal Law Nr. 9.974/2000 and Federal Decree Nr. 4.074/2002, which legislate on the shared responsibility for the disposal of this type of waste among farmers, distribution channels and the industry, with the support and direct supervision of the public power.

[<2.2, 2.3, 2.4, 2.5, 2.6, 2.7 & 2.8>](#)

In order to manage the Campo Limpo System (SCL) in Brazil, the institute had, by the end of 2013, 410 receiving units (298 collection points and 112 central offices), distributed throughout 25 states and the Federal District (DF), under the administration of 267 associations of distributors and cooperatives, most of which under a co-administration regime with inpEV.

Mission <4.8>



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

Vision



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



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Packaging processing done by employees at the receiving office in Rondonópolis (MT - Mato Grosso). From this unit, the packages will be sent to their final destination. In this case, they will be recycled.

"inpEV's strategic alignment with the agricultural sector is outstanding. This is why the Campo Limpo System also grows with the expansion of agribusiness, which increases year after year the use of crop protection products in the field.

The institute has disseminated the culture of recycling post-consumption packages. Furthermore, collaborate with the industry in different ways, besides coordinating the removal of waste returned to the receiving units for its correct final disposal.

The main challenges are to continue investments in infrastructure, to also service farmers at the new agricultural frontiers, continue with the awareness development work of agents regarding the importance of packaging reverse logistics and seek the economic self-sufficiency of the Campo Limpo System."

Welles Pascoal, president of the Board (2012-2013 biennium) and commercial director at Dow AgroSciences

410

receiving units

25

states & Federal District

146,000 m²

of constructed area

Key Performance Indicators – 2010/2013

<2.8>

	2010	2011	2012	2013
Economic-financial				
Total assets (R\$ x1000)	ND	ND	88.2	97.6
Total resources that finance the program (inpEV + chain links) (R\$ x1000 - accumulated since 2002)	440	525	607	700
Net income (R\$ x1000) ⁽¹⁾	81.6	84.1	87.7	98.0
Associated contributions (R\$ x1000)*	53.8	52.9	48.0	56.0
Accreditation rate (R\$ x1000) ⁽²⁾	6.7	7.9	9.0	10.5
Campo Limpo Property Lease (R\$ x1000) ⁽³⁾	2.7	3.2	5.0	6.0
Net equity (R\$ x1000)	53.7	66.0	72.0	77.2
Net indebtedness (R\$ x1000)	ND	ND	2.3	4.5
Functional team				
Number of collaborators ⁽⁴⁾	48	53	53	61
Number of women working at inpEV	17	20	20	20
Number of handicapped people	0	0	0	0
Final disposal system				
Number of inpEV members (companies and entities)	91	99	107	107
Disposed packages (1000 t)	31.2	34.2	37.3	40.4
Number of receiving units	421	421	414	410
States with receiving units	25	25	25	25
% of primary packaging disposed ⁽⁵⁾	94	94	94	94

* The resources generated by the activities developed under the scope of the SCL were responsible for reducing the member contributions by R\$ 8.5 million and R\$ 19.1 million in fiscal years 2012 and 2013, respectively, in comparison with the initially foreseen budget.

(1) Around 57% corresponds to member contributions.

(2) Resource paid by recyclers for sending the packages and for the technical cooperation with inpEV.

(3) Rent paid by the Campo Limpo Plastic Transformation and Recycling to inpEV.

(4) The number of employees includes third-party professionals (five in 2013), interns (two in 2013) and minor apprentices (two in 2013).

(5) Packages that have been in direct contact with the product (mainly plastics and lids). Considering all of them, including the secondary ones or those that have not been in contact with the product (mainly cardboard), the disposal percentage is 80%.

NA – not available.

Values and principles

Integrating attitude

Innovation

Integrity

Socio-environmental responsibility

Safety



Learn more

In order to learn more about inpeV, visit our website at www.inpev.org.br.

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José Rodrigues de Souza, a farmer from Catuti (MG - Minas Gerais), participates in the first itinerant receiving event held in the city.

Overall structure

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The inpeV operational structure is divided into three work processes:

> Administrative processes

financial, human resources and information technology administration;

> Basic processes

management of empty crop protection packaging disposal, from receipt to final disposal;

> Support processes

guidelines and support so that the SCL agents correctly comply with legal norms; education and awareness on environmentally correct disposal of empty packages and other SCL activities; communication and relations with stakeholders; studies and development of new projects. <2.3>

Trademarks and patents

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Ecoplástica [Ecoplastic], an innovative recycled packaging produced by Campo Limpo Plastics Transformation and Recycling, manufacturer of post-consumption resins, represents one of the inpeV intangible assets. The institute holds rights on another 19 trademarks, besides other intangible items, such as pending patents and software registration.

Member entities and manufacturers

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inpeV had 97 manufacturing companies and 10 entities representing the agricultural sector as members in 2013. During this period, three membership requests were registered (Biocontrol Sistema de Controle Biológico Ltda.; Genbra Distribuidora de Produtos Agrícolas Ltda.; and Vector Control Indústria e Comércio de Produtos Agropecuários Ltda.) and only one membership cancellation (Agrialliance Comércio, Importação e Exportação de Insumos Agropecuários Ltda.). <2.3 & 2.9>

Become a member

inpeV membership can be requested by manufacturers or by companies that commercialize products registered by the Ministry of Agriculture, Cattle and Supply (Mapa), in accordance with Federal Law Nr. 7.802/89.

Visit our website at www.inpev.org.br in order to obtain further information.



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Lids of empty crop protection packages segregated prior to being sent to final disposal.

Member companies

- > Action S.A.
- > ADM do Brasil Ltda.
- > Agecom Produtos de Petróleo Ltda.
- > Agro Import do Brasil Ltda.
- > Agroceite Indústria de Fertilizantes Ltda.
- > Agrovant Comércio de Produtos Agrícolas Ltda.
- > Allier Brasil Agronomia Ltda.
- > Allvet Química Industrial Ltda.
- > Ameribrás Indústria e Comércio Ltda.
- > Alta América Latina Tecnologia Agrícola Ltda.
- > Amvac do Brasil Representações Ltda.
- > Arysta Lifescience do Brasil Indústria Química e Agropecuária Ltda.
- > Atanor do Brasil Ltda.
- > Atar do Brasil Defensivos Agrícolas Ltda.
- > Atta-Kill Ind. e Com. de Defensivos Agrícolas Ltda.
- > Ballagro Agro Tecnologia Ltda.
- > Basf S.A.
- > Basf Agricultural Speciates Ltda.
- > Bayer S.A.
- > Bernardo Química S.A.
- > Bio Controle Métodos de Controle de Pragas Ltda.
- > Bio Soja Indústrias Químicas e Biológicas Ltda.
- > Biocontrol Sistema de Controle Biológico Ltda.
- > Biotech Controle Biológico Ltda.
- > BRA Defensivos Agrícolas Ltda.
- > CCAB Agro S.A.
- > Cheminova Brasil Ltda.
- > Chemotécnica do Brasil Ltda.
- > Chemtra Comercial Importação e Exportação Ltda.
- > Chemtura Indústria Química do Brasil Ltda.
- > Comércio e Indústria Matsuda Importadora e Exportadora Ltda.
- > Consagro Agroquímica Ltda.
- > Cropchem Ltda.
- > Cross Link Consultoria e Comércio Ltda.
- > De Sangosse LA Ltda.
- > Degesch do Brasil Indústria e Comércio Ltda.
- > Dinagro Agropecuária Ltda.
- > Dow Agrosiences Industrial Ltda.
- > Du Pont do Brasil S.A.
- > Ecco Control Controle Ecológico de Pragas Indústria e Comércio Ltda. EPP
- > Enro Industrial Ltda.
- > Evonik Degussa Ltda.
- > Fênix Agro Pecuária Industrial Ltda.
- > FMC Química do Brasil Ltda.
- > Fort Dodge Saúde Animal Ltda.
- > Funguran Giulini Ltda.
- > Genbra Distribuidora de Produtos Agrícolas Ltda.

107

organizations are
part of the inpEV
membership roster

- > Helm do Brasil Mercantil Ltda.
- > Iharabrás S.A. Indústrias Químicas
- > Indústria Química Dipil Ltda.
- > Inquima Ltda.
- > Irrigações Dias Cruz Ltda.
- > Isagro Brasil Comércio de Produtos Agroquímicos Ltda.
- > Isca Tecnologias Ltda.
- > Itaforte Bioprodutos Ltda.
- > Laboratório de Biocontrole Farroupilha Ltda.
- > Lanxess Indústria de Produtos Químicos e Plásticos Ltda.
- > Luxembourg Brasil Comércio de Produtos Químicos Ltda.
- > Microquímica – Indústrias Químicas Ltda.
- > Microsal Indústria e Comércio Ltda.
- > Milenia Agro Ciências S.A.
- > Momentive Performance Materials Indústria de Silicones Ltda.
- > Monsanto do Brasil Ltda.
- > Morsoletto Santos e Vicente Cano Ltda.
- > Nortox S.A.
- > Novozymes Bioag Produtos para Agricultura Ltda.
- > Nufarm Indústria Química e Farmacêutica S.A.
- > Ouro Fino Química Ltda.
- > Oxiquímica Agrocência Ltda.
- > Petrobras Distribuidora S.A.
- > Pilarquim Br Comercial Ltda.
- > Plato do Brasil Comércio Ltda.
- > Poland Química Ltda.
- > Prentiss Química Ltda.
- > Produtos Químicos São Vicente Ltda.
- > Prophyto Comércio e Serviços Ltda.
- > PR Trade Tecnologia e Indústria Química e Farmacêutica Ltda.
- > Reccol Comercial Importação Exportação Ltda.
- > Rohm and Haas Química Ltda.
- > Rotam do Brasil Agroquímica e Produtos Agrícolas Ltda.
- > Sabero Organics América S.A.
- > Samaritá Indústria e Comércio Ltda.
- > Sharda do Brasil Comércio de Produtos Químicos e Agroquímicos Ltda.
- > Sinon do Brasil Ltda.
- > Sipcarn UPL Brasil S.A.
- > Stockton-Agrimor do Brasil
- > Stoller do Brasil Ltda.
- > Sumitomo Chemical do Brasil Representações Ltda.
- > Syngenta Proteção de Cultivos S.A.
- > Taminco do Brasil Produtos Químicos Ltda.
- > Total Lubrificantes do Brasil Ltda.
- > Unibrás Agro Química Ltda.
- > Union Agro Ltda.
- > United Phosphorus do Brasil Ltda.
- > UPL do Brasil Indústria e Comércio de Insumos Agropecuários S.A.
- > Vector Control Indústria e Comércio de Produtos Agropecuários Ltda.
- > W. Neudorff Serviços de Agricultura do Brasil Ltda.

Member entities

- > **Abag** – Associação Brasileira do Agronegócio
- > **Abas** – Associação Brasileira de Aerossóis e Saneantes Domissanitários
- > **Aenda** – Associação Brasileira dos Defensivos Genéricos
- > **Andav** – Associação Nacional dos Distribuidores de Insumos Agrícolas e Veterinários
- > **Andef** – Associação Nacional de Defesa Vegetal
- > **APPS** – Associação Paulista dos Produtores de Semente e Mudanças
- > **Aprosoja** – Associação Brasileira dos Produtores de Soja
- > **CNA** – Confederação da Agricultura e Pecuária do Brasil
- > **OCB** – Organização das Cooperativas Brasileiras
- > **Sindiveg** – Sindicato Nacional da Indústria de Produtos para Defesa Vegetal

With a nationwide level footprint, inpEV has 97 member companies, besides the main entities representing the Brazilian agricultural sector.



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inpEV in the field: team of regional operational coordinators. Clockwise from left to right: Fábio Macul (BA/SE/AL/PE/PB/RN), Jair Furlan (MG/ES/RJ), Ana Telma Soares (PA/AP/TO/AM/RR), Caio Fernandes (PR), Marcelo Lerina (SC/RS), Victor Gaspar (Escritório de SP), Acilamar Vilela (GO/DF), Harthimes Gomes (CE/PI/MA), Daniel Penteado (SP), Rosangela Soto (MT/RO), and Hamilton Rondon (MS/AC).

Corporate governance



In order to tally with best managerial practices, inpEV reports its activities on an annual basis

inpEV follows a governance model guided by strict auditing and control standards, always basing itself on best practices. With this directive, it consolidates and discloses its results on an annual basis covering its activities and operations in accordance with the Brazilian accounting principles, under the supervision of an independent team of external auditors, besides the opinion of the Institute's Fiscal Council. <4.1>

At least two initiatives are worth highlighting in the governance realm: the evaluation system, instituted in 2010, by which, based on

performance indicators, the Board periodically assesses inpEV's results, and the Dashboard, a management tool used since 2012 to follow the main indicators on a monthly basis.

As a part of the strategic planning, the definition meetings, the follow-up and the evaluation of corporate projects can be highlighted. Such projects, considered as fundamental for inpEV to achieve its strategic objectives, rely on the participation of cross-functional teams based on a process structured over several years and that has been improved over time.

Dashboard - Monthly key performance indicators of inpEV in 2013

<1.2 & 4.9>

Indicator	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Accumulated
Overall inpEV performance	●	●	●	●	●	●	●	●	●	●	●	●	●
Administrative-financial performance	●	●	●	●	●	●	●	●	●	●	●	●	●
Kg cost without the projects area	●	●	●	●	●	●	●	●	●	●	●	●	●
Total kg cost	●	●	●	●	●	●	●	●	●	●	●	●	●
Total inpEV budget	●	●	●	●	●	●	●	●	●	●	●	●	●
Total inpEV budget without the projects area	●	●	●	●	●	●	●	●	●	●	●	●	●
Final destination	●	●	●	●	●	●	●	●	●	●	●	●	●
Total disposed packages (of Coex in kg)	●	●	●	●	●	●	●	●	●	●	●	●	●
Total disposed packages	●	●	●	●	●	●	●	●	●	●	●	●	●
Total recycled packages	●	●	●	●	●	●	●	●	●	●	●	●	●
Total disposed packages (of Mono Hdpe in kg)	●	●	●	●	●	●	●	●	●	●	●	●	●
Media exposure (number of clippings)		●			●			●			●		●
Weight shipped per truck (equivalent to truck in kg)	●	●	●	●	●	●	●	●	●	●	●	●	●

● exceeded ● performed ● performed, yet close to the limit ● below the estimated

By-laws

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inpEV supports and offers guidelines to the crop protection industry, the distribution channels and farmers in order for them to fulfill their responsibilities, set forth by law, by providing operational support for the constant evolution of the Campo Limpo System (SCL). Besides this, it develops incentive actions on environmental education concerning empty post-consumption crop protection packaging.

Board of Directors

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The Board of Directors is formed by 14 full members (five representatives of the contributing partners, elected during a General Assembly, and eight of the member entities, besides the inpEV CEO). <4.1 & 4.3>

The members of the board are responsible for defining the guidelines to achieve the mission and the social purposes of the institute, guarantee compliance with the legislation, protect the estate, cater for the correct application of resources and promote synergies among the links of the agricultural productive chain, besides other attributions.

The companies holding seats in the inpEV Board of Directors are elected for two-year terms and consecutive reelection is possible. In even years, three new members are elected and in odd years two, so that every year new elections are held so that a partial substitution of the board occurs every year.

Board of Directors (contributing partners)

Basf S.A.

Marcelo Maniero Ismael
Francisco Verza

Du Pont do Brasil S.A.

Marcelo Okamura
José Donizeti Vilhena

Monsanto do Brasil Ltda.

Luciano Fonseca
Saul Scatolini Duarte

Nufarm Indústria

Química e Farmacêutica S.A.

Luis Henrique Sanfelice Rahmeier
Gilberto Bento Schiavinato

Syngenta Proteção de Cultivo S.A.

Leandro Conti
José Roberto Pelaquim

General Assembly

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The highest instance of governance within inpEV, it counts on the participation of all members, who meet in two extended meetings twice a year. Among other issues, the General Assembly approves the annual budget and goals and deliberates on eventual changes to the by-laws.

Executive Committee

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Presided by the CEO, an independent member (not related in any way to member companies) and appointed by the Executive Committee who is responsible for administrating inpEV. <4.1 & 4.3>

Board of Auditors

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It supports and audits the directing organs of the institute and proposes initiatives that sponsor the financial balance of inpEV. It is formed by three members, elected by the General Assembly from among the contributing members. <4.1 & 4.3>

With regard to the Board of Auditors, the companies are also elected for two-year terms and consecutive reelection is allowed. In this case, all Board members are elected at the same time, once every two years. The last elections for the Executive Committee and for the Board of Auditors were held in December, 2013.

Code of Conduct

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An instrument to disseminate and strengthen the principles, values and mission of the organization, the document handed to all employees as soon as they start their activities (and which they must sign) that guides individual actions as well as the social posture of the institute before stakeholders. <4.6 & 4.8>

The members' General Assembly, held twice a year, represents the main instance of the inpEV governance structure.



>>>
Representatives of the Campo Limpo System receiving unit during the formation program for office managers.

Safety and qualification

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SCL currently employs around 1500 collaborators and, since the start of its operations in 2002 has not recorded any fatal accidents. Safety maintenance in the work environment also depends on preventive measures in order to ensure the commitment of the people involved in all different activities.

<4.11 & LA8>

For this, the hiring of a safety specialist, for the purpose of identifying and eliminating situations of risk at the receiving offices, further reinforced our commitment with this topic. We continued to adjust the offices to the new legal requirements, mainly by revising the safety system of the presses, in order to maintain them in accordance with standard NR-12/2010, which establishes specific procedures with regard to adequate protection for this type of equipment. This measure resulted in the formulation of operational checklists, among other things.

inpEV's concern with the quality of life gave rise to the ProSeg Bem Program, which is intended to provide better health, safety and well-being conditions in the work environment, by focusing on collaborators and third-party workers. The initiative covers counseling programs, risk prevention and control (food safety and quality), incentive to practicing physical exercise, domestic safety, defensive driving and ergonomics. Once a week, an electronic bulletin is distributed internally covering correlated topics.

Professional qualification was also reinforced in 2013, mainly by actions of the office manager training program. By means of a course, created using our own methodology, in partnership with a specialized consultancy, they were able to expand their knowledge on some topics such as people management, unit operations and financial administration.

Human resources

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In 2013, inpEV implemented the Performance Evaluation and Results Contract (APCR), linked to the improvement of different areas and variable income. The tool allows leaders and teams to define annual goals, thus guaranteeing their fulfillment. This measure is intended to increase management efficiency as well as define parameters which allow true talent recognition and retention.

More efficient management

The Performance Evaluation and Results Contract (APCR) allows leaders and teams to define annual goals, guaranteeing greater management efficiency.

Strategies and perspectives



The Campo Limpo System adapts itself to new needs of the industry and agriculture

The continuous expansion of Brazilian agricultural production directly influences inpEV's activities, which makes efforts and dedicates a growing volume of resources to the Campo Limpo System (SCL) to keep up with the pace of activities in the field. According to the Instituto Brasileiro de Geografia e Estatística (IBGE [Brazilian Institute of Geography and Statistics]), the 2013 national production of cereals, legumes and oilseeds hit a record, reaching 188.2 million tons, 16.2% above the 2012 harvest (161.9 million tons).

Due to the increase in planted area, technological development and the advent of new pests, the consumption of crop protection products has increased year after year in Brazil - a trend observed since inpEV's foundation in 2001. In order to keep up with this trend, the institute has improved its actions, always focusing on

the environmentally correct disposal of empty packages. Besides this, it has intensified the awareness and educational campaigns aimed at farmers, among other SCL agents, under each one's responsibility with regard to the entire reverse logistics involving this activity. By doing so, inpEV also strengthens its mission based on its own institutional values.

Over the years, inpEV has improved and intensified its actions, focusing on the correct final disposal of empty crop protection packages.



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In 2013, 11,132 vehicles transported empty packages across the country processed by the Campo Limpo System. These vehicles were operated based on the return shipment concept.

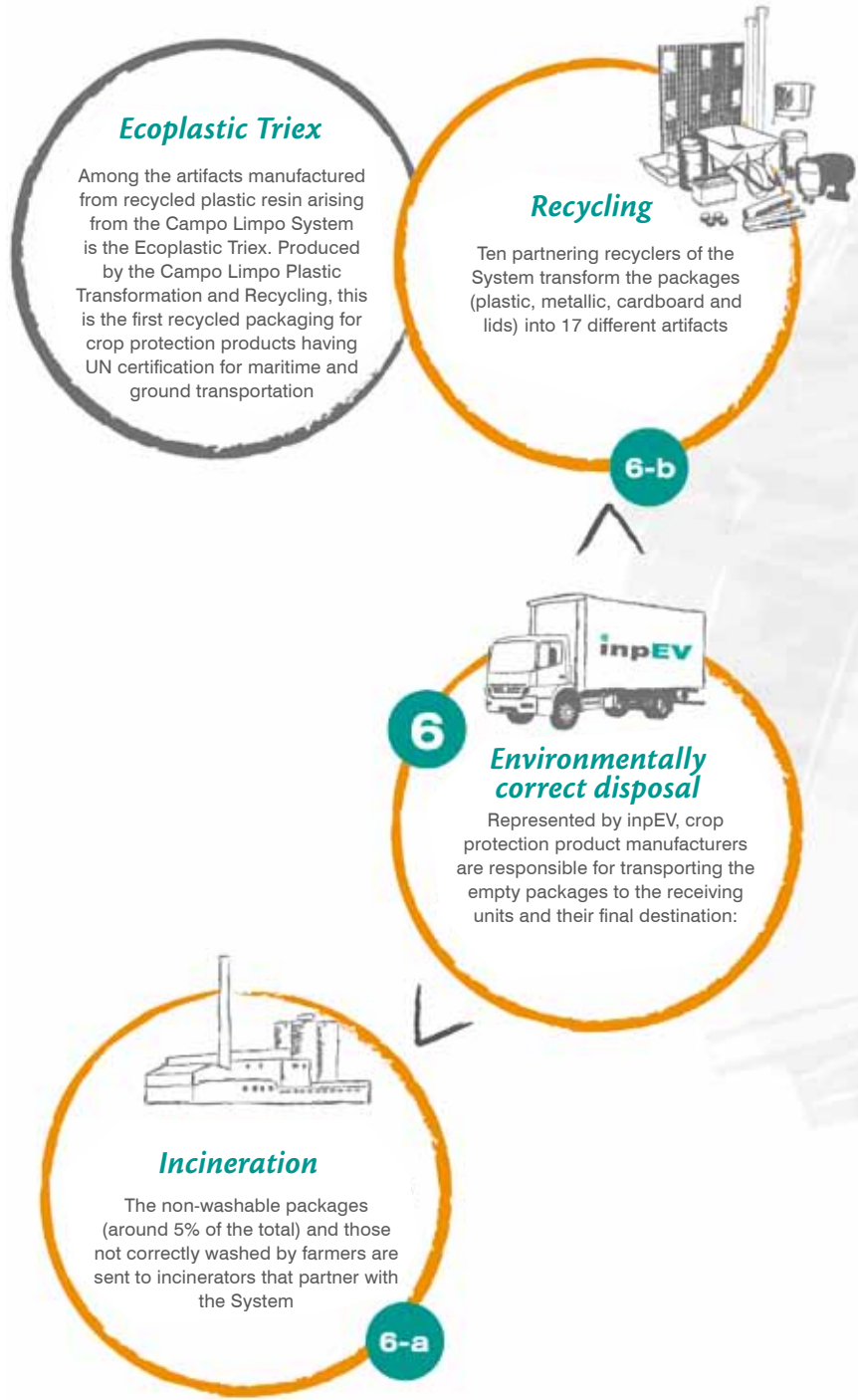
Campo Limpo [Clean Field] System



Since 2012 when it started its operations, SCL has already sent 280,637 tons of empty plastic crop protection packages to recycling or incineration, thanks to the engagement of the industry (represented by inpEV), distribution channels, farmers and the public power.

The responsibility shared among the program links explains SCL's capacity to route 94% of primary packages to recycling (i.e., in direct contact with producers) and 80% of the total empty crop protection packages commercialized in the Brazilian market (plastic, cardboard and metal).

In 2013, 40,404 tons were sent to environmentally correct disposal, an 8.2% increase when compared to 2012, when the indicator reached 37,379 tons (see table on page 24). Of this total volume, 92% of the packages were sent to recycling and 8% to incineration - flexible materials or that conditioned products immiscible in water or that were not correctly washed by producers while preparing the product solution applied to the crops. <EN22 & EN27>





Logistical knowledge

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The continuous improvement of logistical operations represents another SCL strong point. The concept adopted is that of return shipment: the same truck that delivers the crop protection products from the industry (manufacturer) to the distributors and cooperatives takes advantage of the return trip to transport the empty packages (bulk or compacted), which are stored at the receiving units. Besides the reduction in greenhouse gas (GHG) emissions, the available resources are used in a more efficient manner. Currently, 100% of contracted shipments to the final destination follow this procedure, requiring inpEV to only pay for one-way shipment. <EN29>

In 2013, the goal for the average packages shipment per truck (truck-equivalent average) was of 13,000 kg per vehicle, but was exceeded when it reached 13,347 kg in December. The result is due to better bail compacting and to adequate loading techniques that take into account proper safety conditions. inpEV does not import nor export any kind of hazardous waste. In 2013, it transported 3,208 tons of hazardous waste (type 1), not suitable for recycling and, for this reason, the final destination was incineration. <EN24>

Destination of empty crop protection packaging per state – 2010/2013 (in tons)

State	2010	2011	2012	2013
Mato Grosso	7,103	8,785	8,693	9,564
Paraná	4,716	4,490	4,832	5,003
São Paulo	3,613	3,740	4,528	4,769
Goiás	3,314	3,580	4,006	4,499
Rio Grande do Sul	2,839	3,272	3,436	3,753
Minas Gerais	2,605	2,733	3,235	3,304
Bahia	2,469	2,760	2,973	3,254
Mato Grosso do Sul	2,176	2,290	2,440	2,646
Maranhão	581	710	741	996
Santa Catarina	529	551	588	615
Piauí	247	277	403	509
Espírito Santo	194	209	239	296
Tocantins	176	153	287	278
Rondônia	234	168	189	246
Pernambuco	213	239	249	216
Pará	57	63	147	162
Others	199	182	392	296
Total	31,266	34,202	37,379	40,404

Total waste per type and method of disposal (t)

Type of waste	Destination ¹	2010	2011	2012	2013
Packages with triple wash, lids and cardboard	Recycling	28,779	31,519	34,600	37,197
Non-washable packaging	Incineration	2,487	2,684	2,779	3,208
Total		31,266	34,203	37,379	40,404

¹ The waste is directly disposed of by inpEV or by contracted third parties. Besides those mentioned, there is no other form of disposal.

Total of disposed post-consumption packaging (in t)

31,266	2010
34,202	2011
37,379	2012
40,404	2013

“The Campo Limpo System is a successful program based on the fact that Brazil disposes of 94% of the total packages that the industry commercializes. In Guatemala, the rate is 67% and in Argentina, 31%. This process is advancing in all Latin American countries at an average yearly rate of 10% regarding indicators. In other words, there is a lot of work ahead for them to reach the level of the Brazilian system, but the trend is improving year after year.

The lack of co-responsibility laws involving all agents of the value chain –industry/distribution/producers -, different from what happens in Brazil, limits the progress, but we continue to be committed to work with authorities and the industry, with the purpose of reaching a common objective.”

José Perdomo, CEO of CropLife Latin América

>>>

Bails of empty crop protection packages being unloaded at the Campo Limpo Plastics Transformation and Recycling in Taubaté (SP - São Paulo) where they will be recycled.



New committees

>

The success of the SCL is also due to the fact that inpEV and member companies maintained a close relationship in seeking innovations and improvements, among other forms of exchange established with the other links of the chain. In 2013, the partnership was reinforced with the creation of two committees to stimulate the discussion on issues of common interest and that have a practical application for the SCL.

The Logistics Committee, formed by area and Supply Chain professionals of member companies, started its activities late in 2012 with the purpose of consolidating itself as

a technical forum. The work proposal is to convert the topics debated by the 11 companies involved in the meetings every two months into measures that improve the processes and technologies involving reverse logistics.

Also, the Packages Committee, created in June 2013, held its first meeting in October, at which time its members discussed new trends in the industry, the life cycle of packages and innovations in progress in terms of materials and profiles. The intention with this initiative is for the meetings every four months to result in more sustainable packaging that create a lesser impact on the SCL.

INFORMATION MANAGEMENT

Information systems that guide decision-making focusing on efficiency, productivity, cost reduction and value capturing.

Information System of Central Offices (SIC)

It supplies the quantities and type of material moved until the previous day in real time, in various grouping formats.



Return Scheduling of Empty Packaging

A new on-line option for farmers to return empty packaging

Logistics System

It allows managing the shipping value practiced by inpEV

Cost Sharing System

It facilitates the calculation of cost sharing among SCL members

New systems under development

Information management

>

Robust information systems that allow for decisions based on increase in productivity, reduction in costs and value capturing in the reverse logistics chain are a critical success factor for SCL. Since the start of its operations in 2012, various tools and programs have been developed, some of which are ad-hoc to provide management with reliable and up-to-date data.

Within this context, the following initiatives must be highlighted: Information System of the Central Offices (SIC), which supplies the quantity and type of material moved in real time up to the previous day in several types of grouping formats; Empty Packaging Return Scheduling, a new on-line option for farmers to schedule and return empty packaging to the SCL collection points; Logistics System (an SIC module that allows to manage the shipping value practiced by inpEV based on the value practiced by members) and the Cost Sharing System, which facilitates the calculation of SCL cost sharing among members.

Small producers

>

SCL's growth is also associated with it servicing small producers, dedicated to family agriculture which, due to the great distances between rural properties and the receiving units, not always face ideal conditions to return empty packages to the collection locations.

For this reason, inpEV has invested in planning and in executing itinerant receiving stations. In 2013, a new model was successfully tested in three pilot actions, done in the Catuti and Mato Verde region, in the north of Minas Gerais, and in Acrelândia, in Acre. This initiative will be replicated throughout Brazil.

New units

>

In 2013, SCL started to count on new receiving units at different locations in Brazil. They are:

Receiving central offices

Ilhéus (BA - Bahia)

Uruçui (PI - Piauí)

Receiving stations

Biritiba Mirim (SP - São Paulo)

Camaquã (RS - Rio Grande do Sul)

Juara (MT - Mato Grosso)

Nova Monte Verde (MT - Mato Grosso)

São Desidério (BA - Bahia)

Innovative products

Campo Limpo Plastic Transformation and Recycling stands out in the market since it offers differentiated products having a high quality standard. Post-consumption High Density Polyethylene resin (HDPE) is one of the examples, as well as Triex Ecoplastic, manufactured with three layers by means of a co-extrusion process (internal and external layers consisting of fresh resin and an intermediate layer of post-consumption resin), available in 5l and 20l versions.

Triex Ecoplastic was the first in its category to obtain UN certification (group II, density 1.4 g/cm³) for maritime and ground transportation of hazardous products. Besides this, it has guaranteed certification for maritime transportation by the Brazilian Navy, as well as the Green Seal of the Associação Brasileira de Normas Técnicas (ABNT [Association of Technical Standards]), which certifies the products (based on their composition) and environmentally friendlier services.

Sistema CAMPO LIMPO
 inPEV
 Comissão Interministerial de Resíduos de Sol

PROFESSORES
 Apoio:
 ARDEC
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 ARDEC



<<<<<<
 Throughout 2013, with the support of the receiving central offices, inPEV participated in over 200 events all across Brazil. The purpose was to divulge the Campo Limpo System and the importance of disposing of empty crop protection packaging in an environmentally correct fashion.

Stakeholders



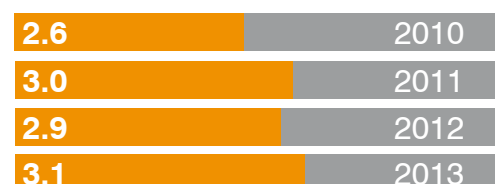
inpEV keeps open channels for communicating with agents of the Campo Limpo System and with society as a whole

The international recognition of the SCL as a successful program also reflects the continuous investments by inpEV in education. Combined with this are the financial resources intended to communicate the reverse logistics of empty post-consumption crop protection packages and develop awareness among all their agents and society about the contributions this model makes to the environment.

The institute also participates in political and sector-based discussions that involve the SCL directly or indirectly. Besides this, it dedicates itself to different educational actions involving new generations throughout the country on environmental preservation.

In 2013, R\$ 3.1 million were invested in several initiatives: campaigns, printed materials, participation in events focusing on education and activities during the Campo Limpo [Clean Field] National Day and the Environmental Educational Program (see graph). <4.14, 4.15, 4.16 & 4.17>

Investments in educational initiatives – 2010/2013 (million R\$)



Society



Diversified actions

Conscientious education

>

Since 2010, the Environmental Educational Program, which reflects inpEV's commitment towards the quality of life of future generations, supports the work developed by educational institutions to supplement course syllabuses, including some topics related to the environment, in alignment with the recommendations of the Parâmetros Curriculares Nacionais (PCN [National Syllabus Parameters]) of the Ministry of Education. <PR6>

In order to assist teachers and stimulate students' curiosity on the life cycle of packages - knowledge which they convey to their parents and relatives, thus amplifying the effectiveness of the Environmental Educational Program -, inpEV distributes multidisciplinary pedagogical kits together with municipal Educational offices, teaching centers and other educational agents.

Key indicators of the Environmental Educational Program – 2010/2013

Year	2010	2011	2012	2013
Number of schools	1,022	1,001	1,058	1,861
Participating 4th and 5th grade classrooms	2,364	3,842	3,973	7,164
Cities involved	163	164	147	190
Participants in the drawing competition	42,056	42,061	39,757	29,289
Participants in the essay competition	25,921	39,813	36,165	25,804

Stakeholders <4.14>

- > Farmers
- > Collaborators
- > Distributors/cooperatives
- > Member entities and companies
- > Employees of the receiving units
- > Press
- > Public power
- > Partnering incinerators and recyclers
- > Society

Drawing and essay competitions

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Two key activities of the Environmental Educational Program, the drawing and essay competitions, involved 55,093 4th and 5th grade students in 2013. The works came from 1,861 schools from 190 cities (23 states). As a way of stimulating new generations to identify such ideals, this initiative proposes, respectively, the topics "More recycling and less garbage" and "Why is recycling good for the planet?".

The judging panel formed by representatives from member entities and companies, besides journalists, educators, educational agents and designers, awarded the three best works in each category with tablets (students), laptops (teachers) and multimedia projectors (schools).

Campo Limpo National Day

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The Campo Limpo [Clean Field] National Day, celebrated on August 18, represents an opportunity to integrate communities, schools, producers, distributors, industries and authorities, in celebrating the good results of the SCL. In 2013, the opening ceremony was exceptionally held on August 16 in Taubaté (SP - São Paulo) with the presence of several authorities among the 150 participants.

Another 120 cities from 23 states also participated in this action. In order to support this date, the central offices and collection points held an Open Doors Day and this initiative was complemented with the organization of talks, theater shows, pep rallies and workshops at public locations and schools, especially intended for young audiences regarding consumption awareness and solid waste disposal.

Institutional campaigns

>

When making institutional campaigns, inpEV follows the guidelines established by the Código de Autoregulação Publicitária (Conar [Advertising Self-Regulation Code]), as well as the Copyright Law standards and all other valid norms relative to the protection of intellectual rights related to messages communicated to the public. Since the institute does not commercialize products because its activity does not have a mercantile nature, all its advertising and campaigns have a solely informative nature and are targeted at specific audiences. <PR6>

inpEV representatives participated in more than 200 events during 2013 - in some of them with its own booth (see table).

Key Brazilian agribusiness events in which inpEV and SCL participated in 2013

Month	Period	Event	City	State
January	23 to 25	ShowTec	Maracaju	Mato Grosso do Sul
February	4 to 8	Show Rural Coopavel	Cascavel	Paraná
March	15 to 24	Expoconquista 2013	Vitória da Conquista	Bahia
March	6 and 7	TecnoAgro 2013	Chapadão do Sul	Mato Grosso do Sul
March	14	Expodireto Cotrijal	Não-Me-Toque	Rio Grande do Sul
March	20 to 22	Expoagro Afubra	Santa Cruz do Sul	Rio Grande do Sul
March	14	Expodireto Cotrijal	Não-Me-Toque	Rio Grande do Sul
March	20 to 22	Expoagro Afubra	Santa Cruz do Sul	Rio Grande do Sul
April	8 to 11	TecnoShow Comigo	Rio Verde	Goiás
April	5	Agrishow 2013	Ribeirão Preto	São Paulo
May	14 to 18	Agrobrasilíia	PAD-DF	Distrito Federal
August	3	Feacoop 2013	Bebedouro	São Paulo

e-Learning

inpEV offers an e-learning module at www.inpev.org.br with certificate. Entitled the Final Destination of Empty Crop Protection Packaging, it addresses the legal aspects that regulate on the disposal of empty plant health packaging, the responsibilities of each SCL link and the work carried out at the packaging receiving units, as well as the care necessary for the final destination of materials (recycling or incineration), among other information.

Success case

The Ministry of Agriculture, Cattle and Supply dedicated a chapter of the publication Sustainable Management of Agriculture, released in March 2013, to provide information on the reverse logistical process of empty crop protection packages of the Campo Limpo System. Besides the main activities developed by SCL, another seven success stories are told by companies that also act in the agricultural sector.

International interest

> SCL's international recognition has also given rise to experience sharing with other countries in 2013. In March, a representative in Europe of the Food and Agriculture Organization of the United Nations (FAO) organized a visit of a Mozambique, Africa delegation, consisting of authorities from the environment, crop protection, agriculture and food areas. The group visited the central offices of Francisco Beltrão (PR - Paraná) and Rondonópolis (MT - Mato Grosso), besides the Campo Limpo Plastic Transformation and Recycling and the receiving central office, both located in Taubaté (SP - São Paulo).

The company also received a FAO representative in Brazil, Alan Bojanic, in June 2013, besides specialists from France and Germany, countries that have well-developed reverse logistics systems, interested in differentials of the Brazilian system.

Multi-sector dialog

> Another inpEV relationship front includes its participation in debates about the Política Nacional de Resíduos Sólidos (PNRS [National Solid Waste Policy]), besides discussions on topics that may also impact the SCL activities. Towards this effect, 54 bills under revision were monitored in Congress. <SO5>

Educational awareness

	2010	2011	2012	2013
Number of people involved (DNCL + PEA)	139.616	122.772	127.592	192.283
Campo Limpo National Day (participants)*	90.392	67.649	72.028	63.343
Number of states	23	21	21	23
Number of participating receiving units	98	99	97	112
Campo Limpo Environmental Educational Program	70.916	81.818	81.204	128.940
Number of offices that enrolled schools	80	88	71	93
Number of schools involved	1.022	1.001	1.058	1.861
4 th and 5 th grade classrooms participating in the PEA	2.364	3.842	3.973	7.164
Cities involved in the PEA	163	164	147	190
Participants in the drawing competition	42.056	42.061	39.757	29.289
Participants in the essay competition	25.921	39.813	36.165	25.804

* Total of people involved in the open door activity celebrations, in schools and communities.

Main results of the dialog with inpEV stakeholders <4.16 & 4.17>

Type of activity	2010	2011	2012	2013
Contact Us requests (website channel)	667	618	501	539
Editions of the inpEV Informative Bulletin ⁽¹⁾	3	3	4	6
Virtual teaching ⁽²⁾	1.717	1.023	493	1.151
Public involved in the Campo Limpo National Day and in activities of the Environmental Educational Program	139.161	122.772	127.592	192.283
Articles published on SCL and inpEV	2.436	3.237	3.937	4.649
Events with the presence of SCL	157	125	100	204

1. The inpEV Informative Bulletin is published every two months with a 10,000 copy print run.

2. The number refers to the users that started the course on packaging destination. In total, 742 people have concluded the course.

Participation in the Work Group (GT3) which includes representatives from various sectors to discuss aspects of SCL's tax unbundling and similar programs, had as a highpoint the submittal of a study to the federal government, developed with the support of an external consultancy, on the positive impact that a tax revision would have on empty packages reverse logistics.

The intention is to continue to develop awareness among authorities in 2014 as to the importance of this topic, not only because of the reverse logistics program of empty post-consumption crop protection packaging, but also with regard to the correct final disposal of solid waste generated by other economic sectors.

Improper and obsolete crop protection products

>

In 2013, 74.5 tons of improper products were removed from the field, which use was impossible for specific reasons, such as overdue good through dates or damage to the original packaging.

Also, the pioneering program adopted in Paraná to dispose of crop protection products prohibited by law and/or obsolete that remained stored in rural properties since the 1980's was concluded with the return of more than 1,200 tons of BHC and other obsolete crop protection products by producers, who voluntarily declared possession of such under the amnesty of State Law Nr. 16.082/2009. The initiative of the Paraná government, by means of the Secretary of Environment and Water Resources and the Secretary of Agriculture and Supply, involved 235 cities and counted on the participation of inpEV, the Organização das Cooperativas do Estado do Paraná (Ocepar [Organization of Cooperatives of the State of Paraná]) and of the Federação da Agricultura do Estado do Paraná (Faep [Agriculture Federation System of the State of Paraná]).

Final destination of improper products – (kg)

Year	Weight (kg)	States
2005	10,420	1
2006	80,811	4
2007	102,518	7
2008	179,832	9
2009	209,970	9
2010	73,310	7
2011	24,210	6
2012	54,350	4
2013	74,542	9

Destination of illegal products

In 2013, in partnership with the National Union of the Industry of Plant Protection Products (Sindiveg), 54.3 tons of apprehended illegal products were disposed of, representing a 12.8 ton increase (+ 31%) when compared to 2012.

Events abroad

In 2013, inpEV was represented by its CEO, João Cesar M. Rando, at the Annual CropLife Latin America Convention, held between April 8 to 12 in Mexico City. The entity, of which the institute is an honorary member, represents nine manufacturing companies and a network of 22 associations in 18 South-American countries, and promotes good agricultural, user and consumer health protection and environmental conservancy practices.

In Toronto, Canada, the president also participated in the Conference on Canadian Stewardship, which attracts hundreds of executives from companies, manufacturers, retailers, industrial associations, city and governmental authorities involved with management programs in North America and Europe.

Collaborators

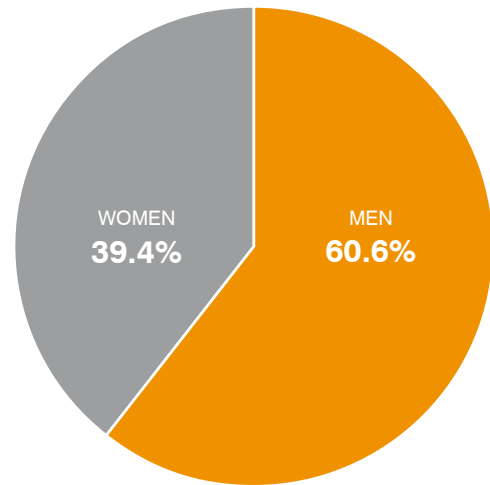


Integrated team

inpEV's internal audience consists of collaborators allocated in the administrative unit in São Paulo, at the central offices in Rondonópolis (MT - Mato Grosso) and Taubaté (SP - São Paulo) and regional operational coordinators (CROs). At the end of 2013, the team consisted of 56 in-house collaborators and five outsourced, 37 of which were men and 24 women, with seven professionals (two young apprentices) hired during the period.

Most of them hold coordination positions (18), while more than half (39) work in the Southeast Region with another 16 in the Midwest. inpEV holds work contracts for an indefinite period with all collaborators, who work full-time, except for interns and underage apprentices, contracted under a part-time regime (six hours daily). <LA1>

Distribution of collaborators, by gender – 2013



Work benefits <LA3>

inpEV offers the following benefits to all collaborators:

- > food/meal vouchers;
- > transportation vouchers;
- > life insurance;
- > health plan;
- > coverage for incapacity/disablement;
- > reimbursement of physical exercise activities*;
- > maternity/paternity leave.

* Not available for operators at the receiving stations.

Number of collaborators, per functional level – 2011/2013

Category	2011		2012		2013	
	Men	Women	Men	Women	Men	Women
Directors	1	0	1	0	1	0
Managers	2	3	3	2	3	2
Leaders/coordination	11	6	11	6	12	6
Technicians/ supervisors	0	3	0	3	0	3
Administrative	4	8	4	8	4	9
Operational	9	0	9	0	12	0
Third Parties	1	3	1	3	1	4
Apprentices	1	0	1	0	2	0
Interns	0	1	1	0	2	0
Total per gender	29	24	31	22	37	24
Total		53		53		61

Number of collaborators per type of labor contract – 2011/2013

Duration of contract	2011 ¹	2012		2013	
	Men/Women	Men	Women	Men	Women
Fixed period	0	2	0	4	0
Undetermined time	53	29	22	33	24
Total per gender	NA	31	22	37	24
Total	53		53		61

¹ For 2011, there is no separation in the number of collaborators per gender and type of work contract. With an improved management system, as of 2012 it was possible to determine this data.

NA - not available.

Since it was created, inpEV has not recorded any cases of discrimination in terms of ethnic and social origin, color, sex, religion and ideology, nor risk or the occurrence of child labor or analogous to slavery.



>>>
Employee wearing protection equipment (PPEs) at the Rondonópolis (MT - Mato Grosso) receiving central office organizes packaging bails.

Number of collaborators, per employee type – 2011/2013

working hours	2011 ¹	2012		2013	
	Men/ Women	Men	Women	Men	Women
Full-time	52	29	22	33	24
Part-time	1	2	0	4	0
Total per gender	ND	31	22	37	24
Total	53		53		61

¹ For 2011, there is no separation of collaborator numbers by gender and job type. With an improved management system, as of 2012 it was possible to determine this data.

NA - not available.

Number of collaborators per region – 2011/2013

Region	2011 ¹	2012		2013	
	Men/Women	Men	Women	Men	Women
South	2	2	0	2	0
Southeast	36	16	17	20	19
Midwest	13	11	3	13	3
Northeast	2	2	1	2	2
North	0	0	1	0	0
Total per gender	ND	31	22	37	24
Total	53		53		61

¹ For 2011, there is no separation in the number of collaborators by gender within the regions where inpEV acts. With an improved management system, as of 2012 it was possible to determine this data.

NA - not available.

In 2013, two new work positions were created at the Rondonópolis (MT) unit and one at Taubaté (SP). When considering the collaborators at both locations, the other receiving units, the inpEV headquarters, the haulers, incinerators and recyclers, among which Campo Limpo Plastic Transformation and Recycling, SCL is currently responsible for 1,500 direct jobs. <EC9>

Ethic positioning

>

In over a decade of activities, inpEV has not recorded any cases (internal or external) of discrimination based on ethnic origin, color, sex, religion, ideology, nationality or social origin, nor risk or confirmation of work analogous to slavery, children or youngsters exposed to hazardous work.

The Campo Limpo System currently employs 1,500 direct employees, distributed throughout all receiving units (stations and central offices), besides the recycling unit located in Taubaté (SP).

Committed towards integrity, one of its main corporate values and managerial directives, inpEV maintains a bond with its employees under the Consolidação das Leis do Trabalho (CLT [Labor Laws Regime]). The jobs created by the receiving units are also formal, based on the same legislation. <HR4, HR6 & HR7>

In 2013, there were no reported non-conformances regarding voluntary codes and regulations of marketing communication, advertising, promotion or sponsorship, nor penalties for non-fulfillment of laws and regulations relative to the supply and use of products and services. The institute did also not receive any fine or non-monetary sanction for non-fulfillment of environmental laws and regulations. <PR9 & EN28>

Environmental performance



Reduction of environmental impacts has always characterized inpEV's activities

inpEV monitors some socio-eco-efficiency indicators in the Campo Limpo System (SCL) realm, by means of a biennial study, with its methodology developed by the Espaço Eco Foundation (FEE - Fundação Espaço Eco). Between 2002 and 2013, according to the most recent results of the complete life cycle analysis (ACV) NBR ISO 14.040 – since the fabrication of packaging until their final destination (recycling or incineration) -, SCL avoided the emission of 394,000 tons of CO₂e (carbon gas equivalent).

The volume would be sufficient in terms of fuel consumption to go 1,743 times around the earth or to extract 905,000 barrels of oil. During the same period, the equivalent to 2 million trees were not felled. <EN18>

Environmental investments

>

During the 2013 term, the resources invested by members (manufacturers) in SCL, by means of inpEV, amounted to R\$ 56 million.

During the same period, expenditures to sponsor different initiatives and actions focusing on environmental management amounted to R\$ 15.2 million (see table on page 40). <EN30>

Sustainable management

During 12 years of inpEV activities, SCL has avoided the emission of 394,000 tons of CO₂e, which corresponds to 2 million trees that were not felled.



>>>>>

Olimpio, the spokesperson of the Campo Limpo System, shares his message throughout Brazil. Photo text: Wash and return your empty crop protection packages. It's your commitment with your conscience.

Energy consumption <EN3>

>
inpEV's headquarters and the receiving units managed by the institute only consume electric power supplied by the municipal network and by concessionaires of the power system (there is no direct power consumption). In the 2013 balance, indirect energy consumption reached 67,213 kWh, or 242 GJ, thus a 16% reduction when compared to 2012, when the Rondonópolis (MT - Mato Grosso) receiving unit started being monitored.

Water consumption <EN8>

>
The public distribution network supplies all the water consumed at the inpEV facilities which, since 2012, monitors its own headquarters, besides the Rondonópolis (MT - Mato Grosso) receiving office. In 2013, 849 m³ were consumed, compared to 962,2 m³ in 2012.

Total consumption of indirect energy¹ (in GJ)

182.78	2010
225.40	2011
287.57	2012
242.00	2013

¹ The 2010 and 2011 results only cover the inpEV administrative headquarters.

Starting in 2012, it includes the administrative headquarters and the Rondonópolis (Mato Grosso) receiving unit. The consumption of the Taubaté (São Paulo) receiving unit was not included in this report, since it is within the same area of Campo Limpo Plastics Transformation and Recycling.

Total water consumption¹ (m³)

258.3	2010
292.2	2011
962.2	2012
849	2013

¹ The 2010 and 2011 results only consider the inpEV administrative headquarters contemplating, as of 2012, the Rondonópolis (Mato Grosso) receiving unit. The consumption in 2013 also covers the Taubaté (São Paulo) receiving unit, which is not separate from the total, including that of institute employees that provide services (Procurement and Information Technology) to Campo Limpo Plastic Transformation and Recycling.

Obs.: the data referring to the administrative headquarters are estimates, with a proportional calculation for the institute, since the water bill is shared and includes other commercial conglomerates.

Total investment and expenditures in environmental protection, per type (R\$ x1000)¹

	2010	2011	2012	2013
Costs involving waste treatment and disposal	6,457	7,703	10,738	11,926
Incineration of unwashed packaging	5,789	6,869	6,940	8,342
Destination of obsolete, improper products (state programs and PR & SP projects)	688	788	3,091	2,825
Destination of illegal products	0	0	300	425
Pilot projects to dispose of seed bags and sanitizing products	0	46	407	334
Environmental management and prevention costs	2,829	3,148	2,997	3,229
Educational actions ²	2,564	3,002	2,859	3,090
Prevention and monitoring ³	265	146	138	139
Total	9,286	10,851	13,735	15,155

¹ There are no expenses associated with the treatment of atmospheric emissions and remediation.

² These include the investments in awareness and education, such as events, the Campo Limpo Environmental Educational Program, materials produced to be used in presentations and field days, besides materials used by multipliers.

³ The numbers related to monitoring and prevention were reconciled with the purpose of reflecting monitoring actions after producers wash empty packages, with soil and water quality analyses, besides correlated consultancies.

Eco-efficiency of the CAMPO LIMPO SYSTEM (2002 to 2013)



Energy

Since 2002, the energy savings by the Campo Limpo System would be equivalent to supplying 157,000 households for one year



Effluents

Avoided water consumption was of 42.3 billion liters, equivalent to 42 million water reservoirs having 1,000 liters each



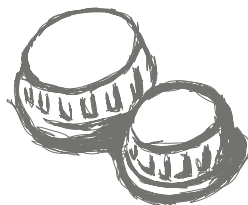
Natural resources

If the Campo Limpo System did not exist, the extraction of natural resources would have been 3.8 times bigger



Petroleum extraction

The System operations also avoided the extraction of 905,000 barrels of oil



Solid waste

The existence of the System avoided the generation of 867,000 tons of solid waste. This is equivalent to about 6 years of waste generated by a city having 500,000 inhabitants



Emissions

The amount of CO₂ (equivalent carbon dioxide gas) not emitted totaled 394,000 tons. This volume corresponds to 2 million trees that were not felled.

Economic performance



By means of an efficient management of resources, inpEV seeks the economic self-sufficiency of the Campo Limpo System

Of the total resources invested by inpEV, 57% are generated by contributions by member companies (R\$ 56 million). The rest results from the accreditation fees of SCL partnering recyclers, from fees to cover the costs of receiving units and from the rent of Campo Limpo Plastics Transformation and Recycling, besides the revenue generated by some projects.

During the period between January and December, 2013, inpEV obtained R\$ 99.1 million in revenue. During the 2012 fiscal year, the value was R\$ 89.3 million (see *table on page 43*).

inpEV once again achieved its goal of reverting the resources generated by SCL into investment discounts of member companies, thereby moving closer to one of its main goals: achieve SCL's economic self-sufficiency. In 2013, the deducted values were of R\$ 19.1 million, more than twice the R\$ 8.5 million in 2012.



>>>

Ecoplastic
Triex packages,
manufactured
using recycled
resin from
empty crop
protection
packaging.

Annual evolution of added value (R\$ x1000) <EC1>

Added Value Demonstration – in R\$ (summarized)	2010	2011	2012	2013
1 – Revenues ¹	82,257.00	83,905.00	89,335.00	99,102.00
2 – Inputs acquired from third parties	55,292.00	59,951.00	67,897.00	70,857.00
3 – Gross added value	26,965.00	23,954.00	21,438.00	28,245.00
4 – Withholdings	1,764.00	2,045.00	4,267.00	5,078.00
5 – Net added value produced	25,201.00	21,909.00	17,171.00	23,167.00
6 – Transferred added value received	1,163.00	1,534.00	1,391.00	1,579.00
7 – Total added value to be distributed	26,364.00	23,443.00	18,562.00	24,746.00

¹ Includes the reversal of provisions, rental Cofins and non-operational expenditures.

Added Value Distribution ¹ – (R\$)	2010	2011	2012	2013
Collaborators (wages, benefits and employee encumbrances)	- 7,134.00	- 8,666.00	- 9,796.00	- 10,341.00
Government (taxes, encumbrances and contributions)	- 1,823.00	- 2,107.00	- 2,530.00	- 2,733.00
Withheld profit/Loss during the period	- 17,060.00	- 12,290.00	- 5,878.00	5,337.00
Interest and rental fees (third-party capital remuneration)	- 347.00	- 380.00	- 358.00	- 453.00
Accumulated economic value (Generated economic value - distributed economic value)	- 1,163.00	- 1,534.00	- 1,391.00	1,579.00

¹ inPEV is a private non-profit organization, formed by a group of non-remunerated members. Therefore, there is no remuneration of shareholders nor direct investments intended for the organization.

About this report



This annual report reassures inpEV's commitment towards transparency in its accountability towards society

The 2013 Sustainability Report consolidates inpEV's performance regarding economic, environmental and social aspects, from January 1st to December 31st. This current edition includes 21 performance indicators, defined by the Global Reporting Initiative (GRI) guidelines, version 3.1, one of the main references worldwide for the elaboration of corporate reports, the same adopted in 2012. [<3.1, 3.2, 3.3 & 3.9>](#)

In this report, inpEV confirms once again its commitment towards maintaining transparency by means of its leadership and collaborators when dialoging with different audiences. The information herein is intended for all of society, authorities and representatives from other sectors of the economy, besides emissaries from countries interested in learning about the differentials and conquests that have made the Campo Limpo System (SCL) an international reference in reverse logistics.

The economic and financial indicators were ascertained in accordance with the Brazilian accounting principles, and were analyzed by an independent external auditor. Furthermore, the collection of socio-environmental data, which contemplate the administrative activities done at the headquarters and the actions developed under the scope of the SCL, were consolidated internally, with the involvement of all areas of inpEV, and were not submitted to external auditors for analysis and validation. [<3.6, 3.7, 3.8, 3.9 & 3.13>](#)

All of inpEV's structured areas were involved in the elaboration of this report, which contents was defined by the institute with the purpose of meeting, to the extent possible, the requirements of different stakeholders. Comparability with the previous edition (2012) is ensured, since minor changes are described in the text itself or in explanatory notes. [<3.5 & 3.10>](#)

Topics relevance test <3.5, 4.15 & 4.17>

>

inpEV is set on improving the reporting process after each annual accountability cycle with regard to its main stakeholders. With this guideline in mind, it started in this cycle (2013) the procedures to conduct a first topics relevance test, which involves directly consulting its collaborators, member companies and specialists from the institute's activity sector (reverse logistics) with the purpose of aligning, as much as possible, the content to be reported with the different expectations and information needs of its strategic interfaces.

The discussions and analyses related to the first topics relevance test will be concluded in mid 2014, which will guide the institute's reporting process during the next cycle, to be developed based on the new GRI directives - version G4.

GRI Application Level

>

The 2013 Sustainability Report meets all requirements for application Level B defined by the Global Reporting Initiative (GRI) version 3.1 directives, in accordance with the parameters presented in the following chart.

			C	C+	B	B+	A	A+
Report Content	G3 Profile	Result	Report on items: 1.1; 2.1 to 2.10; 3.1 to 3.8, 3.10 to 3.12; 4.1 to 4.4, 4.14 and 4.15	Report Externally Assured	All profile and governance indicators: 1.1 - 4.17	Report Externally Assured	All profile and governance indicators: 1.1 - 4.17	Report Externally Assured
	G3 Management Approach	Result	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators	Result	Report on a minimum of 10 (essential or additional) Performance Indicators, including at least one from: Economic, Sector and Environmental. If available, sector indicators may be reported, provided that 7 are not social indicators.		Report on a minimum of 20 (essential or additional) Performance Indicators, including at least one from each dimension. If available, sector indicators may be reported, provided that 14 are not social indicators.		Mandatory reporting on sector indicators one year after the release of final supplement version.	

GRI index



Profile Information

Indicator	Description	Reported	Page/ Response
Strategy and analysis			
1.1	Message from the president	Fully	7
1.2	Description of main impacts, risks and opportunities	Fully	7 & 16
Organizational profile			
2.1	Name of organization	Fully	5
2.2	Main brands, products and/or services	Fully	8
2.3	Operational structure of the organization	Fully	8 & 11
2.4	Location of the organization's headquarters	Fully	8
2.5	Countries in which the organization operates and in which its main operations are located	Fully	8
2.6	Legal nature and type of property	Fully	8
2.7	Markets serviced	Fully	8
2.8	Size of the organization	Fully	8 & 10
2.9	Main changes during the period covered by the report	Fully	No significant changes occurred during the period covered by the report.
2.10	Awards received during the period covered by the report	Fully	inpEV did not receive any important awards during the report reference period.
Parameters for the report			
3.1	Period covered by the report for the presented information	Fully	5 & 44
3.2	Date of the most recent previous report	Fully	44
3.3	Report issuance cycle	Fully	44
3.4	Contact data in case of questions relative to the report or its content	Fully	71
3.5	Process to define the report content	Partially	5, 44 & 45
3.6	Report limit	Fully	44
3.7	Statement on any specific limitations as to the scope or limit of the report	Fully	44
3.8	Report elaboration basis	Fully	44
3.9	Data measurement techniques and the calculation basis	Fully	5 & 44
3.10	Reformulations of information supplied in previous reports	Fully	44
3.11	Significant changes to the scope, limit or measurement methods applied in the report	Fully	There were no significant changes during the period covered by the report.
3.12	Table that identifies the location of information in the report	Fully	46, 47, 48 & 49
3.13	Current policy and practice relative to seeking external verification for the report	Fully	5 & 44

Governance

Indicator	Description	Reported	Page/ Response
4.1	Governance structure of the organization, including committees from the highest governance organ	Partially	The Board of Directors, formed by five members and an equal number of deputies, is only formed by men. There are at least three under 45 years of age and another two between ages 46 and 60, and none represent minority groups. These are people appointed by different companies - thus, each one represents their corresponding company. The members of the Board of Directors are chosen by direct vote, by considering the votes of all companies associated to inpEV, at the time of the Ordinary General Assembly (AGO), and its president is elected by its members (<i>read more in the chapter on corporate Governance on pages 15, 16 & 17</i>).
4.2	Presidency of the highest governance organ	Fully	The Board of Directors (CD) is chosen by direct elections in which all companies associated to inpEV vote, during the Ordinary General Assembly (AGO), and the CD chairman is elected by its own members. The AGO, held twice a year, is also presided by the CD chairman.
4.3	Independent or non-executive members of the highest governance organ	Fully	Given its legal nature, inpEV does not have an independent member in the Board of Directors or in the Ordinary General Assembly (AGO).
4.4	Mechanisms for shareholders and employees to make recommendations	Partially	inpEV does not have formal mechanisms or structured channels for its collaborators to submit recommendations to the highest governance organ.
4.5	Relationship between remuneration and organizational performance (including social and environmental)	Fully	There is no direct relationship between remuneration and professional performance of these members in terms of sustainability management.
4.6	Processes to ensure that conflicts of interest are avoided	Fully	17
4.7	Qualifications of members of the highest governance organ	Fully	The General Assembly, the highest degree of governance within inpEV, does not act based on structured processes in order to define its own composition. The forum consists of representatives from the member companies, having a recognized professional qualification, to perform their roles in their corresponding companies.
4.8	Mission and values statements, codes of conduct and relevant internal principles	Fully	8 & 17
4.9	Responsibilities for the implementation of economic, environmental and social policies	Fully	The Board of Directors, in compliance with the federal legislation requirements that guided the creation of inpEV, systematically follows the performance of its activities in the economic, social and environmental dimensions, by using, among other references, the Control Dashboard, a tool that contemplates a set of 13 managerial indicators (<i>read more in the corporate Governance chapter on pages 15 & 16</i>).
4.10	Processes for performance self-assessment of the highest governance organ	Fully	Given inpEV's legal nature, the General Assembly does not have assessment mechanisms for its own members (representatives nominated by companies associated with the institute).
4.11	Explanation on if and how the organization applies the principle of precaution	Fully	19
4.12	Letters, principles and other externally developed initiatives	Fully	Under the condition of being a representative of companies manufacturing crop protection products, inpEV does not subscribe such initiatives or documents. However, in its annual accountability towards its stakeholders, the institute has followed the guidelines of the Global Reporting Initiative (GRI) over the last few years.
4.13	Participation in national/ international entities and/or associations	Fully	inpEV is an honorary member of CropLife Latin International and integrates the communication committees of two of its associated entities, the National Plant Health Association (Andef - Associação Nacional de Defesa Vegetal) and the National Union of the Plant Health Products Industry (Sindiveg - Sindicato Nacional da Indústria de Produtos para Defesa Vegetal).
4.14	List of stakeholder groups engaged by the organization	Fully	29 & 30
4.15	Basis to identify and select stakeholders with which to engage	Partially	29 & 45
4.16	Approaches to engage stakeholders	Fully	29 & 32
4.17	Main topics and concerns raised by stakeholder engagement	Partially	29, 32 & 45

Performance indicators and forms of management

Indicator	Description	Reported	Page/ Response
Economic performance			
Economic performance			
<i>Form of management</i>		Fully	42 & 43
EC1	Direct generated and distributed economic value	Fully	43
Indirect economic impacts			
<i>Form of management</i>		Fully	37
EC9	Description of significant indirect economic impacts	Fully	37
Environmental performance			
Energy			
<i>Form of management</i>		Fully	40
EN3	Direct energy consumption discriminated per primary source of energy	Partially	In Brazil, it is not possible to precisely determine what the primary energy consumption is for the production of indirect energy. The concessionaires (hydroelectric, thermoelectric, etc.) do not have a legal obligation to inform the energy production source in the Country (<i>read more in the Environmental performance chapter, on page 40</i>).
Water			
<i>Form of management</i>		Fully	40
EN8	Total water drawn per source	Fully	40
Emissions, effluents and waste			
<i>Form of management</i>		Fully	22, 24 & 38
EN18	Initiatives to reduce greenhouse gas emissions and the achieved reductions	Fully	38
EN22	Total weight of waste, per disposal type and method	Fully	22
EN24	Weight of transported waste considered hazardous	Fully	24
Products and services			
<i>Form of management</i>		Fully	22
EN27	Percentage of recovered products and packaging, per product category	Fully	22
Conformity			
<i>Form of management</i>		Fully	37
EN28	Value of penalties and total number of sanctions resulting from non-conformity with laws	Fully	37
Transportation			
<i>Form of management</i>		Fully	24
EN29	Environmental impacts referring to transportation of products and workers	Fully	24
General			
<i>Form of management</i>		Fully	38, 39 & 40
EN30	Total investments and expenditures with environmental protection	Fully	38

Indicator	Description	Reported	Page/ Response
Social performance - labor practices and decent work			
Jobs			
	<i>Form of management</i>	Fully	34, 35, 36 & 37
LA1	Total workers, per type of job, labor contract and region, discriminated by gender	Fully	34
LA3	Benefits offered to full-time employees that are not offered to temporary labor or those under a part-time regime, discriminated per significant operational units	Fully	34
Work safety and health			
	<i>Form of management</i>	Fully	19
LA8	Employees with a high incidence or high risk of occupation-related diseases	Fully	19
Social performance - human rights			
Non-discrimination			
	<i>Form of management</i>	Fully	37
HR4	Total number of discrimination cases and the measures taken to correct and mitigate new cases	Fully	37
Child labor			
	<i>Form of management</i>	Fully	37
HR6	Significant suppliers and operations identified as a significant risk of child labor occurrence and the measures taken to contribute towards the abolition of child labor	Fully	37
Forced labor or analogous to slavery			
	<i>Form of management</i>	Fully	37
HR7	Significant suppliers and operations identified as having a significant risk of forced or mandatory labor occurrence and the measures that contribute towards eliminating all forms of forced or mandatory labor	Fully	37
Social performance - society			
Public policies			
	<i>Form of management</i>	Fully	32
SO5	Standpoints as to public policies	Fully	32
Conformity			
	<i>Form of management</i>	Fully	
SO8	Description of relative penalties and total number of non-monetary sanctions	Fully	inpEV currently has a labor litigation, estimated to be around R\$ 200,000. However, there is no history on file concerning other penalties of similar values or non-monetary sanctions arising from non-conformity relative to the valid laws or regulations.
Social performance - product responsibility			
Marketing communications			
	<i>Form of management</i>	Fully	31
PR6	Voluntary adherence programs to laws, standards and codes	Fully	30 & 31
Conformity			
	<i>Form of management</i>	Fully	37
PR9	Penalties for non-conformities relative to the supply and use of products and services	Fully	37



Statement GRI Application Level Check

GRI hereby states that **inpEV - Instituto Nacional de Processamento de Embalagens Vazias** has presented its report "2013 inpEV Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 4 April 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 27 March 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

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Contacts for further doubts, suggestions or comments regarding the content of this report

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