



Sustainability Report

2014-2015

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Introduction

Letter from the Chairman of the Board



Advance further in improving our corporate governance and continue to pursue a path of sustainable growth

The publication of this Sustainability Report is a clear demonstration of Citrusuco's progress in corporate governance. The report provides a broad and transparent view of the information that is most relevant to our business.

The 2014-2015 Season was characterized not only by Citrusuco's good performance, but also by the positive impacts of the combined effects of the important initiatives taken during the first three seasons of the new company's existence. The season coincided with the completion of a restructuring process that began in 2012, following the merger, and the introduction of Citrusuco's new management model. More than this, it highlighted our success in capturing significant synergies even while facing innumerable challenges.

During this period, our industry has underwent a process of significant transformation, with consumer demand for our products slowing in developed markets and, in contrast,

growing in emerging markets. We know that our competitiveness in this kind of scenario cannot be ensured by making changes to our product portfolio alone. It will also require changes to how we approach our customers, how we upgrade our production systems, and how we conduct our relations with the fruit growers and local communities.

It is clear that we must seek new forms of being competitive in a market which is in constant transformation. Our main product, orange juice, has to compete on the retail shelves with numerous other beverages, each one with its own particular characteristics, and this is especially true and significant in overseas markets.

We are committed to promoting a positive image for orange juice and to strengthening the perception of its healthiness by the consumer. We have reinforced such efforts by entering into important partnerships with industry associations, other companies, customers and suppliers.

Here at Citrusuco we believe that sustainability is much more than just one

more topic to be incorporated into our management and corporate governance processes: we see it as the very cornerstone of our way of doing business. Every day we challenge ourselves to move forward, to contribute in a proactive manner to the improvement of economic, social and environmental prospects.

Looking forward, to the 2015-2016 Season, we intend to continue to strengthen our partnerships, setting targets that extend over several seasons, to advance further in improving our corporate governance, emulating the best practices of global companies, and to continue to pursue a path of sustainable growth.

In a nutshell, we have to constantly reinvent ourselves.

We are prepared to do just that.

Cláudio Ermírio de Moraes
Chairman of the Board of Citrusuco

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Sustainability is the very cornerstone of our way of doing business. Every day we challenge ourselves to move forward, to contribute in a proactive manner to the improvement of economic, social and environmental prospects.”

Letter from the CEO



A culture that focuses on anticipating both customer needs and social demands is the path to our success

It gives me great satisfaction to introduce Citrosuco's sustainability report for the 2014-2015 Season. The report provides a clear description of our operations, market positioning and relations with stakeholders and, above all, demonstrates our commitment to conducting business in a responsible manner, considering social, environmental and economic aspects.

The 2014-2015 Season represented an important milestone for Citrosuco. During

the season the new governance structure and management model were fully consolidated. No small achievement for a company which was founded only three years ago and today handles about 40% of all the orange juice produced and exported by Brazil.

One of the key factors contributing to this consolidation was the development of a long-term strategic plan, through a process which involved the company's entire leadership team, all committed to ensuring Citrosuco's future success. We also redefined our mission and vision statements to reflect the values and organizational culture that the company truly needs in its DNA in order to achieve its objectives.

The constant and determined search to build a culture that focuses on anticipating both customer needs and social de-

mands, is the path to our success. Anticipating trends is entrenched definitively in our way of thinking and acting and one of the pillars of our culture. To continuously develop this culture in our people is more than just a challenge - it is one of the commitments of our leadership team.

With these initiatives, we have worked diligently to raise Citrosuco's level of corporate governance to meet global standards, aiming to be a reference for excellence in the markets in which we operate.

Furthermore, the initiatives to formalize our code of conduct and strengthen our risk management and compliance culture have contributed to making Citrosuco's corporate governance system more robust and efficient. Such initiatives, in addition to our business model and organizational culture, are designed to ensure that we generate value in a sustainable manner.

For Citrosuco, sustainability is synonymous with survival. It means conducting business in a responsible manner, considering social, economic and environmental aspects. It also means ensuring that the entire value chain shares the same business perspective. We are actively managing the impacts generated by Citrosuco's activities, seeking always to maximize the positive aspects and mitigate those which are negative. We are a food company and we are proud to provide a product that contributes to people's health, quality of life and well-being.

With regard to our operational results and financial performance, we achieved our goals for the year, despite the challenges presented by a recession in the Brazilian economy and stable international demand. This was due to the improved fruit yield, which was much higher than for the previous season. Our focus on cost reduction and improved efficiency, combined with stable prices and a

more competitive R\$/US\$ exchange rate, also contributed to the company's good performance.

In addition to making contributions to social progress, by the creation of jobs and income, the generation of foreign exchange for the Brazilian economy and investments in community development, we seek to constantly improve our environmental performance through investments in research and the implementation of new technologies. For example, we have succeeded in increasing the proportion of our energy generated from renewable sources and in improving our efficiency in the reuse of water.

We intend to continue firmly on our path of producing orange juice and orange-based ingredients. We will enhance Citrosuco's knowledge and experience, in agriculture, processing and logistics, and keep our eyes wide open for new opportunities and trends in both traditional and growth markets.

Furthermore, we are constantly mobilizing the company and investing in people, research and technology. It is by taking these steps that we intend to achieve our higher purpose, namely: to provide food products derived from fruit to contribute to a healthier and more energetic life.

Mario Bavaresco Junior
CEO, Citrosuco



MORE INFORMATION AT:
www.citrosuco.com.br/en/

Highlights of the season

Consolidation of our
**CORPORATE
GOVERNANCE**
and **MANAGEMENT**
models



CO-GENERATION of
77,989 MWh,
equivalent to 31% of
our total industrial
demand for electricity



Construction of our
MISSION and **VISION**
statements, supported by our
**ORGANIZATIONAL
CULTURE**



2 million m³ of
REUSE WATER,
equivalent to 32% of
total industrial
consumption



Improvements in our
**BUSINESS RISK
MANAGEMENT AND
COMPLIANCE**



**RENEWABLE
ENERGY SOURCES**
provided 58%
of total energy
consumed¹



ENVIRONMENTAL
and **SOCIAL
INVESTMENTS** of
over R\$ 12 million



**AGRICULTURAL
PRACTICES:**
Greening under control -
infestation of less than 1%, well
below the local and
global averages



EMPLOYMENT GENERATION:
5,656 permanent
employees and 7,121
seasonal employees



WASTE MANAGEMENT
less than 1% was classified as
hazardous waste



¹ Data for 2014, covers all phases of the company's operations, from the production of seedlings to the delivery of the juice products to port terminals in Europe, Citrosuco's main consumer market.

About the report



This is Citrosuco's second Sustainability Report. It provides an account of the company's performance and its management approach in relation to the economic, environmental and social impacts of its activities.

The report has been prepared according to the "Core" option of the G4 version of the Global Reporting Initiative (GRI) guidelines. GRI is a multi-stakeholder organization whose methodology has been adopted by a large number of companies and institutions around the world. The guidelines facilitate the comparison of the trends in performance indicators, both within the organization itself and among the companies in a given sector.

The report includes business and operational indicators and information on the important milestones achieved over the previous three seasons



A Citrosuco seedling nursery, located in the municipality of Nova Europa, in the interior of the state of São Paulo

The report includes business and operational indicators, as well as a description of the company's management approach and value-creation model. The report refers to the period between July 1st 2014 and June 30th, 2015, hereinafter referred to as the 2014-2015 Season. It also highlights the important milestones achieved in the period, which were the results of actions carried out over the previous three seasons.

The report's content focuses on the company's material issues, that is, those issues which result in the most significant impacts made by the company's operations and which can substantially influence the opinions and decisions of its stakeholders.

Although, in general, the report provides information on all of the company's operations, in the case of the GRI social and environmental indicators the figures refer only to the operations in Brazil, due to their high degree of importance in this regard. The expenditures in Brazil are expressed in Reais. Economic information was based on an exchange rate of R\$/USD 3.1026. The report is prepared on an annual basis.

In accordance with guidelines approved by Citrosuco's Board and the company's internal audit department, the report was subjected to a limited assurance review by the independent auditors PwC, whose opinion is included at the end of this report.

Materiality

One of the main premises to ensure the consistency of the report was that it should focus on the most important issues. To assist it in this process Citrosuco contracted a specialist firm, BSD Consulting, to identify the issues that are considered to be the most important

by both stakeholders and the company. These issues, referred to in the report as 'material issues', were selected based on a quantitative and qualitative analysis of secondary information sources and face-to-face, in-depth interviews with the company's directors and managers.

Identification of issues

- Analysis of documents related to the industry (studies and surveys)
- Media research with a focus on business
- Analysis of social and environmental criteria of customers in the industry
- 13 face-to-face interviews with directors and managers from key Citrosuco functional areas
- Review of the material issues identified internally by the company, during the 2013-2014 Season

Materiality analysis

- Relevance of the issue to the sector
- Potential of the issue to influence customers
- Impact on the company's image and reputation
- Potential to generate a significant impact on the company
- Probability and severity of the impacts
- Relevance of the issue to the company

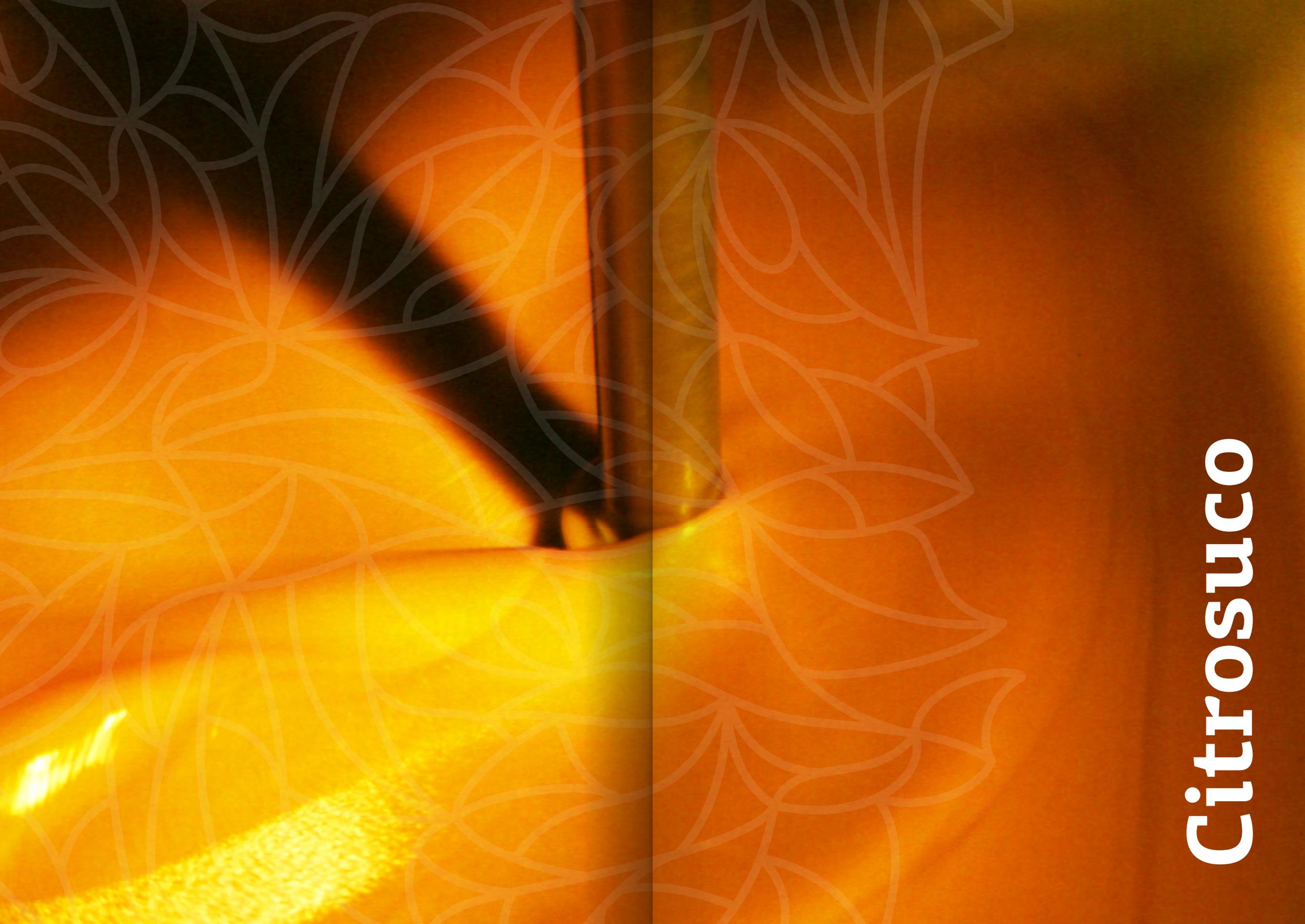
Following the review, identification and prioritization of the issues for the 2014-2015 Season, they were classified into groups and validated by the company's senior management.

Each of the material issues identified was correlated with one of Citrosuco's Sustainability Pillars and associated with one or more GRI G4 aspects. The impacts generated by each material issue can occur inside the organization, or outside it or in both cases, as is demonstrated in the table below, entitled "Materiality and occurrence of impacts".

The definition of the report's content also included indicators for food processing companies, according the GRI-G4 Sector Supplement for Food Processing.

Citrosuco pillars	Material issues	Materiality and occurrence of impacts			
		Positive/negative impacts	Inside the organization	Outside the organization (value chain)	
 Governance for sustainable development	Long-term business continuity	Long-term business continuity			
		Commitment to delivery and results			
		Organizational transparency			
		Market trends and sales volumes			
		Market concentration			
 Climate and environmental changes	Operational efficiency	Productivity and fulfillment of customer demands			
		Balance and management of operational costs			
		Efficiency in the consumption and management of energy and water			
	Impacts of climate change	Management of effluents and waste: impacts of the organic content on the receiving water bodies and the risks related to disposal of pesticide packaging			
		Greenhouse gas emissions			
		Carbon capture			
		Heavy truck traffic			
	 Responsible value chain	Supply chain management	Maintaining business relations with fruit growers		
			Supplier conduct		
			Risk of human rights violations in the supply chain		
Maintain grower loyalty and fruit supply					
Capacity-building and training of procurement team					
Risk of non-compliance with labor and environmental standards in the supply chain					

Citrosuco pillars	Material issues	Materiality and occurrence of impacts			
		Positive/negative impacts	Inside the organization	Outside the organization (value chain)	
 Responsible value chain	Sustainable agricultural practices	Control of pests and diseases: greening			
		Use of pesticides: management of risks related to health, safety and the environment			
		Biodiversity conservation			
		Soil management: management of risks related to erosion and the application of inputs			
	Working conditions	Working conditions for seasonal workers			
		Risks of violations to human or labor rights inside the organization			
		Working conditions of migrant labor			
	 Social engagement	Social development	Employee capacity-building and training		
			Company's image and reputation		
			Dialogue with and development of local communities		
 Products that contribute to a healthy and sustainable life-style	Quality and benefits of the products	Investment in social projects			
		Product quality			
		Functional foods: properties beneficial to people's health			
		Phytopsanitary conditions of products			



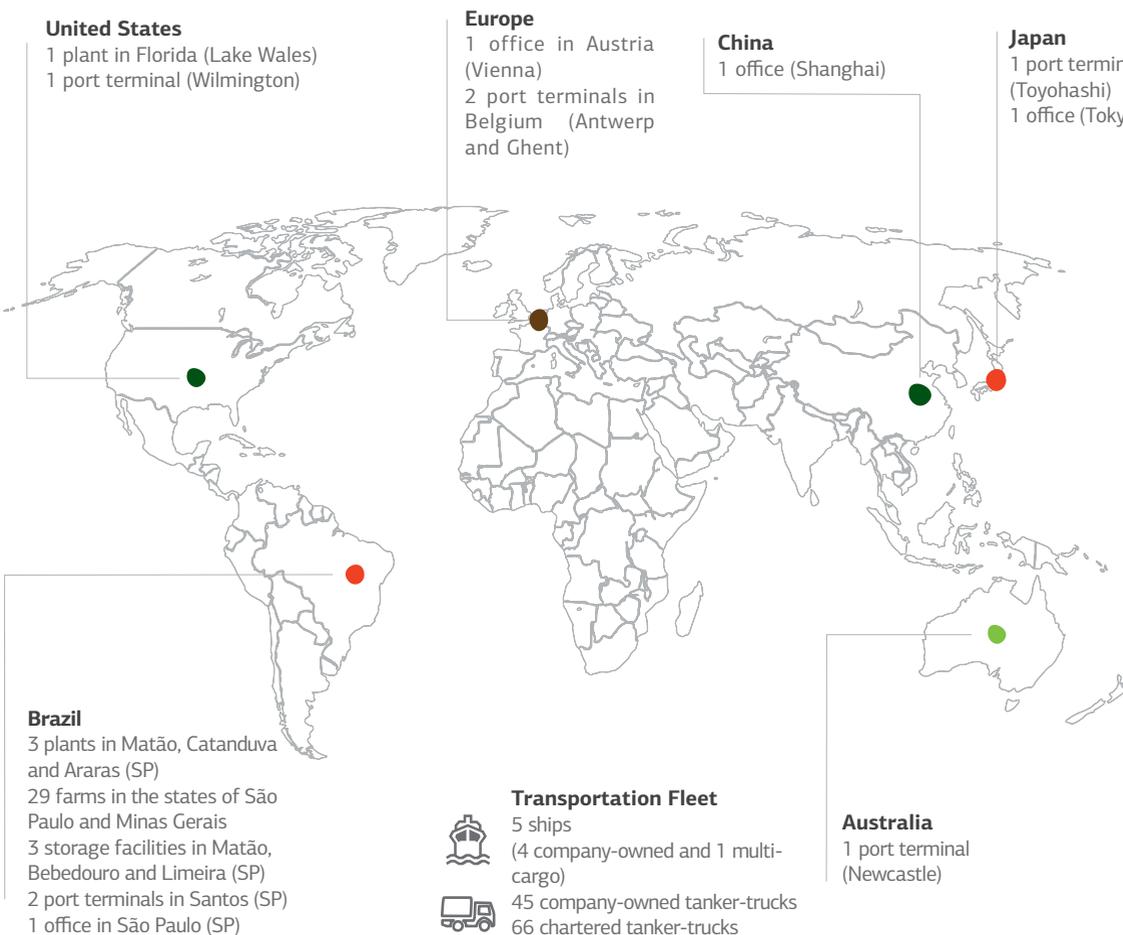
Citrosuoco

Organizational profile



Citrosuco is a privately-held, 100% Brazilian-owned private company. The company operates throughout the entire orange juice production chain, from agriculture to the delivery of its products around the world. The company focuses on export markets, serving customers in more than 100 countries, mainly in the beverages market segment.

The company has 47 operating units composed of four processing plants, 29 farms, three storage facilities, seven port terminals and four sales offices. The company also owns a fleet of four ships and 45 tanker-trucks, all designed specifically for the transportation of orange juice.



Orange fruit products

Citrosuco's product portfolio consists of juices and ingredients derived from oranges. Although these products are used mainly by companies in the beverage markets, they also have applications in other industry sectors including food, chemical, fragrances, pharmaceutical, animal feed and energy.

Products and applications

Product	Destination market
Juices	NFC (Not-For-Concentrate juice): whole orange juice, 100% natural, pasteurized, chilled and ready to drink.. Beverage industry
	FCOJ (Frozen Concentrated Orange Juice): orange juice, 100% natural, concentrated and frozen, which can be consumed as reconstituted juices or used in the composition of nectars and other beverages. Beverage industry
Orange-based ingredients	Essential oil: obtained by cold-pressing the orange peel after the juice has been extracted. Chemical, food and perfume industries
	Essences (watery and oily phase orange essences): obtained by capturing the volatile aromas produced in the evaporators during the orange juice concentration process. Food and beverage industries (watery phase) and fragrance and aroma industries (oily phase)
	Citric terpene (D-Limonene): a thin, colorless oil with a light citrus odor, obtained from the distillation of the citric liquor extracted from the orange bagasse. Perfume, chemical and pharmaceutical industries
	Citrus Pulp Bran: produced by pressing and drying the peel, seed and the excess orange pulp from the production of juice. Animal feed industry
	Wesos: orange soluble solids, extracted with water. Food and beverage industries
	Frozen orange pulp: obtained from healthy, ripe fruits through processes of extraction, decantation, filtration, pasteurization, cooling and storage. It is used in the production of juices with fruit bits. Beverage industry
	Alcohol: obtained by the fermentation of the sugars present in the liquor produced by pressing the orange bagasse. It can be used, in its hydrated form, as a fuel or, after further refining and rectification, in the form of neutral alcohol, for the formulation of drinks and vinegar. Fuel sector and food and beverage industries

Production process: from the seedling to delivery to the customer

Agriculture

1 - Seedling production

The crop cycle begins with Citrosuco's Seed Germplasm Collection. These seeds were originated from trees with genetic material that favored plant productivity and juice quality.



2 - Soil preparation

In this stage, the compacted soil is broken up and the soil is corrected, in terms of nutrition and acidity, to a depth which is sufficient to allow the tree to fully develop its root system.



3 - Planting and cultivation

The planting beds are prepared on land which slopes slightly to prevent the accumulation of water and subsequent development of infectious agents. They are fertilized according to the technical specifications, applying only the exact amount necessary.



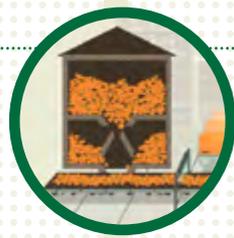
4 - Harvest

The oranges are harvested at different times during the year, depending on the degree of ripeness of the fruit.



6 - Farm-to-industry transportation

The oranges are harvested and transported to temporary storage sites, using medium-sized trucks, and stored in bins. Then they are transported in large trucks to the industrial processing plants.



5 - Control of pests and diseases

The company has developed a strict system of phytosanitary control and is continually investing in new initiatives such as integrated management and the rational use of pesticides. The company only uses pesticides that have been properly registered with the responsible authorities and it applies them in full compliance with the requirements for Brazil and for the countries to which it exports (PIC List)¹.

Industry

7 - Raw material

The fruit is inspected as soon as it is received at the plant, and a sample of each truck load is taken to evaluate its characteristics.



8 - Processing

The orange is then processed and separated into juice, peel oil, peel and bagasse. The juice is filtered and centrifuged to remove seeds and excess pulp. The juice then undergoes pasteurization, concentration (except for the NFC) and cooling.



9 - Storage

The juice is stored in stainless steel tanks, at the ideal temperature for its conservation.



Logistics and Distribution

10 - Road transportation

The juice is stored in the processing plants at the proper temperature until it is transferred to insulated tanker-trucks that transport it to the port terminal in Santos (SP).



11 - Santos (SP) port terminal

The juice is stored in large tanks, which maintain it at the ideal temperature until the arrival of the bulk-storage ship, which has been specifically designed and built for the transport of these products.



12 - Sea transportation and port terminals overseas

The ships are equipped with cold rooms and modern stainless-steel tanks in order to ensure the safety and quality of the products during their transportation to the final consumer. When it arrives at the overseas terminal, the juice is placed in storage and then distributed to customers by companies that package the products and distribute them to retail outlets.



¹ The PIC List is the list of active ingredients and registered products that are authorized for use in citrus production in Brazil. It includes pesticides (insecticides, acaricides, fungicides and herbicides), hormones and pheromones. The list is one of the initiatives of the program for Integrated Citrus Production ("Produção Integrada de Citros (PIC)") which is endorsed by the Ministry for Agriculture, Livestock and Supply. It is updated (inclusions and exclusions) according to the registration of new ingredients or products, both in Brazil and in the main consumer markets for products derived from Brazilian citrus production.



**Governance
for sustainable
development**

Corporate governance

Prepare the company for future market demands, by anticipating trends in order to evaluate new opportunities and challenges. To realize this aspiration, Citrusuco has undergone a process, over the last three years, of restructuring its corporate governance and management models. The new structure was based on the principles for corporate governance recommended by the [Brazilian Institute for Corporate Governance \(IBGC\)](http://www.ibgc.org.br) and the directives of the Brazilian Securities Exchange Commission (CVM).

www.ibgc.org.br

Citrusuco believes that good corporate governance practices contribute to strengthening operational practices, mitigating and controlling risks, providing orientation for focusing the business activities and enhancing the management of the business. The model adopted facilitates in-depth discussions, speeds up decision-making and provides effective support to senior management to achieve the planned results. The company is committed to a policy of continuous improvement and the adoption of best practices. The objectives are to enable it to generate less volatile results, to maximize value creation and to balance the interests of all stakeholder groups.

Governance structure

The control of the company is shared between the two founding shareholders, the Fischer Group and the Votorantim Group, each of which has a 50%

shareholding. Citrusuco's Board of Directors consists of members indicated by the shareholders. The Board meets regularly and its main functions are to approve and establish the company's strategic guidelines and monitor its performance, provide guidance to senior management and approve the company's business plan. The Board is supported by the Advisory Committee and the Audit Committee.

The Advisory Committee is composed of non-executive Board Members. Its principal function is to assist the Board to accompany material and strategic matters more closely, thus enabling a faster decision-making process.

The Audit Committee is composed of three members: a representative of the Fischer Group; a representative of the Votorantim Group; and an independent member, who is the committee's Chairman and coordinates its activities. The representatives of the Fischer and Votorantim Groups do not hold executive positions in the company.

The Audit Committee advises the Board on aspects of the company's management regarding internal and external audits, internal controls, the integrity of the financial statements, risk management and compliance.



The good corporate governance practices adopted strengthen operations, mitigate and control risks, direct the focus of the business activities and enhance the management of the business

Management model

Citrusuco's management model has been structured along the guidelines of the EFQM Excellence Model, a framework developed by the European Foundation for Quality Management (EFQM), which is based on sustainable enablers and results.

During the first two seasons following the company's foundation, its efforts were directed to the development of three dimensions of this model: strategy, people and leadership. These efforts involved the construction of: strategic guidelines; the integration of teams; the standardization of the compensation system; a review of the internal processes for managing people; and the definition of the skill set of a Citrusuco leader. In addition, a succession plan was developed and leadership forums were held, all aimed at paving the way for the exercise of leadership in the company.

The highlights of the 2014-2015 Season, were the definition of the foundations for the construction of the mission and vision statements, the revitalization of our corporate culture, the development and implementation of business risk management and compliance projects and the development of a long-term strategic plan.

Anticipating demands and trends

One of Citrusuco's main challenges is to monitor the dynamics of global markets and to anticipate changes in a variety of aspects, ranging from economic to behavioral, that affect its business. For this reason, anticipation is one of the pillars of the company's organizational culture, and it defines our approach to facing challenges, risks and opportunities and to sharing knowledge, all of which are aimed at generating value for Citrusuco.

The company seeks to understand the trends in global market behavior and consumption patterns in the context of a constantly changing world. The company's mission is to provide food products derived from fruit to contribute to a healthier and more energetic life. All of the company's investments and effort in technology, research and development and management are focused on achieving this mission.

Citrusuco's organizational culture is the expression of its way of being, thinking and acting. Culture plays a key role in supporting the achievement of the company's objectives and the execution of its strategy. It is the consolidation of people's actions and behavior directed to obtaining results and is based on a working atmosphere that is conducive to promoting collaboration, developing solutions, integration, anticipation and meritocracy, among other attributes. In the 2015-2016 Season, Citrusuco will launch a campaign on its new organizational culture

Mission, vision and values

As part of the efforts to consolidate the new company, a statement regarding Citrosuco's principles was prepared. This document defined the company's mission, vision and values.

Mission

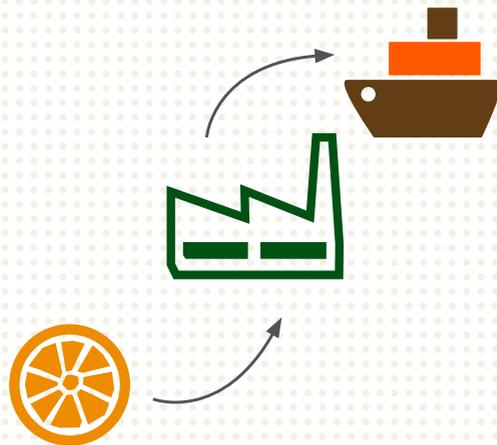
To provide food products derived from fruit to contribute to a healthier and more energetic life.

Vision of the future

To be the best company for natural fruit juices and ingredients in the global food industry.

Values

Sustainability: environmental, social and economic	
Value creation: focus on results	
Integrity: trustworthiness, transparency, respect and ethics	
Meritocracy: valuing and developing people; rewarding performance	
Entrepreneurship: seeking constantly to explore opportunities above and beyond the available resources	
Health and safety: ensuring a healthy and safe work environment	



Risk management



Citrosuco has been increasing its efforts directed to the management of social, environmental, political, corruption and anti-trust risks

Each risk is assessed from the perspective of its impact at every stage in operations

Citrosuco's activities are exposed to many types of risks including those of a regulatory, financial, operational and image and reputation nature. All risks are classified and managed in order to mitigate their potential impacts on the business. In addition to the pre-existing guidelines for the management of these risks, as from the 2014-2015 Season, the company has been increasing its efforts directed towards managing social, environmental, political, corruption and anti-trust risks, with the aim of protecting or creating value.

To achieve this, a risk management platform was set up that manages the risks from the

perspective of the business. The risk analysis is carried out by examining the entire value chain, identifying the impacts at each stage of operations and determining the respective control measures.

The governance of risk management is under the direct responsibility of the Board of Directors, with the support of the Advisory and Audit Committees. In terms of management, the responsibilities for risk management are distributed throughout the organization, with support from the areas of Sustainability, Health, Safety and the Environment (HSE), Internal Audit, Finance, Controlling, Legal and Human and Organizational Development.

Financial risks

The main risks that Citrusuco is exposed to in global financial markets are as follows: foreign exchange rates, commodity prices, interest rates, liquidity and indebtedness and counter-party and commercial credit risks. The company has established specific policies and guidelines to mitigate the potential impacts of these risks on its business.

Citrusuco's policy for managing exposure to exchange rate risk has set guidelines and standards for protection against exchange rate fluctuations, in order to protect the company's cash flow and reduce EBITDA volatility.

The risks associated with the market price for orange juice are managed by negotiating a proportion of the sales contracts at fixed prices, with the aim of ensuring an appropriate balance of short, medium and long-term contracts. The company also uses futures contracts traded on the New York Intercontinental Exchange (ICE) in order to hedge the price of orange juice concentrate in the North American market.

To manage the company's exposure to variations in interest rates on its loans, borrowings and investments, it has established guidelines aimed at reducing financial expenses at acceptable levels

of volatility in cash flow and the optimal balance between its exposure to floating and fixed interest rates. The objectives of the management policy for liquidity and indebtedness are to ensure that the company's cash position, liquidity and level are adequate and consistent with the company's business plan and to guarantee that Citrusuco is able to meet its financial and operational obligations.

The company has established credit risk guidelines to minimize its risk exposure to financial losses from non-performance by financial counter-parties and customers. These guidelines establish procedures for assessing the financial health of commercial customers and financial counter-parties, based on credit ratings, and for allocating appropriate credit limits. Credit risk exposure is also managed by contracting credit insurance from well-known international insurance companies.



Citrusuco's ship, "Sol do Brasil", purpose-built for the bulk transportation of orange juice



Management of the impacts of climate change

The business sectors based on agricultural activities, such as citrus production, are frequently impacted by variations in climatic conditions. These can result in alterations in both the quality and quantity of fruit production, as is the case for oranges. One of the common agricultural practices subject to climate change impacts is crop irrigation. This can be affected by periods of drought or the occurrence of climate events such as the El Niño phenomenon, for example.

On the other hand agricultural systems can contribute positively to mitigating climate change. According to reports issued by the Intergovernmental Panel on Climate Change (IPCC), agricultural systems contain large carbon stocks and have a high mitigation potential in relation to sequestering greenhouse gases (GHG), which could contribute to counterbalancing climate change impacts.

In this respect, Citrusuco has developed a number of initiatives, especially in the agricultural area, focused on the efficiency of its operations to ensure that the company will be resilient if such events occur, and to reduce the potential impact of the company contributing negatively to climate change. These initiatives range from route planning for tractor operations and the transportation of people and goods in order to reduce fuel consumption, to investments in irrigation processes that consume less energy and water.



With regard to its energy mix, one of the company's goals is to reduce its consumption of fossil fuels. The company has increased its proportion of energy from renewable sources, and its energy efficiency, seeking to minimize the production of GHG emissions in its operations.

Citrusuco has also implemented measures to increase the productivity per hectare of its groves and, as a result, reduce the need to expand the area under cultivation. This is being achieved by adopting improved agricultural practices and increasing the tree density of the existing groves, by planting additional trees, thus gaining efficiency and reducing costs.

For more information on water management and the reduction of GHG emissions please refer to pages 38 and 44

For more information on the rational use of land please refer to page 59

Compliance program

During the 2014-2015 Season, Citrusuco launched the Compliance Program, another important initiative aimed at improving the company's management model. The program comprises an organizational structure, methodology and tools sufficient to ensure that the company's activities are continuously and permanently in accordance with the applicable legislation. It is managed through a dedicated organizational structure, to ensure the necessary level of autonomy and independence.

The program adopts the best available compliance practices, in terms of evaluation and methodology, for each of the topics covered. These are: evaluation of risk assessment; preparation of a recommendations plan; development of specific policies and procedures; realization of a training campaign for employees and third parties, when applicable; implementation of due diligence routines; and the continuous verification of the preventive actions adopted.

In relation to the topics covered, the program initially provides for its application in matters related to legislation, corruption and unfair competition. Citrusuco considers these issues to be extremely important, especially with regards to their impacts on the company's image and reputation, and they are key points to be considered when taking strategic decisions. Citrusuco's complies with the legislation applicable to its business and is formally against all forms of non-compliance or misconduct that may result from such practices.

Citrusuco complies with the legislation applicable to its business and is formally against all forms of non-compliance or misconduct

To support the effective realization of its commitment, the company will implement a Code of Conduct and a Conduct Hotline, by the end of next season. Taken as a whole these measures reinforce Citrusuco's position on these issues and ensure that the company is able to receive and properly handle any complaints or allegations, including when anonymous.

In the reporting period no cases of corruption were recorded by the company.

Research and innovation



One of the main focuses of our research and innovation programs is the search for new applications for orange-based ingredients

Citrosuco provides encouragement to talented people and values a working environment that is open to new ideas. In order to identify, serve and anticipate customer needs, the company is continually improving its processes, products and services and searching for simpler and more sustainable production methods. In this way it is acting as an agent contributing to the transformation of society.

The company has developed research and innovation programs together with companies and education and research organizations in Brazil and overseas. This research has focused mainly on identifying the benefits of orange juice, new applications for orange-based ingredients, the selection of varieties, protection against pests and improvements in processes. The company's value proposition is to offer innovative options to customers in all its product lines.

Citrosuco's program for combating greening is recognized as innovative and a global benchmark for the sector

In the 2014-2015 Season the company set up a new area dedicated to the development of new products and their applications. This involved the integration of all the company's research and innovation groups, enabling the capture of synergies between projects and the formulation of a single vision, aligned to its business strategy.

In terms of developing raw materials, one of the highlights was the project to select new varieties of orange and rootstocks that favor characteristics such as nutritional value, taste, color, disease resistance and productivity.

In relation to inputs the company is working on a project to use energy cane for power generation. The objective is to ensure the security of the company's supply of biomass, thereby contributing to a cleaner and more sustainable energy mix.

For more information please refer to page 39

Voluntary commitments



MORE INFORMATION AT:
www.citrusbr.com/en/
www.aijn.org
www.fundabrinq.org.br

Citrosuco is one of the founders, and a member of the Board, of the National Association of Citrus Juice Exporters - CitrusBR, a trade association formed by the leading Brazilian producers and exporters of citrus juices and their derivatives. The objectives of the association are to defend the interests of the sector, provide support for technical studies and promote the sector's image, among other initiatives. The company is represented at the European Fruit Juice Association (AIJN), an organization based in Brussels.

The AIJN represents the fruit processing industry in discussions with bottling companies in Europe.

In terms of social responsibility, Citrosuco participates in the "Child's Friend" Company Program, developed by the not-for-profit organization ABRINQ Foundation. Its mission is to defend the rights of children and adolescents and promote their exercise of citizenship. Since its foundation, 25 years ago, the program has benefited more than 8 million children in Brazil.





**Our processes
and impacts**

Results for the season¹

The company has achieved its planned results and targets through managerial discipline, operational efficiency and stability, rigorous cost control and a well-defined sales strategy.

In the 2014-2015 Season Citrosuco recorded an improvement in EBITDA, which rose to US\$ 183 million, 69% higher compared to the 2013-2014 Season. This improvement was due to the fruit quality and yield returning to the normal parameters. Net revenues fell slightly, by 3.7%, compared to the previous season, to a total of US\$ 1.258 billion for the period.

The favorable results for the period, combined with the company's consistency in financial management and responsiveness to market opportunities, enabled Citrosuco to continue with its liability reduction initiatives. As a result, the company closed the 2014-2015 Season with a gross debt of US\$ 384 million, thus achieving a significant reduction in its financial leverage, as measured by the ratio of Net Debt/EBITDA, which ended the period at 1.1, the lowest level since July 2012.

During the season, more than R\$ 12 million were invested in environmental and social projects, providing continuity to Citrosuco's sustainable practices in these areas.

Since the beginning of its operations in July 2012, Citrosuco has shown strong and consistent results despite the recessive conditions in the Brazilian economy, the stagnation of the international demand for orange juice, and stable prices

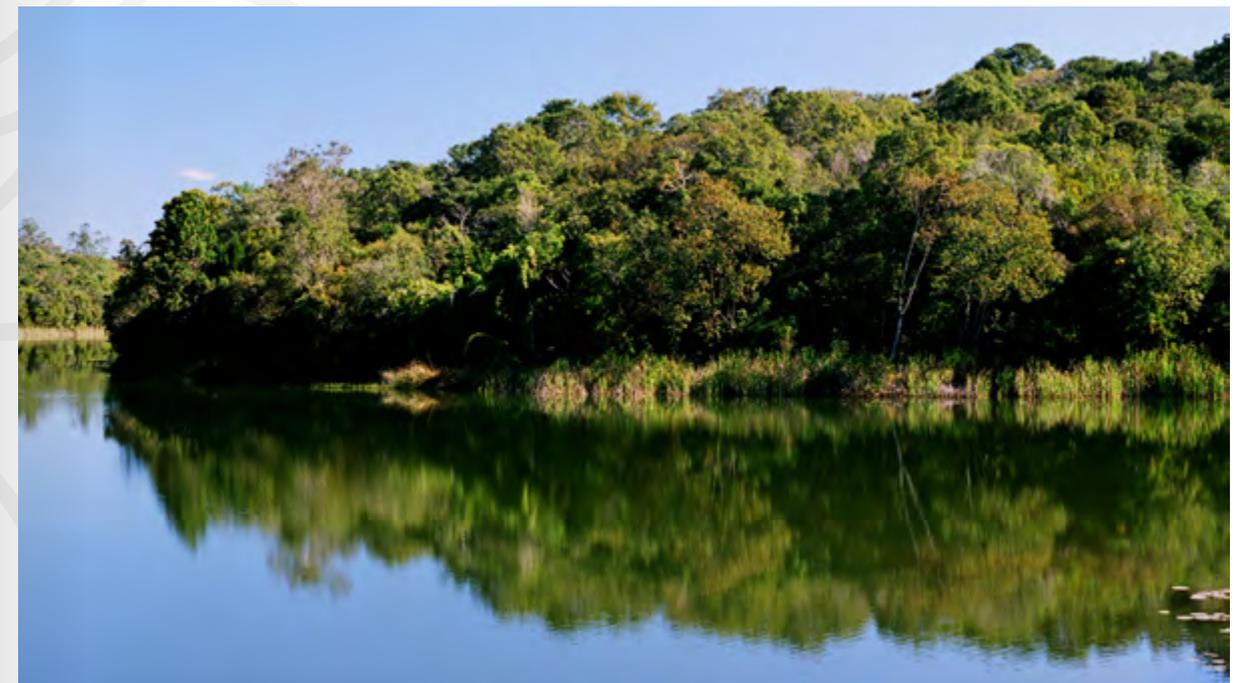
¹The economic results refer to the consolidated operations of the Citrosuco Group which is composed of Citrosuco S.A. Agroindústria, Citrosuco GmbH and its controlled companies.



Citrosuco recorded an improvement in EBITDA, which rose to US\$ 183 million, 69% higher compared to the 2013-2014 Season.

Climate and environmental changes

Citrosuco has made a commitment to conduct its operations in a sustainable manner and invests continually in environmental improvements. The company seeks to minimize impacts, mitigate risks and adapt its operations to climate change at all stages of the production process



During the 2014-2015 Season, Citrosuco invested more than R\$ 4 million in technological improvements related to water recovery and efficiency

Water: monitored constantly for availability and quality



In view of the current water scarcity crisis in Brazil and the vital importance of water for its operations, Citrosuco considers that it is fundamental to manage and mitigate the risks and potential impacts related to the availability and quality of its water resources.

The priority is to reduce consumption

In view of the importance of water for its operations, Citrosuco calculated the water balance for its industrial plants, and as a result identified those processes where consumption was high. Based on this information, a Water Resources Master Plan (WRMP) was prepared. The plan defined the initiatives necessary to reduce, reuse and recycle water in order to decrease the volume of fresh water withdrawn and the volume of treated effluent discharged. The plan also considered the viability of these initiatives from economic, social and environmental perspectives.

In the Matão (SP) plant, part of the treated water leaving the Effluent Treatment Plant (ETP) is now being reused to wash floors and irrigate the gardens. At the port terminal in Santos (SP), treated effluent is being used in the cooling towers, reducing the withdrawal of fresh water. Also at this terminal, the membranes for the treatment of effluents were replaced. This will enable an increase in the generation and consumption of reuse water in the next season, with a consequent further reduction in the withdrawal of fresh water.

In addition to these initiatives, the nature of the business results in the generation of water during the fruit juice concentration process. This extracted water can then be reused. This water, referred to as “plant

condensate”, is used for steam generation, washing fruits and cleaning the equipment and installations in the processing plants.

In the agricultural activities, 74% of the area under production has no provision for irrigation. In the case of the groves that are irrigated, the drip system is used. This system, which is considered to be one of the most efficient available today, economizes water and fertilizer by applying them slowly and directly to the tree’s root system. During the 2014-2015 Season, the company improved its monitoring of the climate and soil conditions with the aim of optimizing the use of water resources.

Performance and highlights of the period

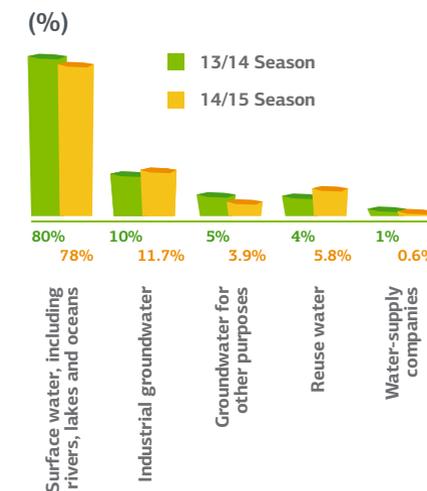
In the 2014-2015 Season, 32% of the industrial requirements for water were met from reuse water, a 4% increase compared to the previous season. The company invested more than R\$ 4 million in technologies for water recovery and efficiency such as the optimization of cleaning systems, recovery of water from plant condensate and caustic soda solution. In total, these initiatives resulted in a reduction of approximately 12% in the specific consumption of water (in liters/box).

The reduction in the consumption of surface water, which is the largest proportion of Citrosuco’s total water consumption, refers mainly to the irrigated areas. These areas, despite the use of optimization methods, are subject to climatic variations, which in this season were favorable, resulting in a lower water demand.

The increase in the absolute consumption of industrial groundwater was due to the higher volume of boxes processed compared to the previous harvest.

Total water withdrawn by source (in m³)

Source	13/14 Season	14/15 Season
Surface water, including rivers, lakes and oceans	28,668,166	27,802,031
Industrial groundwater	3,737,719	4,164,989
Groundwater for other purposes	1,726,905	1,373,015
Reuse water	1,529,859	2,062,142
Water-supply companies	222,536	225,912
Total	35,885,185	35,628,090



Energy management prioritizes the search for renewable sources and greater efficiency



Energy is a critical issue for Citrosuco, because of its importance for operations. The company seeks to increase its energy efficiency and achieve a cleaner energy mix by prioritizing the use of renewable sources. The renewable proportion of Citrosuco’s energy mix, mainly the biomass from sugar cane used for power generation, is greatly dependent on climatic factors, since they affect its availability. A reduction in the availability of sugarcane bagasse results in an increase in the use of energy from non-renewable sources. Over the recent seasons there has been a shortage of sugarcane bagasse and so our consumption of natural gas has increased.

As part of each planning cycle Citrosuco undertakes a review of its energy mix and evaluates the alternatives, considering economic, social and environmental factors. These alternatives include new sources of biomass, new technologies and improvements to processes which focus mainly on energy efficiency and flexibility. Over the last two seasons, the company has made progress in the use of renewable sources and has increased energy efficiency. Among the alternatives adopted were the burning of wood-chips, improvements to the natural gas burning system, increased co-generation of electricity and the production of biomass specifically for burning as a fuel.

Performance and highlights of the period

In 2014, 58% of Citrosuco's energy consumption originated from renewable sources. The proportion of the energy mix from non-renewable sources was mainly distributed between the use of natural gas in the industrial processes and fossil fuels in the logistics and agricultural operations.

In the 2014-2015 Season, the Matão unit (SP) was equipped with a new 2 MW steam turbine, which, with the same consumption of biomass, increased the plant's power co-generation capacity, thus reducing its dependence on external energy sources.

In the industrial processes, a reduction of 1% in electricity consumption in the 2015-2016 Season is expected due to the adoption of new technologies, such as high-efficiency motors and LED lighting.

Dedicated biomass production

In the 2013-2014 Season, Citrosuco financed the formation of a nursery specifically for **energy cane seedlings** that will serve as the basis of biomass production for use by the company. From 2016 onwards, the company expects to produce 60 thousand tons of energy cane per season, which corresponds to approximately 30% of the demand for biomass at the Catanduva (SP) plant.

This initiative, in addition to ensuring a continuous supply of biomass to the plant, will provide other benefits such as a reduction in diesel consumption due to the shorter distance for transporting biomass, a reduction in the internal movement of sugarcane bagasse and a longer sugarcane production cycle, which could extend to 10 years. In parallel, an enhanced strategy for transporting this biomass is being developed. The new strategy will enable it to be compacted, facilitating its storage and transportation.

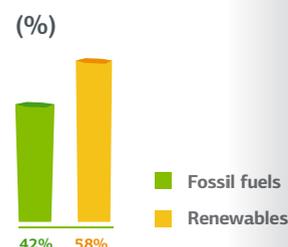
Energy cane is a type of sugarcane resulting from crossbreeding and genetic selection among sugarcane varieties with the aim of producing a high proportion of biomass content, typically greater than 70 metric tons of dry material per hectare/year.



The nature of the company's operations inherently results in a low generation of solid waste since 100% of the fruit solids are used in the industrial processes.

Energy consumption within the organization (GJ)

Source	Energy consumed		
	2013	2014	2014 in %
Fossil fuels	3,403,130	3,894,170	42%
Renewables	5,288,914	5,287,331	58%
Total	8,692,044	9,181,501	100%



Note: The data related to energy is accounted for on a calendar year basis. The data has been derived from the carbon inventory spreadsheet in order to ensure consistency in the reporting of this information. The data for energy consumption was calculated according to the GHG Protocol methodology for energy inputs (Scopes 1 and 2).

Effluents and waste: proper disposal and reuse are on management's agenda



The management of effluents and waste is an issue that has long presented challenges to governments, companies and society in general. All involved must reassess their actions and attitudes in order to reduce the unnecessary or inappropriate disposal of all types of waste.

As such, the subject is of great relevance for Citrosuco and it complies with the established environmental legislation and standards in order to avoid impacts on the environment and the community.

The company complies with the established environmental legislation and standards in order to avoid impacts on the environment and the community.

Effluent management

Citrosuco disposes of 100% of the effluents generated in its industrial processes in a proper manner, and with an efficiency level of not less than 90% in terms of the removal of impurities. The company also uses the fertigation method, an alternative process for effluent treatment. In this process, the industrial effluent, which is composed of more than 90% water and is free of heavy metals, is used in the fertigation of other crops, such as sugarcane. As a result, these crops, through a natural process, treat the effluent by absorbing the nutrients in its composition and returning the water to the soil.

Waste management

The company's management of the waste arising in its operations is carried out in an integrated manner with other aspects of environmental management. The nature of the company's operations inherently results in a low generation of solid waste since 100% of the fruit is transformed into commercial products or water, which is reused in the industrial process itself.

Citrosuco has established a Waste Management Plan (WMP), which defines the conditions for the disposal of the solid waste generated. The waste generated in the production processes is collected, separated by type and treated according to its classification, in conformity with the existing legislation and applying the 3 R's principles: reduce, reuse and recycle.

The ash resulting from the burning of biomass is mixed with biological sludge from the effluent treatment plant and composted. The resulting compost is a form of organic fertilizer which can be used in orange groves. In the 2014-2015 Season around 17 thousand metric tons of this

organic fertilizer were produced and used on company-owned farms or donated to local farmers.

Performance and highlights of the period

Of the total solid waste generated less than 1% was classified as hazardous. This consisted mainly of materials that had been contaminated with oil in the maintenance workshops for machinery and vehicles. The solid waste is stored internally and then collected by specialist contractor companies, prepared and authorized to provide the appropriate treatment.

During the season around 1,600 metric tons of ash were sent to landfill which represented an increase compared to the previous season. Of the total waste generated, 38% was reused in composting or recycling.

In a similar manner, the empty packaging from the use of pesticides is properly handled, prepared and stored internally until collection by authorized specialist companies for appropriate treatment.

Total weight of non-hazardous waste for disposal (metric tons)

Disposal of non-hazardous waste	13/14 Season	14/15 Season
Composting (by Citrosuco or third-parties when confirmed by the company)	44,441	17,177
Recycling	1,621	1,438
Landfill	858	2,102
Co-processing/refining	68	101
On-site storage	25,148	28,493
Others	0	31
Total	72,135	49,341

Note: The amount of composting produced for the 2013-2014 Season presented in the table is an estimate. For the 2014-2015 Season the amount of composting produced is the true amount since it was weighed.

Total weight of hazardous waste for disposal (metric tons)

Disposal of hazardous waste	13/14 Season	14/15 Season
External reuse/recycling	2	3
Incineration (or use as a fuel)	0	17
Co-processing/refining	152	83
On-site storage	113	96
Total	267	199

Note: Citrosuco classifies waste according to the guidelines set out in the Brazilian standard NBR 10.004 and the National Policy on Solid Waste (Law N°12,305/10).

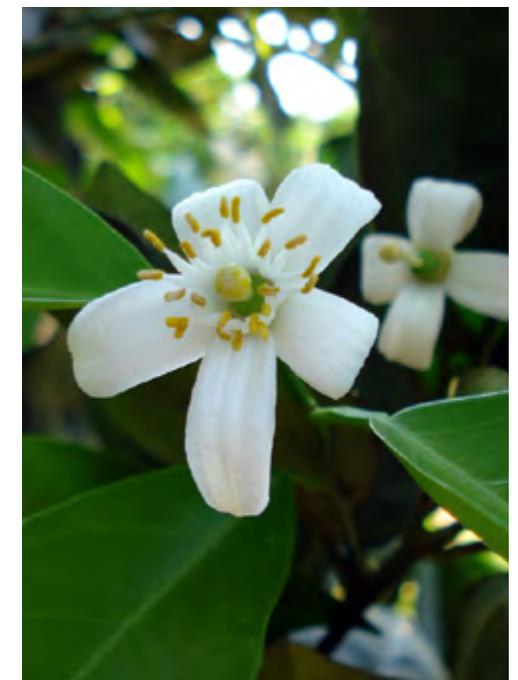
The reduction of the amount of hazardous waste observed in the 2014-2015 Season was due to the fact that, in the previous harvest, the residual oil used for co-processing corresponded to the accumulated amount for two seasons. The reduction in the amount of residual oil was also due to the increase in the length of time between tractor oil changes, from 400 to 500 hours.

Investments in environmental protection



The amounts spent on environmental initiatives reflected Citrosuco's commitment to improving its environmental performance. They demonstrated its level of maturity both in directing investments to mitigate or compensate for the environmental impacts of its activities, and in implementing improvements in the quality of the environment in which it operates. These efforts contribute to strengthening the company's relations with the community and its customers.

In the 2014-2015 Season, more than R\$ 11 million (including investments and expenses) were spent on environmental protection, 20% more than in the previous season. The highlights included: the planting of 22 thousand seedlings of native forest species in areas of ecological importance; processes to recover water and caustic soda; disposal of ash in landfills; and the installation of new gas scrubbers in the Matão (SP) plant.



Total environmental protection expenditures and investments by type

(Reais)

Total	13/14 Season	14/15 Season
Environmental prevention, education and management	322,080	1,194,489
Preservation, reforestation and biodiversity	61,217	117,268
Air emissions treatment	598,813	1,230,000
Waste treatment	1,173,955	951,485
Effluent treatment	4,324,162	5,364,467
Employee expenses - environmental area	2,374,175	2,061,630
Other environmental expenses	615,990	537,000
Total	9,470,392	11,456,339

Greenhouse gas emissions: focusing on reducing emissions



For some time the subject of greenhouse gas (GHG) emissions has been an important item on both national and international agendas. Companies have increasingly come under pressure from governments and customers to measure and report their emissions and seek alternatives to reduce them. In Citrosuco, the aspect is relevant from two perspectives. On the one hand the company has a positive impact due to the carbon sequestered by the orange groves. However, on the other hand, it also needs to manage and mitigate the negative impact of the emissions it generates, especially in its logistics operations, which include the transportation of goods by truck and by ship.

The company's direct GHG emissions (Scope 1) derive from sources that are owned or controlled by the organization. Based on the monitoring of these direct emissions, and the energy indirect GHG emissions (Scope 2) from the acquisition

of energy, the company has been able to implement measures to reduce emissions in its most critical operations.

Initiatives

Citrosuco seeks to minimize the GHG emissions generated in its operations by the use of renewable energy sources, increased energy efficiency and the correct use of fertilizers. The main energy source for the industrial area is sugarcane bagasse. This results in significantly lower GHGs emissions when compared to the use of petroleum-based products.

Furthermore, at the company's plants in Catanduva (SP) and Matão (SP), co-generation is used to provide electricity based on burning biomass. At the plant in Araras (SP) and the port terminal in Santos (SP) energy is generated using natural gas. Although it produces lower emissions compared to other fossil fuels (for example, fuel oil), unlike



The measurement and monitoring of GHG emissions include all phases of the operation, from the production of seedlings to the delivery of products

biomass, it is not a renewable fuel. In the case of the operating units dedicated to juice storage, the company purchases electricity.

The company's farms have also implemented initiatives to reduce GHG emissions, with a focus on increasing operating efficiency. Some of the highlights were: route-planning for tractor operations and the transportation of employees and goods, in order to reduce fuel consumption; analysis of the soil and orange tree leaves, to obtain information for planning the most appropriate nutritional package, with the aim of reducing fertilizer content.

It is also important to emphasize that the nature of Citrosuco's operations inherently contributes to mitigating emissions. The Intergovernmental Panel on Climate Change (IPCC) has concluded that agricultural systems sequester large stocks of carbon and therefore have a high potential for mitigating GHG emissions.

In 2014, Citrosuco's environmental conservation areas and orange groves are estimated to have sequestered 315 thousand

metric tons of CO₂. This is a conservative estimate that considers only 60% of the carbon sequestered in the environmental conservation areas.

Performance and highlights of the period

Citrosuco measures and monitors GHG emissions based on the guidelines established by the GHG Protocol and the international standards ISO 14040, ISO 14044 and PAS 2050. The monitoring covers all phases of the company's operations, from the production of seedlings to the delivery of the juice products to port terminals in Europe. In 2014, due to the low availability of sugarcane bagasse in the region's sugar and alcohol mills, Citrosuco began using natural gas in the Matão (SP) plant, thus increasing its Scope 1 emissions. Furthermore, the GHG emission factor for purchased electricity increased, directly impacting the company's Scope 2 emissions. This resulted from the increased proportion of energy from thermal power plants in the Brazilian energy mix due to the drought conditions in Brazil that reduced the availability of energy generated by hydro-electric plants.

Total GHG emissions broken down by Scope 1 (direct emissions) and Scope 2 (energy indirect emissions)

(metric tons of CO₂ equivalent)

Total GHG emissions	2013	2014
Scope 1	283,189	318,754
Scope 2	20,791	30,944
Total	303,980	349,698

Note 1: The information on GHG emissions is accounted for on the basis of the calendar year and not the season.

Note 2: The information on GHG emissions for the years 2013 and 2014 include those generated by the port terminals and shipping movements in Europe.

Note 3: The calculation for the G4-EN16 indicator includes emissions of CO₂, NO₂ and CH₄. The GHG emission and global warming potential factors follow the guidelines set by the IPCC and the GHG Protocol.

Transportation: impact management and efficiency in logistics



Citrosuco's transportation activities (road and sea) are extremely important for the company. The activities include the transportation of the fruit from the farms to the processing plants and the delivery of the company's products to customers in over 100 countries around the world. These activities are a major source of GHG emissions and can be accompanied by other adverse impacts, such as unsafe or inappropriate conduct by truck drivers, fuel leakage into the ocean, dust and noise, as well as the potential risk of them being used for transporting illegal products.

Thus, impact management and efficiency in logistics are essential to ensure that the delivery is made both on time and in a manner that preserves the company's reputation with its clients and the local community.

Road transportation

The majority of the road transportation activities are carried out by third-party contractors, although the company does own and operate a fleet of tanker trucks specifically designed for bulk juice. The third-party fleet

is strictly monitored, considering aspects of management, safety and the impacts on the environment. The average age of the company-owned fleet of tanker-trucks, which are responsible for transporting two thirds of all the juice products, is less than three years old. The newest trucks have larger capacity tanks (20% larger than the previous model), which has reduced the specific consumption of fuel per metric ton transported and increased the available capacity of the fleet.

During the 2014-2015 Season, the drivers of the company-owned fleet underwent training in defensive driving, economic driving (reduced diesel consumption), preventive vehicle maintenance and respect for the value of life in traffic, with an average of eight hours of training per driver. These training initiatives focused on increasing safety and reducing environmental impacts. The company's target is to double the amount of training hours during the next season.

The management of fuel consumption is carried out in partnership with a specialist com-



The implementation of fleet management by satellite has resulted in a productivity gain of more than 10% for the truck fleet

pany, Ecofrotas, with the aim of increasing transportation efficiency. The fleet uses S10 diesel fuel, which contains a lower concentration of sulfur. Fleet maintenance is carried out in accredited workshops to ensure the proper disposal of the waste generated.

Sea transportation

Citrosuco's shipping fleet is operated in accordance with the standards set by the International Maritime Organization (IMO), which is a specialized United Nations agency for promoting safety and pollution prevention in sea transportation. These standards include international conventions for maritime navigation, including the International Convention for the Safety of Life at Sea (SOLAS), and the International Convention for the Prevention of Pollution from Ships (MAR-

POL). Citrosuco's ships are certified by DNV GL Maritime, according to the standards of the International Association of Classification Societies (IACS), and have Flagstate registration. These conditions ensure that the company's ships are in compliance with international maritime navigation standards.

The effective planning of production and shipping routes enables the ships to navigate at lower average speeds, consequently economizing fuel and reducing GHG emissions.



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Logistics highlights

The main results achieved in the season, and the actions planned, in logistics are as follows:

- Fleet management by satellite, resulted in a gain of over 10% in the productivity of the truck fleet, with the potential to increase this to 18% next season.
- Projected savings of 15% for the 2015-2016 Season for the transportation of biomass, due to improvements in the transportation system.
- Improvements in the shipping fleet's maintenance systems and fuel consumption. This will be monitored on a daily basis in the 2015-2016 Season.
- Project to centralize port and shipping operations in Europe, which will reduce costs and the number of ship journeys.

Responsible supply chain

Working conditions, occupational health and safety management

The performance of an organization depends significantly on the quality of the working environment for employees and third parties. The health and safety conditions in the workplace affect the employee's motivation and physical comfort, and this has consequences for the company's results. Low rates of injuries and absenteeism are generally a reflection of the positive outcomes from a safe and productive work environment. Additionally, the training courses offered by the company are a demonstration of its commitment to employee development and contribute positively to the organizational climate and productivity. These are topics which are increasingly present on the agenda of multi-lateral institutions and customers.

Citrosuco respects its employees, complies with the labor laws and requires the same behavior from its suppliers. Brazilian workers are protected by the domestic labor laws, international commitments ratified by the Government, and by the class associations representing the various professional categories.

The "Value of Life" program

Citrosuco's "Value of Life" Program contributes to the management of occupational health and safety. It provides direction to the company's policies, procedures, controls and training and aims to instill a culture of health and safety in the employee's way of behaving and acting. The program applies to the whole organization and on a continuous basis. It is based on positive concepts including, valuing life, proactive attitudes and the safe behavior of every employee.

The management system for Health and Safety and the Environment, which has been

gradually built up in recent years, is based on the main risk management and loss prevention methods used in the market. Leadership, training and effective communication are important enablers of cultural change, supported by the applicable legislation and the exchange of experiences and best practices between units.

Engagement and monitoring

An environment of safe and precautionary behavior can only be achieved through an individual commitment made by each and every employee. The company's efforts to engage the individual are supported by specialists, such as safety technicians and occupational health nurses, who are present in all units. The Weekly Safety Dialogue (WSD) is one of the tools used to provide



Campaigns encourage a culture of safety in the employee's day-to-day routine

guidance. It brings together own employees and third-party contract workers to discuss health, safety and environmental issues, especially those related to the safe execution of the work activities.

Since the main challenges to health and safety arise in the day-to-day activities, then when a deviation from the norm or an unsafe act is identified, the person involved undergoes a safety recycling process and is subsequently closely monitored by his/her manager. The company also launches educational campaigns aimed at promoting workers' health.

Disseminating a health and safety culture

When new employees are admitted to the company, including the **seasonal employees**, they pass through an integration process where they undergo training in the company's staff management practices, safety and environmental rules and operational standards. The dissemination of a health and safety culture is also reinforced by the Internal Week for Accident Prevention (Sipat), which includes training on workplace safety, food safety and quality.

Accident investigation

Accidents are classified by type, with and without lost days, and are monitored by specific indicators which are analyzed at the leadership meetings. Accidents with lost days are reported immediately to the health and safety team and to management, and are evaluated and investigated. The evaluation methodology, Root Cause Analysis, consists of an investigation of the incident and the adoption of measures to prevent its recurrence, thereby generating a learning cycle. This process stimulates the planning of prevention measures and promotes a discussion among all those involved.

Performance and highlights of the period

The safety indicators for the 2014-2015 Season are shown in the table below.

In response to these results, specific preventive actions were implemented to eliminate the observed deviations in behavior norms, which were one of the main causes of the accidents, and to reinforce or revitalize the various programs of the management system for health, safety and the environment, during the period of this report.

Seasonal workers: these include those working in industry and those on the farms picking fruit. They all sign an employment contract for an indefinite period, which is regulated by the Consolidation of Labor Laws (known as CLT)

In the industrial operations, progress was made in the management of third-party contract employees due to the introduction of new practices and methods in recent years.

Occupational safety indicators

Occupational Safety indicators	13/14 Season	14/15 Season
Injury frequency rate with lost days	6.53	6.69
Injury frequency rate, with and without lost days	10.83	9.16
Injury severity rate	61.64	88.44

The main HSE programs implemented in the 2014-2015 Season:

- **Valuing Life in Traffic Program:** corporate training course for drivers that provides guidelines for actions related to the prevention of traffic accidents. This course is obligatory for anyone who drives a company vehicle on business. The course lasts for three hours and was taken by 1,957 people during the season. Program was carried out in a coordinated manner, with the objective of increasing the awareness of employees in relation to decision-making on safety issues on a daily basis, and to appreciating the value of life. Overall, 230 events were held, which amounted to 255 hours of activities and involved a total of 11,300 participants.
- **“Value of Life” Communication Channels:** this program is a tool for the communication of issues related to health, safety and the environment. It was launched in October 2014, in the industrial units, and enables employees to submit their suggestions to improve day-to-day procedures or report complaints or allegations on HSE topics. This campaign has established three formal communication channels (e-mail marketing, brochure, and a dedicated e-mail address). All employees have been informed and encouraged to participate. For its first year of operation, the program set a target of 1.1 communications per employee and, in the event, achieved a result of 1.45. There were also specific initiatives for the agricultural area, as follows:
 - Training courses provided by the National Service for Rural Education (Senar) for those employees who were exposed to pesticides and those who operated chainsaws;
 - Use of a check list for mechanized activities such as, harvesting, loading and employee transportation;
 - Discussions among the various work groups (seasonal and permanent employees) on health and safety issues;
 - Training of knowledge multipliers and provision of courses on defensive driving on dirt roads aimed at motorcyclists;
 - Practical training in harvesting techniques administered by both the company’s and Senar’s safety technicians.
- **“S” Day:** the “S” Day is a day dedicated to increasing awareness in relation to safety at work. In the 2014-2015 Season, the “S” Day involved 1,500 employees, own and contracted, aiming at stimulating their participation and engagement in the prevention of accidents.
- **Integrated Sipat Program for 2014:** The Internal Week for Occupational Accident Prevention (Sipat)

The company’s people management system values employee development and meritocracy



Citrosuco recognizes the importance of the role of its employees in building the company’s future success, and values their contributions.

opportunities and appropriate workplace conditions to enable such inclusion.

Workforce profile

In common with other agribusiness companies, in addition its team of permanent employees, Citrosuco also hires seasonal workers, in both the industrial plants and in the agricultural area, during the orange harvest.

At the end of the 2014-2015 Season, Citrosuco’s had more than five thousand permanent employees. During the harvest period the company’s total workforce rose to over 12 thousand people. In order to stimulate young people to initiate their professional training in the sector, the company has developed specific programs for interns and apprentices. This season, Citrosuco employed 15 interns and 65 apprentices. In the company’s overseas operations, it employed 208 people on permanent contracts.

Furthermore the company has reinforced its role in relation to social inclusion, particularly in relation to the employment of people with disabilities, by providing professional

Own employees by age group and gender - 2014-2015 Season

Employee category	Age group			Gender		Total
	30 years old	30 to 50 years old	Over 50 years old	Men	Women	
Permanent employees						
Total permanent employees	1,504	3,148	1,004	4,119	1,537	5,656
Seasonal employees						
Industrial operations	217	207	22	240	206	446
Agricultural operations	2,534	3,456	685	5,058	1,617	6,675
Total seasonal employees	2,751	3,663	707	5,298	1,823	7,121
Total	4,255 33%	6,811 53%	1,711 14%	9,417 74%	3,360 26%	12,777

Note 1: The number of employees reported above is the figure from the management report dated June/2015 (closing month of the 2014-2015 Season).

Employee development and career management

Citrosuco invests continually in the development of its leaders since it believes that the exercise of leadership is the foundation of its strategy and one of the pillars of its management approach. In the 2014-2015 Season, Individual Development Plans (IDPs) were prepared for all senior management executives. The IDPs included actions in terms of coaching and courses at top-rated business schools, as well as exposure to new challenges that develop greater business vision and new skills.

In view of its new strategic planning cycle, Citrosuco initiated a process of reflection upon its way of being and the behavior expected of its leaders. The goal of this process is to consolidate a culture that is capable of generating results based on a working environment that fosters partnership and the development of new solutions, a greater degree of integration and synergy among

people and areas, the promotion of a atmosphere of meritocracy and the anticipation of trends and business needs. During the coming season the performance of all leaders will be evaluated. This will be the first step of an evaluation cycle that will provide feedback for employee development initiatives and the company's succession plan.

In addition to the leadership team, employees in the administrative and operational areas will undergo training. This will be designed to meet the needs that were identified by managers in annual evaluations and prioritized according to each area's training plan, with the support of the Human and Organizational Development (HOD) area. As part of the ongoing training and development programs around 105 thousand hours of training courses were administered in the 2014-2015 Season. This represented an average of 17 hours of training per employee and was distributed across all the functional areas of the company: administrative, opera-



The company's approach to people management values equal opportunity, and employee development and well-being



The Internal Recruitment Program ensures that all employees have the opportunity to apply for new job vacancies

This figure included the hours of training for industrial seasonal workers. It does not include the hours of training for fruit pickers- this information is not available

In the 2013-2014 Season there were **16 hours training on average.**

All the industrial seasonal workers participate in an integration program, lasting for one week. The program provides theoretical and practical training on technical matters related to the exercise of the function, and also to safety, health, the environment, quality and group dynamics, to stimulate teamwork. In their routine work, they are closely monitored by employees with prior experience in the position. Where necessary, additional training is provided to fully integrate the seasonal employees and ensure the safety of operations.

More information on page 50

During the season, two initiatives related to the **program for health, safety and the environment**, in addition to training targeted specifically to these issues, gained prominence in the 2014-2015 Season: Training School and Pronatec.

The pilot program for the "Training School" initiative focused on the training of supervisors in the agriculture area. It

began in November 2014 and lasted for 10 months. The participants attended the course on a full-time basis, and the training included both theoretical and practical classes. The course modules were designed around the key issues for the agricultural area, such as disease inspection and the application of herbicides. This season, 15 supervisors from three farms participated in the program. In the coming season the program will be upgraded, with the aim of surpassing the results already achieved.

In partnership with the National Program for Access to Technical Education and Employment (Pronatec) and the National Industrial Training Service (Senai), Citrosuco offered a total of 77 places in training courses in mechanics to both its employees and members of local community. The classes took place outside working hours, making it possible for all interested parties to participate in these courses. For the next season, the goal is to expand the range of subjects offered and extend the program to the industrial units.

Compensation system

One of the consequences of Citrosuco's new organizational structure, which was constructed in a process beginning in 2012, was that the company ended the 2013-2014 Season with a single, unified compensation policy for the whole company. The new policy standardizes the system of rewarding and valuing its employees. Part of the good results obtained in the 2014-2015 Season can be attributed to the improvement in the company's internal atmosphere of trust resulting from the restructuring of the compensation policy.

Seasonal employees

The salary and benefits of seasonal employees follow market practices. They are employed under contracts with an indefinite term and receive the respective state's minimum salary which is higher than the national minimum salary. The benefits include life insurance and a monthly package of staple food products.

Benefits

Citrosuco's benefits package is a fundamental component of the employee's total compensation, and consists of:

- **Medical and dental care:** ensures a high level of quality in the healthcare services provided to employees and their families, through partnerships with the leading companies in the sector, in the markets in which the company operates.
- **Life insurance and funeral assistance:** covers 100% of the workforce with coverage extended to include spouses and children. The company pays 50% of the costs.

- **Transportation:** all employees either receive transport vouchers or travel to/from work on buses chartered by the company.

- **Restaurant:** in those units with restaurant facilities, employees are provided with breakfast, lunch and dinner, based on menus prepared by nutritionists. In the units without restaurant facilities, meal vouchers are provided.

- **Food vouchers:** these are provided to all operational and administrative employees in the industrial units, up to the level of supervisor, and to the administrative employees in the agricultural units. The employees at the operational level working in the agricultural units receive a monthly package of staple food products.

- **Subsidized medicine:** all employees in the industrial area, and their dependents, have access to company agreements with healthcare providers. The company pays 50% of the cost of medicines (with a prescription).

- **Supplemental salary:** this program supplements the employee's salary during the lay-off period (up to 180 days) when the employee is being paid by the social security system. All employees in the industrial area and the administrative employees on the farms are entitled to this benefit. The amount is paid through the company's pay-roll system and corresponds to the difference between the employee's nominal salary and the amount paid by the National Social Security Institute (INSS).

- **Christmas Hamper:** this is distributed to all employees.

- **Coopernitro:** this is a non-profit credit cooperative that provides financial services to its members, as follows: stimulates the habit of regular saving; provides financial advice to help manage finances; provides financial assistance in emergencies (at low interest rates compared to the financial markets); and promotes a system of mutual solidarity and assistance for the benefit of all members.

Salaries

The company's salaries are negotiated under collective agreements with the trade unions representing each job category, and are established considering the reality of each region.

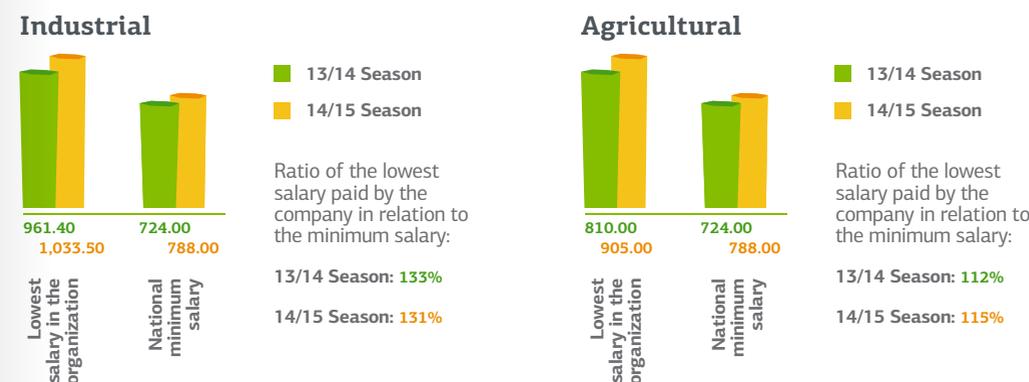
All Citrosuco's employees have an employment contract that is governed by the rules set out in the Consolidation of Labor Laws (CLT). In relation to the

agricultural area, the company establishes its salaries based on information obtained from [specialist media reports](#) regarding the official minimum salary levels for the state of São Paulo and for Brazil as a whole. The minimum salary levels established by Law 12,640/07 of the state of São Paulo will apply, unless there are higher minimum salary levels defined by federal law, or a collective bargaining agreement.

For the industrial areas, Citrosuco's salary levels are based on a standard floor salary for each category which is established by the class association representing the food companies. This floor salary is usually higher than the national minimum salary. No Citrosuco employee, in any industrial unit, receives a salary which is less than the standard floor salary for the sector.

For more information please refer to the websites of the São Paulo State Government (<http://www.saopaulo.sp.gov.br>) and the Ministry of Labor and Employment (<http://www.mte.gov.br>)

Variation in the ratio of the lowest salary compared to the local minimum salary at significant sites of operation (R\$)



Note: The same values apply to both men and women.

Note: The same values apply to both men and women. It should be noted that the values reported refer to the employee's base salary. In the case of agricultural employees the time spent traveling to/from the work site is also paid.



Citrosuco has developed a structured program for hiring fruit-pickers that applies to all regions in Brazil

Management of migrant workers during the harvest

Due to the economic development of the Brazilian economy, the specialist manpower who traditionally worked on the orange harvest in the state of São Paulo was absorbed by other industries. To resolve the situation, Citrosuco set up a project to contract rural workers from other Brazilian regions to work during the harvest. There are specific laws and procedures for contracting migrant labor, all of which have been fully complied with by Citrosuco.

For the 2014-2015 Season, Citrosuco contracted seasonal employees as fruit pickers who came from 55 municipalities in the Northeast region of Brazil.

The process involved the identification of the needs of the operation and the evaluation of market practices and applicable legislation for the recruitment, transportation and accommodation of these workers. After the initial planning phase, a Citrosuco recruitment team, with support from the National Employment System (SINE), traveled to the states of Bahia, Piauí, Alagoas, Sergipe and Pernambuco to conduct a selection process. The selected candidates signed an employment contract which was immediately registered in their Employment Record Booklet in the respective locality, thus ensuring their labor rights.

At the time of hiring the candidates received information on the conditions for transportation and housing. The transportation and meals during the journeys to/from the place of work are paid by Citrosuco.

The workers' accommodation is distributed in 40 cities, which are close to the company's farms, and are equipped with cookers, refrigerators, tables, chairs, kitchen utensils, beds and sheets. Citrosuco also provides food for each worker and a daily cleaning service. The payments for rent, water and electricity are made by Citrosuco and deducted in part from the worker's salary via the pay-roll.

For this group of workers, the company also provides benefits which contribute to improving their quality of life, including life insurance and preventive health measures, such as the fight against prostate cancer.

Social workers make weekly visits, providing advice on access to public services, and on health and hygiene. The accommodation units are overseen by two full-time supervisors, supported by two others when needed.

By these actions Citrosuco is not only complying with the legislation but also providing opportunities for employment and development for a number of regions in Brazil.

Performance in the period

Total number and rates of new employee hires by gender and age group

New hires of own employees admitted during the period covered by the report - Brazil

By gender	13/14 Season	14/15 Season
Female	384 7%	436 8%
Male	952 17%	793 14%
By age group		
Less than 30 years old	635 11%	581 10%
Between 30 and 50 years old	596 11%	569 10%
More than 50 years old	105 2%	79 1%
Total	1,336 24%	1,229 22%

● Rate of new hires (%) in relation to the total workforce - the figures do not include apprentices and interns



Total number of employees and turnover rate by gender and age group

Turnover for Citrosuco - Brazil		
By gender	13/14 Season	14/15 Season
Female	1,501 2.2%	1,495 2.5%
Male	4,062 2.1%	4,081 1.7%
By age group		
Less than 30 years old	1,491 3.5%	1,425 3.3%
Between 30 and 50 years old	3,123 1.7%	3,147 1.6%
More than 50 years old	949 1.2%	1,004 0.9%
Total	5,563 2.1%	5,576 1.9%

● Turnover rate - the figures do not include apprentices and interns

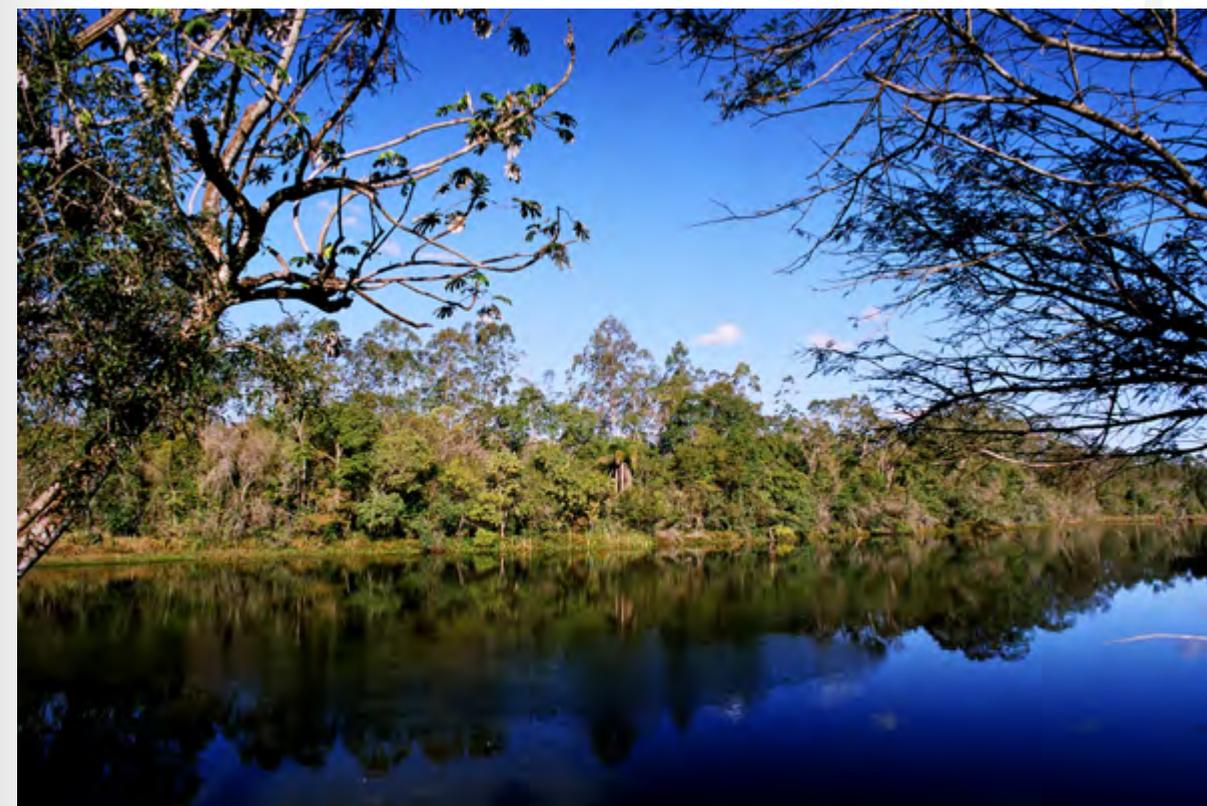
Citrosuco calculates employee turnover as the average of the number of employees terminated and admitted compared to the total company workforce. The company's goal is to continue to position its hiring salaries and benefits within the market average and maintain a turnover rate of between 1% and 5%.

Farm management focuses on biodiversity, product quality and the company's reputation

The responsible management of productive areas



Citrosuco's rigorous control of protected and restored habitats demonstrates its commitment to biodiversity conservation and enables it to manage the impacts of its activities. Citrosuco's initiatives to conserve biodiversity include the control of areas protected by law, that is, the Legal Reserves and Permanent Conservation Areas (APPs), as well as the responsible management of its productive areas. The company adopts parameters for soil management and the application of fertilizers and pesticides that comply with Brazilian standards and meet criteria required by its international customers. These initiatives contribute positively to conserving biodiversity, as well as improving product quality and strengthening the company's reputation.



The company monitors protected and restored habitats

Rational use of land

One of the most effective ways to reduce the need to expand the area under production is to increase the productivity per hectare of the existing groves. This approach, in addition to increasing the productivity potential, improving efficiency and reducing costs, minimizes the environmental impacts. By proceeding in this way, Citrosuco is seeking to adopt the best agricultural practices regarding the management of both existing and new groves by increasing the tree density. Currently the most productive groves have a tree density that is up to 40% higher than the older groves.

One of the ways to demonstrate the fruit growers' respect for social and environmental issues, including biodiversity, is through certification, for example, by the Rainforest Alliance. In Brazil the certification is verified by the Institute of Forest and Agricultural Management and Certification (Imaflora). Citrosuco has obtained this certification for a farm, Fazenda Constância, which is located in

the municipality of Altair, in the state of São Paulo.

In addition to the responsible management of its productive areas Citrosuco also conserves and develops its Legal Reserve and APP areas. At the company's farm, Entre Rios, an ecological corridor of 5,000 m² was implemented in January 2013, to link the Legal Reserve, an area of 2,500,000 m² to the APP. The corridor is approximately 3,000 meters long and runs between a stream and the beginning of the productive area. The aim is to mitigate the effects of the fragmentation of ecosystems by connecting them. The corridor facilitates the movement of animals and seed dispersal and increases vegetation cover, thus creating conditions that favor the development of fauna and flora. The actions taken to recover this area included the planting of native tree species, the installation of ecological bird perches and branch networks (used as refuges by animals and birds).

At the company's farm, Fazenda Constância, the environmental police have been

For more information on this and other certifications please refer to page 75 and 76



In the 2014-2015 Season Citrusuco identified and measured its Environmental Protection Areas in the states of São Paulo and Minas Gerais in order to comply with the requirements of the Rural Environmental Register (CAR)

granted the use of a protected area of approximately 1,200 hectares of native forest for the release of wild animals that are captured or rescued from irregular forms of captivity.

During the course of the season, Citrusuco identified and measured its Environmental Protection Areas in the states of São Paulo and Minas Gerais to conform to the requirements of the Rural Environmental Register (CAR). In total the company identified 17,534 hectares of vegetation that were encompassed by the current legislation. In the future it will be necessary to classify the biome of each forest fragment (as Cerrado or Atlantic Forest) and evaluate the possible compensation of areas among the company's farms.

Control of Greening

Infestation by greening, one of the biggest risks facing the global citrus industry, has now affected more than 60% of the orange grove blocks in the state of São Paulo and virtually 100% of those in Florida, in the United States. Greening, which is also known as Huanglongbing (HLB), is a bacterial disease transmitted by an insect of the psyllid family, *Diaphorina Citri*.

Currently, no commercial variety of crown or rootstock is resistant to the disease. The bacteria spreads from the initially infected branch to the tree as a whole, affecting the crown, turning the leaves yellow, increasing the fruit drop rate and thus lowering the tree's productivity. Even though it presents no risks to consumer health, the disease increases the fruit's acidity, thus changing the juice's characteristics.

Citrusuco has contributed to searching for solutions to fight the disease by entering into partnerships with the Brazilian Company for Agricultural Research (Embrapa), and research institutions located in the United States. The proportion of infected plants in the company's groves is less than 1%, significantly below the national average of as much as 18%. Citrusuco achieved this result by the strict control of its own groves and the close monitoring of the areas surrounding its farms, in order to minimize potential outbreaks. The company's main practices to combat the disease are as follows:

- Inspection and marking of trees with disease symptoms;
- Capture and visual inspection of insects to identify the psyllids;

- Uprooting of trees with symptoms within seven days;
- Spraying to control the psyllids;
- Increasing the width of the borders separating farms;
- Breeding and release of natural enemies and;
- Monitoring and biological control of neighboring groves.

Citrusuco has invested in the planting of new trees to replace those uprooted due to greening in groves of up to 12 years old. This practice has proved to be of fundamental importance for sustaining grove productivity.

For the last three years the company has hosted an annual workshop on greening to deepen the discussions and exchange knowledge on the subject. The workshop was attended by specialists from Citrusuco, Fundecitrus and teaching and research institutions. This was a working meeting where Citrusuco presented its results, the lessons learned and the difficulties faced, as well as its latest research. The main result was the sharing of knowledge and the identification of the main challenges in combating greening. This contributed to providing direction for future initiatives for both Citrusuco and the scientific community.

Estimates made by the Citrus Defense Fund (Fundecitrus) for Brazil



Supplier management



Relations with suppliers are based on food security, the sharing of best practices, compliance with legislation and conducting business in a responsible manner

Citrosuco regularly evaluates its suppliers' performance with respect to labor practices, human rights and environmental criteria. This evaluation process is part of the risk management system for these topics, and it also provides information for structuring development programs. Such initiatives contribute to improving the quality of fruit supply and strengthening the company's relations with these partners.

This approach, based on a frank and transparent dialogue, enables the company to avoid potentially significant negative impacts, principally those related to human rights. These risks can be avoided or mitigated by means of contracts or other types of agreements. The main impacts associated with supply chain management are those

related to the company's image (positive or negative), labor and human rights risks, valuing people, transparency of negotiations and the development of new suppliers.

Citrosuco requires that all suppliers conform to the company's own standards and manages and monitors their performance by means of contracts, audits and business interactions. Suppliers are expected to act in an ethical and responsible manner, with an emphasis on safety, compliance with environmental requirements and respect for human rights.

Fruit growers

Fruit growers are an important stakeholder group for Citrosuco. The fruit purchase/sale contracts include clauses that require

the grower to comply with Citrosuco's technical specifications, with sector obligations and with the regulations established by the Ministries of Agriculture, Livestock and Supply and Labor and Employment.

The company has established a specific program for the relations with fruit growers, based on food security, the sharing of best practices, compliance with legislation and conducting business in a responsible manner. The program aims to achieve closer relations with fruit growers in order to ensure the safety, quality, and nutritional and functional benefits of the products and to generate value along the entire supply chain.

In recent seasons the program's initiatives have focused on food safety, including the development of the Manual for

the Application of Agrochemical Products and the "Good Spraying" program, supported by educational leaflets and practical training courses to instruct farm workers on the correct use of pesticides.

In the 2013-2014 Season, 100% of the fruit growers in the monitoring program for the application of agrochemicals received training. Following this, in the 2014-2015 Season, the company offered training to all its fruit growers regarding strategies to combat greening, environmental management, and economic and financial planning. About 50% of the company's base of fruit growers, mainly small and medium-sized growers, participated in the training courses. Overall the company provided more than 1,500 hours of training, with an average of five hours of training per grower.

FAIRTRADE ORANGE JUICE

Since 2014 Citrosuco, in partnership with COPERFAM (Cooperative of Family Farm Growers) has been working on developing a market for Fairtrade orange juice, in order to provide support for family farms. The company has provided support for initiatives in sustainable development in all stages of the production chain and, at the same time, has ensured a higher added value for both the product and the orange grower. The Fairtrade system, to fulfill its underlying principle of "fair" trade, requires that growers, processors, bottlers and end customers work together as partners.

COPERFAM, which is based in the Northern citrus belt of the state São Paulo, is composed of around 50 family farmers. In 2014 it obtained approval to market and sell its oranges within the Fairtrade system. To obtain approval the growers were subjected to an external certification process, which evaluated economic, social and environmental aspects of their properties. Citrosuco, also in 2014, obtained Fairtrade certification for its orange processing plants, and its logistics and product sales operations, and began focusing efforts on developing markets and customers.

For more information please refer to: www.coperfam.com.br and www.fairtrade.net

In addition to these actions, the company is developing a methodology for the assessment and approval of fruit growers based on social, environmental and economic criteria.

Guidance on the use of pesticides

Citrosuco has established an Agrochemical Products Application Monitoring Program that aims to ensure the proper use of the pesticides authorized for citrus production in Brazil. The proper application includes respecting the pre-harvest interval (time between the application of the product and the harvesting of the fruit) and complying with the legislation of the main orange juice consumer markets.

The program focuses on raising the awareness of fruit growers and providing them with training. It also includes the transfer of technology to promote safety, the correct use and appropriate disposal of the packaging of these products. All these initiatives aim to maintain the safety and quality standards of the fruit, ensure the safety of the workers involved and contribute to the conservation of biodiversity.

The growers input information on the use of pesticides, for each orange grove block, by e-mail or phone or through the company's internet website. Each block is only authorized for harvesting after being verified for compliance with the program's requirements. The condition of the fruit is evaluated by testing samples both in the groves and when received at the processing plant. The samples are analyzed for chemical residues in order to identify possible non-conformities. The growers who deliver fruit which are not in compliance with the program criteria may have their truckloads refused or even their contracts terminated.

Suppliers of inputs and services

The suppliers considered to be critical undergo an approval process in which economic, social, environmental and quality aspects of their products and services are evaluated. One of the stages in this approval process is an audit conducted on the supplier's premises by trained Citrosuco specialists. In total, 44 suppliers, representing 5% of the total number of suppliers of inputs and services, have been approved under this process. The approval is valid for five years. In the 2014-2015 Season, a supplier of plastic drums was approved.

By means of two projects included in Citrosuco's strategic plan, that is, the Supplier Management Program and the Contract Management Program, the company is in the final phase of the selection and purchase of a system for the strategic management of suppliers of inputs and services. The system controls the registration, approval and evaluation of current and potential suppliers and makes the contracting process more efficient by considering environmental, human rights, labor, social, financial and quality aspects. The system will be implemented during the coming season, thus making it possible to expand the number of approved suppliers.

Logistics service providers

Citrosuco's outsourced truck fleet is constantly monitored and undergoes an approval process, valid for five years, which evaluates aspects of management, safety, human rights, labor rights, and social and environmental issues. In the 2014-2015 Season, Citrosuco approved 32 companies, which corre-

sponded to 64% of the total number of logistics service providers.

In the season the highlight in this area was the implementation of the sugarcane bagasse logistics project. The project was developed by the Logistics, Procurement and HSE areas in partnership with the respective transportation companies. Sugarcane bagasse is Citrosuco's primary source of biomass in the municipalities of Matão (SP) and Catanduva (SP). The purpose of the project was to approve the truck drivers employed by these service providers, on issues related to health, safety and the environment.

The first stage of the project, which lasted four months, included training related to the prevention of accidents and environmental risks, working at heights, defensive driving and the use of personal protective equipment. In addition to receiving training, each driver underwent a clinical and

documentation assessment, in accordance with the relevant legislation. This stage of the project was completed by almost 100% of the target population, which was comprised of 140 truck drivers. In the following stages the program will be extended to other forms of transportation.

In the case of sea transportation, only one ship in the company's fleet is outsourced. This ship is operated by a Norwegian company, Gearbulk, and meets the international standards relating to human rights, and labor, social and environmental practices, established by the International Association of Classification Societies (IACS) and has Flagstate registration. Gearbulk has also obtained ISO 14001 certification for its operational and sales offices, which provides guidance for its management of environmental impacts, and is a member of the Maritime Anti-Corruption Network (MACN).

Operating units that have undergone reviews or assessments on impacts related to human rights

The mapping and prioritization of the operational impacts and risks in the social context enabled the company to be proactive in finding solutions and opportunities for improvement in stakeholder relations, by minimizing these impacts in the communities in the region. In the 2014-2015 Season, all of Citrosuco's industrial operations and 50% of its agricultural operations were evaluated according to environmental, human and labor rights criteria.

The criteria used to assess the operating units are based on the Brazilian legislation and on the guidelines of international certifications such as Sedex SMETA 4-Pillar, ISO 14001, CONAMA 308, Rainforest Alliance, OHSAS 18001 and SGF, as well as internal parameters. The evaluation criteria adopted by the company seek to mitigate the occurrence of significant negative impacts, actual or potential.

For more information on certifications please refer to pages 75 and 76

Social engagement

Citrosuco believes that sustainability aspects can be a source of competitive advantage. For this reason it is important to understand how these aspects relate to the company's strategy and impact its main stakeholder groups.

These are defined as groups which affect, or are affected by, the company's various interests. Stakeholder expectations in relation to the company's operations, organizational behavior and products are continually evolving, and so require rapid and transparent responses.

Learning to dialogue with stakeholders and developing the skills to understand and manage the pressures and their many and varied points of view has become an important asset that can contribute to mitigating risks and seizing opportunities. These efforts foster the strengthening of relations and the creation of mutual value, thus legitimizing Citrosuco's operations and contributing to its long-term business continuity.

Management of impacts involves assessment, engagement and development

The management of actual and potential impacts on the local community that arise from Citrosuco's activities encompasses the assessment of the impacts, engagement with the community and the development of mitigation initiatives. These actions are of fundamental importance not only for maintaining the company's social license to operate but also for strengthening its brand and reputation.

In the 2014-2015 Season, Citrosuco invested R\$ 1.16 million in social projects, benefiting 244 people

Community relations initiatives

Citrosuco seeks to develop relations with the communities surrounding its operations to promote their development and to create mutual value. To this end, in addition to carrying out initiatives to mitigate the impacts of its activities, the company develops projects in the community in the areas of education, sport and professional training.

In the 2014-2015 Season Citrosuco invested R\$ 1.16 million in social projects that benefited 244 people.

Pescar Project

This project, developed in partnership with the Pescar Project Foundation, aims to provide professional training for young people, aged between 16 and 19 years old, who are in socially vulnerable situations. The program aims to facilitate their integration into the labor market and is based on three pillars: Citizenship, Social Skills and Professional Training. The course consists of an average of 900 hours of lessons per class, of which 60% is focused on social skills and citizenship and 40% dedicated to the spe-

cific area of professional training. The methodology meets the requirements of the Apprenticeship Law, established by the Ministry of Labor and Employment.

In the 2014-2015 Season, the project inaugurated a new unit of the program, in Catanduva (SP), taking the total number of units in partnership with Citrosuco to four. In total, 84 young people participated in training courses, in the following professional areas and locations: Administrative Services - Matão (SP); Industrial Operations - Catanduva (SP); Logistics - Santos (SP); and Agro-industrial Operations - Araras (SP). Of these participants, 80% were able to find a job after completion of their courses.

A participant's opinion

“

The Pescar Project was the best opportunity I've ever had in my life. On the first day, I thought it would be like any other course, only inside a company. The project taught me about the world of work, the kind of people I'd have around me, and today, I would just like to thank the Foundation for a wonderful course, Citrosuco for bringing the Pescar Project to Catanduva and my teacher for believing in me.”

Gabryel Vieira Alves, 17 years old, resident in Catanduva (SP).



“

The Pescar Project was totally different from what I expected. Leaving my comfort zone, speaking in public, learning to be less dominating, talking about my feelings, asking for help and letting people do things for me, were just some of the things that have changed my way of being. I have learned to change and be a better person, to give my best in everything I do. I have learned not to give up and to believe in my dreams, since I'm the only one who can achieve them.”

Giane Thainá Carvalho da Silva, 19 years old, resident in Catanduva (SP).





The project promotes sport and teamwork, and values school and family

Schools Sports Project (“Bom de Bola, Bom na Escola”)

The program is aimed at children and young people in vulnerable situations who are between 10 and 16 years old, residents in the municipality of Matão (SP) and students in the municipal school network. The project promotes sport and teamwork, and values school and family. The participants attend football classes five times a week, with the support of a coaching team, and good infrastructure facilities, which are made available by the municipality, and maintained by Citrosuco. In addition, the project organizes outdoor activities such as visits to the Association of Parents and Friends of Exception-

al Children (APAE), participation in municipality social campaigns, and lectures given by the Educational Program for Resisting Drugs (Proerd), a project of the Military Police of the state of São Paulo.

In return, the participants are required to attend school regularly and perform well, which they demonstrate by presenting their school reports and maintaining contacts with teachers and school principals. In other words, the project links sport to education, aiming to increase the level of schooling and reduce dropout rates.

The project is carried out in Matão (SP) and since it began, in 2003, it has benefited about 110 children and young people each year.

Cambuhy Agricultural School

This initiative provides supplementary education, outside of school hours, for children enrolled in rural schools in the region of Matão (SP), by means of classes in arts, sports, music and caring for the environment. The project, a partnership between Citrosuco and Cambuhy Agrícola, takes place on a farm, Fazenda Cambuhy, and benefits about 50 children. The municipal school is the only one serving the rural area.

Environment Week

As part of its program for relations with the community, and to celebrate Environment Week, in partnership with

the Matão +Verde Group and the municipality of Matão (SP), Citrosuco donated 500 seedlings of native tree species to the municipality. The planting of these seedlings, with the support of Citrosuco’s HSE team, took place in the district of Silvânia, at the source of the São Lourenço River. The event took place in June 2015.

Performance and highlights of the period

Currently, 100% of Citrosuco’s industrial plants have established engagement programs with their local communities. In the case the company’s farms, 11% of its operations have set up this type of program.



Citrosuco seeks to develop relations with the communities surrounding its operations to promote their development and to create mutual value



**Products for
a healthy and
sustainable
life-style**

Orange: a raw material that promotes health and is 100% utilized



The daily consumption of orange juice provides a number of health benefits, particularly because of its high amounts of vitamin C, calcium and potassium and other important nutrients. But the properties and uses of the fruit go well beyond nutrition. Citrosuco uses 100% of the orange raw material entering its processing plants, either transforming it into commercial products or reusing it for other purposes in the industrial processes.

The ingredients derived from orange are used as renewable raw materials by a number of industries for the production of: flavorings, fragrances, perfumes, insecticides, medicines, fertilizers, detergents, solvents, repellents, resins, chewing gums, glues and adhesives, tires, paints, candies, jellies and alcohol fuels. Furthermore, the company is constantly investing in research to develop new ingredients and applications.

The orange: 100% utilized

The main by-products obtained from the industrial processing of oranges are: oils and essences, citrus pulp bran, frozen pulp and alcohol. These products have a large number of applications in a variety of industries.

After the extraction of the juice, the peel, seeds and fiber are used as the main raw materials for the production of citrus pulp pellets, which are used mainly in the formulation of animal feed. Orange oil is biodegradable, non-toxic and can be easily mixed with polymers. For example, the tire manufacturer Yokohama has discovered that the addition of orange oil makes the tire's tread more flexible and increases its resistance to high temperatures, resulting in greater adherence and less wear.

Citrosuco is committed to promoting consumer health and well-being, by providing the market with a healthy and high quality orange juice, through a production and distribution supply chain that fosters social justice and environmental conservation



The benefits of orange juice

The regular consumption of orange juice is an important ally for those seeking a healthy life-style, since it is a natural source of nutrients and flavonoids*. Research indicates that the regular consumption of orange juice: does not contribute to weight gain; improves cholesterol levels and the glycemic profile; strengthens the consumer's immune system; and reduces blood pressure and resistance to insulin**.

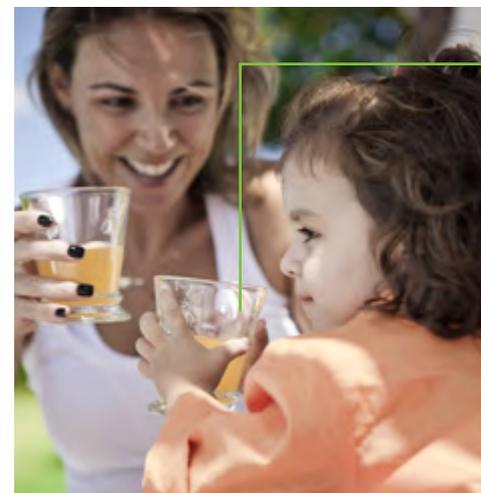
Its consumption is associated with an increased feeling of satiety and the stimulation of the body's anti-oxidant and anti-inflammatory activities, conditions which, when combined, act as a protective factor against the onset of inflammatory and cardiovascular diseases and diabetes.

The Food Guide for the Brazilian Population, issued by the Ministry of Health, classifies

foods into four categories: in natura; minimally processed; processed; and ultra-processed. In a straight-forward manner, the guide recommends a staple diet composed of a wide variety of natural or minimally processed foods, predominantly of plant origin. Orange juice, when classed as minimally processed, is included in the list of healthy food options that, according to the above publication, should make up the Brazilian staple diet, that is, a healthy, tasty and balanced diet.

Besides the above-mentioned Brazilian Food Guide, government programs in other countries, such as the "Choose My Plate" initiative promoted by the United States Department of Agriculture, recommend 100% natural fruit juice as an item of a healthy diet.

Nutrition table for 100% natural orange juice



Nutrient	% DV* in 230 ml of 100% natural orange juice
Vitamin C	100
Calcium	18
Folic acid	12
Carbohydrates	12
Potassium	10
Calories	6

Note: Daily value reference amounts are based on a 2,000 kcal daily diet. Actual daily values may be higher or lower depending on each individual's energy requirements.

* Flavonoids: these are chemical compounds, of natural origin and abundant in the plant kingdom, which have anti-inflammatory, anti-hemorrhagic, anti-allergic and anti-oxidant actions.

** Insulin resistance is a precondition of the metabolic syndrome that can increase the risk of health problems such as: cardiovascular disease, hypertension, type 2 diabetes and an increased propensity for abdominal obesity.

Food classification according to the Food Guide for the Brazilian Population



In Natura

Fresh Fruit

Minimally processed

100% natural juice (FCO) and NFC

Processed

Juice mixed with other components (nectar)

Ultra-processed

Powdered juice

In Natura: The food remains unchanged from its natural state.

Minimally processed: These are "in natura" foods that have been submitted to processes that do not involve the addition of salt, sugar, oils, fats

or other substances to the original food.

Processed: They are manufactured by industry with the addition of salt or sugar, or other substances for culinary use, to the "in natura" food.

Ultra-processed: These are industrial formulations made entirely or mainly from substances extracted from foods, derived from constituents of foods or synthesized in laboratories.

Monitoring

Citrosuco monitors 100% of its products, from the receipt of raw materials to the delivery of the final product to the customer. The monitoring includes assessments of the health and safety conditions during transportation, processing, storage and distribution. To achieve this, the company adopts a series of controls to ensure traceability, and the quality and safety of the foods and ingredients derived from the orange. These controls are supported by an Operational Management System, which incorporates

the practices of a number of national and international certifications.

In addition, for the orange-based ingredients which are considered to be chemicals, the company prepares a Material Safety Data Sheet (MSDS). This is a document, prepared in a standard format approved by the Brazilian Association of Technical Standards (ABNT), which contains safety information in relation to the product's transportation, handling and proper disposal.

Certifications

Standard	Description	Units certified	Names of units
FSSC 22000 (Food Safety System Certification)	Certification of food safety management systems, including risk control throughout the production chain to ensure that food is safe for human consumption. It was developed for industries that process or manufacture perishable products, from animal or vegetable origin, and where the product or its ingredients have a long shelf-life.	10	Ghent Port Terminal in Belgium, Santos Port Terminal (SP), Santos (SP) Port Terminal - Warehouse 29, processing plants in Matão (SP), Catanduva (SP), Araras (SP), Bebedouro (SP), Limeira (SP), Lake Wales (Florida) and Wilmington (Delaware).
Rainforest Alliance Certified	Certification of social and environmental practices that attests that the growers respect biodiversity and the rights of the rural workers involved in the process. In Brazil, it is audited by the Institute of Forest and Agricultural Management and Certification (Imaflora).	1	Constância Farm.
GMP+	Standards that are intended to ensure the safety of animal feed throughout the production chain. This certification is aimed specifically at the Citrus Pulp Pellets (CPP) product for animal feed.	5	Plants in Matão (SP), Catanduva (SP), Araras (SP), Santos (SP) Port Terminal and the plant in Florida (USA).
SGF/IRMA (Sure-Global-Fair / International Raw Material Assurance)	The SGF/IRMA seal attests, by means of a voluntary control system, that the raw material suppliers for European industries meet the specified requirements, especially in relation to good practices for production and product authenticity.	5	Plants in Matão (SP), Catanduva (SP), Araras (SP), Florida (USA) and the Gent Port Terminal (Belgium).
AIB International (American Institute of Baking)	The consolidated standards of AIB International are key requirements that the company must meet to ensure the safety of its food processing.	1	Araras (SP) plant.
Halal	The certificate attests that the products have been produced in accordance with Islamic law and therefore are suitable for consumption by all Muslims.	4	Plants in Matão (SP), Catanduva (SP), Araras (SP) and Florida (USA).
Kosher	The certificate attests that the products have been produced in accordance with the rules governing the orthodox Jewish diet.	4	The plants in Matão (SP), Catanduva (SP), Araras (SP) and Florida (USA).

Standard	Description	Units certified	Names of units
ISO 9001	Quality management.	2	Santos (SP) Port Terminal, Santos (SP) Port Terminal - Warehouse 29.
ISO 14001	Environmental management.	2	Santos (SP) Port Terminal Santos (SP) Port Terminal - Warehouse 29.
OHSAS 18001	Occupational health and safety management.	2	Santos (SP) Port Terminal Santos (SP) Port Terminal - Warehouse 29.
FDA	Food safety management system is in accordance with the United States legislation for the approval of exports and domestic producers.	3	Plants in Catanduva (SP), Matão (SP) and Florida (USA).
SMETA - Sedex Members Ethical Trade Audit	Process that describes the best practices of an ethical audit which is based on four pillars: - Labor standards - Health and safety - Environment - Business ethics	2	Plant in Matão (SP) and the Santos (SP) Port Terminal.
USDA	Process conducted by the United States Department of Agriculture that aims to check the standards of production and the quality of the processes involved.	1	Plant in Florida (USA).



Independent auditors' limited assurance report on the sustainability information included in the Sustainability Report for 2014-2015

To the Management
Citrosuco S.A. Agroindústria
Matão - SP

Introduction

We have been engaged by Citrosuco S.A. Agroindústria ("Company") to present our limited assurance report on the compilation of the sustainability information included in the Sustainability Report for 2014-2015 of the Company for the year from July 1, 2014 to June 30, 2015.

Management's responsibility

The management of the Company is responsible for the preparation and fair presentation of the information included in the Sustainability Report for 2014-2015 in accordance with the guidelines of the Global Reporting Initiative (GRI-G4) and for such internal control as management determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the information related to sustainability included in the Sustainability Report for 2014-2015, based on our limited assurance engagement carried out in accordance with Technical Communication CTO 01, "Issuance of an Assurance Report Related to Sustainability and Social Responsibility", issued by the Brazilian Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical requirements, including independence requirements, and perform our engagement to obtain limited assurance that the information related to sustainability included in the Sustainability Report for 2014-2015, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of the Company involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information, taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead him to believe that the information taken as a whole might present significant misstatements.

The procedures selected are based on our understanding of the aspects related to the compilation and presentation of the information related to sustainability included in the Sustainability Report for 2014-2015, other circumstances of the engagement and our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information related to sustainability included in the Sustainability Report for 2014-2015 of Citrosuco S.A. Agroindústria;
- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers responsible for the preparation of the information;
- (c) interviews with the managers responsible for the information of the corporate unit located in the city of Matão, State of São Paulo, and for the data control of the other units;
- (d) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators (EN3, EN8, EN10, EN15, EN23, EN31, LA6, LA14, HR5, HR6, SO5 and SO8) disclosed in the information related to sustainability included in the Sustainability Report for 2014-2015; and
- (e) comparing the financial indicators with the financial statements and/or accounting records.

The limited assurance engagement also included tests to assess compliance with the guidelines and criteria of the structure applied in the preparation of the information related to sustainability, included in the Sustainability Report for 2014-2015.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issue of an opinion on the information related to sustainability included in the Sustainability Report for 2014-2015. Consequently, we are not able to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an assurance engagement, the objective of which is the issue of an opinion. If we had performed

an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the information related to sustainability included in the Sustainability Report for 2014-2015. Therefore, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior years, nor future projections and goals.

Conclusion

Based on the procedures performed, described herein, no matter has come to our attention that causes us to believe that the information related to sustainability included in the Sustainability Report for 2014-2015 of Citrosuco S.A. Agroindústria has not been compiled, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI-G4).

Barueri, April 19, 2016

PricewaterhouseCoopers
Contadores Públicos Ltda.
CRC 2SP023.173/O-4 "F" SP

André Pannunzio Candido Oliveira
Contador CRC 1SP196603/O-1 "F" SP

GRI content index



General standard disclosures GRI G4			
Indicator	Description	Page	Additional information or reason for omission
STRATEGY AND ANALYSIS			
G4-1	Management Statement	p. 6-9	
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	p. 18	
G4-4	Primary brands, products, and/or services	p. 19	
G4-5	Location of headquarters		Matão - SP.
G4-6	Number of countries where the organization operates	p. 18	
G4-7	Nature of ownership and legal form	p. 18	
G4-8	Markets served	p. 19	
G4-9	Scale of organization	p. 18; 36	
G4-10	Workforce profile	p. 51	
G4-11	Employees covered by collective bargaining agreements		Citrosuco respects its employees' right of freedom of association and recognizes trade unions as their legal representatives. The company explicitly reinforces this right in its Code of Conduct and by its practice of negotiating collective bargaining agreements with trade unions.
G4-12	Organization's supply chain	p. 62-65	Information regarding the supply chain per geographic location and the amounts paid in contracts with suppliers is not disclosed.
G4-13	Significant changes in the organizational structure		There were no significant changes during the reporting period.
G4-14	Precautionary principle	p. 27-29	

Indicator	Description	Page	Additional information or reason for omission
G4-15	Social and environmental charters and other initiatives	p. 33	
G4-16	Participation in associations	p. 33	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List of entities included in the consolidated financial statements	p. 13	
G4-18	Report content and boundaries	p. 13-15	
G4-19	Material aspects	p. 13-15	
G4-20	Boundaries of material aspect	p. 14-15	
G4-21	Boundaries of each material aspect outside the organization	p. 14-15	
G4-22	Major restatements of information		There were no significant restatements.
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries		There were no significant changes.
STAKEHOLDER ENGAGEMENT			
G4-24	Stakeholder groups	p. 13	
G4-25	Basis for identification and selection of stakeholders	p. 13	
G4-26	Approach to stakeholder engagement	p. 13	
G4-27	Key topics that have been raised through stakeholder engagement, and measures adopted by the company to respond to them	p. 13-15	

Indicator	Description	Page	Additional information or reason for omission
REPORT PROFILE			
G4-28	Period covered by the report	p. 13	From July, 1, 2014, to June, 30, 2015.
G4-29	Date of most recent previous report		Sustainability Report 2013-2014.
G4-30	Reporting cycle	p. 13	
G4-31	Contact point for questions regarding the report		Head Office - Matão Rua João Pessoa, 305 - Centro Matão - SP - Brazil. 15990-902 Tel.: +55 16 3383-8500 Fax.: +55 16 3384-2059 citrosuco@citrosuco.com.br
G4-32	"In accordance" option (core or comprehensive), content index GRI and external assurance	p. 12	
G4-33	External assurance policy	p. 13; 77-79	
GOVERNANCE			
G4-34	Governance structure	p. 24	
ETHICS AND INTEGRITY			
G4-56	Values, principles, standards of behavior	p. 26	

Specific Standard Disclosures GRI G4

Indicator	Description	Page	Additional information or reason for omission
Economic performance - DMA		p. 14; 27-29; 36	
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	p. 30; 37	The financial implications have not been detailed in this report.
G4-FP1	Percentage of purchased volume from suppliers compliant	p. 74-76	100% of the volume bought from suppliers is compliant with the organization's procurement policy.
G4-FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized standards, broken down by type of certification	p. 74-76	
Market presence - DMA		p. 15; 36	
G4-EC5	Ratio of standard entry level wage compared to local minimum wage at significant locations of operation	p. 55	Locations considered: Catanduva, Matão, Araras, juice storage facilities in Bebedouro, Matão and Limeira as well as the port terminal in Santos and farms.
Energy - DMA		p. 14; 39-40	
G4-EN3	Energy consumption within the organization	p. 40	
Water - DMA		p. 14; 38-39	
G4-EN8	Total water withdrawal by source	p. 39	Locations considered: Catanduva, Matão, Araras, juice storage facilities in Bebedouro, Matão and Limeira as well as the port terminal in Santos and farms.
G4-EN10	Percentage and total volume of water recycled and reused	p. 38	Locations considered: Catanduva, Matão, Araras, juice storage facilities in Bebedouro, Matão and Limeira as well as the port terminal in Santos and farms.
Biodiversity - DMA		p. 15; 58-60	The company finalized the mapping of areas for the Rural Environmental Register and pretends to direct efforts to detail the mapping also by the different biodiversity zones.
G4-EN13	Habitats protected or restored	p. 59-60	

Indicator	Description	Page	Additional information or reason for omission
Emissions- DMA		p. 14; 44-46	
G4-EN15	Total direct greenhouse gas (GHG) emissions (scope 1)	p. 45-46	
G4-EN16	Total energy indirect greenhouse gas emissions (scope 2)	p. 45-46	
Effluents and waste- DMA		p. 14; 41-43	
G4-EN22	Total water discharge by quality and destination	p. 41	The information about total discharge of water is not available.
G4-EN23	Total weight of waste by type and disposal method	p. 42-43	
Compliance - DMA		p. 14; 31	
Transport - DMA		p. 14, 46-47	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	p. 46-47	
Overall - DMA		p. 14; 43-44	
G4-EN31	Total environmental protection expenditures and investments by type	p. 43-44	
Supplier environmental assessment - DMA		p. 14; 62-65	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	p. 64-65	
Employment - DMA		p. 15; 51-54	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	p. 57-58	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	p. 54-55	

Indicator	Description	Page	Additional information or reason for omission
Occupational Health and Safety - DMA		p. 15; 48-50	
G4-LA6	Rates of injuries, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	p. 50	There were no fatalities of own workers or independent contractors in the 2014-2015 Season. During the season the number of lost days was of 2.287.
Training and education - DMA		p. 15; 52-53	
G4-LA9	Average hours of training per year per employee by gender, and by employee category	p. 52-53	The company does not control the training hours by gender, only by function.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	p. 52-53	The information is not available by gender.
Diversity and equal opportunity - DMA		p. 51-52	The company will introduce a Code of Conduct during the next season which is based on its Mission, Vision and Values and covers the issues of diversity and equal opportunity.
Supplier assessment for labor practices - DMA		p. 14; 62-65	A tool for the evaluation of fruit growers, which considers economic, social and environmental criteria, is in the process of development and approval. In addition, Citrosuco is working on a solution to manage its suppliers of services and MRO (Maintenance, Repair and Operations). Information on the development of these tools will be included in the report for next season.
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	p. 64-65	
Non discrimination - DMA		-	Aspect not considered as material.
G4-HR3	Total number of incidents of discrimination and corrective actions taken		No cases of discrimination were registered during the 2014-2015 Season.
Child labor- DMA		p. 15; 56; 62-65	
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	p. 56; 62-63	No situations were identified that could be characterized as child labor. All employees are hired in compliance with the Consolidated Labor Legislation (CLT), and the company demands the same standard from its suppliers.

Indicator	Description	Page	Additional information or reason for omission
Forced or compulsory labor - DMA		p. 15; 56; 62-65	
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	p. 56; 62-63	No situations were identified that could be characterized as forced or compulsory labor. All employees are hired in compliance with the Consolidated Labor Legislation (CLT), and the company demands the same standard from its suppliers.
Assessment - DMA		p. 15, 56; 62-65	
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	p. 56; 65	
Supplier human rights assessment - DMA		p. 14; 62-65	
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	p. 64-65	No goals or commitments have been established regarding this aspect. A tool for the evaluation of fruit growers, which considers economic, social and environmental criteria, is in the process of development and approval. In addition, Citrosuco is working on a solution to manage its suppliers of services and MRO (Maintenance, Repair and Operations). Information on the development of these tools will be included in the report for next season.
Local community - DMA		p. 15, 66-69	Citrosuco invests in projects in the areas of education, sports and professional qualification for children and young people. The main aims are the reduction of school evasion, the improvement of school performance and the insertion of these young people in the labor market.
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	p. 69	
Anti-corruption - DMA		p. 14; 31	
G4-SO5	Confirmed incidents of corruption and actions taken	p. 31	In the period covered by this report, there were no corruption cases recorded.
Anti-competitive behavior - DMA		p. 14; 31	
Compliance - DMA		p. 14; 31	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		In the period covered by this report, the company did not record any processes moved against it through dispute resolution mechanisms, nor did it receive any non-monetary sanctions for non-compliance with laws and regulations, such as accounting fraud, workplace discrimination, or corruption.

Indicator	Description	Page	Additional information or reason for omission
Customer health and safety - DMA		p. 15; 72-76	Citrosuco has a goal of ensuring that 100% of its products comply with international food safety standards.
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	p. 74-76	
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes		During the reporting period, no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products were registered.
Compliance - DMA		p. 74-76	Aspect not considered as material.
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		During the season, Citrosuco did not receive any fine for non-compliance with laws and regulations concerning the provision and use of products and services.
G4-FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	p. 74-76	100% of the production volume is produced in operational units certified by internationally recognized food safety management standards.
G4-FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars		The percentage is not applicable given the fact that the orange derived products destined for human consumption and produced by Citrosuco are 100% natural and totally free of saturated and trans fats, sodium and sugar additions.
G4-FP7	Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives		The percentage is not applicable given the fact that the orange derived products destined for human consumption and produced by Citrosuco are 100% natural, maintaining its nutritional ingredients such as fiber, vitamins, minerals and phytochemicals.

Correlations with the UN Global Compact Principles

The Global Compact consists of ten universal principles, derived from: the Universal declaration of Human Rights; the Declaration of the International Labor Organization on the Fundamental Principles and Rights at Work; the Rio de Janeiro Declaration on the Environment and Development and the United Nations Convention Against Corruption. Although it is not a signatory to the Global Compact, Citrosuco follows its principles.

The following table shows the correlations between our activities and initiatives and the UN Global Compact principles.

Global Compact Principle	Page
1. Businesses should support and respect the protection of internationally proclaimed human rights.	p. 34; 56; 59
2. Make sure that they are not complicit in human rights abuses.	p. 64
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	p. 52-53
4. The elimination of all forms of forced and compulsory labour.	p. 56; 62
5. The effective abolition of child labour.	p. 56; 62
6. The elimination of discrimination in respect of employment and occupation.	p. 52-53; 55; 57-58; 85
7. Businesses should support a precautionary approach to environmental challenges.	p. 38-40; 43-44; 46
8. Undertake initiatives to promote greater environmental responsibility.	p. 38-44; 46-47; 59-60; 64
9. Encourage the development and diffusion of environmentally friendly technologies.	p. 43-44
10. Businesses should work against corruption in all its forms, including extortion and bribery.	p. 28; 34

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We would like to thank all Citrosuco's employees for the dedication and teamwork that made this report possible.

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