

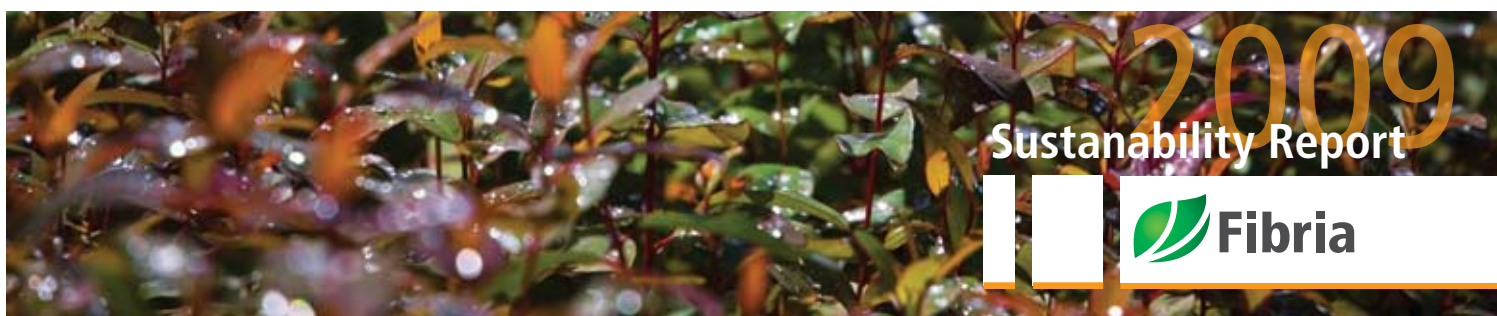
A close-up photograph of several green leaves, some with reddish-brown edges, covered in numerous small, clear water droplets. The background is dark and out of focus.

2009

Sustainability Report



Fibria



2009

Sustainability Report



Fibria

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Fibria Celulose S.A. is pleased to present its Sustainability Report 2009. Although the Company's activities formally commenced on September 1st, this publication covers the full results, as from January 1st, of the two companies, Votorantim Celulose e Papel S.A. (VCP) and Aracruz Celulose S.A., whose merger formed Fibria.

The economic and financial data for the fiscal year ended on December 31, 2009 have been consolidated. As regards the socioenvironmental performance, the historical data presented refers to the original two companies, as indicated, in order to ensure the traceability of the information and provide the reader with a clearer picture of the achievements and challenges of the new organization.

Right from the start, as spelled out in its mission, vision and values, Fibria has assumed a commitment to the best practices in corporate governance and socio-environmental responsibility. The Company realizes that, as the global leader in a business that is based on renewable forest resources, it has the responsibility to set an example and maintain a high standard of conduct.

We at Fibria know that the pace and complexity of the changes – climatic, geopolitical and social – taking place, which have intensified in recent years, have made the challenge even greater, and that, on our own, we will be unable to attain our goal. Hence, this document manifests not only the result of the efforts to bring together the two companies, but also our faith in the process of building the future together with our diverse stakeholders. More than showing the accomplishments to date, we propose to point out, in a transparent fashion, the shortcomings and the improvements that need to be made, so that, with wisdom, we can turn them into learning opportunities and, above all, the determination to get it right.

Working towards this end, we have listened to various people, inside and outside the Company, in interviews in which they were invited to suggest topics that, in their opinion, merited greater care and attention in order for our business to be effectively sustainable. During this process, the interviewees repeatedly voiced their expectation that the Company would turn in a high economic, social and environmental performance. The observations expressed by these diverse stakeholders during the interviews contain valuable indications of the path we are to follow, and the vote of confidence deposited in us strengthens our determination to accomplish our mission and realize our vision.

We have faith in the strength of dialogue and understanding as a means of achieving our purpose, and we are committed to following this course with transparency and rigor in our rendering of accounts. We trust that Fibria's Sustainability Report 2009 fully reflects that position, and we invite the reader to inform us as to what extent their expectations were met.

Enjoy the read.

José Luciano Penido
Chairman of the Board of Directors



This publication aims to present the main elements of Fibria's economic, financial, social and environmental performance during the 2009* fiscal year. As the first such report to reflect the Company's joint operations, we have tried, as far as possible and taking into consideration the complexity of a merger on this scale, to borrow the best practices of each of the original companies, while preserving the comparability and monitoring of the information.

Hence, this report includes information about the industrial units at Aracruz (Espírito Santo State), Jacaré (São Paulo State), Piracicaba (São Paulo State) and Três Lagoas (Mato Grosso do Sul State) and the forest units in the states of Bahia, Espírito Santo, Mato Grosso do Sul, Rio Grande do Sul and São Paulo. However, the 2009 performance of Conpacel and Veracel, companies in which Fibria has an controlling stake, is not covered in this report. On the other hand, the companies KSR and Portocel are briefly mentioned. To see the results of these companies, the reader should refer to their respective reports, at Conpacel: www.conpacel.com.br; Veracel: www.veracel.com.br; KSR: www.ksronline.com.br; and Portocel: www.portocel.com.br.

The reporting of the economic and financial performance obeys the norms of the CVM (Brazilian Securities Commission) – adapted according to the provisions of Law no 11,638/07, which updates the Brazilian accounting regulations and brings them more closely into alignment with international accounting principles. Reporting of the corporate responsibility and sustainability details sought to utilize the Global Reporting Initiative (GRI) model. We hope to be able to report the full set of GRI indicators as of 2011.

The information contained in this document is based on the Materiality Matrix developed from a survey of the impressions of various interested parties, conducted with the help of the consulting firm Atitude Sustentável. The opinions of 40 representatives from among Brazilian and foreign external stakeholders – including customers, suppliers, partners, and social and environmental NGOs – were heard, in order to identify the most serious issues facing the Company, from their point of view, as well as of 45 internal stakeholders, who pointed out the most critical issues from the point of view of the business.

By cross referencing these two sets of opinions, it was possible to identify the ten most important issues, which not only shaped the preparation of this report, but should also underpin the Company's future strategy. They are:

- The impact of the plantations on biodiversity;
- Certification and voluntary commitments;
- Ethics;
- Water use;
- The strategy/commitment towards sustainability;
- Relationship with local communities;
- Forest partners (wood suppliers);
- Environmental hazards;
- Emissions, effluent and waste;
- Relationship with specific communities.

MATERIALITY MATRIX



1. Impact of plantations on biodiversity
2. Certification and voluntary commitments
3. Ethics
4. Water use
5. Strategy/Commitment towards sustainability
6. Relations with local communities
7. Forest partners - wood suppliers
8. Environmental hazards
9. Emissions, effluent and waste
10. Relations with specific communities
11. Corporate governance
12. Forest technical management

13. Energy use
14. Product responsibilities
15. Workplace health and safety
16. Use of toxic products
17. Economic results
18. Climate change
19. Communication with employees
20. Compliance with laws and regulations
21. Wood use
22. Relations with outsourced workers
23. Investors
24. NGOs

25. Complaints and ombudsman
26. Customers
27. Attracting and retaining talent
28. Transport impact
29. Diversity/fair treatment
30. Antagonistic and/or anti-agribusiness groups
31. Press
32. Use of genetic modification
33. Government
34. Suppliers
35. Labor unions

In addition to the Materiality Matrix, the Company uses other practices that are aimed at increasing the participation of stakeholders in the development of its sustainability strategy. One of these is the inclusion of opinions about the Company made by people from local communities. A total of eight people were interviewed, ranging from community leaders to forest partners, and their summarized statements are published in the printed version of this publication, and are presented in full on the website, at: www.fibria.com.br/rs2009. Another initiative is to include the views of independent outside readers, who are specialists within the industry or on sustainability issues, who analyze the report and provide their critical opinions and suggestions, as a contribution to the continual refinement of this publication. Their observations are presented in full at the end of this report.

The report is divided into five main sections: Governance, showing the procedures and instruments for the controlling and managing operational and financial risk and internal and external conduct; Management and Strategy, which looks at the strategic planning and administration system of the new Company; Social Performance, which addresses the Company's practices and issues related to its stakeholders; Environmental Performance, in which the Company shares information about its forest management practices and other environmental issues; and Economic-Financial Performance, which includes information about investment, indebtedness, the allocation of resources and other matters.

Finally, the content of this report has been submitted for independent verification by Bureau Veritas Certification, with a view to ensuring that the information provided meets the quality guidelines for GRI G3 sustainability reports, which are: inclusion of stakeholders, balance, accuracy, clarity, reliability, timeliness and comparability.

The reader will notice that, despite our best efforts, it has not been possible to preserve the comparability of certain information, due to the fact that the companies that merged to create Fibria existed as independent entities until September 2009. Some of the matters dealt with in this publication refer exclusively to units that belonged, until 2009, to what was then VCP or Aracruz. Such cases are specified, whenever they occur. We are aware of the difficulties involved in presenting standardized data, under such circumstances, but assume the commitment to continue working to meet the standards of best practice in our future reports.

The online version of this report, including the Financial Statements, can be found on the website, at: www.fibria.com.br/rs2009.

Requests for additional information or suggestions regarding this report may be sent to the Corporate Communication department, at: comunicacaofibria@fibria.com.br

The editors

* Some of the events described herein, such as the drawing up of the Code of Conduct, relate to the 2010 financial year, but have been included because of their importance.



Fibria, the Company that has been formed by the merger of Aracruz Celulose and Votorantim Celulose & Papel (VCP), was born and formally began its activities on September 1, 2009, as the global leader in the production of market pulp. At the time, the world was still feeling the after effects of the economic crisis that had erupted in the previous year.

With the drying up of credit worldwide, there was a dramatic fall in demand and, consequently, in pulp prices, while product inventories swelled, forcing us to conduct technical stoppages, cut back our spending and make adjustments in all areas. These were essential measures to enable us to get through that period without compromising the Company's ability to continue operating.

April 2009 saw the beginning of a recovery in sales and dollar denominated pulp prices, which helped to improve the Company's internal situation. China continued to buy large quantities of eucalyptus pulp, to replace the inferior quality pulp coming from its older mills, some of which had been closed down under the program to improve the country's environmental conditions, as well as to rebuild its own inventories. The Brazilian economy began to grow once more, and to become more attractive to investors. Despite the strong local currency (real) having reduced the margins on exported products, and the higher dollar prices, the scenario was already much improved from that at the beginning of the year, when credit was still restricted and demand was weak.

In August, the process of absorbing Aracruz shares within VCP was completed. The creation of Fibria gave the two companies' professionals the opportunity to push ahead with the activities of the world's leading producer of bleached eucalyptus pulp.

In addition to the process of integration, our attention was also focused on reducing the debt originating from the global economic crisis and the acquisition of Aracruz, which generated the need for a debt management plan. The opportunity to sell the Guaíba Unit, in the state of Rio Grande do Sul, allowed us to reduce a significant portion of our indebtedness, as well as to raise financial market funding, in order to create a debt profile that was more in keeping with the Fibria fundamentals.

The outlook for 2010 continues to be challenging, but we believe we have taken important steps to protect our business, reducing the debt and resuming investment in our mills and forests. The right conditions have been created for us to capture the synergies arising from the merger of the two companies and the implementing of a strategy aimed at securing our competitive advantages.

There has been a perceptible change in the market consensus as regards investing in Fibria's shares, based on analysts' recommendations. This change is the result of the improved fundamentals of the pulp and paper sector, the Company's management of its indebtedness, and

especially Fibria's competitive advantages. These advantages have been reinforced by the Três Lagoas Unit, located in the state of Mato Grosso do Sul, which came into operation in March. The new mill was already operating at full capacity by the end of the year, raising the Company's total production capacity to 5.2 million tons in 2009.

The market has shown considerable faith in the Company, borne out by our selection for leading sustainability indicators, such as the Dow Jones Global Sustainability World Index – where Fibria is the only forestry sector representative – and the BM&FBovespa Corporate Sustainability Index, and the above average performance of our shares against the Brazilian stock market index (Ibovespa).

In 2010, we shall continue to seek new levels of excellence that will, by the end of the year, bring our shares close to investment grade, which should bring down the cost of servicing our debt and ensure access to sources of financing for the growth projects that we shall be looking at over the course of the year.

So, we look to the future with great optimism as we thank our customers, shareholders, investors, collaborators, suppliers, governments, NGOs and all the other stakeholders for all the confidence and support they have shown us during 2009.

We take this opportunity to reaffirm our commitment, stated at the time that Fibria was conceived, to develop our renewable forestry business as a sustainable source of life, generating wealth and economic growth, promoting human and social development, and guaranteeing environmental conservation.

Carlos Augusto Lira Aguiar
Fibria's CEO

José Luciano Penido
Chairman of the Board of Directors





Board of Directors*

Chairman: José Luciano Penido

Members: Alexandre D'Ambrósio, Alexandre Silva Gonçalves, Armando Mariante Carvalho Júnior, Eduardo Rath Fingerl, João Carvalho de Miranda, José Armando de Figueiredo Campos, Raul Calfat, and Wang Wei Chang.

Executive Board

CEO: Carlos Augusto Lira Aguiar

Directors: Evando Coura, Francisco Valério, João Felipe Carsalade, João Steinle¹, Marcelo Castelli, Marcos Grodetzky², Miguel Caldas³, and Walter Lídio Nunes⁴.

Fiscal Council: (Prof.) João Carlos Hopp, José Écio Pereira da Costa Júnior, and Sérgio Ricardo Lopes de Farias.

Board advisory committees:

Audit and Risk Committee: Antonio Luiz Pizarro Manso (member), Maurício Aquino Halewicz (member), and Samuel de Paula Matos (secretary and financial expert).

Finance Committee: Evando Coura (member), João de Carvalho Miranda (member), Patrícia Dias Fernandes (member), Samuel Saldanha Teixeira (secretary – provisionally), Sérgio Malacrida (guest), and Wang Wei Chang (member).

Personnel and Remuneration Committee: Alexandre Gonçalves Silva (member), Gilberto Lara Nogueira (secretary), João Steinle (guest), José Armando de Figueiredo Campo (member), José Luciano Penido (member), and Vicky Bloch (member).

Sustainability Committee:** José Luciano Penido (coordinator), Ailton Krenak (member), Carlos Alberto de Oliveira Roxo (secretary), Cláudio Valladares Pádua (member), Francisco Valério (member), Ignacy Sachs (member), José Luciano Penido (secretary), Marcelo Castelli (member), Ricardo Young Silva (member), Sérgio Besserman Vianna (member), and Sérgio Weguelin Vieira (member).

* As at: December 31, 2009.

** Set up on December 18, 2009.

¹ Assumed the post on May 3, 2010.

² Left the Company on April 1, 2010.

³ Left the Company on May 7, 2010.

⁴ Left the Company on January 1, 2010.



KEY INDICATORS

Net sales revenue (R\$ million)	2004	2005	2006	2007	2008	2009*
Aracruz	3,411	3,332	3,858	3,847	3,697	6,000
VCP	2,982	2,772	2,892	2,614	2,487	

Net profit (R\$ million)	2004	2005	2006	2007	2008	2009*
Aracruz	1,069	1,163	1,150	1,042	-4,213	558
VCP	790	549	658	838	-1,312	

Assets (R\$ million)	2004	2005	2006	2007	2008	2009*
Aracruz	8,848	9,349	9,577	9,937	11,868	28,324
VCP	6,989	8,462	9,264	11,002	11,464	

Shareholders' equity (R\$ million)	2004	2005	2006	2007	2008	2009*
Aracruz	3,440	4,151	4,816	5,361	962	10,015
VCP	3,917	4,162	5,116	5,632	4,132	

EBITDA1 (R\$ million)	2004	2005	2006	2007	2008	2009*
Aracruz	1,752	1,626	1,755	1,669	1,422	1,697
VCP	1,269	959	1,113	880	782	

1. EBITDA adjusted for items of a strictly accounting nature.

Pulp production2 (thousands of tons)	2004	2005	2006	2007	2008	2009*
Aracruz	2,497	2,786	3,104	3,095	3,106	5,188
VCP	1,347	1,372	1,444	1,394	1,263	

2. Including 50% of Veracel.

Pulp sales (thousands of tons)	2004	2005	2006	2007	2008	2009*
Aracruz	2,450	2,605	3,021	3,104	2,917	5,248
VCP	1,459	1,493	1,611	1,597	1,591	

Market capitalization (R\$ billion)	2004	2005	2006	2007	2008	2009*
Aracruz	10,3	9,6	13,5	13,3	2,6	18,291
VCP	8,3	5,6	8,5	11,1	2,3	

Average pulp list price (US\$/t)	2004	2005	2006	2007	2008	2009*
-----	531	594	648	711	778	565

Cash cost of production (R\$/t)	2004	2005	2006	2007	2008	2009*
Aracruz	443	401	403	429	468	444
VCP					533	

Share price (R\$)	2004	2005	2006	2007	2008	2009*
ARCZ6 (outstanding to November 17, 2009)	10,1	9,3	13,1	12,9	2,5	39,1**
VCPA4 (outstanding to August 11, 2009)	43,3	29	41,6	54,2	17,93	

* Fibria

** FBR3 (outstanding since August 12, 2009)

HIGHLIGHTS

FIBRIA CELULOSE S/A AND SUBSIDIARIES

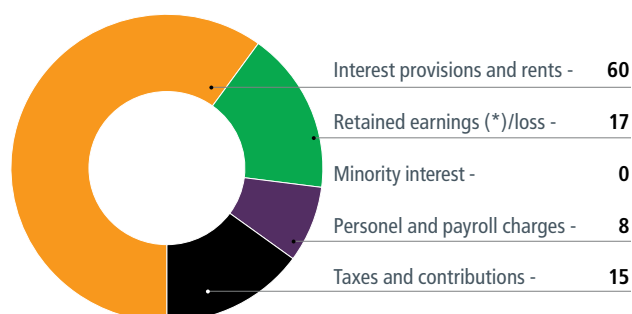
Value Added Statement for the financial years ended on December 31, 2009 and 2008

	PARENT COMPANY		CONSOLIDATED	
	2009	2008	2009	2008
Revenue				
Gross sales of products and services (less sales returns)	2,580,936	2,687,149	6,540,879	3,404,546
Provision for doubtful debts	(19,863)	(1,103)	(19,863)	(1,102)
Revenue from asset building and other items	185,569	404,923	2,102,744	2,953,630
	2,746,642	3,090,969	8,623,760	6,357,074
Inputs purchased from third parties				
Cost of goods and services sold (including raw materials)	(896,122)	(806,551)	(3,381,006)	(934,310)
Materials, energy, third-party services, etc.	(871,708)	(1,171,412)	(2,554,597)	(3,745,654)
	(1,767,830)	(1,977,963)	(5,935,603)	(4,679,964)
Gross value added	978,812	1,113,006	2,688,157	1,677,110
Amounts withheld				
Depreciation, amortization and depletion	(391,072)	(235,279)	(1,248,567)	(324,865)
Amortization of goodwill and realization of appreciation	(256,547)	(69,936)	(277,469)	(176,913)
Net value added by the company	331,193	807,791	1,162,121	1,175,332
Value added through transfers				
Equity adjustment	405,221	(184,382)	(1,133)	664
Financial income	2,309,111	1,175,815	5,117,066	1,022,400
	2,714,332	991,433	5,115,933	1,023,064
Total wealth created	3,045,525	1,799,224	6,278,054	2,198,396
Distribution of the value added				
Personnel and payroll charges				
Direct remuneration	176,091	160,603	442,996	233,577
Benefits	59,377	59,675	183,169	83,704
FGTS	11,508	10,931	29,731	15,152
	454,768	(17,425)	1,057,447	(94,353)
Taxes and contributions				
Federal	244,377	(246,277)	860,454	(339,212)
State	207,020	225,498	189,066	237,610
Municipal	3,371	3,354	7,927	7,249
Interest provisions and rents	1,830,275	2,884,654	3,346,415	3,270,663
Retained earnings(*)/loss	513,506	(1,299,214)	558,051	(1,310,347)
Minority interest	-	-	660,245	-
Wealth distributed	3,045,525	1,799,224	6,278,054	2,198,396

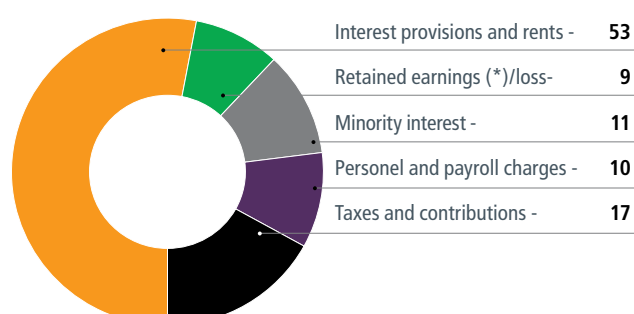
(*) Excluding unrealized profits in regard to subsidiaries.

The notes to the accounts form an integral part of the financial statements.

VAS - PARENT COMPANY (%)



VAS -CONSOLIDATED (%)



INVESTMENT IN THE COMMUNITY (2009)*

Aracruz	R\$ 10,022,621.76
VCP	R\$ 3,900,279.79
Votorantim Institute	R\$ 2,182,000.00
Total	R\$ 16,104,901.55

* As described in the indicator GRI EC1: voluntary donations and the investing of resources in the community, generating benefits outside the company. These include contributions to charity organizations, NGOs and research institutes (unrelated to the company's own R & D department), resources provided in support of community infrastructure projects and the direct cost of social programs.

INFRASTRUCTURE INVESTMENTS (2009)*

Aracruz Unit (ES and BA)	R\$ 1,452,919.80
Três Lagoas Unit (MS)	R\$ 42,432,232.85
Jacaré Unit (SP)	R\$ 233,100.00
Capão Bonito Forest Unit (SP)	R\$ 0.00
Piracicaba Unit (SP)	R\$ 0.00
Capão do Leão Forest Unit (RS)	R\$ 0.00
Total	R\$ 44,118,252.65

* In accordance with the GRI EC8 indicator: Infrastructure investments and services provided primarily for public benefit, rather than for commercial gain, from which the organization is not seeking to obtain a direct

DIVERSITY

	2007	2008	2009
Total professional staff	5.038	5.364	4.752
Women	15.8%	15.0%	14.2%
Black and mixed race*	21.4%	20.6%	23.1%
Women (executive posts)	2.2%	2.2%	2.2%
Black and mixed race (executive posts)*	0.6%	0.7%	0.7%
Over 50 years of age	9.7%	9.9%	10.3%

*According to IBGE criteria.

RATES OF INJURIES, OCCUPATIONAL ILLNESS, DAYS OFF WORK, ABSENTEEISM AND WORK-RELATED DEATHS

(Company employees + permanent outsourced workers)

	2007	2008	2009
Number of injuries	37	29	359
Injury rate (IR)*	0.36	0.29	2.16
Number of people with occupational illnesses	4	3	2
Occupational illness rate (OIR)*	0.039	0.03	0.012
Number of days lost	7,646	959	7,637
Rate of days lost (DLR)**	74.32	9.45	46.11
Number of days absent	4,210.84	5,703.69	6,300.99
Rate of absenteeism (AR)**	0.09	0.14	0.18
Number of work-related deaths	1	0	2

The safety indicators for 2009 cannot be compared to those of previous years, because the numbers were obtained after the merger between VCP and Aracruz. Figures relating to First-Aid Treatment are not included in the OSHA criteria.

All the information is checked on a monthly basis and compiled in computer spreadsheets. The consolidated figures are subsequently inserted into the company's management software. They are also analyzed by the company's Management Committee for Workplace Safety and Health. The monthly and accumulated results are announced at the monthly results meetings of the company's industrial and forestry units. The data is regularly audited by outside auditors, who verify the process of sustainable forest management (FSC or Cerflor) or the maritime transportation operations (based on the OHSAS 18001 certification). The safety indicators form an integral part of Fibria's system of remuneration, affecting both the Profit Sharing and the Variable Remuneration received by the executives.

* Note: % in relation to total staff.

**Note: The factor of 200,000 derives from 50 working weeks of 40 hours each per 100 employees.



'We need to make it clear that we want to build a company that reflects its public pronouncements. People don't expect, and are not looking for immediate solutions, because they know that they are following a chosen path.'

Mission - Develop the renewable forest business as a sustainable source of life.

Vision - Consolidate the planted forest as a producer of economic value and to generate respectable profit, in association with environmental protection, social inclusion and an improved quality of life.

Values - Strength, ethics, respect, entrepreneurship, unity.

Fibria is the Company that resulted from the merger of Aracruz Celulose S.A. with Votorantim Celulose e Papel S.A. (VCP), two Brazilian companies with strong participation in the global forest products market. The controlling shareholders* at Fibria are BNDESPAR (34.9%) and Votorantim Industrial (29.3%), with a free float of 35.8%.

The Company's activities are based on forested areas covering 1.04 million hectares of land, 393,000 hectares of which are native forest reserves set aside for environmental preservation, in seven Brazilian states: Espírito Santo, Bahia, Minas Gerais, Rio Grande do Sul, São Paulo, Mato Grosso do Sul and Rio de Janeiro.

OWN FOREST BASE¹ (DECEMBER/2009)

Planted forest	585,000 hectares
Native forest reserves	393,000 hectares
Other uses ²	64,000 hectares
Total	1,043,000 hectares

¹ Including 50% of Veracel and 50% of Conpacel. does not include forest partnership areas.

² Roads, firebreaks, buildings, etc..

In addition to its own forests, at the end of December 2009, Fibria had a stake in around 115,000 hectares of renewable plantations belonging to participants in its forest partnership program, which represents an alternative source of wood for the Company and, at the same time, the diversification of income sources and land use for rural producers.

FOREST PARTNERSHIPS (AREA UNDER CONTRACT¹ – DECEMBER/2009)

Aracruz Unit (Espírito Santo, Bahia and Minas Gerais States)	85,750 hectares
Jacareí Unit (São Paulo State)	12,351 hectares
Três Lagoas Unit (Mato Grosso do Sul State)	656 hectares
Capão do Leão Forest Unit (Rio Grande do Sul State)	16,175 hectares
Total	114,932 hectares

¹ Does not include Veracel and Conpacel.

The Company's forestry activities are run out of seven offices and operating units: Aracruz and Conceição da Barra, in the state of Espírito Santo; Posto da Mata, in Nova Viçosa, Bahia State; Capão do Leão, in the state of Rio Grande do Sul; Capão Bonito and Vale do Paraíba (Jacareí), in the state of São Paulo; and Três Lagoas, in the state of Mato Grosso do Sul.

Fibria produces bleached eucalyptus pulp exclusively from renewable plantations, which is channeled, in large part, to the main consumer markets or used in our own paper production.

The Company sells coated, uncoated, cut sheet, thermal and carbonless papers. Through KSR Distribuidora, Fibria supplies paper and stationery products to some 15,000 customers within the Brazilian market.



TYPE	BRAND	USE
Coated	Image	Promotional materials, inserts, books, magazine bodies and covers
	Starmax	Magazine bodies and covers, books, newspapers, inserts, direct mail and promotional materials
Uncoated	Copimax	Daily office use (reports, booklets, budgets, printouts, correspondence, etc.)
	Maxcote	School use
	Top Print	Books, magazines, inserts, flyers and diaries
	Printmax	Books, notebooks, promotional printouts, envelopes, forms, diaries, inserts and folders
Thermal	Termoscript	Tax coupons, electronic voting vouchers, receipts, tickets (cinema and other admissions, toll plaza, airline), labels and attendance numbers
	Termobank	Commercial receipts and bank statements
	Termolabel	Labels with barcodes, for supermarkets (refrigerated shelves), companies and retailers
	Termoticket	Public utility bills, car park tickets, admission tickets to shows, parks and cinemas, lottery tickets, parking meter tickets, bill booklets, clothing labels, boarding tickets
	Termoloto	Lottery and other betting tickets
	Termocopy	Fax machines
Carbonless	Easycopy	Point of sale spools (up to 3 copies)
	Extracopy	Forms (up to 6 copies)
	Extracopy Laser	Laser printed bills issued by banks and pre-printed forms (up to 5 copies)
	Extracopy Laser Jet	Ink-jet printed bills issued by banks and pre-printed forms (up to 5 copies)
	Extracopy Copy Self	Credit card receipts and bank statements

With its administrative headquarters located in São Paulo, Fibria operates six mills, with an annual production capacity of approximately 5.4 million tons of pulp and 313,000 tons of paper. It has a 50% stake in Veracel (a joint venture with Stora Enso) and a 50% stake in Conpacel - Consórcio Paulista de Papel e Celulose (together with Suzano).

INDUSTRIAL UNITS

Aracruz (Espírito Santo State) ¹	2.3 million tons of pulp / year
Conpacel (São Paulo State) ²	650,000 tons of pulp / year
	390,000 tons of paper / year
Guaíba (Rio Grande do Sul State) ³	450,000 tons of pulp / year
	60,000 tons of paper / year
Jacareí (São Paulo State)	1.1 million tons of pulp / year
Piracicaba (São Paulo State)	162,000 tons of paper / year
Três Lagoas (Mato Grosso do Sul State)	1.3 million tons of pulp / year
Veracel (Bahia State) ²	1.1 million tons of pulp / year

¹ In order to identify its industrial operations, Fibria has adopted the name of the municipality where the unit is located. Hence, the former Barra do Riacho Unit is now called the Aracruz Unit.

² The annual production to which Fibria is entitled is equivalent to 50% of the unit's installed capacity.

³ The Guaíba Unit was sold to CMPC (Chile) in December 2009.

The Company is represented in the world's main pulp consuming regions by seven distribution centers and six commercial and representative offices in North America, Europe and Asia. Through this commercial and logistics structure, Fibria's pulp is delivered to customers in 38 different countries. In 2009, Fibria sold 5,248,000 tons of pulp in Asia (36%), Europe (31%), North America (23%) and Latin America (10%).

The pulp produced by Fibria in 2009 was used to manufacture tissue papers (43%), printing and writing papers (33%) and specialty papers (24%), thereby helping to satisfy a growing demand from people around the world for increased health, comfort, education, culture and access to information.

GLOBAL PRESENCE

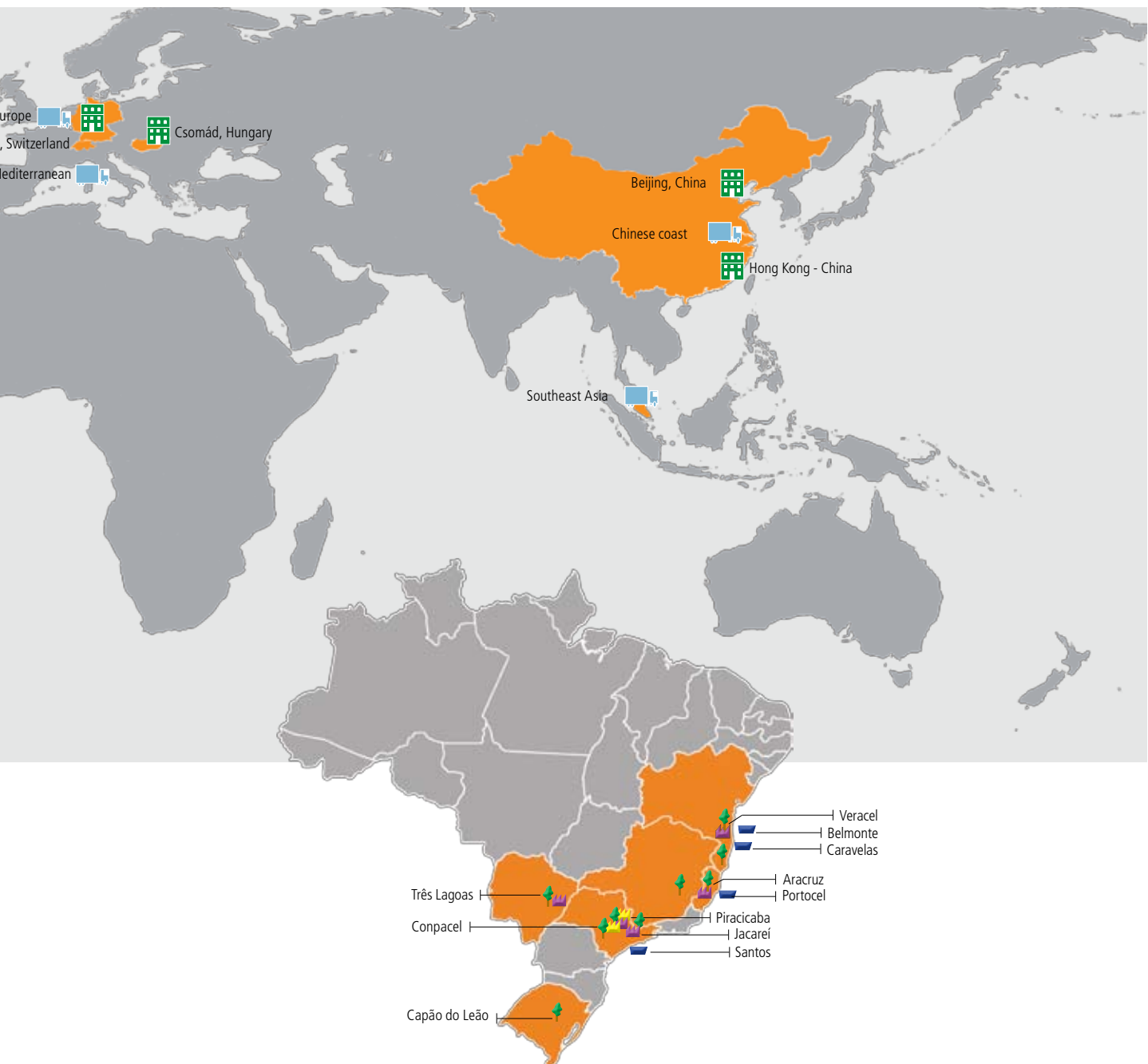


- | | |
|---|---|
|  Forest |  Port |
|  Industrial unit - pulp |  Office |
|  Industrial unit - paper |  Distribution center |

'As the market leader, Fibria has enormous influence when it comes to providing information to the consumer about the social and environmental impact of its products. By setting a good example, the company can become a benchmark for market practice.'

As at December 31, 2009, the Company had a staff of approximately 14,600 professionals, including its own employees and outsourced workers.

Chief among the changes that occurred in 2009 was the creation of Fibria, through the merger of Aracruz and VCP. A timeline showing the principal events of the acquisition process is available at www.fibria.com.br/rs2009. The sale of the Guaíba Unit (RS) to the Chilean company CMPC was another important event, which formed part of the Company's strategy for managing the debt incurred during the merger process. Additionally, the Company reorganized its commercial offices abroad, in order to create a single sales structure for the main consumer centers*





Code of Conduct – In April, 2010 the Fibria Code of Conduct was concluded and approved by the Board of Directors. The document, which incorporates the ethical principles contained in the Company's statements of Mission, Vision and Values, was prepared by a group made up of representatives of a number of different Fibria areas and applies to all Fibria employees, at all levels of hierarchy, without any exceptions. The full text can be found on the Company's website: www.fibria.com.br. Every employee also receives a copy of the Code of Conduct and signs a protocol of receipt and understanding that is filed in the employee's employment folder.

Seeking to improve governance and the application of the Code of Conduct, Management also approved the creation of the Fibria Conduct Committee. Made up of Company officers and managers, the Committee guarantees uniform application of the criteria used in resolving similar cases, verifies the validity of the issues that have been brought up, takes the necessary measures and replies to the complaining party, when identified. The Conduct Committee is responsible for dealing with the cases that have been sent to it, for establishing criteria for cases not foreseen under the Code and for the correct functioning of the Fibria Ombudsman's system. Cases of fraud, diversion of funds and damages to property will be dealt with by the Internal Audit Committee. Impartiality in the carrying out of the issues in question and maintaining confidentiality of the identity of those who are involved are assured in all situations.

It is the role of all leaders in the Company, at all levels, to guarantee that their subordinates and contracted workers understand and apply the concepts of the Code of Conduct. Suggestions for improvements should be sent to the Conduct Committee through superiors or the Ombudsman's channels. It is the responsibility of the Committee to analyze them and propose such suggestions to Fibria's Board of Directors for inclusion in the next edition of the Code, if considered relevant.

Fibria's Code of Conduct, among others, recommends the following attitudes:

- Ethical and honest conduct, including the ethical treatment of conflicts of interest, real or apparent, in personal and professional relationships, inside and outside the Company.
- Behavior that is based on respect and the striving for the creation of value in the business relationships with customers, suppliers, neighboring communities, representatives of government, the advertising market and the press.
- Compliance with applicable laws and regulations.
- Immediate internal communication – to the appropriate people and hierarchical levels – of any violation of the Code of Conduct and the application of corrective treatment according to the case.

Anti-corruption practices – One of the items of the Fibria Code of Conduct deals with combat of corruption. The anti-corruption measures are applicable to all units and all employees, upon entering the Company, receive a copy of the document. The signed protocol of receipt is filed together with each staff member's employment folder.

'How a company behaves is just as important or more important than how it is structured.'

Since 2006, upon SOX certification, this item is evaluated in the former VCP units through an independent auditor (PricewaterhouseCoopers) in the Entity Level Control matrix. Moreover, every month meetings are held at all former VCP production facilities where attendance is recorded, minutes are produced and with the participation of at least one Company officer, in which one of the subjects of the Code of Conduct is presented by the manager responsible for the unit. During the year, the Office of the Ombudsman registered no cases of corruption. There are no lawsuits underway related to corruption.

Internal controls – In 2008, the former Aracruz initiated the implementation of improvements to its internal controls, due to the financial losses sustained through investments in derivatives. Besides the creation of a new Office of the Controller, the Company hired PricewaterhouseCoopers at the end of 2008 to recommend better practices for internal controls and to issue a diagnosis of the corporate risk and self-control management models, considering also taking into account the Precautionary Principle. Based on this diagnosis, Aracruz revised its internal controls and implemented improvements to corporate risk management and self-control practices.

The main stages of this work include the review of the governance model; the structuring of processes and controls; review of the financial policy and approval hierarchy; and review of the reporting structure. As a result, changes to part of its functional structure were carried out, mainly strengthening the financial and operating risk monitoring functions.

With regard to the review of the processes, a detailed plan was prepared containing recommendations about controls (approvals, reconciliations), automation, optimization and changes to the flowcharts and descriptions of the control activities and matrixes. Some stages were concluded in 2009, including the review of the approvals flowchart and the definition of the new risk management model, seeking to achieve a high standard of corporate risk management.

Risk management (operating and financial) - In 2010, Fibria's Risk Management Policy was approved, which provides the risk management guidelines, develops the concepts, supplies the details and documents the activities related to it.

Fibria's risks are categorized according to the following classification:

RISK MANAGEMENT

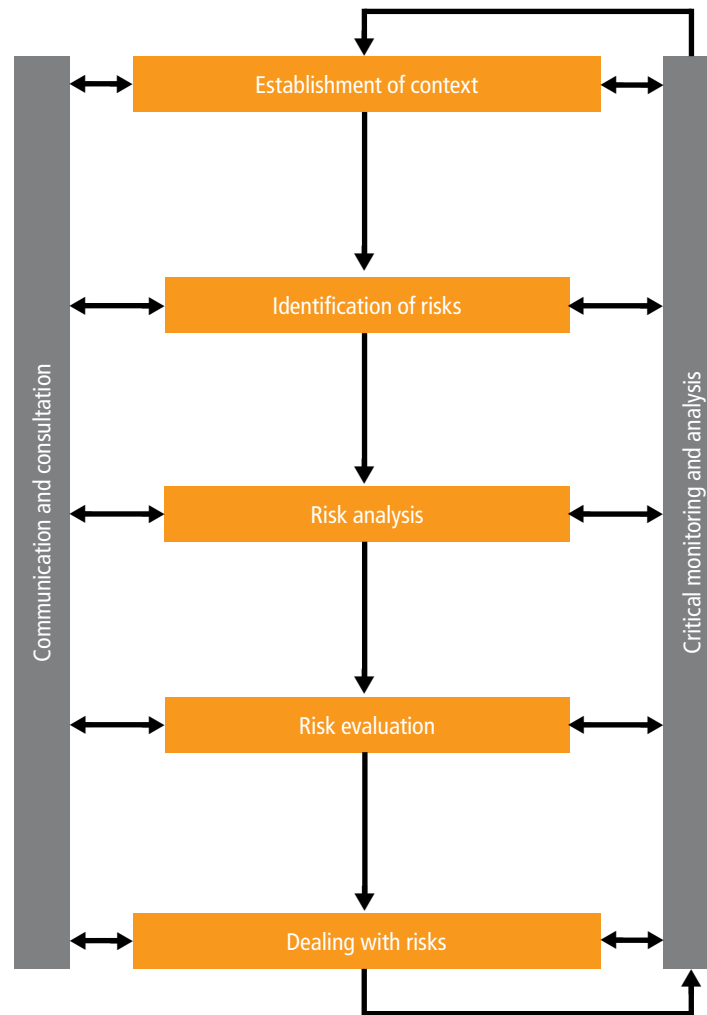
Market Risk	Measures the uncertainties related to the expected returns of an investment deriving from market factors, such as interest rates, exchange rates, commodity and share prices;
Strategic Risk	Stems from movements adverse to the strategies selected by the company, whether endogenous or exogenous;
Operating Risk	Stems from the lack of consistency and adjustment of the information, processing and operating control systems, as well as errors in the management of funds and internal controls or frauds leading to the improper exercise of the company's activities;
Risk of Events	Risks prior to or a consequence of uncertain events originated either internally or externally that generate stakeholder instability or harm the reputation and sustainability of the company at some level.

Fibra's risk management process was established based upon the Risk Management Process suggested under ISO 31000:2009 Norm (Risk Management — Principles and Guidelines) and has the following objectives:

- To involve all of the agents of the structure at some stage;
- To standardize concepts and practices;
- To influence the making of decisions;
- To ensure that Fibra's governance is followed and critically analyzed;
- To supply a dynamic and efficient flow of information;
- To increase Fibra's transparency for market analysts, credit agencies and other stakeholders.



FIBRIA'S RISK MANAGEMENT PROCESS



Risk management involves different levels of responsibility:

The Board of Directors establishes the disposition level for the Company's risks based on the risk/return ratio that it intends to assume and defines the Fibria risk management philosophy.

The Audit Committee supervises the activities of the internal control functions and the Company's risk management activities, as well as compliance with applicable legislation, policies and Fibria's internal rules and procedures at all levels; evaluates the determination of the Company's financial risk management model and the risk management policies, its resources and maximum tolerance, as determined by management; and evaluates adjustment of human and financial resources destined for the management of the organization's risks.

At the level of the **Executive Board**, the president and CEO has ultimate responsibility for managing Fibria's risks, with the other executive officers being co-responsible and committed to risk management through understanding and comprehension of the risks and by implementing an efficient risk management macro-model.

Below the Executive Board, the levels involved include the **Risk Management Board**, which among other attributions defines the guidelines, resources and targets that guarantee the good functioning of risk management and promotes integration of risk management with Fibria's management and planning cycles; the **Risk Management Department** that, among other attributions, prepares the plans and ensures implementation of risk management, taking into account all of the dimensions of the defined structure, which encompasses strategic, tactical and operating activities, evaluates the Company's risks per business unit and portfolio, recommends the limits for each one of the risks to the Audit Committee in a manner that is consistent with the strategic objectives and tolerance to the defined risks, ensures maintenance of the risk management policy and checks up on compliance with the established limits; the **business and functional area managers**, who identify and manage the risks in their respective areas according to the mitigation strategies and implement the plans, following up with corrective and/or preventive actions; and the **corresponding business and functional areas** that interface with the Risk Management Department.

Anonymous communication – Fibria operates communication channels that are accessible to both internal and external public. The issues referring to the Code of Conduct, sent through these channels, are dealt with impartially and transparently, with a guarantee of confidentiality of information and preservation of the identity of the persons involved, seeking to foster a better business environment for everyone. Fibria established the figure of the Ombudsman, who is nominated by the Board of Directors and confirmed by the Executive Board of Officers, who regularly submits reports to the Audit Committee, to the outside auditors and to management itself.

Through the Office of the Ombudsman it is possible to clarify doubts of interpretation and to submit denunciations regarding failure of compliance with the Code of Conduct, such as corruption, bribery, fraud, environmental aggressions, false information, inadequate accounting practices, inappropriate use of the Company's assets, racial, color, religious, gender, physical or social discrimination and anti-ethical behavior and procedures.

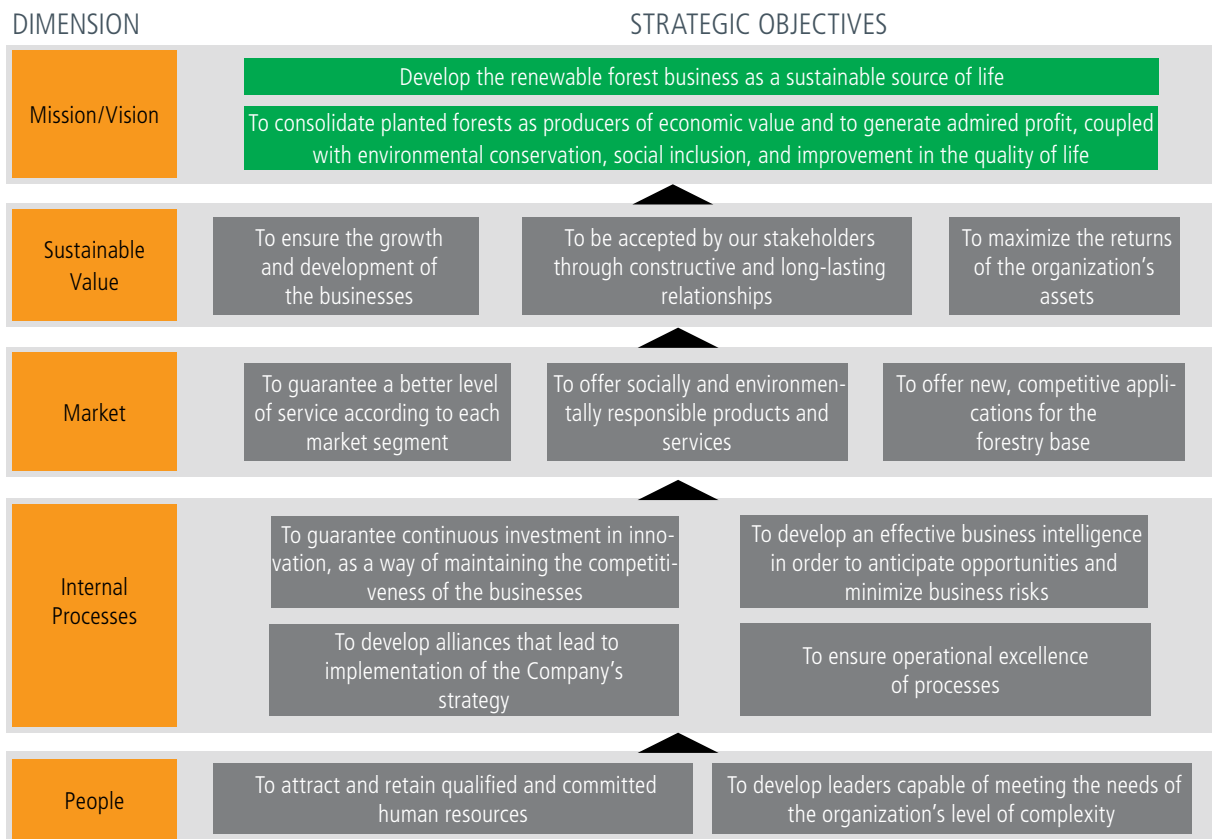
Fibria's Code of Conduct was published in 2010. In 2009, VCP's and Aracruz's Communication and Ombudsman channels prevailed, linked to their respective Codes of Conduct. During 2009, 52 cases were dealt with by the Ombudsman channels, distributed by type: management attitudes, behavior and moral harassment (44%), suppliers (13%), Company property (11%), the environment (10%), conflicts of interest (8%), workplace health and safety (6%), customers (4%), communities (2%) and the use of electronic information systems (2%).





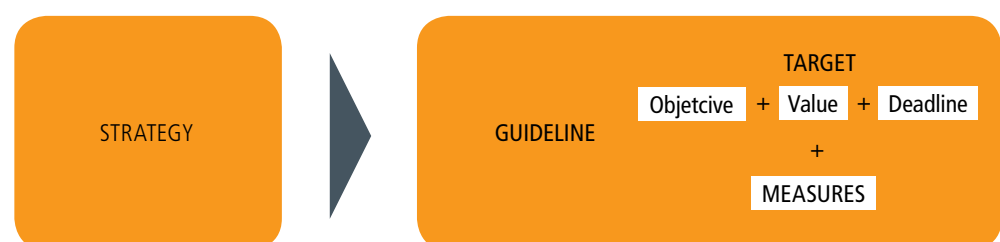
Management Systems

MANAGEMENT AND STRATEGIES



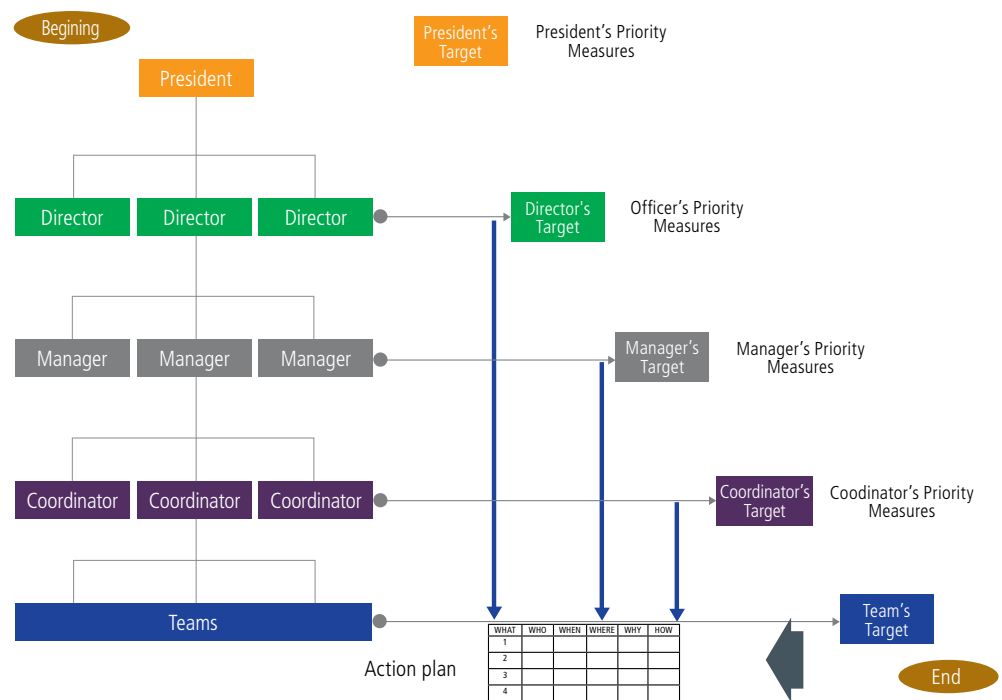
Fibra's management indicators derive from the objectives presented in the Company's strategic map, which was prepared using the Balanced Scorecard methodology.

The management of Fibra's indicators is based on the concept of management by goals (MBG). Using this management system, the long-term strategic plan is translated into targets and short-term measures for the economic, social and environmental dimensions.

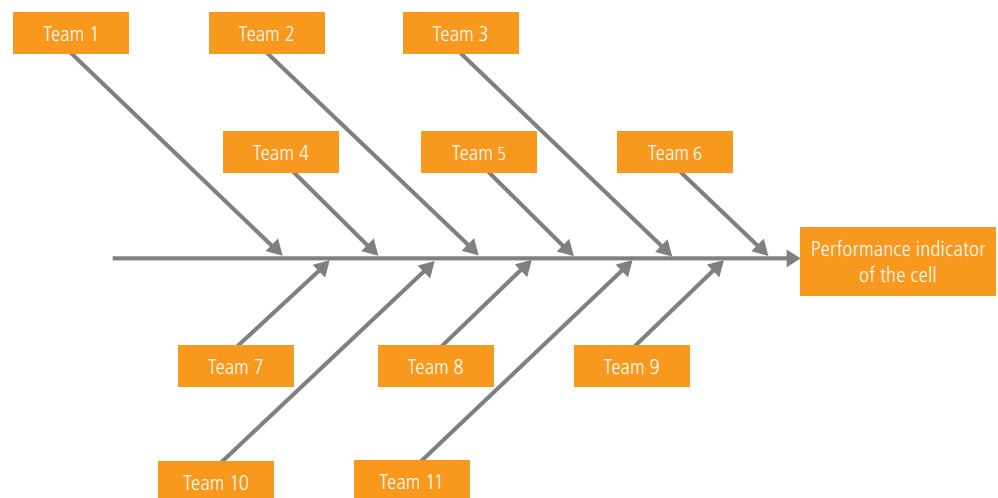


Through MBG, the targets and measures are broken down into all of the organizational processes and hierarchy, according to the Company's structure of management indicators.

In 2009, the MGB was applied only to the former VCP units. Aracruz's former units used the Aracruz Management Tracking System (MTS), which will be substituted in 2010 through the MGB system.



The specific targets and action plans for the indicators of each process are then monitored through results meetings, where an evaluation is made regarding the achievement of the targets and the effectiveness of the plans at each stage of the process.



In 2009, the GDP cycle was made up of 730 targets monitored through the Management On-Line software program ("GOL" in Portuguese), capturing a gain of R\$ 10.14 million compared to the EBITDA target for the year.

About the management

A publicly-held Company, Fibria's Board of Directors is composed of representatives of the shareholders, which interfaces with the president (the Company's main executive). The president is supported by officers responsible for the areas of Human and Organizational Development, Industrial and Engineering, Forestry, Paper, Supplies and Strategy, International Sales and Logistics, Controls and Risk Management and Treasury, and Investor Relations.

Economic management is distributed between the treasury, investor relations, controller, budget and performance, audit, strategic planning, supplies, commercial, and global logistics departments.

Besides these departments, performance aspects and economic impacts (direct and indirect) are quite important with regard to the activities carried out by the forestry and industrial, corporate and regional departments based in the various units.

Aspects involving market presence are the responsibility of the commercial departments in North America, South America, Europe, Asia and the logistics department, which are structured in Brazil and on the continents where Fibria sells its pulp. For its part, the paper business is conducted in Brazil out of the head office and in sales and distribution units located around the country.

Environmental management activities are distributed in the environmental forestry and industrial, technology, sustainability and corporate relations departments. Nevertheless, in the carrying out of their activities, all of the Company's areas share in and are responsible for full compliance with the operating procedures and requirements of the various managerial and forestry management certification systems in effect.

As well as managing the Company's corporate environmental practices and commitments, the environmental (forestry and industrial) and technology areas also interface with the operating areas with regard to managing environmental aspects of the production activities: consumption and disposal of production inputs; production and use of energy; the obtaining, treatment and reutilization of water; the monitoring of biodiversity; forestry management and administration of conservation areas; atmospheric, liquid effluent and solid waste emissions; compliance with legislation, including satisfying the conditions of operating licenses; and transportation.

The management of aspects related to labor and decent working conditions is the responsibility of the supplies, sustainability and corporate affairs departments. The forestry and industrial departments also are responsible for appropriate management of these aspects.

Issues related to fair working conditions, relations between workers and governance, workplace health and safety, training and education, diversity and equal opportunities are an integral part of Fibria's labor management practices, and therefore of its service providers – through linkages with contractual clauses and evaluations of social responsibility practices.



The management of aspects related to human rights, investment practices and purchase processes – non-discrimination, freedom of association and collective bargaining agreements, the abolition of child labor, prevention of forced and slave labor, fair treatment of complaints, indigenous peoples safety and rights – is principally the responsibility of the supplies departments and the human and organizational development, sustainability and corporate affairs areas.

The management of aspects related to society is mainly the responsibility of the sustainability and corporate affairs departments, along with the Conduct Committee, the Office of the Ombudsman and the legal affairs department. The main aspects of Company policy with regard to society consist of relationships with neighboring communities, relationships with government agencies and representatives, the policies and mechanisms to combat corruption and unfair competition, and compliance with legislation.

Finally, management of aspects related to product responsibility (customer health and safety, product and services labeling, marketing communications, customer privacy and conformity) is mainly conducted by the paper, hygiene, safety and workplace health and medicine, and sales departments.

Certifications

‘Just talking about certification simply has no relevance. What is important is that the company structures its administrative processes to comply with this commitment.’

Management Systems - ISO 9001 / ISO 14001 / OHSAS 18001 – Fibria’s units obtained Quality Management System certification (ISO 9001); Environmental Management System certification (ISO 14001); Forestry Management System certification (Forestry Management and Chain of Custody); and Occupational Health and Safety Management System certification (OHSAS 18001).

Fibria has multisite Quality Management System certification (ISO 9001) and Environmental Management System certification (ISO 14001) at the Capão Bonito, Vale do Paraíba and Três Lagoas Forestry Units, its Central Offices (São Paulo) and the Jacareí and Piracicaba Units. Actions are being conducted to unify the ISO certifications, including the Aracruz Unit, through the multisite scope.

BEGINNING OF THE MANAGEMENT SYSTEM CERTIFICATIONS

UNIT	ISO 9001	ISO 14001	OHSAS 18001
Aracruz (Industrial and Forestry)	1993	1996	-
Piracicaba (Industrial)	1996	2007	-
Jacareí (Industrial)	2000	2004	-
Alameda Santos (Corporate)	2006	-	-
Santos Port Terminal	-	2004	2006
Capão Bonito Forestry Unit	2006	2006	-
Vale do Paraíba Forestry Unit	2006	2006	-
Três Lagoas Forestry Unit	2008	2008	-



Forestry Management Systems – Fibria’s own forestry management areas are certified by the Forest Stewardship Council (FSC) or the Brazilian Forestry Certification Program (CERFLOR), recognized by the Program for the Endorsement of Forest Certification Schemes (PEFC). Some areas are certified simultaneously by both systems. Fibria is working to obtain both certifications in all of its forestry management areas.

BEGINNING OF CERTIFICATIONS OF THE FORESTRY MANAGEMENT SYSTEM

UNIT	ISO 9001	CoC FSC	CoC CERFLOR/ PEFC
Fibria Trading International Kft	1996	2008	2006
Fibria Celulose (USA) Inc	1996	2008	2006

Chain of Custody certification (CoC) allows tracing the entire production process, that is, from wood origin through to arrival at the mill, processing (transformation into pulp), storage and pulp sales.

The FSC CoC is multisite, being the only certificate issued for the Jacareí (January 2006); Piracicaba (June 2008); Conpacel (June 2008); and Três Lagoas (July 2009).

Fibria adopted the FSC standard for the evaluation of controlled wood in the Jacareí, Três Lagoas and Aracruz Units.

The certification of the CoC at the Aracruz and Três Lagoas Units was obtained in 2006 and 2009, respectively.

Innovation

i9 Program – entrepreneurialism and innovation for employees

i9 is an innovation program created to capture opportunities, recognize and reward professionals capable of helping the Company grow. Its objectives include encouraging the generation of ideas and the development and implementation of innovative projects within the Company, creating and sustaining an innovation culture coupled with the generation of value for the business, while also making the workplace environment more stimulating and entrepreneurial.

Professionals from all areas of the Company can present ideas to the i9 Program. The ideas can be developed individually or as a team, but must be in step with the Company’s business strategy.

The secret to i9’s success is based on three underpinnings: the participation of the professionals, the assessment of the managers (who facilitate the proposals) and the implementation of the solution. Upon evaluation of an idea, the facilitator takes into consideration the benefits that it might offer the Company, if it generates development of the professionals and improvements within the area involved and if it is technically and economically feasible, among other factors.



'The product reflects the company. Innovation is essential, is the way as a whole, not only for products, but also in terms of thought and approach.'

The program's credibility resides in its capacity to quickly and transparently evaluate the ideas that are presented, to capture the opportunities and to supply the necessary feedback to the authors of the projects, whether positive or negative.

The program's strategic guidelines are:

- Reduction of fixed and variable costs;
- Increase in production and equipment efficiencies;
- Generation of value in customer service;
- Increase of revenues.

The i9 Program began in VCP and in 2009 1,190 ideas were generated, of which 576 were approved.

Technological innovation

'The product reflects the company. Innovation is essential, is the way as a whole, not only for products, but also in terms of thought and approach.'

The innovative technology projects developed in 2009 have provided us with significant gains, in terms of operational, environmental and social excellence.

Superior new clones were developed and recommended to Fibria's units, yielding important increases in productivity, as measured in tons of pulp per hectare per year (IMA criterion). In Aracruz, following the new strategy of maximizing productivity within a radius of up to 100 km from the mills, specific clones were selected that could provide a gain of as much as 18% in IMA productivity. In the area of forest protection, in addition to maintaining a suitable health level in the plantations, the Company introduced a strategic plan, involving several countries, to control the Bronze bug (*Thaumastocoris peregrinus*), a new pest with a high damage capacity. Special attention was given in 2009 to the operational excellence of plantations where re-budding is practiced, focusing on soils and management. With regard to technologies for environmental sustainability, we implemented the "Fibria BioIndex", an important environmental management tool, based on biodiversity indicators that enable the priorities to be defined for the activities involved in planted forest management. Another significant result was the development of a soil conditioner from dregs and other organic waste, which is already being used on an operational scale, in the place of correctives and chemical fertilizers.



In the area of forest biotechnology, one of the highlights in 2009 was the progress made in the prospecting of new genes and marker assisted selection, working alongside some of the best universities in Brazil and abroad, as well as our own mastery of the regeneration of superior clones. In plant propagation, the optimization of seedling production using bioreactors has shown great potential for application on a commercial scale. Studies into the production of seedlings in biodegradable tubes have been taken further, as this could help reduce water consumption in the nurseries, as well as the time it takes to develop the seedlings. Advances in eucalyptus ecophysiology have also been achieved, with selection of the area and the starting of instrumental readings in this micro-basin at Aracruz Unit. Furthermore, the plan for the monitoring of surface and underground water has been revised.

The advances in process technology during 2009 were directed towards operational excellence and the Company's social and environmental performance. Amongst the various innovative projects that achieved the most significant results, we highlight the mapping of our Carbon Footprint, and the optimization of techniques for introducing additives during the cooking process, thereby increasing yield and reducing operating costs. These processes are being introduced at the Company's different production units and represent a significant portion of the gains we expect in operational synergies and in the Company's sustainability.

Our product development efforts were focused on the modification and application of pulp in the traditional paper market, other pulp uses, and investigating other kinds of products derived from the processes in our chain of value creation. This development and application of products has been and continues to be rooted in strategic partnerships with suppliers, research centers and customers, both in Brazil and abroad. In the paper market, our efforts continue to be directed towards increasing the proportion of eucalyptus fibers used in paper production. To this end, we are working on two fronts that are worthy of note: offering technology to customers for the application and use of eucalyptus in paper manufacturing and developing pulp modification alternatives using environmentally friendly processes. This opens up the possibility of manufacturing paper using less electrical and thermal energy, the substitution of softwoods and other hardwoods and a reduction in the specific consumption of fibers through the increased retention of mineral throughput.

The continual striving for technological breakthroughs led to the expansion of studies into alternative markets, as well as enabling important advances to be made in basic and applied know-how with regard to biofuels and biomass energy, derived from the eucalyptus and other crops.

Intangible assets

The launch of Fibria

The presentation of Fibria to employees, the press and the financial market occurred on September 1. At the beginning of the morning, simultaneous meetings were held with all of our own and outsourced employees in São Paulo and the industrial, forestry and commercial units. That same morning, the officers of the new Company met with representatives of the national and regional press. In the afternoon, it was the turn of financial market analysts and professionals to be presented to Fibria.

The disclosure of the brand to the public consisted of a single publication of an advertisement in the country's main print media outlets (newspapers and magazines) [see below]. A transitional website also was launched, presenting the new Company, its main attributes and its brand logo, through which Internet users can also access the websites of the originating companies.

Subsequently, the substitution of the visual identity of the originating companies for the new Fibria identity was initiated, a process extending into 2010.





Image evaluation

The Company's first survey to evaluate the institutional image in its field of activity was conducted in March 2010. For this research, 2,409 persons over the age of 16 resident in its areas of interest were interviewed – Espírito Santo, Bahia (the extreme south region), São Paulo (the Vale do Paraíba region), Rio Grande do Sul (the southern region), and Mato Grosso do Sul (the Três Lagoas region). For the global data, the survey presented a margin of error of 2.0 percentage points, higher or lower, with a reliability interval of 95%.

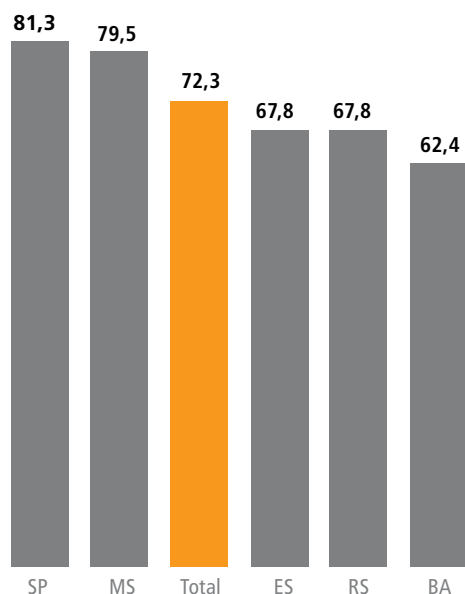
- Despite the fact that Fibria initiated its activities formally only at the end of the third quarter of 2009, the regional institutional image survey already revealed a significant level of brand recall. The results of this survey, which will become the benchmark for future Fibria evaluations, are presented as follows:

What is the name of the company that produces pulp/plants eucalyptus in your state (% of those interviewed)?

OPTIONS	BA	ES	MS	RS	SP	TOTAL
Fibria	8.8	13.7	15	0.2	2.5	8

- The Company's image was best in the state of São Paulo, with approval of 81.3%, followed by Mato Grosso do Sul (79.5%). The average approval index was 72.3%.

POSITIVE EVALUATION (EXCELLENT/GOOD)



Media exposure

The operation that led to the creation of Fibria can be considered one of the most important of its type ever carried out in the forestry sector. Besides the significance for the financial markets, its complexity also was highlighted in the media coverage. The process of merging Aracruz's shares by VCP was conducted in several stages, mostly in the midst of the adverse scenario caused by the economic crisis at the end of 2008.

Within this context, the coverage afforded Fibria by the press between the August to December 2009 period was highlighted by a number of major articles about the challenges of starting up the Company, the derivatives debt management issue, the negotiations for the sale of the Guaíba Unit (RS) until its conclusion in December, funding operations, the listing of the Company on the Dow Jones Sustainability World Index and the BM&FBovespa Corporate Sustainability Index. In parallel, sustainability was another topic in which Fibria had significant exposure. Among the articles published, worthy of mention was the election of Fibria as a model company by the Guia Exame de Sustentabilidade (Exame Sustainability Guide) and its selection as the outstanding company in the paper and pulp industry according to Carta Capital magazine in its special "Most Admired" list of enterprises.

Sustainability

Sustainability is a strategic issue at Fibria and is integrated into the business. In its mission and vision, the company makes the commitment that, while generating respectable profits, it will also ensure that its planted forest activities not only yield economic value, but also promote human, social and environmental development.

Two committees were established to strengthen Fibria's corporate governance regarding sustainability topics, an External Sustainability Committee ¹ to play a consultative role, coordinated by the chairman of the Board of Directors; and an Internal Sustainability Committee², comprised of the managers of the Company's main divisions.

'Fibria can serve as a catalyst for change in the industry, influencing modifications in the chain of production, and it also could become an example for the competition. It is a player in a particularly important industry, one that also impacts the environment. It could contribute to the revision of public policies and international rules.'

Sustainability Committee



Strategic management guidelines for Sustainability

Internal Sustainability Committee – CIS



Social-environmental guidelines for operations

Sustainability objectives

- 1) **Governance:** To establish governance that is strengthened by internal and external committees, using the Sustainability Report as the main tool for accountability of its actions and results.
- 2) **Stakeholder Relationships:** In order to try to prevent and reduce social conflicts directly linked to its business and operations, as well as to strengthen relationships with stakeholders, Fibria established a new position with regard to its relationship with the communities in its areas of influence.

This new model is in step with the Company's strategic guidelines, and strives:

- To build trust and reputation;
- To reduce social pressures on forestry activities;
- To assist in obtaining a social license for our operations;
- To obtain mutual recognition of the Company and the communities as possible partners for local development;
- To seek greater proximity and opportunities for coexistence and exchange of local realities, wherever the Company is inserted;
- To establish a bridge between the priority communities and the Company, fostering learning and group construction.

3) **Forestry Partners:** To align the various different programs as a way of assuring the generation of economic, social and environmental benefits for the farmers and for the Company.

4) **NGOs:** To strengthen relationships and partnerships with non-governmental organizations.





5) **Certification:** To strive to certify all of the areas under forestry management through the Forest Stewardship Council (FSC) and through the Brazilian Forestry Certification System (CERFLOR/PEFC).

100-Day Plan

Fibria developed a short-term action plan called the “100-Day Plan,” designed to develop actions with an impact between September-December 2009, in order to demonstrate to a wide range of stakeholders the Company’s commitment to sustainability. Many of the plan’s actions were to continue in 2010 and others served as the basis for the formulation of objectives, mainly targets for subsequent years.

The majority of the actions of this plan are concentrated in the forestry base, especially maximizing the involvement with the various different neighboring communities, due to the size and importance of this production process. With regard to forestry partnerships Fibria believes that this type of relationship is of great importance for its socio-environmental performance because the farmers that are involved in the program directly influence their regional economies, participating in the Company’s chain of production at a vital stage — that is, the supply of its main raw material.

In order to facilitate the plan’s management and development, the actions were grouped into 9 main areas:

1. Forestry base;
2. Forestry partnership;
3. Industrial units;
4. Certification;
5. Global topics;
6. Stakeholder relationships;
7. Employees;
8. Suppliers;
9. Governance.



100-DAY PLAN

LINES OF ACTIVITY

MAIN RESULTS

1 – Forestry Base

In the 252 municipalities where it has operations, Fibria neighbors many rural communities. The Company seeks to strengthen its relationships with these communities through a strategy involving engagement, social investments, and a differentiated approach regarding the solution of land conflicts and actions designed to conserve natural resources.

Indigenous communities – As foreseen under a Conduct Adjustment Agreement (TAC) signed in 2007, Fibria in 2009 contracted the Anai organization to prepare an ethnic-environmental study. The organization and the Terms of Reference of the study were agreed to by Funai and the communities. Because of difficulties unrelated to Fibria, the ethnic-environmental study was not concluded in 2009, making it impossible to begin the projects. Fibria and the indigenous communities have worked side-by-side on a number of different occasions to resolve the problems and conclude the study, which is expected to occur during the first half of 2010. As the approval of the projects on the part of Funai and the communities, Fibria will offer support totaling R\$ 1.8 million.

Community engagement – Fibria developed an intense community engagement program and its efforts with the Juerana and Helvécia communities, located respectively in Caravelas and Nova Viçosa, in the extreme south of Bahia, were highlights. The work at Juerana and Helvécia helped strengthen the traditional cultural and social values of the populations through joint planning and development of actions. In Juerana, a diagnosis of the community was carried out and, subsequently, an engagement plan was approved internally.

In these processes, more than 5,000 people representing different traditional communities of the regions were involved.

Job generation – The inclusion of the communities neighboring the forest plantations will be a permanent goal for Fibria. Within the 100-Day plan, this action was leveraged, with the following results:

- Approval of the installation of a nursery to produce eucalyptus seedlings in the Helvécia community, which will have a significant impact regarding the generation of jobs, both direct and indirect, for the community;
- Expansion of the hiring of local manpower in the neighboring rural communities on the part of outsourced forestry service companies;
- The restructuring of forestry protection through training and hiring of local monitors; and
- Vocational training in the communities in forestry maintenance of harvest operations.

Also noteworthy were three projects that were developed as part of the plan:

- Helvécia Regional Culture Project: training was conducted and job and income opportunities created through a theatrical production, "Auto de São Benedito," and through encouragement and assistance in sales of handmade products, especially apparel, involving some 400 persons;
- The structuring of a fishery chain of production in Caravelas (BA): training was conducted focusing on entrepreneurial development of more than 1,000 persons, involving all of the local fishing communities. Follow-up actions encouraged adding value to the products (fish processing);
- Bichos do Mar de Dentro: a project in the extreme south of the state of Rio Grande do Sul, involving 300 local craftsmen produces decorative objects, gifts, garments, stationary items, among other products, using the Pampa as the decorative theme. The project achieved nationwide status and now exports to a number of countries through a successful partnership with Sebrae.

Social investments – Particularly noteworthy were actions related to the Votorantim Partnership for Education, carried out in five municipalities (Alcobaca, Caravelas and Nova Viçosa, in Bahia; Conceição da Barra and Vila Valério, in Espírito Santo). This program, which involves the intense participation of Fibria's employees, representatives of government and local communities, was developed by the Votorantim Institute to support and boost educational levels of young people in the regions on a continuous basis, through quality education and training events, including the mobilization of key local agents.

100-DAY PLAN

LINES OF ACTIVITY	MAIN RESULTS
	<p>Conservation of natural resources on a local and regional scale:</p> <ul style="list-style-type: none"> • Registration of Legal Reserve areas, pursuant to the Forestry Code (Federal Law 4.771/65), with the filing of requests with the environmental authorities between September and December 2009 involving about 167,000 hectares of Legal Reserves belonging to Fibria's units; • Requests for recognition of three Private Natural Heritage Reserves (RPPNs) were filed with environmental agencies, totaling approximately 5,000 hectares of protected areas in biomes considered to be a priority importance, such as the Atlantic Forest and the Pampa, with Fibria's RPPN to be the first in the latter biome: the RPPN Torrinhas (162 hectares, RS), the RPPN São Sebastião do Ribeirão Grande (602.87 hectares, SP) and the RPPN Esperança do Beija-Flor (2,925 hectares, BA); • Actions to support and facilitate the establishment and legalization of land for Public Conservation Units (UCs), including the Serra do Mar State Park (SP), the Mato Grande Biological Reserve (RS), the Pombo Municipal Park and the Jupia and Capivaras (MS) UCs. This support mainly comes about through the donation of Fibria-owned land for setting up or legalizing the units.
2 – Forestry partnerships	<p>The partnership models maintained by Fibria were reviewed and improved in order to enhance the shared economic, social and environmental benefits of the forestry activity together with local farmers and communities. To do this, a number of in-company meetings and seminars were organized to prepare a new partnership model that was adjusted to different social, economic and landholding profiles of the farming communities. This new model will be called the Fibria Forestry Savings Program. Its main characteristics are the following:</p> <ul style="list-style-type: none"> * Fully inclusive process; * Wealth distribution, with the participation of the community directly in the Company's business; * Offer of access to credit, technology, markets and environmental adjustments; * Encouragement of the diversification of production and the creation of value in forest plantations, adopting agri-forestry models.
3 – Industrial units	<p>Notable actions included firmer implementation of the concept of eco-efficiency with regard to industrial activities and the construction and maintenance of a healthy relationship within the areas of influence of these units. These actions involved the startup of construction of an air quality station at Três Lagoas (MS) – scheduled for conclusion in June 2010, the introduction of the engagement process with the Barra do Riacho (ES) community and the increase, from one to three, in the number of ceramic companies whose brick production processes are being benefited through the use of industrial waste (pulp fiber and kaolin) generated by the Piracicaba (SP) mill.</p>
4 – Certification	<p>Certification of the Três Lagoas Unit by the FSC was obtained. The unit now is doubly certified, because it previously had Cerflor certification.</p> <p>The forests in ES and BA have initiated the preparation and planning process for obtaining FSC certification.</p>
5 – Global topics	<p>Fibria participated in a number of events associated with the Parties Conference (COP-15) held in Copenhagen (Denmark) to debate and propose mechanisms to combat climate change. Furthermore, Fibria was one of the signatories of a letter signed by a number of Brazilian companies defending the taking on of commitments by the governments participating in the Conference.</p>
6 – Stakeholder relationship	<p>Fibria revised its stakeholder relationship actions, with the following highlights:</p> <ul style="list-style-type: none"> • Participation in the Annual Meeting of the Global Forest Trade Network (GFTN) in the United States, organized by the World Wildlife Foundation (WWF), during which the Company presented its sustainability plans; • Participation in a meeting with Conservation International (CI) in Washington (USA), to present its activities in the field of sustainability; • Participation, together with a number of other companies and NGOs, in the signing of a Pact for Restoration of the Atlantic Forest, designed to bring together public and private institutions, governments, companies, NGOs and landowners to join forces and funds to generate concrete results in restoring and conserving biodiversity

100-DAY PLAN

LINES OF ACTIVITY	MAIN RESULTS
7 – Employees	<p>Employees were the object of a number of different actions, mostly to disseminate and discuss the Company's concepts and objectives in the field of sustainability and encouragement of volunteer activities. To this end, simultaneously with the Human and Organizational Development's Semear (To Seed) Program, presentations were made to managers of all of Fibria's units.</p> <p>A number of volunteer actions were conducted during the period, including:</p> <ul style="list-style-type: none">• A campaign to help the municipalities affected by flooding (João Neiva and Ibirapu in ES and São Luiz do Paraitinga in SP): the donation of mattresses, personal hygiene and cleaning materials, blankets, kitchen ovens, refrigerators and foodstuffs, among other items;• The Mini Company Program – Junior Achievement: production of handmade carpets (Decor Tapetes);• The Community Leadership Program – Junior Achievement: volunteers oriented middle school students in the creation of the Ajudarte Kids NGO, which organized recreational afternoons with underprivileged children through the Entidade Caic in Aracruz (ES);• Happiness Angels: The group came into existence when the Aracruz Unit launched its Volunteers Program. Once a month, the group visits patients at the São Camilo Hospital and seniors resident in the Recanto do Ancião home in Aracruz (ES);• V Day: Actions in all of the units including children's recreation, the production of donation of toys, Christmas panetones, a Yuletide show, distribution of gifts and candies, a visit from Santa Claus, collection of donations of basic Christmas hampers and activities for seniors.
8 – Suppliers	<p>The approach for this group seeks to improve understanding and application of Fibria's sustainability principles and objectives, and had the following main results:</p> <ul style="list-style-type: none">• Effective participation in the Company's volunteer activities;• A review of approval procedures, development and monitoring of suppliers with regard to sustainability issues;• Inclusion in fundamental processes with regard to carbon emission issues.
9 – Governance	<p>A Sustainability Committee was established to support the Board of Directors and the Internal Sustainability Committee (CIS). These committees are designed to prepare the guidelines for the sustainability strategic and operational management actions.</p>

Main commitments

Global Compact – Fibria assumed a commitment with the Global Compact, an initiative of the United Nations with the objective of mobilizing the business community to adopt fundamental and internationally accepted values in terms of human rights, work relations, the environment and the combat of corruption, reflected in 10 principles. The Company's actions in 2009 that are in compliance with the Global Compact are identified in the report's index.

The Right Way Program – Fibria joined the Right Way Program (Na Mão Certa), an initiative of Childhood Brasil and the Ethos Institute of Business and Social Responsibility together with technical support from the International Labor Organization (ILO). The program seeks to combat sexual exploitation of children and teenagers on Brazilian highways. Over the course of 2010, Fibria will conduct a number of in-company and transportation chain mobilization actions on behalf of the commitment that it has assumed.

CDP Supply Chain – Fibria was the first forestry sector Company in the world to join the Carbon Disclosure Project (CDP) Supply Chain as a leader, which translates into a commitment by the

Company to take into consideration climate risk in its supply in future investment decisions and to mobilize suppliers to also commit to climate governance actions. The actions stemming from this commitment will be visible throughout 2010.

Water Footprint Network – Fibria became a member of the Water Footprint Network (WFN), seeking to strengthen its commitment to sustainable development through strategic management and the rational use of water based on the WFN's guidelines. The actions that were implemented and the results obtained in 2010 will be disclosed through the Company's website.

New Generation Plantations Project (NGPP) – Fibria joined the project created in 2007 by the World Wildlife Foundation (WWF), which involves companies and governments to evaluate and establish the best concepts and techniques for forest management, involving the economic activity of silviculture, the conservation of biodiversity and meeting the needs of humans. The new generation of forest plantations is that which fosters the integrity and high values of conservation of the ecosystems, effectively involving the stakeholders and that contributes to economic growth and the generation of jobs. The project currently is in its second phase, which began in July 2009, and is scheduled to end in June 2011. Learn more about the NGPP through the following link: http://wwf.panda.org/what_we_do/footprint/forestry/sustainablepulp/paper/sustainable_plantations/newgenerationplantations/.

Forest Footprint Disclosure (FFD) – Forest Footprint is deforestation caused directly or indirectly by a company or a product. Fibria participated in the survey that originated the first Forest Footprint Disclosure (FFD) report, launched in February 2010. Organized by a British NGO, the Global Canopy Programme, with the support of the British government and a number of foundations, the survey form involved questions during 11 key sessions, including Risk Analysis, Sustainable Supply Chain development and Support Process and Governance. The report noted that Fibria is a Company that is 100% committed to using certified wood in the near future. The report is available at the following address: http://www.forestdisclosure.com/docs/FFD_Annual_Review_WEB.pdf.

Sustainable Forest Mosaic Projects – Fibria, together with the BioAtlantic Institute (IBio), Conservation International, The Nature Conservancy, Veracel and Suzano, are partners in this initiative, whose main objective is to encourage soil use diversification by landowners and communities, and to consolidate the results for large-scale landscape conservation, using the pulp and paper forest mosaic system wood production process. There are three scales of activities: in the south of Bahia, in the Atlantic Forest and on a global level, seeking to reproduce the model in other countries. In terms of results, highlights include strengthening of the protection of more than 8,000 hectares of protected areas (legal reserves and RPPNs) by the partner companies; the restoration of 600 hectares in areas belonging to the participating companies, creating forest corridors and generating jobs and income for the communities; a protocol for integrated biodiversity planning and monitoring, including protected areas and forestry restoration areas; and creation of a database of the consolidated pilot region in the GeoAtlântica interactive system. For more information, please access the link www.bioatlantica.org.br/geoatlantica.





Atlantic Forest Restoration Pact – Fibria participates in the Atlantic Forest Restoration Pact, which plays a role in putting forward the vision of the Company in making an effective contribution in restoration areas and as a mobilizing agent in the regions where it is active. The objective of the Pact is to articulate policies together with public and private institutions, government, companies, NGOs and landowners in order to merge their efforts and resources to generate results for restoration and conservation of biodiversity. The Pact's target is to make it possible to restore 15 million hectares of forests by 2050 in the 17 states in which the Atlantic Forest biome occurs. More information is available at www.pactomataatlantica.org.br.

Forest seedlings in Bahia – Fibria will install a nursery in the district of Helvécia, in the municipality of Nova Viçosa (BA), with capacity to produce 30 million eucalyptus clonal seedlings per year. The project is designed to supply the Company's forestry operations and at the same time promote economic activity and regional development. The investment is about R\$ 23 million, and foresees the generation of 50 jobs during construction and about 250 jobs when operations begin. In 2008, the Company signed a partnership agreement with the National Industry Service (Senai) and the National Rural Apprenticeship Service (Senar), initiating a program for training local manpower for the nursery. The program currently is in the midst of the environmental licensing process. Aracruz first announced the project in 2007, but it was interrupted the following year due to financial restrictions.



Relationship with stakeholders

Communication with stakeholders – Fibria keeps open channels of communication with the local communities in the vicinity of its forest and industrial operations, as well as with other stakeholders, as part of its Environmental Management System (ISO 14001). Each of the Company's units has one or more toll free telephone numbers for the reporting of environmental, forestry or industrial incidents, or those involving the transporting of wood. Fibria's institutional website provides e-mail addresses and phone numbers for contact in relation to personnel, supply or press relations. Meanwhile, the Company's investor relations department has its own website, for disclosing information that is of interest to the financial market and news about the Company, in compliance with the regulations governing listed companies.

Ombudsman – Fibria has an ombudsman, available to people both inside and outside the Company, who deals with matters relating to the Company's Code of Conduct. Contact with this channel may be made by telephone, e-mail (internet and intranet) or letter.

Corporate Communication – Fibria has a system of communication with internal and external stakeholders by means of easily accessible tools.

VEHICLE/TOOL	NAME	DESCRIPTION	FREQUENCY
Bulletin board	"Informe-se"	Printed leaflets to be put up on notice boards placed in strategic locations where staff tend to circulate, in the company's offices and mobile units (harvesting modules), containing information about regional and corporate events.	Weekly
Computer newsletters	Extra	E-mail distribution of more urgent news. It might later be printed and put up on the bulletin boards.	—
	Area	E-mail distribution of information that is specific to a department. The aim is to inform staff about something important and, in some cases, to elicit a certain response, such as a change in procedure.	—
	"Gestores (Management)"	E-mail distribution to the company leadership of important information that fosters interaction between the management and their teams.	—
Printed journal	"Vital"	Publication directed at Fibria's workers and their families, containing key company messages and the main news at the units.	Monthly
Intranet	FibriaNet	To make available and disseminate news, documents, services and systems. The aim is to facilitate access to information and keep down the flow of e-mails.	—



VEHICLE/TOOL	NAME	DESCRIPTION	FREQUENCY
Communication face to face	"Encontro com o Presidente (Meet the CEO)"	Regular meetings between the CEO and the employees at the units.	—
Internet	www.fibria.com.br	Fibria's main channel of communication with the outside audience. It contains all the information that the company makes public, such as notices, publications, institutional information, placements and content of specific interest, as well as serving as a channel of communication with stakeholders.	—
Newsletter	"Fibria Notícias"	Computer newsletter directed at those who are registered on the Portuguese language page of the company's website, containing news about the main events involving Fibria.	Weekly
	Fibria News	Computer newsletter directed at those who are registered on the English language page of the company's website, containing news about the principal events involving Fibria.	Monthly
Sustainability Report	—	Publication that gathers and reports on the company's principal results and challenges in the environmental, social and economic-financial spheres.	Annual
Specific publications	"JornalEco"	Publication on environmental education, directed at 5th and 6th grade students and teachers in schools of the public basic education network that serve communities in the vicinity of the company's forestry and industrial operation ¹ .	Monthly
	"Na estrada com segurança (Road Safety)"	Publication aimed at transport company drivers who provide services for Fibria, containing information about safety, health and good practices to follow when on the road.	Quarterly
	"NaFolha"	Publication aimed at visitors to the company's units, containing a presentation of the company and serving as a memento of the visit.	—
Special publications	Management Plan, institutional folder, and others	—	—
Videos	Institutional videos, on forestry and industrial safety, for training and on specific topics or areas relating to the company	—	—
Programmed visits	—	Program for receiving visitors and showing them Fibria's forestry and industrial operations, as well as the company's socio-environmental projects.	—

In 2009, the JornalEco took first place in the Press Management category at the 35th Aberje Awards, presented by the Brazilian Association for Corporate Communication.



Communities

Relationship with local communities

Consultation with the communities

In this report, Fibria presents the opinions of a number of stakeholders, as part of its efforts to develop awareness of the different outside perceptions of the management of its business, so as to reinforce its engagement and incorporate these views into the development of its sustainability strategies. Statements were heard from members of the communities of Jupia, in Três Lagoas (MS); Barra do Riacho, in Aracruz (ES); São José dos Campos (SP); Helvécia and Juerana, located, respectively, in Nova Viçosa and Caravelas (BA).

We thank our contributors both for the positive responses, which provide recognition of our efforts, and the negative ones, which help us to learn and constantly keep on developing. The full text of the interviews can be seen at www.fibria.com.br/rs2009

Interview with Vicente Buteri – President of the Association of Traditional Fishermen of Barra do Riacho and Barra do Sahy – Aracruz, ES

Vicente was born in Cachoeiro do Itapemirim (ES). At the age of 18, he went to work in Rio de Janeiro and remained there until he was 32 years old, when he moved back to Vitória. “When I came to Barra do Riacho, I had a fishing boat and I opened a seafood store, and then I was invited to run the association. Fishing was being totally neglected, so I ended up accepting the challenge.”

Today, the association has about 200 members, who supply seafood to stores in Aracruz and Vitória: “The fishing is on a small scale, basically to sustain their families. There are very few large boats at Barra do Riacho. The fishermen don’t wipe out the fish stocks, like the big ships do”.

According to Vicente, the fishermen have had to overcome many difficulties and to make adjustments in order to be able to continue fishing: “When the company (Aracruz) was set up, a dam was built on this river, and sometimes they open the gates for the water to flow into the reservoir and supply the company’s needs. But without the force of the current, the tide would come in and block the mouth of the river, and sometimes it stayed like that for two months and the fishermen didn’t have access to the sea. We were forced to hold a protest at Portocel. Things have improved a lot; since then it has only been closed once.”

“With progress, more boats and ships will certainly come, and then the fish will disappear. The impact of the companies, including Fibria, is enormous. The pollution of the river and the sea caused by the company’s sewage is great too. They say they treat the water before discharging it, but there’s always some waste in it. There’s also air and noise pollution – which drives the fish away.”

‘In the process of engagement, the company should ask the local communities for permission to begin planting, and they have the right to say no. If the position of opponents is ideological, it needs to be understood, not rejected out of hand.’



"We know that, looking to the future, we need to help the fishermen to improve their boats, so they can fish further out, because of these impacts. We know that this is the role of the government, but the company generates a lot of tax revenue for this region, so it has influence, it has a voice that will be heard, so it could help us by talking to the local government."

Interview with Sérgio Armbrust Mascarenhas – Forest Partner – São José dos Campos, SP

Sérgio, who is an agricultural engineer, was born and raised in São José dos Campos, on his family's property, where he works today. His main activities are raising beef and dairy cattle and agriculture. Of the 500 hectares under cultivation on the property, 115 hectares are given over to eucalyptus: "We already had the idea of planting eucalyptus in the higher areas, where the cattle don't go. In 2007, we signed a contract with VCP."

"After the merger, nothing changed. The terms of the contract are being honored and everything's been fine up to now; the relationship is the same. It is said that the contract has changed. If the new contract provides for market interest rates, it's going to complicate things. But if the old sponsorship contract continues to prevail, we will certainly plant much more."

"We sometimes hear rumors that Fibria will close the Jacareí unit and that those who are in partnership with the company will lose out. We choose not to believe this. Fibria is one of the biggest in the world, and wouldn't let the people down; we've invested a great deal."

"The entire process is done in the best way possible; we haven't noted any environmental impact whatsoever. We respect the springs and the limits, according to the legislation. The property was considered by the company to be a showcase and some directors visited us and were full of praise."

"We've received a lot of support, throughout the entire process. The people who come here, whether from the company or contractors, are very good, as technicians and as people; extremely dedicated. The expectations are as good as can be: if all goes well in this first cycle, we want to continue this activity for many years."

Interview with Maria da Conceição Bonifácio Oliveira (Tia Ceíça) – Juerana – Caravelas, BA

Born in the state of Minas Gerais, Tia Ceíça came to Juerana, with her two daughters, in 1982, to serve meals to the teachers of the region. At the time, she lived in a rented room and said she took a while to get used to the habits and customs of the region. Today, she lives in her own house and has opened a restaurant, which serves several companies, as well as the people of the community.

Tia Ceíça is known by everybody in the community and is always ready to help, with a basket of basic food items, anyone who is experiencing difficulties, as well as serving as an intermediary with companies and government bodies to resolve community problems: "My family here is the community".

Like everybody else in the region, she suffered from the economic crisis that affected the contractors working for what was then Aracruz: "With the crisis, the streets here became empty, many people were unemployed, and the commerce, which was good, is now weak. There are some who chose to live off the illegal trade in charcoal, burning the company's trees and even threatening



to burn the plantations and harm the employees. Fibria is already creating jobs, but it's still not sufficient to resolve all the problems, because many things also depend on the government".

Tia Ceíça says that, for things to improve, the company needs to get closer to the community: "The relationship with the company's local representatives is excellent, but the executives need to provide support and know what is going on. It's a bit distant at the moment."

She adds: "I've learned that the manager of the new company went to talk to local business people, and they discussed the best way for the resources to remain within the community. For us, it is very pleasing to know that Fibria is also concerned about the development of the community, because the companies that work for Fibria will have to treat us the same way that Fibria does".

Interview with Chief Aucélio Carlos – Tupiniquim village of Comboios – Barra do Riacho – Aracruz, ES

Approximately 500 Indians live in the Tupiniquim community of Comboios. They sustain themselves by growing cassava, cowpeas and sugar cane, and by hunting and fishing. Aucélio has been the community's chief for almost three years. Born and raised in the region, he believes that he was chosen to be the community's leader because of his appearance and ability to relate to people. He says that the main problem is unemployment: only five of the villagers work outside the community in paid jobs.

The relationship with what was then Aracruz began through partnership in a number of projects. The biggest of these was the donation of land for planting coffee, but with the demarcation of the Indian lands, the project was terminated: "Since that time, nothing has happened. With Fibria, until now, we haven't achieved anything. The first request was in relation to the land partnership, and we'd like to continue with the sponsorship, but we still haven't had a response. Previously, we had this partnership, and it was very good. I think it's because everything's changed there, but the people who work there now are very friendly towards us; the problem was the crisis. When it was Aracruz, they had people who knew what it was that we needed."

"We have a dream, which is to get the forest back. The Indian preserves nature, because he lives off it. We want to replant native forest along the rivers. The company could help us with its know-how, and we could carry out projects together. It has access to the responsible bodies and could help, in some way, to enable the village to become stronger. We are neighbors and we have a lot worth exchanging."

Chief Aucélio took us to see a little of the community; the school and the health center. In the latter, we met male nurse Edmar, who has been working in the community for six years. He said that the health question cannot be taken in isolation and that it is necessary to have a support network: "The Indians need to be inserted within the market and to be assisted in their cultivation, from the planting to sale in the market. They are a people who have suffered a lot; they lack jobs, and they cannot survive without jobs, or at least being able to carry out projects that are capable of generating income". In his opinion, Fibria is starting to open its doors and can help by contributing know-how for projects that will be sustainable over the long term: "The young people have lots of free time, they've not been taught how to look for a job, and they don't have access to information, for geographical reasons. They need a bit of a push."



Chief Aucélio invited Luis Antonio Mateus Barbosa, president of the Comboios Tupiniquim Indian Association (AITC), to participate in the interview. Luiz Antonio tells us that, on the occasion of the demarcation of the 1,250 hectares of community land (of which 374 hectares are reserved for the planting of eucalyptus), a Conduct Adjustment Agreement (TAC) was drawn up by Funai, which ended up causing some problems for the community: “We lost out because of the way the TAC was formulated. We understand that Fibria has to respect the terms of the agreement, but the sponsoring of eucalyptus was very good for both parties. I hope that Fibria arranges a meeting with Funai so that we can discuss this accord.”

“We feel that we are respected by the company and we are trying to build a good relationship. At the beginning of the financial crisis, we felt a distancing by the company, but we expect that things will improve from now on. The company’s public relations people do what they can for us.”

Statement from Gil of Jupiá (a district of Três Lagoas – MS)

I’m a fisherman by profession and president of a district association. I’m 34 years old and I’m the only president to have been reelected here in Jupiá. I managed this because of the struggles and fights to get the roads paved with asphalt, a sewage system and basic sanitation, and because I also do social work.

My contact with Fibria is recent, less than a year. Fibria asked me to collaborate in the installation of their shed. It’s a warehouse, from where the pulp is loaded onto trains and sent to São Paulo. They asked me to make the population aware of what they were doing. I have a friendly relationship with the company’s people and the contacts are good.

We signed a contract and they promised to donate a footbridge. That’s because the railway line runs through the middle of the district and people needing to cross it to go to school or to go to the other side need to scramble between the railcars. Previously, there was no problem, because the trains never stopped here. But now there’s always a train stopped for loading. We still don’t have the footbridge. It needs to be authorized by ALL (company providing the rail transportation of pulp for Fibria) and the ANTT (National Land Transportation Agency).

Another problem is that, with all this rain and the increase in cargo transportation, the asphalt is completely ruined. It’s not Fibria’s fault, but because the asphalt wasn’t up to handling all these trucks. But they’ve also said they’re going to fix it.

At the same time, Fibria has brought jobs. One of our agreements when they came here was to give jobs to people here in Jupiá. And there are already 8 or 10 people working there, and happy. I would like them, if possible, to increase the number of places for people here.

Fibria is the only large company in the region and, since Votorantim became Fibria, it has increased the possibility of development. I would like to introduce a lot of social projects, and am counting on support from Fibria. I have the dream of implementing free internet for the people here, because we are very isolated. The people hope that (the company) will be a partner of the community and also bring new ideas for our development. Not just obtaining the benefits, but also contributing.

If it’s for the good of Jupiá, then I’m a partner of Fibria.





Social investment

Fibra's strategy for socioenvironmental investment is derived from a structured process of relationship and engagement with the communities in the vicinity of the Company's mills and forest plantations, simultaneously helping to reverse socioenvironmental degradation and reduce the impact of its production operations.

The endeavors are aligned with the Company's sustainability guidelines and the following strategic objectives, in three priority areas of activity:

Education

- Contributing to worker training and professional qualifications
- Social and environmental education
- Training in entrepreneurship
- Strengthening citizenship

Generation of employment and income

- Helping to increase family incomes
- Helping to enhance employability
- Dissemination of an entrepreneurial culture focused on local aptitudes

Environment

- Conservation of the biodiversity of the biomes in which the Company operates
- Contributing to the neutralization of carbon emissions

Part of Fibra's socioenvironmental investment follows the guidelines of the Votorantim Institute¹, with activities focused on the development of young people between 15 and 29 years of age, giving priority to their education and professional qualifications. Definition of the social investment priorities is based on indicators such as the Human Development Index (HDI), the Social Exclusion Index (IES), and the Child Development Index (CDI), among others



Some of Fibria's principal socio-environmental investments are listed below:

MATO GROSSO DO SUL

FOREST REGION	ROUTE	PROJECT	PARTNER	MUNICIPALITY	OBJETIVE
FIBRIA – Mato Grosso do Sul	Work	Young Apprentice	"A Candeia" Spiritualist Charity Group	Três Lagoas	Provide professional training and prepare young people for insertion within the job market. It is specially aimed at those who are idle and vulnerable to social risk, skipping school and other bad habits that may negatively affect their personality development.
	Work	Apiculture	Sebrae / Três Lagoas Apicultural Association	Três Lagoas and Brasilândia	Help to improve and develop local beekeeping activities, by making available areas of planted forest for honey production.
	Education	Children and Adolescents' Shelter	Municipal Department for Social Progress	Brasilândia	Support the municipal authorities in their measures to protect children and adolescents who suffer from negligence, violence and abuse in their own homes or need to be removed from their original family environment in order to ensure their protection.
	Culture / Education	Mapping of archaeological sites on Fibria's farms	Historical Archaeology Museum of the Federal University of Mato Grosso do Sul	Três Lagoas and Brasilândia	Map, record and open to controlled visits by the community and educational institutions any sites discovered on Fibria's farms.
	Public Health / Education	Fighting Dengue and Leishmaniasis	Municipal government and NES	Três Lagoas	Support for existing public health programs.
	Work / Education	Professional Training	Senai	Três Lagoas	Technical training in mechanics, hydraulics and electrical systems of forestry equipment.
	Work / Income	Forest Pasture	—	Três Lagoas	Demonstrate the feasibility of combining forestry and animal husbandry.
	Work / Income	Selective waste collection	"Assobra" Brazilian-dense Association of Environmental Agents	Brasilândia	Provide increased income for collectors of materials for recycling.

SÃO PAULO (OUTSIDE THE CAPITAL)

FOREST REGION	ROUTE	PROJECT	PARTNER	MUNICIPALITY	OBJETIVE
Vale do Paraíba	Education	Teen Barulho (Teenage Clamor)	ACEP (Association of Friends of the Mayor Thiago Geraldo Rodrigues de Camargo Professional Training Center)	Salesópolis	Provide recreational, educational, artistic and cultural activities that strengthen the ties between the young people, their families and the community.
	Culture	III Guararema Film Festival	Raiz Produções Cinematográficas Ltda.	Guararema	Spread a movie culture within the community, by showing Brazilian films and holding training workshops, presentations and debates, all focused on the environmental theme.
	Education	Ponto de Encontro (Meeting Place)	GAMT (Child Worker Support Group)	Caçapava Velha	Promote the digital inclusion of 300 young people, through ICT.
	Work	Arte do Mato (Art of the Countryside) Studio	Instituto Ecosolidário	São Luiz do Paraitinga	Training artisans, setting up a workspace for handicraft production and organizing the group.
	GTR/Conservation of Biodiversity	Seeding Sustainability	Akarui	Natividade da Serra and São Luiz do Paraitinga	Contribute to the conservation of the assai euterpe palm, from which palm hearts are obtained, by means of sustainable use that generates income for rural landowners.
	GTR/Conservation of Biodiversity	Joanópolis Project	NACE/PTECA/USP and IPEF	Joanópolis	Generate technical and scientific and technical know-how for the development of viable models, in silvicultural, economic, ecological and social terms, focused on the integration of forest production and agroforestry systems on small rural properties.
	Education	Historical Trail	Santa Branca NEA	Santa Branca	Help to preserve the community's historical and cultural assets, by means of a pedagogical educational tool that seeks to develop appreciation and respect for this heritage.
	Education/Culture	Teacher training through the Paraíba Valley Center for Education about the Environment and national Heritage	IEV	Paraíba valley	Disseminate knowledge regarding education about the environment and the country's heritage in school programs, through the training of teachers within the state school system in the municipalities of Pindamonhangaba and Queluz.
	Education/Culture	Preservation of the São Sebastião do Ribirão Grande archaeological site and Education about the Environment and national Heritage for local communities	Bras Cubas University Archaeological Center and A&T Consultoria	Pindamonhangaba	Consolidate archaeological ruins and recover vestiges of cultural artifacts, as well as displaying the structures of the old farm, including outbuildings and surroundings, in order to preserve one of the country's cultural and physical assets.
	Conservation of Biodiversity	FREPESP branch	FREPESP	All of the Paraíba valley and the Bragantina region	Carry out ongoing activities in support of creating new RPPNs and establishing and running existing ones, in order to increase the area protected in private conservation units within the Eastern Cone region
	Culture	Mapping of valuable historical, cultural and scenic assets on Fibria's farms in the Paraíba Valley	Bras Cubas University Archaeological Center and A&T Consultoria	Jacareí, Guararema, Santa Branca, Taubaté and Caçapava	Map, record and open to controlled visits by the community and educational institutions any valuable assets discovered on Fibria's farms in the Paraíba valley.

SÃO PAULO (OUTSIDE THE CAPITAL)

FOREST REGION	ROUTE	PROJECT	PARTNER	MUNICIPALITY	OBJETIVE
Capão Bonito	Culture	Vídeo Tela Brasil travelling workshops	Buriti Filmes	Itapeva and Taquarival	Provide the communities with tools for creation and expression in the audiovisual medium, with specialized guidance, leading to the development of three short films.
	Work	Seeds of the Future Project	Ecoar Florestal	Capão Bonito, Ribeirão Grande and Guapiara	Mobilize and organize a community network for the production of the seeds of native forest species, to augment the employment and income generating opportunities within the river basins of the upper Paranapanema and Ribeira valley.
	Work	Beehives Project	Apicultural Associations	Capão Bonito, Itapetininga and Itapeva	Provide technical training for members of the cooperative and make an area available for honey production in the Capão Bonito region.
	Work	Formal agreement with ASSIM (Timber Industry Association) in Capão Bonito	Timber companies in Capão Bonito	Capão Bonito	Formal agreement for the strengthening of the timber sector in Capão Bonito, to promote the local timber industry and generate employment and jobs for the municipality.
	GTR	Ferreira das Almas Project – local development	Arkhé	Ferreira das Almas district, Capão Bonito	Survey of community skills and potential, for the development of a rural producer's association and income generating initiatives.
	Education	Digital Inclusion	Capão Bonito Legion for the Protection of Minors	Capão Bonito	Set up in 2005, to provide young people with computer training.
	Education	FATEC	ASSIM (Timber Industry Association) in Capão Bonito, Centro Paula Souza, municipal government and the NGO Inter-rios	Capão Bonito and the surrounding region	Construct and equip six laboratories and an auditorium for technical training in silviculture for young people in the region.
Vale do Paraíba and Capão Bonito	Culture	Brazilian cinema caravan	Ivã Marcos de Souza	Santa Branca, Guararema, Igaratá, Caçapava, Tremembe, São Luiz da Paraitinga, Canas, Areias, Lavrinhas, Cunha, Piquete, Natividade da Serra, Redenção da Serra, Jambeiro, Lagoinha, Pindamonhangaba, Paraibuna, Monteiro Lobato, Lorena, Aparecida, Roseira, Jacareí, Votorantim and Capão Bonito	Present the Brazilian cinema to communities that do not have access to this form of expression.

ESPÍRITO SANTO (ES) AND BAHIA (BA)

FOCUS	PROJECT TITLE	SCOPE	MANAGEMENT / PARTNERSHIPS	OBJECTIVES
LOCAL DEVELOPMENT	Family Farming	BA – Nova Viçosa (Helmécia); Alcobaça (Projeto Constelação, Itaitinga, Novo Destino, Pouso Alegre, Taquari, Ribeirão, Cana Brava); Caravelas (Juerana, Espora Gato) Ibirapuã (Juazeiro and Vila Portela). ES – Conceição da Barra (Coxi); São Mateus (Nova Vista I)	Company and local small farmers associations (ES and BA)	Increase the opportunities to generate income in rural communities, by stimulating the cultivation of short-cycle crops and fruit growing (coconut, lemon and passion fruit) in the company's restricted planting areas and on strategic rural properties belonging to small farmers (Afro-Brazilian communities in the north of ES).
	Supportive Beekeeping	Beekeepers in Espírito Santo, Bahia and Minas Gerais	Company Partnership: local associations and farmers (individuals)	Stimulate the professional and sustainable production of honey in forest areas.
	Integrated Timber and Food Production	ES – Communities of Cachoeiro do Riacho, Assentamento, Santa Rosa, Lagoa do Juara, São Geraldo and Gimuna	Company Partnership: local farmers associations	Increase the opportunities to generate income in rural communities, by stimulating the cultivation of maize, beans and cassava, in tandem with eucalyptus. Help to demonstrate that it is possible to produce other crops in the soil where eucalyptus is planted.
	Community Nurseries	Community: Angelin II (ES); Ibirapuã and Aparaju (BA) Social: Meninos da Terra (Linhares-ES) and Semeando a Liberdade (Viana-ES)	Associations of small farmers producing seedlings, Friends of the Earth Association and Viana Agricultural Penitentiary	Provide work and income opportunities for seedling producers in the participating communities and for prisoners who work in seedling production. Generate income for the "Meninos da Terra" project, thereby ensuring funding for its continuity.
	Culture with Fibria	BA – Nova Viçosa (Helmécia)	Company (NGE consulting firm) Partnership: Helmécia Quilombola Association (AQH) and Municipal government of Nova Viçosa	Disseminate the entrepreneurial culture as a basis for engagement with communities. Spread development and connect areas. Map and organize cultural undertakings.
	Fishing with Fibria	BA – Caravelas (Sede, Ponta de Areia and Barra de Caravelas)	Municipal government of Caravelas, local fishing community, Apesca and NGE consulting firm	Disseminate the entrepreneurial culture as a basis for engagement with communities. Spread development and connect areas. Map and organize the fishing production chain.

ESPÍRITO SANTO (ES) AND BAHIA (BA)

FOCUS	PROJECT TITLE	SCOPE	MANAGEMENT / PARTNERSHIPS	OBJETIVES
LOCAL DEVELOPMENT	Apiguá Project – Fish Farming with Net Pens)	ES – Linhares (Community of Guaxe)	Private (project run by Guaxe Fish Farmers Association)	Enable fish farming using net pens in the Guaxe area, by means of integrated research and technical and administrative assistance; providing support to commercialization efforts and project restructuring.
EDUCATION AND CULTURE	Araça Project “Those Who Read Life Read Better”	ES – São Mateus	Private (project run by Araça Cultural Center)	Contribute to the social inclusion of children and adolescents in São Mateus (ES), by developing their skills in new technologies and alternative media - newspaper, radio, TV and the internet.
	Berimbau Project	BA – Nova Viçosa (Posto da Mata, head office of Aracruz Produtos de Madeira – APM)	Private (project run by Berimbau Cultural Center for Child and Adolescent Care)	Contribute to the social insertion of children and adolescents in Posto da Mata (Nova Viçosa – BA).
SOCIAL AND ENVIRONMENTAL EDUCATION	Morro da Vargem Zen Monastery Environmental Education Center	ES – Municipalities of Aracruz, Fundão, Ibraçu, João Neiva and Santa Teresa	Private (project run by Mosteiro Zen Morro da Vargem)	Outpost of the Atlantic Forest Biosphere Reserve holds courses and presentations about the environment and the quality of life, for a variety of different audiences.
	Augusto Ruschi Marine Biology Station	Municipalities within Fibria’s area of influence in Espírito Santo	Private (project run by Ebmar)	Support Fibria in the environmental education programs developed for schoolchildren.
EDUCATION	Project Awaken		Company Execution: NGO “A Vida Vale Mais”	Awaken awareness of citizenship and an appreciation of life.
	Votorantim Partnership for Education	BA – Municipalities of Alcobaça, Caravelas and Nova Viçosa ES – Municipalities of Conceição da Barra and Vila Valério	Votorantim Institute ¹ with support from MEC, All for Education Movement, Municipal governments and Education Secretaries, and Civil society	Develop awareness in local communities and mobilize them in favor of improving the quality of the basic education provided in the state schools, so as to guarantee the right to learning for all.

¹ The Votorantim Institute was founded in 2002, with the aim of handling social investment of the Votorantim Group, the controlling shareholder of Votorantim Industrial, one of Fibria’s shareholders. The Institute’s programs for young people are defined as “routes” in the areas of education, work, culture and sport.

Relationships and engagement

Fibria has adopted a model for its relations with local communities that is based on three pillars:

- Dialogue: carried out in a structured manner with local communities that are affected, in some way, by the Company's forestry operations. The principal objective is to discuss and list the action to be taken in the event of positive or negative effects arising from these operations.
- Physical presence: a Company representative (a professional chosen from amongst the regional office staff) experiences the local reality, through approximation and constant presence in the communities. This physical presence facilitates the Company's access to the community, and vice-versa.
- Engagement: a deeper structured relationship that establishes the Company as a partner in local development. It involves discussing with stakeholders matters of common interest (socio-environmental and/or economic issues), in a transparent and participative manner, leading to the building of a relationship based on trust.

'It is in the most difficult relationships that the company shows its ethical values in practice – through tolerance, openness and fairness in its dealings. It is a big challenge.'

The engagement model was developed from a systematic approach allowing continuous improvement, greater understanding of what the critical issues really are for the stakeholders, and better preparation by the Company for discussing these issues and taking these into consideration during the decision making process.

In 2009, the process of engagement in Helvécia (Nova Viçosa, BA) was continued and planning was begun of the engagement efforts in Juerana (Caravelas, BA) and Barra do Riacho (Aracruz, ES).

Details of the initiatives aimed at engagement and relations with traditional communities (Indians, Afro-Brazilians, fishing and small farmers) can be found in the summary of the 100-Day Plan, in the chapter on Management and Strategies >> Sustainability >> 100-Day Plan.

'It is in the most difficult relationships that the company shows its ethical values in practice – through tolerance, openness and fairness in its dealings. It is a big challenge.'

Relationship with specific communities

Since the end of the 1960s, when Fibria (then Aracruz Celulose) began its forestry activities, new requirements and stricter standards of socio-environmental responsibility have emerged. To keep up with these rapid changes, Fibria has exerted considerable effort and, in some areas, has earned international recognition for its sustainability practices.

The Company faces varied and complex challenges in the social sphere. They are challenges relating to issues that affect the whole of Brazilian society, and which are particularly manifest in the north of the state of Espírito Santo and the far south of the state of Bahia. Although the pulp industry has fostered regional development, this process, on its own, has not been able to eliminate the pockets of poverty that have been created within the region's model of land



occupation. Fibria recognizes this difficulty, and has been working with various public and private players, local communities and the third sector to define and put into effect plans to invigorate the economy of the region and promote greater social inclusion. At the same time, the Company has been making efforts to engage with the local communities with two main aims in mind: to increase the jobs on offer, by the Company and its service providers, and to develop activities devoted to entrepreneurship and generating income in the communities, with a view to preparing them to assume the leading role in their own development.

Fibria has taken a proactive role in presenting arguments and proposals in relation to these issues to all the stakeholders, so as to clarify the facts, encourage dialogue and seek sustainable solutions to these challenges.

Relationship with black communities

The 1988 Federal Constitution, in article 68 of its Transitional Provisions, granted to the descendants of escaped slaves (quilombolas) who had run away to form slave haven communities (quilombos) the right to receive title to the lands that they were occupying. However, in 2003, the government issued a decree (nº 4,887) that gave a new meaning to the term “quilombo” and significantly altered what had been established in the Constitution.



Decree no 4,887 determined that racial groups who declared themselves to be descendants of Afro-Brazilians, according to the criteria of self-determination, would be considered quilombolas. And defined their lands as being those “used to ensure their physical, social, economic and cultural reproduction”, taking into consideration territorial criteria and the claims of those who considered themselves to be the remnants of quilombos, and no longer those lands that had been in their possession from the abolition of slavery until October 8, 1988. It would be in the government’s power to expropriate, at the market price, those areas marked out as quilombola lands.

As a result, areas other than those occupied since 1888 could now be considered quilombolas, thereby creating new property rights that were in direct conflict with the rights of other people, both legal entities and private individuals, and not only in rural areas but within towns and cities. Since it impairs rights that are guaranteed under the Constitution, Decree no 4,887 has become the object of a Direct Unconstitutionality Action, brought by various parties, which is soon to be judged by the Federal Supreme Court (STF).

Since Decree no 4,887/2003 was published, 1,408 communities around the country have already been registered as quilombos by the Palmares Cultural Foundation. Among those registered, 36 are located in places where Fibria has rural properties, within municipalities in Espírito Santo (28), Bahia (7) and Minas Gerais (1), and 15 of these are located in areas neighboring the Company’s plantations.

In Espírito Santo, INCRA (National Institute for Settlement and Agrarian Reform) initiated the procedures for the identification and demarcation of four areas in the north of the state that have been declared quilombos and affect Fibria. Of these processes, two have been annulled by the courts and will have to be started all over again (Linhariño and São Jorge). One process has still not been submitted by INCRA (Angelim) and the other was recently published (São Domingos).

Under the two latter procedures, the area belonging to Fibria that INCRA intends to expropriate comes to a total of 15,732 hectares, in addition to another 9,606 hectares belonging to rural landowners, including black communities members who do not consider themselves to be *quilombolas*.

Fibria has never questioned the rights of these communities to title over the lands that they effectively occupy, as guaranteed by the Constitution. Our wish is to maintain good neighborly relations with these families and to contribute towards their prosperity. But, due to the uncertainty as to what will be decided by the STF regarding this issue, which is admittedly controversial and will have a long-term impact, any opposition on our part could erroneously be interpreted as racism or a denial of the traditional rights of these communities. We have as neighbors these extremely poor communities, who have very few options for generating income and see in recognition as quilombos a chance for them to prosper, because of the promise that the Decree no 4,887 have been holding out to them. At the same time, the management has the legal responsibility to appeal against these processes, in order to defend the interests and assets of the Company.

Consequently, at the same time that it is questioning in the courts the way that some of these self-determination and land demarcation procedures have been conducted, Fibria retains its strategy of strengthening its relations with these communities, through engagement and social investment, in order to further their social inclusion, and this has been successful in several communities in Bahia. To this end, Fibria has sought to discuss and provide support to alternative solutions for the development of these communities. One of the alternatives being studied is to involve these communities in Fibria's business, whether by means of direct and indirect employment or by promoting forest activities, following the agroforestry model.

Fibria is just one of the players present in the areas occupied by these communities. For this reason, the company maintains discussions with public and private participants, in order to seek a medium to long-term global solution that will improve the living conditions of these and other needy communities in the neighborhood.

The principal results of the relationship with black communities in Espírito Santo and Bahia are shown in the chapter on Management and Strategies >> Sustainability >> 100-Day Plan.

Relations with indigenous communities

In 2009, Fibria continued to participate in dialogues involving the indigenous communities in Aracruz (ES)¹, Funai and the municipal and state governments, aimed at furthering the activities provided for in the Conduct Adjustment Agreement (TAC)² signed in 2007.

According to the TAC, Fibria pledged to finance an ethno-environmental study, to be carried out in accordance with the terms of reference and by an entity chosen by common consent by Funai and the indians, for the purpose of identifying the best alternatives for the land use and development of the communities. Fibria made a further commitment to support projects deriving from this study, projects deriving from this study with funding of R\$ 3 million, of which R\$ 1.2 million has already been disbursed.



'The indian and quilom'bola communities are natural neighbors. And they could be excellent neighbors for us. We must build this together, helping to preserve their culture, their way of life, and contributing to their prosperity.'

The territorial expansion brought an end to the land conflict but, more than two years on, life in the communities hasn't improved, since, due to difficulties that are not related to Fibria, the ethno-environmental study was not completed in 2009, thereby making it impossible to begin the projects. Fibria and the Indian communities have worked side-by-side on various occasions, in an attempt to resolve the problems and complete the study, which should be finalized in the first half of 2010.

Fibria's challenge is to develop, with the Indian communities, a relationship model that is different from that of the past, which was characterized by polarization and paternalism, and involving in the process other players who can contribute towards the real and sustainable development of these communities.

The principal results of the relationship with indigenous communities in Aracruz (ES) are presented in the chapter on Management and Strategies >> Sustainability >> 100-Day Plan.

¹ The municipality of Aracruz is home to approximately 3,000 Indians, distributed in seven villages, four of which are Tupiniquim (Caieiras Velhas, Pau-Brasil, Irajá and Comboios) and three are Guarani (Boa Esperança, Três Palmeiras and Piraquê-Açu). In 1975, Funai acknowledged the existence of Indians in the state of Espírito Santo. The Indian reservations were set up in 1983 and expanded in 1998 and 2007.

² Relations between what was then Aracruz and the Indian communities in Espírito Santo began in 1981, when the company donated a portion of the 4,500 hectares of land for the establishing of the villages. In 1998, in response to pressure from the Indians, Funai recommended that the reservation, established in 1981, be expanded by some 13,000 hectares. The Minister of Justice only partially heeded that recommendation, expanding the reservation by 2,571 hectares. That was followed by the invasion of the company's areas, which only ended when Aracruz agreed to pass on resources for investment in community projects. In 2005, the Indians broke the agreement and adopted pressure tactics (which included incursions onto the company's land and into its mill, as well as campaigns against its customers), demanding expansion of the reservation to the total recommended by Funai in 1998. The dispute was brought to an end in 2007, when the Minister of Justice, Tarso Genro, signed an Administrative Ruling expanding the reservation by around 11,000 hectares. Although the company had the option of appealing against the decision (which the Indians feared), Aracruz assumed the strategy of negotiating, just as long as they were given a legal guarantee that the area would never again be expanded. This was accepted by the government, the Indians and the Public Prosecution Service, and culminated in the signing, on December 3, 2007, of the Conduct Adjustment Agreement (TAC), confirming the expansion of the reservation and providing Aracruz with the legal guarantees that it required.

Relationship with rural land movements

At the end of 2009, there were properties belonging to Fibria in the state of Bahia that had been invaded by the MST (Landless Workers' Movement), covering a total of 5,721.91 hectares, some of which had been occupied for more than two years. The courts have issued repossession orders, which are in full effect, but they have not been effective, since the repossession has still not been carried out by the authorities. Fibria has repeatedly shown to MST leaders its willingness to talk and to contribute to the sustainability of the settlements.

Theft of wood

The north of Espírito Santo and the far south of Bahia are nowadays the stage for the activities of an illegal production chain for wood products, involving, at one end, poor communities that gather wood and produce charcoal and, at the other, iron foundries and sawmills, orchestrated by a powerful organization that acts as intermediary and "launderer". The focus of this scheme used to be the use of the wood from native forests. However, some years ago, they also started stealing the wood from planted forests belonging to companies in the region.

In 2009 alone, a total of 3,760 hectares of planted forest was affected by acts of arson, directly or indirectly related to the theft of wood and the illegal production of charcoal in southern Bahia.



It is estimated that there 3,000 people are now involved, most of whom are from extremely poor communities, which makes it also a social and political issue, not just a legal one.

This state of unlawfulness has contributed to the emergence of numerous other illegal practices, in addition to the theft of wood, such as sexual exploitation, unhealthy working conditions, child labor and drug trafficking.

The favorable scenario for the growth of the illegal charcoal chain is further heightened, and even stimulated, by the lack of prospects for economic and social development among the poor and by the criminal activities of the intermediaries and financiers of the theft of wood and charcoal production.

The theft of wood from Fibria's areas has been gradually increasing, which affects the company's operations and creates a general state of underlying tension, which explodes in violence, and even death.

To tackle this issue, Fibria has sought to instigate a process of dialogue with other participants in the public and private sectors, with a view to diminishing the scale of the problem, by means of structured action to generate employment and income and stimulate entrepreneurship, in order to promote development and social stability within the region.

Socioenvironmental education

Centers for Environmental Education (NEAs) – The Environmental Education and Community Relations Program (PEARC) reached out to 20,217 people during the second half of 2009, through the NEAs at Santa Branca (SP), Capão Bonito (SP), Três Lagoas (MS) and Capão do Leão (RS). The activities embraced 22 municipalities in the three states where the PEARC is active (see Table 1, below). A total of 2,420 people participated in the Environmental Interpretation activities, 2,323 of whom were students and 97 were teachers.

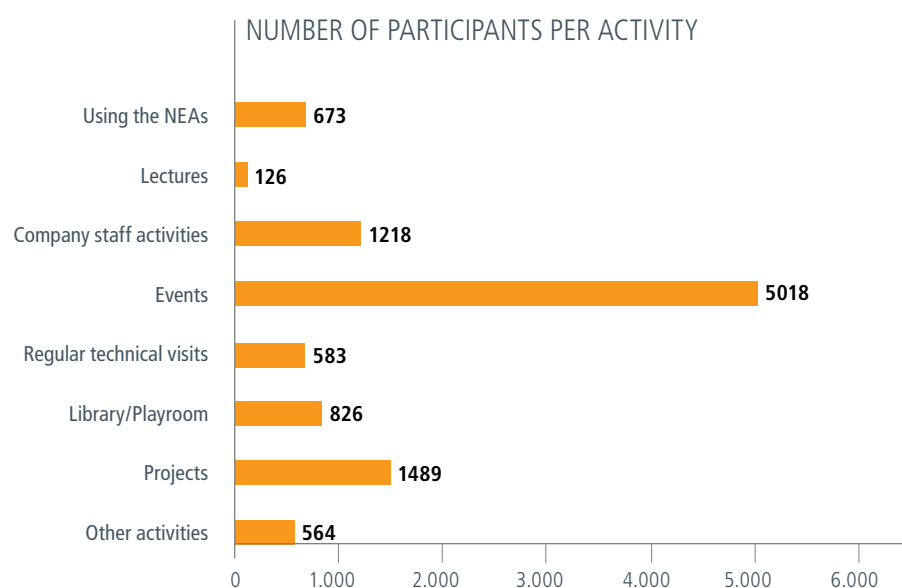
MUNICIPALITIES WHERE THE PEARC WAS ACTIVE IN THE 2ND HALF OF 2009

São Paulo	Jambeiro, Paraibuna, Taubaté, Santa Branca, Ribeirão Grande, Jacareí, Capão Bonito, Taquarivaí, Cachoeira Paulista, Queluz, Paraibuna, Tremembé, Igaratá, São Luis do Paraitinga, Mogi das Cruzes, São Paulo, and Pindamonhangaba.
Rio Grande do Sul	Capão do Leão, Rio Grande, Pelotas, and Candiota
Mato Grosso do Sul	Três Lagoas

During this period, 9,403 seedlings of native tree species were donated and 6,368 copies of "Jornaleco", a Fibria environmental education publication, were distributed.

During the whole of 2009, a total of 55,800 people participated in activities developed under the PEARC.





* CINE - NEA, commemorative occasions and event promotion and participation.

** Integration, meetings, training, other courses and mobile library.

ACTIVITIES OF THE TRÊS LAGOAS NEA DURING 2009:

Teacher training	Training of 28 state and municipal school teachers.
Environmental interpretation	315 5th grade students from 9 schools in the Três Lagoas (MS) municipal education network participated in this project, an average of 35 students per group.
Dynamic environmental talks	210 8th grade students from 6 schools in the Três Lagoas (MS) state education network participated in this project, an average of 35 students per group.
Internal activities involving the company's own and outsourced staff	Competition to come up with phrases alluding to the Water Day commemoration, attracted the participation of 241 company staff members.
Conscientious consumption	Involving 283 employees of the Barra do Moeda horticultural nursery.
E-knowledge (mobile library)	Reached out to 1,061 employees.
Visits to the NEA	There were 473 visitors to the Três Lagoas NEA.
Technical visits	199 participants.
External activities through social and community projects	<p>Cine NEA: films with an environmental theme were shown to 1,078 people.</p> <p>Time for Reading Project: benefited 26 3rd grade students from elementary schools in the district of Arapuá.</p> <p>Lecture on soil conservation and management: attended by 18 students and professors from the UFMS Geography course.</p>

Environmental Education Program – In an effort to disseminate environmental information and practices that help to develop awareness among the various parties with which it relates, for the adoption of practices that are sustainable and capable of transforming the socio-environmental situation, Fibria's Aracruz Unit has developed the Environmental Education Program (PEA). The specific objectives of the PEA are:



- Stimulate awareness about the conservation of biodiversity and the control of environmental impacts, giving importance to the sustainable use of natural resources;
- Bring about changes in attitudes with regard to socioenvironmental issues, among the internal and external audiences covered by the PEA, based on positive experiences and access to information;
- Help to consolidate a participative and ongoing relationship with stakeholders, in order to develop a link with the forest management practices and socio-environmental projects and activities of Fibria.

The PEA of the forestry area at Fibria's Aracruz Unit is divided into four Environmental Education Projects (Projea), as described below.

PROJECT	TARGET AUDIENCE	FOCUS
Forestry	Own and third-party forest workers	Socio-environmental aspects and impact of forestry activities
Forest Producers	Forest Producers who participate in the Forest Producer Program (sponsorship)	Conservation areas and socio-environmental aspects and impact of forestry activities
Local Communities	Teachers and students in basic education within the neighboring communities	Dissemination of forest management and environmental conservation
Social Projects	Beneficiaries of social projects supported by the company	Socio-environmental aspects and impact of the project's activities, forest management and environmental conservation

Dialogue with NGOs and participation in forums

Participation in forums and dialogues - Fibria participated in forums and dialogues at the municipal, state and national level, as well as in international forums such as the World Business Council for Sustainable Development (WBCSD) and the Ethos Institute for business and Social Responsibility. The complete list of entities, forums and dialogues in which Fibria participated can be found on the company's website, at: www.fibria.com.br. Particular attention is drawn to the following initiatives:

Participation in The Forests Dialogue (TFD) - Fibria has been a member of The Forests Dialogue (TFD) since 2005. TFD is an international organization that promotes dialogue about forestry issues and includes the representatives of important forestry companies, NGOs, inter-governmental institutions, trade unions and universities. The company is a member of the TFD Steering Committee, where it is represented by Carlos Alberto Roxo, the Sustainability and Corporate Relations general manager. In 2009, TFD held nine dialogues, five of them focusing on Reducing Emissions from Deforestation and forest Degradation (REDD) and four focused on Investment in Locally Controlled Forestry (ILCF). To learn more about TFD and the results of the dialogues, go to: <http://environment.yale.edu/tfd>.

Participation in the Forest Dialogue for the Atlantic Forest - Fibria participates in the Forest Dialogue for the Atlantic Forest, an entity comprising representatives of conservation bodies, forestry sector companies, universities and research centers, set up in 2003 to discuss topics



relating to the use of forest resources and the conservation of biodiversity, with the focus on the Atlantic Forest biome. This dialogue is supported by TFD. The first phase of the Forest Dialogue for the Atlantic Forest took place during the three year period 2005-2007, when four gatherings were held. The second phase covers the period 2008-2010.

Participation in regional Forest Dialogues - Fibria participates in the Espírito Santo Forest Forum, the Forest Forum for the South and Far South of Bahia, and the São Paulo Forest Forum, which include other forestry sector companies and NGOs. The former had its first gathering in September 2008 and forest partnership is one of the principal themes under discussion. In 2009, three gatherings took place. The southern Bahia forest forum has been in existence since 2005. It has developed guidelines for forest partnership, which have been adopted by the National Forum and serve as a benchmark for the other forums. It is working on an analysis of sponsorship in the region and is developing two other topics: Zoning and the Independent Monitoring of the Socio-environmental Impacts of Silviculture. Four gatherings took place in 2009. In operation since 2008, the main themes of the São Paulo Forest Forum are: Landscape Planning; Socio-environmental Management; Forest Partnerships; Conservation in Private Areas; Water, Forest and Biodiversity; and Public Policy. In 2008, it was decided that the dialogue would work on the "Paraíba Valley Corridor" project, within the scope of the first two themes, which needed the profile of the activities to be developed or supported to be defined. Three gatherings were held in 2009. To learn more about the regional forest forums and the results of the dialogues, access the link www.dialogoflorestal.org.br.

Suppliers

Supply chain management

In 2009, Fibria began to revise its procedures regarding its strategy for outsourcing and the evaluation and selection of suppliers, with a view to creating a single broad policy in support of its philosophy of supply chain sustainability.

From those efforts, a process of Supply Chain Management was defined, based around an inter-functional outsourcing committee ("Outsourcing Committee"). This committee is being set up by the Supplies area, with a reach that extends into various other areas of the company.

With members from the company's Production, Legal, Engineering, Control, Supplies, Human Resources, Management Systems and Forestry areas, the Outsourcing Committee has the task of ensuring the sustainability and competitive performance of the services provided by third parties.

Furthermore, the committee is responsible for assessing the quality of the services provided and encouraging suppliers to be in compliance with all tax, labor, human resources, work safety, quality, environmental and economic obligations. It also assesses and deals with any cases of economic dependence – where Fibria accounts for more than 70% of their turnover – among the suppliers.



PROPORTION OF PURCHASES FROM LOCAL SUPPLIERS IN STATES WHERE THE COMPANY OPERATES (2009):

STATE	%
Mato Grosso do Su	34
São Paulo	
Espírito Santo / Bahia	33

Fibria participates in the Program for the Development and Training of Suppliers - Prodfor, which is run by the 12 largest companies in the state of Espírito Santo, supported by FINDES (Federation of Industries of the State of Espírito Santo). Following a year of training and auditing, 44 new local companies were certified in 2009 and are now Fibria's "suppliers list", in segments such as engineering, metallurgy, electrics, auditing and transportation.

'Corporate social responsibility applied only in-house is no longer sufficient. The company needs to extend its practices to its suppliers.'

With regard to the sharing of ethical and sustainability values with its suppliers, throughout 2009, both VCP and Aracruz maintained standard clauses in their contracts prohibiting both child and forced labor. These standards have been included in all Fibria contracts since September 2009. The company is well aware of the hazards involved in suppliers' use of children in the workforce and imposing of forced labor in industrial and forest activities and adopts a variety of measures, such as the Contractual Memorandum and the Social Responsibility Assessment, to avoid this happening. Ratification against social responsibility assessment criteria is conducted every two years and a total of 633 suppliers were ratified in 2008 and 2009, equivalent to 62.7% of Fibria's supplier base. Two other obligatory hiring requirements are compliance with Fibria's environmental policies and transport safety criteria (Safe Roads Program). These standards are annexed to the contract.

One aspect of Fibria's monitoring of environmental sustainability in its supply chain was the Carbon Inventory 2008, carried out during 2009, in relation to the Jacaré, Aracruz and Guaíba mills, which involved calculating the emissions from its supply links upstream and downstream from its pulp production. Consequently, the final calculation of the carbon emissions included those of all inbound transportation from the forests to the mills and of the outbound transportation — maritime, road and rail — from the mills to the 10 international destination ports. The carbon emissions balance sheet for paper production at the Guaíba Unit included only the upstream supply links.

In 2010, the company also intends to disseminate a culture of climate change governance throughout the supply chain, in line with the recommendations of the Carbon Disclosure Project - Supply Chain. This will allow greater monitoring of the "carbon footprint" of Fibria's value chain and identification of the opportunities and risks that exist in relation to climate change.



Government

Contributions to political campaigns

Fibra does not exercise any political party activities and, during election periods, supports financial campaigns based on the following criteria:

- Strict compliance with existing legislation;
- Donations only for candidates or parties whose campaign finance committees are registered with the Electoral Courts;
- Transparency and traceability of the donation processes;
- Improvements in public governance at the federal, state and municipal levels;
- Promotion of sustainable development;
- Strengthening of citizenship and democracy.

'Fibra could act in partnership with government (and society), contributing its expertise in forest recuperation activities.'

The election campaign donations are part of the General Political Donations Plan, pursuant to specific Company policy approved by the Executive Officers. The total amount of the donations and the list of candidates who were supported by the Company is on public record and can be consulted at the Regional Electoral Boards of each state. Because there were no elections during 2009, Fibra made no donations during that year.

Fibra seeks to incorporate the best practices of transparency regarding the election campaign donation process, inspired by its Code of Conduct. Its participation in the election process is designed to contribute to the building of an appropriate political-institutional environment and to support political players committed to sustainable development and improvement of public governance.

Public policies

Fibra is represented in three public policy preparation forums:

- The Silviculture Sector Chamber: Set up in 2008 by the Ministry of Agriculture, Livestock and Supplies (MAPA), the chamber's purpose is to present proposals, support and follow-up with actions to develop the planted forest segment in Brazil. Fibra is represented in this forum, which encompasses participants in the forest production chain, as a member of the Brazilian Planted Forest Association (ABRAF). Details about the activities of this industry forum and the sector's positions can be obtained through ABRAF's (www.abraflor.org.br) and MAPA's (www.agricultura.gov.br) websites;
- Industrial Development Plan (PDI): Fibra is represented by the Brazilian Pulp and Paper Association (BRACELPA) on this forum, which is under the auspices of the Ministry of Development, Industry and Foreign Trade (MDIC). BRACELPA's participation in the PDI seeks to propose public policies regarding the pulp and paper industry;
- Silviculture Parliamentary Front: Established in 2003 by the Federal Chamber of Deputies, it includes members of the federal legislative branch of government who are interested





in defending silviculture activities in the country. ABRAF, an organization of which Fibria is a member, supports this parliamentary initiative by providing updated information and relevant studies about the Brazilian forestry industry. Details regarding the activities of the Silviculture Parliamentary Front and the positions of the industry can be obtained through the ABRAF (www.abraflor.org.br) and Chamber of Deputies (www.camara.gov.br) websites.

Personnel management

'The company does not do externally what it doesn't practice internally'

The integration of two large organizations, each with its own strong cultural legacy, within a complex economic scenario, was the biggest challenge facing the personnel management area in 2009. The team's efforts were dedicated, above all else, to providing support to the merger process and the sale of the Guaíba Unit.

Within this cycle of change, the department of Human and Organizational Development (DHO) adopted a series of initiatives aimed at keeping the vital spark of Fibria's professionals burning brightly during the course of this process. A new corporate structure was created, more suited to the size of the new company, and the dissemination of a new corporate culture and unique professional identity was initiated.

In order to establish responsible and transparent relations, an assessment process was developed that extended to all the company's executives. The aim of adopting the best practices of each of Fibria industrial, forest and administrative units was accomplished. And the results of this process helped in the capturing of synergies and making the best use of the available professional staff.

New policies were determined for wages and benefits, supported by diverse areas of the company. Early in the second half of 2009, these policies were already in place at all of Fibria's units. With the work procedures fully assimilated by the professionals, the DHO department turned its attention, towards the end of the year, to the task of involving all the staff in the efforts to develop Fibria's reputation amongst its principal stakeholders.



DHO DATA	2008 ARACRUZ	2008 VCP	2009 ARACRUZ	2009 VCP	FIBRIA 2009 (VCP + ARACRUZ)
Company staff	2,665	3,003	1,927	3,115	5,042
Permanent outsourced staff	6,304	4,838	4,929	4,589	9,518
Total direct employees	8,969	7,841	6,856	7,704	14,560
Remuneration (company staff) R\$ thousand					
Pay	150,447	142,627	155,603	164,656	320,259
Obligatory payroll charges	41,789	62,328	84,003	60,532	144,535
Benefits	76,946	71,873	97,348	71,848	169,196
Total	269,182	276,828	336,954	297,036	633,990
Selected Statistics (company staff)					
Admissions	358	977	92	489	581
Average nominal salary (R\$)	3,533.83	3,198.13	4,319.00	3,231.17	3,646.93
Number of employees who received training in policies and procedures in relation to aspects of human rights that are relevant to the company's operations	0,00	3,590	0	768	768
% of professionals who received training	0.00	0.00	0	25%	15%
Hours devoted to professional training and development activities	207,656.00	563,190	–	–	258,358.36
Hours of training and development per employee	78	194	–	–	51
Per work category (Executive Board, Managers, Administrative, Operational, Supervisory and Technical)					
Executive Board		48			0
Managers		5,050			4,868
Administrative		67,635			51,657
Operational		410,959			149,626
Supervisory		22,840			17,565
Technical		56,658			34,642
Skills management and continuous learning programs in support of continued employability		see tab LA11		see tab LA11	
Skills management and learning programs in preparation for retirement		see tab LA11		see tab LA11	
Percentage of employees who regularly receive performance appraisals and career development		41%		–	
Nº of company staff who are from the local community					
North		0	0	17	17
Northeast		0	179	30	209
Mid-West		211	0	338	338
Southeast		1844	439	1889	2,328
South		125	0	74	74

DHO DATA	2008 ARACRUZ	2008 VCP	2009 ARACRUZ	2009 VCP	FIBRIA 2009 (VCP + ARACRUZ)
Proportion of company staff who are from the local community					
North		0%	0%	89%	
Northeast		0%	13%	86%	
Mid-West		33%	0%	38%	
Southeast		87%	94%	91%	
South		91%	0%	82%	
N° of members of the senior management who are from the local community					
North		0	0	1	1
Northeast		0	5	3	8
Mid-West		0	0	1	1
Southeast		109	40	126	166
South		2	0	4	4
Proportion of members of the senior management who are from the local community					
North		0%	0%	50%	
Northeast		0%	3%	75%	
Mid-West		0%	0%	3%	
Southeast		85%	85%	92%	
South		25%	0%	100%	
Private pension scheme – number of participants					
	7,498				
Liability cover of the defined benefit pension scheme offered by the organization					
Number of beneficiaries attended under the health plan	7,498	2,921	6,238	4,394	10,632
Number of medical appointments conducted under the health plan	42,902	20,320	29,473	25,787	55,260
Number of occupational health medical appointments	2,555	3,856		4036	
Number of occupational health examinations	40,953	46,272		48432	
Number of days spent in hospital under the health plan	2,840	466	772	488	1260
Number of meals served	2,316,507		1,594,462		
Proportion of employees covered by collective agreements with labor unions (%)	97.40%	100.00%	95.00%	87.87%	90.59%
Lowest salary	720.79		773.12	725.00	725.00
Lowest remuneration paid by Fibria vs annual remuneration based on the prevailing national minimum wage	2.05		1.96	1.82	1.82
Percentage of women in the workforce	13%	17.08%	12.00%	14.70%	12.97%
Percentage of Caucasian origin (%)*	68%	84.08%	59.00%	83.82%	70.91%
Percentage of Afro-Brazilian and mixed race (%)*	32%	15.05%	40.00%	15.51%	22.54%
Others (Asian/Indian) (%)*	1%	0.87%	1.00%	0.67%	0.74%
Proportion of employees with disabilities (%)	5%	3.50%	7.40%	0.77%	2.87%
Average age of the employees	37.0	35.2	37.0	36.1	34.28
Average length of service with the company	12	7.91	0.12	7.96	4.96
Ratio of basic pay for men and women (overall)	0,97	1,12	0,91	1,01	0,97

Ratio of basic pay for men and women (executives)	1,12	1,20	1,11	1,27	1,19
Ratio of basic pay for men and women (admin. and operational)	0,78	1,02	0,94	0,96	0,96
Company staff turnover rate (%)	10,26%	28,57%	9,09%	13,77%	11,73%

Staff turnover

Admissions	358	977	96	489	585
Dismissals	172	836	346	380	726
Resignations	87	66	16	52	68
Effective average	2,583	3,173	2,430	3,156	5,586
Average accumulated turnover rate	10,26%	28,57%	9,09%	13,77%	11,73%

Education (completed)	Number				%
Elementary schooling	152	493	160	515	14,2%
Secondary schooling	1,419	1,511	1,079	1,631	57,0%
Higher education	783	962	502	924	30,0%
Specializations (post-graduation, Master's degree and Doctorate)	225	37	186	45	4,9%

*Fibria has four types of employment contract: Consolidation of the Labor Laws - CLT (Executive Law nº 5,452/1943), Bylaws (Executive Board), Interns (Law nº 11,788/2008) and Young Apprentice (CLT and Decree nº 5,598/2005).

**All the professionals employed by Fibria are entitled to the following benefits: medical and dental assistance, life insurance, child day care allowance, allowance for children with special needs, transport, meals, basket of basic food items, pharmacy assistance, private pension scheme, Christmas gifts and a kit of school materials. These benefits are extended to all the company's professionals, although some of them, due to their position in the organizational structure or the unit at which they work, may be entitled to other benefits

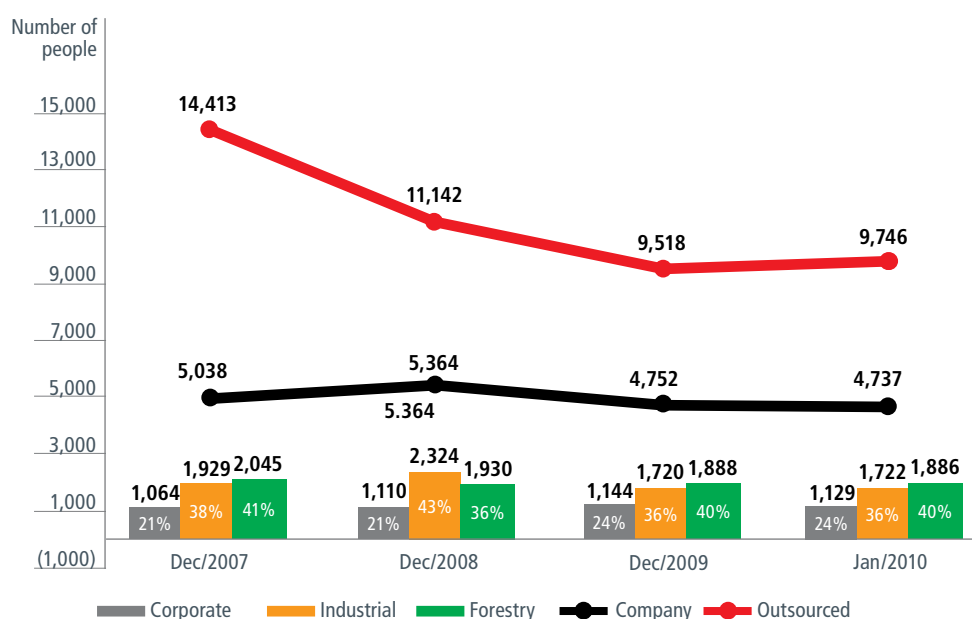
***According to IBGE criteria.

**** ((Admissions + Dismissals)/2) Average number of staff



Workforce

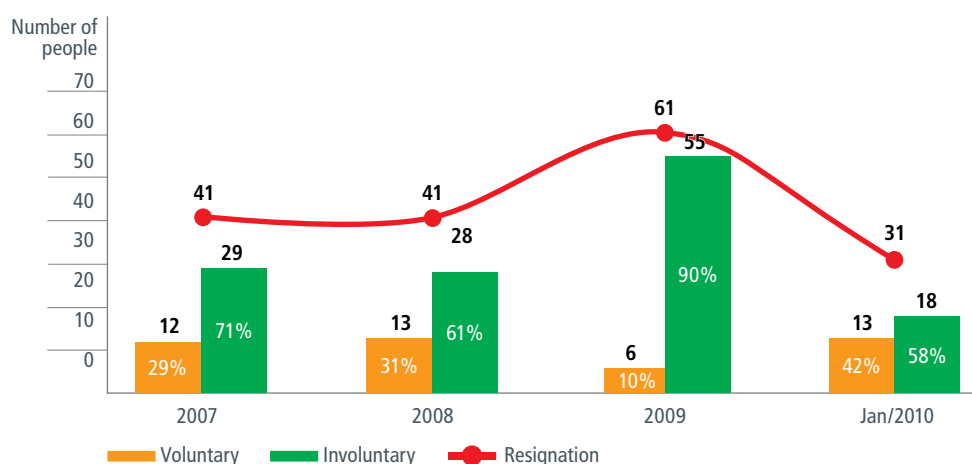
The main challenges in the area of personnel management in 2009 revolved around the extended merger process, conducted in the midst of debt restructuring, the sale of an industrial unit (Guaíba) and the “rehiring” of nearly 16,000 professionals, including company and outsourced workers.



Some structural adjustments were made during the integration process, which can be seen in the employee turnover rate for the year, particularly in the question of involuntary rescissions. During the previous two years, the companies had already been making specific adjustments.

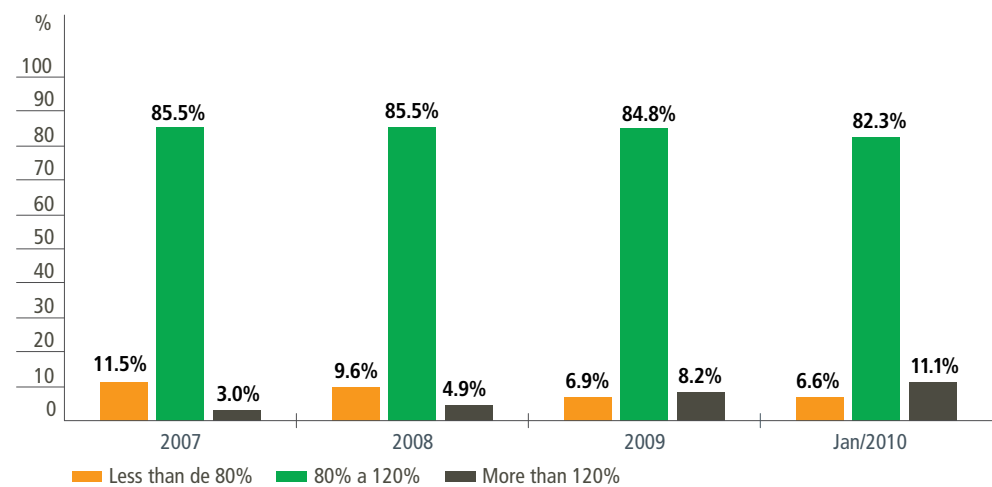
Many of these adjustments occurred during the period immediately following the international economic crisis, which forced the two companies to impose strict cost control measures, including cutting back on outsourced employees. Nevertheless, the total staff numbers varied little between December 2008 and December 2009.

AVERAGE MONTHLY RESIGNATIONS

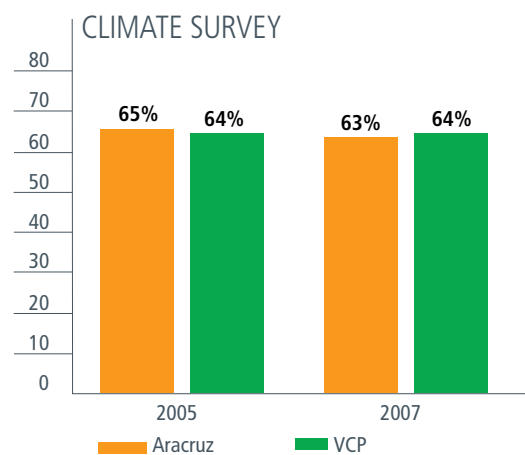


The economic upturn was accompanied by strong demand for our professional talent, particularly following the merger. The new opportunities presented by the creation of Fibria should, nevertheless, make it easier to attract and retain staff.

Fibria has a remuneration program that is aligned with the best market practices, with policies designed to attract and retain the most talented professionals. In addition to fixed remuneration corresponding, on average, to the third quartile in its market, Fibria offers benefit packages and variable remuneration aimed at stimulating the growth of the organization and the engagement of its professionals.



However, the company realizes that satisfactory remuneration alone is not enough to keep professionals motivated. Other factors are just as, if not more important to the attracting and retaining of talent, including the working atmosphere and investment in the professional and personal development of the employees.



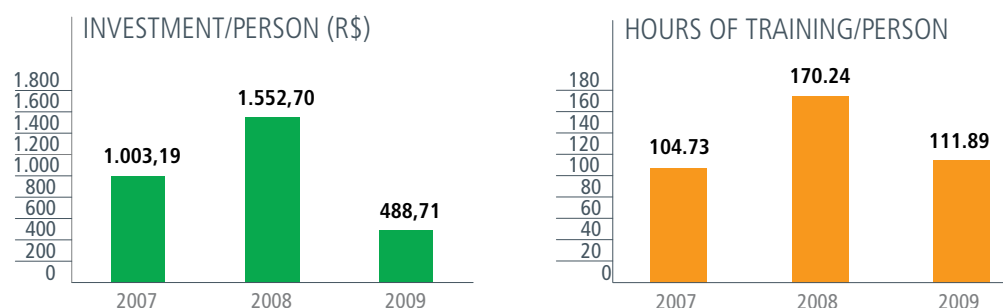
The way in which the company addresses diversity:

DIVERSITY

	2007	2008	2009
Total professional staff	5,038	5,364	4,752
Women	15.8%	15.0%	14.2%
Black and mixed race*	21.4%	20.6%	23.1%
Women (executive posts)	2.2%	2.2%	2.2%
Black and mixed race (executive posts)*	0.6%	0.7%	0.7%
Over 50 years of age	9.7%	9.9%	10.3%

*According to IBGE criteria.

Training and development



The professionals at Fibria have access to the Votorantim Academy of Excellence, an organization that puts together training and development activities and promotes the sharing and evolving of knowledge at the company, as well as ensuring the quality of life of the professionals. The results of these efforts can be seen in the safety indexes and the set of programs aimed at physical and personal well-being that are being adopted at all Fibria's units.

Fibria has two programs aimed at the continuous development of its professional staff, thereby strengthening their employability: the granting of educational scholarships and language course allowances. The former subsidizes technical, graduate and post-graduate courses, while the second provides an allowance for learning the foreign languages most frequently used at the company, particularly English.

The company also has an outplacement policy for professionals at pay scale GS36 and higher, in the event of contract rescission, ranging from 9 to 12 months. In 2009, 40 professionals participated in this program, assisted by an outside consulting firm. Due to the restructuring process, 46 professionals at levels GS34 and GS35 participated in an outplacement guidance workshop and 4 individual sessions.

Health and safety

Health and safety are strategic issues for Fibria, a company that values life. Its management model is based on four pillars:

1. Responsibility and Leadership: refers to the management's guidelines and commitment to inspire preventive mobilization;
2. Systems: covers practices, programs and tools that support the attaining of the goals. The system is maintained by a management committee comprising representatives of all the businesses;
3. Behavior and Performance: combines the constant monitoring of the performance indicators, reinforcing safe behavior and auditing;
4. Synergy: refers to the sharing of information about the control of safety hazards, through identification and continual upgrading of the best internal and external practices (benchmarking).

The company's management model is reflected in programs such as the Alert Movement (program of communication, awareness building and engagement to ensure safe behavior), Safety Tour (safety inspections carried out by the management), Safe Roads and Safe Forests (safety management models covering transport and forest areas, respectively) and Golden Rules (system for controlling safety guideline non-compliance in activities considered to be of critical risk, such as working at height and in confined spaces, electrical hazards and overhead cargo handling, among others).

The workplace health and safety management system makes use of a variety of tools, such as Communication of Substandard Conditions and Practices, Task Oversight Report (ORT), regular random safety inspections, Total 5S – including facets of compliance with Labor Ministry regulatory standards, meetings of the Internal Committees for Accident Prevention (Cipa – Internal Committee for Accident Prevention and CIPATRs – Internal Committee for Preventing Accidents in Rural Work) and the Safety Committees.

The Central Workplace Health & Safety Committee meets once a month to evaluate the working conditions, identify things that can be improved and present its suggestions. The committee is coordinated by the corporate manager for workplace hygiene, safety & medicine, with the participation of those with technical responsibility for the industrial and forest units (safety engineers and technicians, and on-site doctors and nurses).

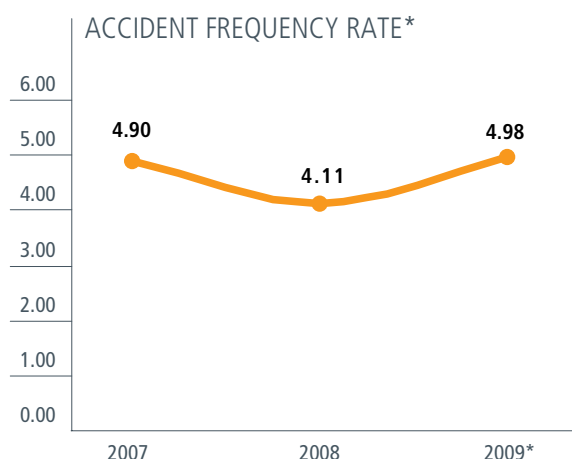
The Cell Safety Committees also meet every month, with the participation of safety, environmental and ergonomic representatives from each production cell. Each unit also has its own Safety Management Committee, which meets every two months. It is chaired by the unit's general manager, with the participation of all the unit's managers and the workplace hygiene, safety & medicine team. Minutes are taken at all the committee meetings, which are sent to all the participants and put up on the intranet. There is also a Committee for the Safety of Third-Parties, which evaluates the working conditions of outsourced staff.

Another initiative in the area of workplace hygiene, safety & medicine is the Ergonomics Process. Ergonomics committees have been set up at all the company's industrial and forest units,



assisted by professionals who have been trained in the basic notions of ergonomics and receive technical support from the unit's SESMT or SESTR. There is also training to qualify as an in-house ergonomics consultant (course providing 144 hours of training), under the guidance of Dr. Hudson de Oliveira Couto, one of Brazil's leading ergonomics practitioners.

In 2009, the plan to combat dengue/leishmaniasis, set up during the construction of the mill at Três Lagoas (MS), was continued. Under this plan, which is now a permanent feature, following the start up of the industrial unit, the aim is to take practical and consistent steps to control these diseases, eliminating the sources of the mosquito carrier (*Aedes aegypti*) and applying the best available methods and technology, involving both the internal (company and outsourced staff) and external (local communities and public and private entities) populations. Notable among the activities is the distribution of informative materials, the use of traps to capture the pregnant female mosquitos that carry the diseases (Mosquitrap) and the use of a GIS (Geographical Information System) and real time monitoring of mosquito control in disease risk areas.



* This indicator reflects the accidents involving company and outsourced professionals, as if the companies VCP and Aracruz had been operating together since 2007, although there were differences between the two companies' work health & safety management models. As from September 1, 2009, the management model was unified under Fibria and it is estimated that there has been a significant performance gain from the synergy opportunities presented.

Quality of life

The programs devoted to the quality of life that have been run by VCP (+Vida) and Aracruz (Raiz da Vida), the results of which are reported separately herein, are to be merged by Fibria. Their relaunching is scheduled for the first half of 2010.

'Fibria has achieved a very good quality level. It was necessary to include new features, like the Workplace Satisfaction Index, for example.'



Raiz da Vida (Root of Life) Program

The Root of Life program, developed by Aracruz, achieved the following results in 2009:

PROGRAM	OBJECTIVES	RESULTS
Orientação Vocacional (Vocational Guidance)	Provide guidance to the children of employees who are in secondary school on the process of choosing a profession. It is divided into three stages: initial interview with the parents; meetings with the children in groups (self-awareness, determining interests, professional options, interviews with professionals); feedback interview for the children and their parents.	15 group meetings Total hours: 45 Total participants: 25 (15 in Aracruz and 10 in Vitória)
Vida Plena Executivo (A Full Life as an Executive)		Group 1 closed - 12 executives participated in the program Group 2 closed - 11 executives participated in the program Group 3 - workshop held in 2008. Individual consultations not carried out
Dependência Química e Outras Compulsividades (Chemical Dependency and other Compulsive Behavior)	Provide resources to employees and their families who need help in resolving problems relating to the use of alcohol and other addictive substances. Provide primary prevention measures (information about the dangers of drug use), approach, diagnosis, sending for specialized treatment, family member attendance and sending for treatment of codependency, post-treatment, reintroduction to society and return to work. Train team and management in how to deal with the issue, according to best practices recognized by the WHO.	Six employees and six family members sent for treatment at a specialized clinic; 26 employees and 42 family members sent for outpatient/mutual-help group attendance; Monitoring of 13 employees. Post-treatment group: Aracruz (12 employees / 44 meetings / 420 attendances); Posto da Mata (5 employees) Inter-family group: Aracruz (20 meetings / 260 attendances / 13 family members per meeting); Posto da Mata (13 meetings / 180 attendances / 6 family members per meeting) 420 individual employee consultations and 247 individual and family member consultations Parent group: Aracruz (5 employees / 20 meetings / 100 attendances)
Programa Vida Leve (Lighten Your Life Program)	Provide employees with guidance on the benefits of a healthy diet, through talks and informative/awareness building campaigns and the revising of the menus of the company's restaurants. Individual clinical-nutritional consultations to help improve quality of life and overcome clinical/metabolic difficulties.	911 consultations / year 76 consultations (employees) / month 270 employees attended in the program's one and a half years
Vida Plena (Full Life)	Help operational administrative and executive staff who are nearing retirement to make the transition in a planned and organized manner, by means of a post-retirement project.	Monitoring and development of two operational administrative groups towards closure of the 2 year program. Group 1: 34 employees and 32 family members attended (total: 66 attendances). Group 2: 24 employees and 22 family members attended (total: 46 attendances) Four meetings held.

+Vida (More Life) Program

The More Life Program for the promotion of health and quality of life, launched by VCP in 2003, aims at developing a pro-active approach among the company's professionals and their family members, by means of activities to promote health, physical activity, leisure and culture, in an effort to improve the quality of life.

The initiative was based on a survey of the lifestyle and health related habits of the employees, obtained through laboratory examinations and a questionnaire. The program also has ways of measuring and evaluating the results.

Developed on four fronts – +Family, +Health, +Movement and +Culture —, the program involves the participation of committees, set up at each of the units and comprising professionals who give their time voluntarily. Their principal activities are:

Nutritional guidance	Individual consultations with nutritionists.
Aids	Every year, the company organizes an awareness building event on World Aids Day (December 1st). The subject is also addressed in the internal industrial and forestry Accident Prevention weeks (Sipats and Sipatrs). All the ethical principles pertaining to those possibly infected by the HIV virus, or Acquired Immune Deficiency Syndrome, are strictly adhered to by Fibria's medical and social services. The company guarantees the job of these professionals, for as long as they demonstrate the clinical and psychological conditions compatible with their professional activities, without any kind of discrimination and providing all the necessary monitoring.
Treatment of Chemical Dependency	Fibria has a formal arrangement with a specialized clinic, for the treatment of chemical dependency on an outpatient or internment basis, that covers all the company employees and their family members.
Calisthenics	Calisthenics has been introduced at the company's industrial and forest units, aimed at developing awareness of the importance physical activity.
Ergonomics	Fibria's ergonomic procedures were developed with a view to making gradual and consistent improvements in working conditions, systematically accompanying the technological, organizational and work process changes. The basic organization chart for Fibria's procedures comprises ergonomics committees for the different areas that form a company unit, whether it be forest, industrial or administrative. All the members perform their duties on a voluntary basis. The work of the committees is to draw up an ergonomic map of the company, identifying critical points that could be improved and studying the financial impact of any possible changes. Furthermore, the members should follow up complaints by the company's professionals, in an attempt to identify possible ergonomic problems. What is more, the ergonomics committees should not only participate in the studies for new industrial projects, but also in the reformulating of existing projects. In November 2009, Fibria introduced an Ergonomic Consultant Training Course, for 30 professionals, which should be concluded in August 2010.
Physiotherapy (Jacaré Unit)	In parallel with the activities to promote Health and Quality of Life, Fibria runs an internal service at the Jacaré Unit providing physiotherapy, rehabilitation and physical fitness, with a view to the improved treatment and prompt recovery of professionals suffering from various kinds of musculoskeletal diseases, as well as favoring improved physical fitness.
Employee Support Program (PAE)	This is a program that Fibria provides for its professionals and their families, the aim of which is to help them to resolve their personal problems. The PAE provides confidential professional assistance for any kind of personal problem that could jeopardize the health and well-being of the professional and his family members, including marital or family problems; emotional problems; alcohol / drug addiction; financial problems; and legal problems.



Trade union relations

Fibria has cordial relations with all the labor unions representing its employees, whether it be for renewing collective agreements or establishing the basis for superior working conditions. All the company's employees are represented by labor unions and are covered by collective agreements or similar accords.

All collective issues relating to the company's professionals, such as negotiating base dates, work shift and collective variable remuneration agreements, are handled directly with the labor unions.

The principal union demands are analyzed and responded to within the established time periods.

All the employees have negotiated leeway within which they are free to exercise their right of representation within the company, which allows them to take time off work for this purpose. By the same token, there is space on the Fibria bulletin boards for the unions to disclose matters relating to employee representation.



Forestry management

Wood production and supply

In 2009, Fibria's industrial units* consumed 21 million cubic meters of wood, deriving from its own plantations (94%) and its forestry partners (5%). On its own eucalyptus plantations the rebudding technique was used (39,000 hectares), through which the buds found on stumps in the immediate wake of harvest operations are reused, as was the reform technique (7,000 hectares), wherein new seedlings are planted on recently harvested land.

TERRITORIAL BASE (DECEMBER/2009)*:

STATES	PLANTATION AREAS	NATIVE RESERVES**	OTHER USES***
Espírito Santo	104,000 hectares	61,000 hectares	10,000 hectares
Bahia	151,000 hectares	122,000 hectares	16,000 hectares
Minas Gerais	13,000 hectares	13,000 hectares	1,000 hectare
Rio de Janeiro	2,000 hectares	1,000 hectare	-
São Paulo	119,000 hectares	69,000 hectares	12,000 hectares
Mato Grosso do Sul	154,000 hectares	68,000 hectares	16,000 hectares
Rio Grande do Sul	43,000 hectares	60,000 hectares	8,000 hectares
Total	585,000 hectares	393,000 hectares	64,000 hectares

* Includes 50% of Veracel and 50% of Conpacel.

** Corresponds to 37% of the total area. There is 1 hectare of native reserves for each 1.6 hectares of eucalyptus plantation.

*** Roads, firebreaks, buildings, etc.

SEEDLINGS (DECEMBER/2009)*:

Production of eucalyptus seedlings	33 million
Planting of eucalyptus seedlings	30 million
Donation of eucalyptus seedlings	4 million
Production of native seedlings	400,000
Donation of native seedlings	193,000

* Includes 50% of Veracel and 50% of Conpacel



'All of the issues related to environmental factors should be part of Fibria's DNA, because they are directly linked to the "value of life." It is everything that we expect of a company that is environmentally sustainable and respected by the business community.'

Third-party wood supply

Fibria runs a Forestry Savings Program through which farmers participate in the Company's chain of production as wood suppliers. To strengthen its role as a catalyst for economic, social and environmental development in the regions in which it operates, this program observes the following criteria:

- Long-term partnerships in order to integrate the community into the forestry business, contributing to social inclusion, improvements in the quality of life, environmental conservation and rural development.
- The promotion of the planned and orderly occupation of the rural landscape.
- Respect for local cultures and encouragement of Agri-Forest systems and products that add value to the forest; that is, production diversification.
- The promotion of group associations through shared resources, winning of markets, forestry certification and agricultural products.
- The offer of full technical assistance for forestry and agricultural production and markets.
- Fostering environmental development in the regions and on the properties through environmental licensing, incentives for preservation, a differentiated price for wood, legalization of entire properties, monitoring of fauna, flora and water resources.
- Is attractive for both family farms and large agricultural producers.
- The creation of family forests; that is, part of a planted forest is designated for other uses, fully financed and with associated development projects.

Fibria has 3,863 farmer savings contracts distributed in the states of Espírito Santo, Bahia, Minas Gerais, Rio de Janeiro, Rio Grande do Sul and São Paulo, representing a total area of 114,932 hectares.

Of the 8,239,000 cubic meters of wood consumed by the Aracruz unit in 2009, 72.3% was delivered by road transportation, 24.3% through maritime shipping and 3.4% via railroads. The growing participation of the maritime shipping method led to the elimination of 74,500 truck trips during the period in question, contributing to the reduction of traffic on the BR -101 highway on the stretch where Fibria's forests are located.



The maritime transportation of wood, carried out by barges, set a record in 2009 for the volume transported, totaling 2,005,065 m³ during 399 trips. For the first time, the maritime method surpassed 2 million m³ of wood; the expectation for 2010 is for a further increase, and the target is for 2.1 million m³.

The maritime wood transportation system (pusher tugboat/barge) was set up by Fibria in 2003, and at the time only involved one tugboat and three barges. Today, the system is comprised of four barges and two tugboats, which are responsible for transporting a portion of the wood coming from the state of Bahia, loaded at the Caravelas Terminal and then navigating approximately 275 km until Portocel, the final destination.

This transportation model used by Fibria was a pioneer effort that subsequently was adopted by other companies, including Veracel, which uses it to ship pulp.

The other units use truck transportation. A small percentage of wood that comes from Bauru (SP) has been transported by train in the past, but this is not a frequent operation.

Water resources management

Primarily, information about water resources makes it possible to evaluate eventual changes in the quantity and the quality of water that could be related to eucalyptus plantations.

Fibria monitors part of its watersheds through the Watershed Monitoring Network (REMAM), which is a part of the Basins Monitoring Program (PROMAB) run by the Forestry Research and Studies Institute (IPEF).

Currently, there are two watersheds located in the Vale do Paraíba Forestry Unit that are being monitored. The other Units have initiated projects and are monitoring water quality in a number of different water basins, depending upon the scale and intensity of their forestry management programs. The three watersheds at Três Lagoas, where monitoring began in April 2009, are not part of the REMAM Project.

The measurements from the watersheds that are monitored indicate that the forestry management practices adopted by Fibria do not cause a significant impact on the quantity and the quality of water where the Company's forestry areas are located. Nevertheless, the monitoring of water quality carried out in a number of other bodies of water have presented variations in terms of total soluble solids and turbidity, which indicates that during heavy rainfall soil is carried into these waterways. These changes are immediately evaluated by the Company's environmental and operating area technicians, generating recommendations for adjustments of procedures — for example, road maintenance and soil preparation. Based upon these adjustments, Fibria seeks to improve the environmental performance of its operations with regard to aspects of soil and water conservation.

During 2009, at the Aracruz Unit, which currently encompasses three states (ES, BA and MG), monitoring of the quantity and quality of surface and underground water in forest areas was conducted in 11 watersheds representative of local conditions.

Based upon the Aracruz Unit's water reports, a surplus was demonstrated that was water surplus corresponding to 23% of total local precipitation, which surpasses the water production levels (renewal of springs and streams) characteristic of the region.

At the end of 2009, a new experimental watershed was defined at Aracruz, to substitute one that had been deactivated in 2005 when the area was transformed into an indigenous reservation. As a result, over the course of 2010 it will be possible to resume the Watershed Project and restart a number of fundamental studies regarding the water cycle of this region.

The results from 2009 confirm that the Company's forestry management practices respect the limits of contamination in the water sources conforms to the standards established by the National Environmental Council (CONAMA) and by the Environmental Sanitation Technology Company (CETESB).



In order to update this monitoring activity according to the new challenges and reality of the Company, a new water monitoring plan was prepared, incorporating recent results of new studies.

At the Guaíba Unit, the same type of water monitoring as at Aracruz was conducted in the watersheds, in a manner that represented Fibria's areas from East to West in the central portion of the state of Rio Grande do Sul. The experimental watershed project, which had been designed to conduct studies of the water cycle of forests in the region, completed its first year of data collection. This first database made it possible for the Technology Center to prepare, together with Australia's Commonwealth Scientific and Industrial Research Organisation (CSIRO), a more precise development plan for experiments, seeking better understanding of possible impacts on water sources.

One of the most important facts in 2009 was the beginning of integration of monitoring methodologies and water source studies between Fibria's Units. Considering the current size of the organization, the target is to obtain, by the end of 2010, the first comparative results between different regions where the Company has forestry operations.

Forestry protection

Technological development for forestry protection is primarily designed to ensure productivity and quality gains of the plantations, through appropriate pest, disease and weed management and monitoring and control of forest fires. In order to meet these objectives, research is conducted that is based on integrated management strategies, including monitoring and control technologies, as well as the use of genetic resistance and risk management.

Because of the occurrence of new pests in the country, especially the "bronze eucalyptus beetle" – a new pest with high potential for damaging eucalyptus plantations — a strategic plan was implemented to manage these new threats, involving Argentina, Chile, Uruguay, South Africa and Brazil. In this context, training of operating teams was conducted, tests were performed for chemical and biological controls and studies were made regarding the introduction of natural enemies, seeking to reduce potential risks.

Particularly noteworthy was work to optimize control of the so-called yellow beetle in areas where rebudding activities are being carried out and a review of the recommendations regarding control of leaf-eating ants. In the former case, criteria was established for decision-making, with priorities being established for the control of the pest at critical locations, instead of the entire area; and in the latter case, a reduction in the ant bait was recommended. These improvements seek to reduce the cost of controlling these pests as well as to lower consumption of ant bait quantities.

In 2009, a new strategy was implemented to increase the level of eucalyptus resistance to the main pests and diseases. For *Eucalyptus globulus*, studies were continued seeking to develop an evaluation protocol for one of the main diseases attacking this species, leaf spot, caused by *Teratosphaeria*. Two new assessment protocols were developed to manage this pest. As a result of this strategy, the probability of success of the genetic improvement program increased, considering the selection of pest- and disease-resistant clones. Moreover, losses are minimized and control costs are lower, along with a reduced use of agricultural chemical defense systems.



Regarding weed management, studies were conducted to evaluate new herbicide products, as well as developing new technologies, including the use of a pre-emergent herbicide in an intelligent formulation, which gradually liberates the product, increasing the time of control and reducing operating costs. In the case of fire, new technologies for control and monitoring were studied, including the use of satellite images and the development of new system for initial combat of the forest fires.

Also in 2009, through a partnership headed up by Fibria with forestry industry companies and the Forestry Research and Study Institute (IPEF/ESALQ – USP), a research plan was prepared taking into consideration the name parsing protection challenges in Brazil over the next 10 years. The plan was widely discussed by the sector, evaluating technical, economic, social and environmental guidelines.

Soil management

The environmental sustainability and productivity of eucalyptus plantations is directly associated with adequate management techniques and knowledge of the physical environment. Fibria's silvicultural practices take as a basic assumption the maintenance of adequate levels of water and nutrients in the system in order to make it possible to fully express the genetic potential of eucalyptus clones and to reach the expected productivity. These practices include the indication of appropriate areas for planting and environmental preservation; planning of machine traffic in the eucalyptus stands; the location and maintenance of roads; correct soil preparation ahead of planting; the maintenance of harvest residues and the replacement of nutrients using balanced fertilizers, seeking to ensure a minimum nutrient reserve and soil quality for future cycles. In order to meet the soil management goals, it has been necessary to invest in a survey of the soils and in understanding the demand, in the allocation and cycling of nutrients for different genetic materials, as well as in the understanding of the dynamic of nutrients and water in Fibria's different units. Through a diagnosis conducted in all of the Company's operating units, it was discovered that more than 90% of the plantations are being managed using semi-detailed soil maps. Moreover, the Company makes use of a nutritional monitoring system and a consistent base of information of at least three eucalyptus planting cycles. This knowledge points clearly to opportunities for gains in productivity through fertilization and application of management practices that are adjusted in part of the areas belonging to the Company.



In 2009, a new system of soil preparation was tested and approved for operating use on hillsides in the Vale do Paraíba (SP) region. The new methodology achieves significant gains with regard to the plantations, reduces operating costs and fully satisfies all of the soil conservation requirements in areas where there is a high risk of erosion. In addition, the monitoring of the physical properties of the soil showed that the traffic of machinery during planting, maintenance and harvest operations did not cause significant impacts, confirming that the silvicultural and harvest practices are appropriate for maintaining physical sustainability of the soil in the Guaíba region*.

Since the 1990s, the Company has been using pulp production residues in the fertilization of its plantations. In 2009, an organo-mineral fertilizer produced from dregs at the Aracruz Unit and organic waste from local industries went into operational use. The new product partially substitutes acidic soil correctives and chemical fertilizers applied to the eucalyptus plantations.

The recycling of this industrial waste will increase Fibria's overall recycling level rate by 3%. As a result of these good achievements, the same project is being expanded to the other units in the group, contributing to the chemical and biological sustainability of the soil.

Using the monitoring systems it is possible, in a general manner, to verify that the soil reserves are in balance, or in certain situations, improving. These results indicate that the management strategies that have been adopted have helped reduce losses of organic material and nutrients, ensuring the maintenance of the production capacity in the different plantation environments.

* Upon the sale of the Guaíba Unit in December 2009, including its forestry assets, Fibria no longer conducted soil monitoring in the region of the plantations that supply that mill.

Biodiversity

All of Fibria's forestry activities are licensed by the appropriate environmental agencies. Before eucalyptus planting is initiated, the Company conducts a detailed environmental plan for the use of the land at each plantation, including identification of areas containing native vegetation (existing or needing restoration). During the environmental licensing process, the maps of current and intended land use are submitted to the environmental agencies for approval. When large eucalyptus plantation areas are established, the Company also conducts Environmental Impact Studies (EIA/RIMA), which include issues related to biodiversity, among others.

Moreover, all of the activities of each work process at the Aracruz Unit are assessed for their environmental aspects and impacts, including those related to biodiversity (fauna and flora), and any significant risk of impact is dealt with through preventive measures or actions used to control impacts. The records of these evaluations are contained in the EHS ISO System software and the control actions are detailed in the operating procedures of each activity.

The Aracruz Unit incorporates in its Strategic Map goals such as "maximizing value on sustainable bases," "to be a benchmark in terms of sustainability," and "certified socio-environmental responsibility," in order to align the actions of the Company with the corporate sustainability objectives. The conservation of biodiversity is an important component of this sustainability strategy, with impacts on the Company's environmental and financial performance.

In the forestry activities of the Aracruz Unit, the company takes responsibility for maintaining and improving biodiversity in comparison to the situation it originally found. As a result, many conservation actions and projects are prepared and put into practice, such as wildlife studies, the restoration of the Atlantic Forest, environmental monitoring and support of projects such as the Wildlife Reintroduction Center (CEREIAS). The targets and goals of each initiative are established through management control systems such as RGA (improvement projects), and are linked to performance targets and variable remuneration of the involved environmental and operating areas, as well as the Technology Center.

Also notable is the Socioenvironmental Performance Indicator (IDSA), currently being implemented in all of Fibria's units, which seeks to improve the Company's management practices, emphasizing the socio-environmental recommendations.



Fibra's Permanent Preservation Areas play a fundamental role in connecting fragments of isolated forests. These areas serve to naturally connect different fragments located around the landscape, as well as providing a favorable environment for local species of fauna and flora.

Also in 2009, analysis of the biodiversity indexes related to the plantations and native vegetation areas was continued, using the Fibria BioIndex software developed last year.

Through the results obtained in the studies and monitoring conducted in 2009, it was possible to update the data regarding biodiversity at the Aracruz Unit, particularly information about birdlife. The major focus on birds was due to the fact that they react to the slightest sign of environmental imbalance, and therefore they are recognized as important indicators of the quality of the environment.

Since 1989, more than 144,000* registrations of birds were made (considering their capture, census, transect survey and observations) belonging to 67 families and 605 distinct species. Of this total, there were 81 species already identified as threatened, according to the list published by the Brazilian Environmental Institute (Ibama), the State Environmental Institute Instituto (IEMA-ES), the State Environmental Secretariat (SEMA-RS) and the International Union for Conservation of Nature (IUCN). Approximately 15,500 birds were banded, generating information regarding their stay and movements on Company land. With the inclusion of new data, the biodiversity databanks became more robust, leading to qualitative improvements in the analyses and technical recommendations issued by the Technology Center.



In 2009, the Fibria BioIndex was improved through the introduction of a new indicator, the value of natural vegetation. The BioIndex is a tool that makes it possible to produce statistical analyses of diversity indexes related to plantations and the Company's native vegetation areas. The Aracruz Unit already is using the BioIndex to support planning and to detect opportunities to improve plantation management; in 2010, studies will begin for extending the system to Fibria's other Units.

Also in 2009, the BioIndex was used to identify opportunities to change management of an area of high ecological importance to Fibria, known as Alcoprado, in the south of Bahia. The recommendations resulted in the introducing of new management techniques, such as "buffer" tree stands, seeking to attenuate harvest impacts, and the ecological corridors, designed to connect isolated natural fragments, among other actions.

The effectiveness of the strategy of establishing a connecting corridor of eucalyptus between isolated fragments of native forest was confirmed in 2009, with evidence that various species of forest birds were using the corridors. These are species that are generally averse to using open environments and for which conservationists are attempting to increase the connectivity between populations. They were captured in significant numbers within the corridor, for tagging, thus demonstrating the permeability of the plantations and the success of their ecological function. What is more, a specimen of the Hook-Billed Hermit (*Glaucis dohrnii*) – the most endangered and one of the rarest species of hummingbird in Brazil – was also captured within the central part of the corridor, suggesting that the corridor can also serve as a strategic alternative for the preservation of the species.

* Upon the sale of the Guaíba Unit, the numbers will be lower as of 2010.

Conservation Units (UCs)

Fibria has three Private Natural Heritage Reserves (RPPNs)¹ in Espírito Santo totaling 2,877 hectares that are integrated with the Atlantic Forest Central Corridor. The Restinga de Aracruz, containing 296 hectares, is located in the municipality of the same name. Mutum Preto and Recanto das Antas, with respectively 379 and 2,202 hectares, are located in the municipality of Linhares. All told, they contribute to the connection between the Sooretama Biological Reserve and the Linhares Forest Reserve. Recanto das Antas is the largest RPPN in Espírito Santo and its name was inspired by the presence in this region of the largest land mammal of the South American continent. According to the BioAtlântica Institute (IBio), it is among the 10 largest RPPNs of the Atlantic Forest biome in Brazil.

During the first half of 2010, the Company intends to conclude and present to the state environmental agency the management plan for the RPPN Restinga de Aracruz. In this document, Fibria establishes the objectives and commitments for the protection, maintenance, environmental education programs and scientific research to be implemented and reported to the ICMBio of the Ministry of the Environment.

As the program for the diagnosis and monitoring of the biodiversity in the other areas of the company has progressed, it has become possible to understand and identify the socio-environmental attributes that will be suggested for the creation of new RPPNs. Fibria's goal is to obtain the legal recognition of another three RPPNs before the end of 2010, which will expand the area of the Conservation Units owned by the Company by another 3,757 hectares, totaling 6,634 hectares. The new areas are: Esperança do Beija-Flor, 2,925 hectares, located in the Bahia municipality of Teixeira de Freitas; Torrinhas, 162 hectares, located within the Pampa biome, in Pinheiro Machado (RS); and São Sebastião do Ribeiro Grande, in Pindamonhangaba (SP), containing 603 hectares.

¹ A Conservation Unit on private lands, registered in perpetuity, designed to conserve biological diversity. The creation of an RPPN is a voluntary act of the landowner, who decides to constitute his or her property, or part of it, without losing ownership rights (IBAMA).



RPPN (ORIGIN OF THE NAME)	MUNICIPALITY / STATE	AREA (HA)	PROCESS STATUS	BIOME	FAUNA (HIGHLIGHT)	FLORA	OTHER IMPORTANT ASPECTS
Restinga de Aracruz (Vegetation typical of the coastline with occurrence in the Atlantic Forest biome)	Aracruz / ES	296	RPPN decreed in May 2007.	Atlantic Forest Restingas	One of the only conserved restinga areas the north of do ES.	There is a component of tree restinga, located within the priority mini-corridor elected by the MMA and SEMA-ES, comprising the following Conservation Units (UCs): Floresta Nacional de Goytacazes, Reserva Biológica de Comboios and the Tupinikim Indigenous Community of Comboios.	The identified areas are at limits of the Central Corridor's borders.
Mutum Preto (a curraw, bird species found in the location and threatened with extinction)	Linhares / ES	379	RPPN decreed in January 2007.	Atlantic Forest	Shelters the curraw, and endemic species end in extinction.	Remnants of Dense Ombrofila Atlantic Forest of Atlantic Forest of ES.	The identified areas are at limits of the Central Corridor's borders. The RPPNs Recanto das Antas and Mutum Preto are associated with the UCs Sooretama Biological Reserve (Sooretama / ES) and the Vale (Linhares Reserve / ES), forming the largest Atlantic Forest fragment in the state of ES.
Recanto das Antas (species threatened with extinction)	Linhares / ES	2.202	RPPN decreed in July 2007.	Atlantic Forest	Shelters the giant anteater, threatened with extinction and one of the largest mammals of the Americas.	—	The identified areas are at limits of the Central Corridor's borders. The RPPNs Recanto das Antas and Mutum Preto are associated with the UCs Sooretama Biological Reserve (Sooretama / ES) and the Vale (Linhares Reserve / ES), forming the largest Atlantic Forest fragment in the state of ES.

RPPN (ORIGIN OF THE NAME)	MUNICIPALITY / STATE	AREA (HA)	PROCESS STATUS	BIOME	FAUNA (HIGHLIGHT)	FLORA	OTHER IMPORTANT ASPECTS
Esperança do Beija- Flor (species threatened with extinction)	Teixeira de Freitas / BA	2.925	Request filed in October 2006.	Atlantic Forest	Shelters the Hook- Billed Hermit hum- mingbird (glaucis dhornii), endemic and threatened with extinction.	One of the remaining protected remnants in the interior of the Atlantic Forest tableland.	The identified areas are at limits of the Central Corridor's borders.
São Sebastião do Ribeirão Grande (former name of coffee plantation)	Pindamonhangaba / SP	670	Request filed in December 2009.	Atlantic Forest	Shelters the Muri- quimmonkey, largest primate in Brazil.	One of the Best preserved Atlantic Forest remnants, on the Atlantic Forest on the slopes of the Serra da Mantiqueira mountains, comprises the base, slope and Campos de Altitude region. in the area is one of the points of connection between the Mantiqueira range and the Serra do Mar range within the Vale do Paraíba Ecological Corridor Project.	Contains ruins of a former farm under CONDEPHAT protection. The identified areas are at limits of the Central Corridor's borders.
Torrinhas (name of a geological formation)	Pinheiro Machado / RS	162	Request filed in December 2009.	Pampa	Shelters the Pam- pas cat, country mammal currently endangered in the biome, and other threatened species	One of the few remaining and well preserved grassy Ste- ppefragments in the regional landscape containing endemic rupestral flora.	The area is located next to the "Battle of the Porongos" Historical-Cultural site, an important episode at the end of the Farroupilha Revolution.

For Fibria, the importance of the classification of the conservation areas as RPPNs lies in the fact of demonstrating that the Company is in step with sustainability guidelines and to ensure the conservation of the areas, as well as continuing to invest in studies and to share with society through visitation programs and environmental education.

Another important point is the contribution of the RPPNs regarding the formation of the ecological corridors and the setting up of large reserves together with those already existing in the public and private domain. The gains achieved and the external potential beyond Fibria's attributes are noted when these areas are indicated, complemented with expansion of the research network for gaining knowledge about the conservation of biodiversity and water resources.

Forest environmental performance indicators

Materials used, by weight or volume (GRI EN1)

FORESTRY						
	MATERIAL	UNIT	ARACRUZ (ES,MG,BA)	JACAREÍ (VALE + CAPÃO BONITO)	TRÊS LAGOAS	CAPÃO DO LEÃO (RS)
Direct	Native species seeds	Kg	489,000.00	–	–	4,368,285
	Native species seedlings	Unit	283,278.00	560.00	–	109.80
	Eucalyptus seedlings	Unit	1,514,999.00	437,959.00	19,181,985	8,648,298.00
	Wood	m³	8,063,377.00	3,669,550.97	2,893,849	–
Non-Renewable	Lubricating oil	Liters	710,172.90	86,056.02	113,001	1,694.47
	Hydraulic oil	Liters	–	102,705.80	59,443	–
	Diesel oil	Liters	40,606,708.20	22,279,903.65	6,213,393	3,203.04
	Vegetable oil	Liters	–	102,548.50	127,986	–
	Other oils	Liters	–	7,132.00	400	–
	Pesticides	Liters	2,420.80	1,350.00	38,819	3
	Pesticides	Kg	302,171.90	150.77	439,126	21218.77
	Fertilizer	Kg	21,130,160.90	3,867,531.00	7,675,258.01	5,245.08
	Vermiculita	Kg	–	–	4,560	–
	Lime	Kg	5,817.30	120,645.00	14,052,864	–
	Carolina Choice	m³	–	36.00	–	30.90
	Gasoline	Liters	–	–	223.34	15,499.09
	Grease	Kg	–	11,563.66	14,665.2	–
	Grease	Unit	–	–	–	3
	LPG	Kg	–	4,056.00	–	52
	Chemicals	Kg	–	–	135,581	7,390.70
	Chemicals	Liters	–	–	161,958	507.26
	Substrate	Liters	–	–	139,956	–
	Substrate	Kg	–	–	–	900
	Rice derivatives	m³	–	–	147	–

* The product Carolina Choice has replaced the Vermiculita, rice husks and Sunshine previously used at the Vale do Paraíba (SP) and Capão do Leão (RS) units' nurseries.

In 2009, due to financial limitations, a change was made in the strategy of Fibria's forestry operations. Planting was concentrated at the Três Lagoas (MS) and Capão do Leão (RS) forest units, while at the Vale do Paraíba (SP), Capão Bonito (SP) and Aracruz (ES e BA) units, the focus was on the budding of treestumps, with minimal replacement of genetic material in the field. This explains the large difference between units in the numbers of seedlings.

In Rio Grande do Sul, Fibria only has forestry operations and, therefore, there is no harvesting or consumption of timber, hence the differences in diesel consumption and wood volume.

An adjustment was also made, in 2009, in the fertilizing strategy at the Vale do Paraíba Unit, from 3 and 9 months to 6 and 12 months, in order to keep down fertilizing costs.

Proportion of materials used that had been recycled (GR1 EN2)

The forest units do not use recycled materials. Nevertheless, due to the very nature of our product, all the basic materials are of vegetable origin and are therefore both renewable and environmentally friendly.

Direct energy consumption according to primary energy source (GR1 EN3)

The principal sources of the energy used at the forest units are diesel oil, which fuels the generators of the harvesting modules, electricity purchased from the public network, and the biomass and LPG used in heating greenhouses at the plant nurseries.

Indirect energy consumption according to primary source (GR1 EN4)

FOREST UNIT	ANNUAL CONSUMPTION (KWH)*	COST PER KWH (ANEEL)
São Paulo	731,880	0.31863 (Elektro/Bandeirante average)
Mato Grosso do Sul	566,406	0.36346
Rio Grande do Sul	478,453	0.26937
Espírito Santo / Bahia	1,776,739	—

*Energy consumption based on the cost of electricity, according to the 2009 forestry fixed cost spreadsheet, reconverted from reais into KWh.



Energy savings from improvements in conservation and efficiency (GR1 EN5)

There was no reduction in energy consumption in 2009. Minor differences can be seen as a result of reduced seedling production at the plant nurseries.

Initiatives to provide energy-efficient or renewable energy based products and services, and the reduction in energy requirements as a result of these initiatives (GR1 EN6); Initiatives to reduce indirect energy consumption, and the reductions achieved (GR1 EN7)

The company develops Six Sigma projects for making operational improvements aimed at reducing the consumption of inputs, especially diesel oil. A Six Sigma Green Belt project is currently under way, whereby company professionals devote part of their working time to seeking improvements in forest management.

The operational areas work with hourly diesel oil consumption targets for their machinery, in order to optimize consumption.

Total water withdrawal, by source (GR1 EN8)

Forest management water consumption occurs mainly at the plant nurseries and in silviculture operations. The monitoring of small catchment areas, under the Remam project, allows the water balance to be calculated on a small scale (experimental micro-basins) and, through the

constant measuring of precipitation and flow rates, an estimation to be made of the forest evapotranspiration. With this data, one can calculate water consumption on the micro-basin level. With years of monitoring, one is able to calculate the average forest consumption and, after harvesting, the changes in run-off and evapotranspiration resulting from the altered vegetation cover. This study is still in progress and has not yet yielded any conclusions about the impact of the company's operations on water sources.

Location and size of land owned, leased or managed within or adjacent to protected areas or areas with a high level of biodiversity lying outside protected areas (GR1 EN11)

SIZE OF LAND OWNED, LEASED OR MANAGED WITHIN PROTECTED AREAS AND/OR AREAS WITH A HIGH LEVEL OF BIODIVERSITY:

Aracruz Unit (ES, BA and MG)	41 km ² e 29,12 km ² de RPPN
Jacaré Unit (Vale do Paraíba and Capão Bonito)	103.03 km ²
Três Lagoas Unit (MS)	44.14 km ²

SIZE OF LAND OWNED, LEASED OR MANAGED THAT IS ADJACENT TO PROTECTED AREAS AND/OR AREAS WITH A HIGH LEVEL OF BIODIVERSITY:

Aracruz Unit (ES, BA and MG)	1,228.63 km ²
Jacaré Unit (Vale do Paraíba and Capão Bonito)	350.33 km ²
Três Lagoas Unit (MS)	48.36 km ²

SIZE OF LAND OWNED, LEASED OR MANAGED WITHIN PROTECTED AREAS AND/OR AREAS WITH A HIGH LEVEL OF BIODIVERSITY – FOREST PARTNERS:

Aracruz Unit (ES, BA and MG)	2.71 km ²
Jacaré Unit (Vale do Paraíba and Capão Bonito)	13.25 km ²
Três Lagoas Unit (MS)	0

SIZE OF LAND OWNED, LEASED OR MANAGED THAT IS ADJACENT TO PROTECTED AREAS AND/OR AREAS WITH A HIGH LEVEL OF BIODIVERSITY – FOREST PARTNERS:

Aracruz Unit (ES, BA and MG)	141.86 km ²
Jacaré Unit (Vale do Paraíba and Capão Bonito)	11.74 km ²
Três Lagoas Unit (MS)	0



CONSERVATION UNITS ASSESSED

	CONSERVATION UNIT		CONSERVATION UNIT
Forestry Units, in São Paulo	APA Fernão Dias	Aracruz Forestry Units, in Espírito Santo, Minas Gerais and Bahia	RESEX Cassaruba
	APA Mananciais Paraíba do Sul		APA Santa Cruz
	APA Piracicaba e Juquemirim – area II		APA de Costa Dourada
	APA Serra da Mantiqueira		APA de Conceição da Barra
	APA Silveiras		
	Headwater Protection Areas	Others – Forestry Partners	APA de Goipaba-açu
	E.E. Buri		
	E.E. Itapetininga		RESEX Ponta do Corumbau
	Tree Nursery Cesário Lange		PARNA Pontões Capixabas
	P.E. Campos do Jordão		PARNA do Caparaó
	P.E. Carlos Botelho		Pedra do Elefante
	P.E. Juquery		PES de Pedra Azul
	P.E. Mananciais Campos do Jordão		PES da Cachoeira da Fumaça
	P.E. Serra do Mar – N. Caraguatuba		APP Bananal do Norte
	P.E. Serra do Mar – N. Cunha-Indaiá		PES de Sete Salões
	P.E. Serra do Mar – N. Cubatão		PARNA Monte Pascoal
	P.E. Serra do Mar – N. Picinguaba		REBIO de Duas Bocas
	P.E. Serra do Mar – N. Santa Virgínia		Córrego Sumidouro
	P.E. Turístico Alto do Ribeira		PES da Serra do Brigadeiro
	P.Ec. Nascentes do Rio Tietê		PES de Mata das Flores
	P.N. da Serra da Bocaina		Monte Aghá
	P.N. de Itatiaia		PERE de Jabaeté
			RESEC de Jacarenema
			PARMU do Itabira
			APPES Pico do Ibituruna
			ESEC Papagaio
			Ilha do Gambá
			Morro do Cruzeiro
			PES Ilha das Flores
			PARMU do Morro da Mantiqueira
			PES Paulo Cesar Vinhas

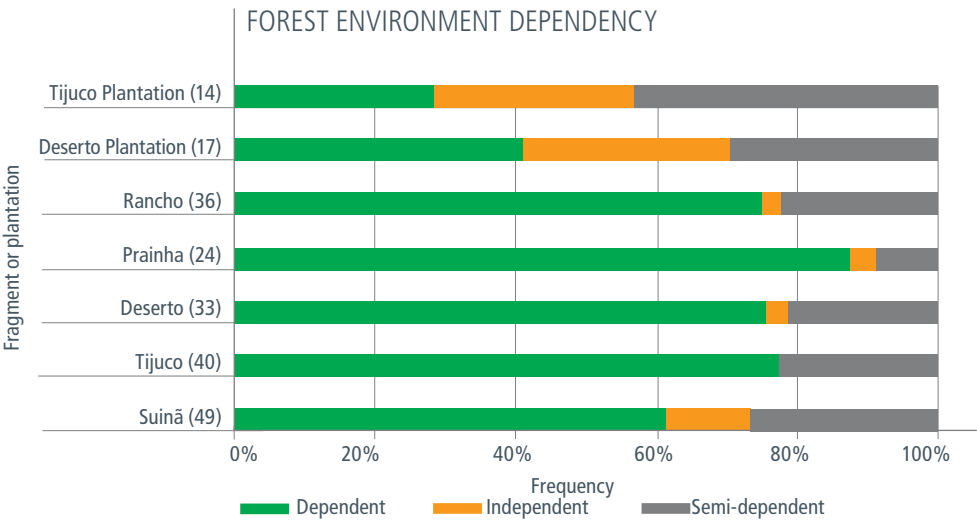
Description of significant impacts on biodiversity of activities, products and services in protected areas and other areas that have a high level of biodiversity (GR1 EN12)

The birds are one of the most studied groups, from an ecological and taxonomic point of view, and they are often used as biological indicators and in identifying areas of endemism (when a species is only found in one particular place) and species that are a conservation priority (EKEN, 2004). Indeed, Brazil is richly endowed with bird life, with 1,825 different species having been registered within its territory (CBRO, 2009). Within the state of São Paulo, 803 different species have been identified (CEO, 2009), of which 171 are considered to be threatened with extinction at the state level (São Paulo, 2008) and 37 at the national level (Ibama, 2003).

The monitoring of the bird life has led to the identification of 571 different species on Fibria's farms located at the units belonging to what was formerly VCP – which is a significant figure and reflects the important contribution of the company's forests to the preservation of biodiversity. The use of forest mosaics, blending eucalyptus plantations with native forest, has created ecological corridors that facilitate the movement of the species and helps to protect them.

It has been possible, for example, to observe the frequency of sightings of different species in certain forest fragments that are monitored under the Fibria ConservAction Project. The identification and monitoring of the biodiversity in areas located in the states of São Paulo, Rio Grande do Sul and Mato Grosso do Sul is carried out under this program, which has been in operation for over ten years and also seeks to refine the Company's forest management techniques. In partnership with Casa da Floresta, the program involves 42 farms at the Company's three forest units and maintains a valuable database on the fauna and flora of the Atlantic Forest, Cerrado and Pampa biomes.

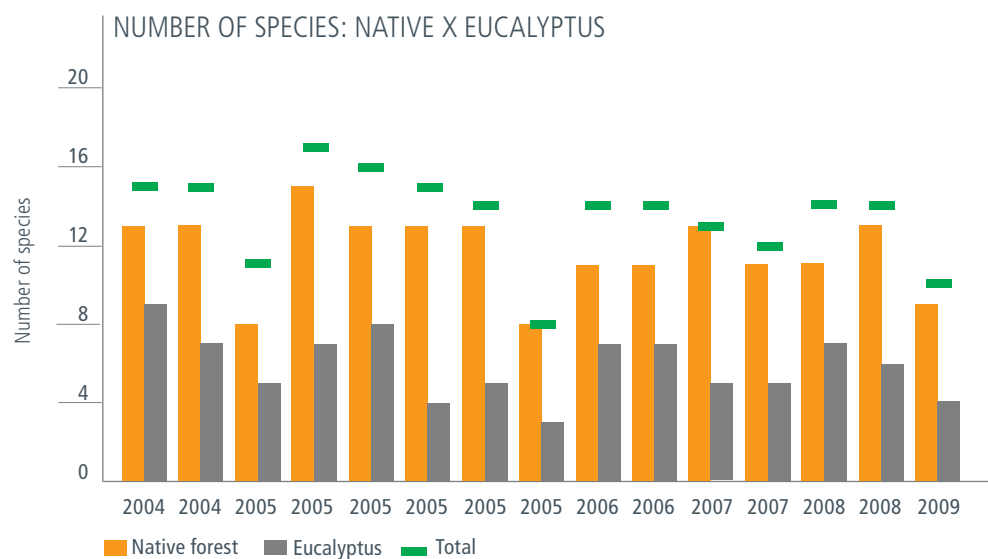
The chart below shows the high frequency of sightings of species that are dependent on the forest environment and, in certain cases, a reasonable level of frequency of independent or semi-independent species, thus emphasizing the conservation value of the forests.



The frequency of dependent, independent and semi-dependent bird species observed in the fragments of the Rancho, Prainha, Deserto, Suinã and Tijuco Projects and in the Tijuco and Deserto plantations, the Boa Esperança and Santa Inês (Capão Bonito) farms, July 2009. The numbers indicate the total of species during the monitoring sampling..

The eucalyptus plantations obviously show less variety, compared to the native forests, but if one considers that many of the areas now covered by plantations were formerly utilized as pastureland, they clearly represent an important gain for biodiversity.

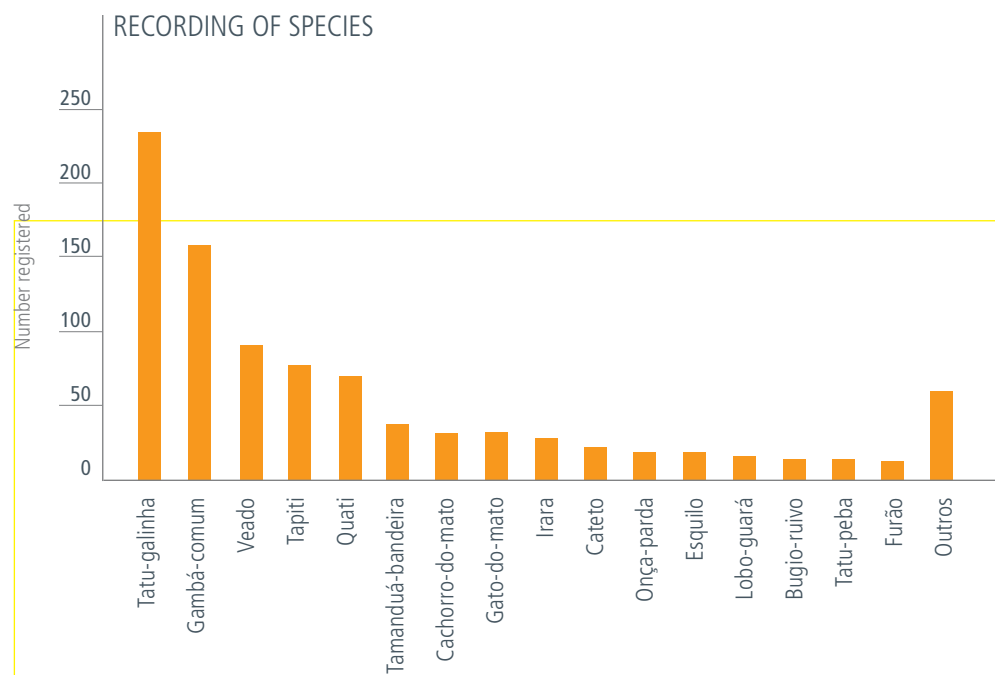




The number of species recorded in each survey, from 2004 to 2009, at the Boa Esperança and Santa Inês farms (Capão Boniyo, SP), per environment, where the natural wealth of each environment differed significantly ($p < 0.05$). The green areas show the total number of species recorded in the survey.

(Conservation Project, since 2001)	Total number of bird species			
	Found on the farms in SP	Number of species in SP	Number of endangered species in SP (Ibama list)	Endangered species (SP list)
	367	—	3	21
	Total number of large and medium-sized mammals			
	41	—	10	11
	Total number of species and morphospecies of flora			
	1.961	1.234	7	23
Number of species		Threatened species (Ibama and SP lists)		
Capão Bonito Unit	798	11		
Vale do Paraíba Unit	945	22		

Mato Grosso do Sul	Total number of bird species			
	Found on the farms in MS	Number of species in MS	Number of endangered species in MS (Ibama list)	Endangered species (MS list)
	264	—	0	37
	Total number of large and medium-sized mammals			
	31	—	7	11
	Total number of species and morphospecies of flora			
	528	353	1	6



Since the Company operates in ecosystems that are critically endangered by the historical process of land use, conservation of the natural remnants and areas of high conservation value is extremely important to Fibria. The company has farms in a number of different Conservation Units of the SNUC (National System of Conservation Units) and follows the procedures laid down for the management of these areas.

Protected or restored habitats (GR1 EN13)

Fibria works mainly in the Atlantic Forest, Cerrado and Pampa biomes. Restoration work was cut back in 2009, due to financial constraints. In 2010, the Company picked up its restoration projects once more.

Strategies, measures in place and future plans for managing impacts on biodiversity (GR1 EN14)

The conservation of biodiversity, especially in areas of intensive land use, where the landscape is dominated by monocultures and there are limited areas of native vegetation, requires action to be directed specifically at these remnants, as well as the adoption of special practices for the management of the cultivated crop. Fibria's farms have extensive areas of eucalyptus cultivation, interspersed with fragments of a variety of forms of native vegetation in different stages of regeneration. The assessment and monitoring of the fauna and flora in both areas of native vegetation and production areas provides the basis for management plans, with particular attention given to endangered species and/or those having greater ecological demands, which are more susceptible to the harmful effects of habitat fragmentation.

Fibria uses data from the monitoring of biodiversity, water resources and social factors to draw conclusions and make recommendations to the operational areas for reducing the environmental

impacts of its activities. An example of this is the staggered harvesting: the cutting of a given area is conducted in a minimum of two sessions, separated by a minimum interval of one year (the second session beginning not less than one year after the end of the previous one).

This pattern of cutting, cited in Principle 10, Criterion 2 of the Forest Stewardship Council (FSC), impedes the loss of biological flows between remnants of native vegetation. The direction of the cutting is also important, in order to direct the animals occupying the eucalyptus stands that are to be harvested towards the fragments of native forest, thereby avoiding them becoming trapped in islands of eucalyptus or fleeing in the direction of roads, where they run the risk of being hit by vehicles.

On top of the operational recommendations, Fibria also runs programs for the restoration of native forest, with a view to improving the quality of the habitats on its farms. The criteria governing the restoration activities are defined locally, according to the situation on the ground at each unit and always taking into consideration the expected environmental benefit.

At the Jacareí Unit (SP), the conservation efforts are guided by indicators such as the Rapid Ecological Assessment Index (IAERI), which takes the following factors into consideration when classifying forest quality:

INDICATORS AND CRITERIA FOR DETERMINING THE RAPID ECOLOGICAL EVALUATION INDEX. FOR THE CLASSIFICATION OF THE PLANTATIONS IN THE AREAS LOCATED IN SEASONAL AND OMBROFILE FORESTS (ATLANTIC FOREST BIOME)

INDICATORS	NOTES			
	0	1	2	3
Number of bush-tree species and palm trees	0 - 98	99 - 112	113 - 126	≥ 127
Number of vegetable species threatened with extinction	0	1 - 3	5 - 7	≥ 8
Predominance of successional stage in the three sample fragment (area)	0 - 0.75 (pioneer)	0.76 - 1.50 (initial)	1.51 - 2.25 (secondary)	2.26 - 3.00 (advanced)
(Total area of native vegetation/ Total area of the plantation) x 100	0 - 20%	20 - 30%	30 - 45%	> 45%
Age of eucalyptus that predominates in the plantation (area)	0 - 1	1 - 4	4 - 6	> 6
Bird species sensitive to environmental disruptions (AS)	0.2 - 3.4	3.5 - 5.5	5.6 - 7.9	≥ 8
Number of bird species threatened with extinction	0	1	2	> 2
Number of species of mammals/km and number of exigent and threatened species	Nº of species registered/km < 0.5	Nº of species registered/km ≥ 0.5 or < 0.5 with at least 1 exigent or threatened species	Nº of species registered/km ≥ 0.5, with 1 exigent or threatened species	Nº of species registered/km ≥ 0.5, with 2 or more exigent or threatened species

CLASSIFICATION OF FIBRIA'S FARMS ACCORDING TO IAER (RAPID ECOLOGICAL ASSESSMENT INDEX)

SUM OF IAER INDICATOR VALUES	CLASSIFICATION
0 - 6	Poor
7 - 12	Average
13 - 18	Good
19 - 24	Excellent

Number of species on the IUCN Red List and national conservation lists with habitats in areas affected by company operations, broken down by extinction risk level (GR1 EN15)

RISK LEVEL	ARACRUZ (ES, MG, BA) AND GUAÍBA (RS)	JACAREÍ (VALE DO PARÁIBA + CAPÃO BONITO)	TRÊS LAGOAS
Critically endangered	20	0	0
Endangered	21	8	1
Vulnerable	53	12	7
Insufficient data	20	4	2
Not threatened	948	1618	638

Does not include the Capão do Leão Unit Forest (RS).

Lists utilized: Aracruz – IUCN, Ibama, Iema and Sema lists for classes of birds, mammals, amphibians, fish, crustaceans, reptiles, zooplankton and phytoplankton.

Guaíba – Sema list for classes of birds and mammals.

Total direct emissions of greenhouse gases, by weight (GR1 EN16)

UNIT	TONS OF CO ₂ EQUIVALENT
Jacareí	295,581
Aracruz	344,064
Três Lagoas	342,065
Total	981,710

The data shown here do not yet include all the emission sources in the inventory, since consolidation of the figures had not been completed by the time of the publication of this report (conclusion expected in August 2010). More information about the greenhouse gas emissions in 2009 is available in the section Environmental Performance > Climate Governance.

BIOMASS

UNIT	TONS OF CO ₂ EQUIVALENT
Jacareí	2,015,703
Aracruz	5,077,183
Três Lagoas	1,562,939
Total	8,655,825

Initiatives to reduce greenhouse gas emissions and the reductions achieved (GR1 EN18)

Fibra is organizing a strategy for dealing with issues relating to climate change. The first steps towards the reduction of emissions are already proceeding:

- Two Clean Development Mechanism (CDM) projects have been prepared and are in the process of being registered with the UN;
- A feasibility study for a CDM project has been submitted to the Capex Committee of Votorantim Industrial (VID), a Fibra shareholder;
- Consolidation and annual certification of the Greenhouse Gas Inventory;
- Participation in voluntary disclosure programs: Carbon Disclosure Project (CDP) Investors and CDP Supply Chain, that incorporate the CO₂ emissions of the Company's supply chain;
- Setting up a corporate energy efficiency program.

Other initiatives are in the process of being implemented:

- Monitoring of area specific indicators (KgCo₂eq/MWh, etc.);
- Study of the carbon sequestration by the Company's native forest reserves (the Company's current CO₂ inventories only consider its eucalyptus plantations);
- Voluntary projects for augmenting the restoration areas.

There are no quantitative data on the reduction of greenhouse gas emissions, since the initiatives are still in the study phase or in the process of implementation.

Total weight of waste, by type and disposal method (GR1 EN22)

There was an increase in the annual disposal of contaminated waste, compared to 2008, with contaminated soil up by 38% and other contaminated materials up by 130% at the Vale do Paraíba Forest Unit (SP), while the increase was 6% for both items at the Capão Bonito Unit (SP). The increases at the forest units in São Paulo are attributed to the deactivation of machinery during the year.

The differences in the disposal of asbestos waste are due to the disposal of a large proportion of this material at Capão Bonito (81.75%) in 2008 and at Vale do Paraíba (63.55%) in 2009. The Capão Bonito Unit still has a greater stored quantity of this material.



Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations (GR1 EN28)

Três Lagoas:

FARM	ISSUER	NUMBER	DATE	LAW	SUBJECT	AMOUNT (R\$)	STATUS
Rio Verde	IMASUL	2046	15/5/2009	Articles 4 and 17 of Decree nº 4,625/88; article 60 of Law nº 9,605/98; articles 3 and 60 of Decree nº 6,514/08	Sale and storage of pesticides	30.000	Appealed. Awaiting position of IMASUL
Matão	IMASUL	2042	19/5/2009	Articles 4 and 17 of Decree nº 4,625/88; article 60 of Law nº 9,605/98; articles 3 and 60 of Decree nº 6,514/10	Ambulatory	30.000	Appealed. Awaiting position of IMASUL
Barra do Moeda	IMASUL	2043	15/5/2009	Articles 4 and 17 of Decree nº 4,625/88; article 60 of Law nº 9,605/98; articles 3 and 60 of Decree nº 6,514//08	Sale and storage of pesticides	30.000	Appealed. Awaiting position of IMASUL
Palmito	IMASUL	2044	19/5/2009	Articles 4 and 17 of Decree nº 4,625/88; article 60 of Law nº 9,605/98; articles 3 and 60 of Decree nº 6,514/11	Sale and storage of pesticides	30.000	Appealed. Awaiting position of IMASUL
Barra do Moeda	IMASUL	2045	19/5/2009	Articles 4 and 17 of Decree nº 4,625/88; article 60 of Law nº 9,605/98; articles 3 and 60 of Decree nº 6,514/12	Sale and storage of pesticides	30.000	Appealed. Awaiting position of IMASUL
São Domingos	IMASUL	943	28/8/2008	Artigo 70 Lei Federal 9605/98: artigo 3 e 62 do Decreto 6514/08: Artigo 14 Lei Estadual 90/80	Comércio e depósito de agrotóxicos	30.000	Recorrido. Aguardando manifestação do IMASUL



Jacareí (Vale do Paraíba e Capão Bonito):

Administrative Proceeding no 1.30.008.000134/2006-60 - CARRIED OVER FROM PREVIOUS OWNER	Impede the natural regeneration of the forest and other forms of vegetation in the vicinity of the Parna Itatiaia – Parque Nacional Itatiaia – RJ	Within 90 days, submit a Restoration Project and carry it out. Provide information, every 180 days, to the MPF (Federal Public Prosecution Service) about the measures adopted	March 13, 2008	R\$ 1,000 monthly fine
Conduct Adjustment Agreement (TAC) - Investigatory Proceeding of Feb/1999 - CARRIED OVER FROM PREVIOUS OWNER	Suppression of the native vegetation in a Permanent Preservation Area, by the former owner of the São Miguel Farm (Natividade da Serra/SP) – TAC passed on to the company and signed on July 10, 2008	Natural regeneration of areas already having effective native vegetation cover and replanting with seedlings of native species in areas lacking such vegetation, as well as replacement of seedlings that didn't take, as part of the maintenance activities until such time as the vegetation attains a self-sustaining level, thus providing suitable restoration of the Permanent Preservation Areas. Present half-yearly technical reports, accompanied by photographs, showing the activities carried out and the development of the vegetation cover. Time limit of 3 years for completion.	10/07/2008	Daily fine of 1 (one) minimum wage
Proceeding no 1.30.008.000057/2003 - RESENDE ATTORNEY GENERAL	Conduct Adjustment Agreement (TAC) signed on February 13, 2008	Present a Plan for the Restoration of a Degraded Area (PRAD), covering an area of 4.5 ha (target of the TAC) and including a timetable for execution.	Submitted on April 15, 2008	
		Execution of the PRAD	Completed on June 10, 2008	
		Take out documentation for ART (Record of Technical Responsibility) at CREA and CTF (Federal Technical Registration) at IBAMA	Deadline March 25, 2010	
		Maintaining fencing and firebreaks on the property, to prevent incursion of cattle and fires, respectively.	Completed on June 2, 2008	
		Enlighten the MPF as to the progress of the registration of the legal reserve with the IEF (State Forest Institute) in Rio de Janeiro.	Deadline November 25, 2009	
		Inform the Environmental Area of the situation with regard to rectification of the registered property area, with a view to adding the legal reserve to the registration at the Real-Estate Registry Office.	Deadline March 25, 2009	
		Accompany the inspections carried out by IBAMA agents.	Deadline: as required	
		Coordination of field inspection at the Fazenda Limoeiro.	Inspection carried out on April 23, 2008	
Notification by the CDA (state agricultural watchdog)	Soil conservation – Caieiras farm	Presentation of Technical Project for the restoration - in progress	In progress. Final report still to be submitted to the CDA	
Notification by CETESB (São Paulo State Environmental Sanitation Technology Company)	For lack of a license for the Capão Bonito refueling post.	Obtain licensing from CETESB	In progress	

UGB	CERTIFICATION	PRINCIPLE	DEGREE	CAR REPORT N°	DESCRIPTION
Sustainability	FSC	P.2	Minor	CAR 2010 - 01	Absence of procedures for resolving conflicts regarding land use rights (2.3.1) and claims and compensation for damages incurred (4.5.1)
DHO	FSC	P.4	Minor	CAR 2010 - 02	Quality of own and suppliers' nutrition (inform certificating body of change in suppliers).
Silviculture	FSC	P.4	Minor	CAR 2010 - 03	Supply of drinking water in the Field in sufficient quantity (NR 31).
Sustainability	FSC	P.4	Minor	CAR 2010 - 04	Systematization, planning and recording of assessments of the social impact of the undertaking; the impact matrix is determined internally, without considering communication with stakeholders.
Environment	FSC	P.6	Minor	CAR 2010 - 05	Definition and systematization of a plan for the recovery and restoration of degraded areas, including monitoring and alternative and alternative methods.
Environment	FSC	P.6	Minor	CAR 2010 - 06	Definition of strategies, methodologies and formal monitoring of the removal of exotic species from natural forest remnants.
Environment	FSC	P.8	Minor	CAR 2010 - 07	Include justification of the scale and scope of the surveying and monitoring of local fauna and flora.
Environment	FSC	P.8	Minor	CAR 2010 - 08	Quantitative monitoring of water resources.
Environment	FSC	P.8	Minor	CAR 2010 - 09	Environmental monitoring in the wake of company operations, including critical analysis and not limited to mitigatory action.
Sustainability	FSC	P.8	Minor	CAR 2010 - 10	Monitoring of action to mitigate the social impact of company operations.
Environment	FSC	P.8	Minor	CAR 2010 - 11	Monitoring results in the publicly available summary
Environment	FSC	P.9	Minor	CAR 2010 - 12	Systematization of the process for surveying and determining the characteristics and selecting forests of High Conservation Value, according to the scale and intensity of the management and considering all the attributes defined by ProForest.
Management system	FSC	COC	Minor	CAR 2010 - 13	General application of Regulation SW FM 35.
Environment	CERFLOR	P.3.5.d	Minor	SAC 2010 - 9	There is no monitoring of invasive species in certain areas of significant ecological value, which have been defined under the legislation for the maintaining and protection of their natural ecosystems.
Geographical Registration	CERFLOR	P.1.1.b	Minor	SAC 2010 - 8	There are still items pending for the normalization of the Legal Reserve, in compliance with the forestry legislation.
Silviculture/work safety	CERFLOR	P.1.3.b	Minor	SAC 2010 - 10	The ANVISA requirements under NR 31 and RDC 216 are not being met.

UGB	PRINCIPLE	DEGREE	CAR REPORT Nº	DESCRIPTION	DISPOSIÇÃO (SITUAÇÃO APRESENTADA NA AUDITORIA)
Silviculture	P.1	Minor	CAR 2010 -01	Following up of Equilíbrio monitoring; critical analysis of the monitoring.	
DHO	P.1	Minor	CAR 2010 -02	Irregular payments to the transportation company Transvaal.	
DHO	P.1	Minor	CAR 2010 -03	Discounts (four and a half hours) from payments to outsourced drivers; Certifier's Note: Immediate settlement of any amounts due.	
Forest logistics	P.1	Minor	CAR 2010 -04	Measures for adjustments to comply with Weights & Measurements Law	
Sustainability	P.2	Minor	CAR 2010 -05	Absence of procedures for resolving conflicts regarding land use rights (2.3.1) and claims and compensation for damages incurred (4.5.1).	
DHO	P.4	Minor	CAR 2010 -06	EPS labor monitoring, eg: non-compliance with collective labor agreement (working hours), irregular payments and discounts from payments to bus drivers.	
Maintenance	P.4	Minor	CAR 2010 -07	Refueling of convoy at Capão Bonito without earth grounding; driver did not follow safety procedures during refueling.	
Silviculture	P.4	Minor	CAR 2010 -08	Supplying the employees with drinking water (NR 31).	
Silviculture	P.4	Minor	CAR 2010 -09	JFI employees at some locations have only a single pair of boots.	
Sustainability	P.4	Minor	CAR 2010 -10	Implementation of system of communication with stakeholders, as defined in the management plan.	
Sustainability	P.4	Minor	CAR 2010 -11	Minor - Analysis of the effectiveness of prevention and mitigation steps taken in response to the survey on the social impact of the company's transportation.	
Environment	P.6	Minor	CAR 2010 -12	Regeneration of exotic species (pine): verification of occurrences and action plan for their elimination from critical locations – extend to Jacaré.	Conduct analysis and monitoring of CF; try planning tentar acertar com planejamento que vistoria as áreas para o micro, que identifique e nos informe para juntos recomendarmos ação e registro.

UGB	PRINCIPLE	DEGREE	CAR REPORT Nº	DESCRIPTION	DISPOSIÇÃO (SITUAÇÃO APRESENTADA NA AUDITORIA)
Environment	P.6	Minor	CAR 2010 -13	Definition of institutional monitoring of areas for restoration/recovery. (At present, an informal record is made by the specialist responsible for the areas to be restored)	We shall update the restoration procedures, in order to define the monitoring and registration up to the end of the process.
Roads	P.6	Minor	CAR 2010 -14	Abandoned roads within conservation areas; assessment of degradation and ensuing action plan for Capão Bonito; verify situation in Jacaréi. Certifier's Note: maneuvering of machinery in areas of native forest remnants	
Planning	P.6	Minor	CAR 2010 -15	Planning at micro level prior to harvest – no necessity to define use of roads; railroad turntable within area of native vegetation	
Environment	P.8	Minor	CAR 2010 -16	Include justification for the scale of the surveying and monitoring of local fauna and flora	This has already been included in the work of the CF. With the adjustment of environmental situation, some parameters and percentages, or similar, should be shown.
Environment	P.8	Minor	CAR 2010 -17	Inclusion of justification of the scale of the water monitoring.	This needs to be started from scratch. Let's discuss it.
Sustainability	P.8	Minor	CAR 2010 -18	Implementation of measures and monitoring in relation to the social impact of the company's operations, based on critical analysis of the results obtained from communication with stakeholders, the system for which is to be introduced under the new management plan	
Environment	P.8	Minor	CAR 2010 -19	Pre-operational monitoring show environmental omissions; absence of environmental monitoring in the post-silviculture phase; post harvest monitoring does not record impacts identified during silviculture operations	It's the same as in MS; we must think of something along the lines of the IDSA (Socio-Environmental Performance Indicator). Good idea to liaise with Renato.
Environment	P.9	Minor	CAR 2010 -20	Systematization of the process for surveying and determining the characteristics and selecting forests of High Conservation Value, according to the scale and intensity of the management and considering all the attributes defined by ProForest	This will be cut from the CF's work; add some more parameters and limits. Let's discuss it.
Management system	COC	Minor	CAR 2010 -21	General application of Regulation SW FM 35.	

Total investment and spending on environmental protection (GR1 EN30)

WASTE DISPOSAL

UNIT	SPENDING
Jacareí (Vale do Paraíba and Capão Bonito)	R\$ 126,767.51
Três Lagoas	NS
Aracruz	NS

Industrial operations

Industrial environmental performance indicators

Proportion of materials used that had been recycled (GR1 EN2)

PERCENTAGE OF MATERIALS USED THAT HAD BEEN RECYCLED	2009
Jacareí	NS
Três Lagoas	NS
Piracicaba	2.06
Aracruz	NS

Indirect energy consumption according to primary source (GR1 EN4)

INDIRECT ENERGY CONSUMPTION – GJ	ARACRUZ	JACAREÍ	TRÊS LAGOAS	PIRACICABA
Non-renewable sources				
7A + 3A fuel oils + diesel (lime kiln) – kg	0	34,626,228	0	NA
3A fuel oil + diesel (steam) – kg	0	18,584,743	103,504	NA
Natural gas (Nm³)	96,310,401	22,914,032	27,228,264	2,349,195
Renewable sources				
Black liquor + biomass (tons)	56,923,999	1,611,372	1,214,755,36	NA
Electricity consumption – GJ	5,226,704	868,224,560 (Kwh)	284,212	119,264,520 (Kwh)

Total water withdrawal by source (GR1 EN8))

SOURCE	2008	2009
Surface capture (m³)		
Jacaré	30,593,485	26,654,814
Três Lagoas	NA	25,402,377
Aracruz	84,643,200	108,394,560
Piracicaba	3,858,013	4,890,721
Groundwater capture (m³)		
Jacaré	0	0
Três Lagoas	NA	0
Aracruz	0	0
Piracicaba	42,099	41,153
Combined total (m³)		
Jacaré *	30,593,485	26,654,814
Três Lagoas	0	25,402,377
Aracruz	84,643,200	108,394,560
Piracicaba	3,900,112	4,931,874

Water sources that have been significantly affected by water withdrawal (GR1 EN9))

2009	
Jacaré	The average flow rate of water captured by the Jacaré Unit is 0.7 m³/s, while the average rate of flow of the Paraíba do Sul river, which supplies the unit, is 75 m³/s (withdrawal is 0.93% of the river flow).
Piracicaba	The average capture rate is 0.153 m³/s, while the average rate of flow of the Piracicaba river is 88.0 m³/s, so there is no significant impact on the river flow.
Três Lagoas	The average flow rate of water captured from the Paraná river is 1.37 m³/s. The water balance will be calculated in due course.
Aracruz	The average water capture flow rate is 3.43 m³/s. In accordance with National Water Agency Resolution 406/2010, the unit will conduct a water balance assessment for the Riacho river catchment area and the Caboclo Bernardo canal in 2010.

*According to the GRI protocol, there is a significant impact when the average capture flow rate represents 5% or more of the average flow rate of the body of water in question.

Proportion and total volume of water that is recycled and reutilized (GRI EN10))

WATER THAT IS RECYCLED AND REUTILIZED	2008	2009
Jacareí		
Volume (m³)	163,987,200	163,987,200
%	81	84
Piracicaba		
Volume (m³)	3,601,215	3,580,972
%	45.38	43.82
Aracruz		
Volume (m³)	NR	NR
%	NR	NR
Três Lagoas		
Volume (m³)	**	NR
%	**	NR

* Period when the mill was being installed

* The Aracruz and Três Lagoas units do not have a system for the recycling and/or reutilization of water.

** Mill instalation

NOx, SOx and other significant atmospheric emissions, by type and weight (GRI EN20)

EMISSIONS (KG)	JACAREÍ*	PIRACICABA	TRÊS LAGOAS	ARACRUZ
NOx (direct emissions)	882,129	55,293,48	634,882	663,000
NOx (indirect emissions)	NR	NR	NR	NR
NOx (other indirect emissions)	NR	NR	NR	NR
SOx (direct emissions)	388,596	NR	58,553	114,000
SOx (indirect emissions)	NR	NR	NR	NR
Persistent organic pollutants (POP)	NR	NR	NR	NR
Volatile organic compounds (VOC)	NR	NR	NR	NR
Hazardous air pollutants (HAP)	NR	NR	NR	NR
Chimney and fugitive emissions	NR	NR	NR	NR
Particulate matter (PM)	1,040,750	NA	52,303	705,000
Others (Total reduced sulfur – TRS)	20,893	NA	17,799	6,000

* To deal with NOx at the Jacareí Unit, dry low NOx and low NOx burners have been installed, which have led to a reduction in NOx emissions, The biomass boiler has been converted from oil to natural gas, The reduction of TRS and SO₂ was achieved mainly through the optimization of processes and of the ECP,

Total water discharge, by quality and destination (GR1 EN21)

	2007	2008	2009	DESTINATION	METHOD
Jacaré	30,215,074	22,111,414	29,213,344	Paraíba do Sul river	Two-stage activated sludge treatment
Piracicaba	4,098,630	4,525,238	4,704,265	Piracicaba river	Physical-chemical and activated sludge treatment
Três Lagoas	Mill installation		35,256	Piracicaba river	Activated sludge treatment with prolonged aeration
Aracruz	70,325,189	67,880,650	67,911,745	Undersea outlet	Aerated lagoons and stabilization ponds

Total weight of waste, by type and disposal method (GR1 EN22)

	JACARÉ	PIRACICABA	TRÊS LAGOAS*	ARACRUZ
Hazardous waste				
Reutilization	0	0	0	0
Re-refining	0	8,310	0	189.5
Reprocessing/ recycling	99	1,076.40	0	0
Composting	0	0	0	0
Co-processing	39	47,980	20	414.60
Biological treatment	0	0	0	0
Incineration	0.11	31.12	0	0
Internal landfill	0	0	0	0
External landfill	0	0	0	0
Total	138.11	57,397.52	20	604.10
Non-hazardous waste				
Reutilization	0	89,307.05	0	411,934
Re-refining	0	0	0	0
Reprocessing/ recycling	40,384	520,453.23	0	88,765
Composting	0	5,290,520	0	0
Co-processing	0	3,885,180	0	0
Biological treatment	0	0	0	0
Incineration	0	0	0	0
Internal landfill	35,185	0	66,570	124,495
External landfill	19,550	243,350	0	0
Total	95,119	10,028,810.28	66,570	625,194
Combined total	95,257.11	10,086,207.80	66,590	625,798.10

* Waste resulting from the work on the installation and subsequent operation of the mill, with the former generating the greater part. The system for the management of solid waste is still being implemented.

Total number and volume of significant spills (GR1 EN23)

2009	
Jacaré	There were no spills during the year that had a significant environmental impact
Três Lagoas	One overflow in the evaporation area (Sept. 28, 2009) - 30m³ of C condensate
Piracicaba	There were no spills during the year that had a significant environmental impact
Aracruz	There were no spills during the year that had a significant environmental impact

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations (GR1 EN28)

FINES AND ENVIRONMENTAL SANCTIONS			
	2007	2008	2009
Number of cases	Aracruz: 3 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 5 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 1 Jacaré: 0 Piracicaba: 0 Três Lagoas: 2
• Administrative	Aracruz: 2 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 2 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 1 Jacaré: 0 Piracicaba: 0 Três Lagoas: 2
• Judicial	Aracruz: 1 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 3 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: 0
• Arbitration	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: 0
Monetary value of fines (R\$)	Aracruz: 30,437.65 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 420,160.62 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 163,500.00 Jacaré: 0 Piracicaba: 0 Três Lagoas: 270,000.00
• Paid	0	0	0
• Final decision pending	Aracruz: 3 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 5 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 1 Jacaré: 0 Piracicaba: 0 Três Lagoas: 1
Total number of non-monetary sanctions	Aracruz: 1 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: NA	Aracruz: 0 Jacaré: 0 Piracicaba: 0 Três Lagoas: 0
Jacaré	In 2009, we received a warning from CETESB in relation to the discharging of liquid effluent in violation of the prevailing legislation. There is currently a TAC in effect in relation to a landfill accident that occurred in 2005, as well as two civil inquiries, one in relation to a release of pollution and odor and the other relating to the disposal of industrial waste. These cases are being studied by the Public Prosecution Service and we have presented all the evidence requested during the inquiry.		

Climate governance

Fibria takes into account in its business strategy the existence of regulatory and physical risks and opportunities related to climate change. Besides the issues related to the international agreements, such as the Kyoto Protocol, the Company pays close attention to the regulatory measures that are being prepared at the municipal, state and national levels, such as the National Climate Change Policy and the São Paulo State Climate Change Policy (PEMC).

The attention the Company pays to the physical risks of climate change are associated with variations in the availability of water and weather pattern changes that could negatively affect environmental services, such as regional climate regulation and water production, which directly impacts Company's activities.

The uncertainties regarding the levels of environmental impacts and the period in which these morphological events will occur also are assessed. Nevertheless, Fibria adopts the Precaution Principle for managing and operating its industrial and forestry activities, adopting production control and monitoring measures such as agronomic studies, genetic enhancement for production of eucalyptus trees that encompasses the adaptation of species in different climate conditions and the monitoring of water consumption in forestry areas, among others. Also part of this management practice is the preparation of an inventory of greenhouse gas (GHG) emissions stemming from Fibria's activities.

At Fibria, the GHG emissions inventory is one of a series of initiatives that seeks to achieve an eco-efficient process. Among the noteworthy actions the Company is studying and implementing as a way of minimizing its carbon footprint are the improvement of the process stability, guaranteeing lower emissions per ton of product produced; reduction and reutilization of waste; improvement of energy efficiency; exploitation of new transportation modalities; evaluation new alternatives and to reduce fuel consumption.

Fibria concluded its first GHG inventory in 2009, based on emissions from 2008. The company received its Carbon Footprint certificate, issued by BR-TÜV, the Brazilian subsidiary of TÜV-Nord of Germany. VCP and Aracruz already have been reporting reported their GG inventories since 2005. For the 2008 inventory, forestry and industrial operations of the Aracruz, Guaíba and Jacaré Units were considered, along with the logistical operations involving the export of pulp produced in the three locations. Because the Três Lagoas Unit still had not come on stream, neither the emissions deriving from its production process nor the carbon sequestration of its forests were included.



SUMMARY CHART – CARBON FOOTPRINT INVENTORY 2008

UNITS		JACAREÍ	ARACRUZ	GUAÍBA	FIBRIA	JACAREÍ + ARACRUZ	
PRODUCTION		t/YEAR	1,081,930	2,103,496	453,119	3,638,545	3,185,426
Forestry emissions (operation + transportation)	Fossil fuel	tCO ₂ eq	72,283	129,212	22,580	224,075	201,496
	Fertilizers	tCO ₂ eq	11,236	14,985	68,013	94,234	26,221
	Electric energy	tCO ₂ eq	10	23	6	39	33
	Total forestry	tCO ₂ eq	83,529	144,220	90,599	318,348	227,749
	Share	%	26.20%	45.30%	28.50%	100.00%	71.50%
	Specific forestry emissions	tCO ₂ eq/t Cel	0.08	0.07	0.20	0.09	0.07
Industrial emissions (pulp)	Fuel burn	tCO ₂ eq	289,071	277,599	380,467	947,137	566,670
	Waste (landfill + lagoons)	tCO ₂ eq	3,156	106,848	430	110,433	110,003
	Internal transportation	tCO ₂ eq	653	1,969	706	3,329	2,622
	Employee transportation	tCO ₂ eq	956	1,438	766	3,160	2,394
	Imported electricity	tCO ₂ eq	3,174	2,004	5,369	10,547	5,178
	Industrial total	tCO ₂ eq	297,010	389,858	387,738	1,074,606	686,868
	Share	%	27.60%	36.30%	36.10%	100.00%	63.90%
	Specific industrial emissions	tCO ₂ eq/t Cel	0.27	0.19	0.86	0.30	0.22
Logistics emissions (pulp)	Highway transportation	tCO ₂ eq	2,657	721	352	3,730	3,378
	Railroad transportation	tCO ₂ eq	2,133	0	0	2,133	2,133
	Barge transportation	tCO ₂ eq	0	0	1,373	1,373	0
	Transportation	tCO ₂ eq	118,376	199,342	84,339	402,057	317,718
	Total logistics	tCO ₂ eq	123,167	200,063	86,063	409,293	323,230
	Share	%	30.10%	48.90%	21.00%	100.00%	79.00%
	Specific logistical emissions	tCO ₂ eq/t Cel	0.11	0.10	0.19	0.11	0.10
Operational emission	Total emissions (forestry + industrial + logistics)		503,706	734,141	564,401	1,802,248	1,237,847
	Specific operational emissions	tCO ₂ eq	0.47	0.35	1.25	0.50	0.39
Forestry sequestration (base ICA wi- thout native forests)	Planted forests	tCO ₂ eq	3,979,478	8,560,018	3,327,709	15,867,205	12,539,496
	Share	%	25.10%	53.90%	21.00%	100.00%	79.00%
	Specific forestry emissions	tCO ₂ eq/t Cel	3.68	4.07	7.34	4.36	3.94
Mitigation summary	Total reduction	tCO ₂ eq	3,475,772	7,825,877	2,763,308	14,064,958	11,301,650
	Reduction (sequestration - emissions)	tCO ₂ eq/t Cel	3.21	3.72	6.10	3.87	3.55
	Sequestration per emissions ratio	n	8 : 1	12 : 1	6 : 1	9 : 1	10 : 1

Fibria’s GHG emissions inventory in 2009 was based on a number of calculation protocols, including ones developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), adapted by the International Council of Forest and Paper Associations.

This inventory was prepared using the following documents from the WRI together with the WBCSD:

- The Greenhouse Gas Protocol – a Corporate Accounting and Reporting Standard (Revised edition);
- “Calculation Tools for Estimating Greenhouse Gas Emissions in paper and pulp mills,” ICFPA Climate Change Working Group, version 1.3;
- Calculation Tools for Estimating Greenhouse Gas Emissions from Mobile Combustion, version 1.2;
- CO₂ Emissions from Business Travel, version 2.0.

Fibria reported the direct emissions of its industrial and forestry operations (Scope 1), energy imports (Scope 2), and other sources attributable to the Company, for example transportation in vehicles not belonging to its own fleet or not operationally controlled by the Company (Scope 3), used for export of products and employee travel. Fibria also took into account equivalent carbon sequestration supplied by the eucalyptus plantations.

CHART 1
DIRECT EMISSION SOURCES (%)

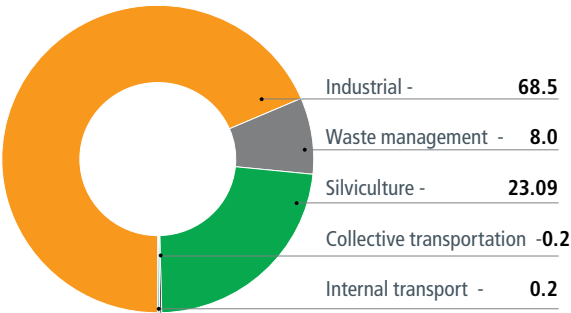


CHART 2
INDUSTRIAL EMISSIONS PER FUEL TYPE (%)

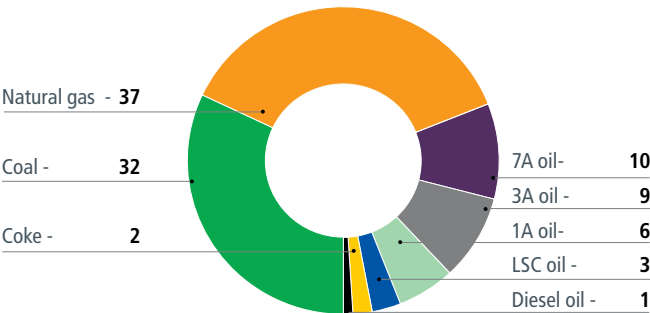


Chart 1 refers to Scope 1 emissions, demonstrating that the direct emissions from industrial sources represent more than 70% of the total.

Chart 2, referring to the Scope 2 emissions, shows the emissions of stationary equipment by fuel type, and demonstrates the possibility of substituting fuel oil with natural gas. Fuel oil has a higher impact on GHG production per unit of energy generated than does natural gas.



CHART 3
EMISSIONS PER FORWARDING TRANSPORT
SYSTEM (%)

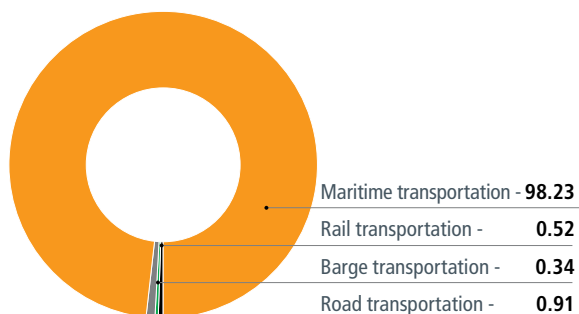


CHART 4
GREENHOUSE GAS EMISSIONS BY SILVICULTURE
ACTIVITIES (%)

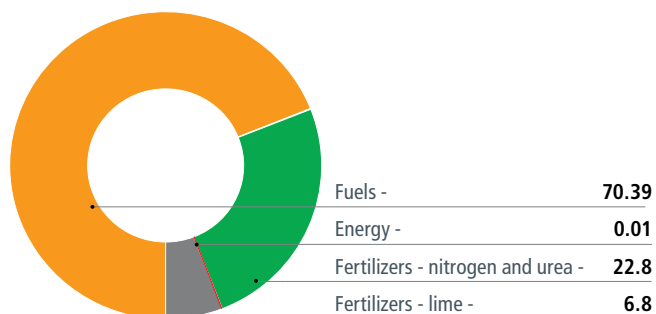
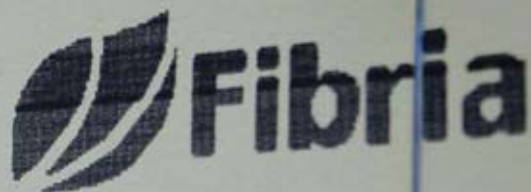


Chart 3, which refers to the Scope 3 emissions, shows that maritime transportation is responsible for 98% of all emissions.

Chart 4 shows that the emissions from fuel consumption are responsible for more than 80% of the total silviculture operation emissions.

The 2010 Carbon Footprint, which refers to the year of 2009, is being concluded and had not yet been disclosed as of the publication of this report. To obtain more information about Carbon Footprint 2009, please go to the Fibria website – www.fibria.com.br.



MARKET SITUATION

The global financial crisis had a negative impact on world economic growth in 2009 and the performance of the commodity markets, including the demand for paper, suffered accordingly, with printing and writing papers registering a decline of 6%. Pulp demand, which for the greater part of the year was in decline, recovered strongly in the last few months to record an overall increase of 2% in relation to 2008. Tissue demand and the performance of certain specialty paper segments also showed positive results.

Within this context, the performance of eucalyptus pulp was outstanding, registering a 17% increase in demand for the year, well above the overall hardwood average (+5%) and contrasting strongly with the negative result for the softwood segment (-2%).

Among the principal paper consuming markets, Europe saw the greatest decline, registering a 15% fall in demand for printing and writing papers. The production of paper and cardboard in China continued to grow, mainly driven by the operational start-up of new paper machinery that has been installed in recent years, pushing local production close to 86 million tons a year.

As a result, Chinese demand for market pulp showed record annual growth (55%), reaching a total of 8.7 million tons, which largely offset the declines in other markets.

If it hadn't been for the stimulus packages introduced by the governments of the world's leading economies, the declines would have been much greater and the markets would have been unable to reverse the trend, the way they did, at least in part, during the second half of 2009. Leaders in the forestry sector also played their part, adjusting their supply to the new demand by reducing the utilization of installed capacity, controlling inventory levels, and closing down unprofitable production units, as well as postponing their projects for augmenting capacity.

At the end of 2009, the outlook was much more optimistic, and sustainable, with the major economies returning to growth in the fourth quarter; slow but steady growth in demand for pulp and paper; extremely low inventory levels in the global distribution chain; and slight increases in pulp and paper production capacity. All these factors, combined, will help to achieve a better balance between supply and demand in 2010.

Sales performance – Fibria's pulp sales in 2009 attained the volume of 5,248,000 tons, 27% higher than the volume sold in the previous year, mainly due to the increased product availability resulting from the operational start-up of the new mill at Três Lagoas (Mato Grosso do Sul State).

Exports represented 90% of total pulp sales, with the Asian market taking the largest portion – 1.9 million tons, or 36% of total sales. The following regions accounted for the rest of the sales

mix: Europe 31%, North America 23% and Brazil / Others 10%. Domestic sales of pulp also increased, mainly as a result of sales to International Paper's new paper mill in Três Lagoas.

The tissue market continued to be the most important segment in Fibria's sales distribution by end use, historically accounting for about 50% of total sales. The printing and writing paper segment also saw an increase in its share, due to the higher volume sold to the Asian market. The new machinery that has been installed, particularly in China, requires higher quality and more homogeneous fiber, such as that of the eucalyptus.

PERFORMANCE ANALYSIS

In order to enable a better understanding and comparability of the different years' financial statements, we provide in the text below an analysis of the pro-forma consolidated financial statements for 2008, using the same presentation basis as for the consolidated financial statements of 2009, in other words, considering the full consolidation of the balances of the subsidiary Aracruz Celulose S.A., as if the acquisition of that company had occurred during that financial year.

Pulp and paper production – A total of 5,188,000 tons of pulp and 369,000 tons of paper were produced at Fibria's units, including 50% of the production from our joint ventures at Conpacel and Veracel. The highlight was the operational start-up of our pulp mill in Três Lagoas (MS), approximately one month ahead of schedule. With a production capacity of 1.3 million tons of pulp a year, it is the world's largest single line pulp mill. At the Piracicaba Unit (São Paulo State), we started to produce Termobank, our new paper which uses technology that retains the print quality for a longer duration than the papers currently in use in the banking system.

Fibria's net operating revenue amounted to R\$ 6,000 million in 2009, which was 1% higher than the figure for 2008. This result was mainly influenced by a pulp sales volume that was 27% up on that of the previous year, largely as a consequence of the additional production from the Três Lagoas Unit, which began its operations in March. This positive result helped to offset the 20% decline in the average net pulp price, denominated in reais.

The cost of goods sold came to R\$ 5,061 million, an increase of 16% in relation to 2008, which was mainly affected by the higher pulp sales volume (an increase of R\$ 460 million) and higher logistics costs (up by R\$ 98 million), both due to the new production capacity at the Três Lagoas Unit. Nevertheless, the cost of goods sold per ton was down by 6%, due to the lower cash cost of production and to the benefits derived from gains in operational efficiency and the cost reduction scheme introduced as from the third quarter of 2008.

Operating expenses were down by 14%, compared to those of 2008. This result is largely due to a 74% fall in other operating expenses, brought about above all by lower figures for the amortization of goodwill. This drop more than offset the increases in sales and administrative expenses, of 25% and 14%, respectively, resulting mainly from the operational start-up of the Três Lagoas Unit and the cost of the corporate restructuring.

As a result, the adjusted EBITDA was R\$ 1,697 million, with a margin of 28%. This EBITDA result

was 23% lower than the R\$ 2,196 million recorded in 2008 (margin of 37%).

The net financial result was an income of R\$ 1,770 million. Financial income amounted to R\$ 486 million, while financial expenses came to R\$ 1,492 million. However, the result of the impact of monetary and foreign exchange variations on our assets and liabilities was a net income of R\$ 2,775 million, mainly due to the impact of the 25% appreciation of the real during the year on our foreign currency denominated debt.

Consequently, our net income for 2009 was R\$ 558 million, compared to a loss of R\$ 1,310 million in the previous financial year.

Capital Expenditure

Fibria's capital investment in 2009 amounted to R\$ 1,609 million, and was allocated as follows:

CAPEX (R\$ MILLION)	2009
Industrial Expansion	948
Forest Expansion	57
Expansion Sub-total	1,005
Security / Environment	25
Forest Renewal	310
Maintenance, IT, R&D, Modernization	134
Maintenance Sub-total	469
Subsidiaries, Joint Ventures and Others	135
Fibria Total	1,609

New mill in Mato Grosso do Sul – On March 30th, the company's Três Lagoas Unit began its industrial operations, one month ahead of schedule. By the end of 2009, the mill was already operating at full capacity, helping to raise our total production for the year to 5.2 million tons. This was the company's most significant investment during the year, absorbing R\$ 719 million.

Debt Management

Fibria made important progress during the 4Q09 in its strategy for managing its financial liabilities, bringing the maturities on its loans into line with its cash generation and improving its capital structure. The company will continue to manage its indebtedness in such a way as to be able to return to its investment grade rating and to follow through with its growth strategy whenever the market conditions are favorable.

The sale of the Guaíba Unit represented the first stage of the implementation of this plan. The contract value of the sale, of US\$ 1,430 million, was adjusted by around US\$ 48 million, in relation to US\$ 20 million of leased assets (without effecting cash) and US\$ 28 million of amounts retained for the purpose of adjusting the physical forest inventory, which are still to be confirmed. Hence, the recorded amount of the sale, of R\$ 2,416 million, generated a capital gain of R\$ 33,414,000, which was recorded under other operating revenue (expenses).

In line with this strategy, in October 2009, the company raised funding from abroad, through a US\$1.0 billion securities issue, with a 10-year maturity and a half-yearly coupon of 9.25% p.a, and in December 2009 raised a further US\$ 1.175 billion through export pre-payments, in two tranches: (i) US\$ 750 million over 5 years, with a 3-year grace period; and (ii) US\$ 425 million over 7 years, with a 5-year grace period, both of which are indexed to the 3-month Libor, plus spreads of 4.00% p.a. and 4.25% p.a., respectively.

The total sum of US\$ 3.6 billion, raised under the plan, was used to settle in advance US\$ 2.1 billion of derivative debt and cover debts maturing in 2010 and 2011, including the debt arising from the acquisition of Aracruz. At the same time, the company concluded the negotiations to bring the contractual terms for the remaining amount of its debt arising from derivative transactions into alignment with those of its other contracts. As a result, a whole series of restrictive conditions still contained in the derivative debt contract were eliminated. The balance of the principal amount of this debt, as at December 31, 2009, was R\$ 890 million, due to the early settlement mentioned above. The remaining amount will only be amortized as from 2015.

Dividends

Despite the positive results for the year ended on December 31, 2009, the company's management, taking into consideration the commitments that have been assumed, the level of indebtedness, its strategy for managing the financial liabilities and the company's business plan, informs the shareholders that it has not proposed the distribution of dividends provided for in article 30, sub-item III of the bylaws, as permitted under article 202, paragraph 4 of Law 6,404/76.

Capital Markets

Share performance – The Ibovespa (São Paulo Stock Exchange index) appreciated by 83% in 2009, whereas Fibria's shares increased in value by 118%, from R\$ 17.93 on December 31, 2008 to R\$ 39.09 on December 31, 2009. This result reflects the recovery of the global pulp sector, the completion of the company's corporate restructuring and the management of Fibria's liabilities. The combined average daily trading volume of the company's shares on the Bovespa and the NYSE was 2.2 million, an increase of 74% in relation to 2008. The company's investor base on the Bovespa increased significantly, from 9,100 in 2008 to 22,500 in 2009 (+147%), largely due to the incorporation of Aracruz.

Total number of shares outstanding	467,934,646
ADR (American Depositary Receipt)	1 ADR = 1 common share
Market value	R\$ 18.3 billion
Average daily trading volume in 2009 (Bovespa and NYSE)*	US\$ 28 million

* Source: Bloomberg

Fibria ended the year as the company with the 10th greatest weighting in the Ibovespa, out of 62 shares listed in its hypothetical portfolio.

KSR

KSR Distribuidora – a Fibria business unit that is the leader in the domestic market and operates through 19 branches and 13 RRAs (Authorized Sales Networks), offering a complete package of solutions for paper and stationery product needs, particularly for the printing and publishing segments. Founded in 1974, KSR Distribuidora became a VCP business unit in 1992, after the Votorantim Group bought out its parent company – Indústrias de Papel Simão.

PORTOCEL

Situated 1.8 km from the Aracruz Unit, Portocel is a private specialized port terminal that accounts for the shipment of 68% of the pulp exported by Brazil today.

The terminal's installations are used to handle both the exports and imports of its two shareholders (Fibria has a 51% stake), as well as third-party operations, such as steel products. In 2009, a total of 5.6 million tons of products was shipped, 400,000 more than in 2008; the destinations being: Europe (49%), North America (26%), Asia (24%) and other locations (1%).

In addition to being responsible for Fibria's pulp exports, Portocel receives at its barge terminal the wood harvested from the Bahia forest unit and the pulp from Veracel (joint-venture between Fibria and Stora Enso).

Growth and new records marked the activities of Portocel in 2009. With completion of the first stage of its expansion project, the terminal's third berth was inaugurated on January 6, 2009, enabling it to handle three vessels simultaneously. The depth of the terminal access was also increased, from 11.80 m to 12.60 m, which, following port authority approval, will allow the loading capacity to be increased, from 42,000 tons/ship to 50,000 tons/ship.

On March 30th, Portocel reached the milestone of 50 million tons of shipments.





Independent Evaluation

DECLARATION OF AN INDEPENDENT EVALUATION - BUREAU VERITAS

Introduction

Fibra Celulose S.A. (Fibra) contracted Bureau Veritas Certification Brasil (Bureau Veritas) to conduct an independent evaluation of its Annual Sustainability Report (hereinafter called the Report), encompassing evaluation of content, quality and limitations, covering the year of 2009. Information published in the report is the sole responsibility of Fibra's management. Our responsibility was limited to the independent evaluation in accordance with the scope defined below.

Scope of Work

Fibra asked Bureau Veritas Certification to include the following in its assessment scope:

- Data and information contained in the Report for 2009;
- Adequacy and reliability of the systems and underlying processes used to collect, review and compile the information reported;
- Evaluation of the Report pursuant to the principles of Materiality, Stakeholder Inclusion, Sustainability Context, Comprehensiveness, Balance, Comparability, Accuracy, Frequency, Clarity and Trustworthiness, as defined in the Global Reporting Initiative's Guidelines for GRI G3 Sustainability Reports (2006).

Excluded from the scope of this work was any assessment of information related to:

- Activities outside the defined assessment period;
- Statements of position (expressions of opinion, belief, goals or future intentions) by Fibra, as well as statements of future commitments

Methodology

Our work was conducted in accordance with a Bureau Veritas protocol for Independent Evaluation of Sustainability Reports based on best current practices¹, covering the following activities:

1. Interviews with people involved (responsible for process) in preparing the report;
2. Analysis of evidentiary documents produced by Fibra for the period reported (2009);
3. Evaluation of information and performance data in relation to the principles that ensure the quality of the report, pursuant to the GRI G3;
4. Site visits to the Aracruz, Jacaré, Piracicaba and Três Lagoas units and head offices in São Paulo;
5. Analysis of Fibra's stakeholder engagement activities;
6. Evaluation of the system used to determine the substantive issues contained in the report, considering the context of sustainability and comprehensiveness of the information published.

The activities were planned and implemented to provide a reasonable assessment, rather than an absolute evaluation, offering an acceptable basis for our conclusions.

Technical Opinion

- Much of the information in this report concerns the performance of individual companies Votorantim Celulose e Papel and Aracruz Celulose. The performance of Fibria, in the context of sustainability, is partially shown as a function of the age of the company and the merger of two corporate cultures with their own characteristics, which integrated its operations from September 1, 2009;
- Despite being Fibria's first report, this publication demonstrates several indicators for the performance of previous years of the two companies, enabling the reader a comparison over time;
- Our work included a comprehensive survey of the perception of various stakeholder groups, which culminated in the establishment of a materiality matrix used to orient the topics developed in the Report;
- Fibria is demonstrating that it is striving to create a structure that would establish medium and long-term goals in a context of sustainability. However, it is not yet possible to clearly assess all the issues considered material in relation to the future outlook;
- The Report reflects positive and negative aspects of the organization in a balanced manner, with the information submitted being impartial and objective;
- Fibria's self-evaluation, as demonstrated by the Index included in the report, was confirmed by us, which gives this company a B+ rating pursuant to the criteria of the GRI G3 Guidelines;
- The internal mechanisms of data collection, analysis and compilation of published information, as well as control of relevant documents and the possibility of tracking them can be considered reliable;
- In accordance with the scope of the evaluation, the information and data presented in the Report have been assessed as accurate, free of significant errors or misrepresentations, accessible and understandable to the various stakeholder groups;
- The report provides clear and transparent information and could be considered accessible and understandable to the various stakeholder groups.

Recommendations for the Next Report

- Prioritize the training of those responsible for information related to performance indicators for the GRI. The generation of data adhering to the "Set of Performance Indicators" of the Guidelines for Sustainability Reporting - GRI G3, is of great relevance for the publication of the Report;
- Expand the material issues to reflect the demands identified by the survey of stakeholders;
- Increase coverage of the local communities and NGO stakeholders during the course of the next Survey about perceptions for the definition of Materiality;
- Consider the submission of further information on use, quality and availability of water resources involving forestry activities, a subject that is internationally recognized as significant for the sector;
- Standardize data collection from all of Fibria's units, defining the appropriate methodology, especially for the GRI-G3 Guideline indicators;
- Plan the preparation of the report in more detail, including internal and external evaluations, among other steps necessary to achieve desired results;
- Structure the report to allow the reader a clear assessment of Fibria's performance in the Sustainability Context, setting targets that will aid in understanding the focus of the organization in its various areas of activity;
- Guarantee for the next edition of the Report the publication of Fibria's process performances for the entire period covered, to the extent that these processes start to be effectively managed in an integrated manner in the wake of the merger of the two organizations. It is expected there will be greater clarity regarding the definitions of responsibilities and demonstrations of performance, oriented towards the sustainability context.

Declaration of Independence and Impartiality

Bureau Veritas Certification is an independent professional services firm specializing in Quality, Health, Safety, Social and Environmental Management with almost 180 years of experience in independent evaluation services.

No member of the evaluation team has commercial links with Fibria. We conducted this assessment independently, understanding that there was no conflict of interest.

Bureau Veritas Certification has implemented a Code of Ethics throughout its business activities to maintain high ethical standards among its staff.

Contact

Bureau Veritas Certification is available for further clarifications through the website www.bureauveritascertification.com.br/faleconosco.asp, or by telephone (11) 5070-9800.

¹The Bureau Veritas protocol of independent evaluation is based on the International Standard on Assurance Engagement - ISAE 3000 (Assurance Engagements), GRI G3 Sustainability Report Guidelines and the Standard Accounting Principles Assessment AA1000 (2003).

External Views

Observations on the Sustainability Report – 2009 of Fibria Celulose S.A.

Fibria is facing a major challenge to consolidate its expression of sustainability, dealing on the one hand with completing the integration of two major companies, each with considerable accumulated corporate experience and long-running operations, and on the other, establishing the world's biggest bleached pulp business, with the responsibilities that go with such leadership, as well as the sector's expectations, in terms of positioning and benchmarks.

Despite the universal nature of the principles and references, the development of sustainability, which is an essential feature for a forest-based industry, depends on a process that is peculiar to each company and needs to be deeply rooted in its corporate culture.

Within this context, Fibria's report seeks to explain and legitimize the union of the companies, while respecting the pre-existing corporate cultures and results, consolidating the integration and staking out a new positioning. All these features are essential, but we feel the report lacks a structure to facilitate understanding and make the company's practices and performance clear and accessible.

There are many ways to improve the fluidity and integration of the report. One suggestion is to adopt a standardized format that, in addition to providing general guidelines and corporate messages, assumes the logic of the business chain to describe what has been done. Based on this connecting thread, one can highlight the different internal and external contexts, the directives and practices that have been adopted, the roles assumed, the agents, goals and results achieved, as well as the plans for the future. Within this structure, certain consolidations can be presented, to meet the standard requirements of sustainability reports, with emphasis given to those themes that are considered to be most important.

We believe that this approach, in addition to facilitating the reader's understanding of the corporate commitments, would also contribute towards the process of integrating and consolidating Fibria's positioning with regard to its sustainability and leadership.

Another improvement that should be sought is greater rigor regarding the concepts that have been adopted, which, in addition to being coherent with the overall positioning, must always be consistent, despite the various situations or contexts that arise in the report. The handling of the information could also be improved, either through texts explaining the tables and charts or in the organizing of specific topics, providing a suitable balance between internal and external aspects.

Fibria has an opportunity to make a long-term commitment to sustainability, since the company combines economic scale, human capital, accumulated experience and transparent action to overcome challenges, defeat prejudice and share prosperity. And independent of any criticism, all the foundations for this journey are manifest in this report.

Yours faithfully,

Eduardo Martins, Executive Director, e.labore consultoria

Review of Fibria Celulose S.A.'s (Fibria) Sustainability Report 2009

Fibria is unusually well positioned, from a sustainability perspective, following the union of Aracruz Celulose and Votorantim Celulose e Papel in 2009. This merger has created a significant opportunity for Fibria to embed the latest sustainability thinking and practices into its corporate identity and operations from the very start.

So how might this best be done? First, by combining (and further evolving) the best practices of the company's two predecessors. Second, by defining a clear, ambitious vision for a more sustainable future for the business, its customers, and key stakeholders. And, third, by developing a culture that effectively prioritizes corporate responsibility and wider sustainability objectives. Most multinational companies of comparable size and scale rarely – if ever – have an opportunity like this one.

To Fibria's credit, its 2009 Sustainability Report is evidence that management is seizing at least some of the relevant opportunities. The level of detail – particularly regarding Fibria's emerging management systems, the company's 100-Day Action Plan, and ongoing stakeholder engagement efforts—demonstrates a serious commitment to sustainability. As ever, however, there is room for improvement. These include the need for a stronger voice and tone from the top of the organization, framing sustainability as a critical, challenging journey. Future reports would also benefit from being made more accessible. Further details on each of these recommendations are provided below.

Tone from the top: Integration is arguably the strongest theme to emerge from Fibria's inaugural report. Of note, the report incorporates both Fibria's financial and non-financial impacts and the narrative weaves in the perspectives of internal and external stakeholders alike. But this task is not yet complete.

Successful integration is an ongoing process requiring strong leadership and significant effort from a wide range of stakeholders. Therefore, in future reports, we encourage Fibria to play up the voices of its senior management, communicate their strong personal convictions for sustainability, and involve them in galvanizing stakeholder support in order to move the process forward.

Time and again, we have seen the reach and impact of a strong management perspective. A clear vision from the top will motivate and inspire Fibria's staff. More broadly, it will likely encourage—indeed spur—government, industry, and others to action. As such, Fibria has the opportunity to lead Brazil – and the whole of South America—in its efforts to promote accountability and wider sustainability

A continual journey: Fibria is no exception to the rule that sustainability is an ongoing journey. We would like to see Fibria making clearer statements of its future objectives, goals, targets, and likely market trajectories, framing them in the context of the drivers and barriers to change in its key markets.

Fibria's forward-looking goals and targets are inadequate. General objectives are stated clearly, but without supporting goals and targets it will be very difficult for stakeholders to assess Fibria's progress in 2010 and beyond. These days even committed stakeholders spend less time with any given report, so it is critically important that the data and information be presented clearly and credibly. It is an obvious point, but any such goals and targets should be SMART (specific, measurable, attainable, relevant, and time-bound) and cover all key strategic priority areas.

The report is reasonably transparent in terms of challenges, but we think Fibria has an opportunity to explain in greater detail how past performance, good or weak, in certain areas will influence the setting of future objectives, goals, and targets. Consider diversity, for example. The percentage of women within Fibria's workforce is low and, in fact, has been declining in recent years. So the logical question is what is Fibria doing specifically to address this trend, which many employees and external

stakeholders may see as worrying? And what targets are currently in place to ensure management's accountability moving forward? Without communicating a proper response to such challenges, Fibria fails to give the more skeptical stakeholders reason to believe that future performance will be better.

Accessibility: Fibria needs to improve the overall accessibility of future reports. Increasingly, we see companies producing abridged reports in print and using their corporate websites to archive static content related to governance, management systems, and other critical data. This approach will not only help Fibria to organize the contents of its reports more effectively, but will also help meet specific stakeholder needs in a more timely and relevant way. For example, it will allow investors and analysts to scrutinize the report in detail—while permitting casual readers to focus in on specific areas of interest to them

Finally, in order to communicate clearly across the key stakeholder groups, Fibria should avoid using technical jargon and legalese – or clearly define any ambiguous terms. For example, terms and processes like “marker assisted selection” and “the optimization of seedling production using bioreactors” are not easily understood by non-technical stakeholders.

We very much welcome this opportunity to comment, thank Fibria for translating the report into English, and look forward to reviewing future updates on the company's progress in these and related areas.

Sincerely,

John Elkington, Founder and Non-Executive Director, SustainAbility

Kyle Whitaker, Analyst, SustainAbility

Awards and Recognition in 2009

- Chosen as the most memorable brand, in the "Environmental Preservation" category of the "Marcas de Quem Decide" awards, conducted by the newspaper Jornal do Comércio (RS) and the QualiData Institute.
- Chosen in the "Sustainable Development" and "Market Pulp Manufacturer" categories of the "Destaques do Setor 2009" awards, organized by the ABTCP (Brazilian Association of Pulp & Paper Specialists).
- The JornalEco, an environmental education publication produced by Fibria for children and adolescents, won the Aberje (Brazilian Association for Business Communication) National Award in the "Management of Printed Media" category.
- Elected the most memorable company in the municipality of Guaíba, in the "Industry" category, in a Top of Mind survey.
- Chosen as the most admired company in the pulp & paper sector, in a survey by the magazine Carta Capital.
- Chosen as one of the 20 companies that are models of sustainability in Brazil, according to "Guia Exame de Sustentabilidade", an annual publication by the business magazine Exame.
- Chosen in the "Pulp & Paper" category in the 9th edition of the study "The 100 most innovative in the use of IT", conducted by the magazine InformationWeek Brasil.
- Carlos Aguiar, Fibria's CEO, and José Luciano Penido, chairman of the Board of Directors, were elected Business Leaders in the Pulp & Paper Sector, in the 32nd edition of the Business Leaders' Forum.
- Chosen as the most prestigious company in Brazil, in the pulp & paper sector, in the ranking of the "Anuário Época Negócios 100 – the companies with the greatest prestige in Brazil".
- The Poltrona Diz, a chair created in 2001 by the Rio de Janeiro born designer Sergio Rodrigues from Lyptus wood, by Aracruz Produtos de Madeira, was elected one of the world's 50 most interesting furniture items and objects, by the French edition of the magazine Architectural Digest.












GRI Cross-Index and the Global Compact







1. Strategy and Analysis		Where found
1.1	President's statement on the importance of sustainability	Foreword
1.2	Main impacts, risks and opportunities	Governance > Internal controls Governance > Risk management Environmental Performance > Climatic Governance
2. Profile		Where found
2.1	Name of organization	About Fibria
2.2	Main brands, products and/or services	About Fibria
2.3	Operating structure	About Fibria
2.4	Location of head offices	About Fibria
2.5	Countries in which the organization operates	About Fibria
2.6	Type and legal nature of property	Management and Strategies > Management systems > About the management
2.7	Markets serviced	About Fibria
2.8	Size of the organization	About Fibria
2.9	Main changes in 2009	About Fibria
2.10	Awards and recognitions received in 2009	Prizes and Acknowledgements in 2009
3. Parameters of the Report		Where found
Report Profile		
3.1	Period covered by the report	About this publication
3.2	Date of the most recent previous report	Aracruz Celulose and VCP Reports for 2008
3.3	Report Issuance cycle	Annual
3.4	Contact information in the case of questions	www.fibria.com.br/rs2009 > Contatos
Report scope and limitations		
3.5	Process for the definition of report content	About this publication
3.6	Report limits	About this publication
3.7	Specific limitations regarding the scope or the limits of the report	About this publication
3.8	Joint ventures, subsidiaries, leased facilities, outsourced operations and other organizations that could affect the comparison between periods and/or organizations	KSR Portocel
3.9	Techniques of data measurement and calculation bases	About this publication
3.10	Changes to information supplied in previous reports	About this publication
3.11	Significant changes in comparison with the previous years	NA
GRI content summary		
3.12	Table that identifies the location of the information in the report	GRI and Global Pact Index
Verification		
3.13	Current policies and practices regarding outside verification for the report	Independent Verification
4. Governments, commitments and engagement		Where found
Governance		
4.1	Governance structure	Administration










4.2	Indication in the case that the president of the highest government body also is an executive officer	Administration
4.3	Number of independent members and/or non-executives in the highest government body	Administration
4.4	Mechanisms for shareholders and employees to make recommendations or orient the highest governance body	Administration
4.5	Ratio between the remuneration of the members of the highest governance body, the executive board of officers and the other executives and the organization's performance	NR
4.6	Processes in effect in the highest governance body to assure that conflicts of interest are avoided	Governance > Code of Conduct
4.7	Process for the determination of the qualifications and knowledge of the members of the highest governance body in order to find the strategy of the organization for issues related to economic, environmental and social topics	Administration
4.8	Statements of mission and values, codes of conduct and internal principles	About Fibria
4.9	Procedures of the highest governance body to supervise the identification and management by the organization of economic, environmental and social performance, including important risks and opportunities, as well as adherence to or conformity with internationally-agreed rules, codes of conduct and principles	Management and Strategies > Management system > About management Governance > Code of Conduct
4.10	Self-evaluation of the performance of the highest governance body	Administration
Commitments to external initiatives		
4.11	Explanation about how the organization applies the precaution principle	Environmental Performance > Climatic governance
4.12	Letters, principles or other initiatives that the organization subscribes to or endorses	Governance > Internal controls
4.13	Participation in associations and/or national/international organisms	Management and Strategies > Sustainability > Main Commitments Social Performance > Stakeholder Relations
Stakeholder engagement		
4.14	List of stakeholders engaged by the organization	About this publication Message from the Board of Directors
4.15	Basis for the identification and selection of stakeholders with which to engage	About this publication Social Performance
4.16	Approaches for engagement with stakeholders	About this publication Message from the Board of Directors
4.17	Main topics and concerns that were brought up regarding engagement with stakeholders	About this publication



Economic Performance Indicators		Where found	Compliance	Global Pact
Economic Performance				
DMA	Management Approach			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, accumulated profits and maintenance to capital suppliers and governments	Highlights > DVA Table and Community investments Table		
EC2	Financial implications and other risks and opportunities for the organization's activities resulting from climate change	Environmental Performance > Climatic governance		
EC3	Coverage of the obligations of the defined benefits pension plan that the organization offers	NR fully		
EC4	Significant financial assistance received from the government	NR		
Market Presence				
EC5	Variation in the proportion of the lowest salary compared to the minimum wage in the important operating units	NR fully		
EC6	Policies, practices and proportion of expenses lower in comparison to the local minimum wage in the important operating units	Social Performance > Suppliers		
EC7	Procedures for hiring locally and the proportion of members of top management recruited from local community in the important operating units	Governance > Code of Conduct > www.fibra.com.br > Our way > Code of Conduct > Page 9 Social Performance > People Management > DHO Data Table		
Indirect Economic Impacts				
EC8	Development and impact of investments in infrastructure and services offered, mainly for public benefit	Highlights > Infrastructure Investment Table		
EC9	Identification and description of the significant indirect economic impacts, including the extension of the impacts	NR		
Environmental Performance Indicators		Where found	Compliance	Global Pact
Environmental Performance				
Materials				
EN1	Materials used by weight and volume	NR fully Environmental Performance > Forestry Management > Forestry environmental performance indicators		x
EN2	Percentage of the materials used stemming from recycling	NR fully Environmental Performance > Industrial Operations		x
Energia				x
EN3	Consumption of direct energy listed by source of primary energy	NR fully Environmental Performance D95 > Industrial Operations		x
EN4	Consumption of indirect energy listed by primary source	NR integralmente Environmental Performance > Industrial Operations Environmental Performance > Forestry Management > Environmental performance indicators forestry"		x
EN5	Energy saved due to improvements in conservation and efficiency	NR fully Environmental Performance > Forestry Management > Environmental performance indicators forestry		x

EN6	Initiatives to supply products and services with low energy consumption, or that use energy generated through renewable sources, and the reduction in the need for energy resulting from these initiatives	NR		x
EN7	Initiatives to reduce the consumption of indirect energy and the reductions obtained	NR fully Environmental Performance > Forestry Management > Environmental performance indicators forestry"		x
Água				
EN8	Total water removed by source	NR fully Environmental Performance > Industrial Operations Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
EN9	Water sources significantly affected by removal of water	NR fully Environmental Performance > Industrial Operations "		x
EN10	Percentage and total volume of water recycled and reused	Environmental Performance > Industrial Operations		x
Biodiversity				
EN11	Location and size of the area owned, leased or managed within protected areas, or areas adjacent to them, and areas with a high biodiversity index outside of these protected areas	NR fully Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
EN12	Description of the significant impacts on the biodiversity of activities, products and services in protected areas and in areas where there is a high index of biodiversity outside of these protected areas	NR fully Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
EN13	Protected or restored habitats	NR fully Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
EN14	Strategies, measures currently in effect and future plans for management of impacts on the biodiversity	Environmental Performance > Forestry Management > Biodiversity		x
EN15	Number of species on the IUNC's Red List and on domestic lists of conservation of habitats in areas affected by operations, listed by the level of risk of extinction	Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
Emissions, effluents and waste				
EN16	Total of the direct and indirect greenhouse gas emissions, by weight	Environmental Performance > Climatic governance		x
EN17	Other important indirect greenhouse gas emissions by weight	Environmental Performance > Climatic governance www.fibria.com.br >How we do it > Climatic governance		x
EN18	Initiatives to reduce greenhouse gas emissions and the results obtained	Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
EN19	Emissions of substances that destroy the ozone layer, by weight	NR		x
EN20	NOx, SOx and other significant atmospheric emissions, by type and weight	NR fully Environmental Performance > Climatic governance		x
EN21	Total disposal of water, by quality and destination	NR fully Environmental Performance > Industrial Operations		x

EN22	Total weight of waste, by disposal type and method	Environmental Performance > Industrial Operations		x
EN23	Number and total volume of significant spills	Environmental Performance > Industrial Operations		x
EN24	Weight of waste transported, imported, exported or treated, considered to be dangerous under the terms of the Basel Convention – Annexes I, II, III and VIII, and the percentage of shipments of waste transported internationally	NA Fibria does not generate any of the waste described in the Basel Convention		x
EN25	Identification, size, protection status and biodiversity index of significantly related bodies of water and habitats affected by water disposal and drainage carried out by the reporting organization	NR		x
Products and Services				
EN26	Initiatives to mitigate the environmental impacts of products and services and the extension of the reduction of these impacts	NR		x
EN27	Percentage of products and packaging recovered compared to total products sold, per products category	Products and packaging are not recovered		x
Compliance				
EN28	The monetary value of significant fines and the total number of non-monetary sanctions resulting from non-conformities regarding environmental laws and regulations	NR fully Environmental Performance > Industrial Operations Environmental Performance > Forestry Management > Environmental performance indicators forestry		x
Transportation				
EN29	Significant+B130 environmental impacts with the transportation of products and other goods and materials used in the organization's operations, as well as transportation workers	NR		x
Geral				
EN30	Total environmental protection expenditures and investments by type	NR		x
Performance indicators referring to labor practices and decent jobs		Where found	Compliance	Global Pact
Emprego				
LA1	Total number of employees, by type of job, work contract and region	Social Performance > People Management > DHO Data Table		
LA2	Total number and rotation rate of employees, by age bracket, gender and region	Social Performance > People Management > DHO Data Table		
LA3	Benefits offered full-time employees that are not offered to temporary employees or those on a half-day schedule, listed by main operations	Social Performance > People Management > DHO Data Table		
Relations between workers and governance				
LA4	Percentage of employees covered by collective bargaining agreements	Social Performance > People Management > DHO Data Table		x
LA5	Minimum deadline for notifying in advance operational changes, including if such a procedure is specified in the collective bargaining agreement	NR		x

Workplace Health and Safety				
■ LA6	Percentage of the employees representative in formal safety and health committees, comprised of managers and workers, which help monitoring and counseling regarding occupational safety and health programs	NR		x
■ LA7	Rate of occupational injuries, diseases, days lost and work-related deaths, per region	NR fully Social Performance > People Management > Health and Safety Highlights > Work-related injuries, occupational diseases, days lost, absenteeism and deaths Table own employees + permanent outsourced workers)		x
■ LA8	Programs for education, training, counseling, prevention and risk control underway to help employees, family members or members of the community with regard to serious disease	NR		x
■ LA9	Topics related to safety and health covered by formal agreements with labor unions	NR		x
Training and Education				
■ LA10	Average number of training hours per year, per employee, listed by job description	Social Performance > People Management > DHO Table Data		x
■ LA11	Programs for management of competences and continuous training that support the employability of workers and to manage the end of their careers	Social Performance > People Management		x
■ LA12	Percentage of employees who regularly receive performance and career development assessments	Social Performance > People Management > DHO Table Data		
Diversity and Equality of Opportunities				
■ LA13	The makeup of the groups responsible for corporate governance and listing of employees by category, according to gender, age bracket, minorities and other diversity indicators	NR fully Social Performance > People Management > DHO Table Data		x
■ LA14	Proportion of the base salary between men and women, by job description	Social Performance > People Management > DHO Table Data		x
Human Rights Performance Indicators		Where found	Compliance	Global Pact
Investment practices and purchase processes				
■ HR1	Percentage and number of significant investment contracts that include clauses referring to human rights or that were submitted to the evaluations with regard to human rights	NR		x
■ HR2	Percentage of companies contracted and critical suppliers that were submitted to evaluation was referring to human rights and measures taken	Social Performance > Suppliers		x
■ HR3	Total number of training hours for employees in policies and procedures regarding important human rights aspects with regard to operations, including the percentage of employees who received training	NR		x
Non-discrimination				
■ HR4	Total number of cases of discrimination and measures taken	None registered in 2009 Governance > Anonymous Communication		x
Freedom of association and collective bargaining				
■ HR5	Operations identified in which the right to exercise freedom of association and collective bargaining could be running significant risk and the measures taken to support these rights	"None registered in 2009 Governance > Anonymous Communication Social Performance > People Management > Relationships with Labor Unions"		x

Child Labor			
E HR6	Operations identified as being a significant risk regarding the occurrence of child labor and the measures taken to contribute to the abolition of child labor	Social Performance > Suppliers	 x
Forced or analogous to slave labor			
E HR7	Operations identified as being a significant risk regarding the occurrence of forced or analogous to slave labor and the measures taken to contribute to the eradication of forced or analogous to slave labor	Social Performance > Suppliers	 x
Safety practices			
E HR8	The percentage of security personnel submitted to training in the policies or procedures of the organization regarding human rights aspects that are relevant to operations	NR	x
Indigenous Rights			
E HR9	The total number of cases of a violation of the rights of indigenous peoples and the measures taken	None registered in 2009 Management and Strategies > Sustainability Social Performance > Communities > Community Relations	 x
Social Performance Indicators		Where found	Compliance Global Pact
Communities			
E SO1	Nature, scope and effectiveness of any programs and practices to evaluate and manage the impact of operations and communities, including entry, operation and exit	NR fully Social Performance > Communities > Community Relations	 x
Corruption			
E SO2	Percentage and total number of business units submitted to risk assessments regarding corruption	NR fully Governance > Antibribery Practices	 x
E SO3	Percentage of employees trained in the organization's anti-corruption policies and procedures	NR fully Governance > Antibribery Practices	 x
E SO4	Medidas tomadas em resposta a casos de corrupção = Actions taken in response to incidents of corruption	None registered in 2009 Governance > Antibribery Practices Governance > Anonymous Communications"	 x
Public Policies			
E SO5	Positions regarding public policies and participation in the preparation of public policies and lobbies	Social Performance > Government > Public Policy Development	
E SO6	Total value of the financial and cash contributions to political parties, politicians or related institutions, listed by country	Social Performance > Government > Political Campaign Contributions	
Unfair competition			
E SO7	Total number of lawsuits alleging unfair competition, trust and monopolistic practices and their results	NR	
Compliance			
E SO8	The monetary value of significant fines and the total number of non-monetary sanctions resulting from non-compliance with laws and regulations	NR	

Performance Indicators with regard to product responsibility		Where found	Compliance	Global Pact
Client Health and Safety				
 PR1	Phases of the life cycle of products and services in which the impacts to health and safety are evaluated, seeking improvements, and the percentage of products and services subjected to these procedures	NR		
 PR2	Total number of cases of non-compliance with regulations and voluntary codes related to the impacts caused by products and services to health and safety during the life cycle, listed by type of result	NR		
Labeling of products and services				
 PR3	Type of information about products and services required by labeling procedures, and the percentage of products and services subject to these requirements	NR		
 PR4	Total number of cases of non-compliance with regulations and voluntary codes related to the information and labeling of products and services, listed by type of result	NR		
 PR5	Practices related to customer satisfaction, including the results of surveys that measure such satisfaction	NR		
Communication and Marketing				
 PR6	Programs for compliance with laws, rules and voluntary codes related to marketing communication, including advertising, promotion and sponsorships	NR		
 PR7	Total number of cases of non-compliance with regulations and voluntary codes related to marketing communication, including advertising, promotions and sponsorships, listed by type of result	NR		
Client privacy				
 PR8	Total number of proven complaints regarding the violation of privacy and the loss of client data	NR		
Compliance				
 PR9	The monetary value of fines (significant) for non-compliance with laws and regulations regarding the supply and use of products and services	NR		



Fully reported



Not reported fully

NR Not reported



NA Does not apply

 Essential indicator

 Additional indicator

Application of GRI guidelines

This document follows the Sustainability Reporting Guidelines (G3) issued by the Global Reporting Initiative (GRI). It was submitted for independent external verification by Bureau Veritas Certification and met the level B+ requirements.

		C	C+	B	B+	A	A+
Mandatory	Self Declared						
Optional	Third Party Checked		Report Externally Assured				Report Externally Assured
	GRI Checked						

		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures	Report on: 1.1; 2.1 a 2.10; 3.1 a 3.8, 3.10 a 3.12; 4.1 a 4.4, 4.14 a 4.15	Report Externally Assured	Report on all criteria listed for level C plus: 1.2; 3.9, 3.13; 4.5 a 4.13, 4.16 a 4.17	Report Externally Assured	Same as requirement for level B	Report Externally Assured
	G3 Management Approach Disclosures	Not Required		Management Approach Disclosures for each indicator Category		Management Approach Disclosures for each indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators including at least one from each of: Economic, Social and Environmental		Report on a minimum of 20 Performance Indicators including at least one from each of: Economic, Environmental, Human Rights, Labor, Society, Product Responsibility		Report on each G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission	



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Posto da Mata

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