



**The Abril Group's Report on the
Pilot Project Inventory of
Greenhouse Gas (GHG) Emissions**

April/2009

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1. Presentation

The following pages present the Abril Group's steps toward sustainability, and the pilot report of its monitoring of Greenhouse Gas emissions, based on the international methodology GHG Protocol—Greenhouse Gas Protocol.

Abril is the only Brazilian communications company to subscribe to this protocol and is proud to integrate this initiative to its sustainability strategy—a complex and diverse agenda of positions and practices that wield great influence over the institution's editorial plan.

Aside from being a record of the accounts of the Brazilian Program for GHG Protocol, open to the staff and the public, this document signifies a reaffirmation of commitment to Abril with the socioenvironmental responsibility and its highest values, such as information transparency, excellence, integrity, pioneerism and the general well-being of all.

2. The Abril Group: a success story, innovation and pioneerism

The Abril Group is one of the biggest and most influential communication Groups in Latin America. Since 1950 it has been a part of the lives of millions of Brazilians, everyday, offering information, culture, education and entertainment for practically all of the segments of the public and performing in an integrated way in various media. The Group is comprised of: Editora Abril (publications), Abril Digital (Abril.com and Abril on the Cell), MTV, Fiz e Ideal (segmented TVs), TVA (strategic partnership with Telefônica), and Abril Education (Atica and Scipione Publishers). It has the largest graphics operation in Latin America and counts on efficient services in database marketing, subscriptions and distribution.

Leadership and pioneerism are the registered marks of Abril. From the beginning, the company has challenged the affirmation that there is no room for the innovative spirit in the Brazilian publishing industry. Obstacles were transformed into motivation for the company to overcome them and grow. Victor Civita, the founder of Abril, believed that the lack of reading in Brazil, the scarcity of graphics, among other difficulties, represented opportunities to introduce high quality editorial products to the general public.

Today its magazines are the leaders in circulation, subscriptions and publicity. The Group is the first in the publishing market of school textbooks and on launching subscription TV, it was the first to offer digital technology and VoIP (Voice over Internet Protocol, voice communication via Internet) in Brazil. Abril Graphics is the largest in Latin America and the only one of its kind in the region to use rotogravure –the printing process recommended for editions of over 3,000 copies.

International relations have always been a mark of the Group's trajectory. Since 1950, with the publication of Donald Duck, from Disney, Editora Abril has brought various successful titles from abroad to Brazil, such as Cosmopolitan (Nova),

Elle, Muy Interessante (Superinteressante, Playboy and National Geographic, as well as TV channels, such as MTV.

The magazines from Abril lead 22 of the 26 segments in the market, including News, Business, Auto, Monthly Women's, Fashion among others. In 2008, Editora Abril Publisher more than 300 titles, besides being the leader in various segments in which it operates. In digital media, there are 80 sites.

The Group employs today 8,053 people. In 2008 its publications reach a circulation of 179.2 million copies, in a universe of more than 27.7 million readers and 4 million subscriptions. Seven of the ten magazines most read in the country are titles from Abril: Veja being the third most widely read weekly magazine in the World and the first outside of the United States. The magazine, Nova Escola, Publisher by the Victor Civita Foundation, is read by more than 3 million educators, in 100% of all Brazilian cities, and has the second highest circulation in the company.

3. Mission, values, principles and vision

Mission

Abril is dedicated to contributing to the distribution of information, culture and entertainment, for the progress of education, the improvement of quality of life, the development of free initiatives and the strengthening of democratic institutions in the country.

May, 1980

Values

Excellence, Integrity, Pioneerism and Valuing People.

Principles

Competitiveness, Customer Focused, Innovation and Teamwork.

Vision

To be a leader in the integrated multimedia, attending to the segments most income generating and with the most growth in the areas of communication and education.

4. Abril's socioenvironmental path

Along the Abril Group's entire trajectory it has contributed to the broadening of knowledge about sustainable development in all levels—environmental, economic and social—by way of an integrated press, free, strong and independent. Starting in the 80's, however, the Abril Group realized that it wasn't enough to provide content to cause an impact in the lives of people now and in future generations. It was necessary to go beyond just content. And it was at this time, when the concept of sustainability still had no part in the daily operations of most of the companies and Brazilian society, that Abril gave its first giant leap in affirming its social responsibility. In 1985 the Victor Civita Foundation was created, by Abril's founder, with a mission to contribute to the improvement of Basic education in the country.

Starting in the 90's, the Abril Group reaffirmed its commitments to the community, creating incentives for and developing diverse projects focused on promoting education, health culture and the preservation of the environment. Various incentives emerged at that time: Brazilian MTV emerged on the scene, with initiatives to raise the awareness of the young public on these issues; the Claudia Prize, which recognizes the work of women in many diverse areas; and also the Mãos a Obra program, which lauds the establishment of volunteer work on the part of company staff. The Clickarvore program, in partnership with the Vidágua Environmental Institute and the SOS Mata Atlântica Foundation, one of the most important Brazilian entities in environmental offense, integrates a series of other actions in progress in the diverse units and companies within the Abril Group.

The most recent initiatives demonstrate the maturing of Abril in the economic and socioenvironmental gestation, as much object of reflection as motivation to act within the corporation, this theme has spread through the entire operation and in Abril's articulation at various levels. Beginning with its core, its capacity for

editorial expression, which produced a unique Project among communication companies in the world today—Sustainable Planet—which gathers dozens of magazines and sites, events and other platforms, with the specific mission to broaden, instruct and animate the discussion, to produce referents and permanently communicate, with 17 million readers on the theme of sustainability. In May of 2008, the Abril Group became joined, as a founding member, the Brazilian Program GHG Protocol (Greenhouse Gas Protocol) and commits to looking for short, medium, and long term solutions for environmental impact.

As a Publisher, Abril is also concerned with the role of its publications. The company gained recognition in July of this year when Abril Graphics received the FSC-Forest Stewardship Council award. Recently, Abril Graphics also invested in modern printers that reduced emission gases into the atmosphere. In 2008 the Victor Civita Plaza was inaugurated—a pioneering project from the Abril Group, in partnership with the Mayor's office of Sao Paulo. It is an example of the cooperation between the public and private sectors—the Plaza operates with architectural measures such as water recycling, energy economization, a landscape project, and environmental education for all ages. The following pages outline the measures the Abril Group has taken in this area.

4.1. Education

Victor Civita Foundation - created in 1985 by an initiative of the founder of Abril, Victor Civita, with the mission of contributing for the improvement of Basic education in the country.

Nova Escola - is the largest magazine in education in Brazil. The objective of the publication is to contribute to the improvement of Elementary Education.

Veja in the Classroom - since 1998 has been bringing reports from VEJA transformed in curriculum materials in Middle School.

Letras de Luz (Letters of Light) - in partnership with the EDP Energy of Brazil, brings incentives for reading among students from the 1st to the 4th grade in Elementary School.

Matemática é D+ - an incentive that fosters the teaching of Math in Brazil. Relying on lesson plans available on the site and special inserts in the magazine Nova Escola.

Projeto Escolas do Entorno - looks to increase participation in the classroom and foster good reading habits among students.

Ser - unites the quality of Editora Atica and Editora Scipione to the support of information of the Abril Group. The result is a unique system of teaching, elaborated by some of the best educators who accompany the student of education to middle school.

4.2. Recognition and Incentives

Victor Civita A+ Educator Prize - honors and recognizes the educator, turning visible for public opinion the importance of education in the formation of future generations. The prize annually features the teachers of Elementary Education who develops innovative work and quality programs.

Claudia Prize - since 1996, the magazine Claudia consults annually a network of 2.5 thousand people, creating an opinion poll in the entire country in search of names of women who stand out in their respective areas: sciences, culture, business, social work and public policy.

Planeta Casa Prize - created in 2002 by the magazine Casa Claudia, the prize aims to give greater visibility to the architectural projects, actions and products that promote the conservation of the environment.

Saude (Health) Prize - the prize, created by the magazine Saude! (Health!), evaluates the work of professionals who, in labs, hospitals, classrooms and NGOs, endeavor to improve health conditions in the population.

Melhores Universidades (Best Universities) Prize - the special edition of the Student Guide has promoted, since 1988, the Melhores Universidades Prize, which evaluates the best institutions in higher education in the country. In the 2008 edition, one of the categories was focused on the internal and extracurricular activities of students and teachers within the area of sustainable development.

4.3. Printing Plant

FSC - Forest Stewardship Council - Abril Printing Plant received the FSC certificate in July in 2008. This certificate recognizes the model used as being from forests handled with responsibility, fulfilling social, economic and environmental norms. It also recognizes the importance of the information about the paper cycle and the entire productive chain for the preservation of the environment.

Clube of Conhecimento (Knowledge Club) - staff provides free English, computer and other classes.

Familiar with the Printing Plant - monitored visits of interested Groups, such as schools and technical courses, and family of the staff at the Printing Plant.

Green Conservation - partnering with the Vice Mayor of the Customer, Brasília, in the conservation of the plant beds around the Abril Printing Plant.

4.4. Television

Professor Profession - series transmitted on national networks through TV Cultura, and develops teaching practices, and which won the Victor Civita Educator A+ Prize.

Preserving the Planet Begins at Home and MTV Pact - special documentaries about social injustices and problems in childhood and adolescence.

Take Care of Brazil - programs run on MTV about the environment and sustainable consumption.

MTV Public - a campaign launched in 2007 through program announcements and events for the raising of social awareness among the youth in the country.

MTV Dossier - research completed every year by Brazilian MTV always focused on the habits of youth in the A and C classes, from 12 to 30 years old. In 2008, the research revealed what youth think and know about sustainability.

Ideal TV - is the first subscription TV totally dedicated to the development of professionals and companies, showing on channel 70 of the TVA and 367 of the Telefônica to 600 thousand homes. Sustainability appears frequently in the 23 programs. Of this total, two of them present paths to the development of the theme in day to day life: Mundo Ideal and Sobre Formigas and Gafanhotos (Ideal World and About Grasshoppers and Ants).

4.5. Editorial

Educate to Grow – non-profit project that has as its main objective to broaden the knowledge of society about the main questions of Brazilian education and to mobilize the people in favor of concrete action and measures in the area. Besides annual research on the theme, that project covers the portal of news as well as (www.educarparacrescer.com.br) producing reports and books for learning.

Sustainable Planet – the project consists of producing transversal content in its magazines and on sites, besides in events and other platforms about sustainability, with the objective of broadening awareness, producing references and permanently communicating with 17 million readers, leading mobilization and awareness raising regarding the theme.

Sustainability Test Guide – the publication highlights the Brazilian companies that present unique attitudes of corporate responsibility— selected based on a methodology developed in partnership with the Getúlio Vargas Foundation Center of Studies on Sustainability and with the Stock Market of São Paulo and which includes strategies, commitments and practices in the environmental, economic—financial and social realms.

4.6. Social/Community Responsibility

Abril Magazinary – promotes the donation of copies of publications and the formation of reading spaces in libraries, public schools and places needy for reading.

Disarm the Kids Project – Since 2001, Abril, through its distributor, Dinap, and partnerships with many different mayor's offices, developed the Disarm the Kids Campaign involving the newstands registered in the public schools.

Working Hands, Project for Volunteer Support – the program supports, disseminates and puts into action the volunteer work that is in part the company staff. Through means of internal communication at Abril, all of the events and campaigns by the institutions are disseminated, as well as its material needs and of volunteer work.

4.7. Events

National Forum for the Sustainability of Construction – annually gathers the business leaders that are the most updated in the area to discuss social, economic and environmental sustainability in the area of habitations.

Bons Fluídos Concert and Estação Bem-Estar – annually, since 2003, the magazine Bons Fluidos has promoted the Bons Fluidos Concert for the cultural pleasure and well-being of the Brazilian population. The event brings together artists from Brazilian popular music and orchestra. Besides this, at the Estação Bem-Estar, lectures, workshops and yoga classes are offered to visitors at Ibirapuera Park.

4.8. Reforesting

Clickarvore – began in 2000, the fruit of a partnership between the Abril Group with important Brazilian entities in the offense of the environment, the NGO SOS Atlantic Rainforest and the Vidágua Environmental Institute. It allows anyone to “plant” a tree native to the Atlântic Rainforest for a day, via the internet, clicking on the address www.clickarvore.com. Each click represents the planting of a tree, charged to supporting companies, and by Brazilian society itself. By the end of 2008 there were more than 13 million native seedlings planted.

4 .9. Other Initiatives

Teatro Abril – the Abril name is on one of the oldest theatres in São Paulo – the former Paramount – in support of culture in the country and the gentrification of São Paulo's city center.

Victor Civita Plaza – in a lot that was a landfill for over 40 years, today there is a recreational, cultural and informational complex open to the public.

Brazilian Program GHG Protocol (Greenhouse Gas Protocol) – the Abril Group joins, as a founding member, the Program that unites Brazilian companies interested in monitoring their Greenhouse gas emissions, to establish goals and strategies of neutralizing them in their operations. They search for short, medium and long term solutions for the impact they cause on the environment.

5. Corporate Plan for Sustainability— Abril Group

Beginning with the synergy between the corporate governance and discussion Groups, strategies for sustainability of Abril were created with the goal of joining the initiatives already in place in a harmonious way and define future goals. The Abril Group defined four strategic lines in this area:

1. Management of socioenvironmental impacts
2. Management of a sustainable value chain
3. Promote education on sustainability and
4. Develop leadership in the sector with the creation of comparative differentials.

To develop the entire potential in these strategic lines, the Abril Group outlined its mode of action featuring its **plurality**, manifested in the permanent dialogue and

in the collective construction of new economic realities, environmental and social; **survival**, owing to the necessity of maintaining the human presence on the planet in equilibrium; and the constant search for **innovation**, so that it is possible to permanently align the actions of the Group to new challenges.

The trajectory of sustainability of the Abril Group is marked by a particular dynamic of construction of socioenvironmental values. Creativity is one of the differentials that makes up the DNA of the company and directs it on all fronts of action opening up room for change, new paradigms and the full development of the company's potential.

In the past years, the need for quick adaptation to new challenges, mainly the urgent and alarming ones, such as climatic change, motivated Abril to question its internal operations. With a new awareness gained by its leadership and the mobilization of the staff in internal Groups, Abril began to live the dilemmas and contradictions inherent in the search for sustainable solutions in the daily operations of the company, in a collective and entrepreneurial way. The result of this internal cooperation could not have been better. In 2008, the company consolidated its strategies of sustainability and went on to establish new processes, such as the monitoring of Greenhouse gas emissions that will have its first edition released in 2009.

GHG Protocol

The Abril Group, as part of its planning to integrate sustainability in its operations and in its policies of offering transparency in relation to its practices, became a pioneer in the sector of communication on adopting the Greenhouse Gas Protocol (GHG Protocol) to quantify the Greenhouse gas emission (GGE) it generates from its main fronts of action.

Widely used by governments and companies the world over, the GHG Protocol is a tool for international accounting that allows us to understand, quantify, and manage GGEs. Just as with financial accounting reports, the existence of a widely accepted methodology on the international arena supports and directs the control and registering of Greenhouse gas emissions to guarantee reliable information.

In practice, the GHG Protocol provides an accounting picture for the mediation of almost all the emissions of GGE standards existent and the conversion of these pollutants in CO₂, the conventional equivalence used with the parameter for the monitoring of GGE emissions. The GHG Protocol was developed with the partnership between World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), entities that for a long time have worked with companies, governments and environmental Groups, in building a new generation of solid and effective programs to combat climatic changes.

6.1. History of GHG in Brazil

In 2008, the decision of adopting global patterns to GGE measurement led a group of partner companies and institutions in Brazil, amongst them Grupo Abril, to fund the Brazilian Program GHG Protocol. The companies offered to adapt their tools and GHG Protocol patterns to the local needs and realities to start the management of the greenhouse effect gases and contribute to the sustainable development of the country.

As a funder member of the Brazilian Program, Abril Group was a pioneer amongst its congeners to openly recognize its impact to the environment and is willing to know about its emissions so that it can reanalyze its processes, rethink its operations and innovate in actions contributing to a better world. The company has voluntarily committed to measuring and publishing with transparency its own greenhouse effect gases emissions and, immediately after joining the Program, in May 12 2008, it published on the pages of *Veja* and *Exame* a bulletin (Relevant Fact) to their readers about the new responsibility assumed.

To this step, some others are added that involve sustainability matters, in the internal and external fields, associated to Abril's businesses. A description of the actions taken and their results can be seen on the Abril's Channel in the Sustainable Planet Multiplatform Project. A proof of this movement is the expansion of Abril Group's influence as a model company in the socio environmental management with the inauguration of Victor Civita Square – Open Space of Sustainability – and the launching of the editorial project *Educar Para Crescer*, both during the second semester of 2008. In the same year, Abril Publisher's conquered the Forest Stewardship Council seal of certification, which attests the responsible management of forests, according to the environmental norms. The Publisher has also conquered two international awards for technological innovation from the entities Gravure Association of America and

European Rotogravure Association. The awarded fragrances and special inks were relevant innovations.

Internally, there has been the formation of employee groups that started to discuss sustainable alternatives to be employed in their working day-by-day, which is the case of the GHG Group, that has put together managers of Logistics and Distribution, Supplies and Industrial Operations to the development of the inventories on the GGE emissions; The groups in Logistic and Distribution working on the transportations, reverse logistic and packaging themes; Groups in the Supplies Area acting on building up the indicators, solutions in printing and promotion of gifts with bigger social-environmental responsibility; groups in the Industrial Operations with clean production, management and communication model theme; besides the areas of relationship marketing and events in information technology. All of them aiming, through constant dialog, different forms of thinking their processes in the light of humanization of business, adding the vital integration of the social and environmental matters for the businesses' survival, and, mainly, for the planet's survival to the financial model. Abril has also narrowed relationships with entities related to the environment preservation, such as the Brazilian Business Council For Sustainable Development – CEBDS (Conselho Empresarial Brasileiro Para Desenvolvimento Sustentavel), a coalition of companies that has led the efforts to the sustainable development in Brazil since 1997, through the public-private articulation. Just as it was added to the list of affiliated to the council of CEBDS, Abril Group started to integrate the net of councils which are related to the World Business Council for Sustained Development, that gathers 185 business groups from all over the world.

6.2. First GGE emissions survey

By joining the Brazilian program GHG Protocol, Abril has created the GHG group to centralize the collection of data and the production of a pilot inventory on the green house effect gases emissions, with a team composed by the Graphic's, Treelog's (Abril group's logistic and distribution company), and the publisher's employees. In order to discuss the means to accomplish this quantification, in early October 2008 the group gathered with a company specialized in this field.

6.2.1. Assumptions

The elaboration of the pilot inventory of GGE emissions by Abril Group started with the definition of assumptions, which means, principals and criteria which guaranteed calculations and safe pieces of information and the uniformity of the methods used in the inventory.

Relevance: Selection of sources, sinks and GGE reservoirs, data and methodologies suitable to the Abril Group's needs.

Integrity: Inclusion of all emission and GGE pertinent removals;

Consistence: Possibility of meaningful comparisons of GGE related pieces of information;

Accuracy: Reduction of asymmetries and uncertainties up to where it was viable;

Transparence: Propagation of suitable and sufficient information related to GGE so that it would allow the user to make decisions with a reasonable confidence.

6.2.1. Definitions.

6.2.1.1. Period.

The Pilot Project Inventory 2008 is related to the period of January 1st to December 31st 2008.

6.2.1.2. Greenhouse Effect Gases

Out of the six greenhouse effect gases (GGEs), only the CO₂, CH₄ and N₂O were found in relevant quantities in the GGE emissions originated by Abril Group's operations. The company used in the pilot project inventory the individual record of these gases, in ton of GGE (ton CO₂, ton CH₄ and ton N₂O), or in the aggregated form in equivalent ton of CO₂ (ton CO₂e)

6.2.1.3. Delimitation of the operational units (addresses)

From the application of GHG Protocol to its reality, Abril Group has set the limits of its operational activities and the addresses to be considered in the accounting of GGE emissions. For the Pilot Project Inventory, the organizational borders were established according to the operational control. This means that the accounted emissions in this first moment refer to the processes directly controlled by the companies and the Abril Group's subsidiaries, and indirectly, that are controlled by other companies. The selection of the six operational units of greater activity and that cause greater impact in the GGE emission cover:

- **Abril Printing Plant (SP):** It employs 1100 employees and takes a total area of 45 thousand square meters and its production is 350 million copies per year, including magazines, supplements and special editions.
- **NEA – New Abril Building (SP):** concentrates the editors' office of all the publications by the Publisher, the board of directors, the administrative and commercial areas. 2,801 employees circulate in the NEA every day.
- **Logistics and Distribution - Raposo Tavares (SP), Roberto Zucollo (SP), Vila Maria (SP) e Grajaú (RJ):** It is the fastest and the most efficient printed material delivery operation of the country. The sector distributes all Abril Publishers and others' publications all over Brazil. It has 1,800 employees and delivers 100 million subscribers' copies per year.

6.2.1.4. Delimitation of the emission sources (operational activities)

Besides the operational units, three categories of emission sources that contribute most to the Abril's GGE emissions and that have delimited the operational activities considered in the pilot project inventory have been selected.

- **Stationary Combustion:** Sources of GGE emission that do not have mobility, such as the burning of diesel to generate energy. At Abril, the emissions from electricity generators, industrial stoves, boilers, dryers and restaurants from Vila Maria and Grajaú have been accounted.
- **Mobile combustion:** It is the burning of fuels in mobile equipments such as transport vehicles. Abril Group has included to its pilot project inventory the GGE emissions originated from land transport of its own fleet, which means the transit of staff in service with the company's vehicle (cars for the Quatro Rodas Magazine's tests, light loads, and vans for events); the handling of forklifts in the Operational Units;

transport of cargo, presently called land, marine and air freight transport; and executive air trips.

- **Consumption of electric energy:** The company has accounted the GGE emissions originated from the generation of electric energy in the six Operational Units.

6.2.1.5. Significant sources that have not been considered

a) Biomass' CO2 emission

The CO2 emissions coming from the biomass are not accounted as the greenhouse effect's formers for they are neutralized during the production of the natural renewable resources (CO2 is extracted from the atmosphere in the form of photosynthesis). According to the GHG Protocol, the CO2 emissions originated from the biomass burning have a zero emission factor. The CH4 and N2O emissions must be included in the inventory, once these emissions would not happen if the biomass had not been burned and are not kidnapped in significant quantities by the carbon and nitrogen natural cycles. In the inventory, they are reported as CO2e.

The IPCC¹ Good Practice Guidance recommends that the CO2 emissions of biogenic origin be reported in order to provide complete information, having, thus, to be reported but not included in the GGE inventory total.

¹ IPCC is Intergovernmental Panel of Climate Change. It offers scientific, technical, social, and economical information which involve climate changes.

b) Paper

Aware of the possible impacts to the environment generated by the great use of paper, Abril searches and develops practices that minimize, in all the cycle of this raw material, even that by the GHG Protocol criteria the emissions generated by the productive chain of paper – from the forest, from the transformation of the celluloses up to the transporting, do not go into the scope of direct responsibility of Abril, for they are direct control operations of the Group – vide “scopes” page

In this pilot program, magazine distribution and transport of cellulose fiber pulp was included. The emission that burn the ethanol contained in C gasoline and used in Flex type vehicle were counted as providing biomass. Following the norms of the GHG Protocol, the CO₂ emissions by combustion of biomass were not incorporated to the resulting total, being related separately in this report.

For the first official inventory, with the intended release already in 2009, Abril aims to improve the measuring of indirect GGEs and use the dialogue to motivate its suppliers to act in a more responsible socioenvironmental way. In the future, the intention of the company is to measure the take of carbon for each of its publications.

c) Transport of staff (travel to and from homes to operational units considered)

Information referent to the GGE emissions originating from the transport of staff to and from their homes and operational units is a great difficulty for the company, that maps their emissions. In this pilot report, this data was not included. There are innumerable variables related to the choice of transportation (bicycle, motorcycle, car, bus, taxi), model of vehicle, and route taken to the destination, that are outside of the company's control. Also, it is impossible to always determine the destination of the employee, who may or may not return

home directly after work. The internal work Groups study ways to map these emission for 2009.

6.2.1.6 Scope

Aiming to collaborate with the companies in the structuring of their operational limits, the GHG Protocol introduced the concept of scope, which gathers and categorizes the sources of emissions according to the direct or indirect control exercised over the operations:

Scope 1: Direct Emissions of GGE – they are the emissions provided from sources that pertain or are controlled by the company. At Abril Group stationary and mobile combustion emissions are provided.

Scope 2: Indirect GGE Emissions – emissions attributed to the buying of electricity, hot or vapor, that are emitted at the site they are generated. The pilot inventory report by Abril Group considers just the GGE provided by the consumption of electric energy owing to the absence of consumption of hot and vapor electricity.

Scope 3: Other indirect GGE – indirect emissions related to the activity of the company, but that occur in sources that do not belong or are not controlled by the company. According to the norms of the GHG Protocol, the inclusion of the Scope 3 in the inventories of GGE emissions are not mandatory. The Abril Group decided to include this scope in its pilot inventory to recognize the impact the emissions caused by outsourced services. Meanwhile, with the limitations of gathering data from other companies and the possibility of duplicate counting, just the processes provided by mobile combustion were accounted for (ex. Freight and fleet transport by land, executive trips by air, among others).

According to the directions of the Brazilian Program GHG Protocol, which encourages the broadening of operational boundaries in the inventories, it is Abril's intention to increasingly develop ways to incorporate the chain of suppliers, as well as study the forms to manage the life cycle of its publications to map the emissions provided in the use of paper.

6.2.1.7. Methodology

The inventory of GGE emissions at Abril was elaborated on the basis of the corporate norms of Quantifying and Reports of GGE of GHG Protocol (WBCSD-WRI, 2004).

The methodologies of calculations adopted in this inventory of GGE take into account the following documents:

- Stationary Combustion: 2006 IPCC, Chapter 2, V.2 – Stationary Combustion – Tier 1;
- Mobile Combustion – land transport: 2006 IPCC, Chapter 3 – Mobile Combustion – Approach: combustion consumption;
- Mobile Combustion – air transport, cargo: Defra 2008 – Approach: Average Emission Factors for All Air Freight Services;
- Mobile Combustion – air transport, passengers: Defra 2008 – Approach: distance run;
- Mobile Combustion – marine transport, cargo: Defra 2008 – Approach: Marine freight transport;
- Electric Energy Consumption: WRI/WSBCSD GHG Protocol Initiative calculation tool – (January 2007) v 1.2 – Method of Calculation: Worksheet 1 – Standard Method.

6.2.1.8 Calculation of Emissions of GGE²

According to the methodologies adopted, the categories of sources of emissions of the stationary type combustion, mobile combustion and electric energy are calculated as the product of activity data and a factor of adequate emission.

Activity Data³

The activity data is a measure that expresses the intensity of a determined source of GGE emission. They are examples of activity data of the fuel consumption of vehicles, the diesel consumption in generators of electric energy and the consumption of electricity, among others.

In the consideration of this data of activity the quality of fuel is not a factor, merely the quantity that is related to a given activity.

In the Abril Group's inventory pilot, the activity data of mobile combustion by land were taken in distance run by the vehicles and for the calculation of emissions were transformed in consumption of fuel, beginning with the average consumption by type and weight of vehicle and type of fuel.

² All of the data and emission factors used in this inventory are found in the annex "GGE Calculator—Editora Abril – Pilot 2008.

³ All of the development of this data is in the "GGE Calculator –Editora Abril—Pilot 2008, in the spread sheets referring to the mobile combustion by land."

b) Emission Factor⁴

The emission factor is an expression of the emission associated to a unit of activity of the source of emission. The emission factors report the equivalent quantity of CO₂ emitted by unit of activity. Thus, they express how intense a given activity is in greenhouse gas emission, or rather, is a measure of the emission fee.

Types of fuel and consumption calculations

- **Diesel:** in the emission calculations the presence of Biodiesel in the Diesel was not considered.
- **C Gasoline:** all the vehicles denominated to the gasoline were considered filled in GASOLINE C, which during 2008 presented the following composition: 75% GASOLINE A (pure) and 25% ETHANOL 25 (E25).

The emissions calculations of GGE is based on two factors: activity data (fuel consumption) and fuel emission factors of CO₂, CH₄ and N₂O. The Total Annual Emission (tonCO₂ and /year) is obtained by the addition of partial emission of 3 GGEs (CO₂, CH₄, N₂O), multiplied by their respective values of Global Warming Potential (GWP), for the obtaining of the result in tonCO₂e. Annex 3 brings the GWP of gasses CO₂, CH₄, and N₂O found in the Abril Group Emissions.

Equations used for the calculation of GGE emissions:

$$\text{Emission}_{\text{fuel,GGE}} = \sum \text{consumption}_{\text{fuel,GGE}} \times \text{Emission Factor}_{\text{fuel,GGE}}$$

⁴The emission factors used in this inventory are in Annex 2 –Parameters of Fuel and also are included in the “GGE Calculator –Editora Abril—Pilot 2008, in the spread sheets referring to the mobile combustion by land.”

6.2.1.9 Results

The quantification of total emission of the Abril Group in the Pilot Inventory 2008 was **63.826 tonCO₂e**. The detailing and analysis of the results will be presented in the following pages.

7. Inventory of GGE Emissions of the Abril Group

Following the regulations of the GHG Protocol, the results of the emission of GGE of the Abril Group were organized by the scope (categories of emission sources) being that the direct emissions relative to the CO₂ of the biomass are related separately. Also the results for Operational Unit are presented:

- Abril Graphics—SP
- NEA –SP (editors and director offices, administrative area and commercial areas)
- Vila Maria – SP (Logistics and Distribution)
- Raposo Tavares – SP (Logistics and Distribution)
- Roberto Zuccolo—SP (Logistics and Distribution)
- Grajau – RJ (Logistics and Distribution)

7.1 GGE Emission by Operational Unit

The graphic in figure 1 presents the emissions referents to the stationary combustion, mobile combustion of the machines and the electric energy consumption. The data related to transportation (land, marine and air) were not included owing to the absence of the separation by Operational Unit. All data of consumption in this activity is gathered in FREIGHT and FLEET only. The activities considered represent about 40% of the total emissions.

Abril Graphics figures as the operational unit that causes the most impact, responsible for 94% of the GGE emissions under consideration. The 6% remaining are distributed in the NEA (34%), Raposo Tavares, Vila Maria, Zuccolo and Grajau (each one with less than 1% emissions). Remembering that at Abril Graphics 100% of the electric energy consumed is acquired through the Hydroelectric Generators.

Total GGE for Operational Unit (Stationary Combustion + Mobile Combustion of Forklifts + Electric Energy Consumption) (Except Land, Marine and Air Transport)

Total de GEE por Unidade Operacional (Combustão estacionária + Combustão móvel de Empilhadeiras + Consumo de Energia Elétrica)
(Exceto Transporte Terrestre, Marítimo e Aéreo)

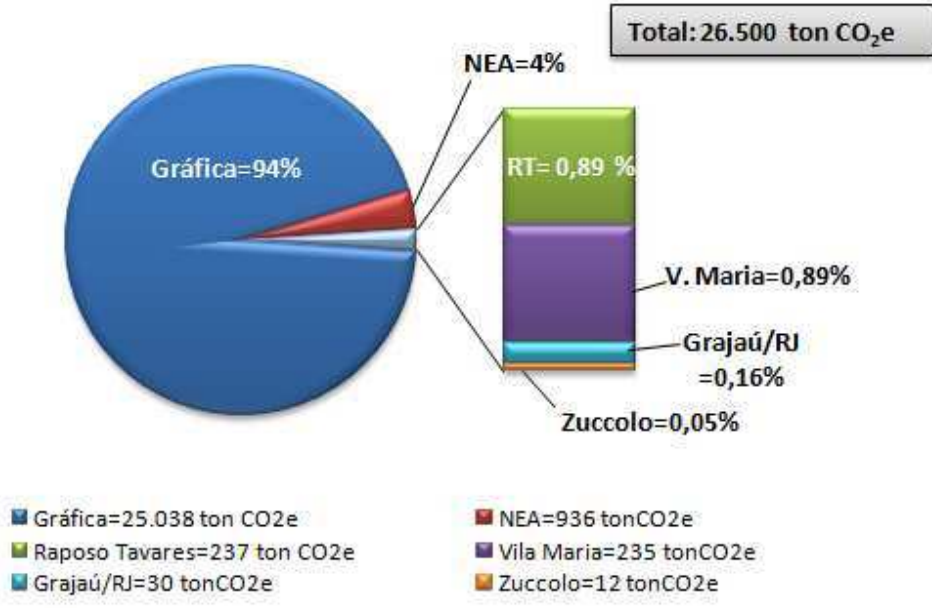


Figure 1: GGE Emissions by Operational Unit

7.2 Emission by GGE type

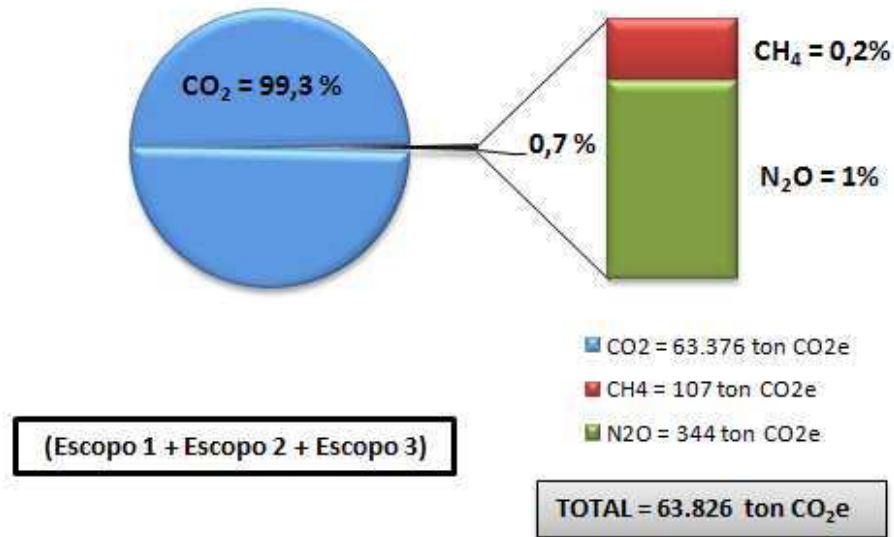


Figure 2: Emissions by GEE type

The CO₂ corresponds to almost all of the GGE emission of the Abril Group. Just 0,7% of the GGH are Methanol (CH₄) and Nitrous Oxide (N₂O).

The CO₂ equivalent of carbone is the measure created to know and compare the emissions of diverse GGEs, which utilize as a base the quantity of carbon dioxide (CO₂) that would have the same global warming potential (GWP-Global Warming Potential), measured over a period of 100 years.

7.3 Total Emission of GGEs by Scope

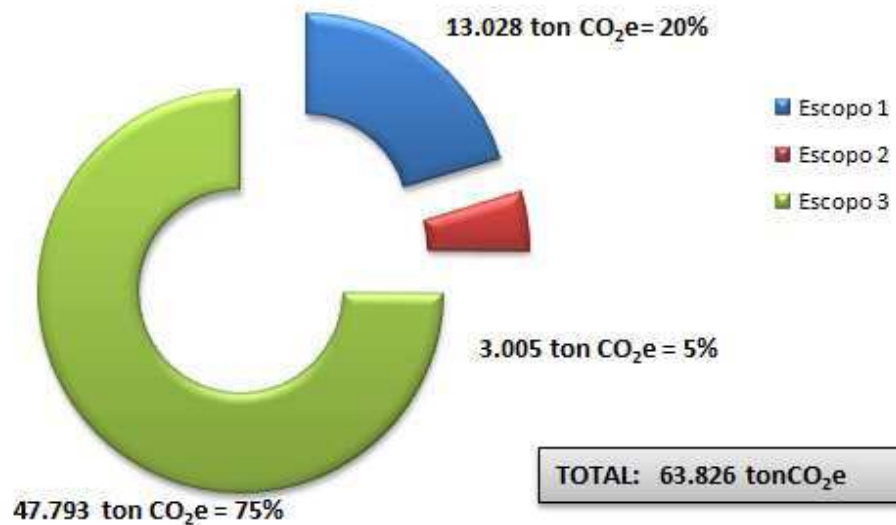


Figure 3: GGE Emissions by Scope

The study of data accounted reveals that **the main source of GGE emissions in Abril's operations comes from activities performed by outsourcers**, to which there is no direct operational control by Abril. The scenarios considered cover primary transportation, trajectory of the graphics to the centers of distribution of:

- **Cargo:** magazines, paper, printing inck and such, books, brochures and similar printed material, material of cullulose fiber pulp and toys. The trajectories of cargo accounted for included the total of land trips, air and marine as well.
- **People:** executive trips by air and land. About 9,600 tickets were emitted for domestic and international flights.
- **Movement of Forklifts in the Operational Units**

The results show the importance of more in depth studies on the indirect emissions and encouraging and motivating actions together with the main

transport suppliers so that these develop the socioenvironmental responsibility in their business.

Among the Abril Group activities that most emit GGE, are the land freight transportation (31% of the total), the air freight transportation (21% of the total) and marine cargo transportation (18.8% of the total), which will be detailed in the following pages.

The direct emission (scope 1 and 2) correspond to 25% of the total emission of the Abril Group and are estimated in 16,033 tonCO₂e.

7.3.1 Scope 1

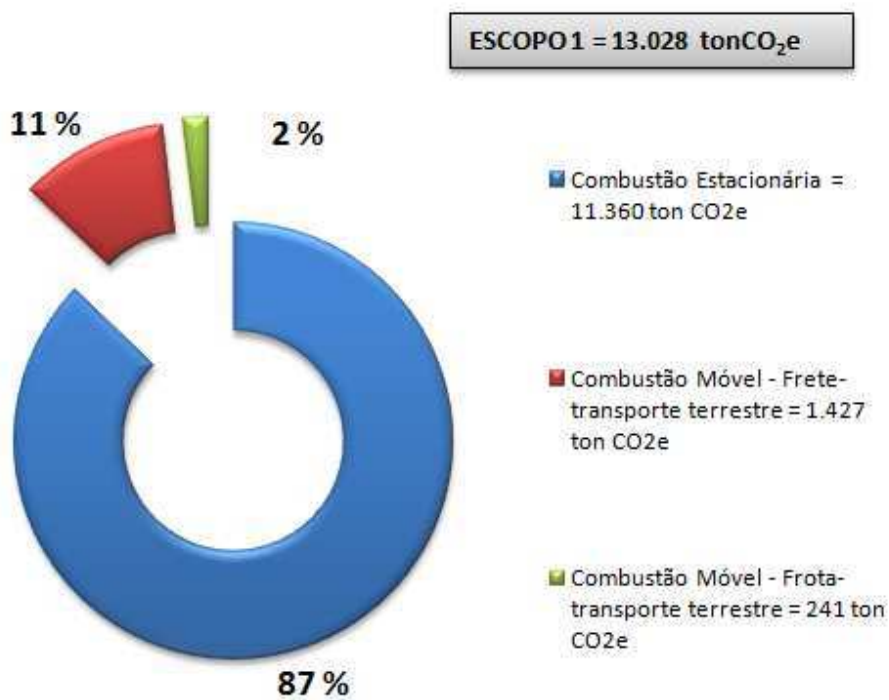


Figure 4: Scope 1 Emissions

Despite corresponding to just 20% of the GGE emissions, Scope 1 refers to the sources directly controlled by Abril, those that will be most effected by the company's decision. The diagram that quantifies scope 1, shows that the

stationary combustion is a relevant source of emissions to be generated by the company in its future actions of sustainability. This type of activity is done in six of the Operational Units considered.

Scope 1 includes:

Stationary Combustion: NEA (electricity generator and industrial stove), Abril Graphics (electricity generator, heaters, dryers, industrial stove), Raposo Tavares (electricity generator and industrial stove), Vila Maria (electricity generator and restaurant), Zuccolo⁵ and Grajau/RJ (electricity generator and restaurant).

Mobile Combustion – Land Transport of Company Fleet (Individual Vehicles): All of the companies of the Abril Group, transportation of people and cargo with the use of their own vehicles.

⁵ Observation: Despite using diesel owing to the electricity generator, and GLP because of the refectory, these valuse were not counted in the Pilot Inventory 2008.

7.3.2. Scope 2⁶



Figure 5: Scope 2 Emissions

The only accountable source in scope 2 was the consumption of electricity.

Scope 2 includes:

The six Operational Units supplied the available data for 12 months of the year without having to estimate values, with the exception of the Zuccolo unit, that provided data from January to July of 2008. To outline the absence of data in the second semester, the average was calculated from January to July of 2008 for all of the addresses of the Operational Unit Zuccolo, values used in each month, from August to December of 2008. In the case of the Grajau Unit, owing to the absence of some data extrapolated values for the calculation of emission of this scope.

⁶ The numerical values can be seen in the spread sheet: 3 –Stationary Combustion—Consumption of Electric Energy of the Calculation of GGE—Editora Abril—Pilot 2008.

7.3.3 Scope 3

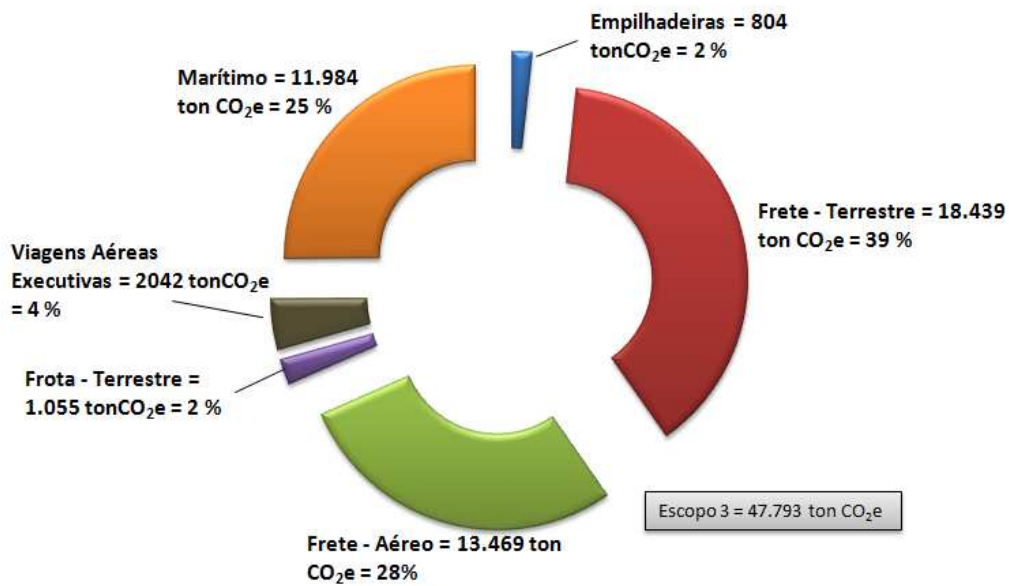


Figure 6: Scope 3's Emissions

In scope 3, the activities that most generate GGE are originated from the mobile combustion of land transport (39%), air transport (28%) freight and marine transport (25%). The three main means of transport mentioned correspond to at least 92% of this scope's emissions.

Although the air cargo transport is not amongst the most used means of transportation by Abril Group, it is amongst the activities that most emit GGE. The distribution of the products up to their final destination has not been included in the Pilot project inventory. Their tracks will be studied and added to futures inventories by Abril. It has not been included in this inventory, the transportation of materials between graphics either.

Scope 3 includes:

Mobile Combustion

Forklifts: NEA (SP) consumption data, Abril Graphics (SP), RaposoTavares (SP), Vila Maria (SP) e Grajau (RJ). The survey does not include the data concerning the mobile combustion from forklifts.

Freight – Air transport: For this source, it was considered the transport of cargo from the graphics to the distribution centers.

Fleet – Land transport⁷: Outsourced fleet – all the companies, Abril Publisher – STAFF, Abril Publisher, Dinap S/A, Treelog S/A Logistics e Distribution , Fundacao Victor Civita, Fundacao Victor Civita – STAFF, Editora Atica S/A, Editora Atica – STAFF, Scipione Publisher S/A, Scipione Publisher – STAFF, Diana Participacoes, Abril Channels, Abril Channels – STAFF, Moto-freight, Surplus – Taxi.

Executive Air trips: It was considered about 9,600 emitted tickets to domestic and international flights.

Marine Transport⁸: It was considered about 220 marine trips to transport the following cargo:

- Paper
- Printing Ink and related
- Books, brochures, and similar printed materials

⁷ The survey does not include the following paths: 1. Traffic, other services (TNT), 2. Staff transport on chartered bus, 3. Graphic, Staff Transport on chartered bus/van, 4. CD Raposo Tavares and the transport of people who are on trips.

⁸ The data sent cover the period from January to October 2008. For the months of November and December, the monthly kilometer average (converted from nm to km) was used for both.

- Material from pulp fibers from celluloses
- Toys

7.4. Mobile Combustion (Scope 1 and Scope 3)⁹

The cargo transport through air, sea and land represent 91% of the direct and indirect emissions generated from mobile combustion by Abril Group. The land freight is the largest emissions' source and corresponds to nearly half the mobile combustion emissions.

Land Transport of working staff (fleet), forklifts at Operational Units and staff air trips were also considered. Due to given data characteristics, mobile combustion is not presented divided by Operational Unities, but by types of transportation.

⁹ O detalhamento dos cálculos de emissões de GEE para frete e frota podem ser encontrados no Anexo 1A, 1B, 1C e na figura 1.1 A e 1.1C.

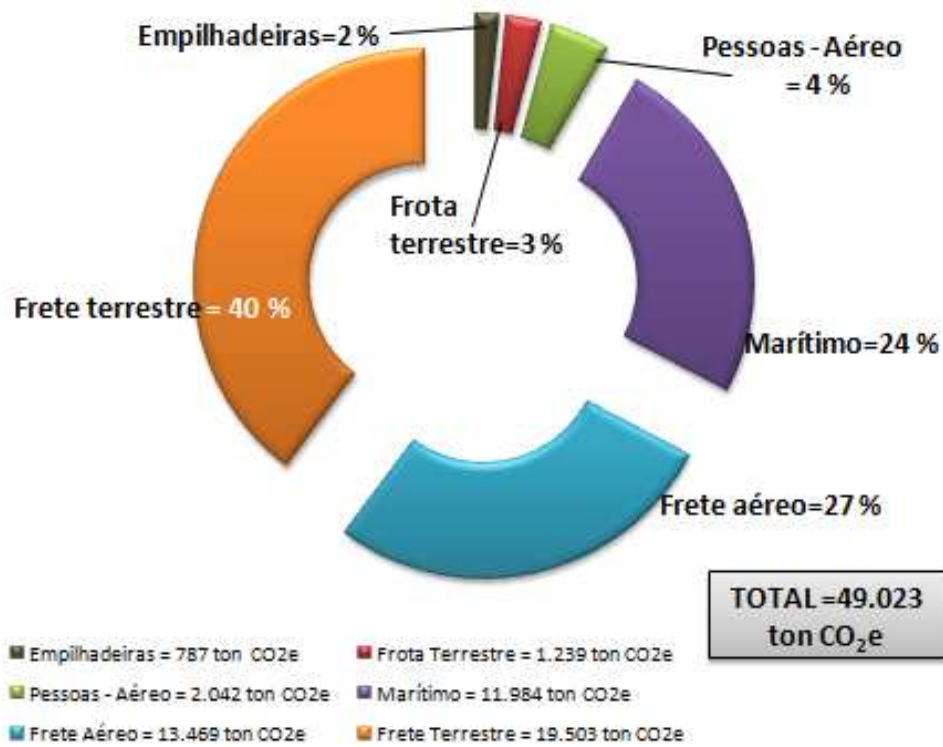


Figure 7: Mobile Combustion – Direct (E1) and Indirect Emissions (E3)

The defined criteria for the calculation of transport emissions refers to type of fuel (diesel, gasoline C and flex fuel) and type of Vehicle (large, medium or small size).

7.5. Stationary Combustion per Operational Unit

The stationary combustion corresponds to 87% of the direct emissions from Abril as shown in figure 4 in the graphic Scope 1's Emissions.

The detailed study shows that Abril Graphic is the operational unit responsible for the greater part of the emissions of this kind, responsible for 97% of them. The electricity generators, the boilers, dryers and the industrial stoves are the graphic's equipments where the stationary combustion happens. The NEA is responsible for only 1,73% of the emissions originated from the stationary combustion, and the other units (Raposo Tavares, Vila Maria, Zuccolo e Grajau) present less than 1% of emissions. The 2008 Pilot Project Inventory present the data of stationary combustion emissions in the aggregated form. The individual consumption data of all equipment has not been contemplated.

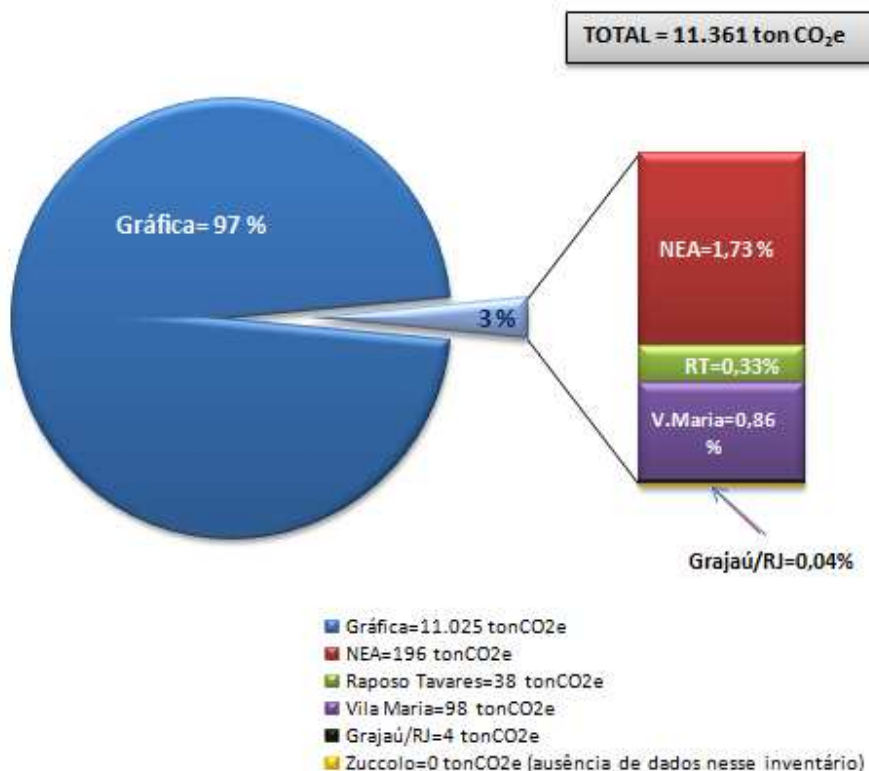


Figure 8: Stationary Combustion per Operational Unit.

7.6. Electric Power Consumption per Operational Unit

In the figure 9 graphic, Abril Graphic has a predominant electric Power consumption in contrast to the Treelog (Raposo Tavares, Zuccolo, Grajau e Vila Maria)'s units that respond to only 5% of the total consumption. In the units' most wasted electric power scale second place is NEA, the unit where all the Abril's publications' editors operate, and the directors, administrative and commercial's offices are.

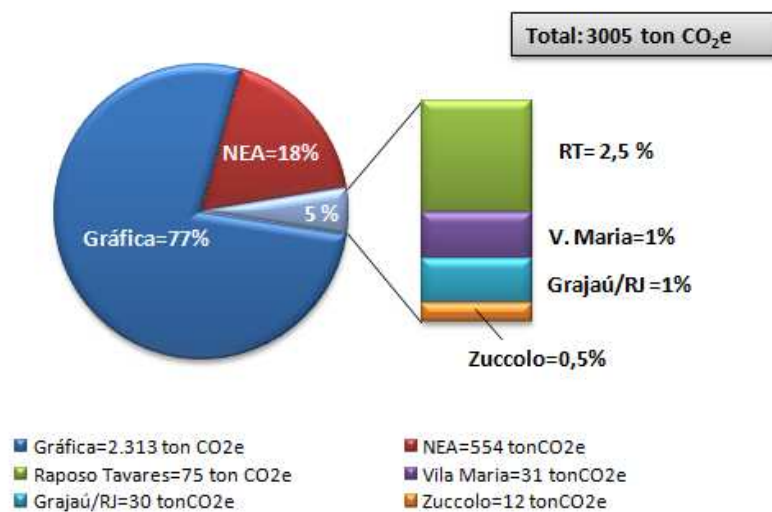


Figure 9: Emissions due to electric Power consumption (tonCO₂e) per Operational Unit.

7.7. CO2 Emission from the biomass combustion

According to the GHG Protocol norms, the direct biomass emissions are not accounted, being just reported. These emissions refer to the mobile combustion in land transport, due to the burn of ethanol in gasoline C and from the ethanol used in Flex Type vehicles. The indirect emissions (Scope 3) cover the outsourced vehicles and correspond to 82% of the total whereas the direct emissions (scope 1) refer to the company's fleet vehicles, and respond for less than 1/5 of the biomass emissions.

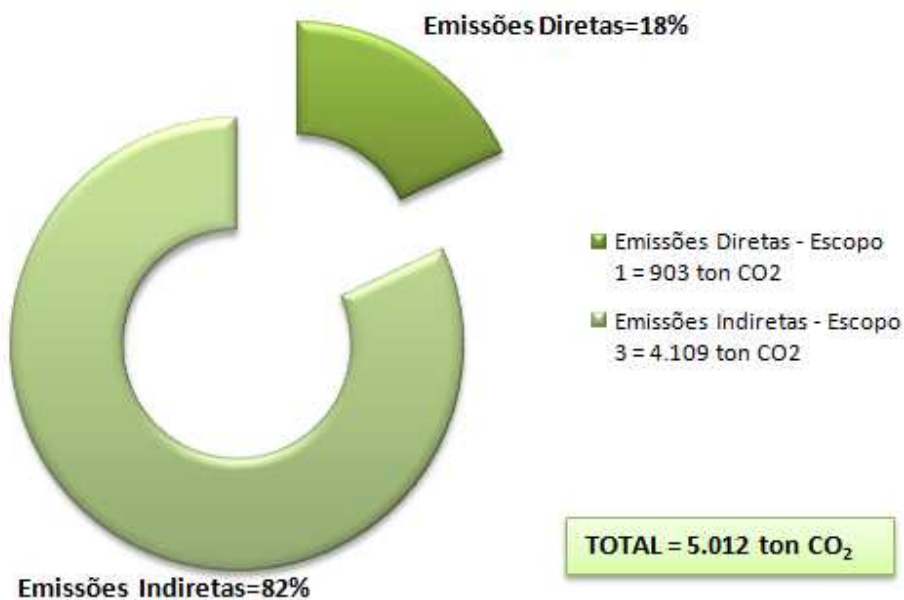


Figure 10: CO₂e Emission due to the Biomass Fossil Fuel

8. Final Considerations

The Pilot Project Inventory of Abril Group's GGE Emissions accounted total of 63,826 tonCO₂e. Amongst the company's, as a whole, most significant emissions is the land freight transport (31%), air freight transport (21%) and the marine cargo transport (18,8%). Amongst the Operational Units, Abril Graphic is the one that causes the greatest impact, responsible for 40% of the total emissions. Excluding the emissions coming from transports, that cannot be categorized per Operational Unit, the graphic responds to 94,4% of the emissions. The evaluation of emissions per scope has found that the biggest part of the emissions (87%) are outsourced companies' responsibility, which do not have Abril's operational control. Some important goals have been achieved by developing this first inventory, amongst them it is good to mention the establishment of the criteria of the survey information for the inventory for the coming years. The company is working at present to deploy this information in the SGI, a managerial information system. The pilot inventory is Abril Group's first experience to know the impacts that it causes to the environment, a compromise that involves continuous adjustments and improvements. Thus, the study requires a complementation concerning the missing data from some items such as marine transport, fleet land transport, and Zuccolo Operational Unit's fuel consumption data, besides the revision of Grajau Operational Unit.

At this first moment, the Pilot Inventory results already show where the biggest sources of GGE emissions are located, and signalize the opportunities of emissions reduction, Abril Group's main goal in searching for transparency and socio-environmental responsibility.

9. Abril Group's actions for the future

From the GGE emission pilot inventory on, Abril Group will be able to explicit what it is proposing to do in the near future for not only compensate but mainly reduce its impact in the environment. Dialogs with the related public, and with the society will help Abril's initiatives to get inserted in a sustainable development legitimate context. In 2008, the company held the "I Abril GHG Encounter", involving its stakeholders in the discussion about the topic.

a) First Socio-Environmental Report

Abril Group is preparing to publish in the second semester of 2009 the first Socio-Environmental Report aiming the whole society. The document, in virtual platform, will contain the GGE emissions pilot inventory, as well as its updating and the topic evolution, describing the advances of the company in the management model adopted, in the introduction of new technologies and in the relationship with its public of interest.

b) Work Groups Potential

In continuous discussions started in 2008, the Work Groups and their leadership mobilized efforts to review and improve the GGE emissions pilot inventory. The involved groups will be in charge of identifying the information gaps, organize the documents for the coming inventories, and show the ways to the deployment of new socio-environmental processes suitable to Abril's corporate profile.

c) Managerial Information System – SIG

Soon, the first GGE emissions inventory Will be integrated to the SIG-Managerial Information System, that aims to support Abril Group's high board of directors and managers in accompanying

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11. Credits

- **Agenda Ambiental do Grupo Abril (Abril Group's Environmental Agenda):** Sidnei Basile – VP of Institutional Relations , Meire Fidelis – Director of Corporate Relations, Fernanda Torres – Manager of Sustainability
- **GHG Group at Abril:** Daniel Fernandes (leader), Fernanda Torres, José Paulo Rando, Lorena Oliveira, Satoshi Franco, Soraya Duraes, Reginaldo Tioosi, Roberto Celidônio
- **Sector leaders of the GHG Group at Abril:** Cláudio Baronni, Fábio Carvalho, Maurício Ajzenberg, Meire Fidelis, Sérgio Vasconcelos
- **Sustainability Consultancy – AMCE:** Sérgio Esteves e equipe
- **Inventory Consultancy– Ecouniverso:** Fátima Pereira, Simone Batistela e Ingrid Bacher
- **Press Accessories – Linhas e Laudas:** Ederaldo Kosa, Ana Kajiki e equipe
- **Organization and Support of GHG Protocol in Brazil:** FGV.GVces . Center for studies in Sustainability, EAESP, Ministry of the Environment, CEBDS Brazilian Business Council for Sustainable Development, WBCSD World Business Council for Sustainable Development, WRI . World Resources Institute, British Embassy, Brasília, USAID From The American People.