

First, it's necessary to ripen to be green.

Since it was created, BRASKEM, the chemical industry leader in Latin America, has been committed to operating as determined by the principles of sustainable development.

We are following and participating in the corporate discussions regarding today's most important environmental problem: the climate change. We understand that sufficient information and knowledge are available, resulting from the innumerable scientific studies consolidated by the IPCC (International Panel of Climate Change), which allow to say that the human being has contributed to the climate change. The fourth report made by the IPCC explains the temperature increase above 0.7°C since the beginning of the industrial era and analyzes the serious consequences that this tendency can bring to the future of the planet and mainly to us, human beings, such as lack of water, higher number of health problems, starvation, among others. The possible target of keeping the temperature increase at max. 2°C, which has been negotiated at global level, will require the retrocession of global emissions between 50% and 85% of the levels from 2000 to 2050. For this purpose, the IPCC recommends urgent actions to be performed by all society sectors.

Considering the characteristics of the climate change agents - the greenhouse gases - and the reach of their consequences, we have a problem of unprecedented economic, political and social complexity. These gases are dispersed in all atmosphere, where they remain for some time. That is, what we see today, either in Brazil or anywhere else, is a consequence of the current and historical emissions of all countries in the world. In other words, we are all suffering as a result of the form of development chosen by the industrialized countries and we will suffer even more if this form of development is not changed.

The situation in Brazil is peculiar. Our development strategy, based much more on renewable energy, places us in a very positive position. According to an energy review issued by the Ministry of Mines and Energy in 2006, more than 45% of the Brazilian energy matrix is from renewable energy, while in the OCDE (developed) countries, this number is around 6%. That is, we have already done what the developed countries still have to do: clean their energy matrixes.

On the other hand, deforestation and wild fires are the most important causes of CO₂ emissions in Brazil.

In the most recent inventory of greenhouse gas emissions, made in 1994, these items represented around 75% of the emissions and the remaining 25% were attributed to transportation, power generation and industrial processes. The deforestation control, which has been discussed by the Brazilian government, enables to reduce emissions at nationwide level, without bringing any problem to our economic development.

These conditions help strengthen the role of Brazil as a leader in the process of global negotiation to solve the problem and grant legitimacy to enforce the principle of "common, but differentiated responsibilities" established in Kyoto, which assumes that all countries are held responsible in this issue, but with different intensities, and that the developed countries should assume the heaviest burden.

In Brazil, although the industrial area is not the main cause of emissions, the dimension of this issue deserves our attention. In our chemical sector, we are proud to say that we have obtained a 15% reduction in the intensity of CO₂ emissions between 2001 and 2007. This is a real contribution of the sector to the minimization of this problem. And it has been done voluntarily, ensuring sustainable profits, i.e., profits that enable economic results, but at the same time reduces the social and environmental impacts.

At BRASKEM, we consider ourselves part of the problem solution. We've strengthened the control over our emissions and invested in technology and new processes and products to minimize the greenhouse gas emissions with a broad view towards our value chain. Since 2006, we've been performing emission inventories, and our most recent annual report published such data. We recently inaugurated a plant of ETBE, a gas additive made from renewable raw material, and we are investing more than 500 million reais in our first plant of green polyethylene, also made from a renewable raw material (alcohol). Together, these plants will represent a reduction of over 750 thousand metric tons of CO₂e, which corresponds to 10% of our emissions. These contributions are also concrete.

A new opportunity appears to guide our next steps, based on the benefit that the utilization of our products ensures for the minimization of greenhouse gas emissions. In a recent report of the ICCA (International Council of Chemical Associations),

made by consulting firm McKinsey and evaluated by German research institution Öko-Institut, which analyzed the lifecycle of more than 100 chemical products in the world, the conclusion achieved was that the use of plastic products in thermal insulation, packaging, vehicles, synthetic fabrics and pipes, for instance, contributes to the reduction of greenhouse gas emissions in the chain of 2.1 to 2.6 metric tons

of CO₂e for each metric ton of CO₂e emitted by the chemical sector.

BRASKEM wants to be an example of a company with a strategy of commitment to a low carbon economy, recognized by effective actions in the application of solutions that represent real impacts on the reduction of carbon emissions per product and in innovative solutions.

Our commitments:

1. Keep improving the intensity of our greenhouse gas emissions through increased energy efficiency and identification of new technological opportunities;
2. Strengthen Braskem's contribution to the reduction of greenhouse gas emissions through the utilization of renewable raw materials;
3. Intensify the development of the market for products that reduce the greenhouse gas emissions;
4. Participate in initiatives that promote the concept of conscious consuming, reinforcing the consumer's choice as a driver of change;
5. Keep publishing our inventory of greenhouse gas emissions, for transparency in our progress;
6. Support discussions about climate changes in corporate forums, especially at ABIQUIM (Brazilian Association of Chemical Industries), and with the government and organized society in such way to influence and be influenced in this interaction;
7. Support the decisions made by the Brazilian government that contribute to the sustainable development, considering it the supreme authority over our initiatives.

With such actions, we understand that we will keep contributing in a concrete manner to improvements in the quality of life of people in our planet.

