

The image is a cover for an annual report. It features a photograph of two industrial workers in blue denim work clothes and white hard hats with safety glasses. They are standing on a metal walkway or platform with a railing, looking towards the right. In the background, there is a complex industrial structure with large red pipes and a blue sky. The text 'Annual Report 2011' is overlaid on the top right, and the 'Braskem' logo is on the middle right.

Annual Report
2011

Braskem

Contents

Presentation	3	<i>United States and Europe Unit</i>	39
<i>Vision 2020</i>	4	<i>Investments</i>	39
<i>Odebrecht Corporate Technology (TEO)</i>	4	<i>Investment Grade</i>	40
<i>Message from the Directors</i>	5	<i>Indicators</i>	40
Profile	7	Social development	42
<i>Challenges for sustainable development</i>	9	<i>People Management</i>	42
<i>Strategy</i>	11	<i>Suppliers</i>	55
<i>Acquisitions in the USA and in Germany</i>	11	<i>Projects for the Communities</i>	57
<i>Cade approves acquisition of Quattor</i>	12	<i>Valuing Culture</i>	59
<i>New PVC factory in Alagoas</i>	12	<i>Political participation and the practice of citizenship</i> ...	60
<i>Butadiene, 30% more supply</i>	13	Environmental responsibility	63
<i>Ethylene XXI, petrochemical complex in Mexico</i>	13	<i>Management in SSMA</i>	64
<i>Project in Peru</i>	14	<i>Expense in protection and environmental</i>	
<i>Partnership in Venezuela</i>	14	<i>investments</i>	65
<i>Comperj-Braskem</i>	14	<i>Accidents and learning in Alagoas</i>	66
<i>Acrylic hub in partnership with Basf</i>	14	<i>Health and Occupational Safety</i>	67
<i>The numbers of Braskem in 2011</i>	15	<i>Injuries and occupational diseases</i>	68
<i>Prizes and recognition</i>	15	<i>Accidents at work, the lowest rate in 10 years</i>	69
<i>International certifications</i>	16	<i>Process Safety</i>	69
<i>History - timeline</i>	17	<i>Chemical safety</i>	69
Business and Sustainable Development	18	<i>Energy</i>	71
<i>Innovate to grow</i>	22	<i>Greenhouse Gases</i>	73
<i>Consolidation of the green products</i>	22	<i>GHG inventory</i>	77
<i>Visio, the service to Clients</i>	23	<i>Spills</i>	78
<i>Reputation Platform</i>	24	<i>Water consumption</i>	79
<i>Life Cycle</i>	24	<i>Emissions, effluents and wastes</i>	80
<i>Recycled Water</i>	25	<i>Investments and spending on environmental</i>	
<i>Naphtha from recycled plastic</i>	25	<i>protection</i>	81
<i>Responsibilities and management</i>	25	<i>Biodiversity</i>	82
<i>Opportunities</i>	26	About this Report	84
<i>Voluntary Commitments</i>	27	<i>Analysis of materiality</i>	84
<i>Challenges proposed by 2011 - results</i>	28	<i>Correlation between Braskem macro-objectives,</i>	
Corporate Governance	29	<i>materiality and GRI</i>	86
<i>Values and Principles</i>	30	<i>Contributions and challenges</i>	91
<i>Practices of corporate governance</i>	31	<i>Global Compact</i>	92
<i>Model of governance</i>	32	<i>GRI Index</i>	93
<i>Review of internal control</i>	37	<i>Guarantee Statement</i>	99
<i>Other indicators of Corporate Governance</i>	37	<i>Corporate Information</i>	99
Economic development	38	<i>Credits</i>	101
<i>Principal results</i>	39	Glossary	102
<i>Polyolefins and Vinyls</i>	39	Glossary of products	105
<i>Basic Petrochemicals</i>	39		

Presentation

Contacts for questions, suggestions or criticism

Mailing address:
Avenida das Nações Unidas, 8.501
Centro Empresarial Eldorado,
Pinheiros – 05425-070
São Paulo (SP) / Brasil.

Emails:
imprensa@braskem.com.br
braskem-ri@braskem.com.br

On Braskem's website –
www.braskem.com.br – there is a satisfaction
consultation available on the 2011 annual report.
The result obtained should orient the preparation
of the 2012 report.

Dear Reader,

Braskem presents, in this Annual Report, the principal accomplishments and challenges experienced in 2011 and related to its stakeholders, among them Shareholders, Customers, Members, Communities where the industrial plants of the Company are located, Suppliers, Governments, Financiers, Academia (universities and teaching and research institutions) and society in general. In this publication you will find information about the evolution of Braskem's business strategy, based on principles of sustainable development, and about the indicators that reflect performance in the period.

The structure of this report addresses three dimensions of sustainable development – economic, social and environmental, and also the increase in cultural value and political participation, this last as a form of the practice of citizenship. Connected to those dimensions, themes material to the management of the Company's sustainability are reported. In the social dimension, there are questions of health and occupational safety, management of people, products and service. In the economic sphere, the most relevant subjects are the positive and negative points resulting from Braskem's activities in 2011, questions on the market and competitiveness, besides the financial result. In the environmental perspective, the management of the environment, including disposal and reuse of materials, cleaner production and internal processes are highlighted. Also in the environ-

mental dimension, the use of natural resources (water and energy), the monitoring and the reduction of the consumption of those resources are addressed.

It is relevant to note that the graphics and tables published in this report with the legend "Braskem U.S.A." do not include information about the polypropylene business of Dow Chemical acquired in July of 2011, with two industrial plants in the United States and two in the Germany. Those data will be consolidated and reported in the 2012 Annual report.

For the fourth consecutive year, the model utilized to prepare the report was that proposed by the *Global Reporting Initiative* (GRI), organization with headquarters in Amsterdam, Holland, in which representatives of governments, companies and civil entities participate. The six principles established by the GRI model were applied in this publication: balance, comparability, accuracy, frequency, clarity and reliability of information reported (read *About this report*). The complete Annual Report 2011, composed of text, graphics, photos and videos, is available on the portal of Braskem (www.braskem.com.br), in a version for *tablets* and also in alternative for PDF. The printed publication presents a synthesis of the annual highlights for the year.

To all, pleasant reading!

GRI 4.15

GRI 2.1

GRI 2.4

GRI 3.4

Vision 2020

To be the world leader in sustainable chemicals, by innovating to better serve people.

The actions of Braskem are aligned to the Vision 2020, which incorporates the principles of sustainable development into its strategic management. These principles, regarding the way to conduct the productive and economic activity, while respecting inherent aspects of the environmental, economic, and social dimensions. Social, with respect to the development of its Members and people in the localities where it has projects; economic commitment with the Shareholders, Customers and the perpetuity of the Company; and environment, respecting the ecological limits and the need to conserve natural resources.

Vision 2020 – *To be the world leader of sustainable chemistry, by innovating to better serve people* – was built from the understanding of the growth opportunities of the Company, of the socio-environmental impacts caused by the petrochemical and chemical industry business and the contributions that the Company can give to some of the present socio-environmental challenges. In Business and Sustainable Development you find more information on Vision 2020 and what has already been done for its fulfillment.

GRI 4.8

GRI EC2

Odebrecht Corporate Technology (TEO)

Confidence in the people, valorization of the potential of human beings, capacity and desire to evolve are within the principles of Odebrecht Corporate Technology. Centered in education and work, TEO establishes the fundamental ethics and morals that guide the conduct of Odebrecht companies Members, Braskem among them.

It also foresees a process of planned delegation, based on partnership and confidence between leaders and followers. How corporate culture promotes unity of thought and action of Members of the Organization in different businesses and countries in which they are present. With such fundamentals, it is possible to walk together, satisfy the Customers, aggregate value to the Shareholders' equity by reinvesting the results achieved, generating wealth for society and promoting the development and welfare of the people.

COMMITMENT TO SUSTAINABLE DEVELOPMENT

The commitment of Braskem to sustainable development is fully aligned with the principles and values that guide the Odebrecht Organization, and looks to secure, in business actions, permanent respect for human beings, the environment and society. The objective is to generate wealth by means of work, reinvestment of resources to promote continuous business development, and contribution to the Communities where its teams work with proposals, support and partnership.

Over the years the concept has been improving, always integrating economic, social, environmental, cultural and political aspects. The Organization's Sustainability Policy is based on actions in this direction and mandates that the results be obtained in a synergistic manner, in the five following areas:

Economic development: generating results for clients, shareholders, suppliers and communities through the provision of services, manufacturing products necessary for society and the consequent payment of taxes.

Social development: creation of work and income opportunities, directly for the teams of professionals, Suppliers and Service Providers, and, indirectly, for

the populations of the Communities where it operates, supporting local production chains, taking work as a factor of personal and professional development and of productive social inclusion.

Valorization of culture: contributing to the dissemination of artistic expression and the preservation of the memory and history that distinguish nations and communities which we serve, and integration of people of diverse backgrounds into the Organization with respect to their habits and customs...

Political participation: active contribution with the governments and representatives of the society, in the formulation of participatory public policies and other initiatives that will promote the sustainable development of countries and regions where the companies of the Odebrecht Organization are present.

Environmental responsibility: rational use of natural resources, use of clean technologies and renewable resources, efficient control of greenhouse gas emissions, reduction of residues and wastes, directly and through Suppliers and Service Providers, and mitigation of the impacts produced by its operations in the Communities, as well as the contribution of technologies and solutions for recuperation of degraded environments

Message from the Directors

MESSAGE FROM THE CEO

The results obtained by Braskem in 2011 represent a significant advancement for the consolidation of the Vision 2020 of the Company, which is to become the world-wide leader in sustainable chemistry, always innovating to better serve its Clients and the communities in which it is present.

We advance in the realization of new stages of the Company's growth strategy, on the basis of three long term aspects: to grow with Brazil and our Clients, serving the demand of the domestic market and strengthening the Brazilian plastics production chain; to expand the business beyond the domestic frontiers, with focus in the Americas; and to innovate to enlarge the portfolio of the renewable products segment in which Braskem is a world-wide leader.

In each one of these aspects we seek to prioritize the central challenge of all our actions: to serve our Clients with excellence, offering them products and services that are innovative, unique and of high aggregated value. Our promises with them are registered in the TEO, they are part of our culture and were once again reaffirmed through the Visio program, with partnership and relationship actions, aiming to optimize the opportunities in common for growth. Based on three platforms of action - competitiveness, business success and entrepreneurship -, Visio is mobilizing teams from different sectors to understand and to better serve the needs of the Clients, not only as concerns products and innovation, but also in management, enlargement of market and competitiveness.

The path traveled by Braskem in 2011 was - and will always be - guided by the principles of sustainable development, based on the balance between economic, social and environmental interests. To these three dimensions, Braskem, as well as other enterprises of the Odebrecht Organization, incorporates two others, the cultural and political dimensions - this last being dedicated to participation in actions of public interest.

In 2011, the plans for two new industrial plants evolved and they will begin to operate in 2012. One of them, the PVC unit, in Alagoas, will have capacity to produce 200 thousand tons annually, and the other, the Butadiene unit in Rio Grande do Sul, 100 thousand tons yearly, an addition of 30% to the current supply of the product. Another highlight was the decision to advance in the project of engineering the Petrochemical Complex of Rio de Janeiro (Comperj), which assumes a relevant role for the growth strategy in the Brazilian market, from competitive raw material, in this case, gas.

Also among the goals reached in 2011, we register the approval, by the Conselho de Administração de Defesa Econômica (Cade - Council of Administration for Economic Defense), of the acquisition of Quattor, which took place in

the previous year. The acquisition guaranteed Braskem the position of biggest petrochemical company of the Americas in capacity of thermoplastic resins (PE, PP and PVC), becoming more competitive globally.

Abroad, the Company acquired the business of polypropylene (PP) from Dow Chemical, in July of 2011, with four productive units, two in the United States and two in Germany. With an investment of US\$ 323 million, Braskem became the leader in PP in the United States, the biggest market of thermoplastic resin of the world.

The internationalization of the Company happens both by the acquisition of assets that add capacity and drive the growth of production, and by the construction of new plants. This is the case of the project Ethylene XXI, which has already had its construction begun in the state of Veracruz, Mexico developed in association with the Mexican petrochemical group Idesa. In 2011, the basic engineering phase ended and the earthwork began. The projects developed in Peru and Venezuela, in partnership with local petrochemical enterprises also deserve to be noted. In Peru, the question is of an integrated complex for polyethylene production of similar size to that of Mexico and also from gas, and in Venezuela, a project for production of polypropylene.

In the area of renewables, we enlarge and qualify yet more the partnerships with Clients around Green Plastic. The unit producing ethylene derived from ethanol in Triunfo (Rio Grande do Sul) has been in operation since 2010, producing raw material for the green polyethylene.

The future of renewables is just beginning. The next step will be to take advantage of the production of green polypropylene, reinforcing the position Braskem has already secured as world-wide leader in Sustainable Chemistry, with the production of bio-polymers from sugar-cane.

Challenges

Undoubtedly, 2011 was a challenging year. In the first semester, when Brazil had not yet felt the reflections of the European crisis, two events impacted the Company's operations. In February, the production of the Basic Petrochemical Unit in the Brazilian Northeast was paralyzed temporarily and damaged by an electric energy outage. In sequence, the whole line of polyethylenes and PVC in the region was affected.

In May, two unforeseen circumstances of processes took place in the chlorine soda unit of Maceió (AL), one with a leak of chlorine to the environment. For all of us of Braskem it was an extremely difficult moment, because one of the strongest elements of our corporate culture is the safety of people. The accidents in Alagoas mobilized all areas of the Company, in an intense campaign to reinforce the culture and practice of SSMA (Saúde, Segurança e Meio Ambiente - Health, Safety and Environment). Braskem provided support and attendance to the people affected by the accidents.

GRI 1.1

GRI 2.1

GRI 4.8

In the second semester, the challenge was to maintain the business pace in an adverse scenario, resulting from the aggravation of the debt crisis in the Euro zone and the consequent retraction in the global economy, with negative impact on the demand for petrochemicals and derivatives. In this internal scenario, putting pressure on the performance and competitiveness of the Brazilian industrial sector, we as, well as our Clients, have had to live with the exchange rate appreciating throughout the entire year and the unequal competition of imported goods benefited by the reduction of ICMS (Tax on Circulation of Goods and Services) in the so-called "stimulation ports", a benefit not extended to a national producer.

Some points of distinctions are worth mentioning that will be more deeply detailed within this report. In a year of crisis, the EBITDA of Braskem, which is the best measure of our performance, decreased only 3% when measured in the dollar, the currency of reference for the sector. We had the satisfaction of seeing Braskem obtain recognition from the agencies of risk classification, Moody's, Fitch Ratings and Standard and Poor's.

We registered the lowest rate for incidence of accidents in our history, which makes us very proud. Following the principle of TEO of believing in the capacity of people for development, we continue to invest in training and capacity building of our Members, so that we can always better serve our Clients and produce more wealth and quality of life for society.

Braskem understands that part of its role is contributing to the course of global discussions to reach sustainability. The Company is committed also to the application of the initiatives related to 10 principles of the UN Global Compact, of which it is signatory. The initiatives are described in this 2011 Annual Report.

In summary: in spite of the trouble experienced in 2011, we maintained our growth strategy and kept sight of the importance of investing in the future. We are going to grow together with Brazil, dreaming the dream of our Clients, working for sustainable development of the Company and of the Communities where our units are installed.

We thank Clients and Shareholders for their confidence, with special mention to Petrobras, for the synergies in research and development, for the partnership in the project Comperj (Petrochemical Complex of Rio de Janeiro) and for the support to our activities, from the Members, Suppliers and other partners for their effort in overcoming challenges and for keeping pace with the Company in the fulfillment of objectives established for growth with responsibility before the future that we intend to build.

GRI 1.1

GRI 2.1

GRI 4.8

Carlos Fadigas
President of Braskem

MESSAGE FROM THE CHAIRMAN OF THE BOARD

Created in 2002, Braskem is the enterprise that consolidates the tangible and intangible assets and the Odebrecht knowledge of petrochemistry, since our Organization began to work in this sector in 1979.

In the last decade, Braskem became the petrochemical enterprise leader of the Americas and one of the biggest of the world, when its participation in the world-wide market of thermoplastic resin developed considerably, adding value to the investment capital for the Shareholders and turning the environmental challenges of the industry into opportunity to differentiate us with sustainable chemistry.

This growth reflects the promise of all the enterprises of the Odebrecht Organization to serve our Clients with excellence, dreaming the dream of each one of them and offering them innovative and differentiated solutions, by the practice of TEO. In spite of the economic turbulence provoked globally by the debt crisis in European countries, with retraction of markets and consumption, Braskem advanced in 2011 in one more cycle of expansion and achievement. On the international level, we acquired the polypropylene production units of Dow Chemical, two in the United States and two in Germany, and began to invest in the project Ethylene XXI, in Mexico, for production of polyethylene from ethylene, whose raw material is natural gas.

In Brazil, we keep on investing in improvement of processes and development of products and continue in the construction of new industrial plants, one for PVC, in Alagoas, and another one for butadiene, in Rio Grande do Sul. With investments in research and technology, we reinforce our strategic agenda to enlarge the portfolio of renewable products.

Braskem thus reinforces, together with its primary Shareholders Odebrecht and Petrobras, the commitment to reinvestment and the competitive development of the whole plastics production chain, even in an economically adverse scenario.

In the same way as other enterprises within the Odebrecht Organization, Braskem also fulfills an active social role as partner of the human and material development of the societies in which it is present. That takes place with the application of economic, social and environmental practices aligned with the Principles of sustainable development, in the constant exercise of serving the Clients, which will continue to be a base for actions undertaken by the Company in the coming years.

The year of 2011 reinforced confidence in the capacity of our Members to turn the challenges into sustainable opportunities.

Marcelo Bahia Odebrecht
President of the Board of Directors

Profile

In August of 2012, Braskem will complete a trajectory of 10 years, which began by the integration of six enterprises in the chemical and petrochemical sector and registered a series of acquisitions, initially in Brazil, with the perspective of consolidation of Brazilian petrochemistry, and, beginning in 2010, abroad also, with production units in the United States and Germany aligned to the strategy of internationalization of the Company.

With activity in the chemical and petrochemical sector, the production of Braskem is focused on the thermoplastic resins polyethylene (PE), polypropylene (PP) and Polyvinyl Chloride (PVC), besides basic chemical inputs like ethylene, propane, butadiene, chlorine, soda, solvents; reaching around 30 products. The portfolio of Braskem also includes a differentiated line of products with origin in a renewable raw material, sugar-cane. This is the case of ethylene and of green polyethylene.

At the end of 2011, 6,934 Members were acting in the Company, in Brazil and in the United States (not included in this report is the total of Members of the PP units of Dow Chemical, the last acquisition of Braskem on July 27, 2011). The growth strategy for 10 years, supported by innovation and the expansion of the ability to supply domestic market demand and open space in the global market, provided a new period of development for the Company in volume, quality and business opportunities. Braskem is today the largest producer of thermoplastic resin in the Americas, the largest

world-wide producer of biopolymers with the green polyethylene and the largest producer of polypropylene in the United States.

The Company has 35 industrial units concentrated in Brazil, the United States and Germany. In Brazil, there are 28 factories distributed within five states: Alagoas, Bahia, Rio de Janeiro, Sao Paulo and Rio Grande do Sul. The units installed in the United States are in the states of the Pennsylvania, West Virginia and Texas. Those in Germany are in the cities of Wesseling and Schkopau. In the United States, as well as in Brazil, Braskem has a center for technology and innovation, fundamental to the ongoing support of Clients in the development of products and markets and to providing technical services.

With Clients in more than 60 countries on five continents, Braskem supplies products that, once processed, are turned into various types of daily use items and applied in many different sectors.

At present the Company has commercial offices in the United States, Argentina, Holland, Chile, Venezuela, Colombia and Singapore, the first Braskem office in Asia, inaugurated in 2011, with the objective of being closer to Clients situated in Singapore, China, India, Indonesia, Korea and Japan. The physical presence in Asia is also a door for prospecting opportunities in the region. At present, the focus of the business of the new office is basic petrochemicals.

GRI 2.1

GRI 2.2

GRI 2.5

BUSINESS MODEL

Braskem integrates the operations of first and second generation petrochemistry in Brazil, obtaining competitive advantages such as production scale and operational efficiency. The first generation produces basic raw materials like ethylene and propane, fundamental for the second generation, which involves the manufacturing of thermoplastic resin (PE, PP and PVC), used subsequently by the manufacturing industry in consumer products.

The thermoplastic resins produced by Braskem originate from petroleum (naphtha, conden-

sate and gas from the refinery), natural gas and in the sugar-cane ethanol, a renewable raw material used in the production of green ethylene. The area of Innovation and Technology researches new renewable chemicals, aiming to consolidate the leadership of the Company in this segment and in line with the promise to sustainable development registered in Vision 2020. In order to better understand the Vision 2020 and its ramification in action strategies, see the chapter *Business and Sustainable Development*.

OPERATIONS AND BUSINESS UNITS

The operations of Braskem are structured in five business units: (1) Basic Petrochemicals, (2) polyolefine, Comperj and Renewables, (3) Vinyls, (4) United States and Europe and (5) Latin America. Each unit coordinates, with autonomy, its activities industrial, commercial, of marketing, logistics, supplies, export, people and organization, planning and control.

- **Unit of Basic Petrochemicals (UNIB):** Responsible for providing chemical products like ethylene, propane, benzene, butadiene and paraxylene, among others, to the units of polyolefines and Vinyls, as well as several segments of the chemical and petrochemical industry. The plants of the UNIB are located in Camaçari (BA), Duque de Caxias (RJ), Mauá (SP) and Triunfo (RS).
- **Unit of Poliolefinas, Comperj and Renewables (UNPOL):** Joins the operations related to polyethylene and polypropylene resins, besides ethylene derived from ethanol and green polyethylene. Its manufacturing units are located in Bahia (Camaçari), in Sao Paulo (Paulínia, Mauá and Cubatão), Rio de Janeiro (Duque de Caxias) and Rio Grande do Sul (Triunfo). The unit also includes the activities of the project Comperj-Braskem, to be described yet in this chapter and of the project for propylene and polypropylene derived from the ethanol of sugar-cane.
- **Unit of Vinyls (UNVIN):** Includes the operations related to the PVC resin, besides chlorine and

soda, with industrial units in Alagoas (Maceió and Marechal Deodoro) and in Bahia (Camaçari).

- **Unit of Business in the United States and Europe (UNUSE):** it joins the operations of polypropylene in the United States and Germany. Under its responsibility are the units situated in the locations of Marcus Hook and Pittsburgh (PA), La Porte, Freeport and Seadrift (TE), and Neal (WV), in the United States, and of Wesseling and Schkopau, in Germany.
- **Unit for Latin America (UNALA):** responsible for the development of the project Ethylene XXI, in Mexico, and those which are in analysis for introduction in South America, such as Peru and Venezuela.

This macro structure was approved in April of 2012 to serve the needs of the strategic projects that are being implemented by Braskem and that will strengthen the performance base of the Company. In this scenario, the projects Comperj and Ethylene XXI reflected in the new structure are undertakings of tremendous importance for the petrochemical sector and for the growth of the Company.

Though the limit of this Annual Report is the period of January to December of 2011, the new structure is described, since it doesn't impact the consistency of the data established and reported. To know more about the limits and range of this document, read the chapter About this report.

PRODUCTS AND APPLICATIONS: SOME EXAMPLES

Polyethylene: raw material for bags, film and packaging for the industries of food, personal and domestic hygiene products, and others. There are different families of PE: of high density, low density, linear of low density and ultra-high molecular weight **UTE[®]**, plastic of engineering destined almost entirely to the export market. **UTE[®]** has several applications, such as the manufacture of tubes, coatings, pumps and other applications, for the agricultural, food, naval, automobile, drink, paper, and cellulose industries. Braskem offers also the green polyethylene produced from the sugar-cane ethylene.

Polypropylene: resin used in flexible and rigid packaging, disposables, sacks (raffia), domestic products, plastic lids, toys, automotive components, and household appliances, among others.

PVC: applied on a wide scale in civil construction, in tubes, connections, frames, windows, doors, floors

and tiles. It also has application in hospital and medical products, like serum and blood bags, and in agriculture, in the form of silo bags, sheds and irrigation pipes. PVC can be found also in shoes and sport and leisure products.

Chlorine: used in the production of PVC, agrochemicals, and pharmaceuticals, in hospital cleaning and in the treatment of water.

Soda and derivatives: used in the manufacturing of soap, paper, cellulose, aluminum and other products.

Basic Petrochemicals: present in the basis of the chemical industry. Examples of use follow: Propylene is a raw material for absorbent polymers used in diapers; the benzene, combined with propylene, changes into threads of nylon used in clothing; paraxylene composes the PET of the bottles; and butadiene is essential in the composition of tires.

Challenges for sustainable development

The principal challenges for sustainable development, referring to the operations of Braskem and of the whole production chain, are associated with factors like chemical safety, greenhouse gas (GHG) emissions, intensity of water consumption in the production processes, use of non-renewable raw materials (oil and gas), strengthening of the relationships with stakeholders and destination of the plastic, post-consumption residues.

Chemical safety

Process that aims to promote safety during the production and use of chemical products resulting in greater protection for workers, environment and society in general. In the decade of the 1990s, the global chemical industry was clearly positioned in this respect through the program Responsible Care, a voluntary initiative of the sector through the ICCA (acronym in English for International Council of Chemical Industry Associations). Braskem has adhered to the program since the beginning in 1992.

Acid rain and the climatic changes, relevant points in the discussion of sustainable development, are especially associated with the use of fossil fuels with high sulfur content. Braskem uses fossil fuels as raw material, as well as for generation of energy. On the other hand, it has developed a series of actions to minimize the negative impact of its operations, intensifying its efforts to improve its production processes, controls and mechanisms of environmental management.

The danger of some chemical substances to human health

and to ecosystems is a subject analyzed from different and complementary angles. Chlorine is an example. In determined concentrations, it can be asphyxiating. In others, it is necessary to improve the quality of health and the life of people, as when used to make drinkable water and to sterilize greens, fighting diseases which cause infant mortality. Substances whose use is not widely considered safe were listed in the Stockholm Convention on Persistent Organic Pollutants (Program of the United Nations for the Environment / 2001). Among them are some pesticides and organochlorines, which were prohibited in the countries signatories to the treaty, among them Brazil. The ICCA, for its turn, developed the program GPS (Global Product Strategy), contributing with the Strategic Approach to International Chemicals Management (SAICM). The GPS is associated with the program Responsible Action, already mentioned in this chapter. Braskem uses and produces substances that, under certain conditions, can be dangerous, such as ethylene, which is inflammable, and chlorine also already cited in this chapter. The substances produced by the Company, as well as the risks associated with them, are published in the Data Sheets of Chemical Substances (FISPQ), in the portal www.braskem.com.br. Internally, the Company has the system of integrated management of Health, Safety and Environment, which addresses, among other subjects, the risks offered by chemical substances. Learn about SEMPRES and, also, about the evolution of Braskem's environmental indicators, in the chapter *Environmental Responsibility*.

Emissions of greenhouse gases (GHG)

This is a subject debated globally by governments, international institutions and industry associations, in which discussion Braskem participates actively. The Brazilian industrial sector is responsible for around 8% of the total emissions of greenhouse gases in the country (inventory relative to 2005 and given out in 2009 by the Ministry of Science and Technology pointed to the rate of 7.8 %), but it is working, through actions of control and prevention, to reduce this indicator.

Braskem, separately and also in the set of its production chain, is a great transmitter of GHG, but on the other hand it has been acting in a systematic and solid way to minimize the negative impact provoked by its production activities. Besides looking for more efficiency in operational processes, it also invests resources in research and innovation of new products from renewable sources, and new renewable sources of raw material. In complement, life cycle studies demonstrate that the use of chemical products avoids the emissions of GHG in the chain downstream and in the satisfaction of the necessities of society.

Since 2004, the Company has developed activities to fight its emissions of GHG. Among the initiatives is the preparation of detailed inventories on the whole operation and projects to perfect the use of energy. With 35 industrial plants located in Brazil, in the United States and in Germany, Braskem produces annually more than 16 million tons of thermoplastic resin and other chemical and petrochemical products. The Company intends to reach, by 2020, the same intensity of emission of GHG as the chemical industries better placed in the world in this aspect, emitting the equivalent of 0.60 ton of carbon dioxide per ton of manufactured product. The current level is 0.65 ton.

On the global level, the Company participates in meetings and discussions on the subject, presenting suggestions and exchanging experiences. You will find more information in this same chapter, *Profile, in Economic Development and in Environmental Responsibility*.

On the Braskem portal (www.braskem.com.br) you find the video *Low carbon chemistry*, on the action of chemical enterprises to face the challenges of climatic changes. The video was produced by the ICCA and the version in Portuguese was developed with the support of Braskem.

Consumption of water

In accordance with studies of the National Water Agency (ANA), the industrial sector is not the principal consumer of water in Brazil, but even so it is a great consumer responsible for 18% of all the water consumed, a notable rate. Braskem uses a significant volume of water in its industrial processes. In 2011, the total volume of water consumed by the Company was 80,837,490.25 m³/year. The indicator corresponds to the sum of what was consumed by the manufacturing

units in Brazil and in the United States (assets acquired from Sunoco). In comparison with 2010, and considering only the units of Brazil, since those of the USA were not reported, the consumption of water increased, passing to 78,437,280.21 m³/year, from 64,953,369 m³, a reflection of unplanned interruptions in some periods of the year.

In 2012, the Company will begin to use recycled water in its units of Mauá (SP) and is consolidating a project for use of rain water in the plants of Camaçari (BA). Learn more about these projects in *Business and Sustainable Development*. The objective of the Vision 2020, as it refers to hydric efficiency, is Braskem as a reference in the use of the hydric resources, re-using 100% of the water in locations of hydric stress.

Use of non-renewable raw material

The principal raw material for the petrochemical chain is naphtha derived from petroleum, a non-renewable resource. Though this is the resource first for the production of resin, Braskem has been investing in research, innovation and development of technologies for the use from renewable raw material, which also contributes to the mitigation of climatic changes. The Company inaugurated a green ethylene plant in 2010, in Triunfo (RS), starting to produce polyethylene from ethanol of sugar-cane and becoming the biggest global producer of biopolymers, in line with its Vision 2020.

The entry into this segment of renewables put the Company in contact with a new chain of supplies that of agro-business, bringing challenges such as the use of the land and respect for the rights of the workers in cane plantations. This production chain is managed through control and auditing of the ethanol Suppliers. In 2010, Braskem approved the Code of Conduct for Ethanol Suppliers, with the requisites demanded for this partnership. Today, around 85% of all the ethanol acquired for the green ethylene and ETBE plants are up to the code and, in 2011, an additional certification was adopted, that of Bonsucro, an institution with headquarters in London, England, whose certificate attests to sustainable practices in production, demanding the fulfillment of the laws, respect for human and labor rights, the preservation of biodiversity and the services of the ecosystem, besides productivity and continuous improvement of productive processes.

Post-consumption of the plastic

Polyethylene, polypropylene and PVC manufactured by Braskem, are raw materials for the plastic manufacturing industry. This resin is used in many different utensils, from toys to material for civil construction, to pieces for the automotive industry and household appliances to medical utensils, packaging for foods, to probes for the oil industry.

In spite of the usefulness, practicality and benefits brought to modern life, plastic also presents environmental challenges. Its image is associated with solid urban waste, a

global problem. One of the solutions is mechanical recycling. According to data from the Socio-environmental Institute Plastivida, which Braskem helped to create in 1994, around 20% of the plastic wastes are recycled in Brazil, in other words, more than 600 thousand tons, thanks to the participation of waste collectors and recycling workshops. In countries like Germany, Denmark and Switzerland, the mechanical recycling of plastics varies from 35% to 40% and solid wastes are used to produce energy, which does not take place in Brazil. Braskem elected mechanical recycling as one of the most relevant subjects for socio-environmental actions undertaken by the Private Social Investment Projects. These are activities that help to consolidate the Vision 2020, as it refers to post-consumption: Braskem as important player in the solution of plastic waste problems.

Strengthening relationships

In internal aspects, the focus is on Members and Third parties, for which the Company continuously develops and perfects plans for health, safety, training and personal and professional development. In the external arena, among the stakeholders are the Communities near the production units of the Company, with which socio-environmental projects and actions are developed. Also in the external social aspect, the efforts of relationship with Suppliers and Clients are relevant.

All the big challenges for sustainable development, that have direct relation with Braskem operations, are expressed in the Vision 2020. To know what has already been done in the sense of consolidating this promise, read *Business and Sustainable Development*.

Strategy

The global petrochemical industry moves in cycles, which have a tendency to last from seven to ten years, between periods of investments in projects, maturing and entry into operation of new plants. In the two last decades, nevertheless, the economic crises have made that dynamic more diffuse and with a less marked pace.

In 2011, a new event marked the petrochemical industry: the extraction of gas from schist, investigated in the United States for almost two decades and appearing viable from the technological point of view, has entered into industrial scale, with transforming potential. Result: the gas produced in the USA becomes almost as competitive as much of the Middle East.

One of the strategies of growth of the Company is the internationalization of operations, taking as a direction projects based on natural gas. One of the examples is the project Ethylene XXI, in Mexico.

The Company, which in 2010 had an excellent business year, faced challenges in 2011. The increase in imports was one of them. Imports of more competitive products, on account of the origin of the raw material, of the Exchange rate appreciation and also for the incentives of ICMS (Tax on Circulation of Goods and Services) granted in determined ports (called stimulation ports), which are affecting several sectors, besides the chemical and petrochemical industry (textile, machines and equipment, automotive vehicles). On the international level, 2011 was marked by the debt crisis in Europe, affecting especially the economies of Greece, Spain, and Portugal. As a response, there was a retraction of demand that affected the products and the profitability of the petrochemical industry. In Brazil, the GNP (Gross National Product) was below that expected, growing 2.7% against 7.5 % in 2010.

The expectation for 2012 is for the beginning of recuperation of the market from the second semester. The Brazilian government appears worried and approves of measures to stimulate the industrial sector, like Reintegra, a mechanism created in the Plano Brasil Maior, involving devolution of taxes in the form of credits to exporters, on the order of 3% of the exported value. In a more favorable business scenario, characterized by the industrial policies, heated labor market and continuous improvement of the income of Brazilian families, Braskem acts with the expectation of increased demand for plastic products.

In this scenario, the strategy of the Company is still based on the strengthening of its business and in the elevation of competitiveness through the strengthening of the partnership with Clients, of profits in internal productivity (improvement in the performance of the industrial plants, of the logistics, of supplies and of planning), of the capture of synergies with the acquired enterprises, of cost reduction and maintenance of the financial state of health of the Company.

Acquisitions in the USA and in Germany

In July of 2011, Braskem signed a contract for the acquisition of the polypropylene (PP) business of Dow Chemical, with four industrial units, two in the United States and two in Germany. The transaction, in the value of US\$ 323 million, strengthens the strategy of international expansion of the Company and consolidates its position as leader in productive capacity of PP in the USA, the biggest market of resin in the world.

Two months after the signature of the contract, the acquisition was approved by the antitrust authorities of the United States and Europe – Federal Commerce Commission and Antitrust Division of the U.S. Department of Justice and the European Union. The value of the transaction was paid on

the spot and spent on the first weekday of October. So, from the fourth trimester of 2011, the financial-economic results of these assets started to be consolidated into the results of Braskem. In what refers to the indicators of the social and environmental dimensions, nevertheless, the results from the units acquired from Dow Chemical have not yet been incorporated.

The new business will allow the capture of synergies as a result of a more diversified portfolio of products, reduction of fixed costs and optimization of the working capital, logistics and supplies.

THE NEW INDUSTRIAL UNITS

With the acquisition of the PP business of Dow Chemical, Braskem now has four new PP factories. The assets in the USA are located in Freeport and Seadrift, in the state of Texas. Together, they have a capacity of production of 505 thousand tons yearly, representing an increase of almost 50% in the capacity of production of PP in the country, totaling 1.4 million tons. Two new units in Germany, located in the industrial complexes of Wesseling and Shckopau, have annual production capacity of 545 thousand tons.

Cade approves acquisition of Quattor

In February of 2011, Cade (Conselho Administrativo de Defesa Econômica - Administrative Council for Economic Defense) approved the acquisition of Quattor by Braskem, confirming the global market as the space where competition of the petrochemical sector effectively happens.

The Council analyses operations of acquisition and fusion from the point of view of competition in the Brazilian market, trying to secure a competitive environment. In this sense, Braskem pledged itself to periodically supply to CADE, in confidential character, information as to its contracts and activities of import and marketing of resin that involve clauses of exclusiveness.

The negotiations for acquisition of Quattor ended in January of 2010, through an Agreement of Investment celebrated between Odebrecht, Petrobras, Braskem and Unipar. With the acquisition of Quattor, Braskem assumed the position of biggest petrochemical enterprise of the Americas, in capacity of thermoplastic resin (PE, PP and PVC) and became more competitive globally.

SYNERGY ON THE ACTIVE FRONTS

The acquisition of Quattor provided to Braskem a series of synergies in different areas of action. Most of them concentrated on the industrial activities, logistics and supplies. Next, some examples:

Production: better mix in the production of the second generation plants with reduction in the number of grades (variations of the characteristics of the resin in accordance with its application) per plant; centralization of the strategy for maintenance of the assets, like optimization of teams and scheduling of planned stops;

Logistics: gains with freight resulting from better planning of sales for home and external market, distribution and storage;

Supplies: integrated purchase of inputs and renegotiation with Third Parties.

Financial: lower debt load and tax planning.

The capture of synergies which resulted from the integration of Quattor reached the value of R\$ 400 million by the end of 2011 in EBITDA – profits before interest, taxes, depreciations and amortizations – in recurrent bases. In terms of challenges, one of the most relevant was the question of the safety of the Quattor plants. The units were at a level inferior to that of Braskem, but the situation was reverted quickly.

New PVC factory in Alagoas

The cornerstone of the new productive unit of PVC, in the local authority of Marechal Deodoro, in Alagoas, was launched in April of 2011. The schedule of the work is being fulfilled at the predicted pace, to put the factory in operation in May of 2012. To the end of 2011, the construction had registered more than 6.3 millions man-hours worked without incident of accidents with or without lost time, a record rate in the undertakings of Braskem.

With investment around R\$ 900 million, the new plant will have a productive capacity of 200 thousand tons annually. Braskem has another unit of PVC in Alagoas and, with this project, it will total 460 thousand tons yearly of productive capacity of the resin in the state. Besides Alagoas, the Company has capacity to produce 250 thousand tons of PVC annually in Camaçari, in Bahia.

The PVC is used on a wide scale in civil construction and in the infrastructure sector, which has remained heated in recent years. The decision of building a new factory in Alagoas aims to serve this demand. In the construction phase of the unit, the number of direct jobs came near to 2,500.

HOUSE OF PVC CONCRETE

Global Housing, DuPont and Braskem are working in partnership to consolidate in the Brazilian market the PVC House of Concrete, a new concept of residential and commercial construction. The technology represents a quick way of building, in industrial scale, different types of construction, both in more simple constructions, and in complex projects like hospitals, daycare, schools, community centers and warehouses. It consists of articulating profiles of PVC that form empty structures to be filled with concrete.

In 2011, the construction system developed by Global Housing, with technology from DuPont and Braskem, received the approval of the Caixa Econômica Federal

Savings bank for the construction of one thousand houses in the whole country, favoring also the aspect of social inclusion while paying attention to the demand for dwellings at low cost.

Global Housing is an enterprise developing solutions and construction systems in concrete and PVC. DuPont develops innovative solutions for different markets, like construction, agriculture, nutrition, communication, safety and protection, among others.

The PVC Concrete Construction System was analyzed and obtained positive technical evaluation according to the directive SINAT 004 (National System of Technical Evaluation) and NBR 15575.

Butadiene, 30% more supply

Braskem began to build in 2011 a second plant of butadiene in the petrochemical complex of Triunfo (RS), with the beginning of operation predicted for July of 2012. At present, the Company already produces the raw material in Triunfo, Camaçari (BA) and Cubatão (SP). The new unit will have installed capacity of 100 thousand tons yearly, raising by 30%, approximately, the supply of the product, which will pass from 346 thousand to 446 thousand tons annually.

The butadiene is the raw material used in the industry for tires and rubbers. In 2011, the prices of the input in the international market had risen around 50% compared to the previous year, reflecting the growing global demand and limited supply.

With total investment of R\$ 300 million, the work will have produced one thousand direct jobs and, when it enters into operation, 60 permanent work positions.

Ethylene XXI, petrochemical complex in Mexico

The project Ethylene XXI developed in Mexico by Braskem in association with the Mexican petrochemical company Idesa, evolved in 2011. The phase of basic engineering ended, the works of landscaping began and the conditions of financing that will give support to the project are in final stage of structuring for signature. The total investment will be financed in the mode of *project finance*, or in other words, through the capturing of resources for the financing of the project (70% debt and 30% private capital of investors). In 2011, the predicted fixed investment was updated from US\$ 2.5 billion to US\$ 3 billion, in function of the effects of inflation and of the more refined detailing of the project.

The employment of equipment and services also is in progress and, to closely accompany the work, Braskem already maintains a team in the country. To participate in Ethylene XXI, the Company assembled a joint venture, in other words, an association with the Mexican petrochemical company Idesa, with majority share of 65% (Idesa 35%).

The project contemplates the integrated production of ethylene and polyethylene based on ethanol from natural gas, with the guarantee of a contract secured with Pemex-Gás, of Mexico, for supply of 66 thousand barrels daily of the input, for 20 years. The project contributes to the diversification of the system of raw material of Braskem, with profits in competitiveness resulting from the greater participation in the gas base.

Located in Coatzacoalcos, in Veracruz state, the petrochemical complex will have a production capacity of 1 million tons per year of ethylene and polyethylene in three polymerization plants, due to start in 2015. In 2011, the Mexican demand of polyethylene was around 1.9 million tons, and the material imported corresponded to around 70% of the total. The initiative of Braskem-Idesa represents the most significant thing in the petrochemical sector in the country in two decades, and the largest investment yet carried out in that country.

Two other accomplishments also deserve distinction in 2011:

- The technology choice was for the process Lupotech T, of the Dutch Enterprise LyondelBasell, for the plant of low density polyethylene (LDPE), one of three units of polyethylene integrated into the Mexican project. The Lupotech T technology allows production of an extensive range of polyethylene, with properties which will bring gains in production costs and portfolio diversification.
- The performance of risk engineering studies, so as to provide the best conditions of process safety for the industrial operations. The studies include a risk analysis using Hazop methodology in the activities of basic engineering of four

industrial plants of the project, evaluating approximately 2,000 scenarios / situations. This evaluation allowed the adoption of innovative measures for engineering and no scenario was classified as high risk.

Project in Peru

The development of a *greenfield* project (expression to characterize projects that, while being defined, do not dispose of any prior infrastructure) in Peru is part of the strategy of growth of Braskem, diversifying raw material and enlarging the international operations to consolidate its strategic vision for the horizon to become by 2020 the world-wide leader of sustainable chemistry, innovating to better serve people.

The initiative has been in prospecting for some years and, in November of 2011, Braskem and Petr leos Del Peru (PetroPeru) announced the signature of a Memorandum of Understanding for technical and economic viability analysis of a petrochemical project in Peru. If the viability is proven, the two enterprises intend to implement units for the integrated production of 1.2 million annual tons of ethylene and polyethylene, using the ethanol originating from the reserves of natural gas in the region of Las Malvinas, in the south of the country.

This undertaking will be part of the Integrated Project of the South, which includes the construction of the Andean Gas pipeline of the South, for the enterprise Kuntur, and of a modern industrial complex in the southern region of Peru, which will be a landmark in the process of industrialization of the country.

Braskem inaugurated an office in Lima, which will give support for the team involved in the petrochemical project and for the commercial area, which already functions in the country.

Partnership in Venezuela

Braskem and the Venezuelan petrochemical Pequiven, partners in the joint venture Propilsur, developed a project for the installation of an industrial unit in the region of Paraguan , state of Falc n, with capacity to produce, annually, 300 thousand tons of polypropylene, from gas ethanol. The raw material will be supplied by the state-owned enterprise PDVSA (Petr leos de Venezuela).

Comperj-Braskem

The petrochemical project of Rio de Janeiro, Comperj-Braskem, in the municipality of Itabora , assumes a relevant role for the strategy of growth of the Company, as a factor of consolidation of the Brazilian market and to guarantee

service to the regional demand for resin and basic petrochemicals, from the use of competitive raw materials.

In April of 2011, the business plan of the project was concluded, corresponding to the phase FEL1 (acronym in English to define planning of the pre-project), which showed the economic and environmental attractiveness of the alternative based on natural gas as raw material for the cracker to be installed.

In 2012, the Company will advance in the studies for the final detailing of the scope of the project (stage FEL2), from the definition by Petrobras of their raw materials. In this phase, for example, the chosen technologies, the specificity of the products and a series of other necessary aspects to define the dimension of the productive units will be considered.

The measures taken in 2011 also included the signing of the Memorandum of Understanding between Odebrecht, Petrobras and Braskem, with the objective of establishing the beginnings of a relationship between three enterprises and the technical terms that will regulate the development of the project, from the conceptual phase of the technology and engineering, up to its final introduction.

The Schedule of Comperj-Braskem predicts, for 2013, the definition of the bases and characteristics of the project. The decision on the total investment will have to take place in the first trimester of 2014, in the context of Braskem's Board of Directors.

The petrochemical project is aligned to the Company's strategy of looking for more competitive raw materials to capture all the opportunities for growth of the Brazilian market, guaranteeing the supply of the growing demand in the country for thermoplastic resins. To understand the challenge in the predicted pace, an initial, highly qualified and specialized team was appointed, with around 30 persons, which should receive reinforcements before the end of 2012, possibly reaching 70 persons.

Acrylic hub in partnership with Basf

Braskem is going to supply propylene and soda for the world scale project of Basf, for the creation of an acrylic hub in Cama ari (BA), which will be the only one in South America. Propylene will be the principal raw material for the production of acrylic acid, butyl acrylate and super absorbent polymers (SAP), removing the Brazilian dependence on the imported products. The agreement was announced in August of 2011 and the project has begun to be implemented already. Basf is going to invest US\$ 750 million more in the construction of factories in the petrochemical complex of Cama ari, and Braskem's investment, principally in logistics, will be in the order of US\$ 30 millions.

The acrylic complex of Cama ari should enter operation in

2014 and will feed a varied production chain, stimulating the appearance of a new cycle of investment in the complex. Acrylic acid, for example, is used in the manufacture of paints, in the textile industry and in the mining sector, among others. The butyl acrylate is also an input for the textile industry and civil construction, while the super absorbent polymers are used in the production of shirt tails, for the treatment of water, and the extraction of oil, among other applications.

The numbers of Braskem in 2011

Members:	6,477 in Brazil and 457 in the United States
Clients:	in more than 60 countries
Production units:	35 (Brazil, the United States and Germany)
Innovation:	three units of the Center for Innovation and Technology, situated in Brazil, in Triunfo (RS), Campinas (SP), and in the USA, in Pennsylvania. Around 240 specialized professionals support the research and development of products and processes of Braskem.
Patents:	445 patents deposited in Brazil, the United States and Europe
Patents deposited in 2011:	30
Net Earnings:	R\$ 33.2 billion
Export earnings:	US\$ 6.5 billion
EBITDA:	R\$ 3.7 billion
Operational investments:	R\$ 2.1 billion
Investments in safety, health and environment:	R\$ 151 million
Expenditure on innovation and technology:	R\$ 155 million
New Releases:	22 new products

Prizes and recognition

Financial-economic

Abrasca Prize for Value Creation: conceded by the Brazilian Association of Open Companies, as the best case of value creation. The Company produced 38.8% of value to its Shareholders on the average of the last three years.

The Best – revista Dinheiro: Recognition in the Chemical and Petrochemical category, for the purchase of Quattor, in

January of 2010, in an operation valued at R\$700 million, which consolidated Braskem as the largest petrochemical enterprise of Latin America.

Top Supplier - Tetra Pak Supplier Evaluation 3Q2011: best Supplier of the TetraPak in the third term of 2011.

Finep Prize: winner of the Finep Prize for Innovation in the category Large Enterprise.

Socio-environmental

Green Best 2011: in the category of material innovators for the development of green polyethylene, by Greenvana, an enterprise that has the mission to be a reference of consumption and behavior that considers the principles of sustainability in Brazil.

Business Excellence Prize (CIESP - Santo André): winner in the category Large and Medium Enterprises. The prize highlights the best entrepreneurial actions and the development of social and environmental actions between businesses.

2nd Prize Top Ethanol: the category Industrial Input for the Production of Bioplastic with Green Polyethylene.

Exame Sustainability Guide of 2011: Braskem was recognized as one of the model businesses in sustainability in Brazil.

ECO Prize: the Green Plastic of Braskem was the winner of the 2011 edition as the best project in the category Sustainability in Products or Services.

Reputation

Brazil's Most Admired Companies for 2011: prize granted by the magazine Carta Capital. Braskem was the winner in the Petrochemical and Chemical categories.

DCI Prize (9th edition): Braskem is recognized as the business most admired in the chemical and petrochemical sector.

Best Company for Leaders Brazil 2011: research promoted by the Hay Group on the best operations carried out by Brazilian enterprises for the development of their leadership.

The Best Companies to Start a Career 2011: reward of the magazine Você S/A that evaluates the work environment and the practices and policies of people management toward young professionals.

Communication

Aberj Prize: one of the winners at the regional stage of the Aberj Prize.

Prize - Enterprises that Communicate Best with Journalists: one of the winners in the Chemical and Petrochemical category of the prize granted by the magazine Negócios da Comunicação [Business of Communication], from the Publisher Segmento.

International certifications

Basic Petrochemicals

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
UNIB 1 BA	Camaçari / BA	●	●	●
UNIB 2 RS	Triunfo / RS	●	●	●
UNIB 3 ABC	Santo André / SP	●	●	●
UNIB 4 DCX	Duque de Caxias / RJ	●		

Polyethylene

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
PE 1 BA	Camaçari / BA	●	●	
PE 2 BA	Camaçari / BA	●	●	
PE 3 BA	Camaçari / BA	●	●	●
PE 4 RS	Triunfo / RS	●	●	
PE 5 RS	Triunfo / RS	●	●	
PE 6 RS	Triunfo / RS	●	●	
PE 7 ABC	Santo André / SP	●	●	●
PE 8 CUB	Cubatão / SP	●		
PE 9 DCX	Duque de Caxias / RJ	●		

Polypropylene

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
PP 1 RS	Triunfo / RS	●	●	
PP 2 RS	Triunfo / RS	●	●	
PP 3 PLN	Paulínia / SP	●	●	
PP 4 ABC	Santo André / SP	●	●	●
PP 5 DCX	Duque de Caxias / RJ	●	●	●
PP 6 BA	Camaçari / BA	●	●	●
PP 7 Neal	Kenova / WV	●		
PP 8 La Porte	La Porte / TX	●		
PP 9 Marcus Hook	Marcus Hook / PA	●		
PP 10 Seadrift	Seadrift / TX			
PP 11 Wesseling	Wesseling / GER	●	●	
PP 12 Schkopau	Schkopau / GER		●	
PP 13 Oyster Creek	Freeport / TX			

Chlorine Soda

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
CS 1 AL	Maceió / AL	●	●	
CS 2 BA	Camaçari / BA	●	●	

PVC

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
PVC 1 BA	Camaçari / BA	●	●	
PVC 2 AL	Marechal Deodoro / AL	●	●	

Offices

Unit	Local	ISO 9001	ISO-14001	OHSAS-18001
Offices	São Paulo / SP	●	●	
Offices	Salvador / BA	●	●	●

History – timeline

1979	Odebrecht, at the time centered in civil construction, decided to enter the petrochemical sector. The initial step was to purchase a third of the voting capital in the Petrochemical Company of Camaçari, in Bahia, producer of PVC.
1980s	Several business activities occurred in the 1980s. Odebrecht acquires shares of Salgema, in Alagoas, soda chlorine manufacturer, and in other companies: Poliolefinas (manufacturer of polyethylenes), PPH (producer of polypropylene) and Unipar (<i>holding</i> company of petrochemical enterprises). Thus Odebrecht Química S.A was born.
1990s	Beginning of privatization in the Brazilian petrochemical industry. In this scenario, Odebrecht accelerates the pace of acquisitions, strengthening its position in the petrochemical industry.
2001	in partnership with the group Mariani, Odebrecht acquires control of Copene (Petrochemical Center of Camaçari), in Bahia, and begins the process of integration of first and second generation assets, never done up to that time in Brazil, giving rise to the current production model of Braskem.
2002	creation of Braskem, from the integration of six enterprises in the sector: Copene, OPP, Trikem, Nitrocarbono, Proppet and Polialden. The Company published, as its first gesture, its Public Promise, where values and principles practiced until today are expressed. Among them, the commitment to management practices and corporate governance based on ethics, on the transparency of one's actions and on responsibility. The document reaffirms, also, the commitment of Braskem to sustainable development. Braskem has its shares listed on Bovespa and also offers to investors, level II ADRs listed on the Stock Exchange of New York - NYSE (ADRs - American Depositary Receipts: acronym in English that identifies the titles representing shares of enterprises not American, emitted and negotiated in the capital markets of the United States).
2003	Development of new products for industrial application. Braskem starts to have its shares listed in the Latibex, of the Stock Exchange of Madrid. Deposit of hundredth patent in the INPI (National Institute of Industrial Property).
2004	Introduction of Braskem+, program of competitiveness and operational excellence.
2005	Braskem consolidates its leadership in Latin America as the largest producer of thermoplastic resins. The Company is the first Brazilian company to sign the Declaration on Cleaner Production, of the UN. Braskem has been listed on the Corporate Sustainability Index (ISE Índice de Sustentabilidade Empresarial) of Bovespa since its first publication. Beginning of the "SEMPRE" Program of Health, Safety and Environment.
2006	Braskem acquires control of Politeno, enterprise producing polyethylene, in Camaçari.
2007	Acquisition, by Braskem and Petrobras, of the chemical and petrochemical assets of the Ipiranga Group Agreement of investment is secured with Petrobras, increasing its participation in Braskem through transfer of petrochemical assets.
2008	Braskem launches the first green polyethylene with verification by Beta Analytic of content up to 100% renewable. The analysis verifies the percentage of renewable raw material used in the product. Beginning of operations of the industrial polypropylene plant in Paulínia (SP).
2009	Incorporation of the Petrochemical company Triunfo, in Rio Grande do Sul. Setting of the cornerstone of the factory of green ethylene in Triunfo, raw material for production of the green polyethylene. Announcement of agreement between Braskem and the Mexican group Idesa, with the objective of building an integrated project for the production of polyethylene in Mexico.
2010	Acquisition of the polypropylene assets of Sunoco Chemicals, in the United States, and of Quattor, in Brazil. Inauguration of the industrial plant of green ethylene, in Triunfo (RS). A Braskem-Idesa <i>joint venture</i> was announced, for the development of the project Ethylene XXI.
2011	The cornerstone is laid for a new industrial PVC unit, in Marechal Deodoro (AL). Beginning of work on the new butadiene plant in Triunfo (RS). Acquisition of the polypropylene assets of Dow Chemical, being two plants in the United States, where Braskem becomes leader in the production of this resin, and two in Germany. The Green PE of Braskem receives the highest certification of the Belgian enterprise Vinçotte, principal institution of evaluation of products with content of renewable origin.

Business and Sustainable Development

The actions of Braskem are determined in the principles of sustainable development, of producing wealth while preserving the environment, respecting laws and positioning itself as a relevant agent of human development. The actions and initiatives derived from the Vision 2020 have this focus and are based on three principal axes of performance:

- to make the operations of the Company and sources of the resources used more and more sustainable;
- to strengthen its portfolio of products in a way to make it more and more sustainable, enlarging, for example, the participation of the products from renewable raw material;
- to develop, through research and innovation, resins still more useful, destined for new applications of plastic products that contribute to quality of life and sustainability.

Besides the performance axes, the Vision 2020 is structured in seven macro-objectives defined from the analysis of materiality, which are the most relevant challenges for sustainable development and that impact the operations of the Company. Learn about the seven macro-objectives and the actions carried out in 2011 to give solidity to the long term strategy of the Company.

VISION 2020 - STRATEGIES IN ORDER THAT BRASKEM EVOLVES IN SEVEN MACRO-OBJECTIVES

MACRO-OBJECTIVE – CHEMICAL SAFETY

Actions of Braskem in 2010	<ul style="list-style-type: none"> - Recorded its products in the European system Reach (Registration, Evaluation, Authorization and Restriction of Chemical Substances). - Led, in Latin America, the project GPS (Global Product Strategy), of the ICCA (International Council of Chemical Associations), to promote the recognition and the publication of the risks, to the people and to the environment resulting from the use of chemical products. - Prepared and adapted the safety information sheets (FISPQs) to a model NBR 1425/2009, with notice on the dangerousness of some substances used by Braskem, to meet the standards of the GHS (Globally Harmonized System for the Classification and Labeling of Chemicals), in Brazil.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - Carried out qualification process of new educators in the ICCA Guide for the Analysis of Risk of Chemical Products. - Submission of the Plan for Implantation of the GPS to the ICCA together with Abiquim. - Emission of "safety summaries of 27 substances and of the plans for control, according to GPS, of two substances. - Evolution in the management of process safety, represented by the emission of the Golden rules and by the project high risk sweep, when 608 scenarios were analyzed and when the implementation for the continuous improvement of the management of these risks had been defined and begun.
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: to lead the implementation of the GPS - Global Product Strategy in units in Latin America. - 2012-2015: to promote the continuous improvement of the Risk Rating, index of safety of processes established by insurance companies, so as to reach, at least, 90 points on the average of Braskem, with all the plants "above standard". - 2012-2015: to substitute the electrolytic cells of the process of production for chlorine for elimination of the mercury. - 2012-2015: to maintain the generation of residues stable and to remain as a reference in the sector.
Vision 2020	<ul style="list-style-type: none"> - Braskem as reference in the use and in the responsible production of chemical products in the world. - Neither use, nor produce substances included in global black lists.

MACRO-OBJECTIVE – GREENHOUSE GASES (GHG)

Actions of Braskem in 2010	<ul style="list-style-type: none"> - Reached reduction of 11.6% in the indicator of intensity of GHG emissions regarding the year of 2008. - Started to use sugar-cane as raw material for the manufacture of ethylene, which will avoid the emission of up to 750 thousand tons yearly of CO₂.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - The evolution of the management in 2011 allowed the entry of Braskem in the Efficient Carbon Index (ICO2) of BM&F Bovespa, the classification of the inventory of the Company in the Category Gold of the GHG Protocol and the entry of Braskem in the category HIGH TRANSPARENCY of the Carbon Disclosure Project (CDP). The principal results that reflect this evolution are: <ol style="list-style-type: none"> 1. Getting verification certificates by third parties on the GHG emissions inventory. 2. Reduction of 11% in indicator of emissions intensity of GHG regarding 2008. 3. Expansion of the scope approach 3 (indirect emissions), besides guaranteeing the inventory of the acquisitions carried out in 2010 (Sunoco and Quattor). 4. Identification and acting on opportunities for reduction of GHG in the production plants of Braskem. as da Braskem.
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: to reduce the intensity of the emissions. - 2012-2015: to reach the evolution of the CDP in the dimension 'transparency' and in the dimension 'results'; - 2012-2013: to obtain the first carbon credits.
Vision 2020	<ul style="list-style-type: none"> - Braskem reaches the same intensity of emissions of GHG as the best large chemical enterprises of the world. - Braskem as important in sequestration of indirect emissions of GHG, because of the use of renewable raw materials.

VISION 2020 - STRATEGIES IN ORDER THAT BRASKEM EVOLVES IN SEVEN MACRO-OBJECTIVES

MACRO-OBJECTIVE – HYDRIC EFFICIENCY

Actions of Braskem in 2010	Reduce by 12 % the generation of effluents in relation to the previous year. Between 2002 and 2010, there was a reduction of 36% in the generation of effluents.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - In the Capuava complex in Sao Paulo, work on the Project AQUAPOLO was begun, in partnership with Foz do Brazil and SABESP, to make 433 liters per second of recycled water available for Braskem. - The Basic Raw Material Unit – UNIB 1 BA introduced a project to use the pluvial waters produced in the parking areas, which it makes possible to recover an annualized flow of around 8 to 12m³ per hour. <p>Braskem ended the year with a reuse rate of 18% of all the water consumed during 2011.</p>
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: to reduce by 23% the consumption of water and by 20% the generation of effluents (relative to 2010), with the adoption of recycling projects. - 2012-2015: to give continuity to the projects of remediation.
Vision 2020	Braskem as reference in use of hydric resources, re-using 100 % of the water in the towns with hydric stress.

MACRO-OBJECTIVE – ENERGETIC EFFICIENCY

Actions of Braskem in 2010	It reduced by 6% the intensity of energy consumption relative to 2009.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - The modification entered in operation in the GMB (Gestão de Melhorias Braskem - Management of Braskem Improvements) for identification of new opportunities of reduction of energy consumption. - Project of co-generation with biomass in Alagoas and Paulínia – when the basis of the project and the economic modeling was defined. - Performed a study of economic viability on the alternative use of natural gas or urban waste in Sao Paulo (ABC)
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: to continue reducing the intensity of energy consumption. - 2012-2015: to continue evaluating the viability of the project of co-generation from biomass and from the use of solid urban wastes.
Vision 2020	<ul style="list-style-type: none"> - To reach the same intensity of energy consumption as the best large chemical enterprises of the world. - To become an important user of energy from renewable sources

MACRO-OBJECTIVE – RENEWABLE RAW MATERIAL

Actions of Braskem in 2010	<ul style="list-style-type: none"> - Start to use ethanol from sugar-cane as raw material in the manufacture of ethylene, with the inauguration of the green ethylene plant in Triunfo (RS). - Announce the construction of a green propylene plant announced. - Define a code of conduct defined for Suppliers of ethanol and implemented in 70% of their supply.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - 85% of all ethanol bought by Braskem was supplied by companies making a commitment to the principles of acting under the Code of Conduct for Suppliers of ethanol, following the principles of Braskem in sustainable development. - Continuity to the development of technologies for production of chemical products from renewable raw materials.
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: to evolve in research of technological alternatives in renewable raw materials. - To implement, by 2013, the process of management of sustainable development in 90% of the Suppliers of ethanol. - 2013: startup of the first green polypropylene plant.
Vision 2020	- To act as the biggest world-wide player in the production of biopolymers.

VISION 2020 - STRATEGIES IN ORDER THAT BRASKEM EVOLVES IN SEVEN MACRO-OBJECTIVES

MACRO-OBJECTIVE – POST-CONSUMPTION

Actions of Braskem in 2010	<ul style="list-style-type: none"> - Invested in support for technical development, which includes 38 centers for selection and mechanical recycling of plastics, in Rio Grande do Sul. - Was one of the founders of the Plastivida Socio-Environmental Institute, which acts in the promotion of recycling. - Began actions to introduce social programs, through recycling, in the states of AL, BA, RJ and SP.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - Social action of inclusion of waste recyclers became national, including the states of AL, BA, SP and RS. The projects promoted improvements in the infrastructure of recycling cooperatives, professional training and increased income of the cooperatives. In 2011 Braskem carried out actions of greater impact in a lower number of cooperatives, aiming to create reference cases in the recycling chain. There were 15 cooperatives and 655 people benefited directly. - Signed contract with the Novaenergia for supply of naphtha produced from post-consumption plastic. Beginning of the operation in 2013. - Dissemination of the study of eco-efficiency of supermarket bags, concluding that the environmental impact depends on the habits of purchase of the consumers. The returnable bag is not always the best option, and the disposable one is the best option for small purchase scenarios. Besides, it was identified that, on the whole, the plastic bag had less impact when compared to its substitutes.
Actions of Braskem in 2015	<ul style="list-style-type: none"> - 2012-2015: To define a model of business and of partnerships for the first energy recycling unit in Brazil. - 2012-2015: to strengthen the recycling chain in the states in which Braskem acts (RS, SP, RJ, BA and AL). - 2012 and 2013: to give continuity to promoting the project of chemical recycling.
Vision 2020	<ul style="list-style-type: none"> - Braskem as an important actor in the solution of the problem of the plastic wastes. - To reach rates similar to that of developed countries, at present around 35%, in the mechanical recycling of plastics. - To make energy recycling of solid urban wastes a reality.

MACRO-OBJECTIVE – PEOPLE

Actions of Braskem in 2010	<ul style="list-style-type: none"> - Launched programs of skill development for its Members. - Performed Private Social Investment. - Prioritized relationships with the Communities around its units. - Started deployment of the system of Excellence in Safety, Health and Environment (SEMPRE) in acquired units Sunoco Chemicals and Quattor.
Actions of Braskem in 2011	<ul style="list-style-type: none"> - Education for conscious consumption focused on the analysis of the life cycle of plastic in partnership with the Institute Akatu and the Institute Faça Parte. Educational materials and for direction for teachers were produced on the conscious consumption of plastic - 1,577 schools received the material. - R\$16 million was invested in social-environmental and cultural projects carried out in 2011. - Training of 712 persons in the Program Acreditar [To believe], in partnership with the Construction firm Norberto Odebrecht, in the project for the new PVC plant of Alagoas. - Evolution of the level of implementation of SEMPRE, which went from 29% to 37% in Work Safety. - Advance in the pilot project of culture in SSMA in the unit PE-3, with the realization of individual coaching to the leadership.
Actions of Braskem in 2015	<ul style="list-style-type: none"> - Education for conscious consumption focused on the analysis of the life cycle of plastic in partnership with the Institute Akatu and the Institute Faça Parte. Educational materials and for direction for teachers were produced on the conscious consumption of plastic - 1,577 schools received the material. - R\$16 million was invested in social-environmental and cultural projects carried out in 2011. - Training of 712 persons in the Program Acreditar [To believe], in partnership with the Construction firm Norberto Odebrecht, in the project for the new PVC plant of Alagoas. - Evolution of the level of implementation of SEMPRE, which went from 29% to 37% in Work Safety. - Advance in the pilot project of culture in SSMA in the unit PE-3, with the realization of individual coaching to the leadership.
Vision 2020	<ul style="list-style-type: none"> - Braskem starts to be perceived by the society as a company which is present and contributes to improve human development in the towns where it maintains projects. - Braskem recognized as the best business of the sector to work in.

Innovate to grow

To innovate to better serve the Clients and to supply products that will bring benefits to consumers and to society is one of the pillars that drive the growth of Braskem. In line with its promise of growing together with the plastic production chain, the Company has strategic management of innovation based on new technologies of production, processes and products.

In 2011, the area of Innovation and Technology (I&T) of the Company re-aligned its strategy of action through the prism of the quadrennial business plan of the Company. From this business plan, the I&T teams analyze in what way they will be able to contribute on the horizon of up to 10 years.

With this vision, the professionals of the area are working on projects for new products of renewable origin, which will enrich the portfolio of Braskem. Those available today are the ethylene obtained from sugar-cane and the green polyethylene, in the second generation of the chain, both produced since 2010, in the petrochemical complex of Triunfo (RS), as well as the bioadditive for fuel ETBE – *Ethyl Tertiary Butyl Ether*. In the route for future new releases, the expectation of most accessible fulfillment is that of production of green polypropylene in industrial scale, reinforcing the position of the Company as world-wide leader in sustainable chemistry, considering the production of biopolymers.

An important step in this sense was taken four years ago, with the production of the first samples of PP from renewable raw material, with verification by the North American laboratory Beta Analytic, confirming content up to 100% renewable. The challenge for 2012 is to evolve in the detailing of the project for a demonstration plant of Green propylene, a raw material for PP from sugar-cane. In 2011, the Company obtained the licensing for construction of the unit and the basic engineering studies were concluded. The plant demonstration will have capacity for up to 50 thousand tons per year and should enter in to operation in the second semester of 2013.

In the green line also, five products were defined that are being studied and for which the Company requests financing in BNDES (National Development Bank), in partnership with Finep (Financier of Studies and Projects), through the PAISS (Plan of BNDES-Finep of Support for Innovation in the Sectors for energy and chemicals from sugar). It is an instrument of support for projects of development and production of new industrial technologies intended for the processing of the biomass derived from sugar-cane. In 2011, Braskem subjected its business plan for renewable chemicals to analysis and obtained approval. The selection process will have new stages in 2012.

In the context of naphtha and gas, fields of action delimited by the Company, the search is for profits in competitiveness,

not only through the reduction of manufacturing costs, but also by the differential in the properties of the products marketed. The paths followed pass through innovations in process technology and of the polymers themselves.

In 2011, the pipeline of innovation of the Business Unit of Polyolefins (UNPOL), with present value of US\$ 654 million, registered a record in the launch of 22 new products, with US\$ 294 million in present value. Notable among them are:

- **New Polypropylene for the automotive market:** a new type of resin intended for the automotive industry, providing greater versatility and flexibility for the Clients.
- **Polyethylene for production of geomembranes:** geomembranes are considered the most efficient product in the restriction of residues and impermeabilization of the ground, its use being demanded by environmental agencies, for several types of work.
- **PVC House:** in partnership with DuPont and Global Housing, a new concept of residential and commercial construction at more accessible cost was developed. The system allows the construction of houses with complete finishing in industrial scale in only one week (see more information in *Profile*).

To advance with these initiatives, the Company relies on a team of 300 specialized professionals, among them technicians, masters and doctors, working in research, innovation, development, management and support to the area. In its installations, the Company has 15 quality laboratories and eight pilot plants in the country, besides three units of the Center for Innovation and Technology, situated in Brazil (2) and in the United States (1).

The Company also acts in partnership with universities and research institutes. In 2011, the National Laboratory of Biosciences (LNBio), in Campinas, with which Braskem has an agreement for research in biotechnology, obtained the Quality certificate in Biosafety given out by the National Technical Council on Biosafety.

The sum of these efforts has enabled notable results for the Company and provided more than 30 patent submissions in 2011, totaling 445 patents registered in Brazil, the United States and Europe. The budget intended for Innovation and Technology in the last year was R\$ 51 million.

Consolidation of the green products

The year of 2011 was of training and consolidation of the project of ethylene and green polyethylene produced in Triunfo (RS) since September of 2010. As usual in the trial launching any new product in the market, necessary adjustments were made in equipment and processes, for cost-cutting and better competitiveness of the business.

Some factors had direct impact on the performance of the products you will see in 2011. The cost of the raw material

was one of them, on account of the prices of the ethanol that, on several occasions in the course of the year, exceeded the limit of 70% relative to the price of gasoline. At no moment did Braskem face difficulty in the supply of ethanol, because of maintaining long term contracts with its Suppliers. Nevertheless, the contracts do not guarantee price, which follow the fluctuation of the market.

The green project consolidation happened through the recognition, on the part of Clients, of its differentials. One of them is based on the positive environmental balance of the Green PE, since considering its complete productive chain, up to 2.5 tons of carbon gas (CO₂) are withdrawn from the atmosphere for each ton produced, in accordance with the eco-efficiency analysis carried out by the Espaço ECO Foundation.

In 2011, the Client base for the green line grew, especially in European countries, a destination for a great part of this resin. Braskem's Clients include, for example, Coca Cola, Nestlé, Johnson & Johnson, Tetra Pak, Danone, Natura, Chanel, Toyota Tsusho, among other corporations.

The agreement secured in November of 2011, with the Amsterdam Arena, in Holland, for supply of Green Plastic that will be used in the manufacture of the seats of the stadium deserves notice also. Initially, 2 thousand seats will be installed made from ethanol. By 2015, all the 54 thousand seats of the stadium will have been substituted by that from a renewable source produced with Brazilian technology.

VINÇOTTE CERTIFICATION

In May of 2011, the green polyethylene of Braskem received the certification for products of renewable content, verified by the Belgian institution Vinçotte, one of the principal references in the world in this type of certification. Samples of the families of HDPE (high density polyethylene) and LLDPE (linear low density polyethylene) were evaluated. The whole line of Green PE received the highest classification conferred by Vinçotte, of four stars, and could start to use the seal OK Biobased, a reinforcement of credibility for the market.

In August of 2011, the industrial units of green ethylene and green polyethylene, located in Triunfo (RS), received ISCC certification (acronym in English for International Sustainability and Carbon Certification). That means that all the Green PE produced using ethanol from sugarcane certified by Bonsucro (*see Social Development/Suppliers*) automatically receives the ISCC certification.

GREEN EPDM RUBBER

Braskem secured agreement with the German industry Lanxess, manufacturer of chemical specialties, for supply of green ethylene, which will be used, for the first time, in the production of rubber of the type EPDM (acronym for ethylene propylene diene monomer).

The raw material will be delivered to the Lanxess unit in Triunfo (RS), through a gas pipeline and production of the green EPDM should begin in November of 2012. The car industry is one of the great consumers of EPDM. With this partnership, a new market opens for the application of ethylene: and rubbers.

Visio, the service to Clients

To serve with value is the central message of the Visio program, focused on Clients. Inspired in TEO, this program reaffirms the pledge of Braskem to the construction of lasting relations with Clients, to attend to their needs with a spirit of innovation and to expand market opportunities, promoting, in this way, the competitiveness of the whole plastic production chain.

Created in 2011, the Visio program is causing the Braskem commercial teams to prospect opportunities in all the business areas of the Client to aggregate value, to share experiences and to propose solutions that could be implemented in partnership. This partnership is supported in three action platforms:

Competitiveness: actions that aggregate value to the productivity of Clients, like transfer of specialized knowledge on strategic subjects for the operation, technical consulting, among others.

Business Achievements: actions that aim for the increase of business for Clients, through the joint development of new markets, increment in finished exports and substitution of transformed imported goods. Here innovation projects are included.

Entrepreneurship: actions that collaborate for improvement of the Business management of Clients, like exchange of experiences in various areas. For example, in 2011 Braskem opened a schedule of meetings between Clients and agents of BNDES, called BNDES Day. Three meetings were held in Sao Paulo and one in Rio Grande do Sul, which resulted in getting direct lines of financing, difficult to get without the intermediation of an enterprise of the size of Braskem bringing the two parties together.

The commercial teams of Braskem directly serve around 1,200 Clients. Of this total, 310 already have a common agen-

da with the Company, in other words, a special plan of action for each one of them, from which projects and activities will be developed in partnership. Visio was created in May and the metrics for evolution of the program began to be registered in July. In six months, 391 common agendas were opened, 692 initiatives registered (632 with demands of competitiveness, 41 on the platform of business achievement and 19 of entrepreneurship) and 283 initiatives implemented.

Reputation Platform

In 2011, for the third consecutive year, Braskem continued to monitor its reputation with its stakeholders through inquiries carried out by the Reputation Institute. The inquiry focuses on products and services, innovation, work environment, government, citizenship, leadership and financial performance. The objective is to evaluate the perception and to identify strong points and opportunities of improvement in the management of its relationship with stakeholders.

The index of Braskem measured by the Global Pulse, one of the dimensions of the inquiry and that evaluates the reputation of the biggest enterprises of 32 countries with the public in general, was 64.81 points. In the comparison with 2010, there was an evolution of four points and the index was maintained by median indicators, in accordance with the methodology that defines as excellent the score above 80; strong, between 70 and 79 points; and weak below 40 points.

Besides this general indicator, Braskem monitors its reputa-

tion through another kind of inquiry, also carried out by the Reputation Institute with Clients, Members, Suppliers, Communities near to the industrial units of the Company and opinion formers.

In 2011, Braskem formed a committee for the management of image and reputation, composed of representatives from all areas of the Company which has contact with those stakeholders.

Life Cycle

Braskem created, in 2011, a specific area to develop studies of life cycle analysis of products. The objective is to perfect the internal knowledge and to intensify the application of these studies, aiming to support the strategy of the business and to contribute to decisions on development of new products. The new area integrates the administrative structure of Sustainable Development.

The methodology for life cycle analysis, known by the acronym LCA, allows measurement of the environmental impact of various products and contributes to support the Members of Braskem on the way to Vision 2020. Among the activities planned for 2012 is getting special software for the realization of new studies and training of Members.

Industries begin to invest in LCA to use it as a business management tool and to perfect their production efficiency. For Clients and consumers, the life cycle analysis studies of products help in the purchase decision.

SUPERMARKET BAGS

Braskem carried out, together with the Espaço ECO Foundation, a comparative study on the different types of bags for supermarket purchases and the economic and environmental impacts of each alternative analyzed. They were all evaluated for the period of one year, considering different scenarios of use and disposal. The study, novel for Brazil, contemplated the life cycle of some bag options, available in the Brazilian market, among them were disposables (of PE, Green PE and the additives that promote oxi-degradation) and reusables of paper, raffia, cloth and TNT (trinitrotoluene).

The studies of eco-efficiency, like what was carried out by Braskem, take into consideration the analysis of the environmental impacts of a product along its cycle of life, from the extraction of the raw material, production, use and disposal/re-use, including an economic evaluation of each stage.

The result, released in August of 2011, showed that the best option of bag depends on the form in which it is used. The conclusions of the analysis follow:

- The disposable plastic bags presented better eco-

efficiency when the consumers have low volume of purchases (of up to a basket monthly), less frequency of going to the supermarket (up to twice weekly) and greater frequency of disposal of garbage (when the frequency of disposal is equivalent to the frequency of purchase), guaranteeing the reuse of the plastic bags in disposal of this garbage.

- The reusable bags back of plastic or of cloth, in this order, have better eco-efficiency when the consumer has a high volume of purchases (more than a basic basket monthly), greater frequency of going to the supermarket (daily rate, for example) and less disposal of garbage, allowing the use of disposable bags for packaging of the garbage. When increasing disposal, the purchase of bags increases to condition the garbage and, consequently, the environmental impact.

The Espaço ECO Foundation, which carried out the study, specializes in analysis of eco-efficiency. The Akatu Institute, which supported the publication of the initiative, disseminates practices of conscious consumption.

Recycled Water

The best use of natural resources is part of the platform of Braskem and is defined in the Vision 2020. In this agenda, the project Aquapolo, for reuse of water, is relevant. Along with Sabesp (Company of Basic Sanitation of Sao Paulo) and of Foz do Brasil, enterprise of environmental engineering of the Odebrecht Organization, Braskem participates in the Aquapolo project, which will produce recycled water for industrial use, destined for the ABC petrochemical complex of Sao Paulo.

The Sabesp and Foz do Brasil are the executors of the project. Braskem will use the water produced in its unit of the regional petrochemical complex. The partnership secured between three enterprises foresees the supply of 433 liters of recycled water per second, which will make Braskem the principal Client of Aquapolo, with consumption estimated on the order of 65% of the total of water produced.

It will allow Aquapolo to economize drinkable water, improving quality of life of the population of ABC. It is a novel project for Brazil, and one of the biggest in the world of this nature, which combines the technology of treatment of sewage and generation of recycled water, produced from sewage processed in the Sewer Treatment Station of the ABC. The supply of water is predicted to begin in 2012.

ALSO IN CAMAÇARI

The year 2012 will bring significant advancements to the water recycling indicators of Braskem. Besides using the water produced by the Aquapolo project, in the region of the ABC, in Sao Paulo, the Company is investing in its own projects, to recover the rainwater in the containment basin in the Camaçari complex, in Bahia. The expectation is to increase by 12% the reuse of water by 2014, date predicted for conclusion of the project. The first phase of the work should end in 2012, with the reuse of 500m³/year, in other words, more than four billion liters in the period, a quantity that corresponds to a third of the consumption of a plant of the Company.

Naphtha from recycled plastic

From 2013, Braskem will have one more alternative source for raw material. Besides the ethanol from sugar-cane, the Company will use naphtha produced from recycled post-consumption plastic. The product will be supplied by Novaenergia, Bahian enterprise of the group Wastech, specialized in waste treatment. Novaenergia will mount its first advanced recycling factory in CIA/Airport in Salvador, Bahia.

Braskem should acquire initially 1.4 million liters of naphtha yearly from plastic residues. The product will be processed in the Basic Petrochemicals Unit, in Camaçari. This will be one more way for Braskem to reaffirm its commitment to sustainability of the production chain of plastic. The expectation is that the project contributes to post-consumer recycling in large cities, which is still a challenge in Brazil.

Responsibilities and management

The Executive Committee of Braskem is a forum that coordinates the analyses and discussions on subjects relevant to the management of the Company, in which its principal leaders participate. In its periodic meetings questions are treated like the establishment of strategies, vision and policies in the perspective of sustainable development. It therefore relies on the support of the Directorship of Sustainable Development and of a specialized team. The tool used for construction of the middle and long term vision is the strategic projection accompanied by the monthly reports containing the indicators used to evaluate the performance of each business unit of the Company.

The Executive Committee of Braskem analyses questions relative to climatic changes and other strategic points of SSMA through the inclusion of the subject in the Cycle of Projection, attendance, evaluation and judgment of the Company, the moment in which all subjects related to economic, social and environmental performance are defined and accompanied.

As an enterprise involved in the subject of sustainability, Braskem understands that the low carbon economy is the level expected by the organizations aligned to this promise, and that the subject of climatic changes presents still uncertain impacts that can produce risk for the business and for the society. To report on this challenge, the management of greenhouse gases emissions (GHG) is one of seven macro-objectives of the Vision 2020, to which mitigated actions are associated. The focus is on the reduction of the intensity of these emissions, on the use of renewable resources and on the improvement of energy efficiency. Targets were established for the reduction of the intensity of GHG (reduction of 11% between 2008 and 2012 and to reach 0.6 tons of CO₂e (CO₂ equivalent) per ton of product in 2020. Braskem publishes annually its inventory of GHG emissions, the strategy and the evolution of the actions in its Annual Report and in other channels of communication with its stakeholders. Among these channels are the CDP, the GHG Protocol Brazil and others.

For the establishment of the objectives being followed as

business strategy, the risks and the opportunities of actions and projects are analyzed, like those which caused the technological development of biopolymers from renewable raw material, sequestering CO₂ in its life cycle. One green ethylene industrial plant has been in operation since 2010 in Triunfo (RS). Though they are analyzed, the risks and opportunities are not quantified.

The identification of the risks and opportunities in the business areas is carried out by a legal consultant, specialized in Environmental Law. Additionally, the consultant carries out periodic checks of adherence to the legislation through auditing in the System of Environmental Management in all the units of Braskem. The area of Environment in the units also acts in this sense.

The regulatory risks are accompanied in the advance form, with the objective of preventing eventual negative impacts and potentializing opportunities of greater magnitude for the business. Braskem acts, also, through associations in which it participates, looking to positively influence the public policies of climate changes, analyzing continuously the risks and the opportunities through national and international forums where these subjects are discussed. It also accompanies several subjects referring to public policies for the environment, like the National Solid Waste Policy, the National Policy on Climate and other regulations.

In the specific case of climate changes, Braskem is participating directly in the local and international discussions, supporting the positioning of the sector in a way to guarantee the possibility of growth in Brazil, with improvement of the efficiency of the processes and less intensity of GHG emissions. A recent example was the presence of the delegation of the Company at the Conference on Climatic Changes (COP 17) carried out in 2011 in Durban, in South Africa, where it exposed its experience in the improvement of processes and products, in three parallel events promoted by the CEBDES (Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável - Brazilian Business Council for Sustainable Development), by the Confederation of German Industry and by the ICCA (acronym in English for International Council of Chemical Industry Associations). Learn more on the participation of Braskem in international events, reading political participation and practice of citizenship.

Monitoring

The monitoring of the physical risks and the definition of emergency actions to deal with such risks take place on a separate level, by operational unit. The collected physical impacts of the units in the long term can be analyzed through data of studies published by the INPE (National Institute of Space Research) between 2007 and 2009 (<http://mudancasclimaticas.cptec.inpe.br/>). These studies make a forecast of what the impacts of the climatic changes would

be for the Brazilian region.

Braskem identifies the potential changes in the regions resulting from climatic changes and the potential impacts in the operations of the Company, like changes in the levels of dams and hydric balance; impacts on the biodiversity; impacts on the agriculture of subsistence and on the health of the population; increase of the levels of rain and generation of hydroelectric energy.

Opportunities

The climatic changes present opportunities for the development of new technologies dedicated to the reduction of GHG emissions. The optimization of Braskem's own processes for improvement of energy efficiency contributes to the reduction of costs and improvement of business competitiveness, from new technologies and products that contribute to reduce the emissions of GHG and the conservation of the energy resources.

The CDM (Clean Development Mechanism) is configured as an international market mechanism of the Kyoto Protocol that offers opportunities in the generation of carbon credits for countries hosting these projects, like Brazil. Braskem understands that the development and the strengthening of the carbon credit markets and complementary mechanisms produce opportunities, like the development of regulations and incentives based on the concept of innovation. Braskem has been looking to develop opportunities especially oriented to the substitution of raw materials, including together with voluntary carbon credit markets.

In accordance with the IPCC (Inter-government Panel on Climate Changes), some areas will benefit from climatic changes, as opportunities also will appear with measures for adaptation to the physical consequences of the climatic changes. In case an increase takes place in precipitation, and consequent increase in the hydric availability, activities such as the production of ethanol from sugar-cane will be benefited.

Braskem considers the importance of a global effort for the stabilization of the concentration of GHG, this representing the best scenario in the context of the change in the climate. Knowledge of the vulnerabilities which exist must be priority, and actions of adaptation could be necessary, even in this optimistic scenario, so the natural variability of the climate associated to the different vulnerabilities for regions of the globe are already present. So, the effort of the enterprise is directed with priority for emissions mitigation actions, with the objective of stabilizing the climate before the necessity for adaptation actions.

Other opportunities related to climatic changes have a tendency to appear as a reflex of measures that aim at the reduction of GHG emissions. In this sense, both the opera-

tional measures of efficiency, and also the new technologies developed with the intention of confronting climatic questions can result in opportunities.

Braskem developed a project to identify opportunities for reduction of emissions of GHG and energy efficiency. Like a petrochemistry based on naphtha, the Company manages the quantity of fuels that are used for the supply of part of its energy necessities. The use of the residual fuel and adequate choices in the diversification of energy import is its challenge. Besides, high performance processes are going to guarantee not only the reduction of emissions, but also opportunities of financial economy and improvement of profits.

The program of development of biopolymers by Braskem is destined to differentiated markets, with distinction for the industries of automobiles, of food packaging, cosmetics and articles of personal hygiene. The program was begun in June of 2007 with the launch of the first green resin.

Voluntary Commitments

Braskem is signatory to some public promises and it participates in forums and international discussions with the objective of reinforcing the contribution of the business sector for sustainable development.

In the global arena, it is part of the executive group of leadership of the ICCA, where it acts in work groups on energy, climatic changes and chemical safety. In Brazil, the Company is one of the founders of the CEBDES and of the Brazilian Committee of the Global Compact, occupying, at present, a position of leadership in both associations.

Learn about some of these commitments:

- **Responsible Care (Responsible Action Program):** voluntary initiative set up by the global chemical industry through the ICCA. In Brazil, Responsible Care was adopted officially by the Brazilian Chemical Industry Association (Abiquim) in 1992, through the enterprises that existed at the time and which today are integrated into Braskem. From this date Braskem has been a signatory of the document. From 1998, the adhesion to the program became compulsory for all the enterprises associated with Abiquim. Responsible Action seeks to perfect the environmental management of the chemical enterprises and of their chain. Among the items observed are the safety of the manufacturing units, of their processes and products, as well as the preservation of the health of the workers and protection of the environment.

- **International declaration on Cleaner Production:** the declaration is part of the United Nations Program for the Environment and has as objective the dissemination of policies of environmentally clean production, as well as more sustainable practices of production and consump-

tion. Braskem was the first Brazilian enterprise to sign the declaration in 2004.

- **Global Treaty:** program of the United Nations, the Global Compact aims to strengthen the application of business social responsibility in the world. Braskem is signatory since 2007 and, from the following year, it started to integrate with the Brazilian Committee of the Global Compact, formed by a group of large businesses and coordinated by the Ethos Institute.

- **Mão Certa Program:** more than 700 enterprises, Braskem among them, are signatories of the Business Pact Against Sexual Exploitation of Children and Adolescents on the Brazilian Highways – a Program called “Na Mão Certa” [On the Right Track]. The initiative is from Childhood Brazil (organization for defense of childhood) and the Ethos Institute and it has as objective to sensitize governments, enterprises and the society to the question of sexual exploitation of children and adolescents. In Braskem, the program is led by the area of Logistics that coordinates, with the Logistic Services Providers (transporters, in this case) the application of the concepts developed by Na Mão Certa.

- **Carbon Disclosure Project (CDP):** (The acronym means a Project for spreading information on the management of carbon): initiative of an international non-governmental organization, launched in 2000 with the objective to collect and to publish the emissions of greenhouse gases (GHG) of around 3,000 among the largest companies of 60 countries. Braskem has supported the initiative from the year of launch and, in 2008 it began to report its emissions of GHG to the CDP, for which it also asks the enterprises that reveal their strategies for climatic changes and for industrial use of water. The information can be consulted on the site. www.cdp.net.

- **Global Product Strategy (GPS):** Braskem, together with Abiquim, is leading the introduction of this program in Brazil and other countries of Latin America, to promote the recognition and revelation of the risks to workers, consumers and the environment resulting from the production, handling and marketing of chemical products.

GRI EC2

GRI 4.12

GRI 4.13

Challenges proposed by 2011 - results

To maintain the performance in all the eco-indicators

Objective not reached. There was positive evolution in the performance of the eco-indicators in absolute values, but since various stoppages for maintenance were carried out along the year, the indicators measured in tons produced regressed in relation to 2010. More details in Social Development.

To conclude the integration of Quattor and to capture the synergies of this process.

Objective reached. The integration of Quattor was concluded and the capture of synergies reached by the end of 2011 the value of R\$ 400 million in EBITDA – earnings before interest, taxes, depreciations and amortizations – in recurrent bases. More details in *Profile*.

To maintain the investments in research and technological development.

Objective reached. More details in *Business and Sustainable Development*.

To develop the project of green polypropylene

Objective reached. More details in *Business and Sustainable Development*.

To reinforce the development of people

Objective reached. More details in *Social Development*.

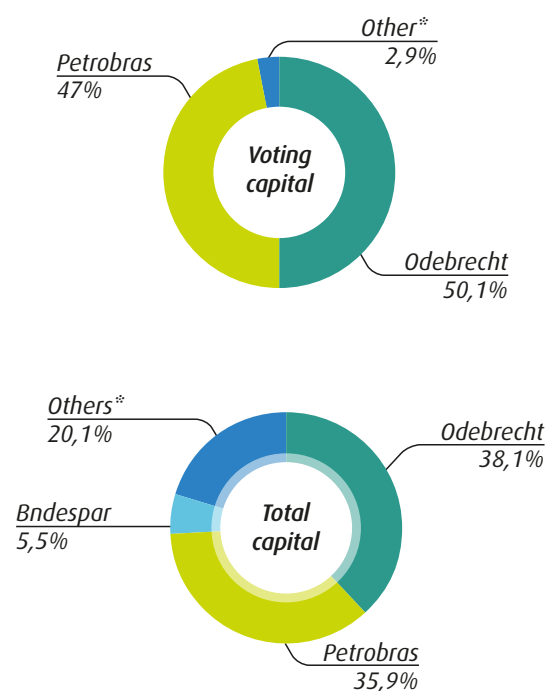
Corporate Governance

An open stock company, with shares traded on BM&F Bovespa, of Sao Paulo, on the Stock Exchange of New York (NYSE) and on the Latibex, the section of Latin-American enterprises of the Stock Exchange of Madrid, Braskem is committed to the principles of good corporate governance. The processes of governance adopted aim to secure the observance of the following values: ethics, transparency and respect for the Clients, Shareholders, Members, Suppliers and other stakeholders, as well as competitiveness and excellence in the actions of the Company, to guarantee remuneration to the capital invested by the Shareholders and to aggregate value to their inheritance.

With this vision, the Company has developed a model of management with recognized practices of corporate governance. Besides the Board of Directors and the Board of Auditors, with powers increased according to the Sarbanes-Oxley Law, the Company has Support Committees to the Board of Directors, whose basic function is to previously evaluate subjects of interest, aiming to perfect, in quality and speed, the deliberation process of the Board of Directors.

Corporate structure

Braskem's ownership structure on December 31, 2011 was the following:



*This does not include shares in treasury (0.34% of the total capital)

Values and Principles

Learn the values and principles of governance practiced by Braskem:

- **Integrity:** to guarantee that ethical integrity permeates all the systems of governance in the internal and external relations of the Company.
 - **Transparency:** To be transparent in the information given.
 - **Equality:** to give just and fair treatment to the stakeholders.
 - **Responsibility:** to demand that the agents of governance (Administrators, Fiscal Advisers and Auditors) answer integrally to the one who chose them for their mandates.
- Continuity; to guarantee that the agents of governance should look after the continuity of the Company, incorporating a vision more spacious of the business strategy, considering the principles of sustainable development.
- **Ethics:** to act in accordance with such principles, and the regulatory, legal, statutory or organizing standards.

TRANSPARENCY AND COMMUNICATION

Braskem was created following the most modern practices of Corporate Governance, based on principles that privilege transparency and respect to all Shareholders, establishing the conditions for the development and maintenance of a long term relationship with its Investors.

From the beginning of 2003, Braskem has participated in the Level 1 of Corporate Governance in the Stock Exchange of Sao Paulo, BM&F Bovespa. The shares of the Company are also listed on the New York Stock Exchange (NYSE) and in the Latibex, the section of Latin-American enterprises of the Stock Exchange of Madrid. When launched, Braskem affirmed a Public Commitment, widely spread by the media, with the principles and values that orient its actions. In it the commitment to sustainable development stands out, with the generation of wealth and the social development of the country - through technological development, the increase of competitiveness of the production chain of petrochemistry and plastics, the generation of foreign exchange and the supply of products that should contribute to the improvement in the population's quality of life.

With the intention of giving transparency to its actions and access to documents, the Company maintains a dedicated channel for Analysts and Investors, and other stakeholders, through the website. www.braskem.com.br/ri.

PRESENCE IN THE ISE

For the seventh consecutive year, Braskem participated in the Índice de Sustentabilidade Empresarial (ISE) [Corporate Sustainability Index], being part of a select group of enterprises included for the period of January to December of 2012 and joins 51 actions from 38 companies. They represent 18 sectors and sum to R\$961 billion in market value.

Created by BM&F Bovespa in partnership with professional entities connected with the capital market, besides the Getúlio Vargas Foundation, the Ethos Institute and the Ministry of the Environment, the index has as its objective to consider a portfolio composed of shares of enterprises with recognized commitment to social responsibility and business sustainability and also to act as promoter of good practices in the Brazilian business environment.

INCLUSION IN ICO2

In 2011, Braskem was included in the portfolio of the Carbon Efficiency Index (ICO2) of BM&F Bovespa. Created in 2010, the index is composed of the shares of the companies participating in the index IBx-50 who adopt transparent practices regarding their emissions of greenhouse gases (GHG).

CODE OF CONDUCT

The Code of Conduct of Braskem defines the values, principles and practices that guide corporate conduct. In order to remain aligned to the legal and best practice demands, the Code of Conduct is revised periodically, with the participation of the Members of the respective areas of interest and of the Board of Directors (representing the Shareholders). The document, just like all the corporative policies of the Company, is applied also to the operations out of Brazil.

The Braskem Code of Conduct establishes the following basic principles:

- **relationship with Members:** there will not be discrimination for religion, philosophical or political conviction, nationality, origin, sex, age, color, sexual preference, marital status or physical or mental deficiency;
- **responsibility in the conduct of business:** the Members have the responsibility to practice their activities and to conduct the business of Braskem with transparency and strict observance to the law, to the principles and to the directions of the Company;
- **commercial relations with Clients or Suppliers and Public Authorities:** Braskem orientates its Members (and expects this from them) that they conduct commercial relations in observance to the laws, to the legal practices of the market and, especially, to the national and international standards relative to economic order and the defense of competition;
- **treatment of privileged information / conflict of interests:** the Members of Braskem must see that their actions not conflict with the interests of the Company nor cause damage to its image and reputation;
- **relationship with Shareholders and all the publics of interest:** the treatment dispensed to the Shareholders does not depend on the quantity of shares which they hold, legal restrictions being observed. A flow of information will be provided to all with equality of treatment; A flow of information will be provided to all with equal treatment;
- **use and preservation of the property of Braskem:** it is up to the Members to look after the conservation of the assets of Braskem, which includes installations, machines, equipments, furniture, vehicles, values etc.;
- **transparency in the accounting and financial registers:** transparency is fundamental to allow the correct evaluation of Braskem by agents of the market;
- **environment:** the balance of the environment and the preservation of nature are of basic importance for the business activity of Braskem;
- **Use of slave and/or child labor:** Braskem does not tolerate, does not allow and not condone the employment of slave and/or child labor in any process related to the activities of the Company.

Practices of corporative governance

Learn about some practices of governance of Braskem:

Level 1 of Corporative Governance of BM&F Bovespa since February 13, 2003. Braskem also meets the other requirements for Level 2 and the New Market. They are:

- release of financial statements in accordance with international standards (IFRS);
- Board of Directors with, at least five Members and unified mandate of up to two years, re-election being allowed, and at least 20% of independent advisors;
- *tag along* of 100% for all the shares in the case of change of shareholder control.

Permanent Board of Auditors with increased powers, conforming to the Sarbanes-Oxley Law.

Code of Conduct known by all the Members, in which values, principles and practices of the corporate culture are defined.

Corporate Policies, among which are those for negotiation of Valuable Furnishings, of Financial Management, of Social Responsibility, of Insurance and Guarantees, of Remuneration, of Health, Safety and Environment and of Investments stand out.

Committee of Ethics acting together with the Internal Audit Department and Risk Management, reporting to the Board of Auditors with ample power. Its function is to register, to negotiate, to recommend and to promote the decisions to solve the denunciations received through the Ethics Line— anonymous channel of communication for receiving denunciations related to any potential situation of not fulfilling the Code of Conduct— aiming to guarantee its fulfillment and the continuous improvement of the processes and internal controls of the Company.

System of information for the Board of Directors and Board of Auditors, which is accessed from the Braskem portal, where information necessary to the advisors for the exercise of their roles and responsibilities is available with security, transparency, equity and speed.

Tools of support to the actions of Corporative Governance, among which the Shareholders' Assembly Manual and the Compendium of Proceedings and Practices of Corporative Governance stand out.

EXTERNAL AUDITING

In accordance with what is established in the Instruction CVM-381/03, the sum of the services given by the auditing firm of PricewaterhouseCoopers Independent Auditors, referring to services of tax revision done not related to the external auditing, was inferior to 5% of the total value of their respective honorariums. These services include: (i) services contracted on April 27, 2011, for the term of four months; and services (ii) contracted on November 8, 2011, for the term of two months.

Model of governance

The model of governance of Braskem is composed of the Board of Directors, permanent Committees to Support the Board of Directors, Board of Auditors and Ethics Committee. The Corporate Governance of Braskem is supported by the area of Business Safety, which exercises in practice the roles of internal auditing; advisor in the management of business risks; responsibility for the compliance with regulations and legislation, like the SOX (acronym for Sarbanes Oxley) and the FCPA (Foreign Corrupt Practices Act); as well as administrator of the Ethics Line denunciation channel, doing the evaluation, investigation and monitoring of reports on violation of the Braskem Code of Conduct.

The model of governance for the relationship between Shareholders, Counselors, Directorship and independent Auditors is organized thus:

Organs	Participants	Objectives
Board of Directors (BD)	Representatives of the Shareholders	<ul style="list-style-type: none"> - Macro-objectives and strategies - Business and strategic Direction - Accompanying performance - Approvals of basic policies - Deliberations foreseen in the Statute
Permanent committees to support the BD <ul style="list-style-type: none"> - Finance and Investment - Strategy and Communication - People and Organization 	Advisors elected in accordance with their specialties	<ul style="list-style-type: none"> - Recommendations to the Board of Directors, based on analysis of information, which aims to perfect the quality and speed of the deliberative process. - Accompany decisions by delegation of the Board of Directors.
Board of Auditors	Representatives of the Shareholders	<ul style="list-style-type: none"> - Audit Organ of the acts of the Braskem administrators, with the objective of securing the fulfillment of their legal and statutory duties. - It has expanded functions, standing in for the Auditing Committee.
Auditing	1. External auditors 2. Business security	<ul style="list-style-type: none"> - Emission of opinions on the financial statements in an independent way and in accordance with the legislation in force. - Internal auditing program of Braskem, with the responsibility for evaluating and contributing to the improvement of the efficiency of the processes of risks management, internal controls and Government, favoring the adherence / compliance of the Company's operation with internal standards, legislation and the regulations of the market.
Ethics Committee	Responsible for Legal Responsible for Corporate Governance, Responsible for People and Organization (P & O) and Responsible for Institutional Relations (IR)	<ul style="list-style-type: none"> - Adoption and constant updating of the Code of Conduct - Evaluation and direction of solutions of the reports received by the Ethics Line channel.

GRI 4.1

GRI 4.2

GRI 4.3

Composition of the groups responsible for corporate governance in Braskem by age group and gender*

	Total of Members of the Committee on Governance (%) ^(*)							
	2009		2010		2011		EM 27.04.2012	
	W	M	W	M	W	M	W	M
Below 30 years	0%	0%	0%	0%	0%	0%	0%	0%
30 - 50 years	0%	18,75%	0%	18,75%	0%	18,75%	0%	25%
Above 50 years	0%	81,25%	6,25%	75%	12,50%	68,75%	6,25%	68,75%
Total	0%	100%	6,25%	93,75%	12,50%	87,50%	6,25%	93,75%

W = Women
M = Men

^(*) Holders of seats on the Board of Directors (11) and on Board of Auditors (5)
* Base: 27.4.2012

BOARD OF DIRECTORS

The Board of Directors represents the Shareholders of Braskem and consists of the deliberative organ of the Company (non-executive). It acts in an independent manner, being responsible for the accounts rendered the Shareholders, other stakeholders and to the society for the tangible and intangible assets used in conducting the Company.

Among the principal powers of the Board of Directors are:

- to fix the general direction of the business;
- to periodically approve and to accompany the Company's Business plan;
- to approve proposals for general application policies;
- to submit to the Annual general meeting the subjects of its competence, defined by Statute;
- to contract the registered independent auditing Company, in the terms of Brazilian Corporate Law;
- to decide on operational or expansion investments, as defined in the bylaws.

In accordance with the bylaws, the Board of Directors of Braskem is composed of 11 members and their respective substitutes, Shareholders, residents or not in the country, elected or dismissible at any time by the Annual general meeting, which also defines, among the members of the Board, the President and the Vice president, being able to substitute them at any time. During the absence or temporary disability of an effective member, he is substituted by his substitute.

Paying attention to a requisite of corporate governance as refers to the independence of the Board of Directors, it is important to emphasize that no Director, titular or substitute, including the President of the Board, is part of the Administration of Braskem. In 2011, there were 11 Permanent Advisors with seat on the Board of Braskem, two being independent Advisors. The independence of the Advisors is understood on the basis of the following concepts:

- to have no bond with the organization, except eventual participation in the capital;
- not to be a controlling Shareholder, member of the group of control, spouse or relative up to the second degree nor to maintain links with organizations related to a controlling Shareholder;
- not to have been an employee or Director of the organization or of any of its subsidiaries in the last three years;
- not to be a spouse or relative up to the second degree of any Director or Manager of the organization;
- not to receive other remuneration from the organization, besides the Director's honorarium.

It is relevant to consider also that there is no formal channel of direct communication between the Members of Braskem and the Board of Directors. In accordance with statutory powers, the demands of the Board are directed directly to an Executive President of the Company, to whom is delegat-

ed the responsibility for implementation of the subjects decided in the meetings. Besides this, there is no other form of direct communication between the Board and the Company's Members.

The mandate of the members of the Board of Directors has a term of two years, when re-election is allowed. The period of management of the President and of the Vice president, who also can be re-elected, is two years.

The Board meets, ordinarily at least, four times yearly and, extraordinarily, whenever called by the President, Vice president or by two of its representatives. In 2011, seven ordinary meetings and five extraordinary meetings were held. The deliberations demand a quorum of installation represented by a majority of the Directors, being taken by majority of votes, the Shareholders' Agreement of Braskem in force being observed.

Members of the Board of Directors*

Permanent	Substitutes
Marcelo Bahia Odebrecht President	Cláudio Melo Filho
José Carlos Cosenza Vice-President	Antônio Aparecida de Oliveira
Alfredo Lisboa Ribeiro Tellechea	André Amaro da Silveira
Almir Guilherme Barbassa	Gustavo Tardin Barbosa
Álvaro Fernandes da Cunha Filho	Carla Gouveia Barretto
Felipe Montoro Jens	Mauro Motta Figueira
Francisco Pais	Andrea Damiani Maia
José Alcides Santoro Martins	Arão Dias Tisser
Luiz de Mendonça	Paulo Oliveira Lacerda de Melo
Newton Sergio de Souza	Mônica Bahia Odebrecht
Roberto Zurli Machado	José de Freitas Mascarenhas

* Base: 4/27/ 2012

COMMITTEES OF SUPPORT

The roles and the basic responsibilities of the Committees of Support to the Board of Directors of Braskem, as well as the basic directives for its constitution and operation are established by the Operational Procedures of the BD. According to the rule in this document, the Committees can be permanent or *ad hoc* (for a specific aim). The Permanent Committees are those that treat subjects whose nature and objectives remain unchanged through time.

The Permanent Committees, three altogether, integrate the structure of corporate governance of Braskem and have as objective to advise the Board of Directors in prearranged matters. Each Committee is coordinated by a member of the Board and constituted only by titular and/or substitute Directors. Executives of Braskem, qualified in the subject by responsibilities, involvement or knowledge, or by solicitation of the Coordinating Director, can participate in meetings, in the capacity of guests.

As organs of assistance and support, their function is to pro-

GRI 4.2

GRI 4.9

vide assistance in the decisions of the Board of Directors, through recommendations, without deliberative character, based in specialized analysis of specific subjects that aim to perfect in quality and speed the process of deliberation. The Permanent Committees are:

Committee of People and Organization (CPO): has as assignment to evaluate new policies and the compliance and revision of the policies in force related to the subjects of People and Organization. It is responsible also for supporting the Board in the decisions of its competence, as foreseen in the bylaws of the Company.

Committee of Finance and Investment (CFI): evaluate new policies, accompany and analyze the policies in force related to financial management, insurance and guarantees, integrated risk management, among others. It answers also for evaluating in advance and recommending to the Board of Directors proposals for investments and for the accompaniment of the investments and contracts with related parties approved by the Board. The CFI also contributes in the preparation of Braskem's Business plan.

Committee of Strategy and Communication (CSC): regarding the strategic direction, it constantly evaluates the definitions for planning, in other words, the base for Braskem's Business plan. Regarding the subject of communication, it evaluates new policies and accompanies and analyses the corporate policies in force referring to communication with the capital market, social responsibility, and sustainability.

Composition of the Committees of Support to the Board on May 9, 2012

Committees	Coordinator	Participants	Participants	Participants
Finance and Investment	Felipe Montoro Jens	Mauro Motta Figueira	Almir Guilherme Barbassa	Roberto Zurli Machado
People and Organization	José Carlos Cosenza	André Amaro da Silveira	Carla Gouveia Barretto	Álvaro Fernandes da Cunha Filho
Strategy and Communication	Newton Sergio de Souza	Francisco Pais	José Alcides Santoro Martins	Alfredo Tellechea

BOARD OF AUDITORS

Corporate Law demands the constitution of a Board of Auditors (BA), permanent or not. Braskem's bylaws forces the constitution of a permanent BA, composed of five titular members and five substitutes. The question is of a corporate organ independent of the administration and of the businesses of independent auditing, which has as principal responsibility to review the activities of the Administration and the financial statements, as well as to account to Braskem's Shareholders.

The members of the Board of Auditors are elected by the Shareholders in Ordinary General Meeting (OGM) for man-

date of one year, being able to be re-elected. The mandates expire in the next OGM. In accordance with the legislation, members of the Board of Directors or of the Directorship of the enterprises cannot be a part of the Board of Auditors. Equally prevented from participating are the employees, spouses or relatives of any member of the Administration. The Board meets, ordinarily, once each three months and, extraordinarily, when necessary.

As takes place in the Board of Directors of Braskem, the Board of Auditors also disposes of an exclusive channel of information that can be accessed by the Braskem portal on the Internet.

The composition of the Fiscal Advice on April 4, 2012 was the following

Permanent	Substitutes
Maria Alice Ferreira Deschamps Cavalcanti	Carlos Alberto Siqueira Gomes
Aluizio da Rocha Coelho Neto	Jayme Gomes da Fonseca Júnior
Antônio Luiz Vianna de Souza	Marcílio José Ribeiro Júnior
Ismael Campos de Abreu	Afonso Celso Florentino de Oliveira
Manoel Mota Fonseca	Ana Patrícia Soares Nogueira

BOARD OF DIRECTORS

The Board of Directors is the executive administration organ. In accordance with the bylaws of Braskem, the Board of Directors is composed of at least four and at most ten statutory directors, one being Director-president (Business Leader). The members of the Board of Directors, except the President Director and the Financial Director and Investor Relations, have no specific denomination, being designated "directors".

The statutory directors are elected by the Board of Directors for a mandate of three years, being able to be re-elected. The current mandate of all the statutory directors expires at the Board of Directors' first meeting which will happen after the Ordinary Annual general meeting of 2012. The Board of Directors can dismiss any director at any time. As the same law predicts, the directors must be residents of Brazil, but they do not need to be Shareholders.

On May 31, 2012, the composition of the statutory The Board of Directors was the following:

Carlos Fadigas de Souza – Director-president

Elected on December 7, 2010, Carlos Fadigas is the current president of Braskem. Acted as Director President of then America Braskem, today called Braskem the United States, as person in charge for Finances and Investors Relations with Braskem from 2007 to 2010 and as CFO in the Building firm Norberto Odebrecht from 2002 to 2006, having occupied several posts in the OPP and in the Trikem, Companies that merged in the formation of Braskem. Graduated in business administration at UNIFACS, he has an MBA from the Institute for Management Development - IMD, in Switzerland.

Marcela Aparecida Drehmer Andrade – Finances and Relations with Investors

Responsible for Finances and Investors Relations of Braskem, Marcela Drehmer was Financial Director of the Company from 2005 to 2010, having occupied the management of Structured Investment Operations between 2002 and 2005. During this period she led the process of cost lengthening and reduction of the Company's debt, participated actively in the principal consolidation processes of the petrochemical sector, among them the acquisition of Politeno, Ipiranga/Copesul and most recently of Quattor. From 2010 she assumed the Vice-presidency of Finances and Investors Relations, incorporating under her responsibility the areas of Control, Accounting, Investor Relations and Investment Financing. Also she acted as person in charge for Structured Operations and for the area of Planning of the Petrochemical OPP, from 1994 to 1999, when it joined Odebrecht S.A., passing to directly support the vice president of Investments of the holding company. In 2000, she participated in the Program of Corporate Finance Internship of Credit Suisse First Boston, in New York. Graduated in Business administration at the University Salvador (Unifacs), she has an MBA in Finance from Ibmec – Sao Paulo.

Décio Fabrício Oddone da Costa – Investments

Responsible for Investments in Braskem, acted as CEO of Petrobras Energia S.A., from 2008 to 2010, having presided over its Board of Directors in the period from 2006 to 2008. He presided over the Board of Directors of Innova S.A. and of several Companies of the Petrobras System. He occupied positions of management in Petrobras and in its international subsidiaries, having been a president of Petrobras Bolivia S.A., besides answering for the operations of Petrobras in the Southern Cone. Graduated in Electrical Engineering at the Federal University of Rio Grande do Sul (UFRS), he has a graduate degree in Engineering of Oil from Petrobras, attended the Advanced Management Program in the Harvard University Business School, in the United States, as well as the Advanced Management Program in the Insead, in France. He received the title Doctor Honoris Causa in Education from the Universidad de Aquino, in Bolivia.

Edmundo José Correia Aires – Innovation and Corporate Technology

Responsible for the Technology and Innovation areas, was part of the Board of Directors of Braskem between 2008 and 2010 and was a substitute member of BD of the Company in the period from 2001 to 2008. He also presided over the Board of Directors of the Petrochemical company Triunfo from 2005 to 2008, and was on the Board of Fábrica Carioca de Catalisadores (FCC) and of Ipiranga Petroquímica. He also acted as coordinator of the Board of Directors of Participations

of Petroquisa, occupying various executive posts in Petrobras and in Petroquisa from 1980. Graduated in Chemical Engineering from the Federal University of Rio de Janeiro (UFRJ).

Maurício Roberto de Carvalho Ferro – Legal and Corporate Governance

He has been a legal director of Braskem from 2001. He acts as substitute member of the Board of Directors of Cetrel S.A.. He has occupied previously the posts of titular member of the Boards of Ipiranga Petroquímica S.A., before its incorporation into Braskem S.A, and of Copesul – Petrochemical Company of the South, before its incorporation by Ipiranga Petroquímica S.A.. He was also a member of the Board of Directors of Politeno Indústria Indústria e Comercio S/A and of Polialden Petroquímica S/A, before the incorporation by Braskem, and of the Board of Directors of Petroflex Indústria e Comercio S/A, before the sale of his participation in April of 2008, of Trikem S.A. and of Nitrocarbono S.A.. He acted as lawyer of the office of legal practice of Carlos Eduardo Paladini Cardoso in 1989 and as lawyer of the office of legal practice of Bulhões Pedreira, Bulhões Carvalho e Advogados Associados from 1991 to 1995. He graduated in Law at the Pontifícia Universidade Católica do Rio de Janeiro and has a master's degrees from the University of London and the London School of Economics.

Patrick Horbach Fairon – Project Comperj

Responsible for the Project COMPERJ in the Company, was a member of the Board of Directors of Copesul, Quattor, Petrochemical Suape and Refap (refinery Alberto Pasqualini), having been a director of the Administration of Braskem from 2004 to 2007. He also occupied the post of Director of Equity of Petrobras Química S.A - PETROQUISA, Financial Director of Downstream Participações S.A., General Manager of Equity and of Managing of Business Development of Petrobras. Educated in Electronic Engineering at the Federal University of Rio de Janeiro (UFRJ), he has a graduate degree in Administration from the Pontifícia Universidade Católica of Rio de Janeiro (PUC-RJ), MBA in Business Management from SDE – Society for Business Development (IBMEC), MBA in Finances from COPPEAD (graduate Institute of research in Administration of the Federal University of Rio de Janeiro) and courses of specialization from the Kellogg School of Management and from Insead Business School.

COMMITTEE OF ETHICS

The Committee of Ethics is an advisory and deliberative entity, responsible for guaranteeing the understanding of the ethical principles of Braskem, to negotiate, to recommend, to give out opinions and to promote the decisions to solve the denunciations received, recommending sanctions for discipline in the cases of transgression of the values de-

scribed in the Code of Conduct of the Company.

The Committee is composed of at least four members: those responsible for legal, for Corporate Governance, a leader of People & Organization and another member defined by the member responsible for legal. The members meet ordinarily four times per year and, extraordinarily, whenever necessary, with the proper register in minutes. In 2011, the Committee held four meetings.

ETHICS LINE

The Ethics Line Channel of Braskem is a way of communication open to Members, Clients, Suppliers and other stakeholders to the Company. The Channel is accessible through the services of e-mail, telephone or P.O. box, to register denunciations related to the violation of the Code of Conduct of the Company. The area of Business Security is responsible for the registration and analysis of all the reports, in absolute confidentiality, relying on the support of a specialized third party. All the cases communicated and the results of their respective analyses are presented and discussed in the Committee of Ethics of the Company.

The channel of communication is also responsible for the consolidation of the good practices of Corporate Governance (initiative of the meeting requirements of Section 301 of the Sarbanes-Oxley Law), contributing to the maintenance and dissemination of the Ethical Principles and Standards of Conduct of Braskem, in accordance with the standards of transparency demanded by the market.

The Company does not have formal mechanisms for the Members to make recommendations or give directions to the Board of Directors. So, all and any communication addressed by them to that forum is carried out through the area of Corporate Governance.

See in *Social Development / Combating discrimination*, what registers were set sent to the Ethics Line Channel in 2009, 2010 and 2011.

Review of internal control

The area of Business Security of Braskem develops a program of systemic and permanent evaluation processes to identify business risks and to propose alternatives to manage them to the leadership. This program guarantees more efficiency of the internal processes, making the leaders aware of the importance of the evaluation and continuous improvement of management efficiency, risk and internal business process controls of the Company, favoring adherence to the internal standards and to the regulations of the market, besides minimizing the incident of frauds.

GRI 4.10

GRI 4.11

GRI 4.4

GRI 4.5

GRI 4.6

GRI 4.7

GRI 4.9

Other indicators of Corporate Governance

Relationship between remuneration for members of the Executive Board and the performance of the Organization.

The members of the management team organized according to the Company's by-laws earn a fixed monthly remuneration, in agreement with the Policies of Remuneration of Braskem and aligned with the market, and a variable remuneration, conditioned on both individual performance with specific targets, be it financial-economic, social and/or environmental, and on the surpassing of results previously agreed regarding the economic profit of the Company.

Processes are in force in the highest organ of governance to secure that conflicts of interest are avoided.

There is no process for resolution of conflicts of interest at the level of the Board of Directors.

Process for determination of the qualifications and knowledge of the members of the highest organ of governance to define the strategy of the organization for questions related to economic, environmental and social subjects.

There is no process defined to determine the qualifications and the knowledge of the members at the level of the Board of Directors, but, historically, all the Directors have qualifications and proven knowledge in the petrochemical business.

Proceedings of the highest organ of governance to supervise the identification and management by the organization of the economic, environmental and social performance, including risks and relevant opportunities, as well as the adherence or agreement with standards agreed internationally, codes of conduct and principles. (GRI 4.9)

The identification, supervision and management of the economic, social and environmental performance activities predicted in the bylaws of the Company and in Company rules of the Board of Directors (BD). The subject is also discussed frequently by the Members members of the BD Support Committee of Strategy and Communication, which meets at least three times yearly.

Processes for the self-evaluation of the performance of the highest organ of governance, especially as to the economic, environmental and social performance.

There is no process defined for self-evaluation of the performance of the Board of Directors.

Explanation of if and how the organization applies the principle of precaution.

On principle, Braskem does not produce, handle, use, market, transport or discard any product, if is not possible to do it in a safe way, with the least impact on the environment.

Economic development

In the economic plan, 2011 was characterized by the challenges that it imposed on the Brazilian industrial sector. The beginning of the year was of strong expectation for growth of the economy of the country, supported on the positive performance of the previous period. The forecasts, nevertheless, were not confirmed, influenced by factors of different orders. For Braskem, the first and strong impact took place in the beginning of February, as a result of an electric energy outage in eight states of the Northeast, with around three hours of duration in some cities. It was sufficient time to provoke the disconnection of the Company's production units in the petrochemical complex of Camaçari (BA), and to affect the operations in Alagoas.

The consequences were relevant because the lack of energy temporarily interrupted the operations in the manufacturing plants and the ovens cooled, solidifying and spoiling the inputs that were in production. Repairs demanded a stop for maintenance, with the difference of not having been planned. The equipment needed to be taken to pieces for cleaning and, before there were conditions for recovering production, more than three months had passed.

The prolonged interruption affected around 10% of the volume of annual production of ethylene of the Unit of Basic Petrochemicals, impacting also the whole line of polyethylenes in the region and PVC. At present, studies are being carried out for the adoption of preventive measures, since the existing ones were not sufficient to avoid the stop in Camaçari.

The production was also affected by two process accidents

taking place in May, in the plant of chlorine soda, in Maceió, which provoked the stop of the unit for two weeks (information detailed in Environmental Dimension).

At the end of the first semester, beginning of the second, adverse factors of an economic order impacted the Company's operational performance. Among them, in an internal scenario of high competitiveness on the part of imported products, the appreciation of the Real in relation to the dollar and the European economy experiencing a period of crisis of sovereign debt, which persists still today, affected the global demand for petrochemical products and the sector's profitability.

In spite of the unfavorable environment, Braskem reached significant accomplishments in 2011, on its strategic agenda, especially in the growth and internationalization dimensions, evolving in the middle and long term vision implementation. The maintenance of this strategy is based on confidence regarding the development potentialities of international petrochemicals, the Brazilian market energy and the resultant opportunities of the Company's market position and leadership.

Braskem advanced one more stage consolidating the internationalization strategy of its business and operations. The acquisition of four polypropylene plants from Dow Chemical in the United States and Germany, announced in July, provided to the Company the leadership of the North American market of PP, consolidated its position as largest producer of resin of the Americas and one of the biggest petrochemical enterprises of the world.

Principal results

Income: Braskem's consolidated gross income in 2011 was R\$ 39.8 billion, 15% superior to that presented in 2010, that was R\$ 34.7 billion. Also there was growth, on the order of 19% in the consolidated liquid income, which was R\$ 33.2 billion compared to R\$ 27.8 billions in 2010, positively influenced by the higher prices of resin and basic petrochemicals, driven by the prices of raw materials and which reverted this tendency to rise in the 2nd semester, in line with the international market, due to the aggravation of the economic crisis. In dollars, the liquid income reached US\$ 19.9 billion, a rise of 25%.

Exports: Export revenue in 2011 was \$ 6.5 billion (33% of net revenue), 55% higher than 2010 revenue. This performance is due mainly to the continued opportunity for resale, the amount of U.S. \$ 2.6 billion, and increased prices of some cracker co-products, such as butadiene, which had a high around 50%.

EBITDA: In 2011, the EBITDA reached R\$ 3.7 billion, 8% inferior to the R\$ 4.1 billion registered in the previous year. In dollars, the EBITDA presented a fall of 3%, reaching US\$ 2.2 billion in 2011. Contributing to this performance was the reduction of the volume of sales, when affected by the interruption in the supply of electric energy that impacted the production up to the middle of May, and by the planned stops for maintenance; the reduction of the profitability of the thermoplastic resin, measured through the spread, in line with the tendency of the international market, which registered a fall of 15% to the year, partially compensated by the largest spread of the basic petrochemicals, which had a high around 20% and the medium appreciation of the Real of 5% between the periods.

Loss: Braskem reported in 2011 a loss of R\$ 517 million, compared to the net profit of R\$ 1,889 millions in 2010. Contributed to this result was the financial expense of R\$ 2.8 billions, influenced by the depreciation of the Real in the year, which led to a negative liquid exchange variation of R\$ 1.2 billion.

Polyolefins and Vinyls

The Brazilian thermoplastic resin market in 2011 maintained itself on a level similar to 2010, with a light retraction of 0.8%. The demand of 4.9 million tons was affected by the entry of imported manufactured products during the year. The low demand period, associated with the reduction of spreads in the international market, led Braskem to anticipate for December, a stop of 25 days for maintenance of two crackers in Camaçari planned for 2012. A stop was also carried out for maintenance in one of the crackers of the Triunfo complex and in the cracker of Duque de Caxias, after

six years of operation.

The polyolefin (PE and PP) market ended the year with a fall of 2% and the PVC market, with a rise of 4%, strongly related to the civil construction sector.

Basic Petrochemicals

The year, 2011 was marked by better prices of basic petrochemicals, with distinction for butadiene, paraxylene and toluene, with high average of 26% in relation to 2010. The total sales of ethylene and propylene in the year presented a reduction of 4% and 10%, respectively, explained by the planned and unplanned maintenance stops, totaling 872 thousand tons.

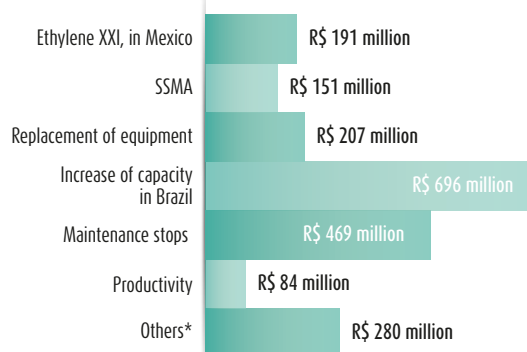
United States and Europe Unit

The volume of sales of the United States and Europe Unit was 1.0 million tons of PP, an increase of 21% in relation to 2010 explained by the consolidation of the results of the PP business of the Dow, from the fourth term of 2011.

Investments

Maintaining its promise with the realization of investments with return above their capital cost, Braskem carried out operational investments that totaled R\$ 2.1 billion in 2011, 17% superior to the R\$ 1.8 billion of 2010. The largest diversions regarding the value of R\$, 1.6 billion previously communicated are related to the acceleration of projects of expansion, among them the Ethylene XXI, in Mexico, and the projects for increase of capacity in Brazil (expansion of PVC in Alagoas and new Butadiene plant in Rio Grande do Sul).

The operational investments of 2011 were distributed thus:



* (improvement of the quality of the product; fixtures and fittings; investment in the areas of Commercial and/or Marketing and Strategy; Information Technology and modernization, technological updating)

Investment Grade

For the financial area, 2011 was a positive year, with recognition by the risk classification agencies of Moody's, Fitch Ratings and Standard and Poor's.

The agency Fitch Ratings raised Braskem by investment grade, which passed from the concept "BB+" to "BBB-", in function of the strategic position of the Company in worldwide petrochemical, as well as the management of its financial profile and its solid Shareholder structure.

Standard and Poor's also raised the rating, in other words, the "score" of Braskem from "BB+" to "BBB-". At the same time, the rating of the Company on the Brazilian National Scale rose from "brAA+" to "brAAA", for the improvement of the cash flow and of the liquidity of Braskem, the integra-

tion with Quattor and the capture of synergies.

The approval by Cade (Conselho Administrativo de Defesa Econômica - Administrative Council for Economic Defense) of the purchase of Quattor, resulting in the evolution of the operational performance and of cash flow generation, also was highlighted by the risk classification agency Moody's, which raised the rating of Braskem from "Ba1" to "Baa3", granting investment grade to the Company.

The classification given by the risk evaluation agencies to enterprises or countries corresponds to a score that attests to its good financial condition and the capacity of honoring debts within the established terms.

Indicators

Direct Economic value produced and distributed in 2011

Components	Consolidated (R\$)		
	2009	2010	2011
(+) Direct Economic Value Produced	16.136	25.495	33.176.160.000,00
a) Income	16.136	25.495	33.176.160.000,00
(-) Distributed Economic Value	15.975	25.825	35.118.385.201,21
b) Operational Costs	13.530	21.412	29.317.951.000,00
c) Salaries and Members' benefits	431	742	717.205.000,00
d) Payments for providers of capital	-493	1.872	3.753.518.000,00
e) Payments to the government (by country)	2.499	1.781	1.313.788.000,00
f) Investments in the community	7,5	18,0	15.923.201,21
(=) Accrued economic Value	161	-330	-1.942.225.201,21

Notes:

(1) Sources: Financial statements of Braskem, audited by PricewaterhouseCoopers - Independent Auditors - CRC 2SP000160/0-5 "F" BA; IBASE (Brazilian Institute of Social and Economical Analyses), for Investments in the community

(2) The information reported in this chart is registered and processed by the SAP system used by Braskem.

(3) Captions of the chart

(+) Direct Economic Value Produced

a) liquid sales plus receipts originating from financial investments and sale of assets.

(-) Distributed Economic Value

b) payments for suppliers, non- strategic investments, royalties and facilitation payments.

c) Salaries and Members' benefits: total of the payroll for Members. (current payments, and not the future obligations) (current payments, and not the future obligations)

d) Payments to capital providers: all the financial payments made to the organization's capital providers.

e) Payments to the government (by country)

f) Investments in the community, voluntary contributions and fund investment in the community as a whole. (includes donations)

(=) Accrued economic Value Investments, mortgages, etc.

(4) The investments in the community include Private Social Investment, environmental compensations agreed with financing organs and donation by the Odebrecht Foundation and other forms of donation. The data of investment in the community do not include the units of Braskem in the USA and in Europe.

<i>Significant financial Help received from the government in</i>			
Consolidated (R\$)			
	2009	2010	2011
Fiscal incentives / credits	107.765.000,00	19.885.255,00	40.607.541,36
Subsidies	0,00	0,00	0,00
Subsidies for investments, research and development and other relevant types of concessions	5.362.216,52	1.400.900,00	5.362.216,52
Prizes	0,00	0,00	0,00
Exemption from the payment of royalties	0,00	0,00	0,00
ECAs (financial help from export credit agencies)	0,00	0,00	0,00
Financial incentives	0,00	0,00	0,00
Other financial received benefits or receivable from any government for any operation	0,00	0,00	0,00
TOTAL	107.765.000,00	21.286.154,54	45.969.757,88

Notes:

(1) The information reported in this chart is registered and processed by the SAP system used by Braskem.

Subsidies for investments, research and development and other relevant concession types from the Innovation and Technology General office of the Government of Bahia (Inovec) and Finep (Financiadora of Studies and Projects)

(3) Data of 2011 include the units acquired from Dow Chemicals (October, November and December)

Social development

The commitment to sustainable development, in the Vision 2020 of Braskem, has as objectives the increase in value and the improvement of the conditions of life of people: Members, Clients, partners and society.

In this chapter of the 2011 Annual Report practices of relationship with Members, Suppliers and Communities near to the units of Braskem are reported. In the internal arena, the Company renewed the actions of education through work and for work, with the objective of giving support to the growth planned for coming years, characterized by the internationalization of the industrial operations (see more details in the chapter *Profile*).

It also carried out a succession diagnosis of the beginning the preparation of the people identified in this process, and contracted research for the work environment, aiming to better know the strong points and the improvement opportunities within the Company.

In the external arena, Braskem continued socio-environmental projects and investments in the Communities, maintaining as pole the increased capacity of people and generation of work and income. It enlarged the scope of practices for Suppliers of ethanol, adding international requisites audited by an external consultant (Bonsucro), to the clauses already established in the code itself for conduct of the sector. Check the distinctions of 2011 in the following.

People Management

In December of 2011, Braskem was maintaining on its roles 6,934 Members, 6,477 in Brazil and 457 in the United States. The strategy of people management is based in the following pillars: education and development; increase in value and recognition; culture; excellence in serving; environment and image. Each pillar unfolds in a set of programs and initiatives that, combined, aim to support the process of growth and internationalization of the Company through the integration of new persons with knowledge, and of the development of the Members through education through and for the work, to guarantee a motivating and productive environment and to promote the continuous strengthening of the practice of the TEO, among other objectives.

As initiative of incentive to creativity and to the reapplication of knowledge produced by Members, Braskem carries out, annually, the Prêmio Destaque Prize [Stand out Prize]. In 2011, the prize started to have greater adherence to the Vision 2020, with the creation of a new category – Innovative Solutions – and the guarantee that all the projects are valued according to criteria of sustainability. In total, 194 projects were registered in Brazil and abroad.

PROFICIENCY MODEL

The proficiency model is the basis for evaluation of Members, it includes professional characteristics, Braskem proficiencies and technical proficiencies. The first two items reflect the Organization's culture and the last, the skills and the knowledge applied for the exercise in the function.

To align knowledge, attitudes and values of all the Members to the proficiencies applied by the Company, Braskem applies the Plan of Individual Development (PID), prepared on the basis of opportunities for improvement observed during the Cycle of Planning, Accompaniment, Evaluation and Judgment.

The PID links the training plan of each Integrant to the proficiencies necessary to the performance of his function. The evaluation of performance follows the model of the System of Development of Proficiencies, which reflects the career moment of the professional and supports his training with educational actions by and for the work.

EDUCATION AND DEVELOPMENT

Courses and trainings structured for Members in all the career traineeships are aligned to the strategy of business and growth of Braskem. To develop persons to support this growth and confront the current and future challenges is one of the pillars in the People and Organization (P&O) action areas.

Described in the People Development Proceeding, corporate training is the responsibility of P&O. The rest are defined in accordance with the necessities of the operational units and are the responsibility of the leaders, monitored by the P&O representative in the unit. In 2011 an exclusive proceeding was implemented to define subsidies and participation in the Braskem Program of Languages (English or Spanish). Some examples of actions orientated for training and education of Members follow.

Global leaders

Braskem is internationalizing its operations and, to give support to the process and confront the challenges of the chemical and petrochemical sector, it initiated in 2011 the program of training global leaders in the Wharton School, a highly thought of school of business at the University of the Pennsylvania (USA). Thirty-one directors are participating in the program.

Executive MBA

In parallel to the program of formation of global leaders, another group composed by 23 Members of Braskem are participating in the specialization program of Executive MBA in the Odebrecht Organization. Administered in partnership with the Institute of Teaching and Research (Insper), the course has duration of 528 hours, 480 of them present. Members of other enterprises of Odebrecht also participate in the MBA.

PDP of Sustainability

The Proficiencies Development Program (PDP) in Sustainability was created in 2011, together with the FIA-USP (Foundation Institute of Administration of the University of Sao Paulo), with the objective to develop a network of discriminators of the concepts of sustainability and also to support the Members in the attainment of the marks defined in the Vision 2020. In the program 31 persons participate, 25 being Braskem Members and six guests who represent some of the strategic public for the Company (Supplier, Client, non-Governmental Organization and Financial Institution). There are 360 classroom-hours, at the graduate level. The course ends in July of 2012.

PDP – Laboratories

Proficiencies Development Program has focus on the technical qualification of professionals educated in Chemistry and Engineering and interested in following the career in management of laboratories. Developed in partnership with the Universidade Estadual de Campinas, it has as objective to promote the management and the transfer of knowledge, contributing to the renovation of the team and the attraction of talent to the technical area. The initial group is composed of 27 Members.

Learning Tracks

To stimulate the self-development of the Members, the Company created in 2011, in pilot phase, the program Learning Tracks. With initial focus in the industrial area and prevision of expansion to other sectors in 2012, it has as initial objective identifying the knowledge required for the posts of operators. Subsequently, multiple solutions of apprenticeship will be developed for this knowledge.

Education at a distance

The platform of education at a distance of Braskem is in development. In 2011, specialized institutions were mapped in the market to create the e-learning trainings (expression in English for training through the Internet). Examples of courses: Management of Contracts, Code of Conduct, among others.

Program of Leader Development

In the near year, Braskem is going to strengthen two internal programs: the PDE – a Program for Development of Businessmen, for leaders already in advanced stage of career who move toward assuming challenges of direction – and the PDLE – a Program for Development of Team Leader, organized for Members who emerge as leaders of projects and teams. In 2011 the PDLE was not carried out, because the Company was oriented towards the diagnosis of persons indicated for succession in the Company.

The challenge for the leadership development actions is to

strengthen the relationship of leader with the follower according to the principles of the TEO. In a relationship of confidence and mutual respect, the leader is someone who orients, delegates and teaches. The challenge is constant for the enterprises pertaining to the Odebrecht Organization, but it is today more urgent for Braskem, considering the history of acquisitions of the Company in Brazil, the United States and Germany. It is the question of solidifying the corporate culture as a practice of daily life.

<i>Trainings / Programs of for improving Members capacity</i>	2009	2010	2011	
	Braskem Brasil	Braskem Brasil	Braskem Brasil	Braskem EUA
a) Internal Trainings	●	●	●	●
b) Financial Support for improving capacity or external training	●	●	●	●
c) Sabbatical Periods with professional insertion guaranteed			●	
<i>Items offered in the programs of support to integrant that are retiring or were dismissed</i>				
a) Pre-retirement planning for the one who intends to retire	●	●	●	
b) Retraining for one who intends to keep on working				
c) Compensation for dismissal	●	●	●	●
d) If there is compensation for dismissal, does it takes into account the age and the time of service				●
e) Services of placement in the labor market				●
f) Assistance (e.g training, mentoring) in the transition to a life without work	●	●	●	

Notes:

- (1) The data referring to Braskem USA was not reported in 2010 and in 2009, there were still no Braskem operations in the United States.
- (2) The Braskem USA data from 2011 does not include the PP units acquired from Dow Chemical.

Plan of succession

One of the distinctions of 2011 was the greater emphasis on the identification of the Company's successors. As a part of the planning 70 meetings were carried out, in which 550 persons were evaluated with the objective of mapping possible successors to leadership positions. The work was carried out by the business and support areas and taken to the Executive Committee at the end of the year, between November and December, to validate the next set of actions. The objective is to identify and to support the development of current Members with growth potential, as well as to attract and to train new Members for areas and positions that are made necessary.

People Planning

In 2011, Braskem carried out a diagnosis to identify all the operators, engineers, investigators and scientists it will need to contract and train in the years to come, to support the movement of expansion of the Company, aligned to the Vision 2020, which is to be a world-wide leader of sustainable chemistry. For each one of these groups there is a plan of action in progress.

Operator 2020

Around 2,400 professionals act in the different operational fronts of Braskem and represent approximately 36% of the Company's Members. To account for the growth of the Company, the diagnosis and planning for people in the long-term, showed the need to hire and train more than 1,300 operators for Brazil and Mexico - in this country, due to the ethylene XXI project, with opening scheduled for June 2015 (possible expansion plans in the United States are not covered in the current planning).

This is the purpose of the program Operator 2020, which will seek to support the professional development within the Company through educational actions. Under the responsibility of the People and Organization area, a team was appointed devoted to industrial education, in which directors, managers and operators of the productive units participate. The group is mapping the set of proficiencies and the profile most adequate for facing the future challenges of productivity and competitiveness.

The work includes, still, the identification of the technical schools (besides the Senai – National Service of Industrial Apprenticeship, with which the Company already maintains

a partnership) where the future professionals will be trained, taking the regions as a reference where Braskem is present with its industrial units. This is one of the challenges for the area of People and Organization in 2012: besides identifying and promoting the approximation with technical schools and schools of secondary education (according to degree), to promote the technical profession among students and to emphasize the value of the professional for the growth of Brazil. The starting point will be the region near the petrochemical complex of Camaçari, in Bahia.

The training of operators will also happen internally, directed to those who already work in the Company, intensifying the use of the existent simulators and evaluating the introduction of new simulators and new strategies for development. A larger rate of employment is predicted for the next three years, it will bring a positive social impact to Braskem and to the regions where the Company operate, from the generation of jobs.

Young talents

As result of actions and participation in university events, giving more visibility to the brand Braskem among students, enrollment in the internship program had significant growth. There were 14,940 enrollments for 133 available positions. Already the trainee program counted on 12,108 candidates, from whom 19 were selected. Considering the two programs, there was a growth of more than 100% in relation to 2010.

One of the novelties of the selection process in 2011 was the hotsite www.jovensbraskem.com.br. The new portal was prepared to be a channel of communication between the Company and the young public. Information is available on it about the internship and trainee programs in the Company and the market. In this period, 113 thousand accesses and 40,584 registrations were counted.

GRI LA3

AMONG THE BEST 30

In recognition to the opportunities of professional development offered by the Company to young people, Braskem was classified in the Guia Exame S/A – The Best Enterprises To begin a Career, a project of the magazine Você S/A in partnership with the Cia. de Talentos and the Fundação Instituto de Administração (FIA). 850 Members participated in the research of Braskem, between 20 and 28 years of age. The weighing evaluated the Company's work environment, practices and the management policies. Braskem was among the best 30, standing out because of offering apprenticeship agendas and for growth inside and out of the country.

EXCELLENCE IN SERVING

PDP – Commercial Excellence

Proficiencies Development Program directed at the Commercial area managers, developing skills able to increase their effectiveness and efficiency in acquiring the Client, besides enlarging the strategic vision of the business and evolution of the global market. There were 23 participants in 2011.

INCREASE IN VALUE AND RECOGNITION

Remuneration and benefits

In agreement with the Policies and Practices of corporate Remuneration, the salaries, benefits and the variable remuneration paid to Braskem Members are positioned in a competitive wage belt in relation to the market standard in force in companies of similar size and nature in Brazil. The agreements of variable remuneration (PLR) are discussed and approved by the Company, by a commission of Members elected by secret ballot and a union representative.

The definition of the earnings also follows the concept of meritocracy, with the objective of recognizing individual performance. The Company carries out an annual wage review cycle, in which meritocracy is one of the pillars, comparing the individual's positioning with the market range for the region where they work. So it is possible to reduce the differences for the fixed remuneration and to recognize individual effort.

One of the performance management tools, with influence on individual remuneration, is the Program of Action (PA), applied to all Members. The PA defines the individual targets to be reached in service, which reflect on the share of results for the Company, in the form of variable remuneration. The remuneration policy does not include questions of gender, and the criteria are applied equally to men and women, being based on aspects of merit and performance.

As for the benefits offered in 2011, they are the same for Members of the units in Brazil and abroad: life insurance, health plan, coverage for incapacity/disability, maternity/paternity leave, funds for retirement and meals. The only difference refers to Members contracted part time: In Brazil, those contracted for six hours/day receive the same benefits as those as full time and in the United States, those contracted for fewer than 30 hours/week do not receive benefits.

In 2009 and 2010, the benefits for Members contracted full and part time, in the Brazilian units were the same. As for the units in the United States, there are no data to compare, because in 2009 Braskem still did not operate in the country and in 2010, the data were not reported.

Collective agreements

In 2011, the percentage of Members included in collective bargaining agreements between Braskem (Brazil) and trade unions, by region, was 99%. The percentage of Braskem in the United States, before the acquisition from Dow, was 15%. The data of 2010 (98.5%) and 2009 (99.1%) refer, exclusively, to Braskem's operations in Brazil. The collective agreements define wage adjustments and benefits, among other subjects.

Post-career

The Horizons Program is applied to retired Members and to those who are near to full retirement. It is a program of appreciation, recognition and orientation, with voluntary participation, destined for supporting and facilitating the transition to retirement, pointing to productive paths for post-career. Horizons is organized in modules with a total duration of 12 months. The program is not applied to the Braskem units in the United States.

ENVIRONMENT AND IMAGE

Environmental Research

In 2011, Braskem contracted the Institute Great Place to Work to carry out research on the work environment, with the objective of obtaining a detailed diagnosis, looking for productivity, for capacity of innovation and results, as well as for the strengthening of the practices of the corporate culture. All the Members were invited to participate and the research was individual and secret. The rate of spontaneous response was 70%.

The general rate of satisfaction was 66%, average between the strong points and the opportunities for improvement. Among the strong points the knowledge of the strategic vision of the Company was highlighted, the pride and the desire of belonging to the Organization. Aspects to evolve: clarity in the practices of remuneration policies and internal promotions, when they take place, and the necessity for greater delegation by leaders in routine tasks.

The diagnosis was published for the Members and around 80 priority points were defined, corporate and by area, for which plans of action will be executed along 2012 and in the first half of 2013. Braskem has not contracted climate research since 2005. The objective, now, is to increase the frequency.

PARTNERSHIPS WITH TEACHING INSTITUTIONS

The plan of action for employment of engineers has one of its bases in the universities. In 2011, Braskem identified around 20 universities in all the regions of the country and carried out a series of events, markets and actions focused on students and teachers. The objective is to reinforce the institutional image, to be known and recognized by the target public, with the intention of attracting interest for a professional future. As result, around 50 thousand university

young people had contact with the values, principles and lines of action of the Company in different events.

For the future employment of researchers, the main sources are universities devoted to innovation and research centers, sources of renovation of knowledge and environment differentiated by the exchange of experiences. A first step was taken in 2011, with the decision to sponsor 20 scholarships for master's degrees and doctorates, in the amounts of R\$ 1,500 and R\$ 2,500 monthly, respectively. As prerequisite, the candidates should already be enrolled in the courses at the time of enrolment, with exclusive dedication to studies. The projects were selected among three subjects of great interest for the Company:

- chemical products from renewable raw materials;
- solutions for post-consumption of plastic;
- development in the area of processes, products and catalysts for the petrochemical industry.

A mixed commission Braskem/university analyzed the projects and selected the investigators, from a hundred registered. The direction is to attract them to the Company when the courses have ended. In this field, the challenge for 2012 is still to map existing research centers of Brazil and to identify scientists interested in acting in Braskem.

LABOR RELATIONS

The Code of Conduct of Braskem reaffirms the company to be opposed to discrimination, including for affiliation with union entities, guaranteeing freedom of association and of collective bargaining. In the years 2009, 2010 and 2011, no risks or obstacles were identified to the rights of the Braskem unit Members to the exercise of freedom of association or collective bargaining.

Braskem has no targets related to freedom of association. In what refers to collective bargaining, the area of Labor and Union Relations has two targets: (1) to secure the interests of Braskem in the negotiation of agreements and collective contracts of work, celebrating the agreements in all the regions of the country and (2) closure of agreements of PLR (acronym for variable remuneration) in all the regions of the country. For revision of the agreements of PLR, according to legal requirement, a committee is constituted with members elected by secret ballot, and one representative of the trade union. The principal strategy to reach the proposed targets is the constant dialog with Members and representative institutions (trade unions and associations), sharing information, plans and objectives before the economic scenario of the market.

Braskem understands that the leaders are responsible for the work relations with those led and must assume the legitimacy of the union relations. The decentralization of this responsibility should make the solutions nearest to where conflict is established. Claims or denunciations can still be directed to the im-

GRI LA3

GRI LA4

GRI HRS

mediate leaders or to their superiors, or to the Ethics Line channel. All the denunciations are investigated and, when directed to the Ethics Line, the accompaniment will be corporate. The union claims are usually made by the trade union itself to the Management of Labor and Union Relations.

In what concerns Suppliers, Braskem, when sought by the trade unions of the partner companies, orients the representatives of the Service Provider for the question's solution.

In 2011, 95 leaders of Braskem were trained in Labor Relations and, for 2012, the same mark is stipulated. The objective is to reinforce the model of management based on the relation between led and leader practiced in the Company, and the position of Braskem, of recognition and respect to the trade unions, thinking also that union relations are more and more present in the life of the enterprises.

The objectives of the course are:

- understanding of the importance of the union and labor relations;
- leaders acting in alignment in different scenarios;
- training for analysis of the work relations in the Company;
- leaders acting at the critical moments of labor and union relations;
- understanding of the role of the leader as it refers to work relations - what Braskem expects from its leaders.

The methodology of the training includes discussions in group, presentation of cases, and presentation of expositive material and contact with the union leader of the workers.

By incentive of the Directorship of Sustainability, the area of Labor Relations participated, in 2011, in the commissions of the

Global Compact on Work Relations and People Development. For 2012, Braskem's Risk Management area will consider potential institutional crises, including those related to the subject of labor relations (demonstrations, union concerns, etc.), faced with the European crisis with strong repercussion in the national chemical and petrochemical segment. In the database of the collective negotiations, Braskem evaluates the scenarios and operational risks related to the subject.

RESPECT

The principles of Braskem that orient the relation with the trade unions and workers are:

- Recognition of the trade unions as entities that legally represent the workers;
- Respect for freedom of expression;
- Respect for the option of the Members as to affiliation with union entities;
- Dialog and understanding must constitute, in Braskem, the main path for the solution of eventual labor and union conflicts;
- Principles and Values of Braskem are not an object of negotiation;
- Physical integrity of the persons and of the patrimony of the Organization must be preserved by them. The Code of Conduct of Braskem secures to the Members a system of complaints, inclusive in the labor area, via the Ethics Channel, guaranteeing anonymity.

GRI HR5

GRI LA9

HEALTH AND WORK SAFETY

Besides the wage clauses, of conditions of work and of a social character, subjects of Health, Work Safety and Environment have been discussed and established in formal agreements with the trade unions in the regions where Braskem acts in Brazil. Individual safety equipment; training and education; right of refusing or to suspending the operation being carried out when it is understood that there is risk for life or physical integrity, to the individual and/or to work colleagues, for lack of appropriate measures of protection. The fact must be communicated immediately to a hierarchical superior and, in the absence of this, to the area of Work Safety for analysis of the situation. There is union participation in the Individual Service of Equipment Inspection (SIPIE).

In the period from 2009 to 2011, the collective agreements signed with the trade unions of the workers considered topics referring to health, to safety and to the environment, besides the wage clauses, conditions of work and items of a social character. Examples of claus-

es agreed in the process of collective bargaining:

- to authorize the access of the trade union doctor to information on biological control;
- promise of joint realization of technical seminars on subjects of SSMA, gender and sexual harassment;
- annual presentation to the trade union of the Policies of Health, Safety and environment;
- in case of work accident, to secure the participation of a representative of the Internal Commission on Accident Prevention (Cipa) in the committees for Investigation of Work Accidents of the area in which the accident took place;
- presentation of technical lecture, in the Internal Week for Prevention of Accidents (Sipat);
- to secure access to the factories to the union leaders not employed at the enterprises by solicitation of the trade union, after prior understanding with the direction of the Company, or with whom it designates, when objective, date, place and duration are defined.

ROTATION

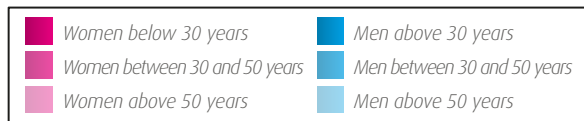
Rotation, in accordance with the GRI, is the number of Members that leave the Company, voluntarily or due to dismissal, retirement or death in service. This is the first year in which Braskem registers unified data of rotation (Braskem + Quattor) and, so, there are no compatible historical series of 2009 – 2010 to compare. Regarding Braskem in the United States, this is the first year of collection of information and

these do not include the operations of the PP assets acquired from Dow Chemical.

The rates of rotation were calculated taking as base the total contingent of Members at the end of the period covered by this report (December 31, 2011). Check the following charts.

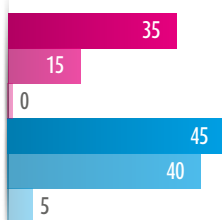
Total No. of new Members contracted in the period covered by the report

SUBTITLE



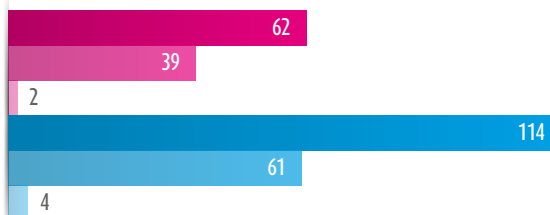
Brazil

SOUTH



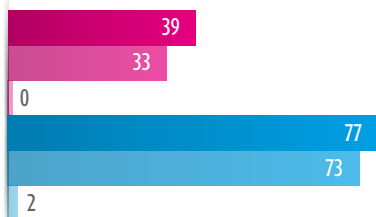
Total women: 50
Total men: 90

SOUTH-EAST



Total women: 103
Total men: 179

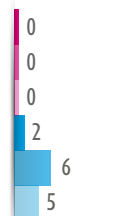
NORTHEAST



Total women: 72
Total men: 152

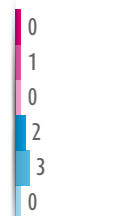
USA

LA PORTE



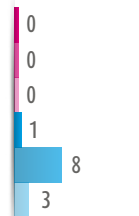
Total women: 0
Total men: 13

MARCUS



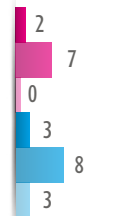
Total women: 1
Total men: 5

NEAL



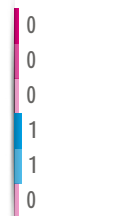
Total women: 0
Total men: 12

PHILADELPHIA



Total women: 9
Total men: 14

PITTSBURGH



Total women: 0
Total men: 2

* Location of the plants in the USA.

- La Porte Texas
- Marcus Pennsylvania
- Neal West Virginia
- Philadel Pennsylvania
- Pitts Pennsylvania

Total No. of new Members contracted in the period covered by the report

Total in Brazil				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	136	87	2	225
Men	236	174	11	421

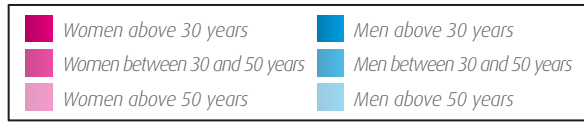
Total in USA				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	2	8	0	10
Men	9	26	11	46

Total in Brazil and USA				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	138	95	2	235
Men	245	200	22	467

Total men and women		
Country	Region / state	Men and women
Brazil	South	140
	South-east	282
	Northeast	224
	Total	646
USA	La Porte	13
	Marcus	6
	Neal	12
	Philadelphia	23
	Pittsburgh	2
	Total	56
Total		702

Total No. of new Members contracted in the period covered by the report who left the job (in %)

SUBTITLE



Brazil

SOUTH



Total women: 0
Total men: 0

SOUTH-EAST



Total women: 5
Total men: 7

NORTHEAST



Total women: 2
Total men: 4

USA

LA PORTE



Total women: 0
Total men: 0

MARCUS



Total women: 0
Total men: 0

NEAL



Total women: 0
Total men: 0

PHILADELPHIA



Total women: 0
Total men: 0

PITTSBURGH



Total women: 0
Total men: 0

Total No. of new Members contracted in the period covered by the report who left the job (in %)

Total in Brazil				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	1	6	0	7
Men	5	6	0	11

Total in USA				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	0	0	0	0
Men	0	0	0	0

Total in Brazil and USA				
	Above 30 years	Between 30 and 50 years	Above 50 years	Total
Women	1	6	0	7
Men	5	6	0	11

Total men and women		
Country	Region / state	Men and women
Brazil	South	0
	South-east	12
	Northeast	6
	Total	18
USA	La Porte	0
	Marcus	0
	Neal	0
	Philadelphia	0
	Pittsburgh	0
	Total	0
Total		18

Total No. of new Members contracted in the period covered by the report who left the job (in %)

Country	Region State	Women			Men		
		Below 30 years of age	Between 30 and 50 years	Above 50 years	Below 30 years of age	Between 30 and 50 years	Above 50 years
Brazil	South	0%	0%	0%	0%	0%	0%
	South-east	0%	13%	0%	3%	7%	0%
	Northeast	3%	3%	0%	3%	3%	0%
	Total	1%	7%	0%	2%	3%	0%
USA *	La Porte	0%	0%	0%	0%	0%	0%
	Marcus	0%	0%	0%	0%	0%	0%
	Neal	0%	0%	0%	0%	0%	0%
	Philadelphia	0%	0%	0%	0%	0%	0%
	Pittsburgh	0%	0%	0%	0%	0%	0%
	Total	0%	0%	0%	0%	0%	0%
Total		1%	6%	0%	2%	3%	0%

Notes:

Location of the plants in the USA.

- La Porte Texas
- Marcus Pennsylvania
- Philadel Pennsylvania
- Pitts Pennsylvania

1) This was the first year of collection of information in Braskem USA and, therefore, there are no data to compare.

2) In the units of Braskem in Brazil, there are no historical data (2009 and 2010) on rotation of Members.

COMBATING DISCRIMINATION

Braskem considers discrimination all and any conduct that disregards the human being, including sexual harassment and verbal aggression, and disposes of internal mechanisms of management, combat and treatment of such attitudes in the work environment.

Braskem has policies and proceedings, among them the Code of Conduct, in which subjects are addressed like relationship and conduct of Members, work environment, responsibility in the conduct of the business, commercial relations with Suppliers, relatives and public power, liberality, conflict of interest, activities out of Braskem, relations with the Shareholders, privileged information, political and union activities, use and preservation of Braskem’s property, participation and use of social media, Braskem’s spokesmen, accounting registers, environment, employment of slave and/or child labor.

When they are contracted, the Members receive orientation as to the Code of Conduct and, reinforcing the corporative standards; internal campaigns are carried out every two years. On that occasion, the Members reassume the commitment to know the Code. Besides, the subject is treated punctually, whenever leadership judges it necessary. The responsibility for the fulfillment of the determination and “no discrimination” in the Company is that of all the Members, especially Braskem’s leaders, since the Code of Conduct establishes that “there will be no discrimination for religion, philosophical or political conviction, nationality, origin, gender, age, color, sexual preference, marital status, physical or mental deficiency”. The TEO also reinforces the corporate culture in that it refers to respect and to

non-discrimination.

The cases of discrimination are identified through the Ethics Line Channel (0800, P.O. box, Portal / internal network), opened to the participation of Members, Suppliers, Clients and other stakeholders. The channel is audited regularly and Braskem adopts specific proceedings to treat the denunciations directed there. They are all evaluated by the Ethics Committee, which defines the action to be taken. The results obtained are stored in the Braskem system (SAP). If discrimination in the workplace is determined, two types of treatment are foreseen.

- Inclusion or intensification of the Integrant in programs of professional improvement with monitoring by the leadership and teams of P&O. The evolution of the conduct of the Integrant must be reflected in his annual qualitative evaluation, which, in its turn, influences the variable remuneration. Each 12 months, the qualitative evaluation of the Integrant is analyzed by the Business Security team to check if, in fact, it presents some evolution in the work environment.
- Separation of the Integrant.

None of the cases reported in 2011 concerns discrimination for gender, race, color, religion, political opinion, nationality or social origin. Also there was no need for a plan of redress this year, since in none of the incidents were signs of discrimination or violation of the Code of Conduct identified. There are no corporative targets referring to the question of discrimination, but the Management of Business Security, connected with the Legal Department, has an individual target of serving 100% of the cases registered on the Ethics Line Channel.

Number of cases of discrimination and measures taken* – 2009/2011

	2009 ¹	2010 ²	2011
Substantiated cases	1	1	-
Unsubstantiated cases	5	3	10
Total	6	4	10

Notes:

(1) The cases reported in 2009 and 2010 refer to the operations in Brazil. The 2011 ones are distributed as follows: nine cases in units of Braskem in Brazil and one case in the United States.

(2) The increase of the reports of sexual harassment received, same without signs of discrimination or violation of the Code of Conduct, are possibly attributable to the increase of the operations of Braskem, with the acquisition of new enterprises.

*Resolution of the substantiated cases.

¹ Braskem asked a Supplier to remove the official who was assisting inside the Company's installations and who was not maintaining a cordial relationship with the people.

² The Integrant received feedback from the leadership, being constantly accompanied and evaluated. Under this condition, he presented significant evolution in his conduct, without repeating the inappropriate behavior.

Index GRI HR4

INDICATORS OF SOCIAL PERFORMANCE

Workforce by gender (2011)

Workforce by gender (2011)			
Members			
Country	Men	Women	Total
Brazil	5.222	1.255	6.477
USA	381	76	457
Contractors / Partners			
Country	Men	Women	Total
Brazil	21.999	5.705	27.714
USA	ND*	ND*	ND*
* Contractors / partners were employed in the USA, but the data are not reliable. So, no fact reported in this indicator includes the n° of contractors / partners of the USA.			
Total Members + Partners			
Country	Men	Women	Total
Brazil	27.221	6.960	34.181
USA	381	76	457

Members by type of contract and gender (2011)

Full Time			
Country	Men	Women	Total
Brazil	5.222	1.255	6.477
USA	381	73	454
Half Time			
Country	Men	Women	Total
Brazil	0	0	0
USA	0	3	3

Notes: The system of Braskem does not separate permanent Members from temporary ones. However, it is a small number compared to the total.

Workforce by region and gender (2011)

Total of Workers (Members + Partners)				
Country	Region	Total of Men	Total of Women	General total
Brazil	South	8025	932	8957
	South-east	9829	1306	11135
	Northeast	9367	4722	14089
USA	La porte	93	8	101
	Marcus	94	11	105
	Neal	101	9	110
	Philadelphia	53	37	90
	Pittsburgh	40	11	51
Total Workers		27602	7036	34638

Diversity

Age group and gender (%)

SUBTITLE



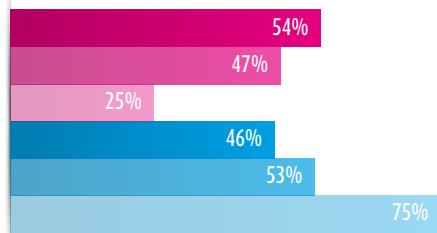
2011

OPERATIONAL / TECHNICAL



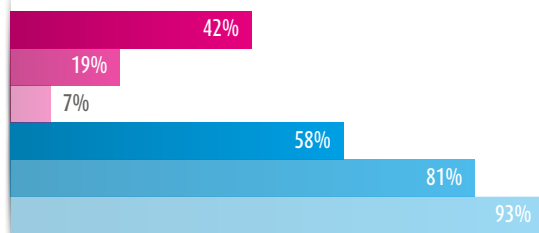
Total women: 10%
Total men: 90%

ADMINISTRATIVE



Total women: 46%
Total men: 54%

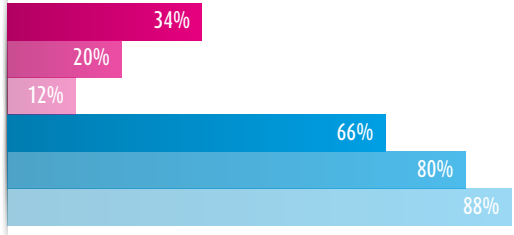
LEADERSHIP



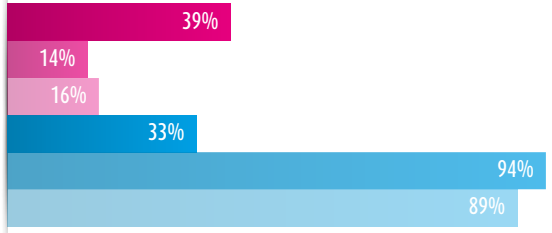
Total women: 16%
Total men: 84%

2010

BRASKEM AND QUATTOR



BRASKEM UNITED STATES



Notes:

(1) In 2010, the data of Braskem in the United States (they do not include PP operations acquired from Dow) were reported separately. From the Annual Report of 2011, they start to be reported consolidated. (2) In 2010, the data of this indicator were reported aggregated. From 2011, they start to be reported by professional category. (3) Braskem does not monitor the number of Members by indicators of minorities.

Training and Education				
	2009	2010	2011	
1. To indicate which of the items below integrate the training or program of capacity enhancement of the Members:	Braskem Brasil	Braskem Brasil	Braskem Brasil	Braskem Estados Unidos
a) internal Trainings	●	●	●	●
b) financial Support for improving capacity or external training	●	●	●	●
c) sabbatical Periods with professional insertion guaranteed			●	
d) Others (describe)				
2. What Items are offered in the programs of support to Members that are retiring or were dismissed				
a) Pre-retirement planning for the one who intends to retire	●	●	●	
b) Retraining for one who intends to keep on working				
c) Compensation for dismissal	●	●	●	●
d) If there is compensation for dismissal, does it takes into account the age and the time of service				●
e) Services of placement in the labor market				●
f) assistance (e.g. training, mentoring) in the transition to a life without work	●	●	●	

Notes: The data of Braskem United States were not reported in RA 2010

Diversity and equality of opportunities		
Division of Members by occupational level		
	Braskem Brazil	Braskem USA
Occupational level (2009)	Proportion of the remuneration between men and women	
Operational / technical	1,24	
Administrative	1,21	
Leadership	1,14	
Occupational level (2010)	Proportion of the remuneration between men and women	
Operational / technical	1,24	
Administrative	1,23	
Leadership	1,18	
Occupational level (2011)	Proportion of the remuneration between men and women	Proportion of the remuneration between men and women
Operational / technical	1,19	1,17
Administrative	1,24	1,15
Leadership	1,13	1,30

Notes:
 (1) The data of 2009 and 2010 do not include Braskem United States;
 (2) The data of Braskem USA of 2011 does not include the PP units acquired from Dow Chemical in the period.
 (3) The historical data (2009 and 2010) were corrected in the chart above, because those which are in the Annual Report of Sustainability 2010 were calculated in accordance with the professional categories grouped erroneously.

CODE OF CONDUCT

The Braskem Code of Conduct establishes the ethical principles and the standards of conduct that must guide the internal and external relations of the Members, independently of their powers and responsibilities. Among the topics covered are the following: Relationship with Members; responsibility for the conduct of business; business relationships with customers or suppliers; treatment for privileged information / conflict of interests, relationships with shareholders and other stakeholders, use and preservation of the assets of Braskem ; transparency in accounting and financial records; environment and safety; slave and/or child labor . All the Members receive an example of the Code of Conduct when joining the Organization.

Suppliers

Braskem establishes with its Suppliers a relationship of partnership. To them it transmits the values defined in the Code of Conduct of the Company and its commitment to sustainability, acts in their integration and offers training. From them, it expects the same standards of behavior and ethics demanded of the effective professionals of the Company. The criteria of selection include technical, commercial competence and financial evaluation. To secure the quality of the given services and to make continuous improvement possible, the Suppliers are evalu-

GRI LA 11

GRI LA 14

ated constantly, in queries like quality of the service, of the materials supplied, certifications ISO NBR 9000 and 14000, among others. The result of the evaluation produces the Rate of Performance of the Supplier (IDF), from which opportunities of improvement are identified.

Braskem also has available a program of relationship with Suppliers: Braskem + Partners. Created in 2006, the program has as objective to support the Suppliers in the structuring, management and competitiveness of their business, as well as to enable them in technical questions and management of Health, Safety and Environment.

In 2011, the area of Supplies adopted a new strategy in the processes of large bids, through the methodology of *Strategic Sourcing*. It is a method of purchases that aims to reduce the total costs of acquisition of materials or services by the mapping of consumption and future demand, supplier market knowledge specifications evaluation, making the negotiations based on facts. Among the advantages of use are the approximation of the area of Supplies to the user areas and to the Suppliers, understanding by the sector of the Braskem vision, and identification and proposition of structural changes in the processes.

BRASKEM'S 20 LARGEST SUPPLIERS* (*in alphabetical order)

- Air Products Brasil Ltda.
- Bahiagás – Cia. de Gás da Bahia
- Companhia de Gás de São Paulo – Comgás
- Companhia de Gás do Estado do Rio Grande do Sul
- Chesf – Cia. Hidroelétrica do São Francisco
- Construtora Norberto Odebrecht S/A
- CPFL Comercialização Brasil S/A
- Empresa de Navegação Elcano S/A
- Gás de Alagoas S/A
- JSL S/A
- Opip – Odebrecht Plantas Industriais e Participações S/A
- Petrobras Distribuidora S/A
- Petrobras Petróleo Brasileiro
- Raízen S/A
- Refap S/A
- Rip Serviços Industriais S/A
- Terminal Químico de Aratu S/A
- Tractebel Energia Comercializadora
- Unidão Transportes e Logística Ltda.
- White Martins Gases Industriais Ltda.

SUPPLY MANAGEMENT

In 2011, the Supplies area began a process of reorganization of its daily practices. From one side, it is carrying out a diagnosis of the demands that it serves, both in the operational units and in the administrative sectors. On the other, it is analyzing the supplier markets, the composition of prices practiced and the services offered.

The proposal of reorganization was caused by the growth of the Company, overall from the recent acquisitions, bringing new demands and new volumes of supplies. By 2013, more than 100 categories of purchases will be analyzed. Among the results expected are gains of productivity and better return of the capital employed in the acquisition of equipment and in the employment of services.

QUANTIQ, INTEGRATION VIA PROCESSES

In 2011, the area of Supplies promoted the effective alignment of the processes of quantiQ to the corporate one of the Organization, through Formula Braskem, an integrated system of information and management. Synergies were identified, allowing the reorganization of teams, who started to act in the Center of Shared Services, in Salvador.

quantiQ, controlled by Braskem since the acquisition of Ipiranga Petroquímica, in 2007, is the largest distributor of chemical and petrochemical products of Brazil. It acts in around 50 market segments, with a portfolio of approximately 800 products, and a list of more than 100 Suppliers. Braskem is one of them, moving 30% of the distributor's business. The headquarters of quantiQ is located in Sao Paulo.

UNIFIED MANAGEMENT

A relevant corporative landmark reached in 2011 was the migration of the totality of the processes of the Company for Formula Braskem, which uses the integrated system of Business management SAP, with more than 8 thousand users, among Members and some third party Service Providers with access to the system. Only the business activities of Dow Chemical polypropylene, acquired in September of 2011, and those of the Cetrel Company with 50% of participation of Braskem, are still not processed by the SAP. Cetrel acts in the management of industrial wastes and environmental monitoring of the petrochemical complex in Camaçari (BA).

COMMITMENT TO THE ETHANOL CHAIN

The expansion predicted for the business from ethanol derived from sugar-cane brought Braskem to perfect the control already practiced on its Supply chain. Besides the Code of Conduct for Suppliers of Ethanol, applied since September of 2010, the Company began, in 2011, to also use the certification of Bonsucro as reference of good management practices of the sector, which refers to the alignment of the productive chain with the beginnings of sustainability, from the origin of the raw material up to the final product.

The Bonsucro (*Better Sugarcane Initiative*) is a global initiative, which developed a standard metric of certification with the objective of promoting sustainable production, in the social, environmental and economical dimensions, of the sugar-cane and its derivatives.

With headquarters in London, Bonsucro established a set with more than 100 criteria, indicators and controllers applied to certify producers of the sector, throughout the world. The certification is based on auditing of the agricultural area producing cane, the sugar mill, as well as Braskem.

To serve the demands of the European market, Braskem certified the EBTE (bio-additive for automotive fuels) produced from the sugar-cane ethanol. Since the certification demands that the whole production chain have this stamp, Braskem has been demanding of its Suppliers the certification for the part of the ethanol purchased.

There is a complementarity between the criteria established by Bonsucro and that expressed in the Code of Conduct for Suppliers of Ethanol created by Braskem. It is for this that the Company maintains the two tools as a form of propagating sustainability among the Suppliers of ethanol. The Company is the largest industrial consumer of ethanol in Brazil, using around 700 million liters yearly, destined for the production of green polyethylene and of ETBE

The adherence to the Code of Conduct for Suppliers of Ethanol happens through a formal document signed by the representative of the factory. To accompany the fulfillment of the confirmed promise, Braskem carries out periodic auditing of the producing units of its Suppliers.

The target of Braskem for 2011 was to have 70% of the ethanol bought from factories signatories to the Code. The annual average reached 85%. For 2012, the objective is to keep on enlarging the adherence to the Code of Conduct to reach, in 2013, from 90% to 100%. The Code of Braskem foresees, among other practices, which by 2014 will no longer be used in areas considered appropriate for mechanization.

CODE OF CONDUCT FOR SUPPLIERS

Besides the special code for the production chain of ethanol, Braskem applies, for all the Suppliers and Services Providers of the Company, the Suppliers Code of Conduct. Among these principles are transparency, ethics and clarity of information. The code details, also, the practices considered reprehensible and not to be tolerated. Violations of the Code of Conduct of Braskem and/or of the Code of Conduct of Suppliers are susceptible to sanctions.

Projects for the Communities

The orientation of Braskem of valuing the human being through education and work is applied also to the Communities near the industrial installations of the Company, through activities of productive social inclusion, environmental education and cultural promotion, on the basis of the Policies of Social Responsibility and aligned to the Vision 2020.

One of the forms of reaching the objectives delineated is through private social investment in programs aligned to the strategy, principles and values of Braskem. In 2011, a new directive of Sponsorship and Social Private Investment was created that, associated with the implementation of an evaluation tool and selection of projects, reinforces management on the subject and directs the priorities of the Company, helping orient both the selection of social projects itself and the sponsorship to be defined.

In 2011, R\$16 million were invested in different projects. In 2010, the resources for Private Social Investment were of the order of R\$ 9.2 million, besides R\$ 7.1 million intended for social-environmental projects associated with new investments. In 2009, the total was R\$ 7.5 million.

For the completion of programs with the Communities, Braskem also looks for partnerships with governments and institutions. See, next, some examples of socio-environmental projects.

NATIONAL PROJECTS

Recycling Projects – In 2011 Braskem consolidated its action of social inclusion through recycling with actions and initiatives in the states of Sao Paulo (Capital and Mauá), Alagoas, Bahia and Rio Grande do Sul. The pillars of development projects are: diagnosis, training, planning and entrepreneurship, looking to create real social transformations based on autonomy and social inclusion. Besides, the recycling projects have a connection with the production chain of plastic, focused on post-consumption, and, in the case of mechanical recycling,

are destined to the most fragile link of this chain.

Among the projects of recycling supported by Braskem, the most advanced is that of Rio Grande do Sul. Created in 2009 by the State General office of Justice and Social Development and led by the Foundation Vonpar, the project relies on financial and technological resources of various enterprises and institutions. Besides the productive integration of recyclable material collectors, the initiative envisages strengthening the recycling units, which receive investments in the improvement of the installations, in equipment for selection and work safety, training in management and productive process.

In Sao Paulo, Alagoas and Bahia, the projects of recycling began in 2010, with the diagnosis of the situation of the recyclable material collectors and of the quality of the existent recycling sheds, aiming for the development of actions together with the sector. In 2011, Braskem joined CEMPRE – Compromisso Empresarial para a Reciclagem [Commitment of Business to Recycling]. As first contribution to the institution, the Company delivered the diagnosis carried out in the previous year, with details on the cooperatives of several cities near the productive units of the Company.

Altogether, there were more than 200 interviews with representatives of associations, cooperatives, and social movements connected with the collection of recyclable materials, managers, traders, enterprises and industries connected with the recycling of plastic, and also with independent recyclable material collectors. The finding concluded that the principal difficulties of the sector refer to the lack of training and organization of labor, precarious conditions of functioning of the cooperatives, inefficiency in the collection and in the selection and lack of increase in value of the recycled material.

Giving continuity to the project, in 2011, actions were developed together with 11 cooperatives selected by Braskem, which began with activities of training, legal structuring, logistics and a search for partners. In this year alone, 665 recyclable material collectors were directly benefited by the action of Braskem and 134 derived increase of income. The positive results of this first movement caused Braskem to look for scale in the action through strong and solid partnerships.

A New Glance at Plastic – The idea is to tell the story of plastic to pupils of schools throughout the whole country, addressing the subject of conscious consumption and of sustainability. The story begins with the origin of the raw material, the stages of production in the petrochemical complexes, the transformation into products that are present in the life of people, like the packaging and plastic bags, and at the end of the production chain, the recycling, allowing the reuse of the material.

The initiative stimulates the children to propose solutions for current problems connected with subjects like the choice of what to consume, differences in the production chains as to eco-efficiency, and combating unsuitable disposal of wastes

and the waste of water and electric energy.

To develop this project Braskem looked, in the last year, for partners with experience in presenting the subject of sustainability in schools: The Akatu Institute, which has acted for ten years with the concept of the conscious consumption, and the Institute Faça Parte, which stimulates education volunteers. With the support of Plativida (Social-environmental Institute of Plastics), materials and pedagogic resources were developed on the life cycle of plastic, its benefits and the responsibilities of the consumer in disposal, to avoid negative impacts to the environment.

Altogether, 115 schools of 23 states of the country were mobilized to present projects directed to young people, addressing the importance of conscious consumption. Subjects like product life cycle, impacts of consumption, recycling and correct disposal of residues were presented to more than 35 thousand children. The material was delivered to teachers of 1,577 schools of the public and private systems of all the Brazilian states.

In 2012, the school that presents the most innovatory initiative will choose a group of representatives of the project to visit the factory of plastic made from ethanol of sugar-cane of Braskem, in Triunfo (RS).

LOCAL PROJECTS

Program of Integrated and Sustainable Development (PDIS) of Mosaic of APAs of Southern Bahia (PDIS) –

In 2011, Braskem allocated R\$ 4.5 million to the program, through the Odebrecht Foundation. The PDIS has been applied there for years, with the challenge of creating conditions for the sustainable development of a rural area with extensive environmental inheritance and accented socio-economic imbalance. The way chosen was the fixation of young persons in the field, by education and incentive to the creation of opportunities for work and generation of income in the Area of Environmental Protection of Pratigi. The initiative includes eight Objectives of Development of the Millennium (ODM) proposed by the United Nations (UN), signed by 192 countries, Brazil among them.

Lagoa Viva Program of Environmental Education –

Begun in 2001, in the district of Pontal da Barra, Community near to the unit of chlorine soda of Braskem, in Maceió, the project gained other dimensions, expanding its actions for around 40 local authorities from Alagoas. Working with concepts of environmental education and sustainability, in 2011, Lagoa Viva gained 32 workshops of various themes, enabled around one thousand teachers and benefited more than 200 thousand pupils of Alagoas public schools.

Acreditar Program [To believe] – Created by the Odebrecht Organization to enable workers older than 18 years for civil

construction, and developed in partnership with education institutions, Acreditar is destined to persons residing in Communities near to works/projects of the Company. Among the specialties offered are structural steel assemblers, carpenter, electrician, boilermaker, plumber, mechanics, welders and scaffold assemblers.

Through Acreditar, Braskem also has been forming teams for the construction of its new industrial units. In 2011, the program was applied during the construction of the factory of PVC in Marechal Deodoro (AL). More than 670 persons were enabled and 314 were employed. In Triunfo (RS), where the Butadiene plant is being built, 68 persons were enabled and 57 were employed.

Cidade do Saber [City of Knowledge]: Museum of Science and Technology – Partner in a series of initiatives developed in the cultural and sporting complex Cidade do Saber, in Camaçari (BA), Braskem sponsored in 2011 the first Museum of Science and Technology of Bahia directed to a young public, the UNICA - Universe of the Child and Adolescent.

The space allows children and young people to try the scientific phenomena in practical life and realize that they can always, in the future, be part of these achievements through the application of the sciences in the industrial area, for example, aiming for development and the good of society. In 2011, the Museum received more than 5 thousand students of public and private schools, serving 15 different local authorities of Bahia. The objective of Braskem with this action is to stimulate the creativity and the interest of children for the disciplines related to the sciences, in a way to awaken the curiosity and to stimulate investigation.

Cinturão Verde (Green Belt) – an Area of Environmental Preservation created in 1987, with 150 hectares, located in the salt marsh of the district Pontal da Barra, near Lagoa Mundaú, in Maceió. The resources intended for the project are applied in recuperation of the ground, topographical reconstitution of the dunes and re-composition of the landscape of the salt marsh Atlantic Forest. The reserve has 280 thousand planted seedlings, 200 plant species preserved, 400 animals of the wild Brazilian fauna. The Green belt is opened to public visitation.

From these results, the Green belt has been granted the designation of Biosphere Reserve of the Atlantic Forest (UNESCO) and as Conservationist Arboretum of the fauna and flora (IBAMA). In 2011, in the ten years of Braskem contribution, more than 10 thousand people visited the Environmental Station.

Forest Factories – The objective of the project is to promote the production and planting of seedlings of native species along the Ecological Corridor of the Costa dos Coqueiros [Coconut palm Coast] and the Forest Ring, on the northern

coast of Bahia, overall near to springs and riparian forests. The region stretches from the industrial complex of Camaçari to the Sauípe Park. In 2011, the planting of the seedlings contributed to the restoration of around 30 hectares with more than 121 thousand seedlings planted in Camaçari, Simões Filho, Entre Rios and Dias D'Ávila.

Parque da Amizade (Friendship Park) – an initiative of Braskem, with the support of the Town of Paulínia (SP) and technical and operational management of GAIA [Group of Interdisciplinary Application to Apprenticeship]. With 300 thousand m², the park was inaugurated in January of 2011 and it offers leisure areas and sports and a varied free program to the regular visitors. Friendship Park was built by resources donated by Braskem, as part of the investment of its industrial unit of polypropylene in the region and donated for management by the Town of Paulínia, which had managers enabled during 2010.

Valuing Culture

From this year, the valorization of culture begins to be treated as one of five dimensions of sustainability, in alignment with the Odebrecht Sustainability Policy. The projects supported already are a tradition for the Company and, in previous reports they were grouped as social projects. There was no alteration in practices of management and financing associated with them, like private social investment. Only the form of reporting them has changed, now in an exclusive chapter.

The valorization of culture is part of the set of actions developed by Braskem, as one of seven macro-objectives of the Vision 2020, in the arena "People". Learn about the cultural projects supported in 2011.

Braskem Theater Prize (PBT) — Created in 1994 with the objective of recognizing, valuing and rewarding professionals of the Bahian theater and to open space for new talent, the awarding of the prize is done from indications and evaluation of a judging commission specialized in the cultural area. In 2011, tribute was paid to the actor Wagner Moura in the 18th publication of the prize, that took as theme The Bahian Actor On Screen.

Braskem on the Stage Prize — Exclusively for the cultural production of Rio Grande do Sul, the reward is divided into the categories Presentation, Direction, Actor, Actress and Best Show of the Popular Jury. The reward takes place at the close of the festival Porto Alegre em Cena, fulfilled there for 17 years with shows of theater, music and dance. Braskem sponsored the six last editions of the festival.

Frontiers of Thought — Is an international seminar in conference format, which proposes discussions on subjects of various areas of knowledge, making possible a public meeting with scientists, artists, writers and thinkers of the present. In 2011, the 6th edition was held in Porto Alegre and the 2nd edition in Sao Paulo, With a total of 16 meetings, Frontiers of Thought is enjoyed the participation of names like Fredric Jameson, Shirin Ebadi, Edgar Morin, Luc Ferry, Fernando Henry Cardoso among others, who held conversations on very diverse subjects of modernity between May and December.

Neojibá (State Centers of Youth and Children Orchestras in Bahia) - Is a program of the Secretary of Culture of the Government of Bahia, created in 2007 for the pianist and conductor Ricardo Castro, with the objective of promoting excellence and social integration, through orchestral practice. The initiative of 2011 promoted the realization of the tour of the Youth Symphony orchestra July 2, pertaining to the project Neojibá, to European capitals. The orchestra is formed of 92 members with age from 11 to 25 years. The initiative stimulates and facilitates the familiarity between children and young persons of various social segments, through culture.

The Great Recycler – Also in 2011, a musical show was carried out, without cost for the audience, with seven presentations in Independence Park, in Sao Paulo. The piece The Great Recycler proposes environmental Conscientization supported by contributions that each person can give in his day to day. The itinerary sought to valorize the collector of recyclable material, while showing that we are all “The Great Recycler”.

Tribute to the scientist – In February of 2011, Braskem launched a contest to pay tribute to the scientist José de Freitas Machado, founder and first director of the National School of Chemistry and founder of the Brazilian Society of Chemistry. The contest for delivery of monographs on The Life and Work of José de Freitas Machado was organized with the objective of stimulating undergraduate and graduate pupils of the institutions of higher learning of Brazil to investigate and to think about the work of the scientist. The prize was launched in partnership with the Foundation of Support to Research of the State of Alagoas (Fapeal) and the three first places in the contest received of R\$10 thousand to R\$2 thousand. The action is part of the commemorations for the International Year of Chemistry.

Political participation and the practice of citizenship

The subject of political participation and of the practice of citizenship is included in the Braskem Annual Report for the

first time, in function of the alignment of the structure of the report to the dimensions of the Policies of Sustainability of the Odebrecht Organization and, also of the more and more relevant political and transforming role assumed by the Brazilian business sector.

Braskem acts together with government spheres, societal representatives and diverse institutions and associations, national and international, in the sense of participating in the discussion on subjects of general and, also, sectorial interest.

As example of subjects of interest to society, there are the questions referring to climatic changes, to the contribution of industry for the control of emissions of CO₂ and to the correct destination of solid wastes. For the relevance of the subjects and for what they represent of social and environmental impact provoked by the operations of the Company, these questions are among the macro-objectives of the Vision 2020 and there are plans of action in progress for them. To learn more, read the chapter *Business and Sustainable Development*.

Climate Changes: this is one of the challenging subjects for the activities of the whole petrochemical sector. The climatic changes and the increase of concentration of gases of greenhouse effect are debated and accompanied by Braskem, both internally, in the context of the Members and Partners, and for the participation in more spacious discussions, in the sphere of the Abiquim and of the ICCA or on the level of government. In this case, the Company plays its part of citizenship, of a business disposed to participate in the reflections and solutions, entering into the debate led by the National Confederation of Industry (CNI), through the Sectoral Plan of Industry for Mitigation and Adaptation to Climatic Changes, with the Ministry of the Development, Industry and Exterior Commerce.

Solid waste: this is another example of national debate in which Braskem has been and is present, working with parliamentarians and technical committees in Congress during the drafting stages of the National Solid Waste Policy, enacted in August 2010. From that date, companies must develop reverse logistics, i.e. need to look at the post-consumption and treat what remains of the marketed products after discarded by the final consumer. The treatment can be through reuse, recycling or adequate disposal. For all these cases, Braskem develops specific actions. Read in this same chapter, Social Development, actions and social-environmental projects and of education and conscientiousness for correct consumption developed by Braskem.

PARTICIPATIVE AGENDA

The activity of Braskem in the Brazilian Business Council for Sustainable Development (CEBDS) is also relevant, through the Leaders in Sustainability council, created in 2011 with

the objective of driving the agenda of sustainability in Brazil and to make of the country one of the global leaders in the green economy. Companies from different sectors: participate in the group: energy, transport, iron metallurgy, metallurgy, petrochemical, civil construction, financial market and service providers in general. Braskem has a seat on the Board of directors of the Council.

Among the sector discussions, one of the subjects of the present, of ample interest and impact, is the stimulated ports, mechanism by which some Brazilian states grant tax incentives to imported products, thermoplastic resins among them, which enter the country through its ports, competing in the domestic market with the local industry, in unequal conditions.

In this case, the action of Braskem happened, in 2011, in state spheres and in the parliamentary arena, through meetings with technicians and representatives of the Brazilian Senate, surroundings where proposals on taxes and quotas are appreciated. The intention was to demonstrate the negative impact on the development of the production chain of plastic in Brazil provoked by the combination of dollar in decrease and incentive to imports. The subject already entered the list on the agenda of the Senate, but it still has not gone to plenary session.

Another example that deserves distinction is Braskem's participation in the Petrochemical-chemical Council of Competitiveness, together with trade associations of the sector. The sector competitiveness councils, special for each segment of the industry, were set up in 2011, by the Federal Government, to support the management of Plano Brasil Maior, which envisages strengthening the competitiveness of the national industry by the incentive to technological innovation, driving the growth of the economy in the country.

LINKED GROWTH

The economic and business strengthening of Braskem is also the strengthening of its Clients, which happens in different manners, including through political action. An example of partnership with Clients and of incentive to regional development marked the agenda of action of Braskem in Alagoas.

In 2005, the Company mediated the approximation of companies of the production chain of plastic and government organs of the State, with the objective of viabilizing the creation of a production complex in the municipality of Marechal Deodoro. The initiative benefited enterprises that migrated to the region, with fiscal incentives. It also benefited local authorities from Alagoas and its inhabitants, with the generation of jobs, the opening of education centers and training of workers specialized in chemistry and plastics, the attraction of public utilities and the growth of local commerce, with generation of taxes. Besides the partnership with government organs, the Federation of Industries of the State of Alagoas had a significant role in this initiative.

AGENDA BAHIA

Interested in discussing directives for the growth and sustainable development of the State, since 2010, Braskem supports the seminar Schedule Bahia, promoted by Rede Bahia, affiliate of the Rede Globo of television. Altogether there are four meetings carried out that count on the participation of businessmen, authorities and specialists to deal with subjects directly connected with the local economy, like industry, infrastructure, tourism and innovation - this last one included the participation of the Braskem's president, Carlos Fadigas.

Braskem believes in this type of project since it makes possible new ideas and suggestions to

strengthen and leverage the economy of Bahia and represents a great opportunity for learning, updating of knowledge and incitement to entrepreneurship. It is relevant to point out that the seminars of Agenda Bahia are accompanied by businessmen, executives, managers of public and private enterprises, consultants, self-employed professionals, representatives of NGOs and students.

Besides, the coverage of the event done through specials for TV Bahia, for the newspaper Correio and the radio CBN Salvador contributes to reinforce the positive image of Braskem and its action in the State as principal enterprise of the Industrial complex of Camaçari.

RIO+ 20 ON THE SUSTAINABILITY AGENDA

Braskem has been part, since 2009, of the team of representatives of Enterprises of the Odebrecht Organization, in the Brazilian delegations present at the discussions of the Conference on Climate of the United Nations (UN) carried out in Denmark, in Mexico and in the South Africa, successively. The contribution of the Odebrecht Enterprises has been to report the successful experiences developed in the field of sustainability, with the objective of disseminating practices and exchanging experiences.

With the intention of again positioning itself in this discussion, Braskem participates in the organization of activities for the United Nations Conference on Sustainable Development, Rio + 20, to happen in June of 2012, in Rio de Janeiro. The event will take stock and will mark the 20th anniversary of the international meeting on the environment and development, which brought together more than 120 chiefs of State in 1992, in Rio de Janeiro, which adopted the Convention on Climate, the Convention on Biodiversity and Agenda 21.

Among the contributions that Braskem will be taking to the Rio + 20 Conference is the preparation of a document to be presented in the international meeting, with proposals in the name of the "Future that we want". In this case, the participation of the Company will happen through the Brazilian Committee of the Global Compact, the Brazilian Business Council for Sustainable Development and the Brazilian Committee of the International Chamber of Commerce.

Two central subjects of the Rio + 20 Conference will be:

- A green economy in the context of sustainable development and the eradication of poverty

- The institutional picture for sustainable development

These are subjects that concern the Braskem strategy of action and the Vision 2020 of being a world-wide leader of sustainable chemistry, innovating to better serve people. For that very reason, Rio + 20 will be an opportunity for the Company for setting out its collaborative posture, in the definition of global policies for sustainability, and to strengthen its image with the stakeholders with which it is connected.

Environmental responsibility

This chapter includes questions referring to health, safety and environment.

In 2011 Braskem registered the lowest rate of accident frequency at work, with and without time lost, in almost a decade of history, which will be completed in 2012. The record attained includes Members and Third Parties, improving by more than 40% the rate of the previous year, reaching 1.16 accidents per million man hour of work. This indicator puts Braskem on a level similar to that of the best chemical industries of the world.

The result, a reflection of investments, training and reinforcement of the culture of occupational safety, represents advancement in the consolidation of the Vision 2020, as it concerns People.

With the effort of all the teams it was possible to revert the unfavorable situation of the first semester, when two process incidents occurred in the Industrial Unit of chlorine Soda, in Maceió (AL) that caused leaks of chlorine. The incidents, on May 21st and 23rd, led to the revision and strengthening of the safety system in all the units of the Company, through the safety program Sempre Ligado [Always Connected] (more information in this chapter).

Another highlight in 2011 went to conquest of new progress related to the seven macro-objectives of the Company in its Vision 2020. Learn next about the achievements of 2011.

- Reduction of 11 % in indicator of the intensity of greenhouse gas emission, when compared with the result of 2008.

- Preparation of the carbon footprint of 12 products.
- Verification of the inventory of emissions of GHG by an independent third party, allowing classification in the category Gold, of the program of GHG Protocol, in Brazil.
- In the CPD Investor, Braskem exceeded the scale of 70 points, being situated in the highest category of transparency of the management in climatic changes.
- In chemical safety, Braskem leads in Latin America the project GPS, of the ICCA, to promote recognition and the publication of the risks to people and to the environment resulting from the use of chemical products.
- In hydric efficiency, since 2002, according to the ICCA, the consumption of water by Braskem is around a fifth of the mean consumption of water of the world-wide chemical industry. In 2011, Braskem reached the rate of 18% of reuse of all the water consumed along the year.
- In energy efficiency, Braskem carried out improvements in tools for identification of opportunities and advanced in studies of new energy mixes.
- 85% of the ethanol acquired by Braskem has come to be originated from Suppliers who are signatories to the Code of Conduct for Suppliers of Ethanol, indicating the promise of the Partners in supplying renewable raw material with standards of sustainability.
- Demonstrating its preoccupation with post-consumption of the plastic materials, Braskem developed initiatives for social inclusion of collectors of recyclable material in Alagoas,

Bahia, Rio de Janeiro, Sao Paulo and Rio Grande do Sul.

- In relation to its promise with people, Braskem has programs for Members proficiency development, carries out private social investment, focusing on environmental education, culture and social insertion; it has advisory councils in the proximities of the plants, strengthening the relationship with the Community (more information on Social Development).

The investments in Health, Safety and Environment, in 2011, were R\$ 151 million and contribute to evolution of the indices of performance of the Company in this area.

Management in SSMA

The practical and strategic actions of Braskem's SSMA [Health, Safety and Environment] are integrated in a management program consolidated in 2005, with the objective of preventing and minimizing risks, as well as personal, environmental and material losses. The question is about the program SEMPRE – Excellence in SSMA, with 16 Strategic Elements that compose a set of directives and requisites being followed by Members and Third Parties in all the Company's units.

The powers of SEMPRE are the following:

- To enable Members and Third Parties on safety proceedings in accordance with the reality of each industrial unit
- To guide conduct standards
- To establish a prevention environment
- To define responsibilities
- To promote the change of behavior and the evolution of the culture of prevention

All the teams are enabled and fulfillment of the standards is compulsory. Internal auditing is carried out periodically to verify the fulfillment of the requisites and attributions of SEMPRE in the units of Braskem. As consequence of the auditing action plans are prepared, whose implementation is accompanied/monitored by Members of the areas of SSMA in the industrial units, through the respective Committees of Health, Safety and Environment. The area has the goals of reducing eco-indicators: rates of personal accidents, rates of accidents with removal (CAF), rates of gravity and new cases of occupational diseases. The Members can always find detailed information on the system of management in the internal portal "Braskem view" (intranet), in Produtividade >> Gestão e Qualidade >> SEMPRE SSMA.

In 2011, Golden rules were instituted and promoted in all the units of the Company, to communicate to Members and Third Parties the standards of behavior practiced in Braskem. There are altogether nine rules based on the system of management SEMPRE – Excellence in SSMA, and that highlight the proceedings considered essential to guarantee a

safe environment in work processes with greater risk of accidents. The Golden Rules are:

1. We communicate and treat every scenario of high risk as soon as it is identified
2. We release the Permission to Work (PT) in the service location and implement all the necessary safeguards
3. We perform any activity in safe conditions and refuse to perform the work if there is sign of insecurity
4. We carry out all the activities with Individual Protection Equipment (EPIs) and appropriate tools
5. We allow the performance of critical activities only by qualified and suitable persons
6. We secure the isolation and the blockade of dangerous sources of energy
7. We only leave the instrumented safety systems and alarms unavailable through formal authorization
8. We register, communicate and investigate 100% of accidents and all the incidents considered of high potential for gravity
9. We do not accept the violation of any golden rule.

The committees of SSMA of the Company monitor the application of the Golden rules.

TRAINING AND ACCOMPANIMENT

The objectives and targets of SSMA are established by the Company's upper management committees, some of them being included in the Programs of Action (PAs) as objective for the year and are linked to the variable remuneration.

The seven macro-objectives of the Vision 2020 are a guide for establishment of long term targets and objectives. Through them, the middle term targets unfold that are translated into the PAs with annual targets and monitored monthly by the committees of SSMA and by the leadership.

The monitoring evaluates the evolution of the management of SSMA, legal compliance and results obtained. Reactive indicators of performance are monitored, for example, (consumption of water, effluent generation, generation of wastes, GHG emission and consumption of energy) and level of implantation of the requisites of the Integrated System - SEMPRE.

It is also part of the monitoring to apply corrective and preventive measures for all the diversions, the real losses associated with accidents and the losses with medium or elevated potential. In these cases, the first step is the analysis of the events, followed by application of the measures indicated to remove the causes of potential and real diversions.

The area of SSMA is responsible, also, for specific trainings, such as sensibility of leadership for management in SSMA; safety of process for leaders; training of instructors of the Program for Prevention of Losses in the Work Environment (PPAT); enabling in the process of investigating diversion and losses; course of business sustainability. The necessities of training in Health and Safety are identified and managed by the operational units.

RISKS AND OPPORTUNITIES

The principal risks and opportunities identified in the area of Health, Safety and Environment are:

- Growing space for questions of health, safety and environment in the media;
- Appearance of more restrictive specific legislation;
- Corporative governance, social responsibility and sustainability seen as vectors of valuable creation for the Investors;
- Explanation of performance improvement;
- Restrictions for dangerous products;
- Growing restrictions to wastes;
- Commitment of society organized;
- Increase of the power of police of the State;
- Collection of water;
- Growing importance of the subject of Climate Change;
- Obligation for SSMA Management Systems

Expense in protection and environmental investments

Investments in SSMA are priority for Braskem, which, besides attending the corporative necessities involving the areas of Health, Safety and Environment, carries out determinations of the specific legislation. The resources intended for SSMA are directed toward, among other factors, the training of Members, the improvement of performance, the reduction of risks of different natures inherent in the production, at the reduction of the consumption of natural resources in the production processes, the water among them, and the reduction of the emissions of CO₂.

In 2011, Braskem invested R\$ 151 milhões in SSMA, in units in Brazil and the United States. A distinction in the course of the year went to insertion of the tool SIGA (System of Identification of Environmental Profits) in the methodology of investment of projects. Now, besides the economic evaluation, the environmental impacts also are considered for the analysis of investments. The prescriptive documents on investments in SSMA are available in the system of management of the Company, Formula Braskem.

Accidents and learning in Alagoas

On the days 21 and 23 of May of 2011, two incidents took place in the industrial unit of chlorine soda in Maceió (AL). The first one was provoked by the breakage of the lower part of a piece of equipment (pre-refrigerator), with subsequent leak of chlorine into the environment. As soon as the existent detectors of chlorine in the factory were activated, control measures were provided and the production was interrupted.

In the second accident, with the plant out of operation and the chlorine already removed from its interior, a breakage took place of the lower mouth of another piece of equipment (inter-refrigerator), with release of metal fragments. On that occasion, there was no leak of chlorine.

In both cases, medical service was necessary for the persons involved - in the first event, an Integrant of Braskem and residents of the region near the factory, on account of the leak of chlorine; in the second one, five workers of the service provider of Braskem, specialized in assembly of scaffoldings. They were not intervening in the equipment, but near to the place assembling scaffolding for inspection

aimed at the identification of the causes of the first event. Technical teams of Braskem worked in the identification of the two events and, with the support of external consultants, providences were taken to remove the causes of the accidents. Among the measures adopted and presented to the competent authorities of Alagoas are the application of additional protections and improvement of the process control. Braskem and the service provider enterprise supported the people affected by the incidents and their relatives. In the two cases, state organs of Work and the Environment, as well as of the Public prosecution service and Workers' Trade union, were informed and they accompanied the providences that followed. The unit of chlorine soda retook its operations on June 7, after the conclusion of risk analyses and application of the additional measures of protection. The unit has been in operation there for 34 years and there had been 950 days without registering a work accident with time lost. In the last three years it had received more than R\$ 300 million in maintenance and investments in health, safety and environment.

FINES, LAWS AND REGULATIONS

Braskem acts in accordance with the laws and regulations of the country. The Company was not condemned in a definite form to the payment of fines or to the fulfillment of non monetary sanctions in the period understood between 2007 and 2011.

For the aims of this report, the same criterion of materiality used in the Form of Reference set up by the Comissão de Valores Mobiliários (CVM- Securities and Exchange Commission of Brazil) was adopted, in terms of the Regulatory Instruction CVM 480/2009, which is R\$ 60 million.

On account of the event of May 21, the Company was sued by the federal, state and municipal environmental organs: Ibama (Brazilian Institute of the Environment and of Natural Resources), IMA (Institute of the Environment) and Sempma (Municipal General office of Protection to the Environment of Maceió), respectively.

The report of the IMA attested that there was no environmental damage (fauna and flora), applying a fine of R\$ 583,000.00, understanding that other or-

gans will shelve the administrative processes.

After the event, the plant was totally motionless and without production of chlorine and soda, not posing any risk to the community and to the workers, until the necessary providences to remove the cause of the event were adopted.

The unit returned to operation on June 9, after the implementation of all the measures of improvements recommended by the Commission of Investigation of Braskem and noted by the competent authorities.

It is relevant to point out that the Company is considered the largest chlorine-soda producer of Latin America and has a regular environmental license for operation, besides having certificates ISO 9001 and ISO 14001 attesting, through independent auditors, to its excellence in quality management and in environmental management, respectively. The Company has operated in Alagoas from 1977 without the occurrence of a similar event.

SEMPRE LIGADOS (ALWAYS CONNECTED)

Two accidents in the unit of chlorine soda in Alagoas unleashed the internal safety campaign Sempre Ligados, with the objective to reinforce the measures, the practices and the culture of Health, Safety and Environment, besides the role of each Integrant and Third Party in the fulfillment of procedures and basic requisites for the preservation of life.

Divided in three phases, the campaign was carried out between October 10 and December 16 of 2011, in all the units of Braskem in Brazil, communicating with 24 thousand persons, between Members and Third Parties. The first phase - "To understand" - had as objective to reinforce the concepts of SSMA. 12 meetings were carried out in the manufacturing plants, with the presence of around 200 leaders to present the campaign and the importance of their support in the dissemination of the messages.

Special posters were produced for the internal areas (outpatient departments, clothing, refectories) and external areas, stickers for glasses and tables of the

refectories and reception, e-mail marketing, banners for the intranet, plaques and awnings for the bus-stops near to the units.

In the second phase of the campaign - "To accept"-, Members and Third Parties were invited to participate in a contest, telling stories related to safety, in which prevention and fulfillment of the rules saved lives. The inscriptions, a total of 92, were done in urns and through the portal "Braskem view" (intranet). Three winning stories of the contest, selected by an evaluator commission, were published in a special publication of December of the internal report Generation Braskem, with a print run of 24 thousand units. In the third phase of the campaign - "To practice" - informative material on concepts of SSMA and the Golden rules (see Management in SSMA and Golden rules) was distributed to Members and Third Parties. Around 30 thousand units were printed in format of a pocket-sized book.

Health and Occupational Safety

The policies of occupational safety foresee corporate training for the leadership, as sensitization for the management in SSMA, process safety, enabling for investigation of diversions and losses, among others. In the operational areas, the necessities of trainings are identified and attended to locally. The application of the principles is subjected to auditing by the areas of quality and SSMA.

The Suppliers of Braskem must also follow standards of health and occupational safety, whose fulfillment is evaluated at the first contacts with the Company, in the phase of registration. From the initial evaluation, they are classified in accordance with the type of activity practiced, associating the risk of the activity to its capacity for prevention. The Supplier certified in health and occupational safety receives additional points in the registration evaluation.

As reinforcement to the culture of SSMA in the Organization, safety dialogs are carried out daily in the operational areas. In 2011, 103,135 dialogs took place in the units of the Company in Brazil, in other words, each hour 12 leaders met with their teams to discuss the tasks of the day, with focus on health and occupational safety. In 2010, 84 thousand safety dialogs were carried out.

PREVENTION AND HEALTH

In 2011, the area of SSMA included new directives in the manual of SEMPRE, with the objective of strengthening the activities of health promotion. Also in 2011, a new tool was developed with focus on prevention, to systematize the identification and evaluation of the Environmental Aspects and Impacts, of the Dangers and Risks to Health and to Human and Environmental Safety (AIPR), involving the processes, the activities, the products and the services carried out in the Company.

Two distinctions in occupational health, in 2011, were:

- There was no register of cases of occupational disease, meningitis and flu A H1N1 in Members, along 2011 (see chart in Injuries and occupational diseases).
- The program of immunization vaccinated 4,452 Members (adhesion of approximately 66% of the total) against flu - influenza type A H1N1, H3N2 and type B.

Injuries and occupational diseases

Rates of injuries, occupational diseases, lost days, abstention from voting and deaths related to work, by region (Brazil and the United States).

	2009	2010	2011
Rate of Injuries (TL) (Total of injuries *200,000 / total of worked hours)	0.96 (Brazil + USA)	0.40 (Brazil + USA)	0.24 (Brazil + USA)
Rate of occupational diseases (TDO) (total of occupational diseases * 200,000 / total of worked hours)	0.014 (Brazil + USA)	0.004 (Brazil + USA)	0.00 (Brazil + USA)
Rate of days lost (TDP) (total of lost days * 200,000 / total of worked days)	11.32 (Brazil + USA)	49.92 (Brazil + USA)	11.24 (Brazil + USA)
Rate of absenteeism * (No. of days * 100) / man / hour worked	0.073 (Brazil)	0.041 (Brazil)	0.026 (Brazil)

Notes referring to the chart:

1 - in 2011, there were no deaths in Braskem in Brazil nor in the United States.

2 - small injuries (attended in first aid) were not considered in the collection of data for this indicator.

3 - "lost days" calculated correspond to "consecutive work days".

4 - the counting of "lost days" begins the next day following the accident, according to NBR 14280.

5 - the report of indicator LA7 did not use the same base of data of LA1 for the calculations of worked hours because this is not the base that Braskem uses in its day to day. To calculate this value, Braskem uses the values of worked hours coming from the accompaniment that some industrial plants do by electronic turnstile and others by the estimate in relation to the number of Members.

6 - Data of 2011 include Members and partners (Service Providers), with the exception of the rate of absenteeism, which includes only Members.

7 - data of 2011 Brazil include Braskem + Quattor

	2009	2010	2011
Rate of accident frequency (CAF) - (No. of accidents CAF / hht) * 1,000,000. Members and Service Providers and Service Providers	1,05	0,62	0,55
Rate of accident frequency SAF + CAF - (No. of accidents SAF + CAF / man hour worked) * 1,000,000. Members and Service Providers Employees and Service Providers	4,79	2,02	1,16
Rate of lost days (TDP) - (No. days lost + charged) / man hour worked) * 1,000,000. Members and Service Providers Employees and Service Providers	56,59	249,61	56,18
Rate of occupational diseases (n° of diseases * 1,000,000 / man hours worked) It considers the incidence. Only Members	0,07*	0,02**	0,00
Rate of absenteeism ** (No. of days * 100) / man / hour worked Only Members	0,073 (Brazil)	0,041 (Brazil)	0,026 (Brazil)

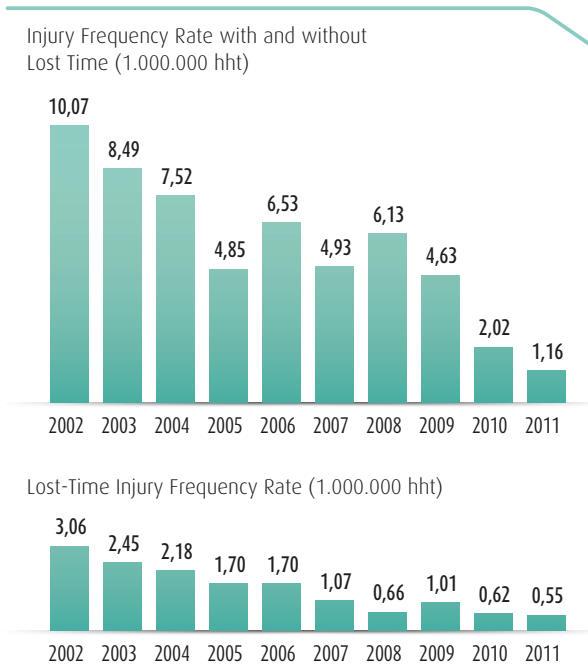
** Hearing loss induced by noise (PAIR). Both without any lost day, since the diseases were characterized in the examinations decommissions of the Members, and a case in the PE2, identified as aggravation of preexistent osteo-muscular injury, with 66 lost days. removal for clinical disease of Integrant of the area of maintenance of the CS BA, with history of lumbar alteration, which cervicgia crisis was characterized by the INSS as Occupational Osteomuscular Disease, without conditions of challenging the characterization by the industrial unit, from non-existence of counter-proofs in ergonomic evaluations .

In 2009 there were no deaths of Members or Service Providers. In 2010 there was one death of a Service Provider and none of Members.

Note.: pro forma Indicator . Not controlled are occupational diseases and rate of absenteeism of Service Providers. In 2009 Cinal is not included

Accidents at work, the lowest rate in 10 years

In 2011, the Rate of Accident Frequency with and without Removal (CAF + SAF) of Braskem was of 1.16 for million man hours -worked (HHT), a record in the 10 years of history of the Company. The Rate of Accident Frequency with Time Lost, considering Members and Partners per million man hours worked, was 0.55, a reduction of 11% in relation to the previous year.



Process Safety

As a result of the integration of Braskem, Quattor and Braskem America, there was a modification in the scheme of classification of the Risk Rating (classification of risk) in the insurance inspections of the plants to measure the safety of processes. In 2011, auditing was carried out in the industrial plants and seven of them were classified as above standard, in other words, above the standard and three classified in the standard category. The classification considers comparative criteria between international industries of the same segment, at which the conditions of safety and management are evaluated. The auditing and classification are carried out by Aon Energy Risk Engineering.

Chemical safety

All the products of the portfolio of Braskem pass through a process of quality analysis and toxicity and, for each one of them, a File of Information on Safety of Chemical Product (FISPC) is prepared, following standard NBR 14725. This document contains

information on the transport, handling, storage and disposal, considering the aspects of safety, health and environment.

In 2011, two products, the benzol and the butadiene, were subjected to the analysis of risk according to the guide of the GPS, an analysis that will have to be carried out, also, for other products of the portfolio of the Company. By the end of this decade, Braskem will not produce, will not use substances cited in global black lists, as expressed in the Vision 2020. All the products manipulated internally, like raw materials, reagents, inputs, among others, have their information records which are subsequently supplied to the Clients. The guarantee of fulfillment of this orientation are the programs of inspection, internal and external auditing, auditing of SEMPRES and the respective plans of action prepared on basis of the diagnoses resulting from the auditing.

It is possible to obtain this information in the portal of Braskem and of the ICCA, in Information and Safety of Chemical Substances,

<http://www.icca-chem.org/en/Home/ICCA-initiatives/global-product-strategy/>), providing transparency to Clients, Suppliers and other interested parties as to the risks of the products.

The principal objectives of adequate labeling are:

- To reduce the differences in the safe handling of products between developing countries, emergent and industrialized.
- To guarantee the handling and the correct application of the products along the value chain, through supply of relevant and reliable data.
- To give more transparency while supporting the manufacturers in the supply of data in an easily understandable format (the question is the Safety Summary).

Distinctions in 2011:

- Braskem, in partnership with the Brazilian Association of the Chemical Industry (Abiquim), leads the implementation of the GPS in Latin America, supporting the enterprises so that they can safely manage all the chemical products handled, produced and marketed.
- The 27 substances of Braskem registered in the REACH (acronym in English for Register, Evaluation, Authorization and Restriction of Chemical Products) have, now, their respective Safety Summary completed and available for consultation in GPS Chemical.
- Conclusion of the SDS (Safety Data Sheet, official document of REACH) of all the 33 substances of Braskem registered in REACH.
- **Reach:** are directives of the European regulation that demands the identification of the composition, application and use of all the substances exported to the continent.
- **GPS:** an initiative of the ICCA to promote the recognition and the publication of the risks to people and to the environment resulting from the use of chemical products. The initiative is aligned to the global strategy of the United Nations Program for the Environment.

Product Responsibility

The portfolio of Braskem includes around 30 products, among thermoplastic resins polyethylene (PE), polypropylene (PP) and polyvinyl chloride (PVC), besides basic chemical inputs, such as ethylene, propylene, butadiene, chlorinate, soda, solvents and a differentiated line of products

with origin in renewable raw material. Of this universe, the products related in the chart below were evaluated as to the impacts provoked on health and safety, considering their principal lifecycle phases.

Phases of product and service life cycles, in which the impacts on health and safety are evaluated aiming at improvement. The percentage of products and services subject to these proceedings.

Phase of Life cycle / Evaluation of the Impacts	Green Ethylene (theoretical study)	Green propylene	ETBE	Green polyethylene	Green polypropylene	PVC (plants of Alagoas and Salvador)	Soda / Chlorine and Derivatives	Basic Petrochemicals	% of products covered by evaluation
Development of the concept of the product (definition of parameters of specification)	●	●	●	●	●				63%
Research and development (study Life Cycle Assessment)	●	●	●	●	●				63%
Certification (ISO 14001)	●	●	●	●	●				63%
Manufacture and production (analysis of risks)	●	●	●	●	●				63%
Marketing and promotion (labeling)	●	●	●	●	●				63%
Storage, distribution and supply (risk analyses)	●	●	●	●	●				63%
Use and service	●	●	●	●	●				63%
Arrangement, reuse or recycling (legal waste requisites class I, IIa and IIb)	●	●	●	●	●				63%

1. Of eight products quoted in this indicator, the PVC has analysis only with the objective of improvement of processes.
2. Soda / Chlorine and Derivatives and Basic Petrochemicals have no analysis and other products have analysis with focus on what the indicator asks.
3. Green Ethylene, Green Propylene and Verde Polypropylene: analysis of the life cycle (AVC) done on basis of theoretical data for a strategic analysis in relation to the new product, aiming to calculate the environmental benefit of the product (if it is environmentally beneficial analysis is not done by focus on what the indicator asks).
4. ETBE: the study of ACV was carried out to obtain a product with reduced level of toxicity.
5. Green polyethylene ACV done on basis of theoretical data for strategic analysis in relation to the new product, aiming to calculate its environmental benefit (the analysis is not done by the focus on what the indicator asks).
6. Since the study of ACV is contracted, the impact on health and safety is evaluated at all stages of the life cycle of the product.
7. For new products, which will be still developed, the impact on the health and safety is analyzed in all the phases, from the conception up to production, logistics and disposal.
8. For PVC (plants of Alagoas and Salvador) study of ACV is done aiming for the implementation of process improvements to reduce the environmental impact.

Energy

Braskem is among the largest consumers of energy (electric and thermal) in Brazil, participating with 2% of the consumption in the country. In this sense, the supply of energy with guarantee of supply and competitive costs is a critical factor for the survival and the planned growth of the Company. The risk, however, opens space for opportunities, since it causes the search for new technologies, increase of energy efficiency, optimization of processes, and reduction of operational costs.

The area of Energy has a dedicated Administration, which contributes with the constant target of reduction of the indicator of specific consumption (GJ/ton), this target determined, individually, for each industrial unit. The performance is monitored monthly and the indicators are published, allowing comparison of the results obtained and the correction of diversions, when they take place. The targets and the results consolidated by unit compose the corporate indicators.

Among the strategies to reach the proposed targets are the employment of energy on competitive bases and with guarantees of supply; the development of projects of co-generation for increase of reliability in the supply; the diversification and the optimization of the energy matrix (contractual flexibility, short term contracting and use of opportunities for energy efficiency). The portfolio of contracts is monitored by the Executive Board of the area, which also monitors the new projects of the Company in relation to future energy demands and their evaluation.

At the end of the year the industrial units were asked to

register in the system GMB (Braskem Management Improvement) information on the improvements in efficiency and energy conservation. The goal is to make the GMB a single system of registers that may improve the management of initiatives and the reapplication of ideas by other users. Disclosure of the GMB is being made in the program for training in operational excellence Braskem+.

In 2011, there was an increase of 2.5 % in the indicator of specific energy consumption (GJ/tonne) of Braskem in relation to 2010. Among the reasons are structural issues such as the blackout of electric energy in the Northeast region, occurred at the beginning of the year (see details in *Economic Development*), with negative impact on the Company's production in Camaçari (BA), reducing volumes and damaging the balance of energy performance, as well as the other environmental indicators. Also as a result of the impact of blackout in production, the improvements implemented in the course of the year, aiming at energy efficiency, not reflected in the consolidated income of 2011 (GJ/tonne). Despite this, the energy consumption (GJ) current, compared with the average of the last three years, and approximately 4.5 % lower.

As a highlight for 2012, Braskem will develop the Program of Energy Efficiency in a pilot plant. One of the objectives is to seek to align the issues related to consumption and efficiency actions to the prerogatives of ISO Standard 50001, published in June 2011, with a focus on the performance of energy management.

Energy Consumption directly broken down by source of primary energy (GJ) *

Non-renewable sources of direct energy	2009	2010	2011(GJ)
Coal	3.767.315	5.618.611	4.817.051
Natural Gas	17.180.543	29.619.944	32.538.906
Fuel distillate of crude oil, including gasoline, diesel, LPG, CNG, LNG, butane, propane, ethane etc.	85.912.951	109.054.289	172.453.502,34
Electric Energy	18.705.455**	19.234.301**	18.060.734
Steam	206.307	1.484.229	1415.535
Renewable Sources of direct energy			
Biological Fuels	Not used	Not used	Not used
Ethanol	Not Calculated	Not Calculated	330.900,00
Hydrogen	1.193.875	1.195.538	41.495,54
Total	130.584.282	168.718.267	200.439.195,54

* The data do not include Braskem United States.

** In the Annual Report and Sustainability 2010 information of the electrical energy consumption was published in a mistaken form. (GRI EN3)

GRI EN3

GRI EN5

FOCUS ON EFFICIENCY

The following data refer to the initiatives of Braskem to provide products or services with more energy efficiency or based on renewable energy, in addition to achieved reductions in energy requirements as a result of these initiatives.

- Description of the initiative:
The objective of the development of resins was in order to ensure the optic quality for transparent parts with reduction of processing temperature. This means that, to achieve the properties of transparency and brightness, the processors can operate with a profile of lower temperature, and can significantly reduce the energy consumption, depending on the equipment and molds of each client. In the tests performed a reduction of energy consumption by up to 10 % was observed.
Some products are already approved and others are in approval. Currently all are marketed with the nomenclature of development.
- Units where the initiative is applied:
PP1 / PP2, in triumph (RS)
PP3, Paulínia (SP)
PP4, Maua (SP)
- Reductions in energy requirements affected in 2011, for products or services:
This project provides gains in the process of injection of transparent parts such as domestic appliances, household appliances, rigid containers, etc. The benefit does not apply, however, to all the injection systems, because this process is limited not only by temperature,

but by the technology of the equipment, drawings of molds and processing conditions. Customers benefit from the better color of injected parts.

- Assumptions used for the calculation of the reductions as standards for consumption or normal factors:
For the calculation of the reductions the standard of optic quality in the current product temperature profile current is considered. Energy consumption is measured with a high precision multimeter, for a given period. After data collection, there is the new product in fuel injection and a new set up for process with lower temperatures found (remembering that it does not apply to all systems), keeping the quality standard of the optical parts. Compare the data obtained.
- Performance result:
As the resin is in the market only in test lots, we do not yet have data for this indicator. In previous years there was no such measurement.
- Practices planned or carried out related to the theme of the indicator:
Seek to optimize the production processes of customers, with a focus on competitiveness, and one of the practices of application engineering. The engineers are able to indicate products that can provide lower power consumption, such as products with fluidity rate higher, allowing, in many cases, the processing in temperatures and smaller cycles, taking into account the mechanical requirements basic of each application.

Greenhouse Gases

Braskem is an emitter of relevant industrial greenhouse gases, although monitoring and reducing emissions in recent years. Its performance strategy is committed to the low carbon economy and remains aligned with the international guidelines in this direction.

In its Vision 2020, the Company expressed the commitment to seek improvements in production processes that contribute in reducing the intensity of emissions of carbon dioxide per product. In another aspect, the use of renewable raw materials, such as sugar cane, favors the sequestration of

indirect emissions of GHG.

Even in this context, Braskem works with defined goals for reduction of the intensity of greenhouse gas emissions: reduction of 11% between 2008 and 2011, and reaches 0.60 tCO₂e/t product in 2020. With the objective to provide transparency and make public the evolution of targets, the company discloses the inventory of GHG emissions, as well as the strategy and the development of actions, in the Annual Report and in other channels of communication with their stakeholders, such as COP, GHG Protocol Brazil and others.

2009							
Type of source 2009*	Emission (Mg)						
	CO ₂	CH ₄	N ₂ O	HFC (134)	HFC (Others)	SF ₄	CO ₂ E
Indirect Emissions (Purchased energy)	214,676.55	1.69	-	-	-	-	214,712.11
Indirect Emissions (Transferred energy)	429,314.35	7.28	-	-	-	-	429,467.32
Fugitive Emissions (CH ₄ lines)	33.90	162.34	-	-	-	-	3,442.95
Fugitive Emissions (Refrigerant/Insulating Gas Lines)	-	-	-	15.76	45.65	0.05	77,248.00
Process Vent Emissions	12,685.65	112.72	100.78	-	-	-	46,294.76
Combustion Emissions	9,176,339.87	822.15	158.67	-	-	-	9,242,794.08
Emission Scope 2:	214,676.55	1.69	-	-	-	-	214,712.11
Emission Scope 1:	9,189,059.42	1,097.21	259.45	15.76	45.65	0.05	9,369,779.79

2010							
Type of source 2010	Emission (Mg)						
	CO ₂	CH ₄	N ₂ O	HFC (134)	HFC (Others)	SF ₄	CO ₂ E
Indirect Emissions (Purchased energy)	33727885%	70%	-	-	-	-	33729364%
Indirect Emissions (Transferred energy)	39403282%	6.48	-	-	-	-	39416901%
Fugitive Emissions (CH ₄ and CO ₂ lines)	2651%	158.98	-	-	-	-	3,365.18
Fugitive Emissions (Refrigerant/Insulating Gas Lines)	-	-	-	23.8	45.2	0.01	88,370.15
Process Vent Emissions	6,376.27	229.80	-	-	-	-	11,202.13
Combustion Emissions	9,060,137.48	1,116.07	152.11	-	-	-	9,130,730.52
Emission Scope 2:	337,278.85	0.7	-	-	-	-	337,293.64
Emission Scope 1:	9,066,540.26	1,504.86	152.11	23.8	45.2	0.01	9,233,667.98

2011

Tipologia da Fonte (2011)	Emission (Mg)						
	CO ₂	CH ₄	N ₂ O	HFC (134)	HFC (Others)	SF ₄	CO ₂ E
Indirect Emissions (Purchased energy)	21622771%	60%	-	-	-	-	21624036%
Indirect Emissions (Transferred energy)	28890877%	4.74	-	-	-	-	28900832%
Fugitive Emissions (CH ₄ and CO ₂ lines)	3062%	1,499.86	-	-	-	-	31,527.71
Fugitive Emissions (Refrigerant/Insulating Gas Lines)	-	-	-	24.5	77.2	0.05	126,531.73
Process Vent Emissions	12,587.24	243.57	-	-	-	-	17,702.19
Combustion Emissions	2,914,964.92	83.85	55.26	-	-	-	2,933,856.93
Fugitive Process Emissions	5,727,677.91	688.76	118.89	-	-	-	5,778,996.58
Waste disposal (internal)	-	839.35	-	-	-	-	17,626.31
Wastewater treatment (internal)	-	259.83	0.24	-	-	-	5,529.39
Emission Scope 2:	216,227.71	0.60	-	-	-	-	216,240.36
Emission Scope 1:	8,655,260.69	3,615.22	174.38	24.5	77.2	0.05	8,911,770.84

Scope 1 - Direct emissions of GHG

Scope 2 - Indirect emissions of GHG

Unit of measure (tCO₂e)

Reduction Initiatives	Type of emission	Reduction achieved
Advanced Control of H ₂	Other combustion process (e.g. flare)	-12.320,0
Increase operational continuity and Six Sigma project to reduce the specific consumption of propylene.	Other combustion process (e.g. flare)	-526,0
Energy Conservation - recomposition of thermal insulation in rua Hidrogênio Norte	-	-3,1
Pre-heating air in Superheaters BA-1110 A/B	-	-11,9
Optimization of the mesh of V TO 3,5 kgf/cm ² g	-	-3,2
Optimization of coils in boilers	-	-7,9
Improvements in efficiency in BA -701 A/B/C	-	-4,6
Replacement purgers UTE	-	-1,5
Actions for reducing the energy consumption that consequently reduce emissions	Other combustion process (e.g. flare)	-2.577,3
Total		-15.455,5

* The data do not include Braskem United States.

* In 2009 and 2010, the basis of information was reported in scope for reduction of emissions. In this RA 2011, the information is organized by emission reduction initiatives.

** The low emission reduction in 2011 is given on account of information intermediaries = the total of -15,455.5 was only obtained by the related practices.

2009		
Emissions / Scope	Sources	Values
Direct emissions (Scope 1)	Combustion emissions	-
	Fugitive Emissions (refrigerant gas lines)	-
	Fugitive Emissions (gas insulating lines)	-
	Fugitive Emissions (line of methane gas and carbon dioxide)	- 9061
	Ventilation emissions in the process	- 255792
	Total scope 1	- 264853
Indirect Emissions (Scope 2)	Purchase of energy	- 33696
Total scope 1 + scope 2		- 298.549

2010		
Emissions / Scope	Sources	Values
Direct emissions (Scope 1)	Combustion emissions	-10841100%
	Fugitive Emissions (refrigerant gas lines)	-
	Fugitive Emissions (gas insulating lines)	-88400%
	Fugitive Emissions (line of methane gas and carbon dioxide)	-7800%
	Ventilation emissions in the process	-35,093.00
	Total scope 1	-144,466.00
Indirect Emissions (Scope 2)	Purchase of energy	-
Total scope 1 + scope 2		- 144.466

2011		
Emissions / Scope	Sources	Values
Direct emissions (Scope 1)	Combustion emissions	-
	Fugitive Emissions (refrigerant gas lines)	-
	Fugitive Emissions (gas insulating lines)	-
	Fugitive Emissions (line of methane gas and carbon dioxide)	-
	Ventilation emissions in the process	-
	Total scope 1	- 361.972,83
Indirect Emissions (Scope 2)	Purchase of energy	- 121.053,28
Total scope 1 + scope 2		483.026,11

* The data do not include Braskem United States.

Emission of destructive substances of the ozone layer by weight

Tables and caption above

HFC-134 (Mg)	HFC-134a (Mg)	HFC-152a (Mg)	HFC-125 (Mg)	HFC-32 (Mg)	HFC-143a (Mg)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,50	76,95	0,04	0,18	0,10	0,06
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,50	76,95	0,04	0,18	0,10	0,06

2009 / 2010

	HFC 134a	HCFC22	HCFC141b	CFC12	CTC	Potential destroyer of ozone layer (CFC11 equivalent)
2009	68,63	25,55	4,55	0	23,92	28,35
2010	91,12	41,18	0,12	0	0	2,48

* The data do not include Braskem United States.

GHG inventory

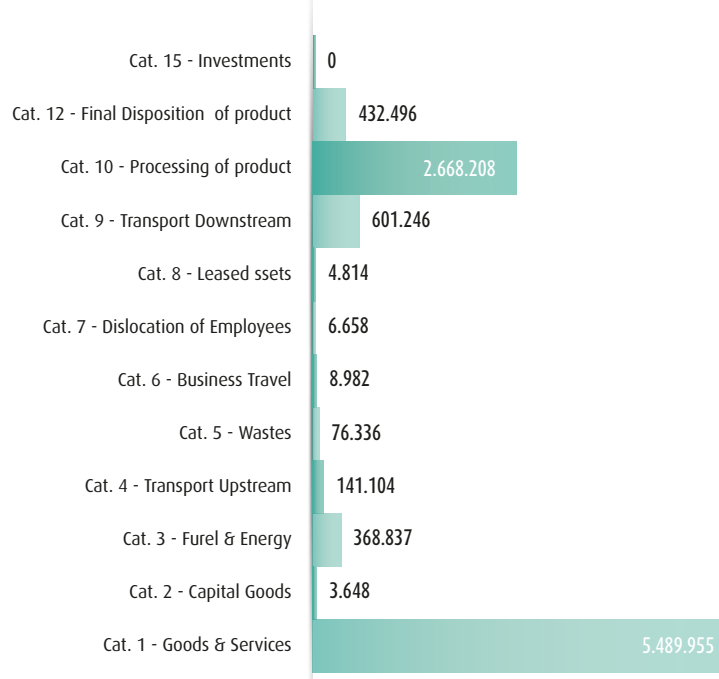
As it has done every year, Braskem, in 2011, took inventory of greenhouse gas emissions (GHG), encompassing the gases CO₂ (carbon dioxide), CH₄ (methane gas), N₂O (nitrous oxide), and HFC-134 (hydro fluorocarbon, refrigerant fluid). All the industrial plants and corporate centers are included in the inventory.

The GHG emissions inventory of Braskem follows the guidelines and methodology of the Brazilian Program GHG Proto-

col. In 2011, Braskem obtained the recognition of its inventory (referring to 2010) in the Gold category of the Brazilian Program GHG Protocol, awarded to companies that provide a complete accounting of all GHG emissions, with verification by an independent third party. In addition, the inventory in 2011 takes 100% of the categories of scope 3 defined by WRI - *World Resource Institute*.

Emissão - Escopo	Fonte de Emissão	2010	2011
Emissões Diretas (Escopo 1)	Emissões de Combustão	2.769.060,54	2.761.622,19
	Emissões de Combustão/ Fugitivas de processo	6.358.501,61	5.913.015,82
	Emissões de Combustão Móvel	3.168,36	4.597,76
	Emissões Fugitivas (Linhas Gás Refrigerante)	88.059,45	125.336,73
	Emissões Fugitivas (Linhas Gás Isolante)	310,70	1.195,00
	Emissões Fugitivas (Linhas CH ₄ e CO ₂)	3.365,18	25.788,41
	Emissões de Ventilação de Processo	11.202,13	16.972,72
	Disposição de resíduos (Interno)	ni	17.626,31
	Tratamento de efluentes (Interno)	ni	5.540,19
		Total Escopo 1	9.233.667,98
Emissões Indiretas (Escopos 2)	Transferência de energia (entre unidades)	394.169,01	289.008,32
	Compra de energia	337.293,64	216.240,36
	Total Escopo 2	337.293,64	216.240,36
Escopo 1+2	Total Escopo 1+2	9.570.961,61	9.087.935,51
	Intensidade das Emissões de GEE	0,65	0,65

Detailing the scope 3: indirect emissions of GHGs



Categories of the scope 3 (indirect emissions of GHG)

SUSTAINABLE INTERNAL LOGISTICS

In 2011, Braskem launched the pilot project of Sustainable Internal Logistics, replacing forklift trucks powered by LPG (liquefied petroleum gas) with similar electric ones (rechargeable batteries) in the packaging and shipping area of the PE6 industrial unit in Triunfo (RS). In one year, seven vehicles were changed, which would have consumed, in the period, 43 tons of gas, one of the transmitters of CO₂ (carbon dioxide); in addition to being a source of clean and renewable energy, electricity and more economic than the LPG. In comparison, Braskem would have spent R\$ 37,440 with the gas; with electricity, the cost was R\$ 1,424.

Spills

The events involving spilled products were properly treated by specialized teams, using all the standards and resources of contingency plans in preparation for the Company's emergency care, so that all impacts were minimized, not being characterizing as emergency or an environmental event.

Emissions, effluents and wastes - number and total volume of significant spills

Identification	Unit	Description	Volume (l)	Spilled Material	Impact
1	Unib RS	Spill of Gasoline in limit Battery of Olefins 2.	Non disposable	Fuel	Contamination in water course (pluvial internal) - the restricted area of the Company.
2	Unib RS	Oil Leakage In pipeline C (Utilities area).	200,0	Oil	Contamination in water course (pluvial internal) - restricted area of the Company.
3	Unib RS	Leak in the transfer line of Ethanol loading For the tank area.	4.300,0	Fuel	Contamination in water course (internal pluvial and accumulation basin and safety basin No. 7). Main impact restricted area of the Company. External impact is not significant.
4	QB PE DCX	Passage of oily current due to leakage through valve, contaminating pluvial water pipe which, therefore, reached the water-course (Canal do Coelho).	200,0	Oil	Point impact, but extended to the external area / contamination of the water course (Canal do Coelho), but was corrected immediately.
5	UNIB BA	Gasoline leak.	1.800,0	Fuel	Contaminated Soil / restricted area of the Company.
6	UNIB BA	Leakage of sulfuric acid.	6.000,0	Chemical Material	Contaminated Soil / reached the common system of effluent treatment of Cetrel (company that operates in the environmental area).

* The other units of Braskem Brazil (PE 1 / PE 2 / PE 3 / FOOT 4 / PE 5 / PE 6 / PP 1 / PP 2 / PP 3 / PVC AL / PVC BA / CS AL / CS BA / QB CK ABC / QB NC ABC / ABC PP / PE ABC / PE CUB / PE CAM / PP CAM / PP DCX) had no significant spills in 2011.

** No unit of the United States had significant leaks in 2011.

*** In QB PE DCX are being performed preventive work to avoid possible spills. Opportunities for improvement are also suggested in special audits.

**** In the UNIB RS there have already been improvements implemented for control and monitoring of leaks and, furthermore, there is an ongoing project to identify and retain leaks to the course of rain water in real time.

Year	Unit	Description of spill
200900%	Unib - BA	Failure in turbine a gas of Olefins II
201000%	Unib - RS	Spill of toluene by (safety valve)
201000%	Unib - BA	Spill of hydrocarbons (BTX and DMF) mixture

GRI EN23

* The leak in 2009 caused a loss of US\$ 8.5 million

** The two spills in 2010 totaled 1,300 liters, with a loss of US\$ 280 K

*** The data of 2009 and 2010 include Braskem Brazil (with Quattor), but does not include Braskem America

Water consumption

Braskem has sought invest in projects that prioritize the re-use of water, the abstraction of water from rain and alternatives to optimize and reduce the impact of this natural re-

source. In 2011, the specific water consumption was impacted, mainly, by events that demanded the operational interruption of plants, or shutdown for maintenance.

Water: Total water withdrawal by source

	Brasil	USA	Total
Total volume of water Withdrawal from surface, Including humid areas, Rivers, lakes and oceans (m ³ /year)	41.965.539,34	2.400.210,04	44.365.749,38
Total volume of water Groundwater withdrawal (m ³ /year)	24.397.351,58	0,00	24.397.351,58
Total volume of water Direct from rain Collected and stored (m ³ /year)	105.120,00	0,00	105.120,00
Total Volume of Effluents from another Organization collected (m ³ /year)	0,00	0,00	0,00
Total Volume of Municipal water supplies from water or other collected (m ³ /year)	11.969.269,29	0,00	11.969.269,29
Total volume of water Withdrawal of any Source (m ³ /year)	78.437.280,21	2.400.210,04	80.837.490,25

* In relation to the steam purchased from external sources to the Company, Braskem Brazil generates 402,043 ton in units of PP3 and PE CUB and 5,499,73 M 3 in the unit of PE ABC.

Percentage and total volume of water recycled and reused

	2009	2010	2011
Total volume of water recycled/reused by the organization (m ³ /year)	1.684.058	13.457.018	14.502.604,82
% Of the total volume of water recycled/reused by the organization (m ³ /year) in relation to the total volume of water withdrawal reported in indicator EN8.	2,90%	20,70%	18,49%

* The indicator GRI EN10 does not include:

1. Data of water recycled/reused for the following units in Brazil: PP CAM / PP3 / CS BA / PP ABC / PE ABC / PE CUB.
2. Data in the USA and data of steam purchased and reused/recycled throughout the Company.
3. The result of EN10 is linked to the result of EN8 and, therefore, are reported together.

Evolution of the total withdrawal of water by source (m³)

Origin of the withdrawal and/or supplies	2009	2010	2011
Total volume of water withdrawal of surface, including humid areas, rivers, lakes and oceans (m ³ /year)	28.959.083	50.285.423	
Total volume groundwater withdrawal (m ³ /year)	9.393.225	16.324.193	
Total Volume of rain water directly collected and stored (m ³ /year)	1.225.203	0	
Total Volume of effluent from another organization collected (m ³ /year)	329.544	593.715	
Total Volume of municipal water supplies of water or other collected (m ³ /year)	12.599.776	16.121.036	
Total volume of water withdrawn from any source (m ³ /year) **	57.502.408	64.953.369	

* The data do not include Braskem America.

** Total withdrawal and the sum of all the water brought up to the limits of the Company and from different sources (surface, underground, rain and water supply by municipal public school network) for any use, in the period covered by the report.

Emissions, effluents and wastes

Braskem has evolved in the evaluation of its internal processes, seeking to direct the waste destination for alternatives aligned with the strategy of sustainable development. In addition, there is an evolution in absolute number of some methods of disposal and recycling initiatives, in its implementation phase in some Company units in Brazil. The

rate of generation of solid waste (kg/t) achieved a reduction of 9% compared with the previous year.

In 2011, the concept of management indicators was standardized to allow the identification of actions for the evolution of the routing of the disposition of such waste.

Total weight of waste by type and method of disposal of waste type

Hazardous waste	Quantity (kg)		
	2009	2010	2011
Methods of disposal			
Composting	0	109.714	697.305
Reutilization	0	0	157.602
Recycling	2.086.160	5.388.357	2.658.654
Recovery	0	3.724.068	2.729.690
Incineration (or use as a fuel)	134.62	14.897.396	13.795.368
Sanitary Landfill	163.65	8.359.709	2.842.059
Underground waste injection	0	0	0
Storage at the location	0	0	388.209
Others*	234.899	4.040.074	2.328.571
TOTAL			25.597.458
Non-hazardous waste			
Methods of disposal			
Composting	0	0	276.807
Reutilization	436.530	85.920	14.543
Recycling	0	1.370	4.920.291
Recovery	0	0	703.903
Incineration (or use as a fuel)	1.570.640	1.551.050	27.198
Sanitary Landfill	0	1.318	8.333.722
Underground waste injection	0	0	278.850
Storage at the location	278.520	313.010	15.040.484
Others*	0	0	1.889.426
TOTAL			31.485.223

Notes: Other methods of disposal: autoclave; de-mercurization thermal vacuum; co-processing of waste in rotary clinker kilns for the manufacturing of cement; industrial landfill

Weight of waste transported, imported, exported or treated, considered hazardous under the Convention of Basel 13 - Annexes I, II, III and VIII, and percentage of shipments of waste transported internationally.

	Quantity (in kg)		
	2009	2010	2011
Total weight of the hazardous waste transported	20.315.539	12.496.443	23.598.936
Total weight of the hazardous waste imported	Não disponível	Não disponível	Não disponível
Total weight of the hazardous waste exported	Não disponível	Não disponível	Não disponível
Total weight of hazardous waste treated	20.376.739	12.752.029	14.862.916

GRI EN22

1 Comment as published in RS2010: the difference between the weight of waste transported and processed due to the treatment at the generating unit. The data of 2009, 2010 and 2011 do not include Braskem USA..

GRI EN24

Investments and spending on environmental protection

The costs associated with prevention and environmental management increased, as well as, with the same profile, the actions associated with the requirements for the environmental licenses. The trend was also of growth for the variable costs, as

a function of interventions not planned at the industrial plants, impacting the performance of some eco-indicators.

In 2011, the investments in environment increased by around 20 %, as compared to the previous period.

Expenditures	Description of the expenditures	2009 Braskem	2010 Braskem + Quattor	2011 Braskem
Variable services Production (cost Variable)	Liquid waste treatment/disposal of solid wastes / recovery of packaging and other / emission treatment / Depreciation of specific equipment / Expenditure with materials and operation and maintenance services and people costs for this purpose	R\$ 120.294.507	R\$ 128.747.301	R\$ 147.717.926
Management of Atmospheric emissions	Treatment of emissions	R\$ 1.809.504	R\$ 2.019.852	R\$ 2.291.691
Management of Atmospheric emissions	Treatment of emissions	R\$ 544.628	R\$ 459.143	R\$ 235.973
Energy and water Administrative	-	R\$ 1.549.510	R\$ 3.686.458	R\$ 4.749.906
Other monitoring Environmental	-	R\$ 1.994.739	R\$ 3.356.166	R\$ 11.687.969
Investments in safety, health and environment	Depreciation of specific equipment and expenses with materials and operation and maintenance services, in addition to people costs for this purpose / extra expenses to install cleaner technologies	R\$ 28.694.862	R\$ 41.400.000	R\$ 49.000.000
Environmental Licenses	-	R\$ 136.232	R\$ 302.556	R\$ 942.788
Environmental liabilities	Total cleaning costs, including spill remediation costs	R\$ 11.412.936	R\$ 19.419.839	R\$ 17.729.462
Costs of prevention and environmental management	Other costs of environmental management / external services for environmental management	R\$ 33.779.966	R\$ 45.643.887	R\$ 64.158.421
Total		R\$ 200.216.884	R\$ 245.035.202	R\$ 298.514.136

* The answers of this indicator does not include Braskem USA

** Although the indicator does not include Braskem USA, there are controls that allow us to affirm that in 2011 and 2010, Braskem USA did not present environmental liabilities.

*** Reported values do not include expenses with:

- External Certification of management systems
- research and development
- Insurance for environmental responsibility

**** Braskem does not have expenses with the purchase and use of emission certificates.

Biodiversity

Habitats protected or restored in 2011

Social Projects, environmental, educational and cultural developed by Braskem are in protected areas or in the vicinity of the industrial units of the Company, in areas of rich biodi-

versity. In this sense, the Company identifies, monitors and reports the risks associated with the activities developed to prevent them and/or minimize them.

Habitats protected or restored in 2011					
Region	Size of areas of habitats protected (ha)	Location of the areas of habitats protected	Size of the areas of habitats restored (ha)	Location of the Areas of habitats Restored	Description of the approval, by external specialists, measures for restoration
São Paulo	NA	NA	1,46	Mauá	The Environmental Agency of ABC asked the environmental recovery of an area of 2.31 hectares in the places where the Aquapolo pipeline passes. To meet this requirement, seedlings were planted in an area of 1.46 ha in Piscinão Maua (May/ 2011). The costs were absorbed by the Company Aquapolo Ambiental. To complement the remaining area of 0.85 ha, Aquapolo Ambiental is hiring another company to do the rearrangement in a forest park of Pedroso, area given by Municipal Service Environmental Sanitation of Santo André. Braskem does not invest financial resources in this initiative, but is an articulator of the forest recomposition process.
Bahia	NA	NA	28	- Ring Forest (Camaçari) - Riparian vegetation of the dam of Santa Helena (Dias d'Ávila) - Source of the River Ipitanga (Simões Filho)	
Alagoas	904	Maceió, between the Municipalities of Marechal Deodoro and Coqueiro Seco	50	Bairro do Pontal da Barra, In the surroundings of the chlorine soda unit Maceió	Area restored by Braskem received the titles of "the Atlantic Forest Biosphere Reserve" by Unesco and by the National Council of the Atlantic Forest Biosphere Reserve and "Conservationist Nursery of the Fauna and Flora", by Ibama. It is a public area, where 121 thousand seedlings were planted, an action in the Forest Factory project. The restoration process is still underway.
Rio Grande do Sul	68	Municipality of Triunfo, 1 km from Braskem, Within the area of preservation center petrochemical	0	0	0
Total areas Protected in there		972	79,46		

* In 2010, the total of protected areas was also 972 hectares and restored areas was 50 hectares.

Protected Areas in hectares - 2010					
Operational Unit	Protected Areas	Size in hectares	Location	Partnerships with third parties to protect or restore areas in habitats that are not the object of Braskem's operations, directly.	Additional Information
São Paulo	0	0	0	0	0
Bahia	0	0	0	0	0
Alagoas	Atlantic Forest Reservation	904	Alagoas - Maceió - between the municipalities of Marechal Theodore and Coqueiro Seco	There are no partners	This area still has no external certification. The size of the area is contained in document in the possession of the company. To start the external certification in 2010 CNRBMA was asked to consider the area an "outpost of the Atlantic Forest reserve ". This solicitation is still under review and has not yet been accepted.
Rio Grande do Sul	Environmental Station in Green Belt (preservation area)	68	Rio Grande do Sul - Municipality of Triunfo to 1 km from UNIB of RS. Located along the banks of Rio Cai, within the preservation area of the Petrochemical Complex of RS.	The partner in monitoring the fauna and flora of the Environmental Station and the Zoobotânica Foundation of RS, organ is linked to SEMA - Secretary of the Environment.	It is an open area and therefore the animals that are there can leave. It has a partnership with the local police for security (to avoid presence of hunters). Braskem has developed work of biological monitoring in the Environmental Station. For more information see report 2009 - Protected areas.
Total of Protected Areas in Hectares		972			

Recovered Areas in hectares - 2010					
Operational Unit	Areas Recovered	Size in hectares	Location	Approval by external specialists of the restoration measurement results.	Additional Information
São Paulo	0	0	0	0	0
Bahia	Ring Forest in the Camaçari complex	ND	Camaçari	The plantings have already been visited and approved by ESALQ experts in 2010. They are in the process of resuming this activity.	The ring was restored by the Forest Factory Project and the restoration process is still underway. This area was not used during the operational activities or affected by the company. For more information see report 2009 - protected areas.
Alagoas	Green Belt Environmental Station (Estação Ambiental Cinturão Verde)	50	Alagoas - Maceió - Bairro do Pontal da Barra (in the vicinity of the factory)	This area was restored by Braskem. Today it has the titles of "the Atlantic Forest Biosphere Reserve" by UNESCO and by CNRBMA (National Council of the Atlantic Forest Biosphere Reserve) and "Conservationist Nursery of Fauna and Flora" by IBAMA.	Area This area was not used during the operational activities or affected by the company. The main reason why the belt has been restored and contains the real estate advance on the outskirts of operational unit. For more information see report 2009 - protected areas.
Rio Grande do Sul	0	0	0	0	0
Total Recovered Areas in Hectares		50			

About this Report

This is the 4th Annual Braskem Report constructed based on the guidelines of the *Global Reporting Initiative* (GRI), a non-profit organization that develops and disseminates overall guidelines for the preparation of sustainability reports. For this report the last documentary guide of GRI, the G3.1 version was used as reference, counting, for the third consecutive year, with external verification by *Det Norske Veritas* (DNV).

The Braskem Annual Report includes the period from January 1 to December 31, 2011, so that the reader can identify the evolution of Braskem, data from 2009 and 2010 were included. Whenever it was relevant to the understanding of the data reported, information about the first quarter of 2012 was also included.

The limit includes the information concerning the business and the Company's activities in Brazil (including the information of Quattor, acquired in 2010, and whose data are already fully integrated) and covers also, where possible, the Company's operations in the United States, relating to assets acquired from Sunoco Chemicals, purchased in early 2010. Throughout this report, explanatory notes were included on the alteration in ceiling or on the basis of calculation of the indicators.

The document contains information about the forms of management and economic indicators, financial, social and environmental, as well as corporate governance practices of the Company. Braskem has clarity on the importance of the provi-

sion of such data for Shareholders, Customers, Members and other stakeholders, recognizing their commitment to those who are affected by their activities, those who have power of influence in the company and society in general.

The report is a means to strengthen the relationship of trust between the Company and the public that relates to and must be continually improved. The document also enables the evaluation of the overall performance of the Organization by these public, when reporting data comparable and consistent, which are depicted in a balanced way, reflecting positive and negative aspects occurring throughout the year.

Below are described the stages of construction and definition of the topics covered in the document.

Analysis of materiality

To start the survey and the organization of data to be reported, it is necessary to prioritize the issues and the information that reflect the economic, social and environmental impacts, significant to the Organization, or that may influence the evaluations and decisions of its stakeholders. This is the concept of materiality, a principle that represents good business practice in the search for sustainability.

The materiality is understood by the Organization as a form of support to strategic planning, in so far as it is one of the tools that give it support in the identification of relevant

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

subjects and in the construction of short and long term strategic and operational directions. The report becomes, consequently, the result of the commitment of the Company to the beginning of transparency.

Such understanding is reflected in the construction of the materiality along the last three years. In 2009, the base was an internal inquiry with leaders of Braskem, and the material subjects listed were used for the definition of seven macro-objectives of the Vision 2020 of Sustainable Development, which are described in the chapter Business and Sustainable Development.

While in 2010, the process of definition of material subjects evolved through a new cycle of consultations, more ample, accomplished with stakeholders of Braskem in Brazil, aiming for the inclusion of questions pointed to by them. The delimitation of the materiality established in this year was also used as a base for the 2011 Annual Report, and its construction went through the following stages:

Identification of material subjects

The initial step, already cited previously in this chapter, was the definition of the limit of the report, in other words, the delimitation of which units of the Organization would have their information addressed in the document. Data referring to the last acquisitions are being consolidated and included, gradually, in the established limit. For more information read Contributions and Challenges.

The cycle of consultations carried out in 2010 was maintained in this report, for which three representatives from each one of eight categories of stakeholders in Braskem were interviewed, in a total of 24 persons consulted, among Shareholders, Clients, Members, Suppliers, representatives of the state government in Alagoas, Rio de Janeiro, and Bahia, Academia (universities and other institutions of teaching and research), Financers and representatives of Communities nearby to the industrial plants in the states of Sao Paulo, Rio Grande do Sul, Bahia and Alagoas.

The identification of these stakeholders took as criteria, balance, the proximity of the relationship with Braskem, the level of influence and the impact of the Company on them, as well as the capacity of interference of the publics in the decisions of the Organization. The consultation also tried to hear the opinion of stakeholders in the public information, the management and the performance in the activities of sustainability.

Prioritization

As result of the interviews and of the cycle of consultations, 87 questions of interest were identified, grouped in subjects and allocated according to the dimension of sustainability to which they belong (environmental, social, economic). Subsequently, the questions were evaluated according to their

relevance for stakeholders and for Braskem, and, through a criterion of prioritization by points; those subjects that reached the maximum points were listed as materials for the stakeholders.

As a final proceeding of this stage, correspondence was done of the questions of interest evaluated as relevant for the stakeholders consulted, with the GRI indicators and thus, the final phase of the construction of the materiality was carried out. The material subjects are reflected in the publishing structure of this report.

Validation

The material questions listed next underwent verification to be revised in accordance with the specifications of the scope (the variation of topics of sustainability included in the document), of the limit (the units of the Company that represent the performance reported) and of the time (data selected in the defined period of the report) established for the report, when guaranteeing the completeness of its information, one of the principles of the GRI. Finally, correspondence of the material questions with the GRI indicators was also reevaluated.

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

Correlation between Braskem macro-objectives, materiality and GRI

The following chart presents the correlation between seven macro-objectives of the Company and the material questions of interest, here grouped in their respective subjects of

interest. The table also shows how such issues are represented by GRI indicators reported in this report.

Macro Objective	Stakeholders	Topics of Interest	Questions of Interest	Indicators Reported (Related To Macro Objectives And Issues Of Public Interest)
1 - Greenhouse Gases	Shareholders, Suppliers, Financiers, Government, Community	Environmental Management	<ul style="list-style-type: none"> Productive Processes (discard, reutilization, cleaner production, Internal processes) resources use / water and energy / Monitoring and reduction of water consumption and the gas emission of greenhouse gases evolution of environmental practices throughout the growth of the Company / indicators environmental in general / aspect management Environmental / environmental impact of Braskem / use of best environmental techniques and environmental practices / protection environment Contribution of Braskem for minimizing global warming 	<p>Indicators of the three Macro objectives:</p> <p>EC2 - financial implications and other risks and opportunities for the organization's activities due to climate changes</p> <p>EN8 - total withdrawal of water by source</p> <p>EN16 - emissions direct and indirect greenhouse gas</p> <p>EN18 - initiatives to reduce greenhouse gas emissions and reductions obtained</p> <p>EN19 - emissions of substances destructive of the ozone layer, by weight</p> <p>EN22 - total weight of waste, by type and method of disposal</p> <p>EN23 - spills recorded significant losses and in Dollars</p> <p>EN24 - total weight of the hazardous waste transported - Total waste intended for volume(kg) and their representation on the total waste for, measured in %</p>
2 - Energy Efficiency				<p>Specific Indicators of "Greenhouse Gases":</p> <p>EN13 - Habitats protected or restored</p> <p>EN28 - monetary value of significant fines and total number of penalties non-monetary resulting from the non-compliance with environmental laws and regulations</p> <p>EN30 - Total investments and spending on environmental protection, by type</p> <p>S08 - monetary value of significant fines and total number of penalties not-monetary resulting from non-compliance with laws and regulations</p>
3 - Water Efficiency				<ul style="list-style-type: none"> Productive Processes (discard, Reutilization, cleaner production, Internal processes) resources use / water and energy / Monitoring and reduction of water consumption And the gas emission of greenhouse gases evolution of environmental practices throughout the growth of the Company / indicators environmental in general / management of aspects environmental / environmental impact of Braskem / use of best environmental techniques and environmental practices / protection of the environment

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

Macro Objective	Stakeholders	Topics of Interest	Questions of Interest	Indicators Reported (Related To Macro Objectives And Issues Of Public Interest)
4 - Chemical Safety	Members	People	<ul style="list-style-type: none"> • Training and integration of the Members 	<p>LA1 - Total number of workers by type of employment, employment contract and region</p> <p>LA2 - The total number and rate of turnover of employees, by age, gender and region</p> <p>LA3 - Benefits offered to full time employee that are not offered to temporary employees or half period, broken down by major operations.</p> <p>LA4 - Percentage of employees covered by agreements negotiated collective</p> <p>LA7 - Rates of injury, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - issues relating to the health and safety covered by formal agreements with unions.</p> <p>LA11 - A program for management of the competencies and learning continues to support the continuity of the employability of officials and to manage the end of their careers.</p> <p>LA13 - Composition of the groups responsible for corporate governance and discrimination of employees by category, according to gender, age group, minorities and other indicators of diversity.</p> <p>LA14 - Proportion of base salary between men and women by functional category.</p>
	Members and the Community	Health and Safety	<ul style="list-style-type: none"> • Commitment to health and safety The people who work at Company and the Community • Safety of Braskem installations 	<p>PR1 - Phases of the life cycle of products and services in which the impacts on health and safety are evaluated aiming at improvement, and the percentage of products and services subject to these proceedings"</p> <p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p>
5 - Biopolymers	Members, Suppliers and Customers	Management of the value chain	<ul style="list-style-type: none"> • Management of third Parties in the commercial relationship • Management of the Supply chain- impacts in the value chain / activity of Braskem in the chain of production (from the producer to a final client) / impacts of standards of Braskem on the method of work of the third party enterprise. 	<p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p> <p>LA11 - Program for management of proficiencies and continuous learning that support the continuity of the employability of employees and manage the end of the career.</p>
	Government, Customers, Suppliers and Sponsors	Innovation	<ul style="list-style-type: none"> • Plans for the future / green Chemistry (use of renewable raw material). • Partnership in the development of new products and market prospecting to serve the current and future necessities (ex. products with renewable raw materials) / Innovation: new product development, partnerships with universities, R&D/ possibilities of partnership in development of new products, technical projects and social projects. 	<p>PR1 - Phases of the life cycle of products and services in which the impacts on the health and safety are evaluated aiming at improvement, and at the percentage of products and services subject to these proceedings"</p> <p>PR3 - Type of information on products and services demanded by proceedings of labeling, and the percentage of products and services subject to such demands.</p>

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

Macro Objective	Stakeholders	Topics of Interest	Questions of Interest	Indicators Reported (Related To Macro Objectives And Issues Of Public Interest)
6 - Post-consumption	Shareholders, Suppliers, Financiers, Government, Community	Environmental management	<ul style="list-style-type: none"> Productive Processes (discard, reuse, cleaner production, internal processes)" Use of resources / water and energy/ monitoring and reduction of the consumption of water and of the emission of greenhouse gases" Evolution of the environmental practices along the growth of the Company/ environmental indicators in general/ management of the environmental aspects / impact environmental of Braskem use of the best environmental techniques and environmental practices / protection to the environment " Contribution of Braskem for minimization of global warming 	<p>EC2 - financial Implications and other risks and opportunities for the activities of the organization due to climatic changes"</p> <p>EN8 - Total of retrievalretrieval of water from the source"</p> <p>EN16 – direct and indirect Emissions of greenhouse gases"</p> <p>EN18 - Initiatives to reduce the emissions of greenhouse gases and the reductions obtained "</p> <p>EN19 - Emissions substances destructive to the ozone layer, by weight"</p> <p>EN22 - total Weight of wastes, by type and method of disposal"</p> <p>EN23 – significant Spills registered and losses in dollars"</p> <p>EN24 – total Weight of the dangerous wastes transported - Total of residues in volume (kg) and their representativeness in the total of wastes, measured in %</p>
	Members, Suppliers and Customers	Management of the value chain	<ul style="list-style-type: none"> Management of third Parties in the relationship commercial" Management of the Suppliers' chain– impacts on the value chain/ action of Braskem in the chain of production (from the producer to a final client) / impacts of standards of Braskem on the method of work of the third party enterprise. 	<p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p> <p>LA11 - Program for management of proficiencies and continuous learning that support the continuity of the employability of employees and manage the end of the career.</p>
	Government, Customers, Suppliers, Financiers	Innovation	<ul style="list-style-type: none"> Plans for the future / green Chemistry (use of renewable raw material). Partnership in the development of new products and market prospecting to serve the current and future necessities (ex. products with renewable raw materials) / innovation: development of new products, partnerships with universities, R&D / possibilities of partnership In the development of new products, technical projects and social projects. 	<p>PR1 - Phases of the life cycle of products and services in which the impacts on the health and safety are evaluated aiming at improvement, and at the percentage of products and services subject to these proceedings"</p> <p>PR3 - Type of information on products and services demanded by proceedings of labeling, and the percentage of products and services subject to such demands</p>

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

Macro Objective	Stakeholders	Topics of Interest	Questions of Interest	Indicators Reported (Related To Macro Objectives And Issues Of Public Interest)
7 - People	Customers, Finance, Members	Communication and management of relationship with stakeholders	<ul style="list-style-type: none"> Acting between the Clients and Braskem regarding the image of petrochemical. 	
	Members, Suppliers and Customers	Management of the value chain	<ul style="list-style-type: none"> Management of third Parties in the relationship commercial " Management of the Suppliers' chain- Impacts on the valuable chain / action of Braskem in production chain (from the producer to final client) / impacts of the standards of Braskem on the method of work of the third party enterprise. 	<p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p> <p>LA11 - Program for management of proficiencies and continuous learning that support the continuity of the employability of employees and manage the end of the career.</p>
	Members	People	<ul style="list-style-type: none"> Training and integration of Members 	<p>HR4 - total Number of cases of discrimination and the measures taken "</p> <p>HR5 - Operations identified in which the right of practising freedom of association and collective negotiation can be running significant risk and the measures taken to support this right"</p> <p>LA1 - Total of Workers by type of job, work contract and region"</p> <p>LA2 - total Number and rate of employee rotation, by age group, type and region"</p> <p>LA3 - Benefits offered to full time employees that are not offered to temporary employees or in regime of half time, distinguished by the principal operations.</p> <p>LA4 - Percentage of employees included in collective bargaining agreements "</p> <p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p> <p>LA11 - Program for management of proficiencies and continuous learning that support the continuity of the employability of employees and manage the end of the career.</p> <p>LA13 - Composition of the groups responsible for the corporate governance and discrimination of employees by category, in accordance with gender, age group, minorities and other indicators of diversity.</p>
	Members and Community	Health and Safety	<ul style="list-style-type: none"> Commitment to health and safety of persons who work in the Company and of Community Security of the Company's facilities 	<p>LA7 - Rates of injuries, occupational diseases, lost days, absenteeism and deaths related to work, by region.</p> <p>LA9 - Subjects relative to safety and health covered by formal agreements with trade unions.</p> <p>PR1 - Phases of the product life cycle and services in which the impacts on health and safety are evaluated aiming at improvement, and the percentage of products and services subject to these proceedings</p>

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

Questions of interest on aspects of economic and financial performance also were indicated by the stakeholders. They follow, in the chart below, the GRI indicators that respond to the questions presented.

Stakeholders	Topics Of Interest	Questions Of Interest	Indicators Reported (Related To Macro Objectives And Issues Of Public Interest)
Shareholders, Employees, Government and Suppliers	Financial Economic performance	<ul style="list-style-type: none"> • Financial impact of Braskem's investments. • Increased productivity of Braskem • Products and services • Performance / growth of Braskem / current economic and financial results and future prospects 	<p>EC1 - Direct economic Value produced and distributed, including earnings, operational costs, remuneration of employees, donations and other Investments in the community, accrued profits and payments for providers of capital and governments</p> <p>EC2 - financial Implications and other risks and opportunities for the activities of the organization due to climatic changes</p> <p>EC4 - significant Help received from government</p> <p>EN13 - Habitats protected or restored</p> <p>EN30 - Total of investments and expenses in protection of the environmental, by type</p>

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

RIO+20

The UN is holding another World Conference on Sustainable Development, also known as Rio+20. Aiming to increase its contribution to sustainable development, Braskem decided to support both the content of the political agreement that is under discussion and the event itself. The base for discussion of the content was given out in January of 2012 and it received the name of "The future that we want (draft zero)". This document consolidates a first version about what would be most relevant to be discussed and agreed at Rio+20.

Considering the analysis of materiality previously described and its correlation with the macro-objectives of Braskem, a correlation was prepared also between such objectives and the subjects of the "The Future that we want (Draft Zero)". The objective is to demonstrate the relevance of the report to the principal challenges of sustainability and present the evolution of the performance of Braskem in these subjects through the indication of its elements of management.

MACRO-OBJECTIVE	SUBJECTS FOR RIO + 20 ("The Future that we want")
1 - Effect Greenhouse Gases	Green Economy Energy Climate Changes
2 - Energy Efficiency	Sustainable Consumption and Production
3 - Hydric efficiency	Green Economy Water Sustainable Consumption and Production
4 - Chemical safety	Green Economy Sustainable Consumption and Production Chemical and Waste
5 - Biopolymers	Green Economy Climate Changes Sustainable Consumption and Production Chemical and Waste
6 - Post-consumption	Chemical Waste and Sustainable Consumption and Production of Poverty Eradication and Social Inclusion
7 - People	Sustainable Consumption and Production Education Diversity Chemical waste Eradication of Poverty and Social Inclusion

Contributions and challenges

Braskem understands that the production process of its Annual Reports must be constantly polished and gradually aligned to the GRI principles. So, it is of interest to express what the advancements were in the process of the 2011 report in relation to the previous period and, also, to assume challenges and pledge ourselves to improvements to be included in the documents of the coming years.

Among the improvements in the process of construction of the Annual Report of 2011 there is the enabling of the Members responsible for the weighing of information and consolidation of the indicators, through a cycle of workshops, in order to contribute to a better rooting of the GRI directives in the Company and to the advancement in data collection management. Another contribution was the evolution in the report of information from the Companies acquired in 2010 (Quattor and Sunoco), as predicted in the 2010 Annual Report and Report on Sustainability.

Among the challenges for the coming years, there is the revaluation of the Braskem limit exercise. The report of data referring to the industrial units acquired in 2011 will be initiated, as well as evaluation of the relevance of social, environmental and economic impacts of other Companies linked to Braskem, like Cetrel and quantiQ. The revaluation of the limit has as aim to define the inclusion, or not, of information from other operations connected with Braskem in the next report cycles. Also seen as challenges are advancements in the internal systematization of the Company's information in a common and unified database, which incorporates the GRI directives as reference for its construction, and, equally, actions to increase the correspondence between material subjects and the indicators reported, responding to all the questions considered priority, even if only partially, with medium and long term commitments.

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

Global Compact

Braskem has been a signatory, since 2007, of the Global Compact (Global Compact), program of the United Nations (UN) which aims to raise awareness of the international business community in its activities and business practices, for values of human rights, labor relations, the environment and combating corruption. Besides businesses, the initiative convenes civil society, through its representatives, to promote sustain-

able growth and citizenship. Since 2008, Braskem has been part of the Brazilian Committee of the Global Compact.

The program is based on 10 principles and the adherence on the part of enterprises and institutions is voluntary. This Annual Report 2011 presents the initiatives developed by the Company related to these principles. For more information, see the site www.pactoglobal.org.br.

Principles of the Global Compact	Chapters and GRI indicators that present the results of Braskem related to the Global Compact
Principle 1 To respect and to protect human rights	- Business and sustainable development / Vision 2020 - strategies for Braskem to evolve in seven macro-objectives - Corporate Governance - Social Development / Management people / combat discrimination GRI LA7 / LA9 / LA13 / LA14 / HR5
Principle 2 To respect and to protect human rights	- Business and sustainable development / Vision 2020 - strategies for Braskem to evolve in seven macro-objectives - Corporate Governance - Social Development / Management people / combat discrimination GRI LA7 / LA9 / LA13 / LA14 / HR5
Principle 3 Support the freedom of association at work.	- Social Development / People Management / Recovery and recognition GRI HR5
Principle 4 Abolish forced labor.	- Corporate Governance - Social Development / Suppliers / Commitment in the chain of ethanol and Code of Conduct for Suppliers
Principle 5 Abolishing child labor.	- Corporate Governance - Social Development / Suppliers / Commitment in the chain of ethanol and Code of Conduct for Suppliers
Principle 6 Eliminate discrimination at the workplace.	- Corporate Governance - Social Development / Management people / combat discrimination GRI LA2 / LA13 / LA14 / HR4 / HR5
Principle 7 Support a precautionary approach to environmental challenges.	- Business and sustainable development / Vision 2020 - strategies for Braskem evolve in seven macro-objectives - Environmental responsibility GRI EC2 / EN5 / EN6 / EN7 / EN18 / EN30
Principle 8 Promote environmental responsibility.	- Business and sustainable development / Vision 2020 - strategies for Braskem evolve in seven macro-objectives - Environmental responsibility GRI EN3 / EN5 / EN6 / EN7 / EN8 / EN13 / EN18 / EN19 / EN22 / EN23 / EN24 / EN28 / EN30
Principle 9 Encourage environmentally friendly technologies	- Business and sustainable development/ Vision 2020 - strategies for Braskem evolve in seven macro-objectives - Environmental responsibility GRI EN10 / EN18 / EN30
Principle 10 Combat corruption in all its forms, including extortion and bribery	- Business and sustainable development / Vision 2020 - strategies for Braskem evolve in seven macro-objectives - Corporate Governance

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

GRI 4.12

GRI Index

1. STRATEGY AND ANALYSIS

	Description of the main impacts, risks and opportunities	Location in the report/response	Page
1.1	Statement by most senior decision-maker in the organization (as president and chief executive officer, president of the Board of Directors or an equivalent position) on the relevance of sustainability for the organization and its strategy.	• Presentation Message from the Directors	5, 6
1.2	Description of the key impacts, risks and opportunities.	• Business and Sustainable Development Vision 2020 - strategies for Braskem evolve in seven macro-objectives	19, 20, 21

2. PROFILE OF THE ORGANIZATION

	Description of the main impacts, risks and opportunities	Location in the report/response	Page
2.1	Name of the organization.	• Presentation Message from the Directors • Profile History - time line	3, 5, 6, 7
2.2	Main brands, products and/or services.	• Profile Business model Operations and business units Products and applications: some examples	7, 8, 9
2.3	Operational Structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	• Profile Operations and business units Ethylene XXI, petrochemical complex in Mexico History - timeline	8
2.4	Location of organization's headquarters.	• Presentation	3
2.5	Number of countries in which the organization operates, and names of the countries with either major operations located or which are specifically relevant to the sustainability issues covered by the report.	• Profile Acquisitions in the USA and in Germany The numbers of Braskem in 2011 History - time line	7
2.6	Nature of ownership and legal form.	• Corporate Governance Corporate Structure	
2.7	Markets served (including geographical breakdown, sectors and types of customers/beneficiaries).	• Profile Operations and business units	
2.8	Scale of the reporting organization	• Profile The numbers of Braskem in 2011 History - time line	
2.9	Significant changes during the reporting period regarding size, structure, or ownership: • Location or changes in operations, including opening, closing and expansion of operational units; • Changes in the structure of social capital and other capital formation, maintenance or modification in the operations (for private sector organizations).	• Presentation Message from the Directors • Profile Operations and business units Acquisitions in the USA and in Germany History - timeline	
2.10	Awards received in the reporting period.	• Profile Awards and recognition	

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

GRI 3.13

3. PARAMETERS FOR THE REPORT			
	Description of the main impacts, risks and opportunities	Location in the report/response	Page
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.2	Date of most recent previous report (if any).	• About this Report Contributions and challenges	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.3	Reporting Cycle (annual, biennial etc.)	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.4	Contact point for questions regarding the report or its contents.	• Presentation	3
3.5	Process for defining the report content, including: determining the materiality; prioritization of issues in the report; identification of which stakeholders the organization hopes to use the report for.	• About this Report Analysis of materiality Material themes for Braskem	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, rented facilities, joint ventures, suppliers). See GRI Boundary Protocol For further guidance.	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.7	Statement on any specific limitations on the scope or the limit of the report.	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.11	Explanation of the effect of any re-statements of information provided in earlier reports .	• About this Report	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
3.12	Table identifying the location of the Standard Disclosures in the report: • Strategy and analysis (1.1 and 1.2); • Organizational Profile (2.1 to 2.10); • Parameters for the report (3.1 to 3.13); • Governance, commitments and engagement (4.1 to 4.17); • Management Processes, by category. • Key performance indicators; • Any additional indicators of GRI that are included; • Any indicators of sectoral supplements GRI included in the report.	• About this Report GRI Index	
3.13	Policy and current practice with regard to seeking external assurance for the report. If the check is not included in the report of sustainability, we must explain the scope and basis of any external verification provided, as well as the relationship between the reporting organization and the auditor(s).	• About this Report Assurance Statement DNV	93, 99

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT			
	Description of the main impacts, risks and opportunities	Location in the report/response	Page
	4.1 Governance Structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	• Corporate Governance Governance Model	32, 33
	4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, where appropriate, their functions within the organization management and the reasons for this composition).	• Corporate Governance Governance Model Board of Directors	32, 33, 34
	4.3 For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	• Corporate Governance Governance Model	32, 33
	4.4 Mechanisms for shareholders and Members to provide recommendations or direction to the highest governance body. • Includes reference to procedures relating to: Use of deliberations of shareholders or other mechanisms that allow minority shareholders to express opinions to the high direction; • Information and consultation to Members on labor relations with components of formal representation, such as “workers committees”, at the organizational level and representation of Members in the highest component of governance.	• Corporate Governance Line of ethics	37
	4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization’s performance (including social and environmental performance).	• Corporate Governance The members of Statutory Board are entitled to a fixed remuneration monthly, in accordance with the Remuneration Policy of Braskem and aligned with the market, and a variable remuneration, conditioned both for individual performance with specific targets, is economic-financial, social and/or environmental, or even the overcoming of results previously agreed upon in relation to the economic profit of the Company.	37
	4.6 Processes in place for the highest governance body to ensure that conflicts of interest are avoided.	• Corporate Governance There is no process for resolution of conflicts of interest at the level of the Board of Directors.	37
	4.7 Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	• Corporate Governance There is no process defined to determine the qualifications and the knowledge of the members at the level of the Board of Directors, but, historically, all the Directors have qualifications and proven knowledge in the business of petrochemistry.	37
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation. Explain to what extent they: • are applied in the organization in regions and departments/ different units; • relate to the internationally agreed standards.	• Corporate Governance Values and Principles Code of Conduct • Presentation Message from the Directors Odebrecht Entrepreneurial Technology (TEO)	4, 5, 6, 30, 31
	4.9 Procedures of the highest governance body for overseeing the organization’s identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	• Corporate Governance Board of Directors The identification, supervision and management of the economic, social and environmental performance activities predicted in the bylaws of the Company and in Company rules of the Board of Directors (BD). The subject is also discussed frequently by the members of the BD Support Committee of Strategy and Communication, which meets at least three times yearly.	34, 37
	4.10 Processes for evaluating the highest governance body’s own performance, particularly with respect to the economic, environmental and social performance.	• Corporate Governance There is no a process defined for self-evaluation of the performance of the Board of Directors.	37
	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization	• Corporate Governance On principle, Braskem does not produce, handle, use, market, transports or discard any product, if is not possible to do it in a safe way, with the least impact on the environment.	37
GRI 3.1			
GRI 3.2			
GRI 3.3	4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives which the organization subscribes to or endorses.	• Business and Sustainable Development Voluntary commitments • About this Report Global Treaty	27, 92
GRI 3.6			
GRI 3.7	4.13 Memberships in associations (such as industry associations) and/ or national/international advocacy organizations in which the organization: • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as • strategic..	• Business and Sustainable Development Voluntary commitments	27
GRI 3.8			
GRI 3.9			
GRI 3.10	4.14 List of stakeholder groups engaged by the organization.	• About this Report Analysis of materiality	85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
GRI 3.11			
GRI 3.5	4.15 Basis for identification and selection of stakeholders with whom to engage. It includes the process of the organization for the definition of its stakeholders and to the determination of the groups with which to engage or not.	• Presentation • About this Report Analysis of materiality Material themes for Braskem	3, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106
GRI 4.14			
GRI 4.15			

About this Report

4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<ul style="list-style-type: none"> • About this Report • Material themes for Braskem 	
4.17	Key topics and concerns that have been raised through the engagement of stakeholders and what measures the organization has adopted to deal with them.	<ul style="list-style-type: none"> • Presentation • About this Report • Material themes for Braskem 	

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

ECONOMIC DIMENSION				
	Description	Location in the report/response	Braskem Coverage	Global Pact:
Economic Performance				
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	• Economic development Table - economic value direct generated and distributed (R\$ million) - 2009/2011	Braskem	-
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	• Profile Challenges for sustainable development	Braskem and Braskem United States and Europe	7
EC4	Significant financial assistance received from government.	• Economic development Table - Significant financial assistance received from the government	Braskem and Braskem United States and Europe	-

ENVIRONMENTAL DIMENSION (CHAPTER ENVIRONMENTAL RESPONSIBILITY)				
	Description	Location in the report/response	Braskem Coverage	Global Pact:
Energy				
EN3	Direct energy consumption by primary energy source.	Table - Energy consumption directly broken down by source of primary energy	Braskem	8
EN5	Energy saved due to conservation and efficiency improvements.	Table - Energy economized due to improvements in conservation and efficiency	Braskem	7 and 8
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Energy / Focus on efficiency	Braskem	7 and 8
EN7	Initiatives to reduce energy consumption and indirect reductions obtained.	Energy	Braskem	8
Water				
EN8	Initiatives to reduce indirect energy consumption and reductions achieved.	Consumption of water	Braskem	8
EN10	Percentage and total volume of water recycled and reused.	Consumption of water	Braskem	9
Biodiversity				
EN13	Habitats protected or restored.	Biodiversity	Braskem	8
Emissions, effluents and waste				
EN16	Total direct and indirect greenhouse gas emissions by weight.	Greenhouse Gases	Braskem	8
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Greenhouse Gases	Braskem	7, 8 and 9
EN19	Emissions of ozone-depleting substances by weight.	Greenhouse Gases	Braskem	8
EN22	Total weight of waste by type and disposal method.	Emissions, effluents and waste	Braskem	8
EN23	Total number and volume of significant spills.	Spills	Braskem	8
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Emissions, treatments and waste	Braskem	8
Conformity				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	Braskem acts in accordance with the laws and regulations of the country. The Company was not condemned in a definite form to the payment of fines or to the fulfillment of non monetary sanctions in the period between 2007 and 2011. For the preparation of this report, we adopted same criterion of materiality used in the form of reference, established by the Securities Commission (CVM), in accordance with the CVM Normative Instruction 480/2009.	Braskem and Braskem United States *	8
General				
EN30	Total environmental protection expenditures and investments by type.	Investment and spending on environmental protection	Braskem	7, 8 and 9

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

SOCIAL DIMENSION: LABOR PRACTICES AND DECENT WORK

	Description	Location in the report/response	Braskem Coverage	Global Pact:
Employment				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	• Social development People Management / Social performance indicators	Braskem	-
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	• Social development People Management / social performance indicators	Braskem and Braskem United States *	6
LA3	Benefits provided to full-time Members that are not provided to temporary or part-time Members, by significant locations of operation.	• Social development People Management / Recovery and recognition	Braskem and Braskem United States *	-
Work/relationship management				
LA4	Percentage of Members covered by collective bargaining agreements.	• Social development People Management / Recovery and recognition	Braskem and Braskem United States *	1, 2 and 3
Health and Occupational Safety				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	• Environmental Improvement Injuries and occupational diseases	Braskem and Braskem United States *	1
LA9	Health and safety topics covered in formal agreements with trade unions.	• Social development People Management / Recovery and recognition / collective agreements	Braskem	1
Training and education				
LA11	Programs for skills management and lifelong learning that support the continued employability of Members and assist them in managing career endings.	• Social development People Management / social performance indicators	Braskem	-
Diversity and equality of opportunity				
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	• Corporate Governance Governance Model	Braskem	1 and 3
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	• Social development People Management / social performance indicators	Braskem	1, 2 and 3

SOCIAL DIMENSION: HUMAN RIGHTS

	Description	Location in the report/response	Braskem Coverage	Global Pact:
Non-discrimination				
HR4	Total number of incidents of discrimination and corrective actions taken.	• Social development Combating discrimination	Braskem and Braskem United States	1, 2 and 3
Freedom of association and collective bargaining				
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	There has been no operation of Braskem with danger or obstacle to the rights of its Members to exercise the freedom of association and collective bargaining in the period covered by the report.	Braskem and Braskem United States *	1, 2 and 3

SOCIAL DIMENSION: SOCIETY

	Description	Location in the report/response	Braskem Coverage	Global Pact:
Conformity				
S08	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	Braskem acts in accordance with the laws and regulations of the country. The company was not convicted of final form to the payment of fines or to comply with sanctions for non-monetary, in the period 2007 to 2011. For the preparation of this report, we adopted the same criterion of materiality used in the form of reference, established by the Securities Commission (CVM), in accordance with the CVM Normative Instruction 480/2009.	Braskem and Braskem United States *	-

- GRI 3.1
- GRI 3.2
- GRI 3.3
- GRI 3.6
- GRI 3.7
- GRI 3.8
- GRI 3.9
- GRI 3.10
- GRI 3.11
- GRI 3.5
- GRI 4.14
- GRI 4.15

SOCIAL DIMENSION: LIABILITY ON THE PRODUCT

	Description	Location in the report/response	Braskem Coverage	Global Pact:
Health and safety of the customer				
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	All the products of Braskem are evaluated in the categories defined by the indicator, covering the following steps: development of the concept of the product; research and development; certification; manufacturing, and production; marketing and promotion; storage, distribution and supply; use and service; disposal, reuse and recycling.	Braskem and Braskem United States	-
Labeling of products and services				
PR3	Tipo de informação sobre produtos e serviços exigida por procedimentos de rotulagem, e o percentual de produtos e serviços sujeitos a tais exigências.	<ul style="list-style-type: none"> Business and sustainable development Vision 2020 - strategies for Braskem evolve in seven macro-objectives <p>The products marketed by Braskem require procedures on information and labeling, in the categories defined by the indicator, attended by the Company, except in the case of the category "outsourcing of components of the product or service", for which there is no requirement.</p>	Braskem and Braskem United States *	-

* Braskem United States: does not include indicators from PP plants purchased in 2011 from Dow Chemical.

Guarantee Statement

Corporate Information

Addresses and contact information for Braskem commercial and industrial units.

SUDESTE

UNIB 3 CK ABC

Avenida Presidente Costa e Silva, 1.178 – Pq. Capuava
Santo André – SP
CEP: 09270-901
Tel.: (55 11) 4478-1515

UNIB 3 IN ABC

Rua da União, 765 – Jardim Sonia Maria
Mauá – SP
CEP: 09380-900
Tel.: (55 11) 4977-2020

UN PE 7 ABC

Avenida Presidente Costa e Silva, 400 – Pq. Capuava
Santo André – SP
CEP: 09270-000
Tel.: (55 11) 4478-4000

UN PP 4 ABC

Avenida Ayrton Senna da Silva, 2.700 – Jardim Oratório
Mauá – SP
CEP: 09380-901
Tel.: (55 11) 3583-2200

UN PE 8 CUB

Rodovia Cônego Domenico Rangoni – SP 055 – Km 266 –
Pista Oeste, s/n
Cubatão – SP
CEP: 11573-903
Tel.: (55 13) 3361-9000
Fax: (55 13) 3361-9004

UNIB 4 e PE 9 DCX

Rua Marumbi, 1.001 – Campos Elíseos
Duque de Caxias – RJ
CEP: 25221-000
Tel.: (55 21) 2187-8883

UN PP 5 DCX

Rua Marumbi, 1.400 – Campos Elíseos
Duque de Caxias – RJ
CEP: 25221-000
Tel.: (55 21) 2173-4100

ESC. RJ

Avenida Graça Aranha, 182 – 9º andar
Rio de Janeiro – RJ
CEP: 20030-001
Tel.: (55 21) 2157-7760
Fax: (55 21) 2157-7719

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

UN PP 3 PLN

Avenida Wagner Samara, 1280 – Bairro Cascata
Paulínia – SP
CEP: 13140-000
Tel.: (55 19) 3344-6700

RIO GRANDE DO SUL

PP1

BR 386 – Km 419 – III Polo Petroquímico – Via Oeste – Lote 5
Triunfo – RS
CEP: 95853-000

UNIDADE DE PETROQUÍMICOS BÁSICOS

BR 386 – Rod. Tabai/Canoas – Km 419 – Via de Contorno, 850
Triunfo – RS
CEP: 95853-000

PP2/PE5-Spherilene

BR 386 – Km 419 – Lote 4 – Polo Petroquímico do Sul
Triunfo – RS
CEP: 95853-000

PE4

BR 386 – Rodovia Tabai/Canoas – Km 419 – Via de Contorno,
1.216 – Polo Petroquímico
Triunfo – RS
CEP: 95853-000

PE5

BR 386 – km 419 – Lote 04 – Polo Petroquímico
Triunfo – RS
CEP: 95853-000

PE6

BR 386 – Rodovia Tabai/Canoas – Km 419 – Via de Contorno,
1.178 – Lote 29
Polo Petroquímico – Passo Raso
Triunfo – RS
CEP: 95853-000

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

ALAGOAS

UCS – MACEIÓ

Avenida Assis Chateaubriand, 5.260 – Pontal da Barra
Maceió – AL
CEP: 57010-500

UPVC – MARECHAL DEODORO

Rodovia Divaldo Suruagy – Km 12 – Via II – Polo Cloroquímico
de Alagoas
Marechal Deodoro – AL
CEP: 57160-000

Mineração

Av. Maj. Góes Monteiro, 2.889 – Mutange
Maceió – AL
CEP: 57017-515

Cinal

Rodovia Divaldo Suruagy, km12 – Via 06 – Polo
Cloroquímico
Marechal Deodoro – AL
CEP: 57160-000

BAHIA

UNIB 1

Rua Eteno, 1.561 – Copec – Polo de Camaçari
Camaçari – BA
CEP: 42810-000

PE 1

Rua Eteno, 1.582 – Copec – Polo de Camaçari
Camaçari – BA
CEP: 42810-000

PE 2

Rua Hidrogênio, 3.520 – Copec – Polo de Camaçari
CEP: 42810-280

PVC

Rua Hidrogênio, 3.342 – Copec – Polo de Camaçari
Camaçari – BA
CEP: 42810-280

PE 3

Rua Benzeno, 2.391 – Copec – Polo de Camaçari
Camaçari – BA CEP: 42810-020

CLORO SODA

Rua Oxigênio, 765 – Copec – Polo de Camaçari
Camaçari – BA
CEP: 42810-270

ESCRITÓRIO

Av. Antônio Carlos Magalhães, 3.244 – Ed. Thomé de Souza
– 21º andar
Camaçari – BA
CEP: 41820-000

BRASKEM AMERICA

Braskem America Head Quarters

Polypropylene
1735 Market Street 29th floor
Philadelphia, PA 19103
Phone: 215-977-3298

La Porte Plant

8811 Strang Road
La Porte, TX 77571
Phone: 281-476-0303
Fax: 281-930-2070

Marcus Hook Plant

P.O. Box 432
Marcus Hook, PA 19061
Phone: 610-497-8850
Fax: 610-494-3792

Neal Chemicals Plant

200 Big Sandy Road
Kenova, WV 25530
Phone: 304-453-1371
Fax: 304-453-5916

Technology and Innovation Center

550 Technology Drive
Pittsburgh, PA 15219
Phone: 412-208-8100
Fax: 412-208-8205

Braskem America Houston Sales Office

Office of Basic Chemical
5100 Westheimer Rd – Suite 495
Houston, TX 77056
Phone: 713-255-4747
Fax: 713-255-4740

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

Credits

Head of Institutional Relations

Marcelo Lyra do Amaral

Head of Corporate Communication

Nelson Lettaif

Sustainable Development Supervision

Jorge Soto, André Leonel Leal, Deborah Baré and Natália Hazarian

GRI Consulting services

ERM Brasil LTDA.

Verification

DNV - Det Norske Veritas

Writing and Editing

Versal Editores

Design and videos

Versal Editores

Digital development

Trupi Interativa

Photos

Almir Bindilatti
Edu Barcellos
Lalo de Almeida
Arquivos Braskem

Glossary

Abiquim - Brazilian Association of the chemical industry.

ABNT / NBR - Brazilian Association of Technical Standards / Brazilian Standard.

Above standard - one of the classification categories of organizations by insurance enterprises (risk rating). In all, they are: Good (good), Above standard (above the standard), Standard (standard), Substandard (below the standard) and Poor (weak).

Above average - Classification of insurers on the risk of firms: below average, average, above average and excellent. Braskem is rated above average.

ADR (American Depository Receipts or Shares) - Title representing the shares of non-US companies issued and traded in the capital market of the United States. There are three levels of ADRs, with different transparency requirements and adequacy to the North American standards. A depository bank North American issues ADRs against the tank the underlying shares, held by a custodian in the country of origin of the shares. In the case of Braskem, each ADR represents two class A preferred shares.

ANA - National Water Agency.

Global warming - a phenomenon caused by the increase of emissions of greenhouse gases (GHG), caused by human activities, which results in the increase of average temperature of planet Earth.

BB+ BBB- / Classifications that assess the credit value of the debt emissions of a company or government/country. BB+ is a step of investment grade and BBB- already represents investment grade. These classifications, made by agencies of risk, represent the capacity for payment of debts within the time limit.

Biodiversity - the variety and variability existing among living organisms and the ecological complexities in which they occur. Such diversity includes ecosystems, animals, plants, fungi, microorganisms and genetic diversity.

Biomass - from the point of view of energy generation, covers the derived from recent living organisms used as fuel or for production. Under the aspect of ecology, it is the total quantity of living matter existing in a given ecosystem or in an animal population or plant. Therefore, the two concepts are interlinked, although they are different.

Biopolymer (bioplastic) - thermoplastic resin produced from renewable raw materials, the sugar cane between them, and/or considered biodegradable (source: European Bioplastic Association). The term biodegradable, in turn, is applied to products which degrade naturally, by the action of microorganisms. The process entails CO₂ emissions into the atmosphere (a gas generator of the greenhouse effect).

BM&FBovespa - Stock Market, Commodities and Futures.

BNDESPAR - National Bank for Economic Development and Social Equity.

Cade - Administrative Council for Economic Defense.

CAF - with time lost (work accident).

CEBEDS - Brazilian Business Council for Sustainable Development (CEBDES)

Carbon Disclosure Project (CDP - in a free translation means Project for dissemination of information on the management of carbon). It is a global initiative to encourage companies to disclose their actions to confront climate change.

CO₂ - carbon dioxide gas.

CO₂e - carbon dioxide equivalent (the sum of the emissions of all greenhouse gases "converted" into CO₂).

Composting - set of applied techniques for controlling the decomposition of organic material, with the purpose of obtaining, in the shortest possible time, a stable material, rich in humus and mineral nutrients.

Basle Convention - global initiative to control border movements of hazardous wastes and their disposal, promoted in 1988 by the United Nations Environment Program (Unep).

Cracking - Processing by rupture (cracking, breakage) of large molecules into smaller molecules. In the industrial processes of Braskem, and used to transform the nafta into lighter derivatives, such as ethylene, propylene and other co-products, among others, butadiene, toluene, paraxylene, orthoxylene, mixed xylene and gasoline. The process takes place in crackers.

CVM - Securities and Exchange Commission of Brazil, a body with powers to discipline, normalize and oversee the performance of the various members of the market.

Sustainable development - development capable of supplying the needs of the current generation without compromising the ability to meet the needs of future generations.

DNV - Det Norske Veritas (consulting).

EBITDA - Earnings before interest, taxes, depreciation and amortization.

Eco-efficiency - the ratio between the use of resources needed for the production of a product and its production volume. Expresses the productivity from the environmental point of view.

Energy Efficiency - the rational use of energy to maximize its benefits.

Water Efficiency - rational use of available water resources.

Entrepreneurship - the practice of entrepreneurship held within the company by their members (it is part of the principles of TEO).

EPI - Personal Protective Equipment.

ESALQ - Escola Superior de Agricultura Luiz de Queiroz, University of São Paulo. (Luiz de Queiroz School of Agriculture, University of Sao Paulo.)

Scope 1 : Are the direct emissions of GHGS, from sources that are owned or controlled by the Organization, as for ex-

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

ample, combustion emissions from boilers, furnaces, vehicles of the Company or by it controlled.

Scope 2: Counting of GHG emissions from the purchase of electric energy and heat consumed by the Organization.

Scope 3 : Are indirect emissions of GHG emissions. Scope 3 involves the consideration of all the other emissions arising from the direct activities of the Organization, but occur from sources that do not belong or are not controlled by it.

Hydric Stress - phenomenon that occurs when the water consumption of humans is greater than 40% of renewable sources of fresh water for a particular river basin.

GHG - Gases or substances causing the greenhouse effect (heating) in the earth's atmosphere.

GHG Protocol Brazil - program that aims to encourage companies to develop and publish emission inventories of greenhouse gases. THE GHG Protocol is a method developed in the United States in 1998 and today is used worldwide by companies and governments for the implementation of GHG inventories.

Joint venture - association of companies with the objective of expanding their economic foundation for performance in business.

GJ - Giga Joules.

GPS - Global Product Strategy

Investment Grade - companies or countries considered good payers. For a company, be classified "investment grade" by rating agencies means the possibility of attracting investors. The more secure a country or a company is, the more possibilities will have to obtain financing costs (interest) differentiated.

Greenfield (greenfield) - investment in projects to be developed or that require the construction of a structure to come into operation.

GRI - Global Reporting Initiative (network that has created a new methodology for a global pattern of reports on economic, social and environmental performance of organizations).

Holding Company - a company that has as main activity, the shareholding majority in one or more companies and that holds the control of its administration.

HHT - men-hours worked.

ICCA - International Council of Chemical Associations

IDH - Human Development Index.

IPCC (International Panel of Climate Change (International Panel on Climate Change), the UN.

ISE - Corporate Sustainability Index of BM&FBovespa.

ISO - International Organization for Standardization

ISO 26000 - First international standard for corporate social responsibility.

ISP - Private Social Investments.

kg/t - kilo per ton.

Latibex- - suffix that brings together Latin American com-

panies with shares traded in euros, in Stock Exchange in Madrid, Spain.

Lupotech T - process technology tubular high pressure (Source: blog of plastic).

MBA - Master of Business Administration (specialization in business administration).

Nafta - derived from oil used, mainly, as raw material in the petrochemical industry ("naphtha") in the production of ethylene and propylene, besides other net fractions, such as benzene, toluene and xylenes.

NYSE - English acronym for New York Stock Exchange.

Millennium Development Goals - Commitment defined in the UN and was adopted by 191 countries, in 2000, that provides a set of eight goals to improve the quality of life, health, education and environment of the planet.

OHSAS - Occupational, Health & Safety Assessment Series

Olefins - ethylene, propylene, butadiene, raw materials for the chemical and petrochemical industry.

NGO - Non Governmental Organization.

UN - United Nations Organization.

PA - Program of Action.

Global Compact - initiative developed by the UN with the aim of mobilizing the international business community to adopt their business practices, of fundamental values and internationally accepted in the areas of human development, labor relations, the environment and combating corruption.

PAIR - noise-induced hearing loss.

PDC - Program of Development and skills.

PDI - Individual Development Plan.

PDE - Program for the Development of entrepreneurs.

PDVSA - Venezuelan crude oil.

Carbon Footprint - the quantity of greenhouse gas emissions of a product, usually considering since the raw materials that make it up to the gate of the factory of which proceeds.

Basic Petrochemicals - products derived from the process of cracking naphtha and natural gas, subdivided into two main families: the olefins (ethylene, propylene, butadiene) and aromatics (benzene, toluene and xylenes).

Green Plastic (Green PE) - For Braskem, this is the plastic made with more than 50% of raw materials from a renewable source.

UNEP - United Nations Environment Program.

Polyethylene (PE) - petrochemical of second generation derived from ethylene. Thermoplastic resin (type of plastic) that can be molded by heating. It is used as raw material in the manufacturing of various plastic products, such as flexible packaging, packaging for cleaning products and personal hygiene, shopping bags and flexible films for packaging.

Green polyethylene (Green PE) - polyethylene made from renewable source, such as ethanol from sugar cane, and not

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

from raw material fossil.

Polypropylene (PP) - Product petrochemical of second generation derived from propylene, has similar properties to polyethylene, but with fusion point higher. Thermoplastic resin with wide application in automobile industry, in offices of household appliances, sacks for fertilizers, seeds and cement, cups and disposable dishes.

First generation - reference to the producers called “crackers”, responsible for fractionation of NAFTA (by-product of oil refining or natural gas, its main inputs, transforming them into basic petrochemicals.

Cleaner Production - continuous application of an environmental strategy integrated preventive to processes, products and services to increase the overall efficiency and reduce risks to human health and the environment.

Green Products - for Braskem, are products manufactured from renewable raw materials.

Responsible Care Program - voluntary initiative established by the chemical industry overall by means of ICCA (English acronym for International Council of Chemical Associations), with the aim of improving the environmental management of chemical companies and their supply chains.

Project finance - financing arrangement, mainly of ventures of infrastructure, the largest part of the invested capital comes from the financial market.

Kyoto Protocol - international agreement launched in 1997, in Japan, to stabilize the concentration of greenhouse gases and ensure a model of clean development.

Sustainable Chemistry - chemical offer to meet the needs of modern society, which it considers its economic, social and environmental impacts and their form of production, maximizing positive and controlling/minimizing any negative impacts.

Rating - this is the opinion of agencies specializing in risk analysis, on the ability of companies or governments to pay their debts.

Reach - Registration, Evaluation and Authorisation of Chemicals

Energy recycling - recover the energy contained in municipal solid waste, in the form of electrical energy or heat, incinerated in controlled conditions.

Mechanical Recycling - in the case of plastic, refers to the use in the post-consumption, by physical conversion of waste into granules, after the process of amalgamating and extrusion.

Chemical recycling - occurs when waste plastics are subjected to chemical processes for Depolymerisation and obtaining gas and oils, used later as a raw material in the manufacture of other polymers with the same properties of the original resins .

Thermoplastic Resins - are polymers that can be repeat-

edly abrasions or hardened in accordance with the exposure to different temperatures, suffering physical changes and reversible.

Risk Rating - a method used by insurers to assess and classify the risk potential procedural in the activities of a given customer.

SAF - without expulsion (work accident).

SAICM - English Acronym for Strategic Approach to International Chemicals Management.

SAP - Systems, Applications, and Products in Data Processing

Sebrae - Brazilian Service of Support to Micro and Small Enterprises.

Second generation - covers the producers responsible for the processing of basic petrochemicals from cracking units of NAFTA. The products of the second generation are called petrochemical intermediaries, case of thermoplastic resins.

Chemical Safety - the prevention of adverse effects to human beings and the environment, resulting from the production, storage, transport, handling, use and disposal of chemicals.

Senai - National Service of Industrial Learning. Synergy: cooperative integration between things, persons or organizations, obtaining better processes and results through the joint action of parties of the system. Based on the assumption that “the sum of the parts is greater than the whole”.

Synergy - cooperative integration between things, persons or organizations, obtaining better processes and results through the joint action of the parties of the system.

Sipat - Internal Accident Prevention Week of work.

SOX - Sarbanes-Oxley Act, passed in 2002, in the United States.

HSE - health, safety and environment.

Tag along - guarantees to minority shareholders, with common shares, the same rights of controlling shareholders in the event of sale or transfer of control.

Severity Rate - time computed per million man hours of exposure to the risk at a given time.

Clean Technology - products, services and processes that use preferably renewable sources of raw material and energy, with less use of natural resources and low or no emission of wastes. In addition, using or producing products or services not aggressive to the environment and the health of people.

TEO - Odebrecht Entrepreneurial Technology.

TL - injury rate.

UN - Business Unit.

UNIB - Basic Petrochemicals Unit.

UNPol - Polymers Unit .

Visio - relationship Program with clients, developed by Braskem.

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15

Glossary of products

ETBE - Ethyl tert Tri- n-butyl ether (Ether ethyl tert-butyl ether).

GLP - Liquefied Petroleum Gas.

MTBE - methyl tert Tri- n-butyl ether (Ether methyl tert-butyl ether).

PE - polyethylene.

PEAD - High Density Polyethylene.

LDPE - low density polyethylene.

LLDPE - linear low density polyethylene.

PE-UHMW - ultra-high molecular weight polyethylene

PP - Polypropylene.

PVC - Polyvinyl chloride.

UTEC – Braskem’s own brand for PE-UHMW, an ultra-high molecular weight polyethylene.

GRI 3.1

GRI 3.2

GRI 3.3

GRI 3.6

GRI 3.7

GRI 3.8

GRI 3.9

GRI 3.10

GRI 3.11

GRI 3.5

GRI 4.14

GRI 4.15