

F0. Introdução

F0.1

**(F0.1) Faça uma descrição e uma introdução geral sobre a sua organização.**

Klabin is a publicly held Brazilian company, private, and member of the BM&FBovespa. It is the biggest producer in Brazil of carton board, corrugated boxes, industrial sacks and timber in logs. It is structured into three business units - Forestry, Paper (carton board, kraft and recycled paper) and conversion (corrugated boxes and industrial sacks). Klabin maintains 18 industrial plants in Brazil, in seven states, and one in Argentina, sales offices in eight Brazilian states and a branch office in the United States, as well as sales representatives and agents in many countries. Its head office is located in the city of São Paulo. Among the main markets are the segments of foods such as milk, refrigerated meats and fruits; hygiene and cleaning; cement; and electronics.

With 119 years, the company adopts a managing for sustainable development, seeking integrated and responsible growth, combining profitability, social development and environmental commitment. Forest base is one of its most important assets. More than 229 thousand hectares of forest planted with pine and eucalyptus for the pulp.

Klabin maintains further 214 thousand hectares of native forests preserved in their properties. It pioneered the adoption of forest management in the form of mosaic - a system that merges planted forests of pine and eucalyptus and preserved native woodlands. With the whole owned areas certified, the company was the first in the pulp and paper sector in the Southern Hemisphere to obtain, in 1998, the FSC® certification - Forest Stewardship Council - which certifies a management that conserves natural resources, provides fair working conditions and encourages good relations with the community.

With the Forestry Partners Program, seeks to expand and diversify the income of communities near its units through the formation of forests planted on farms. Created in 1984, the program has benefited 19 000 farmers and distributed more than 160 million seedlings.

Care for the approximately 18,000 direct and indirect employees is one of the company's priorities, which performs constant investment in the training and development of people, and promoting the welfare and safety of all. Respect for communities is ultimately the guiding value of Klabin in all regions where it operates. Have clear criteria for governance, act with transparency and the involvement of local public company are ongoing concerns in the management of social impacts of their activities.

F0.2

**(F0.2) Indique a data de início e de fim do ano para o qual você está divulgando os dados.**

|                   | Data de início | Data de término  |
|-------------------|----------------|------------------|
| Ano de referência | Janeiro 1 2017 | Dezembro 31 2017 |

F0.3

**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

BRL

F0.4

**(F0.4) Selecione a(s) etapa(s) da cadeia de valor que melhor representam a área de operação da sua organização com commodities de riscos florestais.**

- Produção
- Processamento
- Fabricação

F0.5

**(F0.5) Você produz, usa ou vende materiais ou produtos que contêm alguma commodity com risco florestal?**

|                      | Produz/utiliza/vende | Divulgando       | Explicação se produz/utiliza/vende, mas não está divulgando |
|----------------------|----------------------|------------------|---|
| Madeira              | Sim                  | Sim              | <Not Applicable>  |
| Óleo de palma        | <Not Applicable>     | <Not Applicable> | <Not Applicable>  |
| Produtos da Pecuária | <Not Applicable>     | <Not Applicable> | <Not Applicable>  |
| Soja                 | <Not Applicable>     | <Not Applicable> | <Not Applicable>  |
| Outro – Borracha     | <Not Applicable>     | <Not Applicable> | <Not Applicable>  |
| Outros               | Não conhecido        | <Not Applicable> | <Not Applicable>  |

F0.6

(F0.6) Há alguma parte de suas operações diretas que não está incluída neste reporte?

Não

F0.7

---

(F0.7) Há alguma parte de sua cadeia de fornecimento não incluída em sua divulgação?

Não

F1. Estado atual

---

F1.1

---

**(F1.1) Como a sua organização produz, utiliza ou vende as commodities divulgadas?**

**Commodity com riscos florestais**

Madeira

**Atividade**

Extração

**Categoria do produto**

Toras de madeira dura  
Toras de madeira macia

**Fonte**

Terra própria/administrada

**País de origem**

Brasil

**% de gastos com aquisição**

100%

**Comentários**

The raw material purchased from smallholders forest growers corresponds up to 30% of the total wood used in the production process.

---

**Commodity com riscos florestais**

Madeira

**Atividade**

Extração

**Categoria do produto**

Toras de madeira dura

**Fonte**

De pequeno porte

**País de origem**

Brasil

**% de gastos com aquisição**

100%

**Comentários**

The raw material purchased from smallholders forest growers corresponds up to 30% of the total wood used in the production process.

---

**Commodity com riscos florestais**

Madeira

**Atividade**

Cultivo/ produção de matérias-primas

**Categoria do produto**

Madeira serrada, compensados, cavacos

**Fonte**

De pequeno porte

**País de origem**

Brasil

**% de gastos com aquisição**

100%

**Comentários**

The raw material purchased from smallholders forest growers corresponds up to 30% of the total wood used in the production process.

---

**Commodity com riscos florestais**

Madeira

**Atividade**

Cultivo/ produção de matérias-primas

**Categoria do produto**

Toras de madeira dura  
Toras de madeira macia

**Fonte**

Terra própria/administrada

**País de origem**

Brasil

**% de gastos com aquisição**

100%

**Comentários**

The raw material purchased from smallholders forest growers corresponds up to 30% of the total wood used in the production process.

---

**(F1.1a) Indique de quais Estados/regiões e municípios as suas commodities divulgadas se originam.****Commodity com riscos florestais**

Madeira

**Atividade**

Cultivo/ produção de matérias-primas

**País de origem**

Brasil

**Estado/Região**

Especifique estado/região (Paraná)

**Município**

Especifique o município (1) (Adrianópolis)

Especifique o município (2) (Arapoti)

Especifique o município (3) (Cândido de Abreu)

Especifique o município (4) (Castro)

Especifique o município (5) (Congoinhas)

Especifique o município (6) (Curiúva)

Especifique o município (7) (Faxinal)

Especifique o município (8) (Figueira)

Especifique o município (9) (Grandes Rios)

Especifique o município (10) (Ibaiti)

Especifique o município (11) (Imbaú)

Especifique o município (12) (Ipiranga)

Especifique o município (13) (Itararé)

Especifique o município (14) (Ivaí)

Especifique o município (15) (Telêmaco Borba)

**Explique**

Klabin's forestry unit in Paraná state is distributed across three regions: Telêmaco Borba, Guarapuava and Jaguariaíva, a total area of 336,763.375 ha across 37 municipalities. The Unit is headquartered at the Monte Alegre Farm in the city of Telêmaco Borba in the region of Campos Gerais.

**Commodity com riscos florestais**

Madeira

**Atividade**

Cultivo/ produção de matérias-primas

**País de origem**

Brasil

**Estado/Região**

Especifique estado/região (Santa Catarina)

**Município**

Especifique o município (1) (Agrolândia)

Especifique o município (2) (Alfredo Wagner)

Especifique o município (3) (Bela Vista do Toldo)

Especifique o município (4) (Bocaina do Sul)

Especifique o município (5) (Bom Retiro)

Especifique o município (6) (Braço do Tronbudo)

Especifique o município (7) (Brunópolis)

Especifique o município (8) (Campo Belo do Sul)

Especifique o município (9) (Canoinhas)

Especifique o município (10) (Capão Alto)

Especifique o município (11) (Cerro Negro)

Especifique o município (12) (Correia Pinto)

Especifique o município (13) (Curitibanos)

Especifique o município (14) (Ibirama)

Especifique o município (15) (Otacílio Costa)

**Explique**

In 2000, Celucat merged with Igaras to form the Klabin Florestal Santa Catarina forest complex, which currently manages an area of approximately 140,000 ha, distributed over 40 municipalities across the state, having the city of Lages as the Hub for Social and Economic Development.

**Commodity com riscos florestais**

Madeira

**Atividade**

Cultivo/ produção de matérias-primas

**País de origem**

Brasil

**Estado/Região**

Especifique estado/região (São Paulo)

**Município**

Especifique o município (1) (Angatuba)

Especifique o município (2) (Buri)  
Especifique o município (3) (Guareí)  
Especifique o município (4) (Itapetininga)  
Especifique o município (5) (Itapeva)  
Especifique o município (6) (São Miguel Arcanjo)  
Especifique o município (7) (Paranapanema)  
Especifique o município (8) (Sarapuí)  
Especifique o município (9) (Tapiraí)

#### Explique

The Forestry Unit areas in São Paulo are located in the Southeastern region of São Paulo state, encompassing nine cities, a total forest area of 4,800 ha planted and 3,700 ha of preserved forests. The head office of the São Paulo Unit is in Angatuba.

---

#### Commodity com riscos florestais

Madeira

#### Atividade

Extração

#### País de origem

Brasil

#### Estado/Região

Especifique estado/região (São Paulo)

#### Município

Especifique o município (1) (Angatuba)  
Especifique o município (2) (Buri)  
Especifique o município (3) (Guareí)  
Especifique o município (4) (Itapetininga)  
Especifique o município (5) (Itapeva)  
Especifique o município (6) (São Miguel Arcanjo)  
Especifique o município (7) (Paranapanema)  
Especifique o município (8) (Sarapuí)  
Especifique o município (9) (Tapiraí)

#### Explique

The Forestry Unit areas in São Paulo are located in the Southeastern region of São Paulo state, encompassing nine cities, a total forest area of 4,800 ha planted and 3,700 ha of preserved forests. The head office of the São Paulo Unit is in Angatuba.

---

#### Commodity com riscos florestais

Madeira

#### Atividade

Extração

#### País de origem

Brasil

#### Estado/Região

Especifique estado/região (Santa Catarina)

#### Município

Especifique o município (1) (Agrolândia)  
Especifique o município (2) (Alfredo Wagner)  
Especifique o município (3) (Bela Vista do Toldo)  
Especifique o município (4) (Bocaina do Sul)  
Especifique o município (5) (Bom Retiro)  
Especifique o município (6) (Braço do Tronbudo)  
Especifique o município (7) (Brunópolis)  
Especifique o município (8) (Campo Belo do Sul)  
Especifique o município (9) (Canoinhas)  
Especifique o município (10) (Capão Alto)  
Especifique o município (11) (Cerro Negro)  
Especifique o município (12) (Correia Pinto)  
Especifique o município (13) (Curitibanos)  
Especifique o município (14) (Ibirama)  
Especifique o município (15) (Otacílio Costa)

#### Explique

In 2000, Celucat merged with Igaras to form the Klabin Florestal Santa Catarina forest complex, which currently manages an area of approximately 140,000 ha, distributed over 40 municipalities across the state, having the city of Lages as the Hub for Social and Economic Development.

---

#### Commodity com riscos florestais

Madeira

#### Atividade

Extração

#### País de origem

Brasil

#### Estado/Região

Especifique estado/região (Paraná)

---

**Município**

- Especifique o município (1) (Adrianópolis)
- Especifique o município (2) (Arapoti)
- Especifique o município (3) (Cândido de Abreu)
- Especifique o município (4) (Castro)
- Especifique o município (5) (Congoinhas)
- Especifique o município (6) (Curuíva)
- Especifique o município (7) (Faxinal)
- Especifique o município (8) (Figueira)
- Especifique o município (9) (Grandes Rios)
- Especifique o município (10) (Ibaiti)
- Especifique o município (11) (Imbaú)
- Especifique o município (12) (Ipiranga)
- Especifique o município (13) (Itararé)
- Especifique o município (14) (Ivaí)
- Especifique o município (15) (Telêmaco Borba)

**Explique**

Klabin's forestry unit in Paraná state is distributed across three regions: Telêmaco Borba, Guarapuava and Jaguariaíva, a total area of 336,763.375 ha across 37 municipalities. The Unit is headquartered at the Monte Alegre Farm in the city of Telêmaco Borba in the region of Campos Gerais.

**F1.2**

**(F1.2) Indique a porcentagem da receita da sua organização que dependia das commodities com risco florestal divulgado no ano de referência.**

|                      | % da receita que depende da commodity no ano de referência | Comentários   |
|----------------------|--|---|
| Madeira              | 100%   | All of our revenues depend on Klabin's forests. Due to this fact, our forest mosaic management, is structured with the most important part of risk control investment |
| Óleo de palma        | <Not Applicable>   | <Not Applicable>  |
| Produtos da pecuária | <Not Applicable>   | <Not Applicable>  |
| Soja                 | <Not Applicable>   | <Not Applicable>  |
| Outro – Borracha     | <Not Applicable>   | <Not Applicable>  |
| Outros               | <Not Applicable>   | <Not Applicable>  |

**F1.3**

**(F1.3) Você detém ou administra terras usadas para a produção de suas commodities divulgadas?**

**Commodity com riscos florestais**

Madeira

**Detém e/ou administra terras?**

Terra própria e administrada

**Tipo de controle**

Operacional

**Descrição do tipo de controle**

The SIG sector is responsible for updating images through satellite monitoring and environmental adjustment. The images have a 3-meter resolution and are updated every two days, which enables the identification of abnormalities, such as attacks by monkeys, wind, hail, nutritional deficiencies, etc. The inventory team monitors the growth of Klabin's plantations through the Continuous Forest Inventory (CFI) program, such as species, genetic material and year of planting, grouped in strata. Klabin has a Property Protection service, which encompasses measures to handle and combat forest fires in own, leased or third-party areas in relation to thefts. The team consists of company employees who live in the cities where the company has reforested areas: 23 tower guards, 18 forest guards, 26 night watchmen and 4 leaders instructed and trained to detect any problem on company property. Moreover, 530 employees trained to handle and control forest fire occurrences support them.

**País**

Brasil

**Tipo de terra**

Plantada

**Tamanho (Hectares)**

500000

**Você possui um sistema em vigor para monitorar os riscos relacionados às florestas?**

Sim

**Tipo de sistema de monitoramento**

Sistema da informação geográfica (GIS)

Sistema de monitoramento baseado em terra

Sistema de monitoramento aéreo

**Descrição do sistema de monitoramento**

Geoprocessing is a procedure that is part of the Geographic Information System (SIG), which works with satellite images and aerial photographs to produce maps and edit the cartographic database. Klabin uses tools such as Lidar data for topographic survey, images: Rapideye, Landsat, Planet Lab and Vant. Information is available to the teams via printed maps, intranet, local support, digital cartographic database and mobility tools. Based on these tools, planting, harvesting and logistics are planned. They also enable monitoring of the forest quality and compliance with environmental requirements. Those maps enable the monitoring of forest activities to improve their sustainability and to prevent possible risks such as analyzing the mortality of seedlings planted and taking measures to minimize this number so that it does not affect the harvest plan later, or determining the number of gravel roads needed for wood transportation on rainy days so as to not affect mill production.

**Infrações recentes**

Please select

**Explicação da infração**

<Not Applicable>

---

**F1.4**

**(F1.4) For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.**

**Timber**

**Do you collect data regarding compliance with the Brazilian Forest Code?**

Yes, from both suppliers and owned/managed land

**Please explain**

By maintaining the Forest Stewardship Council® - FSC® and the Brazilian Forest Certification Program (CERFLOR) certifications, Klabin automatically undertakes to comply with the Brazilian Forest Code. This is so because the first principle of both certifications refers to compliance with the laws applicable to the country where the company operates, and this criterion is evaluated annually by a team of outsourced auditors. Moreover, the Chain of Custody (CoC) certification ensures that suppliers also undertake to comply with environmental laws, which is verified in the traceability of raw materials through field and documentary audits.

---

**F1.4a**

**(F1.4a) Para a(s) sua(s) commodity(s) divulgada(s), indique quais Indicadores-Chave de Desempenho (KPIs) você utiliza para medir sua própria conformidade com o Código Florestal Brasileiro e seu desempenho em relação a esse(s) indicador(es).**

**Commodity com riscos florestais**

Madeira

**KPIs e desempenho**

% de propriedades próprias e/ou administradas registradas no banco de dados de Cadastro Ambiental Rural (CAR)

% de propriedades próprias e/ou administradas com déficit de Reserva Legal (RL) e/ou Área de Proteção Permanente (APP)

% de propriedades próprias e/ou administradas sem desflorestamento bruto após julho de 2008

**Explique**

- 100% of the properties are registered in the Rural Environmental Register (CAR). - 34% of the total of properties refer to properties registered with Legal Reserve (LR); 74% are registered in the instrument of total area of properties. - 100%: Klabin neither acquires nor leases properties that underwent deforestation after 1994, as per the criteria of the Forest Stewardship Council (FSC). This control is performed through satellite monitoring of own and leased areas by analyzing images of the areas in 1994 or before and currently. Third-party suppliers are audited as well: the property owner and employees are questioned about actions taken in connection with permanent preservation areas.

**F1.4b**

**(F1.4b) Para a(s) sua(s) commodity(s) divulgada(s), indique quais Indicadores-Chave de Desempenho (KPIs) você utiliza para medir a conformidade dos seus fornecedores com o Código Florestal Brasileiro e seus desempenhos em relação a esse(s) indicador(es).**

**Commodity com riscos florestais**

Madeira

**KPIs e desempenho**

% de fornecedores no banco de dados do Cadastro Ambiental Rural (CAR)

% de fornecedores com déficit de Reserva Legal (RL) e/ou Área de Proteção Permanente (APP)

**Número de fornecedores**

**Explique**

All the properties are registered in CAR (Rural environmental registry). All the suppliers are monitored as to their compliance with the law on Legal Reserve (LR) areas and Permanent Preservation Areas (PPA). Klabin neither acquires nor leases properties that underwent deforestation after 1994, under the criteria of the Forest Stewardship Council (FSC). All this information is provided by the SIG team, which is responsible for monitoring satellite images of Klabin's properties. All supplier documentation is managed and filed by the Wood Trading department.

**F1.5**

**(F1.5) A sua organização coleta dados de produção e/ou consumo para as commodities divulgadas?**

|                      | Disponibilidade de dados/Divulgação                      |
|----------------------|--|
| Madeira              | Dados de consumo e produção disponíveis sendo divulgados |
| Oleo de palma        | <Not Applicable>   |
| Produtos da pecuária | <Not Applicable>   |
| Soja                 | <Not Applicable>   |
| Outro – Borracha     | <Not Applicable>   |
| Outros               | <Not Applicable>   |

**F1.5a**

**(F1.5a) Informe seus dados de produção e/ou consumo.**

**Commodity com riscos florestais**

Madeira

**Tipo de dados**

Dados de produção e consumo

**Volume**

17176

**Métrica**

Outros (especifique) (Toneladas)

**Abrangência dos dados**

Please select

**Explique**

Our consumption is composed of 70% of our own production and 30% of wood purchase

**F1.6**

---

**(F1.6) Você identificou fontes suficientes de materiais sustentáveis para atender suas atuais necessidades operacionais? Se sim, o que você está fazendo para assegurar a segurança/continuidade deste fornecimento?**

Madeira

**Fonte sustentável identificada**

Sim

**Ação primária para assegurar fornecimento**

Planos de melhoria do fornecedor para aumentar a capacidade de fornecimento

**Explique**

There is an area responsible for planning short, medium and long term in the company. This area indicates possible operational restrictions to other areas, responsible for the supply. Our own wood (coming from our planted forests) are 100% FSC certified. Timber from third parties are audited from the origin based in FSC Controlled Wood Procedure. There is also a new project where the aim is to certify third parties producers. Klabin is providing technical knowledge and training to improve the ability of producers to obtain certification. One of the actions were a joint effort developed with FSC Brasil, other forest companies and WWF to adapt principles and criteria for small landowners producers (SLIMF). The current FSC certified virgin fibre in the overall input is 90%. As part of this effort, Klabin is providing technical knowledge and training to improve the ability of producers to obtain certification. One of the actions were a joint effort developed with FSC Brasil, other forest companies and WWF to adapt principles and criteria for small landowners producers (SLIMF). Klabin aims to certify all its partner suppliers by 2018, and actively works to help them achieve this objective. In 2015 this certification was spread out to more smallholders. With this project the standards gave changed gradually from Controlled Wood to FSC Certified Wood. In 2015-2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 of Klabin's partner producers already certified. Partner suppliers participate in Klabin's Legal Woods Program (Programa Matas Legais), which guides forestry producers to comply with the Forest Code and improve the environmental condition of their property.

---

F1.7

**(F1.7) Sua organização sofreu algum impacto negativo relacionado à floresta?**

Sim

---

F1.7a

**(F1.7a) Descreva os impactos negativos relacionados à floresta sofridos por sua organização, sua resposta e o impacto financeiro total.**

**Commodity com riscos florestais**

Madeira

**Tipo de fator de impacto**

Reputacionais e de mercado

**Principal fator de impacto**

Oposição da comunidade local

**Principal impacto**

Brand damage

**Descrição do impacto**

During the transportation of wood from the field to the mills, and due to the heavy traffic of loaded trucks, the rural roads used by the nearby communities are sometimes damaged. On one such occasion, the route used passed through a region called Boa Vista de Santa Cruz in the city of Rosário do Ivaí. This community had polyhedral pavement, built by the municipal government, which was damaged by the heavy traffic of trucks loaded with wood. Aware of the possibility of damages to the pavement, the company undertook to repair the structure.

**Principal ação**

Promoção de melhores práticas e conscientização

**Impacto financeiro total**

116877.9

**Descrição da ação**

Due to the actual damage caused to the pavement, Klabin carried out improvement and repair works on the damaged structures. The investment of R\$116,877.90 paid for materials and their transportation, labor (supplier) and machine hours

---

F2. Procedimentos

---

F2.1

**(F2.1) A sua organização adota uma avaliação de riscos florestais?**

Sim, os riscos florestais são avaliados

---

F2.1a

## (F2.1a) Selecione as opções que melhor descrevem seus procedimentos para identificar e avaliar riscos florestais.

### Madeira

#### Etapa da cadeia de valor

Operações diretas

#### Abrangência

Total

#### Procedimento de avaliação de riscos

Avaliado como parte de uma estrutura de gestão de risco corporativo estabelecido

#### Frequência da avaliação

Anualmente

#### Até que momento no futuro os riscos são considerados?

De 3 a 6 anos

#### Ferramentas e métodos usados para identificar e avaliar os riscos

Métodos internos da empresa

Kit de ferramentas para transparência da Política de Sustentabilidade (SPOTT)

FSC Global Forest Registry

Outros (especifique)

#### Explique

Klabin adopts tools and processes to map and mitigate main risks involving its business, to maintain expected results in operations and its longevity. The management of risk is also to evaluate future aspects, capable of provoking negative impacts both on the activities and on the reputation of the company and its relationship with its strategic stakeholders. To act in a sustainable way, Klabin obeys strict guidelines laid out by its Environmental Management System, certified by ISO 14001, in its manufacturing operations and by FSC® in the forestry operations. Measures of Assessment of Aspects and Impacts, concerning the conservation of environment and maintenance of human health, ensure that the Principle of Precaution is applied, as established by ECO92. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests, Klabin is certified since 1998. The timber coming from our suppliers is covered by a procedure called Controlled Wood of FSC. There is a system to guarantee the traceability. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. In the controlled wood procedure, it is necessary to conduct some internal audits that are every year checked by certification bodies in the Chain of Custody Audit. All supplies are known and it is possible to trace them and audit them. In 2017, Klabin participated in the Timber, Pulp and Paper assessment (SPOTT) for the first time, obtaining its best score (12 out of 14 possible points) in the deforestation and biodiversity category. This result represents the company's commitment to ensuring the best environmental, social and governmental practices possible and the recognition of the same.

## F2.1b

---

### (F2.1b) Quais das seguintes questões são consideradas nas avaliações de risco florestal da sua organização?

#### Disponibilidade de commodities com risco florestal

##### Relevância e inclusão

Relevante, sempre incluído

##### Explique

Klabin planted forests are certified by FSC, what guarantees that this wood is produced in a sustainable way and there is a low risk regarding illegality or forest risk. Native forests are preserved in a mosaic system. Klabin adopts tools and processes to mitigate the principal risks involving the business, so as to maintain expected results in operations and their longevity. The management of risk is also intended to evaluate future aspects, capable of provoking negative impacts both on the activities and the reputation of the company and its relationship with its strategic stakeholders. The principal risks identified in the business are: Financial risks, Market risks, Credit risk, Environmental risks To act in a sustainable way, Klabin obeys strict guidelines laid out by its Environmental Management System, certified by ISO 14001, in its manufacturing operations and by FSC® in the forestry operations. Measures of Assessment of Aspects and Impacts, concerning the conservation of environment and maintenance of human health, ensure that the Principle of Precaution is applied, established by ECO92. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests. Klabin is certified by Rainforest Alliance (one of certification bodies accredited by FSC) since 1998. Every year our forest management is audited in accordance to FSC Principles and Criteria (These Principles covers Social, Environmental and Economical Aspects) The timber coming from our suppliers is covered by a procedure called Controlled Wood of FSC. This procedure guarantees that this production of timber is made in a correct way and covers the main subjects of sustainability. In the controlled wood procedure, it is necessary to conduct some internal audits that are every year checked by certification bodies in the Chain of Custody Audit. Klabin has been increasing its program over the years to "insource" its labor in the Forestry operations, which has reduced the social risk of contracting outsourced workers in the wood supply chain

## Qualidade das commodities com risco florestal

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Klabin planted forests are certified by FSC, what guarantees that this wood is produced in a sustainable way and there is a low risk regarding illegality or forest risk. Native forests are preserved in a mosaic system. Klabin adopts tools and processes to mitigate the principal risks involving the business, so as to maintain expected results in operations and their longevity. The management of risk is also intended to evaluate future aspects, capable of provoking negative impacts both on the activities and the reputation of the company and its relationship with its strategic stakeholders. The principal risks identified in the business are: Financial risks, Market risks, Credit risk, Environmental risks To act in a sustainable way, Klabin obeys strict guidelines laid out by its Environmental Management System, certified by ISO 14001, in its manufacturing operations and by FSC® in the forestry operations. Measures of Assessment of Aspects and Impacts, concerning the conservation of environment and maintenance of human health, ensure that the Principle of Precaution is applied, established by ECO92. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests. Klabin is certified by Rainforest Alliance (one of certification bodies accredited by FSC) since 1998. Every year our forest management is audited in accordance to FSC Principles and Criteria (These Principles covers Social, Environmental and Economical Aspects) The timber coming from our suppliers is covered by a procedure called Controlled Wood of FSC. This procedure guarantees that this production of timber is made in a correct way and covers the main subjects of sustainability. In the controlled wood procedure, it is necessary to conduct some internal audits that are every year checked by certification bodies in the Chain of Custody Audit. Klabin has been increasing its program over the years to "insource" its labor in the Forestry operations, which has reduced the social risk of contracting outsourced workers in the wood supply chain.

## Impacto da atividade na condição dos ecossistemas e habitats

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Klabin planted forests are certified by FSC. This certification ensures correct forest management according to ten principles, among them the efficient use of forest products and services, the well-being of workers and communities, biodiversity conservation, a detailed management plan, monitoring, and assessment of environmental and social impact. Our commitment to sustainable development and management of environmental impacts drives us to pursue improvement of our production processes, through goals set each year. Equally important is the establishment of measures for the preservation of local biodiversity in our forests. They are key concerns, which are part of our strategy and that we share not only with employees but also with business partners and the communities neighboring our areas of operation. Over 40% of our forest area is set aside to preserve the original flora and fauna and conservation of water sources. Covered largely by the remaining vegetation of the Atlantic Rainforest, these natural forests communicate with our pine and eucalyptus plantations, creating a mosaic vegetation model permeated by ecological corridors that allow native wildlife to roam freely and thus directly contribute to protecting the soil and biodiversity.

## Regulamentação

### Relevância e inclusão

Relevante, sempre incluído

### Explique

To assure clients, neighboring communities, and society that it follows best practices in social and environmental responsibility, Klabin seeks certifications recognized by global markets. Awarded by independent organizations that set standards and audit compliance with those standards, these certifications allow us to state, for example, that all raw material from our planted forests is cultivated appropriately from an environmental and social standpoint — an advantage for clients who want to assure their consumers that they use sustainable packaging for their products. Similarly, we help partner producers — from which we purchase part of the wood for our plants — to also seek certification, by adhering to environmental, labor, and social standards now required by the most developed markets. To assure the commitment with laws and regulations, Klabin has different types of certifications. Due to this theme, we have a certifications that promote the basics regulation parameters like: .FSC® – FOREST STEWARDSHIP COUNCIL - This certification ensures correct forest management according to ten principles, among them the efficient use of forest products and services, the well-being of workers and communities, biodiversity conservation, a detailed management plan, monitoring, and assessment of environmental and social impact. .ISO 14001 - Defines the methodology used to implement a certified Environmental Management System. It is globally recognized as a method of improving an organization's environmental performance and controlling costs. Also, in order to guarantee the accuracy of the data and evidence of the system, periodical internal and external audits are carried out, which verify compliance with the laws and attendance to their requirements. Consequently, in the last three years the company has not incurred any lawsuit, civil or criminal, for environmental reasons.

## Mudança climática

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Climate changes have been intensified by the increase in the concentration of greenhouse gases in the atmosphere. Klabin's forestry unit works to mitigate this problem through actions that complement each other: preservation of native forests, control of black smoke emissions from forest equipment and adoption of the best technologies available in the market. Forests contribute to this scenario by sequestering greenhouse gases. Klabin has 244,722.83 ha of planted forests, as well as 211,066.15 ha of preserved native forests in Paraná state, 3,683.45 ha in São Paulo state and 68,167.27 ha in Santa Catarina state. Programs such as Legal Forests and Social Forests also contribute to carbon sequestration, enabling Klabin to improve the environmental conditions of properties owned by small suppliers. The company's forest machines carry a report from manufacturers that attest to the quality of the air filter of the engines. Suppliers are required to continuously undergo monitoring of black smoke emissions from machines, using the Ringelmann Scale. Irrespective of that, preventive maintenance is carried out on machines periodically. The Projects team is always alert to new technologies and processes aimed at reducing emissions and enable the evaluation of new equipment for environmental parameters.

## Aumentos de tarifas ou preços

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Klabin planted forests are certified by FSC, what guarantees that this wood is produced in a sustainable way and there is a low risk regarding illegality or forest risk. Native forests are preserved in a mosaic system. Klabin adopts tools and processes to mitigate the principal risks involving the business, so as to maintain expected results in operations and their longevity. The management of risk is also intended to evaluate future aspects, capable of provoking negative impacts both on the activities and the reputation of the company and its relationship with its strategic stakeholders. The principal risks identified in the business are: Financial risks, Market risks, Credit risk, Environmental risks To act in a sustainable way, Klabin obeys strict guidelines laid out by its Environmental Management System, certified by ISO 14001, in its manufacturing operations and by FSC® in the forestry operations. Measures of Assessment of Aspects and Impacts, concerning the conservation of environment and maintenance of human health, ensure that the Principle of Precaution is applied, established by ECO92. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests. Klabin is certified by Rainforest Alliance (one of certification bodies accredited by FSC) since 1998. Every year our forest management is audited in accordance to FSC Principles and Criteria (These Principles covers Social, Environmental and Economical Aspects) The timber coming from our suppliers is covered by a procedure called Controlled Wood of FSC. This procedure guarantees that this production of timber is made in a correct way and covers the main subjects of sustainability. In the controlled wood procedure, it is necessary to conduct some internal audits that are every year checked by certification bodies in the Chain of Custody Audit. Klabin has been increasing its program over the years to "insource" its labor in the Forestry operations, which has reduced the social risk of contracting outsourced workers in the wood supply chain.

## Perda de mercados

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Using the Materiality, we developed the basis of Klabin's Sustainability Strategy, which includes a deep study of market intelligence. Among the Material themes, the first one is Economics Results that considers the need to assure the market share, driving the business in a sustainable way to reduce the risks.

## Dano à marca relacionado às commodities com riscos florestais

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Using the Materiality, we saw the need to define Sustainability indicators related to strategic objectives that would help assess management of material aspects. This work was carried out in 2015, and makes up Klabin's Sustainability Strategy. Using the results of 23 interviews with managers and employees from business units and corporate areas, and the analysis of internal documents, industry benchmarking, and global references, strategic sustainability objectives were developed for each business unit, forming the basis of Klabin's Sustainability Strategy, which includes brand risks and opportunities. Also, Klabin planted forests are certified by FSC, what guarantees that this wood is produced in a sustainable way and there is a low risk regarding illegality or forest risk. Klabin adopts tools and processes to mitigate the principal risks involving the business, so as to maintain expected results in operations and their longevity. The management of risk is also intended to evaluate future aspects, capable of provoking negative impacts both on the activities and the reputation of the company and its relationship with its strategic stakeholders. Measures of Assessment of Aspects and Impacts, concerning the conservation of environment and maintenance of human health. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests. Every year our forest management is audited in accordance to FSC Principles and Criteria (These Principles covers Social, Environmental and Economical Aspects) The timber coming from our suppliers is covered by a procedure called Controlled Wood of FSC. This procedure guarantees that this production of timber is made in a correct way and covers the main subjects of sustainability. In the controlled wood procedure, it is necessary to conduct some internal audits that are every year checked by certification bodies in the Chain of Custody Audit. Klabin has been increasing its program over the years to "insource" its labor in the Forestry operations, which has reduced the social risk of contracting outsourced workers in the wood supply chain.

## Corrupção

### Relevância e inclusão

Relevante, sempre incluído

### Explique

In 2015, we reinforced the management structure of the Internal Audit and Ombudsman's Office and incorporated additional activities in identifying and mitigating corporate risk to the scope of the area. During the year, we started an extensive mapping and categorization of significant risks to ensure continuity and proper functioning of the company's operations, such as those of legal compliance. We developed activities to disseminate the Ombudsman's channels, which led to an increase in claims received, and provided training to employees in order to strengthen the Anti-corruption Program. In 2016, the risks were analyzed in greater depth and scale, improving the continuous verification and control cycles. Also, Klabin is a member of CORPORATE PACT FOR INTEGRITY AND AGAINST CORRUPTION (SINCE 2013). This Pact was launched in June 2006, an initiative of the Ethos Institute for Business and Social Responsibility, of UniEthos - Training and Development of Socially Responsible Management, of Patri Government Relations and Public Policy, the United Nations Development Programme (UNDP), the United Nations Office on Drugs and Crime (UNODC), and the Brazilian Committee of the Global Compact. The main commitments expressed in this text are: information about legislation; disclosure, guidance, and answers about legal principles concerning company activities; curbing bribery; transparent and lawful contributions to political campaigns; disseminating the principles of the Pact among stakeholders; open and transparent investigations; and taking action within the production chain. And Klabin is part of an international business mobilization in support of the United Nations initiative to promote ten principles that bring together core values in the areas of environment, human and labor rights and anti-corruption. The Global Compact is a business contribution to the search for a more sustainable and inclusive global economy.

## Impactos Sociais

### Relevância e inclusão

Relevante, sempre incluído

### Explique

The analysis of social and environmental aspects and impacts of forest management operations is based on an assessment of the impact matrix of the Forestry Unit. Ten meetings were held in 2017 to reevaluate this tool, in which 121 employees (analysts and supervisors of the Unit) directly participated. The tool indicates the probability of occurrence of impacts of forest activities and helps to understand the social, cultural and economic context of the surrounding communities. The matrix also enables the implementation of criteria and proactive actions to mitigate these impacts. Based on the aspects identified in this matrix, on-site diagnosis is performed in the operational areas. In this phase, first the communities are characterized based on production complexity, that is, considering elements such as wood volume, period of operations (construction of roads, wood harvest and transportation) and history of previous operations. With support from community representatives or leaders, sensitive points and specific aspects of the communities are also mapped and identified, such as festivals, religious events, traditional use of land, and the presence of public machinery. Based on the results of the diagnosis, Pre-Operational Dialogues are held, either in the form of meetings or as individual communications, depending on the complexity of the communities or their characteristics. In this phase, the communities are consulted about interference with their local routine and can propose mitigatory measures to be adopted by Klabin. This activity is monitored periodically through management of requirements via Talk to Klabin (communication channels); direct and periodic contact with community members for monitoring the operations (telephone, WhatsApp and periodic visits); monitoring of compliance with agreements established with the community in the pre-operational dialogue phase; weekly multidisciplinary forum (weekly meetings with the Relationship with the Community areas + Operational Areas and Relationship with the Community + Logistics - Highways). Another monitoring measure is the annual survey about the community's perception, since 2016. The objectives of the survey were to evaluate and understand the communities' perception of Klabin, measure the company's image and reputation among the communities and its findings result in action plans.

## Outros (especifique)

### Relevância e inclusão

Relevante, sempre incluído

### Explique

The current Materiality Study identified as relevant to the company's sustainability management in the short, medium, and long term, was developed in 2014 through consultation of stakeholders with several of our audiences. Through that, we define Sustainability indicators related to strategic objectives that would help assess management of material aspects. This work was carried out in 2015, and makes up Klabin's Sustainability Strategy. Also guided by our Vision and Sustainability Policy, the materiality study aims us to identify risks and to design ways to mitigate or prevent them. So we incorporate this outcomes in our Sustainability Strategy and Business action plan.

## F2.1c

### (F2.1c) Quais das seguintes partes interessadas são consideradas nas avaliações de riscos florestais de sua organização?

#### Clientes

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Partnership with customers is the focus of the dedicated Wood Trade team. Focusing on the production needs and aware of changes in the client portfolio, its professionals ensure efficient communication to supply the demand for logs from sawmills in the Telêmaco Borba region, where Klabin's headquarters are located and a recognized industrial district, consisting of 56 establishments focused on wood for furniture. In 2016, they employed 1,862 people, according to the Institute of Social and Economic Development of Paraná State (IPARDES). Klabin thus strives to strengthen its relations with the community through income generation. As such, 100% of the customers are monitored in the medium and long term, especially in the furniture, sawmill and construction segments.

#### Funcionários

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Klabin values collective bargaining with union representatives, as well as the freedom of association. Except for the Board of Executive Officers, 100% of its employees are covered by collective bargaining agreements. Klabin is thus a company that values its employees and invests in their professional development. As a result, the company relies on motivated and well prepared professionals to carry out the designated activities, while prioritizing security and stimulating their sense of ownership.

#### Investidores

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Driven by its concern for investors, Klabin adopts a policy of transparency through different communication channels, such as a dedicated space on the website, Sustainability Report, Public Summary of Forestry Stewardship, SPOTT and CDP. It is aware that a relationship of trust with investors is essential to achieve excellence in its businesses.

## Comunidades locais

### Relevância e inclusão

Relevante, sempre incluído

### Explique

For each productive wood processing operation, local communities are classified using the impact matrix. This is in addition to the on-site diagnosis performed in the operational areas. In this phase, communities are characterized based on production complexity (wood volume, period of operations, construction of roads, wood harvest and transportation) and the history of previous operations. In this stage, with support from community leaders or representatives, sensitive points and specific aspects of the communities are also mapped and identified, such as festivals, religious events, traditional use of land, and the presence of public machinery. Based on the results of the diagnosis, Pre-Operational Dialogues are held, either in the form of meetings or as individual communications, depending on the complexity of the communities or their characteristics. In this phase, the communities are consulted about interference with their local routine and can propose mitigatory measures to be adopted by Klabin. This activity is monitored periodically through management of requirements via Talk to Klabin (communication channels); direct and periodic contact with community members for monitoring the operations (telephone, WhatsApp and periodic visits); monitoring of compliance with agreements established with the community in the pre-operational dialogue phase; weekly multidisciplinary forum (weekly meetings with the Relationship with the Community areas + Operational Areas and Relationship with the Community + Logistics - Highways).

## ONGs

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Activities of local NGOs are also periodically monitored through the press, social media and participation of the Klabin team in meetings and events organized by them. NGO actions can also be detected in the community characterization step, discussed in item F2.1b - Social Impacts.

## Outros usuários/produtores de commodities com riscos florestais em nível local

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Klabin maintains a longstanding open dialogue with the communities neighboring its operations. This type of constructive relationship allows us to direct our efforts to minimizing the impact of industrial and forestry activities while we encourage local empowerment and collaborate with social and environmental development projects. In the communities where we are present, we develop health, culture, education, sports, leisure, and environmental programs, in which we invested BRL17.98 million in 2015. Examples of local development initiatives practiced by Klabin are the forest certification incentive program for small forest producers in Paraná, the Legal Woods Program in Paraná and Santa Catarina, the Social Woods Program in Paraná, Apiculture and Meloponiculture Program, described in this section. We also created and support youth professionalization programs and cultural and environmental education initiatives. In 2015, we also began an engagement and local development project in Santa Catarina, with some projects carried out in the community. Furthermore, on the environmental and social issues, the current FSC certified virgin fibre in the overall input is 90%. As part of this effort, Klabin is providing technical knowledge and training to improve the ability of producers to obtain certification. One of the actions were a joint effort developed with FSC Brasil, other forest companies and WWF to adapt principles and criteria for small landowners producers (SLIMF). Klabin aims to certify all its partner suppliers by 2018, and actively works to help them achieve this objective. In 2015-2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 of Klabin's partner producers already certified. Partner suppliers participate in Klabin's Legal Woods Program (Programa Matas Legais), which guides forestry producers to comply with the Forest Code and improve the environmental condition of their property.

## Órgãos reguladores

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Strict relations are maintained with regulatory authorities at the federal, state and municipal levels regarding relevant issues through associations with companies in the segment, such as the co-operative forestry certification program (PPCF/IPEF), the Integrated Management of Exotic Pests (PROTEF/IPEF) and the Monitoring of Water Resources (PROMAB/IPEF). At the municipal level, community relations specialists are responsible for interacting with the City Councils, just as other professionals focus on matters to maintain dialogue with the unions representing the professional categories of the sectors comprising Klabin.

## Fornecedores

### Relevância e inclusão

Relevante, sempre incluído

### Explique

Suppliers are subject to verification of the documentation pertaining to the property and harvesting of wood, in addition to frequent audits in accordance with the FSC certification standards for wood of controlled origin, in order to comply with environmental and labor laws, among other rules applicable to the Company such as social issues, ensuring the traceability of wood and compliance with Klabin's Wood Procurement Policy. In case of non-compliance, supply is suspended until the proper correction is made, which is also verified through on-site verification.

## Outras partes interessadas, especifique

### Relevância e inclusão

Please select

### Explique

---

## F3. Riscos e oportunidades

---

### F3.1

---

**(F3.1) Você identificou algum risco florestal inerente com potencial para causar um impacto financeiro ou estratégico considerável em seus negócios?**

|                      | Risco  |
|----------------------|--|
| Madeira              | Sim, tanto nas operações diretas como no restante da cadeia de valor |
| Óleo de palma        | <Not Applicable>   |
| Produtos da Pecuária | <Not Applicable>   |
| Soja                 | <Not Applicable>   |
| Outro – Borracha     | <Not Applicable>   |
| Outros               | <Not Applicable>   |

**F3.1a**

---

**(F3.1a) Como a sua organização define o impacto considerável em seus negócios?**

Klabin has a matrix of environmental and social aspects and impacts, which is revised annually, where all the risks arising from forestry operations are mapped and classified as significant or not.

To determine the significance of risk, an assessment is made regarding the temporality, i.e., the period in which the impact was identified, whether it occurred in the present or in the past but has influence currently or whether it can be predicted to cause some change in the future; incidence – it is considered direct if under the company's control and indirect if the company merely exerts influence on the activity that generated the impact; and condition – normal for routine activities, abnormal for non-routine activities and emergency for aspects resulting from unplanned situations. Identification of scope of the area of impact is also recommended, whether it is local or affects another sector; severity, whether low, medium or high; and if complaints exist.

This document serves as the basis for the pre- and post-operational follow-up that is carried out and also serves as the reference for the weekly meetings held between representatives from the forestry sectors to monitor the risks.

The document stipulates the operational procedure to control the aspect and the actions to be taken by the team in case of any environmental or social impacts. These impacts are addressed at the meetings held with a weekly multidisciplinary forum (weekly meetings with the Relationship with the Community Relations + Operational Areas and Community Relations + Logistics - Highways). In 2017, there were 11 cases involving property boundaries and 52 relating to different aspects of environmental impacts.

**F3.1b**

---

**(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

**Forest risk commodity**

Timber

**Type of risk**

Physical

**Geographical scale**

Region

**Where in your value chain does the risk driver occur?**

Direct operation

Supply chain

**Primary risk driver**

Changes in precipitation patterns

**Primary potential impact**

Supply chain disruption

**Company-specific description**

Very dry periods may compromise the development of seedlings and generate conflicts with the community. Heavy rainfall can cause runoff entrainment of seedlings, floods, and cause soil drenching. Moreover, it can impact the logistics of removing wood from Klabin's forest areas located in the state of Santa Catarina, Paraná and São Paulo.

**Timeframe**

1-3 years

**Magnitude of potential impact**

High

**Likelihood**

Very likely

**Potential financial impact**

228000000

**Explanation of financial impact**

This amount is the total investment made in Forestry Stewardship in the states of São Paulo, Santa Catarina and Paraná. Any impact on the development of eucalyptus and pine species may adversely affect all the investment made in the Forestry Stewardship operation.

**Primary response to risk**

New product/technology development

**Description of response**

An example of outcome is the creation of the Ecophysiology department. At the beginning of 2016 a work was done about climatic risks that can impact Klabin's areas in medium and long term. Some climate elements that are monitored are the changing in rainfall, winds and temperature patterns, in that way the objective is anticipate possible impacts on the forest productivity. Results from this analysis provides lines of action, for instance, to the R&D areas which become aware of new developments or innovation that they must pursue in order to face Climate Change threats and opportunities. An example is a research about how minimize the acceleration of the growth rate of forest pests (wood wasp), due to the increase of thermal stress on the plantation. With that we expect an improvement in the productivity of forest management without increase the use of agrochemicals, which represents a lower cost in the management.

**Cost of response**

70000000

**Explanation of cost of response**

Klabin Technology Center in Telêmaco Borba (Paraná), is raising Research, Development and Innovation (R&D+I) activities in the company to a new level (including the renewable energy studies and adaptations). The initiative is part of Klabin's three-year investment plan (2015 to 2017), which provides for BRL 70 million to be allocated to R&D+I processes.

**F3.2**

**(F3.2) Você identificou alguma oportunidade em termos florestais inerente com potencial para causar um impacto financeiro ou estratégico considerável em seus negócios?**

|                      | Você identificou as oportunidades? |
|----------------------|------------------------------------|
| Madeira              | Sim                                |
| Óleo de palma        | <Not Applicable>                   |
| Produtos da pecuária | <Not Applicable>                   |
| Soja                 | <Not Applicable>                   |
| Outro – Borracha     | <Not Applicable>                   |
| Outros               | <Not Applicable>                   |

**F3.2a**

**(F3.2a) Para as commodities selecionadas com risco florestal, forneça detalhes das oportunidades identificadas com potencial para ter impacto financeiro ou estratégico considerável em seus negócios.**

**Commodity com riscos florestais**

Madeira

**Tipo de oportunidade**

Eficiência

**Onde em sua cadeia de valores ocorre a oportunidade?**

Operação direta

Cadeia de fornecimento

**Principal oportunidade em termos de floresta**

Redução de gastos

**Incentivos Financeiros**

<Not Applicable>

**Descrição e estratégia específicas da empresa para alcançar oportunidade**

The main challenge of this project comes from the construction of a concept, where the formation of the forest block happens mainly through the activation of stretches of roads. From this concept, it is possible to construct a model that generates responses that minimize overall costs of operation and use of roads. Another fundamental point is the increase of the connectivity between the different horizons of planning, which brings greater assertiveness in the tactical and strategic plans.

**Cronograma estimado para alcançá-la**

Atual - até 1 ano

**Magnitude do impacto potencial**

Alta

**Probabilidade**

Virtualmente certo

**Possível impacto financeiro**

0

**Explicação do impacto financeiro**

The main gain that comes from this opportunity come from costs savings. With a better block formation that implies in a great reduction in harvest, roads and transportation cost.

---

## F4. Governança

---

### F4.1

**(F4.1) A sua organização possui uma política que inclui questões florestais?**

Sim, temos uma política florestal documentada, disponível ao público

---

### F4.1a

**(F4.1a) Selecione as opções para descrever o escopo e o conteúdo de sua política.**

| Escopo | Conteúdo | Explique |
|--------|----------|----------|
|--------|----------|----------|

|         | Escopo             | Conteúdo   | Explique   |
|---------|--------------------|--|--|
| Linha 1 | Por toda a empresa | <p>Comprometimento em evitar o desmatamento e a degradação florestal</p> <p>Comprometimento em proteger os direitos e os meios de subsistência das comunidades locais</p> <p>Comprometimentos além da conformidade regulatória</p> <p>Comprometimento com a transparência</p> <p>Comprometimento com a conscientização e o aprendizado das partes interessadas</p> <p>Comprometimento com a inovação</p> <p>Comprometimento com o alinhamento de iniciativas de políticas públicas, por exemplo, SDGs</p> <p>Reconhecimento da importância geral das florestas e outros habitats naturais</p> <p>Descrição da dependência empresarial das florestas</p> <p>Reconhecimento do potencial impacto comercial nas florestas e outros habitats naturais</p> <p>Descrição das commodities com risco florestal, partes do negócio e estágios da cadeia de valor cobertos pela política</p> <p>Lista de compromissos horários e metas</p> <p>Descrição dos padrões de desempenho relativos a florestas para operações diretas</p> <p>Descrição dos padrões relativos a florestas para aquisição</p> <p>Referência a normas internacionais e iniciativas de amplo reconhecimento mundial relativas a florestas</p> | <p>One of the pioneers in adopting the concept of sustainable development, Klabin was the first pulp and paper company in the Southern Hemisphere to receive the Forest Stewardship Council® - FSC® (FSC-C022516) certification in 1998. The certification's 7th principle addresses the Management Plan. The Management Plan is a document that should contain information about all the activities involved in the company's forest stewardship, including those focused on environmental and socio-economic care. This document is confidential, but those responsible for it must make public a summary of the basic characteristics. The Public Summary of the Management Plan is available on the Klabin website: <a href="https://www.klabin.com.br/pt/negocios-produtos/florestal/">https://www.klabin.com.br/pt/negocios-produtos/florestal/</a>. It contains information such as the sustainability policy; external commitments to which Klabin is a signatory; project description (total areas of planted and protected forests and infrastructure); how forest stewardship is done and its key indicators, such as productivity; the social and environmental projects executed; etc. Thus, information becomes more accessible to stakeholders. Another document that describes the Company's initiatives is the Sustainability Report, available at: <a href="https://www.klabin.com.br/pt/sustentabilidade#relatorio">https://www.klabin.com.br/pt/sustentabilidade#relatorio</a> It contains information such as economic results; certifications held by the company; social and environmental initiatives; R&amp;D innovations; etc.</p> |

F4.1b

**(F4.1b) Você tem políticas de sustentabilidade específicas para commodities? Se sim, selecione as opções que melhor descrevem seus escopos e conteúdo.**

|                      | Você tem uma política de sustentabilidade específica por commodity? | Escopo             | Conteúdo   | Explique   |
|----------------------|---|--------------------|--|--|
| Madeira              | Sim   | Por toda a empresa | Comprometimento em evitar o desmatamento e a degradação florestal<br>Comprometimento em proteger os direitos e os meios de subsistência das comunidades locais<br>Comprometimentos além da conformidade regulatória<br>Descrição da dependência empresarial das florestas<br>Descrição das commodities com risco florestal, partes do negócio e estágios da cadeia de valor cobertos pela política<br>Referência a normas internacionais e iniciativas de amplo reconhecimento mundial relativas a florestas | The sustainable management of the commodity is assured by a set of practices and processes publicly formalized of which two policies are worth mentioning: The Sustainability Policy and the Wood Purchasing Policy. Subjects such to ensure the supply of wood from planted forests, in a sustainable way and without any damage to either natural or associated ecosystems, and the prohibition against acquiring wood resulting from exploitation practices that violate civil and traditional rights are covered by Klabin policies. Currently, Klabin's timber supply is already fully meeting the commitments. Moreover, material information relevant for the commodity sustainability is addressed in the Sustainability report, which follows GRI standards and is audited by BSD Consulting. The adoption of global best practices related to the theme in operations is expressed in the Sustainability Vision and is supported by the Sustainability Policy, updated in 2016 to follow the advances in sustainability management practices in the company. The seven policy priorities were expanded and now total 13 principles. One of the new topics included is item 10, related to the United Nations' Sustainable Development Goals (SDG), guiding Klabin's commitments to this agenda, its initiatives and investments. The 17 Sustainable Development Goals (SDG) set out the global priorities and aspirations for 2030 and represent an opportunity to eliminate extreme poverty and put the world on a sustainable path. Furthermore, another new item of this policy talks about our commitment with climate change and our actions to control Klabin's operations with carbon efficiency. |
| Óleo de palma        | <Not Applicable>  | <Not Applicable>   | <Not Applicable>   | <Not Applicable>   |
| Produtos da Pecuária | <Not Applicable>  | <Not Applicable>   | <Not Applicable>   | <Not Applicable>   |
| Soja                 | <Not Applicable>  | <Not Applicable>   | <Not Applicable>   | <Not Applicable>   |
| Outro – Borracha     | <Not Applicable>  | <Not Applicable>   | <Not Applicable>   | <Not Applicable>   |
| Outros               | <Not Applicable>  | <Not Applicable>   | <Not Applicable>   | <Not Applicable>   |

**F4.2**

**(F4.2) Existe supervisão por parte do conselho para questões florestais em sua organização?**

Sim

**F4.2a**

**(F4.2a) Identifique os cargos dos indivíduos no conselho com responsabilidade para questões florestais.**

| Cargo do indivíduo          | Explique   |
|-----------------------------|--|
| Presidente do Conselho      | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR.  |
| Conselho/Conselho Executivo | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR.  |
| Diretor do Conselho         | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR.  |
| Diretor Executivo (CEO)     | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR. And for that, the report is done very frequently (more than quarterly) and is directed to the Klabin's CEO at first. |

## F4.2b

### (F4.2b) Forneça mais detalhes sobre a supervisão do conselho para questões florestais.

|         | Frequência na qual as questões florestais são um item na agenda de planejamento | Mecanismos de governança nos quais as questões florestais estão integradas   | Explique  |
|---------|---|--|---|
| Linha 1 | Programada - algumas reuniões   | Monitoramento da implementação e do desempenho<br>Supervisão de aquisições e alienação<br>Supervisão de grandes gastos de capital<br>Análise e orientação de orçamentos anuais<br>Análise e orientação de planos de negócios<br>Análise e orientação de estratégia de responsabilidade corporativa<br>Análise e orientação dos principais planos de ação<br>Análise e orientação de políticas de gestão de riscos<br>Análise e orientação de estratégia<br>Análise das prioridades de inovação / P&D<br>Definição de objetivos de desempenho | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR. Therefore, all of business strategy, plans, performance goals, R&D priorities, capital expenditures and decisions are directly/indirectly based on increase forest productive to ensure the business longevity and stability. |

## F4.3

### (F4.3) Abaixo do nível do conselho, forneça os cargos de gestão de mais alto nível ou comitês com responsabilidade para questões florestais.

| Nome dos cargos e/ou comitês | Responsabilidade  | Frequência de relatório para o conselho sobre questões florestais | Explique   |
|------------------------------|---|---|--|
| Diretor Executivo (CEO)      | Avaliação e administração de riscos e de oportunidades florestais | Frequência maior que trimestralmente                              | Forests-related issues are a big concern to the Klabin's board chair, investors and all of its executive structure. It's because Klabin is a pulp and paper producer who are supplied for almost 80% owned wood, that means 224 thousand hectares of planted forest monitored in real time with full attention requires a solid plan to map the operational impacts and potential risks to maintaining the sustainable management of forests, certified by FSC and CERFLOR. Therefore, all of business strategy, plans, performance goals, R&D priorities, capital expenditures and decisions are directly/indirectly based on increase forest productive to ensure the business longevity and stability. And for that, the report is done very frequently (more than quarterly) and is directed to the Klabin's CEO at first. |

## F4.4

### (F4.4) Você fornece incentivos aos diretores ou membros do conselho para gestão de questões florestais?

Sim

## F4.4a

**(F4.4a) Quais incentivos são fornecidos aos diretores ou membros do conselho para a gestão de questões florestais?**

|                                | Who is entitled to benefit from these incentives?  | Indicator for incentivized performance  | Explique  |
|--------------------------------|--|---|---|
| Recompensa monetária           | Board chair<br>Board/Executive board<br>Director on board<br>Corporate executive team<br>Chief Executive Officer (CEO) | Achievement of commitments and targets<br>Other, please specify (forest productivity) | Klabin has monetary rewards to leadership members, known as PGR, to those whom reach their own targets, related to increase forest productivity, R&D findings, impacts' mitigation, arise market share, maintaining and improve the FSC and CERFLOR certification (that requires better practices in the sustainable management of forest and the supply chain), among other. |
| Reconhecimento (não monetário) | No one is entitled to these incentives   | No indicator for incentivized performance   | Not applicable  |
| Outra recompensa não monetária | No one is entitled to these incentives   | No indicator for incentivized performance   | Not applicable  |

**F5. Estratégia de negócios**

**F5.1**

**(F5.1) As questões florestais estão integradas a algum aspecto do plano de negócios estratégico de longo prazo? Caso afirmativo, como?**

|  | As questões florestais estão integradas?  | Horizonte de longo prazo (anos) | Explique   |
|--|---|---------------------------------|--|
| Objetivos comerciais de longo prazo      | Sim, questões florestais estão integradas | >30                             | The strategic planning is integrated through the different planning horizons, where the long term focus on the supply self-sufficiency. With this response, the others horizons, focus on making that sufficiency operational, through the formation of harvest blocks and the daily supply of the factories |
| Estratégia para objetivos de longo prazo | Sim, questões florestais estão integradas | >30                             | With expansion studies conducted by strategic planning (Corporate), alternatives to the forestry supply strategy are studied, whether through lease agreements, own properties or incentives.  |
| Planejamento financeiro                  | Sim, questões florestais estão integradas | >30                             | Economic analyses are carried out based on possible alternatives, leases, own properties or incentives.  |

**F6. Implementação**

**F6.1**

**(F6.1) A sua organização assumiu um compromisso público de reduzir ou remover o desmatamento e/ou degradação florestal de suas operações diretas e/ou cadeia de fornecimento?**

Sim

**F6.1a**

**(F6.1a) Sua organização apoiou alguma das seguintes iniciativas como parte do compromisso público de reduzir ou remover o desmatamento e/ou degradação florestal?**

Outros (especifique) (FSC® certification; United Nations' Sus)

**F6.1b**

**(F6.1b) Forneça detalhes sobre seu compromisso público, incluindo a descrição de critérios específicos, cobertura e ações.**

**Abrangência da mercadoria**

Madeira

**Critérios**

Sem conversão de habitats naturais  
Zero desflorestamento e degradação brutas  
Zero desflorestamento e degradação líquidas  
Restauração de paisagem florestal  
Sem comércio de espécies listadas pelo CITES  
Sem destruição de terras por queimada ou desmatamento  
Sem conversão de áreas de alto valor de conservação  
Adoção de princípios de consentimento livre, prévio e informado (CLPI)  
Resolução de queixas e conflitos através de um processo aberto, transparente e consultivo  
Restringir o abastecimento e/ou o comércio de commodities de risco florestal a fontes credíveis certificadas

**Cobertura operacional**

Operações diretas e cadeia de fornecimento

**% da produção / consumo total abrangido pelo compromisso**

100%

**Cronograma do compromisso**

>2030

**Explique**

Klabin, as one of the founding members of the Coalizão Brasil Clima, Florestas e Agricultura [Brazilian Alliance on Climate, Forests and Agriculture] has engaged in developing principles which were publically committed towards the promotion of a new low-carbon economy that is competitive, accountable and inclusive, that strives for greater synergy among protection, conservation and sustainability initiatives in forestry, agriculture and mitigation and adaptation to climate change. FPIC, CITES, IUCN list is covered by FSC Certification. Also, from the Materiality matrix, updated in 2014, we moved towards a Sustainability Strategy for Klabin. We are guided by our Vision and our Sustainability Policy, which are the basis for our operations under this aspect (learn more in the highlight below). Addressing this issue carefully and centrally in all of our activities is a long-term commitment we have made to our shareholders, clients, employees, suppliers, and neighboring communities. This strategy must combine three main elements: the material aspects, a set of sustainability indicators, and the strategic objectives shared by the entire organization. These terms were defined in 2015 in partnership with a specialized consulting firm. The adoption of global best practices related to the theme in operations is expressed in the Sustainability Vision and is supported by the Sustainability Policy, updated in 2016 to follow the advances in sustainability management practices in the company. The seven policy priorities were expanded and now total 13 principles. One of the new topics included is item 10, related to the United Nations' Sustainable Development Goals (SDG), guiding Klabin's commitments to this agenda, its initiatives and investments. The 17 Sustainable Development Goals (SDG) set out the global priorities and aspirations for 2030 and represent an opportunity to eliminate extreme poverty and put the world on a sustainable path. Furthermore, another new item of this policy talks about our commitment with climate change and our actions to control Klabin's operations with carbon efficiency.

**F6.2**

**(F6.2) Você tinha alguma meta quantificada para aumentar a produção sustentável e/ou consumo de suas mercadorias divulgadas que estiveram ativas durante o ano de referência?**

Sim

**F6.2a**

**(F6.2a) Forneça detalhes sobre suas metas para aumentar a produção e/ou consumo sustentável das mercadorias divulgadas e do progresso obtido.**

**Número de referência da meta**

Meta 1

**Commodity com riscos florestais**

Madeira

**Categoria da commodity coberta**

Toras de madeira dura  
Toras de madeira de coníferas

**Tipo de meta**

Esquema de certificação de terceiros

**Abrangência**

Operações diretas e cadeia de fornecimento

**Ponto de rastreabilidade**

<Not Applicable>

**Esquema de certificação de terceiros**

Certificação de Gestão Florestal do FSC

**Ano de início**

2017

**Valor inicial**

100%

**Ano da meta**

2018

**Meta**

100%

**% alcançada**

61-70%

**Explique**

Klabin aims to certify all its partner suppliers, and actively works to help them achieve this objective. For this to happen there is a partner company working to carry out the technical approach with smallholders. The certifications are carried out in groups, and the Klabin team identifies potential partners and makes the financial contribution of the team and the certification process. There are more than 250 certified producers.

---

**Número de referência da meta**

Meta 2

**Commodity com riscos florestais**

Madeira

**Categoria da commodity coberta**

Toras de madeira dura

Toras de madeira de coníferas

**Tipo de meta**

Norma para produção sustentável

**Abrangência**

Operações diretas

**Ponto de rastreabilidade**

&lt;Not Applicable&gt;

**Esquema de certificação de terceiros**

&lt;Not Applicable&gt;

**Ano de início**

2009

**Valor inicial**

100%

**Ano da meta**

2020

**Meta**

100%

**% alcançada**

100%

**Explique**

Since 2009, the third-party environmental consulting firm Casa da Floresta conducts a yearly fauna monitoring campaign. The target is to increase the campaign to three times per year to ensure a more representative monitoring of mammal and bird species in the remaining area, monitoring the loss and addition of species and their variations, and also evaluating the impact of forestry in order to propose measures to improve conservation.

---

**Número de referência da meta**

Meta 3

**Commodity com riscos florestais**

Madeira

**Categoria da commodity coberta**

Toras de madeira dura

Toras de madeira de coníferas

**Tipo de meta**

Norma para produção sustentável

**Abrangência**

Operações diretas

**Ponto de rastreabilidade**

&lt;Not Applicable&gt;

**Esquema de certificação de terceiros**

&lt;Not Applicable&gt;

**Ano de início**

2008

**Valor inicial**

100%

**Ano da meta**

2018

**Meta**

61-70%

**% alcançada**

51-60%

**Explique**

Each year, 100,000 seedlings of native tree species are produced to be distributed among the rural properties in Paraná in order to achieve the environmental compliance of our suppliers. The target is to distribute at least 60,000 seedlings per year through the Legal Forests program.

---

**Número de referência da meta**

Meta 4

**Commodity com riscos florestais**

Madeira

**Categoria da commodity coberta**

Toras de madeira dura

Toras de madeira de coníferas

**Tipo de meta**

Norma para produção sustentável

**Abrangência**

Cadeia de fornecimento

**Ponto de rastreabilidade**

<Not Applicable>

**Esquema de certificação de terceiros**

<Not Applicable>

**Ano de início**

2016

**Valor inicial**

100%

**Ano da meta**

2018

**Meta**

71-80%

**% alcançada**

61-70%

**Explique**

In 2016, the Regional Institutional Relations Affairs team began monitoring the indicator of the perception of Klabin's commitment to communities, in order to monitor Klabin's image and reputation by measuring the communities' level of knowledge about Klabin's activities and social projects and gathering the positive and negative impacts of operations on the community. In 2016, the result was 47%; 63% in 2017; and is expected to rise 10% in 2018, reaching 73%.

---

**Número de referência da meta**

Meta 5

**Commodity com riscos florestais**

Madeira

**Categoria da commodity coberta**

Toras de madeira dura

Toras de madeira de coníferas

**Tipo de meta**

Esquema de certificação de terceiros

**Abrangência**

Operações diretas e cadeia de fornecimento

**Ponto de rastreabilidade**

<Not Applicable>

**Esquema de certificação de terceiros**

Madeira Controlada do FSC

**Ano de início**

2000

**Valor inicial**

1-10%

**Ano da meta**

2018

**Meta**

100%

**% alcançada**

100%

**Explique**

Timber from third parties are audited from the origin based in FSC Controlled Wood Procedure and is currently carried out by our own team composed of four exclusive collaborators. These evaluate the documentation and subsequently ownership and operation. Interviews are conducted with employees to verify labor and legal issues. Monthly all suppliers are evaluated and indicators are monitored by Klabin's management team.

---

F6.3

**(F6.3) Você possui sistemas de rastreabilidade em vigor para rastrear e monitorar a origem de suas commodities divulgadas?**

|                      | Você possui sistemas em vigor? |
|----------------------|--------------------------------|
| Madeira              | Sim                            |
| Óleo de palma        | <Not Applicable>               |
| Produtos da pecuária | <Not Applicable>               |
| Soja                 | <Not Applicable>               |
| Outro – Borracha     | <Not Applicable>               |
| Outros               | <Not Applicable>               |

F6.3a

**(F6.3a) Forneça detalhes sobre o nível de rastreabilidade que sua organização possui para os produtos divulgados.**

|                      | % do volume total rastreável de produção / consumo | Ponto no qual a commodity é rastreável | Descrição do sistema de rastreabilidade  | Exclusões        | Descrição da exclusão |
|----------------------|--|--|--|------------------|-----------------------|
| Madeira              | 100%   | Unidade de gestão florestal            | The wood receiving area (yard scales) is responsible for verifying the invoice containing the supplier's registration number, classifying the origin of the wood as certified or not. This is done to ensure control over the Chain of Custody (COC), which is the registration of the origin of the wood, control of the storage and sale of certified wood, making it possible to determine the origin in subsequent stages. The Forest Gate is considered the point from which ownership of the certified product is transferred to the client. It is the point of transfer of wood ownership, and the registration documents must be kept for at least 5 years. As references for this monitoring activity, there are the operating procedures FCO-PRO-COM-0002 - Controlled Wood, FCO-PRO-SUS-0004 - Utilization and Approval Certification Seal and FCO-PRO-PMA-0001 - Wood Yard Operation; Klabin's Wood Procurement Policy; SmartWood Guidelines for Chain of Custody; and FSC® Standards for the Chain of Custody. In addition, Klabin has a documented due diligence system (DDS) for raw materials supplied without FSC® or CERFLOR® declarations to be used as controlled raw materials, or to be sold with the FSC Controlled Wood declaration. All raw material suppliers and sub-suppliers are included in the DDS. Klabin performs an analysis and, if necessary, reviews its DDS at least once a year and conducts internal audit to ensure that the system is being applied correctly. The following documents serve as reference for these activities: FSC-STD-40-005 – Standard for Evaluation of Controlled Wood by Companies; ABNT NBR 14790 – Sustainable Forest Management – Chain of Custody – Requirements; National Risk Analysis; Registry of employers caught with labor analogous to slavery, maintained by the Ministry of Labor; and the Wood Procurement Policy (Klabin); | <Not Applicable> | <Not Applicable>      |
| Óleo de palma        | <Not Applicable>                                   | <Not Applicable>                       | <Not Applicable>   | <Not Applicable> | <Not Applicable>      |
| Produtos da pecuária | <Not Applicable>                                   | <Not Applicable>                       | <Not Applicable>   | <Not Applicable> | <Not Applicable>      |
| Soja                 | <Not Applicable>                                   | <Not Applicable>                       | <Not Applicable>   | <Not Applicable> | <Not Applicable>      |
| Outro – Borracha     | <Not Applicable>                                   | <Not Applicable>                       | <Not Applicable>   | <Not Applicable> | <Not Applicable>      |
| Outros               | <Not Applicable>                                   | <Not Applicable>                       | <Not Applicable>   | <Not Applicable> | <Not Applicable>      |

F6.4

**(F6.4) Você especifica algum esquema de certificação de terceiros para suas commodities divulgadas? Indique o volume e a porcentagem da produção e/ou consumo cobertos.**

**Commodity com riscos florestais**

Madeira

**Você especifica algum esquema de certificação?**

Sim

**Esquema de certificação de terceiros**

Certificação de Gestão Florestal do FSC

Cadeia de Custódia do FSC

Madeira Controlada do FSC

Cadeia de Custódia do PEFC

Cadeia de Custódia do Projeto PEFC

**% de volume total de produção/consumo certificado**

100

**Categoria do produto**

Please select

**Volume de produção/consumo certificado**

17176

**Métrica**

Toneladas métricas

**Explique**

In 2017, Klabin also received the Cerflor (Brazilian Forestry Certification Program) certification seal. To increase the reliability standards, Cerflor comprises 5 principles, which are also addressed by the FSC®, aimed at ensuring sustainable, socially equitable, environmentally correct and economically viable forest management. FSC Certification attests to the correct management of the forest, based on ten principles, among them: the efficient use of the multiple forest products and services, well-being of employees and communities, conservation and biodiversity, detailed management plan, monitoring and assessment of environmental and social impacts. •Southern Hemisphere's first company to have FSC® certified forests and world's first company to be certified in non-wood forestry products. •Latin America's only and first pulp and paper producer to guarantee the origin of the raw materials used to make its products, with FSC® chain of custody certification for industrial sacks, paperboard and kraft paper. In 2015 Klabin certified a group of producers, totaling thirty seven thousand hectares of more than two hundred and sixty-two different producers were certified. In 2016, Klabin's Pilar Unit in Argentina received FSC® Chain of Custody certification. •All production from its recycled paper units and corrugated board packaging units is FSC® certified and can serve the needs of clients requiring certified packaging. The current FSC certified virgin fibre in the overall input is 90%. As part of this effort, Klabin is providing technical knowledge and training to improve the ability of producers to obtain certification. One of the actions were a joint effort developed with FSC Brasil, other forest companies and WWF to adapt principles and criteria for small landowners producers (SLIMF). Klabin aims to certify all its partner suppliers by 2018, and actively works to help them achieve this objective. In 2015-2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 of Klabin's partner producers already certified.

---

**F6.5**

---

**(F6.5) Você especifica alguma norma de produção/compra sustentável para suas mercadorias divulgadas, além da certificação de terceiros? Indique a porcentagem de produção/consumo coberta e se você monitora a conformidade do fornecedor com essas normas.**

**Commodity com riscos florestais**

Madeira

**Você especifica alguma norma de sustentabilidade?**

Sim

**Tipo de norma**

Produção

**Descrição da norma**

Klabin follows strict norms in order to control its own and third party productions, in accordance with FSC and Cerflor standards. Requirements relies on the correct management of the forest, based on principles, among them: the efficient use of the multiple forest products and services, well-being of employees and communities, conservation and biodiversity, detailed management plan, monitoring and assessment of environmental and social impacts. Klabin forests are certified by FSC since 1998, what guarantees the wood is produced in a sustainable and controlled way. Standards are applied for own plantations, and for both FSC certified and non-FSC certified wood suppliers. Landscape management and the multiple use of the forests are concepts orienting Klabin's forestry activities.

**% de volume total de produtos cobertos pela norma**

100%

**Você possui um sistema em vigor para monitorar a conformidade com esta norma?**

Sim

**Tipo(s) de sistema de monitoramento**

Auditoria

**% de fornecedores em conformidade com as normas**

<Not Applicable>

**Explique**

Third-party suppliers of wood are audited at the start and during the supply process, in accordance with the FSC standard (STD-40-004 – V3). However, the company has audited around 98% of its suppliers, with the target being 100%. Note that this process is audited annually through IMAFLORA. Whenever timber is acquired, that is, from forests where the company conducts harvesting operations, it uses drones for aerial surveillance and for safety and environmental monitoring.

---

**Commodity com riscos florestais**

Madeira

**Você especifica alguma norma de sustentabilidade?**

Sim

**Tipo de norma**

Compras

**Descrição da norma**

Procurement procedures established by the Controlled-wood purchasing guidelines applied and regular audits every 30 days conducted by trained auditors, in compliance with the standards of the certifying agency. By the end of 2018, audits will be carried out in approximately 350 properties. Until August 2018, 436 audits were performed and over 90% of the items evaluated comply with the requirements. Non-complying suppliers are immediately rejected.

**% de volume total de produtos cobertos pela norma**

100%

**Você possui um sistema em vigor para monitorar a conformidade com esta norma?**

Sim

**Tipo(s) de sistema de monitoramento**

Auditoria de terceiros

**% de fornecedores em conformidade com as normas**

91-99%

**Explique**

Third-party suppliers of wood are audited at the start and during the supply process, in accordance with the FSC standard (STD-40-004 – V3). However, the company has audited around 98% of its suppliers, with the target being 100%. Note that this process is audited annually through IMAFLORA. Whenever timber is acquired, that is, from forests where the company conducts harvesting operations, it uses drones for aerial surveillance and for safety and environmental monitoring.

---

F6.6

---

**(F6.6) Você está trabalhando com pequenos produtores para encorajar e apoiar melhores práticas que ajudam a reduzir ou remover o desflorestamento/degradação florestal?**

|                      | Você está trabalhando com pequenos produtores? | Explique  |
|----------------------|--|---|
| Madeira              | Sim, trabalhamos com pequenos produtores       | Since 2005, Klabin has helped landowners to use their lands sustainably by encouraging the recovery of native forest remnants, silviculture with responsible methods, organic farming, ecotourism and conservation of natural heritage, helping to improve the quality of life of the population and to improve forest development. O The "Legal Woods" Program it is conducted in partnership with Apremavi (Association for Preservation of the Environment and Life). Em 2017 o programa atingiu o número de 745 proprietários auxiliados desde a criação do projeto. As an extension of the implementation of the Legal Woods program, in 2014 Klabin began the Forest Certification Program for Small Farmers in the region of Campos Gerais of Parana, seeking to further raise the standard of forest management in the area. The encouragement to our wood suppliers to get certification led to the result of 286 farmers and 541 properties in Parana with official recognition by the FSC® (Forest Stewardship Council®).The initiative is a part of our goal to reach 100% certified wood used in our production process. With this project, the standards have change gradually from Controlled Wood to FSC Certified Wood. Also, more than 25,000 hectares of properties had been certified. In 2015, the Social Forests program was launched in partnership with the Association for the Preservation of the Environment and Life (Apremavi), The Nature Conservancy (TNC) and the Brazilian Micro and Small Business Support Service (Sebrae), with the goal of strengthening the economic, environmental and social conditions of small and mid-sized rural properties. It implements initiatives that aid producers in adapting to the environmental, legal and landscaping requirements of the property, in planning and diversifying production, reinforcing association and cooperative initiatives and facilitating access to new market and regional development opportunities. The Program serves 230 rural properties. |
| Óleo de palma        | <Not Applicable>                               | <Not Applicable>  |
| Produtos da pecuária | <Not Applicable>                               | <Not Applicable>  |
| Soja                 | <Not Applicable>                               | <Not Applicable>  |
| Outro – Borracha     | <Not Applicable>                               | <Not Applicable>  |
| Outros               | <Not Applicable>                               | <Not Applicable>  |

**F6.7**

**(F6.7) Você trabalha com fornecedores diretos para apoiar e melhorar suas capacidades de fornecer matérias-primas sustentáveis?**

|                      | Você está trabalhando com fornecedores diretos? | Método de engajamento dos fornecedores  | Explique  |
|----------------------|---|---|---|
| Madeira              | Sim, trabalhamos com fornecedores diretos       | Incentivar a certificação<br>Incentivar o trabalho com grupos multilaterais<br>Questionários aos fornecedores sobre indicadores ambientais e sociais<br>Oficinas e treinamentos<br>Auditorias com fornecedores<br>Projetos conjuntos<br>Suporte técnico | Since 2005, Klabin has helped landowners to use their lands sustainably by encouraging the recovery of native forest remnants, silviculture with responsible methods, organic farming, ecotourism and conservation of natural heritage, helping to improve the quality of life of the population and to improve forest development. The program called Legal Woods is conducted in partnership with Apremavi (Association for Preservation of the Environment and Life). In 2017, the program reached out to 745 property owners who received technical assistance, provided on-site by professionals from Apremavi. As an extension of the implementation of the Legal Woods program, in 2014 Klabin began the Forest Certification Program for Small Farmers in the region of Campos Gerais of Parana, seeking to further raise the standard of forest management in the area. The encouragement to our wood suppliers to get certification led to the result of 261 farmers in Parana with official recognition by the FSC® (Forest Stewardship Council®).The initiative is a part of our goal to reach 100% certified wood used in our production process. With this project, the standards have change gradually from Controlled Wood to FSC Certified Wood. Also, , more than 25,000 hectares of properties had been certified. |
| Óleo de palma        | <Not Applicable>                                | <Not Applicable>  | <Not Applicable>  |
| Produtos da pecuária | <Not Applicable>                                | <Not Applicable>  | <Not Applicable>  |
| Soja                 | <Not Applicable>                                | <Not Applicable>  | <Not Applicable>  |
| Outro – Borracha     | <Not Applicable>                                | <Not Applicable>  | <Not Applicable>  |
| Outros               | <Not Applicable>                                | <Not Applicable>  | <Not Applicable>  |

**F6.8**

**(F6.8) Você trabalha mais do que os fornecedores de primeira camada para administrar e mitigar os riscos florestais?**

|                      | Você trabalha além da primeira camada?       | Explique   |
|----------------------|--|--|
| Madeira              | Não, não trabalhamos além da primeira camada | Klabin's business model has The Programa de Fomento Florestal, a partnership with the local land-based producers (properties in Telêmaco Borba and Ortigueira, Parana state, range of 150 km away from our mills) to expand and diversify the income of communities close to its units by planting forests on rural properties. At the same time, these producers represent an important link in the company's wood supply chain. Nowadays, there are 70 neighbouring municipalities being part of this program. In that way, our first tier supply chain is the small partner-producer farmer, so our first tier is the last one as well. All that producers are also participants of the Legal Wood Program (Matas Legais) , which guides forestry producers to comply with the Forest Code and improve the environmental condition of their property. |
| Óleo de palma        | <Not Applicable>                             | <Not Applicable>   |
| Produtos da pecuária | <Not Applicable>                             | <Not Applicable>   |
| Soja                 | <Not Applicable>                             | <Not Applicable>   |
| Outro – Borracha     | <Not Applicable>                             | <Not Applicable>   |
| Outros               | <Not Applicable>                             | <Not Applicable>   |

**F6.9****(F6.9) Você participa de iniciativas ou atividades externas para promover a implementação de suas políticas relacionadas à sustentabilidade de commodities divulgadas?****Commodity com riscos florestais**

Madeira

**Você participa de atividades/iniciativas?**

Sim

**Atividades**

Envolvidos em iniciativas com stakeholder ou parceria multilateral

**Iniciativas**

FSC

PEFC

**Explique**

Klabin, in partnership with FSC® Brazil and other institutions and companies from the sector, helped to draw up the national standards for planted forests, SLIMF (Small and Low Intensity Managed Forest) – an acronym for forest stewardship on a small scale and/or of low intensity. As for the Brazilian Alliance on Climate, Forests and Agriculture, Klabin is one of the founding members of the alliance of business associations, companies, civil society organizations and individuals interested in contributing to the promotion of a new low-carbon economy that is competitive, accountable and inclusive, that strives for greater synergy among protection, conservation and sustainability initiatives in forestry, agriculture and mitigation and adaptation to climate change. The group aim is to promote and propose policies, actions and financial/economic mechanisms that will encourage an agriculture, livestock and forestry-based economy that can lift Brazil up to a leading position in the world as a sustainable and low-carbon economy. Also, our Sustainability Policy was structured to be related with the SDG-UN points and goals. Klabin takes part in Forestry-based industry sector and participates in groups intended to influence policy makers and government on issues related to the commodity, such as the Brazilian Alliance on Climate, Forests and Agriculture, a multi-sector alliance to promote and propose policies, actions and financial/economic mechanisms that will encourage an agriculture, livestock and forestry-based economy that can lift Brazil up to a leading position in the world as a sustainable and low-carbon economy, which creating prosperity for all, bringing about social inclusion, generate employment and income. Klabin also is an important actor in The Forests Dialogue, a platform to engage economical, social and environmental stakeholders in activities related to sustainable forest. Deforestation is one of the main issues discussed, as well as landscape approach and plantations role in landscape. In 2015-2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 of Klabin's partner producers already certified.

**F-PF6.10****(F-PF6.10) Sua organização tem algum projeto focado em reflorestamento, restauração de habitat ou proteção de habitat que não faz parte de seu ciclo de produção?**

Sim

**F-PF6.10a**

(F-PF6.10a) Forneça detalhes sobre seu(s) projeto(s), incluindo a extensão, a duração e a frequência de monitoramento. Especifique qualquer resultado medido.

**Referência do projeto**

Projeto 1

**Tipo de projeto**

Restauração de habitat

**Motivação primária**

Voluntária

**Descrição do projeto**

Forest development and the Legal Forests Program combine income generation and the diversification of production activities to the restoration of Permanent Preservation Areas (APPs), in connection with watersheds, streams and rivers. Biodiversity is preserved through the maintenance of native areas, forming ecological corridors. In Paraná, more than 605,000 seedlings have already been distributed among 745 property owners.

**Ano de início**

2005

**Ano da meta**

Indefinidamente

**Área projetada até agora (hectares)**

10737

**Área do projeto no ano da meta (hectares)**

3159

**Latitude**

-24.450455

**Longitude**

-50.866636

**Frequência de monitoramento**

Semestralmente ou com frequência maior

**Resultados medidos até agora**

Biodiversidade

Financeiro

**Explique**

In 2008, the Legal Forests Program was launched in Telêmaco Borba, a joint venture between the Association for Preservation of the Environment and Life (Apremavi) and Klabin. The Program exists in Santa Catarina since 2005, and is based in the restoration of native forests of small farmers, the majority of whom participate in the company's Forest Development Program. The essence of the program is encouragement to rural property planning, with adaptation to the laws in force, consequently promoting environmental education and conservation, using the concept of "Legal Ownership". Forest development and the Legal Forests Program combine income generation and the diversification of production activities to the restoration of Permanent Preservation Areas (APPs), in connection with watersheds, streams and rivers. Biodiversity is preserved through the maintenance of native areas, forming ecological corridors. In Paraná, more than 605,000 seedlings have already been distributed among 745 property owners. There are 1,741.47 ha of recovered areas and 10,738.01 ha of APPs and LRs preserved

---

## F7. Vínculos e trade-offs

---

### F7.1

**(F7.1) Sua organização identificou algum vínculo ou trade-offs entre as florestas e outras questões ambientais em suas operações diretas e/ou outras partes de sua cadeia de valor?**

Sim

---

### F7.1a

---

**(F7.1a) Descreva os vínculos ou trade-offs e a política ou ação de gestão relacionada.**

**Vínculo/trade-off**

Vínculo

**Tipo de vínculo/trade-off**

Melhor abastecimento de água

**Descrição de vínculo/trade-off**

The Legal Forests and Social Forests Programs bring the company's rural producer partners closer to sustainable environmental practices. They also stimulate and foster the obtaining of diverse forest management and even organic agriculture certifications. Their principle is the conservation of soil and water, and in its concept the preservation of riparian forests, APPs, ecological corridors and watersheds, which in turn benefit water flow. There are 745 properties that have received technical training since 2008 through the Legal Forests program, and 230 properties since 2015 through the Social Forests program. As for internal initiatives, the company adopts operational procedures that guarantee the sustainability of the operation, that is, ensure soil and water conservation. All employees are trained upon joining the company and refresher training programs are continuously held.

**Política ou ação**

Through the environmental adequacy of Klabin's partner properties and the donation of native seedlings for environmental recovery. Until 2017, a total of 682,960 seedlings were donated through both programs. Internally, audits are held to adapt the internal procedures and compliance, just as management tools are applied for the improvement of processes. In partnership with the technical working group from IPEF's Environmental Monitoring Program on Microbasins (PROMAB), assessments are made on the effect of forestry operations on the environment, with water resources serving as the indicator. Through the results of chemical and physical analysis of the water, compared to each other and to information from operations performed in locations influenced by microbasins, it is possible to determine whether the forestry operations are in line with water conservation.

---

**F8. Verification**

---

**F8.1**

**(F8.1) Você verifica alguma informação florestal relatada em sua divulgação ao CDP?**

Sim

---

**F8.1a**

**(F8.1a) Quais dados da sua divulgação ao CDP foram verificados e quais padrões foram utilizados?**

**Módulo de reporte**

F0. Introdução

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F1. Estado Atual

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F2. Procedimentos

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F3. Riscos e oportunidades

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F4. Governança

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F5. Estratégia

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

F6. Implementação

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**Módulo de reporte**

SF. Módulo de cadeia de fornecimento

**Pontos de dados verificados**

The points are verified by external consultants hired by the company by verifying the sustainability report

**Norma de verificação**

The verification standard used is in accordance with AA100 standard

**Explique**

Information provided in the sustainability report was verified and was checked with the respective areas through objective and comparable evidence, or through interviews with managers and other team members who were available.

---

**F9. Barreiras e desafios**

---

**F9.1**

---

**(F9.1) Describe the key barriers or challenges to avoiding forests-related risks in your direct operations or in other parts of your value chain.**

**Forest risk commodity**

Timber

**Coverage**

Direct operations  
Supply chain

**Primary barrier/challenge type**

Cost and/or complexity of certification requirements

**Comment**

100 % of our timber supply already meets sustainability targets. Barriers or challenges can be created if planted forests utilization were stopped by legislation or other types of movement. Our own timber production is FSC certified. Third parties are audited following FSC Controlled Wood Procedure. Due to FSC certification, there is a system to guarantee the traceability. Our own timber is covered by annual assessments conducted by an independent certification body for the FSC Certification System. FSC (Forest Stewardship Council) is a certification system that assures social, economical and environmental management of forests, and a correct way and covers the main subjects of sustainability. Klabin is certified since 1998. All supplies are known and it is possible to trace them and audit them. Timber from third parties are audited from the origin based in FSC Controlled Wood Procedure. There is also a project where the aim is to certify third parties producers. Klabin is providing technical knowledge and training to improve the ability of producers to obtain certification. Klabin completed a pilot project to certify a group of producers, In 2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, in 2017 and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 of Klabin's partner producers already certified. Partner suppliers participate in Klabin's Legal Woods Program (Programa Matas Legais), which guides forestry producers to comply with the Forest Code and improve the environmental condition of their property. Klabin aims to certify all its partner suppliers, and actively works to help them achieve this objective. Also in 2016, the company has set up a working group named "Climate Committee", which follow both global and national Climate agendas and discuss related risks and opportunities such as deforestation and the threats to biodiversity, factors directly related to company's productivity and reputation. In 2016, the Sustainability Policy, updated to follow the advances in sustainability management practices in the company. Furthermore, another new item of this policy talks about our commitment with climate change and our actions to control Klabin's operations.

**F9.2**

**(F9.2) Describe the main measures that would improve your organization's ability to manage forests-related risks.**

**Forest risk commodity**

Timber

**Coverage**

Direct operations  
Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Continuous monitoring and engagement with lawmakers in order to strengthen and encourage legislation towards best-practices certification (such FSC) in supply chain sector . Such movement could increase scale and speed of big and essential players engagement, once they would reinforce such need-practices into their own supply chains. The adoption of global best practices related to the theme in operations is expressed in the Sustainability Vision and is supported by the Sustainability Policy, updated in 2016 to follow the advances in sustainability management practices in the company. The seven policy priorities were expanded and now total 13 principles. One of the new topics included is item 10, related to the United Nations' Sustainable Development Goals (SDG), guiding Klabin's commitments to this agenda, its initiatives and investments. Furthermore, another new item of this policy talks about our commitment with climate change and our actions to control Klabin's operations with carbon efficiency. Klabin understands this agenda as a comprehensive risk management in order to mitigation and to anticipate forests vulnerabilities (as deforestation) and incorporate it on our Sustainability Strategy. In 2016 Klabin certified a group of smallholders, totaling thirty seven thousand hectares of more than two hundred and sixty-two different producers were certified. With this project, the standards have changed gradually from Controlled Wood to FSC Certified Wood. In 2015-2016, a total of 77 producers were certified by the FSC® seal in the SLIMF standard (Small and Low Intensity Managed Forests), while another 208 were recommended for certification by the same standard, and 13 were certified by the FSC® Harmonized standard, leading to a total of over 250 Klabin's partner producers already certified. Partner suppliers participate in Klabin's Legal Woods Program (Programa Matas Legais), which guides forestry producers to comply with the Forest Code and improve the environmental condition of their property. Klabin aims to certify all its partner suppliers and actively works to help them achieve this objective.

**F10. Aprovação**

**F-FI**

**(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

**F10.1**

**(F10.1) Provide the following information for the person that has signed off (approved) your CDP forests response.**

|       | <b>Job Title</b>  | <b>Corresponding job category</b> |
|-------|-------------------|-----------------------------------|
| Row 1 | Forestry Director | Director on board                 |

## SF. Módulo de cadeia de fornecimento

---

### SF0.1

---

**(SF0.1) Qual é a receita anual da sua organização no período de referência?**

|         | Receita anual |
|---------|---------------|
| Linha 1 | 9727000000    |

### SF0.2

---

**(SF0.2) Você tem um ISIN para a sua organização que esteja disposto a compartilhar com o CDP?**

Sim

### SF0.2a

---

**(SF0.2a) Compartilhe seu ISIN na tabela abaixo.**

|         | Código de país ISIN | Identificador numérico ISIN (incluindo dígito de verificação simples) |
|---------|---------------------|---|
| Linha 1 | US                  | L5828LAB55  |

### SF1.1

---

**(SF1.1) Na pergunta F6.4, questionado “ Você especifica algum esquema de certificação de terceiros para suas commodities divulgadas? Indique o volume e a porcentagem da produção e/ou consumo cobertos”. Você também pode indicar, para cada uma de suas commodities divulgadas, a porcentagem do volume certificado vendido para cada membro do CDP Supply Chain solicitante?**

Sim

### SF1.1a

---

(SF1.1a) For each of your requesting CDP supply chain members, indicate the percentage of certified volume sold per disclosed commodity(ies).

**Requesting member**

JBS S/A

**Forest risk commodity**

Timber

**Form of commodity**

Paper

**Third-party certification scheme**

FSC Chain of Custody

**Total volume of commodity sold to member**

10841

**Metric**

Other, please specify (Ton)

**What % of the volume reported in column 5 is certified?**

21-30%

**Comment**

Klabin provides the option for its customers regarding the certification of their products during the supply process, however, there is a request not to be informed in the invoice certification, losing the chain of custody. Thus, in this case, 8,249 tons were invoiced on request without FSC certification information.

---

**Requesting member**

L'Oréal

**Forest risk commodity**

Timber

**Form of commodity**

Paper

**Third-party certification scheme**

FSC Chain of Custody

**Total volume of commodity sold to member**

1592

**Metric**

Other, please specify (Ton)

**What % of the volume reported in column 5 is certified?**

71-80%

**Comment**

Klabin provides the option for its customers regarding the certification of their products during the supply process, however, there is a request not to be informed in the invoice certification, losing the chain of custody. Thus, in this case, 378 tons were invoiced on request without FSC certification information.

---

SF2.1

---

**(SF2.1) Proponha algum projeto florestal mutuamente benéfico com o qual você possa colaborar junto com membros específicos do CDP Supply Chain.**

**Membro solicitante**

JBS S/A

**Mercadoria relacionada ao projeto**

Madeira

**Categoria do projeto**

Outra categoria, especifique (Environmental and social sustainability )

**Tipo de projeto**

Please select

**Cronograma estimado para realização de benefícios para o cliente**

1 a 3 anos

**Detalhes do projeto**

The Legal Forests and Social Forests Programs bring the company's rural producer partners closer to sustainable environmental practices. They also stimulate and foster the obtaining of diverse forest management and even organic agriculture certifications. Their principle is the conservation of soil and water, and in its concept the preservation of riparian forests, APPs, ecological corridors and watersheds, which in turn benefit water flow. There are 745 properties that have received technical training since 2008 through the Legal Forests program, and 230 properties since 2015 through the Social Forests program. As for internal initiatives, the company adopts operational procedures that guarantee the sustainability of the operation, that is, ensure soil and water conservation. All employees are trained upon joining the company and refresher training programs are continuously held.

**Resultado projetado**

A model that secures supply of high-quality inputs, and enables the development of the agricultural business and the familiar agriculture under sustainable bases (and in compliance with the laws). Additionally, it is hoped to increase the number of participating and engaged owners in both projects in order to provide the change of environmental and social perspective in the area covered by the factories. Partnering with our customers in search of sustainability in the supply chain reinforces our public commitments.

---

**Membro solicitante**

L'Oréal

**Mercadoria relacionada ao projeto**

Madeira

**Categoria do projeto**

Outra categoria, especifique (Environmental and social sustainability )

**Tipo de projeto**

Outros (especifique) (Legal appropriation and income increase)

**Cronograma estimado para realização de benefícios para o cliente**

1 a 3 anos

**Detalhes do projeto**

The Legal Forests and Social Forests Programs bring the company's rural producer partners closer to sustainable environmental practices. They also stimulate and foster the obtaining of diverse forest management and even organic agriculture certifications. Their principle is the conservation of soil and water, and in its concept the preservation of riparian forests, APPs, ecological corridors and watersheds, which in turn benefit water flow. There are 745 properties that have received technical training since 2008 through the Legal Forests program, and 230 properties since 2015 through the Social Forests program. As for internal initiatives, the company adopts operational procedures that guarantee the sustainability of the operation, that is, ensure soil and water conservation. All employees are trained upon joining the company and refresher training programs are continuously held.

**Resultado projetado**

A model that secures supply of high-quality inputs, and enables the development of the agricultural business and the familiar agriculture under sustainable bases (and in compliance with the laws). Additionally, it is hoped to increase the number of participating and engaged owners in both projects in order to provide the change of environmental and social perspective in the area covered by the factories. Partnering with our customers in search of sustainability in the supply chain reinforces our public commitments.

---

SF2.2

**(SF2.2) Solicitações ou iniciativas de membros do CDP Supply Chain levaram sua organização a adotar medidas em nível organizacional para reduzir ou remover o desmatamento/degradação florestal de suas operações ou de sua cadeia de fornecimento?**

Não

Submeta sua resposta

**Sua resposta está sendo enviada em qual idioma?**

Inglês

**Confirme como a sua resposta deve ser gerenciada pelo CDP**

|                               | Envio público ou não público | Estou enviando para      | Você está pronto para enviar as perguntas adicionais sobre a cadeia de fornecimento? |
|-------------------------------|------------------------------|--------------------------|--|
| Estou enviando minha resposta | Publicamente                 | Investidores<br>Clientes | Sim, enviar as perguntas sobre a cadeia de fornecimento agora                        |

**Leia e aceite os Termos e Condições do CDP**

Eu aceito os Termos e Condições

