

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Suzano is a Brazilian renewable-based company committed to be a global reference in the sustainable use of renewable resources. The world's leader in eucalyptus pulp manufacturing and one of the largest paper producers in Latin America. Currently, Suzano exports to more than 100 countries, being present in the lives of more than 2 billion people. With operations at eleven factories, in addition to the Veracel joint venture, it has an installed capacity of more than 10.9 million tons of market pulp and 1.4 million tons of paper per year.

Suzano has also a structure of administrative offices in Salvador (BA) and São Paulo (SP), 21 distribution centers and FuturaGene, responsible for the genetic development of forest crops and biofuels, with research laboratories in Israel and Canada. Abroad, Suzano has international offices in China, the United States, Switzerland, Finland (Joint venture Woodspin), Austria and Argentina.

Suzano is committed to the Principles and Criteria of the FSC® and NBR 14,789 CERFLOR Forest Management, with the purpose of providing the sustainability of its business in the long term, the continuous improvement of its activities and performance, as well as the adoption of environmentally friendly and socially responsible practices, committing to:

- Carry out forestry production planning, based on highly environmental standards, such as management of micro-basins and landscape, biodiversity monitoring, maintenance of native forest corridors;
- Guarantee occupational health and safety conditions and contribute to the development of direct and indirect employees;
- Always seek technological innovations and support for research to apply the best silvicultural techniques in its forestry production units;
- Contribute to the maintenance or improvement of communities adjacent to the forest management units.

Suzano operates in three Brazilian biomes (Amazon, Cerrado and Atlantic Forest), with 1.6 million hectares of planted forests of Eucalyptus and almost 1 million hectares of preserved natural areas, distributed in the states of Bahia, Espírito Santo, Minas Gerais, São Paulo, Mato Grosso do Sul, Maranhão, Tocantins, Pará and Piauí. This significant amount of preserved natural areas (around 38% of Suzano's total area) includes 94 thousand hectares of high conservation value areas, considered globally and nationally important for biodiversity conservation and voluntarily established by the company.

Suzano constantly evaluates its risks, not only financial, but also risks related to processes' continuous improvement, environmental conservation and social development practices, benefiting company's relationships with clients, suppliers, local communities, government agencies and other stakeholders. Therefore, the company's risks assessment considers the likelihood of their occurrence and the financial impacts, in addition to six other aspects – occupational health and safety, environmental and sociocultural aspects, reputation, climate change, and legal.

The company operates in compliance with all legislation, standards and commitments undertaken, nationally and internationally. In addition, in order to reduce its adverse environmental impacts while improving the quality of the environment in which it is presented, Suzano established mechanisms to operate eco-efficiently and foreseeing technological innovation. The environmental risks related to the operational activities is monitored through external and internal audits, according to responsible forest management standards of the FSC® (Forest Stewardship Council®) and PEFC / CERFLOR® (Brazilian Forest Certification Program). The internal audits utilize auditing principles and internal standards and occurs through environmental controls field checks established in the Matrix of Environmental Aspects and Impacts in operational activities.

Suzano establishes its plantations exclusively in areas previously anthropized by other uses, whose conversion has not occurred under its direct or indirect responsibility, committing itself to a zero-deforestation policy. Likewise, the company also undertakes to buy wood from plantations established exclusively in areas that were previously anthropized and develops continuous actions to raise awareness and encourage its wood suppliers to certify their plantations and/or apply FSC and PEFC standards in their forest operations.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1 2022	December 31 2022

F0.3

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

BRL

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

Timber products

Commodity disclosure

Disclosing

Stage of the value chain

- Production
- Processing
- Trading
- Manufacturing
- Retailing

Are you disclosing information on embedded commodities?

No, but we do have embedded commodities

Explanation if not disclosing

<Not Applicable>

Other - Rubber

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Stage of the value chain

<Not Applicable>

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

<Not Applicable>

F0.5

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported

Other, please specify (Companies, entities or groups over which financial and operational control is exercised)

F0.6

(F0.6) Select the countries/areas in which you operate.

- Argentina
- Austria
- Brazil
- Canada
- China
- Finland
- Israel
- Switzerland
- United States of America

F0.7

(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

No

F0.8

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	BRSUZBACNOR0

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

- Growing/production of raw materials
- Harvesting
- Refining & processing
- Exporting/trading
- Using as input into manufacturing process for power generation
- Using as input into product manufacturing
- Retailing/onward sale of commodity or product containing commodity

Form of commodity

- Hardwood logs
- Sawn timber, veneer, chips
- Pulp
- Paper
- Cellulose-based textile fiber
- Wood-based bioenergy

Source

- Owned/managed land
- Smallholders
- Trader/broker/commodity market

Country/Area of origin

- Brazil

% of procurement spend

- 6-10%

Comment

Our operations are vertically integrated, from the production of eucalyptus seedlings, through plantation and forestry management (including harvesting, logging and wood transportation), to pulp and paper production facilities and energy generation units. We only produce bleached eucalyptus kraft pulp from 100% planted eucalyptus trees. Suzano's plantations are located in the states of São Paulo, Minas Gerais, Rio de Janeiro, Mato Grosso do Sul, Bahia, Espírito Santo, Maranhão, Pará e Tocantins, in Brazil. As of December 31, 2022, about 2,6 million hectares of land from which 1,6 million hectares are eucalyptus plantations, around 1 million hectares are natural reserves and approximately 91,000 hectares are occupied by infrastructure. Climate and soil conditions enable us to harvest our eucalyptus trees between 6 to 7 years after planting. Suzano's forestry operations hold the certifications Forest Stewardship Council® (FSC®) licenses (FSCC100042, FSC-C100704 and FSC-C110130), Cerflor/Programme for the Endorsement of Forest Certification (PEFC), ISO 9001 and ISO 14001.

In the industrial operation, the pulp is extracted from the wood by a process known as Kraft Process. Among the numerous advantages from an environmental stand-point, it is self-sufficient in thermal and electrical energy, since biomass is the main input used to produce pulp. The main flow consists on a wood cooking process, a bleaching stage, and a final dryer stage. Once the logs are transported to our production facilities, they are unloaded and taken by a conveyor belt to be debarked and chipped. After that, wood chips are sent to digesters, where they are mixed with chemicals and cooked under temperature and pressure. During this process, lignin and resins are removed from the wood. The lignin is used as fuel to produce thermal (steam) and electrical energy. Bark, wood and non-digested chips are also burned to produce energy. 88.1% of self-generated thermal and electrical energy is renewable (December 31, 2022).

Obs.: the value above (% of procurement spend) corresponds only to the spend with timber products acquired from suppliers.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	100%	As a bleached eucalyptus kraft pulp producer which operations are vertically integrated, 100% of our revenues comes from eucalyptus plantations established on anthropized lands.
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.3

(F1.3) Provide details on the land area you control and/or manage that is used for the production of your disclosed commodity(ies).

Forest risk commodity

- Timber products

Type of control

- Own land

Country/Area

- Brazil

Land type

Tree plantations

Area (Hectares)

795171

% Area certified

84

Certification scheme

FSC Forest Management certification

Other, please specify (PEFC Sustainable Forest Management certification)

Conversion of natural ecosystems monitored during the reporting year, the last 5 years and/or since specified cutoff date

We have monitored conversion of natural ecosystems since specified cutoff date, please specify year (2020)

Area of natural ecosystems converted during the reporting year (hectares)

<Not Applicable>

Area of natural ecosystems converted since specified cutoff date (hectares)

0

Area of natural ecosystems converted during the last 5 years (hectares)

<Not Applicable>

Please explain

All forestry units have FSC and PEFC certifications. Suzano has financial and operational control over its own forests and a commitment to zero deforestation, as described in the Zero Deforestation Annual Report and the Wood Supply Policy (PC.00.0023), from July 23, 2020.

As of December 2022, 795,171 ha (84%) of Suzano's eucalyptus farms (company land + investment funds) were certified according to FSC and/or PEFC standards.

The FSC and PEFC chain of custody systems provide mechanisms to trace the raw material (wood) used in products back to its origin. They verify that the wood comes from certified, controlled and legal forests, supported by a robust system designed to monitor claims and perform local surveillance.

All land use information is registered in the Forest Register System, creating a comprehensive database to help control and manage Suzano's land. One of the conditions to expand the company's area is to rule out the conversion of natural ecosystems in the farms to be acquired.

Forest risk commodity

Timber products

Type of control

Concession/lease

Country/Area

Brazil

Land type

Tree plantations

Area (Hectares)

564257

% Area certified

68

Certification scheme

FSC Forest Management certification

Other, please specify (PEFC Sustainable Forest Management certification)

Conversion of natural ecosystems monitored during the reporting year, the last 5 years and/or since specified cutoff date

We have monitored conversion of natural ecosystems since specified cutoff date, please specify year (2020)

Area of natural ecosystems converted during the reporting year (hectares)

<Not Applicable>

Area of natural ecosystems converted since specified cutoff date (hectares)

0

Area of natural ecosystems converted during the last 5 years (hectares)

<Not Applicable>

Please explain

All forestry units have FSC and PEFC certifications. Suzano has financial and operational control over its own forests and a commitment to zero deforestation, as described in the Zero Deforestation Annual Report and the Wood Supply Policy (PC.00.0023), from July 23, 2020. As of December 2022, 564,257 ha (68%) of Suzano's concessions/leased eucalyptus farms were certified according to FSC and/or PEFC standards.

The FSC and PEFC chain of custody systems provide mechanisms to trace the raw material (wood) used in products back to its origin. They verify that the wood comes from certified, controlled and legal forests, supported by a robust system designed to monitor claims and perform local surveillance.

All land use information is registered in the Forest Register System, creating a comprehensive database to help control and manage Suzano's land. One of the conditions to expand the company's area is to rule out the conversion of natural ecosystems in the farms to be acquired.

Forest risk commodity

Timber products

Type of control

Outgrowers

Country/Area

Brazil

Land type

Tree plantations

Area (Hectares)

108119

% Area certified

0

Certification scheme

No certified area in this country/area

Conversion of natural ecosystems monitored during the reporting year, the last 5 years and/or since specified cutoff date

We have monitored conversion of natural ecosystems since specified cutoff date, please specify year (2020)

Area of natural ecosystems converted during the reporting year (hectares)

<Not Applicable>

Area of natural ecosystems converted since specified cutoff date (hectares)

0

Area of natural ecosystems converted during the last 5 years (hectares)

<Not Applicable>

Please explain

In December 2022, 0% of the 108,119 hectares of Suzano's forests managed under outgrower agreements were certified according to FSC and PEFC standards. However, Suzano's wood supply areas, including outgrowers, are monitored to ensure compliance with environmental, social, economic and legal requirements. The company has a Wood Supply Policy that complies with the Brazilian Forest Code, the guidelines of FSC's Policy for Association, the standards of FSC and PEFC/ CERFLOR chain of custody and forest management, FSC controlled wood and PEFC/ CERFLOR controlled sources. Additionally, the policy complies with the European Timber Regulation (EUTR), the United Kingdom Timber Regulation (UKTR), the Lacey Act (USA), the Australian Illegal Logging Prohibition Act, and the fundamental principles of the International Labor Organization (ILO).

All land use information is registered in the Forest Register System, creating a comprehensive database to help control and manage Suzano's land. One of the conditions to expand the company's area is to rule out the illegal conversion of natural ecosystems in the farms to be acquired.

F1.4**(F1.4) Provide details on the land you control and/or manage that was not used for the production of your disclosed commodity(ies) in the reporting year.****Forest risk commodity**

Timber products

Country/Area

Brazil

Type of control

Own land

Land type

Other land type, please specify (Legal Reserve (RL) and Permanent Presentation (APPs))

Area (hectares)

578363

% covered by natural forests

23

Please explain

The Brazilian Forest Code (Law 12,651 / 2012) describes the concept of areas for permanent preservation (APP) and legal reserves (RL), defining cases in which suppression is acceptable and establishing the minimum area of land that must be conserved in properties in each biome.

Pursuant to the Brazilian Forest Code, we are required to set aside a minimum percentage of our areas for preservation, conservation and environmental recovery.

Approximately one million hectares of our forest base, located within the Atlantic Rain Forest, Cerrado and Amazon, is set aside for conservation purposes. These areas consist of natural forests, riparian buffer zones or natural vegetation with specific ecological characteristics.

Suzano's protected areas have been established and are managed in accordance with the Brazilian Forestry Code (Law 12.651 / 2012), which requires the restoration of protected areas in properties that have Permanent Preservation (APPs) and Legal Reserve (RLs) areas. In 2022, we had an increase, in hectares of approximately 17% vs. 2021.

Forest risk commodity

Timber products

Country/Area

Brazil

Type of control

Concession/lease

Land type

Other land type, please specify (Legal Reserve (RL) and Permanent Presentation (APPs))

Area (hectares)

468798

% covered by natural forests

19

Please explain

Preservation / Conservation in areas owned by Suzano – areas set aside for permanent preservation, as legal reserves and as natural reserves maintained by Suzano. In 2022, we had an increase, in hectares of approximately 8% vs. 2021.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption and production data available, disclosing
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

Forest risk commodity

Timber products

Data type

Production data

Commodity production/ consumption volume

12373588.4

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

All of Suzano’s wood supply areas, as well as its suppliers, are monitored to ensure compliance with environmental, social, economic and legal requirements. The company has a Wood Supply Policy and a Zero Deforestation Policy that comply with the Brazilian Forest Code, the guidelines of FSC®’s Policy for Association, the standards of FSC® and PEFC chain of custody and forest management, FSC® controlled wood and PEFC controlled sources. Additionally, these documents comply with the fundamental principles of the International Labor Organization (ILO) and international regulations on traceability and the legal origin of wood, such as the European Timber Regulation (EUTR), the United Kingdom Timber Regulation (UKTR), the Lacey Act (USA) and the Australian Illegal Logging Prohibition Act.

To ensure that, Suzano implements a due diligence system (DDS) that includes document analysis and site visits with the goal of minimizing the risk of purchasing wood from unacceptable sources. The DDS is based on the FSC and CERFLOR Forest Stewardship and Controlled Wood Standards (FSC-STD-40-005), the National Risk Assessment for Brazil (FSC-NRA-BR V1-0), and the ABNT NBR 14790 NBR14790 standard, aiming to ensure, in direct and indirect supply chains:

- Compliance with all applicable laws.
- Respect for the right to property, and to land use and possession.
- The preservation of High Conservation Value areas.
- The non-conversion of native areas into commercial wood farms.
- Respect for human rights and the rights of indigenous peoples and traditional communities.
- Compliance with health and safety requirements, according to the Fundamental Principles of the International Labor Organization (ILO).
- Anti-deforestation.
- The preservation of natural resources through engagement programs.

These principles are formally included in contracts and confirmed through verification procedures, including wood harvesting and transportation operations. When a deviation is identified, it is dealt with to avoid interruptions in wood supply. Internal and external audits are carried out annually by an independent certifying body. They include document reviews (to confirm compliance with standards and legal requirements), as well as site visits to evaluate in-loco implementation of the standards.

Forest risk commodity

Timber products

Data type

Production data

Commodity production/ consumption volume

12373588.4

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

All of Suzano's wood supply areas, as well as its suppliers, are monitored to ensure compliance with environmental, social, economic and legal requirements. The company has a Wood Supply Policy and a Zero Deforestation Policy that comply with the Brazilian Forest Code, the guidelines of FSC's Policy for Association, the standards of FSC® and PEFC chain of custody and forest management, FSC® controlled wood and PEFC controlled sources. Additionally, these documents comply with the fundamental principles of the International Labor Organization (ILO) and international regulations on traceability and the legal origin of wood, such as the European Timber Regulation (EUTR), the United Kingdom Timber Regulation (UKTR), the Lacey Act (USA) and the Australian Illegal Logging Prohibition Act.

To ensure that, Suzano implements a due diligence system (DDS) that includes document analysis and site visits with the goal of minimizing the risk of purchasing wood from unacceptable sources. The DDS is based on the FSC and CERFLOR Forest Stewardship and Controlled Wood Standards (FSC-STD-40-005), the National Risk Assessment for Brazil (FSC-NRA-BR V1-0), and the ABNT NBR 14790 NBR14790 standard, aiming to ensure, in direct and indirect supply chains:

- Compliance with all applicable laws.
- Respect for the right to property, and to land use and possession.
- The preservation of High Conservation Value areas.
- The non-conversion of native areas into commercial wood farms.
- Respect for human rights and the rights of indigenous peoples and traditional communities.
- Compliance with health and safety requirements, according to the Fundamental Principles of the International Labor Organization (ILO).
- Anti-deforestation.
- The preservation of natural resources through engagement programs.

These principles are formally included in contracts and confirmed through verification procedures, including wood harvesting and transportation operations. When a deviation is identified, it is dealt with to avoid interruptions in wood supply. Internal and external audits are carried out annually by an independent certifying body. They include document reviews (to confirm compliance with standards and legal requirements), as well as site visits to evaluate in-loco implementation of the standards.

F1.5b

(F1.5b) Provide a breakdown of your DCF and non-DCF volumes relevant to your stage in the supply chain according to how verification is achieved and the highest level of traceability, respectively.

Timber products – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

0

% of DCF production/consumption volume verified through monitoring systems

0

% of DCF production/consumption volume physically certified

100

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

100

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

<Not Applicable>

Timber products – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems

<Not Applicable>

% of DCF production/consumption volume physically certified

<Not Applicable>

% of non-DCF production/consumption volume from unknown origin

0

% of non-DCF production/consumption volume traceable only as far as country level

0

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

0

% of non-DCF production/consumption volume traceable to production unit level

0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

0

F1.5c

(F1.5c) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Brasil)

% of total production/consumption volume

100

Please explain

Suzano has 100% of its production capacity in Brazil. Having operations of pulp, paper and other related products in several Brazilian states such as São Paulo, Bahia, Mato Grosso do Sul, among others.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

Yes

F1.6a

(F1.6a) Describe the forests-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Forest risk commodity

Timber products

Impact driver type

Acute physical

Primary impact driver

Wildfires

Primary impact

Reduction or disruption in production capacity

Description of impact

Suzano plays a unique role in dealing with forest fires and environmental conservation. Our teams are trained and prepared to act in a preventive or reactive manner. Forest fires have social and environmental impacts on the locations where they occur. Fire outbreaks are directly related, among other factors, to rainfall patterns in the locations where Suzano operates and have a direct effect on forest production. The risk of fire outbreaks is considered in strategic forestry planning models due to their high impact on company business.

In 2022, despite an increase in the number of fire outbreaks, there was a 10,799 km² reduction in the area affected by fires (6,842.35 Km²). The correlation between the number of outbreaks and the area affected demonstrates the higher effectiveness of the detection and firefighting process, resulting in a smaller area affected.

In 2022, the financial impact of the loss of forestry assets due to "Fire" was R\$29 million, as reported in the "Write-off of Biological Assets" corporate report. The calculation methodology considers the sum of the costs of each Forestry site, from the planting of the farm to the time of the fire, for each Production Unit ("UP"), which is the minimum control unit in the Forest Registry.

According to the risk classification in Suzano's Risk Matrix, this impact is considered critical and, therefore, significant for the company's business.

Primary response

Implementation of environmental best practices in direct operations

Total financial impact

29000000

Description of response

Since 2020, we've committed to reducing fire-affected areas through technology, innovation, and surveillance. We promoted the Floresta Viva Program, an awareness campaign for nearby communities. Suzano values suppliers and communities, who can report fire outbreaks at our toll-free numberr available 24 hours a day (0800 642 8162). In 2022, the company also made available a WhatsApp (14) 9 8828-3739.

Suzano's robust fire governance ensures a comprehensive approach to control and combat forest fires. The company's strategy involves multiple areas working in synergy. The Asset Intelligence department oversees the fire prevention and fighting program, while the Silviculture division maintains teams trained for immediate response. Other departments contribute to the efforts: Social Development raises community awareness, Risk Management assesses business risks, Forest Planning supports monitoring and prepares future supply scenarios considering fire history, and the Forest Executive Board provides the highest level of governance, overseeing fire-related matters. The fire monitoring system has 161 weather stations spread across the different sites to enable satellite image analysis. All information is verified in the field and incorporated into the Forest Registry. To immediately fight any source of fire, Suzano has 840 workers and approximately 130 specific vehicles, in addition to watchtowers equipped with high-resolution cameras and 360° vision that can cover a 15 km radius.

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Timber products

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we estimate deforestation/conversion footprint based on sourcing area

Coverage

Full consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

During the last 5 years

Known or estimated deforestation/ conversion footprint (hectares)

0

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

All Suzano wood supply are monitored based on environmental, social, economic and legal requirements. Suzano's commitments regarding responsible wood purchasing are expressed in a corporate policy (Wood Supply and Zero Deforestation). The Policy was developed in compliance with the Brazilian Forest Code, the criteria of the FSC Association Policy, the standards for Forest Management (FSC-STD-BRA; NBR14789 - Cerflor), Chain of Custody (FSC-STD-40-004; PEFC:2002:2020), Controlled Wood/controlled Sources (FSC-STD-40-005; FSC-NRA-BRA), and International Regulations and the fundamental principles of the International Labor Organization. Based on this, Suzano institutes and applies the Due Diligence System to observe principles related to deforestation or conversion in the contracted area, from the formalization of the contract, covering the operations of harvesting and transporting the wood, and considering that the regularity of planting is a prerequisite of the contract. For this Suzano's has a system to provide Geospatial monitoring and also field visits to apply a checklist and demonstrate documentary compliance (no deforestation) and register in mobile App.

External and internal audits are carried out annually, in which FSC and PEFC standards are verified. In 2022, Suzano did internal audits in 1090 wood suppliers, which only 1% of suppliers were identified as having negative environmental impacts, in which action plans were established... Also, an external audit by independent certification body in Jacareí and Limeira Units and were not identified non-conformities related deforestation or conversion. See more on: Wood Supply policy: <https://storage.googleapis.com/stateless-site-suzano-en/2020/08/a6f0cae8-wood-supply-policy.pdf> and Zero Deforestation Annual Report https://storage.googleapis.com/stateless-site-suzano-en/2020/10/140ba27d-relat%C3%B3rio-anual-de-desmatamento-zero-suzano-2020_2021_en-us-3.pdf

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Direct operations
Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of other company-wide risk assessment system

Frequency of assessment

More than once a year

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods
National specific tools and databases
Jurisdictional/landscape assessment

Issues considered

Availability of forest risk commodities
Quality of forests risk commodities
Impact of activity on the status of ecosystems and habitats
Regulation
Climate change
Impact on water security
Tariffs or price increases
Loss of markets
Leakage markets
Brand damage related to forests risk commodities
Corruption
Social impacts

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Other forest risk commodity users/producers at a local level
Regulators
Suppliers

Please explain

We are highly dependent on our planted forest areas for the supply of wood, which is essential to our production processes therefore forest-related risks is a subject covered by the company considering direct operations and supply chain. The Suzano's Risk Management methodology is based on COSO ERM and ISO 31000 standards, we evaluate our risks considering financial impacts, in addition to six other aspects: health and safety, environment, sociocultural, image and reputation, organizational climate, and legal, all with equal relevance as part of a company wide risk assessment framework. We have a quarterly presentation to our Board of Executive Directors and at least once a year a presentation to the board and Statutory audit committee regarding the evolution of the Company's risks.

Suzano also uses the Global Forest Registry which is a tool for FSC certificate holders seeking controlled timber and for other buyers who wish to avoid unacceptable timber and MAP BIOMES as a source of outsourced information to detect temporal changes in land use (deforestation, invasions, etc.). To assess wood availability over the years, the company uses a robust forest planning system (WOODSTOCK) to develop supply scenarios that consider strategic and economic assumptions, operational restrictions, and productivity curves.

Suzano wood consumption must be traceable annually. To this end, it has a robust traceability program in place, covered by Forest Stewardship Council® (FSC®) and Programme for the Endorsement of Forest Certification (PEFC) Chain-of-Custody certifications throughout its scope (Forestry Units, Industrial Units, Distributors and Commercial Offices), which are audited annually by an independent certifying body.

In the traceability program, the professionals are duly qualified and trained to operate computerized systems, records, note forms, transport, sales or transfer tax documents. After the legal, social, and environmental validations instituted in the Due Diligence program, the production unit is registered in our system, called "Zenith", which includes relevant information, such as geolocation of planting and preservation areas, name of the rural property, region, state, certification, among others, and includes wood from our management and from our partners for a better supply chain risk management.

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?

	Value chain mapping	Primary reason for not mapping your value chain	Explain why your organization does not map its value chain and outline any plans to introduce it
Timber products	Yes, we have mapped the entire value chain	<Not Applicable>	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>

F2.2a

(F2.2a) Provide details of your organization’s value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Own operations

Tier 1 suppliers

Tier 2 suppliers

Smallholders

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

Suzano has a Supplier Code of Conduct, which applies to all suppliers and ensures their commitment to providing proper workplace conditions and contributing to environmental preservation. The Human Rights Policy, Legal and Social Responsibility Term, Wood Purchase Policy, and Sustainable Procurement Policy also reinforce these guidelines, including encouraging suppliers to adopt sustainable procurement policies.

This way, we seek to foster good practices throughout the supply chain, which is quite extensive and diverse and includes supplier relationships (operations, services, logistics, marketing and sales, and support activities such as infrastructure and technological development), forestry and industrial production, sales, transportation, distribution to customers and so on. In every stage of the value chain, we implement actions aligned with Suzano’s strategic goals, to achieve and overcome the SDGs.

Our forestry production is conducted in a way that reconciles the cultivation of eucalyptus with the conservation of natural resources, technological innovations and respect for communities. Activities such as dialogue with neighboring communities strengthen Suzano’s relationship with these stakeholders.

Suzano’s suppliers also need to meet and to be in compliance with our commitments. All inputs used in operations, including wood, undergo evaluation and approval processes to ensure compliance with all requirements, whether quality, environmental, social or otherwise. Since 2021, our Responsible Supplier Management (RSM) Program has provided a framework for boosting sustainability management while supporting the incorporation of ESG criteria into procurement decisions. In 2022, 54% of our suppliers were registered considering environmental criteria and 100% considering social criteria.

Suzano has a strong and well-documented traceability system, with 100% of wood traceability, ensuring that all products delivered to customers can be traced from the origin. Suzano is FSC and PEFC/ Forest Management and Chain of Custody certified and conducted field audits on all 1090 wood suppliers in 2022.

In industrial units and port terminals, process management practices aim to ensure, in a balanced way, customer satisfaction, continuous improvement in our operations, protection of the environment and the occupational health and safety of our professionals. As a form of confirmation of the implemented management system, we are certified ISO 9001, ISO 14001 and 45001.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers’ production and primary processing sites: attach a list of names and locations (optional)

F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

Use of a classification system to determine deforestation and/or conversion risk of sourcing areas	Methodology used for classifying levels of risk	Use of risk classification	Attachment indicating risk classification for each sourcing area (optional)
1 Yes, we use a classification system	<p>Suzano has a Zero Deforestation policy and implements best practices in forest management. Accordingly, its farms are established exclusively in areas that have been previously anthropized by other uses and that have not been converted under its direct or indirect responsibility. Likewise, the company buys wood exclusively from plantations established in areas that have already been previously anthropized or that conversion, if any, did not occur after the publication of the Wood Supply Policy nor under Suzano’s responsibility. As a control measure and before formalizing a wood supply or land acquisition/lease agreement, we carry out due diligence assessments of the entire supply chain, in accordance with applicable laws and forest management certification mechanisms, guaranteeing and identifying the source of timber and ensuring that the entire supply chain is traceable.</p> <p>For the use of controlled wood, Suzano determines control measures based on the risk classification of the National Risk Assessment for Brazil, established by voluntary forest certification mechanisms. These measures aim to minimize the risk of consumption of non-compliant raw material.</p>	If deforestation is identified through Environmental Due Diligence performed for all wood supply contracts, land acquisition and leasing, the area/wood is not acquired or accepted.	

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

For direct operations, based on Suzano's integrated risk management policy, a combination between impact and probability indicates which risks are considered substantial, both strategic and financial. Based on that, we classify impacts' risk in minor, moderate, major, and extreme, being the rules and definition of percentages applied to the calculation of Materiality of Risks consist of use of EBITDA percentages (Earnings Before Interest, Taxes, Depreciation, and amortization), following the curve:

1. Extreme: Above R\$600M during risk time-horizon
2. Major: From R\$200M to R\$600M during risk time-horizon
3. Moderate: From R\$40M to R\$200M during risk time-horizon
4. Minor - Lower than R\$40M during risk time-horizon

Otherwise, probability of occurrence follows these classes: remote, possible, likely, and very likely.

Impact must be analysed in the following categories: financial, health and safety, environmental, social/cultural, reputational, organizational, and legal.

Therefore, the combination between impact and probability generates our Risk Matrix, and those risks with High or Critical level are considered substantial for Suzano's business.

The management of climate change related risks is integrated into our overall risk management, which follows the guidelines defined in our integrated risk management policy with respect to the process of communicating, prioritizing, treating, monitoring, and analyzing risks. Priority risks associated with climate change are managed by certain internal departments in charge of monitoring the risk and are periodically monitored by our risk management department through an integrated multi-disciplinary ERM (Enterprise Risk Management) process.

In addition, Suzano is a supporter of the Climate Related Financial Disclosures Task Force (TCFD) and was the first company in the pulp and paper sector to be the protagonist of a case study published in the TCFD Knowledge Hub.

From the point of view of forestry technology, after a comprehensive review of the theme, a technological roadmap will be prepared with actions to quantify the risk and impacts on forest productivity, with a focus on actions to form resilient forests and reposition the forest base.

For supply chain, our categories are classified using the Kraljic methodology, which consists of a matrix model used to define the most appropriate strategy for the purchase of goods or services. Pursuant to this methodology, purchases are classified by item that take into account the financial impact and supply risk, with the following classes:

Strategic items: They present immense supply risk and great financial impact. They are materials that are characterized by scarcity, high value and high prices. The indicated strategies to seek partnerships and/or collaborations.

Leverage items: They bring reduced supply risk, however they have a high financial impact. The indicated strategy foresees competitive offers or proposals.

Bottleneck items: They have a reduced impact on the company's profit but may represent a high supply risk. They are usually scarce or are in the hands of suppliers in new technologies. The strategy suggests the search for alternative suppliers, thus ensuring supply.

Routine items: Are those that exhibit low supply risk and reduced financial impact, due to abundant supply. In this case, the most appropriate strategy is to focus on reducing acquisition complexity in the administrative and logistics areas.

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 products

Type of risk

Chronic physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Supply chain

Primary risk driver

Increased severity of extreme weather events

Primary potential impact

Increased operating costs

Company-specific description

Most of the wood used in our production processes is supplied by our own forestry operations, 64% by 2022, and our strategy aims to reduce our exposure to third-party wood to only 18% by 2024. The wood market in Brazil is very regional and limited in wood availability, as most pulp and paper producers are integrated and utilize wood grown in their own planted forests.

Both our planted forests and our suppliers' forests are subject to natural threats, such as drought, storms, fire, pests and diseases, which may reduce supply of wood or increase the price of wood to be acquired. Extreme climatic events such as La Niña and El Niño, may enhance the magnitude of the impacts, leading to lower forest productivity and losses of forest assets due to physiological disorders, directly affecting our operating costs or even, reducing the pulp and paper produced volumes.

To understand these impacts specifically to our operations and supply chain, we input scenarios of changing global climate conditions, in our long-term forest planning analysis, to measure productivity (physical supply) and financial impacts. Depending on the future risk, forestry planning, at an annual frequency for a 21-year time horizon, can intensify the supply of wood from third parties, increase the average distance in the supply of wood, demobilize certain low-productivity assets, encourage wood production, among other options, depending on the characteristics of each forest unit.

Timeframe

4-6 years

Magnitude of potential impact

High

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

NA

Primary response to risk

Implementation of environmental best practices in direct operations

Description of response

Suzano's R&D is selecting new eucalyptus clones based on growth speed and wood quality, making use of techniques like genetic recombination through controlled pollination, genomic tools in the selection of new clones, extensive field evaluation and laboratory analysis. In 2020, our Forestry and Digital teams developed a system – called Tetrys – to help the silviculture team allocate the clones more precisely for planting.

Using Machine Learning algorithms combined with Forest Inventory and Research data, this system defines the best clone(s) to be planted in a specific unit. The system predicts the risk of productivity loss for each clone, considering biotic and abiotic stress factors. Tetrys allowed the elaboration of plantation program for 2022, with 190+ thousand hectares, and it helped the planning of our operational nurseries and the maximization of productivity, reducing the risk of productivity losses.

In addition, Suzano maintains 83 weather stations distributed among its forest base, watersheds, land use, occupation, and evapotranspiration monitoring ("open-air laboratories").

This response strategy is attending all Suzano's forestry units, since 2020, including Sao Paulo, Mato Grosso do Sul, Espirito Santo, Bahia and Maranhao mills that are supplied by this optimization tool. Tetrys addresses the risk of extreme weather events by increasing the availability of wood, with an estimated increasing of productivity of ~ 2% in our forests and took 8 years to be developed.

Cost of response

15960000

Explanation of cost of response

Suzano maintains 83 weather stations distributed among its forest base, watersheds, land use, occupation, and evapotranspiration monitoring ("open-air laboratories"). This physical structure, as an example, costs R\$ 1,28 million (yearly) and allows us to measure with elevated accuracy the impacts of the prediction models in the climate change scenarios arising from the events of El Niño and La Niña in the last 102 years. Yearly, Suzano have a Research & Development and Innovation investment of approximately 1% of net revenues (which in 2022 is approximately BRL 500 million). From this amount, BRL 15.96 million is directly related to climate change initiatives, number that we consider in the cost of response.

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased availability of products with reduced environmental impact (other than certified products)

Company-specific description

The opportunities identified for Timber products are related to the expansion of our renewable eucalyptus farms driven by the Cerrado Project, which will enable Suzano to increase the offering of sustainable pulp and paper products. Pulp produced by Suzano will be converted by the company or its customers, into paper products that may be used to replace plastic-based products, such as plastic straws, cups and bags, supporting Suzano’s strategy to offer reforested wood products and help remove carbon from the atmosphere.

Advancing our long-term strategy of maintaining relevance in the pulp market, Suzano announced the construction of the Cerrado Project (a new pulp mill located in the state of Mato Grosso do Sul, Brazil), with capacity to produce 2.5 million tonnes of hardwood pulp for a market that is expected to grow by 2.7 million tonnes by 2025. This project will increase Suzano’s competitiveness with lower cash cost, provide attractive returns even in challenging environments, leverage economies of scale, strengthen Suzano’s leadership position in the pulp market, support the long-term increase in demand and help the company achieve its sustainability goals.

The Cerrado Project offers many benefits aligned with our business strategy and our long-term climate-related goals. By increasing its pulp production, Suzano will not only support the growth in market demand but will also offer options for single-use plastic substitution. Another example of the benefits of this increase in capacity is the generation of renewable energy, free from fossil fuel – a new milestone in eco-efficiency for Suzano. Additionally, since the average radius of the site is only 60 km, inbound logistics will be performed mainly by "hexatrains", an innovation launched by Suzano in 2019 (the world’s first six-trailer truck that can transport up to 200 tonnes of wood in one trip). Hexatrains, which can only travel on internal roads, consume 21.5% fewer liters of diesel per m³ transported than traditional three-trailer trucks. This means that for every 1 million m³ transported, there is a reduction in emissions of CO2 equivalent of approximately 600 tonnes.

Suzano has already started investing in the Cerrado Project, which is expected to start operations by 2024.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

High

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10040000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact for Suzano is related to the incremental revenue generated from hardwood pulp produced by the new Cerrado Project mill. The total is calculated by directly multiplying the increase in volume of hardwood pulp produced by the Cerrado Project by the net average price for Suzano:

LTM 1Q 2023 net price = R\$4.016

Hardwood pulp volume increase by the Cerrado Project = 2.5 million tonnes

Financial impact = 2.5 million tonnes x R\$4.016 = R\$10 billion

Cost to realize opportunity

0

Strategy to realize opportunity

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased R&D and innovation opportunities

Company-specific description

With approximately 2.5 million hectares of land (1.4 million hectares of eucalyptus farms and 1 million hectares set aside for environmental conservation), Suzano faces growing challenges related to the management of eucalyptus pests and diseases. In the last 20 years, these challenges have caused billions of reais in damages to the Brazilian forest sector, including Suzano.

To efficiently manage the threat of pests and diseases, Suzano adopts a few innovative strategies.

The first example is the use of genetic resistance to control major diseases and some pests. Suzano follows specific protocols to efficiently select resistant clones. The main opportunity in this area is to enhance this process by making the selection at an even earlier stage of the breeding program.

The second example concerns the use of biological pest control. The biological control market is growing rapidly, and we are heading in the same direction.

Finally, Suzano has a monitoring system to assess the environment (Suzano maintains 83 weather stations distributed across its forest base), the hosts (satellite and drones) and pests and diseases (traps and field inspections), to support better control decisions.

Highlighting the opportunities presented by the second example, as a pioneer in the use of biological control techniques, Suzano is one of the companies that invest the most in this area. Currently, the company has four laboratories to produce natural enemies: in Aracruz (state of Espírito Santo), Alambari (state of São Paulo), Três Lagoas (state of Mato Grosso do Sul) and a new one inaugurated in 2022 in Cidelândia (state of Maranhão). In 2022, we produced a total of 205.4 million natural enemies for biological pest control, which were released throughout approximately 296,021 hectares. This enabled us to mitigate damage caused by pests in Suzano's areas while implementing a best practice to reduce the use of agrochemicals. This is another good example of shared economic and environmental benefits from the management of our forests.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Low

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

7000000

Potential financial impact figure – maximum (currency)

10000000

Explanation of financial impact figure

In 2022, we produced a total of 205.4 million natural enemies for biological pest control, which were released throughout approximately 296,021 hectares, with expected net avoided cost in 2022 of R\$7 million - R\$10 million.

Cost to realize opportunity

0

Strategy to realize opportunity

NA

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased R&D and innovation opportunities

Company-specific description

The growth, selection, multiplication and planting of superior eucalyptus trees are key activities for the production of wood for the pulp and paper sector.

The development of each eucalyptus clone, as part of genetic improvement programs, requires the work of researchers and technicians in laboratories and in the field. Suzano has been investing in eucalyptus farms since the 1960s and currently has one of the largest databases for this genus in the world.

In addition to selecting trees that have superior wood quality, and higher productivity and resistance to the main pests and diseases, it is also necessary to carry out proper clonal allocation, leveraging the right match between the clones and the environmental characteristics of the planting areas. This step considers the size of the planting

areas, as well as the varying climate, relief, altitude and soil conditions. Crossing this data is a very complex and necessary process to ensure the sustainable management of our planted forests. Progress in the digitalization of these processes has yield significant gains for the industry.

In 2020, we developed Tetrys, an unprecedented digital tool in the forest sector that generates productivity and risk scenarios for each eucalyptus clone, enabling the best match between the clones and the environments, leveraging gains and mitigating volatility in forest production.

The complex spatial distribution of almost all classes of tropical soils in the Suzano sites forms a “puzzle” involving different genotypes, environments and management approaches. In addition, forest bases are extremely dynamic and require constant evaluation regarding prospecting and demobilization of assets.

We are using digital prediction model tools, like Tetrys, to identify productivity risks caused by climate change to make the production process more successful. So far, the results have demonstrated a 15-fold increase in our capacity to boost productivity considering risk scenarios, leading to an estimated 2.5% gain in mean annual increment (MAI) in the farms established in 2022.

Estimated timeframe for realization

>6 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Suzano made the decision to protect this tool as an industrial secret because of the competitive advantages it offers. Therefore, at this time, we are not allowed to disclose its potential financial impact.

Cost to realize opportunity

0

Strategy to realize opportunity

NA

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual or committee	Responsibilities for forest-related issues
Board-level committee	The company has a Sustainability Committee established by the Board of Directors responsible for defining the management on sustainability strategy, analysing and monitoring the implementation of the defined objectives, tactical indicators and targets. The Committee periodically oversees the assessment and mitigation initiatives of all forest issues that are related to the Company's operations, being the Sustainable Forest Management one of the material issues indicated in Suzano's materiality. The Risk Management area monitors the evolution and mitigation of priority risks through the definition of action plans and controls, with report to the Board at least once a year. One example is the modeling of climate change scenarios and monitoring of indicators for the technical research, development and innovation team. These data are used to calibrate harvest and planting planning models and to review the assessment of co-related climate risks to define new specific action plans.

F4.1b

(F4.1b) Provide further details on the board’s oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions, mergers, and divestitures Overseeing major capital expenditures Providing employee incentives Reviewing and guiding corporate responsibility strategy Reviewing and guiding risk management policies Reviewing innovation / R&D priorities Setting performance objectives	The Board of Directors and the Sustainability Committee, which reports directly to the Board, are key to integrating forests-related issues in business, reviewing and guiding corporate responsibility strategy, risk management, innovation and performance monitoring in forest management and biodiversity protection. The economic, environmental and social aspects are a responsibility of all company directors, who report to the CEO, who, in turn, reports to the Board of Directors. The establishment of the CEO's goals are aligned with the company's strategic planning and are submitted for approval by the company's Board of Directors. The Committee meet at least three times a year, in accordance with the annual calendar approved, and extraordinarily, if necessary. The definition of agenda of the meetings are based on the principal duties of the Committee such as the review, analyse and recommend the sustainability dimension and climate change issues in the Company's strategic, reviews, follow and makes recommendations on long-term sustainability targets and strategies, actions and projects related to climate change and the company's sustainability. In fact, the long-term goal regarding connecting areas for biodiversity conservation was reviewed, deliberated and validated at the Board level.

F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

No, but we plan to address this within the next two years

Criteria used to assess competence on forests-related issues

<Not Applicable>

Primary reason for no board-level competence on forests-related issues

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on forests-related issues and any plans to address board-level competence in the future

Currently the Sustainability Committee made up of nine (9) members with some of them have the knowledge and expertise in climate-related issues, however, does not have any board member specialized and with a specific competence on forests-related issues, but we plan to address this within the next years. Notwithstanding, some of our board members are acting in the forest business since some decades.

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Forests-related responsibilities of this position	Frequency of reporting to the board on forests-related issues	Please explain
Chief Sustainability Officer (CSO)	Managing annual budgets relating to the implementation of forest-related policies and commitments Integrating forests-related issues into business strategy Monitoring progress against forests-related corporate targets Assessing forests-related risks and opportunities Managing forests-related risks and opportunities	Quarterly	The CSO is responsible for overseeing the Forestry Environmental Department that manages restoration projects, monitors and controls environmental aspects, impacts and risks, ensures compliance with legislation and certifications and is responsible for the integrated management of forestry, industrial and regulatory dimensions. Suzano's CSO reports four times a year to the Sustainability Committee, a board-level committee, coordinated by the Chairman of the Board of Directors. In the Sustainability Committee the following forest-related topics are discussed: <ul style="list-style-type: none"> • Forest Certifications strategy and the company's evolution on the implementation of forest certification guidelines; • Recommendation of environmental improvements to the forest operations; • Restoration projects, benefits of High Value Conservation Areas (HCVA) and biodiversity monitoring; • Traceability of wood supply. Also, since these topics are included in the compensation targets, they are also reported to the compensation committee.
Chief Executive Officer (CEO)	Managing annual budgets relating to the implementation of forest-related policies and commitments Integrating forests-related issues into business strategy Monitoring progress against forests-related corporate targets Assessing forests-related risks and opportunities Managing forests-related risks and opportunities	Quarterly	The CEO is the responsible for company's Commitments to Renewing Life, such as connecting 500,000 hectares of Cerrado, Atlantic Forest and Amazon fragments through ecological corridors and increasing water availability in critical watersheds where Suzano operates, both by 2030. He reports periodically to the both 'Strategy and Innovation' and 'Sustainability' Committees.
Other C-Suite Officer, please specify (Chief Research and Development Officer)	Assessing forests-related risks and opportunities	Quarterly	The Chief Research and Development Officer is responsible for the corporate leadership of the company's technological innovation processes since the forest until the product. Therefore, the priority of our portfolio of Research & Development projects is to improve our forest efficiency, thereby increasing the productivity and quality of our forests. He reports periodically to the CEO and to both 'Strategy and Innovation' and 'Sustainability' Committees.
Other, please specify (Executive Officer – forest and procurement)	Managing annual budgets relating to the implementation of forest-related policies and commitments Managing major capital and/or operational expenditures, related to low-impact forest products or services (including R&D) Managing forests-related acquisitions, mergers, and divestitures Integrating forests-related issues into business strategy	Quarterly	The forest and procurement executive officer is responsible for: managing annual budgets relating to the implementation of forest-related policies and commitments <ul style="list-style-type: none"> ● Managing major capital and/or operational expenditures, related to low-impact forest products or services (including R&D) ● Managing forests-related acquisitions, mergers, and divestitures ● Integrating forests-related issues into business strategy

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	As a company priority, the individual annual target of Suzano executives include ESG targets that are established and agreed upon at the start of each performance review cycle. These targets are monitored periodically to assess the achievement of the goals established and to adjust action plans, if needed. Achieving the established goals directly impacts the annual compensation of company executives since, as per the nature of the program, their reward can be increase or reduced depending on the results in this area. Approximately 30% of the individual targets of the R&D executive director and chief sustainability officer are related to Forestry issues.

F4.3a

(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive?	Performance indicator	Contribution of incentives to the achievement of your organization's forests-related commitments	Please explain
Monetary reward	Other C-suite Officer	Increased investment in forests-related R&D Increased proportion of revenue from low forest impact products and services in product portfolio Improvements in commodity production efficiency – direct operations Other, please specify (Implement new forms of preparation, incorporation of residues in the soil and bioinputs to enrich soil quality. Establishment of biodiverse models and ecological restoration)	Forest is highly connected into our 3 vision's long-term strategy: - Continue being a benchmark in the sector in efficiency, profitability and sustainability, from the forest to the client. - Be a transformational agent in the expansion into new markets for our biomass (forest based) - Be a reference in sustainable and innovative solutions for the bioeconomy and environmental services, based on planted trees Suzano's Variable Compensation Program aims to align employee incentives with shareholder interests, drive business results, and support sustainable growth. It rewards employees for achieving pre-defined objectives and contributes to attracting and retaining high-performance professionals. The Variable Compensation model at Suzano includes collective and individual goals aligned with the company's strategic planning. It emphasizes the connection between individual performance and business results, promoting employee recognition and meritocracy. Suzano follows strict monitoring and auditing practices to ensure the accuracy of goal definition and verification, reflecting its commitment to good corporate governance. Suzano's Variable Compensation Program has the important goal of leveraging business results and aligning the model with the interests of shareholders. So, employees are encouraged to contribute effectively to the Company's sustainable growth. It is a strategy to reward results in the short or long term and also encourage the achievement of pre-defined goals.	Our forest strategy is aligned with our long-term goals, such as "increase water availability in 100% of critical watersheds by 2030". As of 2020, 100% of managers have at least one of the targets of our Commitments to Renewing Life linked to their variable compensation, which aligns the entire company toward the achievement of results. The commitments are translated annually into goals for the organization (e.g., forest productivity roadmap, including water efficiency in the forest - R&D Executive Director.
Non-monetary reward	Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Procurement Officer (CPO) Chief Risk Officer (CRO) Chief Sustainability Officer (CSO) Chief Government Relations Officer (CGRO) Chief Purchasing Officer (CPO) Other C-suite Officer	Ending deforestation and/or conversion of other natural ecosystems	Suzano has a Zero deforestation Policy in place which determines zero deforestation and conversion of natural ecosystems. The Variable Compensation Program have the goal to monetary incentivize on topics that the Company needs to improve. The no deforestation and/or conversion is already fully implemented at the Company and is not reasonable to be eligible as an incentive.	This Zero Deforestation Policy is applied to all employees, and the breach of it is passive of consequences following the Disciplinary Measures Policy that can vary from a notification to the resignation of the employee.

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

Yes (you may attach the report – this is optional)

20-F_2022 CDP.pdf

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

Row 1

Scope

Company-wide

Commodity coverage

General forests policy covering all commodities

Content

- Commitment to eliminate conversion of natural ecosystems
- Commitment to no land clearance by burning or clearcutting
- Commitment to eliminate deforestation
- Commitment to no deforestation, to no planting on peatlands and to no exploitation (NDPE)
- Commitment to remediation, restoration and/or compensation of past harms
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Adoption of the UN International Labour Organization principles
- Commitment to protect rights and livelihoods of local communities
- Commitments beyond regulatory compliance
- Commitment to stakeholder awareness and engagement
- Recognition of the overall importance of forests and other natural ecosystems
- Description of business dependency on forests
- Recognition of potential business impact on forests and other natural ecosystems
- Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy
- List of timebound milestones and targets
- Description of forests-related performance standards for direct operations
- Description of forests-related standards for procurement

Document attachment

- 39. Environmental Management Policy.pdf
- 46. Policy on Relations with Indigenous Peoples and Traditional Communities_public disclosure.pdf
- 36. Wood Supply Policy.pdf
- ClimateChangePolicy_ENG.pdf
- EN- Política de Direitos Humanos Suzano.pdf

Please explain

Responsible social and environmental conduct and shared value creation are part of Suzano’s strategy. Suzano currently operates in Brazil (in the states of Bahia, Espírito Santo, Maranhão, Mato Grosso do Sul, Minas Gerais, Pará, São Paulo and Tocantins), in the Amazon, Atlantic Forest and Cerrado biomes. Considering the high risk of biodiversity loss caused by deforestation and the high risk of social conflicts prompted by land disputes in Brazil, sustainable wood is the most critical raw material for the company. Recognizing the value of its forests, Suzano establishes its farms exclusively in areas previously anthropized by other uses and adopts best practices in forest management, as described in its environmental management policy, wood supply policy and committed to zero deforestation.

Suzano maintains and protects over 1 million hectares of native vegetation, corresponding to 40% of its total area, and operates in compliance with all laws, standards and corporate commitments. The company is aligned with internationally recognized forest initiatives. These include FSC and PEFC, auditable forest certification schemes that condemn all forms of deforestation, forest degradation and social injustice.

Suzano has a due diligence system that covers 100% of its wood, both from company-owned areas and purchased from third parties.

Suzano respects the rights of indigenous, traditional, and local communities, as well as other stakeholders. Its relationship strategy focuses on long-term connections with neighboring communities, considering their interests in planning and managing operations to ensure social and environmental sustainability and legitimacy. To address environmental issues and potential impacts on surrounding areas, Suzano conducts mapping and monitoring, risk assessment, and implements measures for prevention, mitigation, adaptation, restoration, and compensation.

Our policies inform and influence decisions regarding forestry planning and wood purchase, and ensure compliance with the FSC and PEFC standards. In addition, Suzano has forest- and biodiversity-related commitments and targets to be achieved by 2030 that consider and support the achievement of the UN SDGs. Suzano has an internal procedure that establishes the review of all corporate documents, including policies, at least every three years.

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Forest risk commodity	Public commitments made
Timber products	Yes

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

Other, please specify (STATEMENT FROM THE BRAZILIAN BUSINESS SECTOR; Business for Nature; One trillion trees by 2030 (Advisory Council); The Brazilian Coalition on Climate, Forests and Agriculture)

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

No conversion of natural ecosystems
Zero gross deforestation/ no deforestation
Restoration and compensation to address past deforestation and conversion
Avoidance of negative impacts on threatened and protected species and habitats
No land clearance by burning or clearcutting
No conversion of High Conservation Value areas
Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
Operations are in accordance with the UN Declaration on the Rights of Indigenous Peoples
Promotion of gender equality and women's empowerment
Adoption of the UN International Labour Organization principles
Resolution of complaints and conflicts through an open, transparent and consultative process
Build community capacity and incentivize engagement in multi-stakeholder processes
No sourcing of forest risk commodities from unknown/controversial sources

Operational coverage

Direct operations and supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2020

Forest risk countries/areas that the cutoff date applies to

Brazil

Reason for selecting cutoff date

Region-wide agreement/recommendation

Commitment target date

2020

Please explain

All the criteria selected are covered as part of the Sustainability Strategy, the Wood Supply Policy, the Environmental Management Policy, the Human Rights Policy, the Relations with Indigenous Peoples and Traditional Communities, and Suzano's Forest Certification guidelines, and the company is committed to continuously fulfilling them.

The selection of the cutoff date and target date is justified by the launch of Suzano's commitment to the Zero Deforestation Policy in July 2020, in which, since then it committed in adopting the best forest management practices, establishing its plantations exclusively in areas previously occupied by others uses. Likewise, Suzano also undertakes to purchase wood from plantations established in areas previously anthropized or that conversion, if any, has not occurred after the publication of its Wood Supply Policy.

Suzano operates in compliance with all legislation, standards and commitments assumed and is committed to internationally recognized forestry initiatives (FSC and PEFC), both auditable forest certification schemes, which do not accept deforestation, forest degradation or social injustice. Suzano also has a traceability system with 100% coverage, of the FSC and PEFC Chains of Custody, and worldwide Controlled Wood/Due Diligence System (CW/DDS) wood traceability systems, ensuring that all products delivered to customers can be traced back to their origin.

Suzano actively participates in initiatives to protect natural areas, in partnerships with NGOs, local governments, and research institutes that combat deforestation and promote ecological restoration.

Suzano also has a Relationship with Indigenous Peoples and Traditional Communities Policy, which establishes guidelines and general principles for the relationship with these stakeholders to be applied in all company's operations influence areas. One of these guidelines is to secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities, where applicable, in accordance with the Convention No. 169 of the International Labor Organization (ILO).

Main results correlated to the commitments in 2022 are:

- Suzano maintains and protects over 1 million ha of native vegetation, which corresponds to 40% of its total area. Within this territory, the company voluntarily identified 75 areas defined as HCVA's and seven RPPNs, under Category I-IV of the International Union for Conservation of Nature (IUCN), totaling approximately 90,000 hectares considered of global or national importance;
- Suzano maintained, in all forest units, its activity of periodic patrols with a specialized team in the identification of socioenvironmental occurrences and intensification of patrols carried out by the patrimonial vigilance, aiming at the prevention and treatment of occurrences that have an impact on biodiversity.
- Suzano published the 2nd edition of the Annual Zero Deforestation Report to demonstrate compliance with the zero deforestation. The report confirmed that there was no deforestation for eucalyptus plantations in any operational unit;

In order to restore and compensate past deforestation or conversion, in 2022, Suzano implemented ecological restoration on 2,267 hectares (ha) in different areas in the Cerrado, Atlantic Forest and Amazon biomes;

In 2022, Suzano connected 312 hectares through the restoration and implementation of biodiverse models in the ecological corridors established in the Amazon, Cerrado and Atlantic Forest biomes (long-term goal of connecting 500,000 ha by 2030).

There is no record of any FPIC process in 2022, as there has been no deployment (forestry or industrial) in the vicinity of indigenous communities.

To ensure 100% traceability, 750 direct wood suppliers (100%) were audited by the operational areas in 2022. Of these 750, 340 indirect suppliers were also audited, totaling 1090 (100% of the supply).

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	>30	Since wood is the main raw material for all products produced by Suzano, making predictability a key factor, forest-related issues are included in the company's long-term, 30-year strategic plan (approximately three growth cycles of eucalyptus). Annual reviews of the strategic plan include a specific section on forest issues related to maintaining, increasing, and optimizing the management for our forestry bases, including current conditions and possible scenarios considering climate change. By evaluating all scenarios, we can estimate capital and operational expenses to ensure wood supply in any scenario, guaranteeing that this raw material and, consequently, our products are available to society. And is important to mention that wood, both supply and costs, are directly connected to two of the three long-term strategic vision, "Continue being an industry reference in efficiency, profitability and sustainability, from forest to client" and "Be a reference in sustainable and innovative solutions for the bioeconomy and environmental services based on planted trees".
Strategy for long-term objectives	Yes, forests-related issues are integrated	>30	Our business long-term strategic vision combines competitiveness with sustainable development, aiming to set the standard for efficiency, profitability, and sustainability throughout our entire value chain. Forests are an integral part of our long-term goal of being a transforming agent in the expansion of our biomass into new markets and being a benchmark in sustainable and innovative solutions for the bioeconomy and environmental services, based on cultivated trees. Sustainability is integrated into our practices, fostering innovation and transparent dialogue. Suzano's forest planning area ensures business sustainability through long-term studies, analyzing various fiber production aspects, and creating supported scenarios for executive decisions. Using mathematical models and specific tools, studies create scenarios with variables like mill demand, farm age/productivity, costs for company-owned and third-party forests, proximity to high conservation areas, and watershed management. Business rules and restrictions, as well as environmental restrictions are considered to ensure that the scenarios are operationally viable. The optimization is complex due to the influence of logistics, product, and destination choices. The process considers variables like age and productivity of forests to ensure consistent harvests over the years, including both our own plantations and those of independent growers. The long-term strategy is supported by long-term wood supply plan (a 31-year study) and our focus on competitiveness. We monitor the progress monthly and have annual meetings to review targets and translate them into goals for the organization (e.g. forest operation management), with a long-term vision of 30+ years, since predictability is key to ensuring wood supply. Our forest strategy aligns with long-term targets: increase water availability in critical watersheds and connect half a million hectares of priority areas for biodiversity conservation. In 2022, we implemented changes in forest plantations to reduce density in critical watershed areas, restored 179.41 ha in protected areas, and implemented 93.14 ha of biodiverse models in eucalyptus production areas. We designed seven models involving intercropping of eucalyptus with other crops and species (e.g SAFs, agroforestry-pastoral model, natural regeneration models).
Financial planning	Yes, forests-related issues are integrated	5-10	The Cerrado project, in which Suzano will invest R\$22.2 billion between 2021 and 2024, will increase the company's eucalyptus pulp production by 20%. In addition to this important initiative, our long-term financial planning is connected to our operational supply planning. Therefore, our financial planning considers variables such as medium radius, productivity, wood quality, harvested areas and planted areas to determine our perspectives in terms of future competitiveness and viability of our operations. We also invested in a joint venture with Spinnova to build a commercial plant in Finland to produce a sustainable textile fibre from wood. This type of fiber has unique environmental benefits when compared to other fibers (such as viscose and cotton), since its production requires significantly lower volumes of chemical products and water, reinforcing our commitment to "Being a transforming agent in the expansion of our biomass into new markets." In addition, Suzano supports and seeks to lead discussions on the regulation of the carbon market in Brazil. It is important to mention that we are already carbon positive (in other words, as a forest-based company, our CO2 removals are higher than our emissions), which is an opportunity from which Suzano can benefit by capturing CO2 and offering carbon credits, thereby generating revenue. Since our first sustainability-linked bond in 2020, we have raised a total of R\$4.9 billion through financing instruments linked to social and environmental targets, in line with our forest-related long-term goals (e.g., "net removal of 40 million tonnes of carbon from the atmosphere"). Suzano considers a 10-year horizon for financial planning. This includes a full growth cycle of eucalyptus, all investments related to the Cerrado Project and CAPEX investments related to projects planned by the company (including industrial and forest investments for efficiency, expansions, possible M&As and new products, as previously mentioned). Regarding planning beyond 10 years, we may have some forecasts related to items that are directly linked to forest planning, such as lease costs and planting expectations, but not in great detail.

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your forests-related timebound and quantifiable target(s) and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Year target was set

2021

Target coverage

Company-wide

Target category

Natural ecosystem restoration and protection

Metric

Hectares under restoration

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2021

Base year figure

0

Target year

2030

Target year figure

50000

Reporting year figure

312.38

% of target achieved relative to base year [auto-calculated]

0.62476

Target status in reporting year

Underway

Is this target linked to a commitment?

Other environmental commitments

Please explain

A major threat to the loss of biodiversity both in Brazil and worldwide is habitat fragmentation. This phenomenon occurs when a continuous natural area of environmental relevance is subdivided into smaller patches that have no connection with each other. Fragmentation alters ecological interactions in the landscape, isolates species, reduces an area's resilience to climate change and affects ecosystem services, among other adverse effects.

Therefore, to reverse the loss of biodiversity and promote a positive net impact on nature, in 2021 Suzano established a commitment to connect, by 2030, half a million hectares of fragments through ecological corridors in the Cerrado, Atlantic Forest and

Amazon biomes. This commitment extends beyond Suzano's walls and focuses on the regions where biodiversity is most threatened. To define the scope of this commitment (500.000 ha), the following areas were considered: 1. Priority areas for biodiversity conservation in Brazil, according to the Ministry of the Environment, in the Cerrado, Atlantic Forest and Amazon biomes, under the influence of Suzano (i.e., within the company's operating territory and in areas surrounding its operations). 2. Other natural forest areas and fragments of native vegetation within these regions. Environmental fragmentation is one of the main drivers of biodiversity loss (BL), which impacts Suzano's business, as it compromises the integrity of the ecosystem services needed for the company's activities (i.e. forest management), reducing the resilience of species, causing an imbalance of pests, diseases and natural enemies, etc.

In 2022, we set aside 179.41 hectares (ha) for restoration within Suzano's protected areas along the three ecological corridors (73.10 ha in the Amazon biome, 52.56 ha in the Cerrado biome and 53.74 ha in the Atlantic Forest biome). We also implemented biodiverse models in 93.14 ha of Suzano's eucalyptus production areas in southern Bahia, in an area that is part of the Atlantic Forest corridor. In 2022, we developed seven models involving the intercropping of eucalyptus with other crops and species (two agroforestry systems models, or SAFs, one silvopasture agroforestry model and four natural regeneration models).

Target reference number

Target 2

Forest risk commodity

Timber products

Year target was set

2021

Target coverage

Company-wide

Target category

Traceability

Metric

% of volume traceable to traceability point

Traceability point

Forest management unit

Third-party certification scheme

<Not Applicable>

Base year

2004

Base year figure

100

Target year

2022

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Achieved

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Suzano is committed to ensure that 100% of wood is traceable, guaranteeing that all products delivered to customers can be traced back to their origin. To reach its annual target of having 100% of its wood be traceable, Suzano has a robust traceability program covered by the Forest Stewardship Council® (FSC®)¹ certification and the Programme for the Endorsement of Forest Certification (PEFC) Chain-of-Custody certification. It includes all areas (forestry and industrial sites, distributors and commercial offices), which are audited annually by an independent certifying body.

Professionals involved in the traceability program are qualified and trained to manage computerized systems, records and forms, transport and sales activities, and transfer tax documents.

Wood: After the legal, social, and environmental validations that are part of the due diligence process, all relevant information pertaining to the production units (such as geolocation of planting and preservation areas, name of the property, region, state, certification, among others) is registered in our system (Zenith). This includes both wood produced by the company and from our partners.

The system stores information about planting, management, harvesting and transportation of wood to the plant. A fiscal document is issued for the transportation of wood to the plant, where the information is registered in a computerized system that preserves the history and enables the connection with the final product, such as paper and tissue, made with pulp and other resources. A batch number is added to fiscal documents of products in storage and being transported and sold to end customers. All traceability controls are subject to internal third-party audits and external audits conducted by the certification body.

To ensure 100% traceability, all direct wood suppliers (750) were audited by operational areas in 2022. In addition, 340 indirect suppliers were also audited, totaling 1,090 (100% of suppliers).

The FSC® and PEFC forest certification schemes are widely used in the Forest sector, being recognized by stakeholders as a sustainable management standard. This traceability system is used to provide information and demonstrate compliance with the EUTR (European Timber Regulation). External and internal audits to verify compliance with FSC-STD-40-005 and PEFC 2002:2020 standards are carried out annually.

Target reference number

Target 3

Forest risk commodity

Timber products

Year target was set

2021

Target coverage

Company-wide

Target category

Other, please specify (Compliance assessment and/or verification)

Metric

Other, please specify (% of volume traceable to traceability point)

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2004

Base year figure

100

Target year

2022

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Achieved

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

For Controlled wood/Controlled Sources areas, Suzano institutes and applies the Due Diligence System, based on the Suzano Wood Supply Policy, Zero deforestation position, Standard for Controlled Wood (FSC-STD-40-005), on the National Risk Assessment for Brazil (FSC-NRA-BR V1-0), and ABNT-NBR 14790 standard. For this, Suzano needs to verify compliance in 100% in all wood suppliers by field audit. Thus, we ensure: compliance with all applicable legislation, respect for the right to property, ownership and land use, the non-commitment of areas of high conservation value, the non-conversion of native areas into commercial timber plantations, respect for human rights and the rights of indigenous peoples and traditional communities. These principles need to be observed in the contracted area, from the formalization of the contract, covering the operations of harvesting and transporting the wood, and considering that the regularity of planting is a prerequisite of the contract. When non-conformities are identified, action plans are established for treatment. Depending on the criticality of the non-conformity, the operation is stopped until it is solved and validated in a new on-site monitoring visit.

In 2022, Suzano conducted 50 internal audits contemplating the entire scope of the Factories and Controlled Wood [at the units in Aracruz (ES), Belém (PA), Imperatriz (MA), Jacareí (SP), Limeira (SP), Mucuri (BA), Rio Verde (SP), Suzano (SP) and Três Lagoas (MS) and in Finland], scope of the Distributors (25 Centers in Brazil and 1 in Argentina) and in the Traders scope (United States and Europe).

The external audits, carried out by an independent certifier, took place in the Limeira (SP), Jacareí (SP), and Belém (PA) Units in four Distribution Centers and the European Office, totaling 14 audits. As a result, two non-conformities were noted, which do not compromise the traceability program.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Supply chain coverage	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Volume from direct and indirect suppliers	<p>Suzano ensures that all products delivered to customers can be traced back to its origin and has a robust traceability program in place, covered by Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) Chain-of-Custody certifications throughout its scope (Forestry Units, Industrial Units, Distributors and Commercial Offices), which are evaluated annually during internal third-party audits and external audits conducted by the certification body.</p> <p>Starting with wood, after the legal, social, and environmental validations instituted in the Due Diligence program, the production unit is registered in our system, called "Zenith", which includes relevant information, such as geolocation of planting and preservation areas (including biomes), name of the rural property, region, state, certification, among others, and includes wood from our management and from our partners. In the traceability program, the professionals are duly qualified and trained.</p> <p>For transportation, a fiscal document registers information in the automated system, preserving the traceability history. During production, products are assigned a lot number, which is recorded in the fiscal invoices throughout storage, transportation, and sale to the final customer.</p> <p>In the forestry area, Suzano is certified with the PEFC and FSC Forest Management System. The industry has the PEFC and FSC Chain of Custody Certification (FSC-STD-40-004) and FSC Controlled Wood (FSC-STD-40-005) that demonstrate the traceability of the origin of its raw material, identifying forest risks, legal and environmental requirements throughout its supply chain. The FSC® and PEFC forest certification schemes are widely used in the forest sector, being recognized by stakeholders as a sustainable management standard.</p> <p>Forestry suppliers are evaluated and audited annually. Non-compliance leads to immediate termination and suitability recommendations. Traceability systems ensure compliance with EUTR (European Timber Regulation) regulations. Invoices sent to our customers identify product details, quality info, batch numbers, and geographic origin.</p> <p>To ensure 100% traceability, 750 direct wood suppliers (100%) were audited by the operational areas in 2022. Of these 750, 340 indirect suppliers were also audited, totalling 1090 (100% of the supply).</p>	Not applicable	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	Countries/areas to which this traceability point applies	% of total production/consumption volume traceable
Timber products	Tree plantation	Brazil	100

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	100
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity
Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

100

Form of commodity

Hardwood logs

Volume of production/ consumption certified**Metric for volume**

Cubic meters

Is this certified by more than one scheme?

Yes

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Suzano has FSC Chain of Custody certification for all units (Mills: FSC-C010014; Traders:

FSC-C012430 Distributors:FSC-C003231), which means that all wood used for the production of pulp, paper or tissue has traceability, attesting that it has been properly produced and acquired from a legitimate source. Suzano has a strong and well-documented traceability system, with 100% of wood traceability, ensuring that all products delivered to customers can be traced from the origin. The origin of all the wood received in the factories is previously inserted in our registration system, called "Zenith", and in a georeferenced way, with complete information of the name of the rural property, region, state, transport identification, date and time of receipt at the factory, among other relevant information, and covers own and third-party wood. In the forestry area, Suzano is certified with the PEFC and FSC Forest Management System (FSC-STD-BRA and NBR14789 – Cerflor 2012). External and internal audits are carried out annually, in which FSC-STD-40-005 and ABNT-NBR 14790 standards are verified

In 2022, Suzano conducted 50 internal audits contemplating the entire scope of the Factories and Controlled Wood [at the units in Aracruz (ES), Belém (PA), Imperatriz (MA), Jacaréi (SP), Limeira (SP), Mucuri (BA), Rio Verde (SP), Suzano (SP) and Três Lagoas (MS) and in Finland], scope of the Distributors (25 Centers in Brazil and 1 in Argentina) and in the Traders scope (United States and Europe).

The external audits, carried out by an independent certifier, took place in the Limeira (SP), Jacaréi (SP), and Belém (PA) Units in four Distribution Centers and the European Office, totaling 14 audits. As a result, two non-conformities were noted, which do not compromise the traceability program. Details can be accessed on the certification's public website.

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

100

Form of commodity

Hardwood logs

Volume of production/ consumption certified**Metric for volume**

Cubic meters

Is this certified by more than one scheme?

Yes

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Suzano has PEFC Chain of Custody certification for all units (Mills: PEFC/28-32-63; Traders: PEFC/28-32-61, Distributors: PEFC/28-32-62), which means that all wood used for the production of pulp, paper or tissue has traceability, attesting that it has been properly produced and acquired from a legitimate source. Suzano has a strong and well-documented traceability system, with 100% of wood traceability, ensuring that all products delivered to customers can be traced from the origin. The origin of all the wood received in the factories is previously inserted in our registration system, called "Zenith", and in a georeferenced way, with complete information of the name of the rural property, region, state, transport identification, date and time of receipt at the factory, among other relevant information, and covers own and third-party wood. In the forestry area, Suzano is certified with the PEFC and FSC Forest Management System (FSC-STD-BRA and NBR14789 - Cerflor 2012). External and internal audits are carried out annually, in which FSC-STD-40-005 and ABNT-NBR 14790 standards are verified.

In 2022, Suzano conducted 50 internal audits contemplating the entire scope of the Factories and Controlled Wood [at the units in Aracruz (ES), Belém (PA), Imperatriz (MA), Jacaréi (SP), Limeira (SP), Mucuri (BA), Rio Verde (SP), Suzano (SP) and Três Lagoas (MS) and in Finland], scope of the Distributors (25 Centers in Brazil and 1 in Argentina) and in the Traders scope (United States and Europe).

The external audits, carried out by an independent certifier, took place in the Limeira (SP), Jacaréi (SP), and Belém (PA) Units in four Distribution Centers and the European Office, totaling 14 audits. As a result, two non-conformities were noted, which do not compromise the traceability program. Details can be accessed on the certification's public website.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Forest Management certification

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

77

Form of commodity

Hardwood logs

Volume of production/ consumption certified

Metric for volume

Cubic meters

Is this certified by more than one scheme?

Yes

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Suzano has a FSC and PEFC Forest Management certificates The Forestry Business Units (UNF) of Suzano S.A within the scope of forest certification have the following license codes: FSC-C009927, FSC-C100704, FSC-C110130, FSC-C155943 and FSC-C118283. For this Suzano has a Forest Management plan in place for each region where it operates. This plan concentrates all the information, documents, reports, records, and maps that describe, justify, and regulate activities to be performed by any manager, team or organization, whether or not they are related to the management unit, including the social and environmental programs and statements of objectives and policies. To verify the conformity, external audits are carried out annually in all units (São Paulo, Espírito Santo, Maranhão, Bahia and Três Lagoas) by an independent certified body. In 2022, the percentage of total certified area increased from 76.7% (2021) to 83.03% due to the inclusion of new areas in the certification scope across all forest management units. Approximately 321,500.57 hectares were added to the certification scope (including new acquisitions and leases) in the five forest management units in 2022. The increase in certified areas consequently leads to an increase in the volume of certified wood input.

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Sustainable Forest Management certification

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

64

Form of commodity

Hardwood logs

Volume of production/ consumption certified

Metric for volume

Square meters

Is this certified by more than one scheme?

Yes

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Suzano has a FSC and PEFC Forest Management certificates The Forestry Business Units (UNF) of Suzano S.A within the scope of forest certification have the following license codes: FSC-C009927, FSC-C100704, FSC-C110130, FSC-C155943 and FSC-C118283. For this Suzano has a Forest Management plan in place for each region where it operates. This plan concentrates all the information, documents, reports, records, and maps that describe, justify, and regulate activities to be performed by any manager, team or organization, whether or not they are related to the management unit, including the social and environmental programs and statements of objectives and policies. To verify the conformity, external audits are carried out annually in all units (São Paulo, Espírito Santo, Maranhão, Bahia and Três Lagoas) by an independent certified body.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Controlled Wood

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

23

Form of commodity

Hardwood logs

Volume of production/ consumption certified

Metric for volume

Cubic meters

Is this certified by more than one scheme?

Yes

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

In order to process wood from partnerships and purchased from Controlled Wood/ controlled sources, Suzano institutes and applies the Due Diligence System, based on the Suzano Wood Supply Policy, Controlled Wood (FSC-STD-40-005), National Risk Assessment approved for Brazil (FSC_NRA-BRA) and ABNT-NBR 14790 ensuring that: complies with all applicable legislation, comes exclusively from plantation, respect the right to property, peaceful possession and use of land, do not compromise recognizes areas of high conservation value, respect human rights, guarantee the rights of indigenous people and traditional communities, ensure worker's rights, including issues related to health and safety, following the Fundamental Principles of the International Labour Organization, and non-conversion of native areas into commercial timber plantations. These principles need to be observed in the contracted area, from the formalization of the contract, covering the operations of harvesting and transporting the wood, and considering that the regularity of planting is a prerequisite of the contract. When non-conformities are identified, action plans are established for treatment. Depending on the criticality of the non-conformity, the operation is stopped until it is solved and validated in a new on-site monitoring visit.

In 2022, 100% (750) of wood suppliers were verified by a field audit in accordance with the criteria established by Suzano's procedure "PG.25.03.0008 Controlled Wood Management - FSC and PEFC/Cerflor" and document and field checklists (procedures "FOR.25.0001 – 'Fomento' documentary checklist" and "FOR.25.0003 – field checklist").

Besides external and internal audits are carried out annually, in which FSC-STD-40-005 and ABNT-NBR 14790 standards are verified. In 2022, Suzano did internal audits in all the scope and external audit by independent certification body in Jacaréi and Limeira Units and were not identified non-conformities.

F6.4**(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?**

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).

Forest risk commodity

Timber products

Operational coverage

Direct operations

Supply chain

Description of control systems

Suzano has a due diligence system that covers all wood supply (third-party, company-owned and leased properties) and includes: 1) Analysis of legal documents to confirm rights, land use and no conversion. 2) Geospatial monitoring and analysis of boundaries of land with priority for conservation and indigenous and traditional communities officially demarcated using a geographic information system to inform action plans for the protection of these areas. 3) Field visits to complete a checklist to verify documentary compliance and register in mobile app.

4) Third-party verification: to verify compliance with PEFC and FSC Forest Management System (FSC-STD-BRA and NBR14789 - CERFLOR 2012); PEFC and FSC Chain of Custody Certification (FSC-STD-40-004; ABNT NBR 14790:2014) and FSC Controlled Wood (FSC-STD-40-005), external audits are carried out annually in all sites (Bahia, Espírito Santo, Maranhão, São Paulo and Três Lagoas) by an independent certified body.

Monitoring and verification approach

Geospatial monitoring tool

Ground-based monitoring system

Community-based monitoring

Third-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

100%

Response to supplier non-compliance

Suspend & engage

% of non-compliant suppliers engaged

<Not Applicable>

Procedures to address and resolve non-compliance with suppliers

Providing information on appropriate actions that can be taken to address non-compliance

Other, please specify (Go/No go contract)

Please explain

We implement the Due Diligence System, based on Suzano's Wood Supply Policy, Controlled Wood (FSC-STD-40-005), National Risk Assessment approved for Brazil (FSC_NRA-BRA) and ABNT-NBR 14790 to monitor our wood suppliers (tier 1 and non-tier 1). Suzano offers technical assistance to suppliers. Field audits are conducted to ensure compliance with our wood acquisition policy, considering environmental and social issues, such the preservation of water resources, soil, vegetation and evidence that there was no conversion of native forests. The FSC and PEFC Audit Report is a public document and is available on the FSC website. Deviations are addressed using a field documentation and registered in a management application to ensure the follow-up and closure of pending issues. Suppliers can be disqualified for violations or missed deadlines.

In Supplier Performance Index we assess non-wood suppliers with questions incorporated into the evaluation method referring to critical suppliers, mainly in the environmental and social evaluation requirements. For suppliers who fall below the desired index, action plans are defined. Companies that fail to comply with the plan are blocked/suspended, do not receive new orders, and are subject to disqualification from the Suzano supply chain. We implemented a rigorous second-party ESG audit process for high-risk sustainability suppliers. For the success of actions, training sessions are periodically conducted with buyers through the Supply Academy.

F6.5

(F6.5) Indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code, and provide details of your methods and progress.

	Do you collect data on this indicator?	Percentage compliance with indicator	Method(s) for collecting data	Frequency of collecting data
% of owned and/or managed properties registered on the Rural Environmental Registry (CAR) database, with active status	Yes	91-99%	CAR database	More frequently than annually
% of owned and/or managed properties with Legal Reserve (RL) and/or Permanent Protected Area (APP) deficit	Yes	1-10%	CAR database	More frequently than annually
% of owned and/or managed properties with signed Terms of Commitment of the Environmental Regularization Program (PRA)	Yes	91-99%	CAR database	More frequently than annually
% of owned and/or managed properties with no gross deforestation after July 2008	Yes	Data not available	CAR database Satellite imagery Other, please specify (Suzano conservatively selected the option "Information is not available" since the company did not compiled 100% of the back-up information in time for this report)	Not defined
% of suppliers registered on the Rural Environmental Registry (CAR) database, with active status	Yes	91-99%	CAR database	More frequently than annually
% of suppliers with Legal Reserve (RL) and/or Permanent Protected Area (APP) deficit	Yes	91-99%	CAR database	More frequently than annually
% of suppliers with signed Terms of Commitment of the Environmental Regularization Program (PRA)	Yes	91-99%	CAR database	More frequently than annually
% of suppliers with no gross deforestation after July 2008	Yes	Data not available	CAR database Satellite imagery Other, please specify (Suzano conservatively selected the option "Information is not available" since the company did not compiled 100% of the back-up information in time for this report)	Not defined

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	Yes, from both suppliers and owned/managed land	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Timber products

Procedure to ensure legal compliance

Suzano takes a preventive approach and complies with all applicable federal, state and municipal laws, engaging company employees in the efforts to meet their requirements. The company currently uses a system (Ambito System) to survey, monitor and ensure compliance with legal requirements. The system identifies relevant legislation, including a significant number of laws, decrees and regulatory standards at federal, state and municipal levels. Following the identification of applicable legislation, a frequency for monitoring and updating compliance efforts is defined (30 days to three years, depending on the norm). The series of obligations that comes with each piece of legislation is managed by a company employee who is responsible for that particular topic. The employee has a deadline to comply with the requirements and to present evidence. Suzano's Environmental department monitors progress on a monthly basis.

All of Suzano's wood supply is monitored to ensure compliance with environmental, social, economic and legal requirements. Suzano's commitments regarding responsible wood purchasing are reflected in a corporate policy (Wood Supply and Zero Deforestation). The policy was developed in compliance with the Brazilian Forest Code, the criteria of the FSC Policy for Association, the standards for Forest Management (FSC-STD-BRA; NBR14789 - CERFLOR), Chain of Custody (FSC-STD-40-004; PEFC:2002:2020, Controlled Wood/controlled Sources (FSC-STD-40-005; FSC-NRA-BRA), international regulations and the fundamental principles of the International Labor Organization.

Suzano has a due diligence system to monitor compliance with these principles in contracted areas. It covers wood harvesting and transportation operations from the moment a contract is signed, and considers compliance with the company's principles as a prerequisite for business. External and internal audits are carried out annually to verify compliance with FSC and PEFC standards. In 2022, internal audits performed in all sites and external audits performed by an independent certification body in the Jacareí and Limeira sites did not identify any non-conformity with forest regulations. Attachments: Wood Supply policy: <https://storage.googleapis.com/stateless-site-suzano-en/2020/08/a6f0cae8-wood-supply-policy.pdf>

Country/Area of origin

Brazil

Law and/or mandatory standard(s)

General assessment of legal compliance

Australia Illegal Logging Prohibition Act

Brazilian Forest Code

EU Timber Regulation

USA Lacey Act

CITES

Comment

No additional comments.

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	Yes, working with smallholders	Capacity building Financial and commercial incentives	Offering on-site technical assistance and extension services Disseminating technical materials Organizing capacity building events Supporting smallholders to clarify and secure land tenure Financial incentives for certified products Purchase guarantee linked to best agricultural practices Long term contracts linked to forest related commitments	2008	<p>The Forestry Partnership Program is made up of three categories that change according to the interests of the landowner and the incentives of the company. Depending on the category chosen by the farmers, Suzano can provide support by supplying and transporting eucalyptus seedlings, agricultural inputs, technical assistance (Good Forest Stewardship Practices), financial advances, and, since 2022, by offering forest insurance. We highlight that, regardless of the category, the company only receives farmers engaged with the same socio-environmental concerns as it is, following the rules of good labor conditions and stimulating the preservation and reforestation of native forests.</p> <p>Thus, Suzano stimulates the local economy, contributes to sustainability (environmental, social, and economic), and maintains a highly productive forest, sharing and generating value.</p> <p>Every wood supply area for Suzano, including those of suppliers, is monitored based on environmental, social, economic, and legal requirements. To achieve this it adopts a Wood Supply Policy whose development complies with the Brazilian Forestry Code, the FSC® Association Policy criteria, the FSC® and PEFC/Cerflor forest stewardship and chain of custody standards, FSC® controlled wood, PEFC/Cerflor controlled sources, European Timber Regulation (EUTR), United Kingdom Timber Regulation (UKTR), Lacey Act (USA), Australian Illegal Logging Prohibition Act and the fundamental principles of the International Labor Organization (ILO).</p> <p>The program had an impact on about 2,008 small landowners by 2022. In financial terms, it generates almost one hundred million dollars per year, a value that flows into the regions where the plantations are located and contribute to improving the quality of life of the landowner and to remunerating the many small local companies that are part of this entire production chain, from planting the seedlings to transporting the wood.</p> <p>750 direct wood suppliers (100%) were audited by the operational areas in 2022. Of these 750, 340 indirect suppliers were also audited, totaling 1090 (100% of the supply).</p>
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Capacity building
Financial and commercial incentives

Details of engagement

Supplier questionnaires on environmental and social indicators
Developing or distributing supply chain mapping tool
Supplier audits
Offering on-site training and technical assistance
Disseminating technical materials
Organizing capacity building events
Financial incentives for certified products
Purchase guarantee linked to best agricultural practices
Long-term contracts linked to forest related commitments

Description of engagement

Suzano is committed to ensuring 100% traceability of all wood, guaranteeing that every product delivered to customers can be traced back to its origin. 100% of wood consumed by Suzano must be traceable annually with a robust traceability program in place, covered by Forest Stewardship Council® (FSC®) and Programme for the Endorsement of Forest Certification (PEFC) Chain-of-Custody certifications throughout its scope (Forestry Units, Industrial Units, Distributors and Commercial Offices), which are audited annually by an independent certifying body.

Suzano believes that the support given to wood suppliers, including the small ones, has a critical effect on environmental preservation and social development. Within the Forestry Partnership Program, Suzano can provide support by supplying and transporting eucalyptus seedlings, agricultural inputs, technical assistance (Good Forest Stewardship Practices), financial advances, and, since 2022, by offering forest insurance. Regardless of the category, the company only receives farmers engaged with the same socio-environmental concerns as it is, following the rules of good labor conditions and stimulating the preservation and reforestation of native forests. Suzano stimulates the local economy, contributes to sustainability, and maintains a highly productive forest, sharing and generating value.

Every wood supply area for Suzano, including those of suppliers, is monitored based on environmental, social, economic, and legal requirements. Our Wood Supply Policy whose complies with the Brazilian Forestry Code, the FSC® Association Policy criteria, the FSC® and PEFC/Cerflor forest stewardship and chain of custody standards, FSC® controlled wood, PEFC/Cerflor controlled sources, European Timber Regulation (EUTR), United Kingdom Timber Regulation (UKTR), Lacey Act (USA), Australian Illegal Logging Prohibition Act and the fundamental principles of the International Labor Organization (ILO).

The program had an impact on about 1,750 small landowners by 2022. In financial terms, it generates almost one hundred million dollars per year, a value that flows into the regions where the plantations are located and contribute to improving the quality of life of the landowner and to remunerating the many small local companies that are part of this entire production chain, from planting the seedlings to transporting the wood.

% of suppliers engaged by procurement spend covered by engagement

100

Explain the impact of your engagement on the selected action

In the traceability program, the professionals are duly qualified and trained to operate with computerized systems, records, note forms, transport, sales or transfer tax documents.

We implement these guidelines in practice through the Due Diligence System, a monitoring program that consists of assessing and mitigating risk in the supply chain. Thus, we aim to ensure:

Compliance with all applicable legislation, respect for the right to property, possession, and use of land
The non-commitment of High Conservation Value Areas
The non-conversion of native areas into commercial wood plantations, respect for human rights and the rights of indigenous peoples and traditional communities
Compliance with health and safety items, following the ILO Fundamental Principles
The verification of anti-deforestation through maps and field visits and the engagement of suppliers in environmental and social issues, such as the preservation of water resources, soil, and vegetation

These principles are audited using checklists, documentation, maps, periodic field visits, and management applications, by qualified technicians, from the contract formalization on, covering the wood harvesting and transportation operations, and considering that planting regularity is a contract prerequisite.

To ensure 100% traceability, 750 direct wood suppliers (100%) were audited by the operational areas in 2022. Of these 750, 340 indirect suppliers were also audited, totaling 1090 (100% of the supply).

The suppliers selected based on environmental criteria are those that operate in activities that are directly related to issues of this nature and have gone through the company's registration and certification process. In 2022, 100% of new suppliers registered and certified by Suzano whose scope of activity involves environmental aspects - 874 suppliers - were selected based on these criteria (around 55% of all new suppliers registered and certified by the company during the referenced period).

With regard to social criteria, all suppliers are invariably analyzed and are only registered if they agree with Suzano's Code of Conduct. Therefore, by 2022, 100% of new suppliers registered and certified by the Company - 1,607 suppliers - were selected under these criteria.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (100% traceability of all wood from origin and mitigate risk in our entire wood supply, meeting environmental, social, economic, and legal requirements. Connect hectares for biodiversity conservation by 2030.)

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Capacity building

Details of engagement

Supplier questionnaires on environmental and social indicators
Supplier audits
Disseminating technical materials
Participating in workshops

Description of engagement

Suzano has the commitment to monitor and mitigate risk in 100% of its wood supply, be it from company management or suppliers in terms of environmental, social, economic, and legal requirements. Our main strategy for managing and mitigating deforestation risks throughout its supply chain is to assess environmental and legal compliance through geoprocessing tools, field visits and environmental license.

Therefore, we have adopted a Wood Supply Policy and a Commitment to Zero Deforestation, whose development complies with the Brazilian Forest Code, the criteria of the FSC® Association Policy, the standards of forest stewardship, and the FSC® and PEFC chain of custody, FSC® controlled wood, PEFC controlled sources, the fundamental principles of the International Labor Organization (ILO) and compliance with international regulations on traceability and the legal origin of wood, such as European Timber Regulation (EUTR), Lacey Act (USA), among others.

We implement these guidelines in practice through the Due Diligence System, a monitoring program that consists of assessing and mitigating risk in the supply chain. Thus, we aim to ensure:

- Compliance with all applicable legislation, respect for the right to property, possession, and use of land
- The non-commitment of High Conservation Value Areas
- The non-conversion of native areas into commercial wood plantations, respect for human rights and the rights of indigenous peoples and traditional communities
- Compliance with health and safety items, following the ILO Fundamental Principles
- The verification of anti-deforestation through maps and field visits and the engagement of suppliers in environmental and social issues, such as the preservation of water resources, soil, and vegetation

These principles are audited by qualified technicians, from the contract formalization on, covering the wood harvesting and transportation operations, and considering that planting regularity is a contract prerequisite.

For identified deviations, there is a field guide/documentation, which guides the deadlines and the actions to be taken for each type. Besides this, the deviations are registered in a management application to ensure the follow-up and closure of pending issues. In case of violations of deadlines and policies, suppliers can be disqualified. In 2022, we had closure with only one supplier.

Explain the impact of your engagement on the selected action

All wood supply areas, including non-tier 1, are evaluated through the Due Diligence System, which considers compliance with all applicable legislation, respect for property rights, land ownership and use, no compromise of areas of high conservation value, no conversion of native areas into commercial wood plantations.

To this end, Suzano offers on-site training to internal employees and technical assistance to suppliers (tier-1 & non-tier-1). Therefore, Supplier questionnaires on environmental and social indicators are applied in the field, which are registered in a mobile application (app) for management and monitoring of the items verified. In 2022, 750 tier-1 (100%) and 340 non-tier-1 suppliers were audited in the field, and no deforestation incidents were identified in our suppliers.

In addition, suppliers' external audits (third-party) are carried out annually, based on the requirements of the Controlled Wood Standard (FSC-STD-40-005), National Risk Assessment for Brazil (FSC-NRA-BR V1-0) and the ABNT-NBR 14790 Standard. In 2022, field visits and third-party audits were carried out in Jacareí and Limeira no deforestation incidents were identified in our suppliers.

Annually, third-party internal and external audits are carried out by the independent certifying body, in which standards criteria are verified. During the audits, documents of compliance with the standards and legal documents are verified, as well as on-site visits to evaluate the standard practice in the field. 750 direct wood suppliers (100%) were audited by the operational areas in 2022. Of these 750, 340 indirect suppliers were also audited, totaling 1090 (100% of the supply).

Furthermore, in the external audit process that took place in a sample, by an independent certifier, in the Jacareí (SP), and Limeira (SP) Units, no non-conformities were identified related to legality in the wood supply.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (100% of products delivered to customers can be traced back to the origin of the wood. Suzano has the commitment and the goal to monitor and mitigate risk in 100% of its wood supply)

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?	Primary reason for not engaging in landscape and/or jurisdictional approaches	Explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future
Row 1	Yes, we engage in landscape/jurisdictional approaches	<Not Applicable>	<Not Applicable>

F6.10a

(F6.10a) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

	Criteria for prioritizing landscapes/jurisdictions for engagement	Explain your process for prioritizing landscapes/jurisdictions for engagement
Row 1	<p>Ability to contribute to/ build on existing landscape and/or jurisdictional approaches</p> <p>Company has operational presence in area</p> <p>Opportunity to protect and restore natural ecosystems</p> <p>Recognized as priority landscape by credible multi-stakeholder groups</p> <p>Response to regulation</p> <p>Other, please specify (Identify, create and develop best practices to contribute to the management of the business and environmental assets, generating value for the company and society, aiming at a sustainable future.)</p>	<p>The Atlantic Forest is a protected landscape under Federal Law 11,428/2006 (regulated by Federal Decree 6,660/2008) due to its significance and level of threat. Suzano, in collaboration with the SOS Mata Atlântica Foundation (SOSMA) and with support from IBÁ (Brazilian tree industry association), launched the "Planos da Mata" project in 2021 as a way to contribute to existing jurisdictional approaches. This project aims to protect the Atlantic Forest biome by developing Municipal Plans of the Atlantic Forest (PMMA) in priority towns where Suzano operates. The PMMA, required by article 38 of decree 6,660/2008, must be initiated by each town and identifies priority initiatives and areas to conserve and restore native vegetation and biodiversity within the Atlantic Forest. It is based on the identification of remnants in the region and the input from local communities.</p> <p>The prioritization of jurisdictions in the "Planos da Mata" project considered strategic towns for social development, Suzano's presence, and, in the state of São Paulo, the priority towns identified by resolution SMA 07/2017 for restoration. This led to a total of 33 priority municipalities. Suzano's role involves providing resources to SOSMA and local environmental NGOs and promoting sustainable practices for the conservation, restoration and sustainable use of the Atlantic Forest biome to encourage the development of public policies at the municipal level.</p> <p>The objectives of the "Planos da Mata" project are to:</p> <ul style="list-style-type: none"> -Provide technical and political guidance to local actors involved in municipal public policies so they can collaboratively coordinate the creation and implementation of the PMMA. -Incorporate principles and best practices of corporate sustainability into local participatory public policies. -Establish a strategy to engage different stakeholders to increase funds for the implementation of the initiatives outlined in the PMMA. -Help enforce the Atlantic Forest Law and ensure legal certainty for forestry activities in the towns. -Disseminate successful practices from the project to be replicated in other towns. <p>This project aligns with Suzano's environmental strategy, which aims to identify, create and develop best practices that contribute to the management of the business and environmental assets, generating value for the company and society, and working towards a sustainable future.</p>

F6.10b

(F6.10b) Provide details of your engagement with landscape/jurisdictional approaches to sustainable land use during the reporting year.

Landscape/Jurisdiction ID

LJ1

Country/Area

Brazil

Name of landscape or jurisdiction area

States of Bahia, Minas Gerais, Espírito Santo and São Paulo.

Types of partners engaged in the initiative design and implementation

Subnational government
National civil society organization(s)
Local civil society organization(s)

Type of engagement

Supporter: Implement activities to support at least one goal
Funder: Provides full or partial financial support

Goals supported by engagement

Increased and/or maintained protected areas
Natural ecosystems conserved and/or restored
Biodiversity protected and/or restored
Ecosystem services maintained and/or enhanced

Company actions supporting approach

Co-design and develop goals, strategies and an action plan with timebound targets and milestones for the initiative
Collaborate on management/land use planning in the landscape/jurisdiction
Support enforcement of land-use and/or zoning plans

Description of engagement

The "Planos da Mata" project aims to increase the protection of the Atlantic Forest biome by developing Municipal Plans of the Atlantic Forest (PMMA), collaborating with the land use planning in the jurisdiction, and supporting the enforcement of zoning plans, as the PPMA is required by article 38 of decree No. 6.660/2008.

In the project, Suzano's engagement as a funder and supporter, transferring resources to SOSMA and local environmental NGOs, to support the development of PMMAs, and in the dissemination of good conservation, recovery, and sustainable use practices of the Atlantic Forest biome to encourage municipalities to structure public policies, establishing a strategy to engage various stakeholders to expand subsidies to municipalities for the implementing actions outlined in the PMMA.

To this end, the SOS Mata Atlântica team, in partnership with local/regional non-governmental organizations and City Halls, within the scope of their Municipal Environmental Councils, works by promoting the participatory construction and subsequent monitoring of the implementation of the PMMA instrument, with the support of a technical monitoring and evaluation platform for continuous improvement and updating of its goals.

As the Atlantic Forest is a protected landscape under Federal Law 11.428/2006 (regulated by Federal Decree 6.660/2008) due to its significance and level of threat, the development of PMMAs collaborates with the conservation of the natural ecosystem of the Atlantic Forest, as well as with the protection of its biodiversity, which will indirectly maintain the ecosystem services provided from the forest.

Engagement start year

2021

Engagement end year

Please specify (2023)

Estimated investment over the project period (currency)

0

Is a collective monitoring framework used to measure progress?

Yes, progress is collectively monitored using a shared external framework, please specify (<https://pmma.etc.br/planos-da-mata/>)

State the achievements of your engagement so far, and how progress is monitored

Suzano's actions at the engagement as a funder and supporter collaborate in the development of the Municipal Plans of the Atlantic Forest (PMMA), as required by article 38 of decree No. 6.660/2008. The SOS Mata Atlântica team, in partnership with local/regional non-governmental organizations and City Halls, within the scope of their Municipal Environmental Councils, works by promoting the participatory construction and subsequent monitoring of the implementation of the PMMA instrument, with the support of a technical monitoring and evaluation platform for continuous improvement and updating of its goals.

The project was planned to take place in four phases: Phase I – Structuring and process; Phase II – Training and selection process for NGOs; Phase III – Implementation of PMMA Processes in Municipalities; Phase IV – Public monitoring of the process. At the end of 2022, we finished Phase III and started Phase IV of the project.

The progress of the project's actions can be followed by the link <https://pmma.etc.br/planos-da-mata/>.

F6.10c

(F6.10c) For each of your disclosed commodities, provide details of the production/consumption volumes from each of the jurisdictions/landscapes you engage in.

Indicate landscape/jurisdiction ID	Does any of your commodity production/consumption volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?	Commodity	% of total production/consumption volume from this landscape/jurisdiction
LJ1	Yes, we do produce/consume from this landscape/jurisdiction, but we are not able/willing to disclose volume data	<Not Applicable>	<Not Applicable>

F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Brazil

Subnational area

Please specify (States of São Paulo, Mato Grosso do Sul, Maranhão, Pará, Tocantins, Bahia, Minas Gerais and Espírito Santo)

Initiatives

UN Global Compact

Forest Stewardship Council (FSC)

Programme for the Endorsement of Forest Certification (PEFC)

Please explain

Suzano's strategy, management and decision-making are guided towards sustainable development. Suzano is an active member of FSC and PEFC, internationally recognized multi-stakeholder initiatives that attest to the responsible development of forest products that consider the environmental, social and economic aspects of each region. The company is audited annually to verify compliance with preestablished and public environmental, social and economic performance standards. Suzano believes that participation in external initiatives strengthens sustainability governance and helps the company establish goals and action plans for sustainable development. Therefore, since 2003, Suzano has been a signatory to the UN Global Compact (<https://www.unglobalcompact.org/what-is-gc/participants/8921-Suzano-S-A>), aligning its long-term sustainability goals with the UN Sustainable Development Goals (SDGs). Accordingly, in 2022, Suzano connected 312 hectares in support of its long-term goal of "Connecting, by 2030, half a million hectares of priority areas for the conservation of biodiversity in the Cerrado, Atlantic Forest and Amazon." (<http://centraldesustentabilidade.suzano.com.br/en/sustainability-at-suzano/commitments-to-renewing-life/conserve-biodiversity/>) related to SDG 15 - Life on Land].

F6.12

(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

Yes

F6.12a

(F6.12a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Project reference

Project 1

Project type

Forest ecosystem restoration

Expected benefits of project

Increase in carbon sequestration

Restoration of natural ecosystem(s)

Is this project originating any carbon credits?

No

Description of project

Due to the high cost for creating and maintaining protected natural spaces, these initiatives are almost always promoted by the state. However, most of the world's land, and its biodiversity, is on private property. Thus, private sector engagement in establishing protected areas, restoring degraded habitats and protecting natural areas plays a significant role in global efforts to increase conserved surface area. Suzano's protected areas were established and are managed in accordance with the Brazilian Forestry Code (Law 12.651 / 2012), which requires the restoration of protected areas of the properties that possess Permanent Preservation (APPs) and Legal Reserve (RLs) areas. In order to attend legal requirements and its certifications and voluntary commitments, Suzano launched in 2010 the Ecological Restoration Program. The program operates in three of the six Brazilian biomes (Amazon, Cerrado and Atlantic Forest). With more than 1 million hectares of conservation areas, Suzano in almost a decade, planted more than 12 million native seedlings, with the total size of areas in the restoration process of 37,355 hectares. Together with a network of strategic partners, which includes NGOs, academia, financial institutions, customers and neighbouring communities, the program has innovated in technology and restoration methodologies, seeking to improve efficiency, reduce environmental impacts, generate job opportunities and share knowledge to create specific habitat restoration methodologies for each of the performed biomes. Suzano understands that ecological restoration is a commitment and a responsibility in the regions where it operates. Currently, it is responsible for one of the largest private ecological restoration programs in the country, which operates mainly in areas degraded by pasture use of cattle grazing, making up the company's current conservation areas (in the categories of Permanent Preservation and Reserve Areas Determined by the Brazilian Forest Code). Thus, the program has contributed to the increase of native reforestation in Brazil, for the conservation of habitats, including their biodiversity and watersheds, as well as the adaptive capacity of these environments to climate change.

Where is the project taking place in relation to your value chain?

Project based in area with direct operations

Start year

2010

Target year

2031-2035

Project area to date (Hectares)

37355

Project area in the target year (Hectares)

87898

Country/Area

Brazil

Latitude

-19.08

Longitude

-39.99

Monitoring frequency

Annually

Total investment over the project period (currency)

0

For which of your expected benefits are you monitoring progress?

Increase in carbon sequestration
 Restoration of natural ecosystem(s)

Please explain

Suzano's Environmental Restoration Program was recognized as best practice in line with UN's Sustainable Development Goals (SDGs) and became part of the select publication Inspiring Examples to Drive Change, which contains 16 success stories from around the world (<https://sdgs.un.org/events/good-practices-sdg-implementation-inspiring-examples-drive-change-24999>).

The Program promotes the improvement of ecosystem services, such as water supply and purification, biological control of pests and diseases, local and regional climate regulation, air quality improvement, carbon sequestration and storage, pollination and others.

The Program activities are defined in the Suzano Ecological Restoration Management Manual and are predominantly applied in the Permanent Preserves and Legal Protection Areas in order to comply with the legislation. They are generally distributed into implementation (key activities) and maintenance/monitoring packages. In the implementation package, the methods employed are: Passive restoration; Conducting natural regeneration; Planting of native species; Intercropping; Nucleation; Direct seeding; Control of exotic/invasive.

After carrying out the key activities in the "to be restored" areas, the status of the areas turns into "in the process of being restored" and are subject to the monitoring and maintenance process, which in average has an annually frequency. The maintenance package includes crowning, ant control, replanting, among others. Therefore, the Suzano's habitat restoration program activities so far has been recovering natural ecosystems and the formation of wildlife corridors, which preserves Biodiversity of those native areas.

Suzano monitors the areas under restoration through ecological monitoring through indicators of quality of native seedlings, planting survival, operational quality of implementation, canopy coverage (use of satellite images), among others.

Currently, the areas under restoration maintained by the company total 37,355 hectares, with 12.19 million seedlings planted in different areas. The program has also benefited climate change mitigation by saving 140 metric tons CO₂e during 2022 (considering 37,355 hectares under restoration). With a perspective of increase, as the company will continue the initiative in other areas under its management.

F7. Verification**F7.1****(F7.1) Do you verify any forests information reported in your CDP disclosure?**

Yes

F7.1a

(F7.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module

F6. Implementation

Data points verified

Systems in place to control, monitor or verify compliance with regulation and commitments

Verification standard

ISAE 3410

Please explain

As described in the statement issued by Bureau Veritas, the independent assurance of Suzano's long-term sustainability goals (also called Commitments to Renewing Life, or CPRV in Portuguese), corresponding to the year 2022, included the following activities:

1. Interviews with the parties responsible for the CPRV content.
2. Analysis of documentary evidence provided by Suzano for the period between January 1 and December 31, 2022.
3. Evaluation of the systems used to compile data.
4. Evaluation of the initiatives, programs and policies created to help the company's meet its CPRV.

The reasonable assurance was provided in accordance with the ISAE3000 standard, which is incorporated by Bureau Veritas into its internal assurance protocols.

This information is available at:

<http://centraldesustentabilidade.suzano.com.br/en/sustainability-at-suzano/commitments-to-renewing-life/>

Disclosure module

F6. Implementation

Data points verified

Ensuring forest management and biodiversity indicators

Verification standard

ISAE 3000

ISAE3410

Please explain

As described in the statement issued by PwC, the independent assurance of the standards included in the GRI index and Suzano's 2022 Sustainability Report included the following activities:

- a) planning, considering the relevance, amount of quantitative and qualitative information and the operational and internal control systems that served as the basis for the preparation the 2022 Sustainability Report.

(b) a review of the calculation methodology and procedures for compiling indicators through inquiries to the managers responsible for providing the information.

(c) analysis of the quantitative information and inquiries about the qualitative information and its correlation with the indicators detailed in the 2022 Sustainability Report.

(d) for cases in which non-financial data correlate with indicators of a financial nature, comparison of these indicators with the financial statements and/or accounting records.

The limited assurance process also included the analysis of compliance with the guidelines and criteria of the Global Reporting Initiative (GRI Standards) and with the information included in the preparation base produced by the company and applicable in the preparation of the content of the 2022 Sustainability Report.

More information is available at:

<https://stszprdscentind.blob.core.windows.net/site/documents/25ab2912-ra-suzano-2022-informacoes-complementares-en.pdf> (assurance statement available on pages 78 and 79).

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Direct operations
Supply chain

Primary barrier/challenge type

Other, please specify (Legislation Complexity)

Comment

Brazilian environmental legislation applicable to forestry and to industrial operations is complex because it encompasses federal, state and municipal regulations, which involve different requirements and restrictions for each location where the company operates. As such, the Company may be obligated, among other requirements, to obtain specific permits issued by governmental authorities. The requirements contained in these permits can increase the operating costs to limit or adjust effects or potential effects on the environment or the health of the Company. On the civil side, entities that are proven to have contributed to the harm can be held liable for its remediation, which could result in substantial costs for the Company. Therefore, when the Company engages third parties to act in connection with its operations, such as final disposal of waste, it can be held liable for eventual environmental damage caused by these third parties. Administrative infractions can result in substantial fines, suspension of operations, suspension of operating permits and imposition of restricted rights (such as barring entering contracts with public entities, credit restriction, among other), in addition to criminal penalties for the Company. Failure to fulfil these laws, rules and authorizations also can result in the loss of certifications of forestry managements-Forest Stewardship Council® (FSC®)/Program for the Endorsement of Forest Certification (PEFC), resulting in restrictions on the export of cellulose. In addition, environmental laws and regulations in certain countries may be more stringent than the ones we are subject to in Brazil, which may lead to such countries imposing trade related sanctions against Brazil or our industry. Furthermore, our limited ability to comply with more stringent foreign environmental laws and regulations may prevent us from seeking lower financing cost from foreign governmental related or multilateral development organizations, which may condition future financing on our compliance with more stringent environmental laws and regulations.

Forest risk commodity

Timber products

Coverage

Other parts of the value chain

Primary barrier/challenge type

Lack of regulatory control and enforcement from local governments

Comment

The Brazilian Forest Code (Law No. 12,651 / 2012) presents the concept of areas of permanent preservation (APP) and legal reserve (RL), defining cases in which the suppression is acceptable and the minimum area that must be conserved on properties for each biome. Besides, the Law No. 11,428, of December 22, 2006, known as the Atlantic Forest Law, prohibits the conversion of areas with native vegetation primary care, except in cases of public interest, scientific research and preservation. Areas with secondary native vegetation in stages of medium and advanced regeneration can only be converted into circumstances special. When suppression is permitted, the person responsible must compensate for damage through the reforestation of an area of the same size, in the same biome, with the same ecological characteristics and in the same hydrographic basin. The regulation and prohibition of conversion, however, do not impede illegal conversion activities from taking place. Organizations such as SOS Mata Atlântica and INPE help by generating information for the public authorities' inspection. The bodies responsible for the inspection and applying of penalties are Ibama, in the federal level, and the State and Municipal environmental bodies, in the State and Municipal levels respectively. Due to the country's extensive territory and the lack of resources by responsible bodies, as well as difficulties such as threats and violence associated to illegal logging in the Legal Amazon (as stated in the report Blood-Stained Timber, by Green Peace), the government has been unable to cease illegal activities. As shown by several reports on deforestation, illegal conversions are still a systematic and widespread problem. It is important to note that Suzano does not run this risk, as it has mechanisms (as mentioned in previous questions) to stop the conversion of native forests. However, this is still a sad and catastrophic Brazilian reality that reveals the inefficiency of environmental agencies in curbing and penalizing illegal cutting. This reality means that the company cannot count on the public authorities and, in itself, controls these requirements in order not to contract illegal timber.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Greater customer awareness

Comment

In order to process wood from partnerships and purchased from markets that are from Controlled Wood areas, Suzano evaluates the wood using the Standard for Controlled Wood, FSC-STD-40-005 and National Risk Assessment approved for Brazil (NRA-BRA-V1) ensuring that: complies with all applicable legislation.

Forest risk commodity

Timber products

Coverage

Direct operations

Supply chain

Main measure

Increased knowledge on commodity driven deforestation and forest degradation

Comment

All of our wood comes from tree plantations rather than from native forests. Since the 1980s, we have been harvesting eucalyptus through uniform propagated seedlings from carefully selected trees, planted in already degraded pasture lands, which is assured by our forest management certifications. The characteristics of the seedlings we select are matched to different regions. This method allows us to (1) greatly increase forestry productivity, reducing the demand for new lands, (2) comply with environmental regulations, and (3) contribute to carbon reduction in the atmosphere. Pursuant to the Brazilian Forestry Code (Federal Law No. 12,727/ 2012), we are required to set aside a minimum percentage of our areas for preservation, conservation and environmental recovery. The Company is located in the Atlantic Rain Forest, Cerrado and Amazon and maintains approximately one million hectares of our forest base for conservation purposes. These areas consist of either natural forests, riparian buffer zones, or natural vegetation with specific ecological characteristics. Furthermore, we maintain a restoration program to recover degraded areas and endangered flora species. We also invest in environmental studies and continuous monitoring, together with national and international universities, research centers, specialized consultants and NGOs, in order to assure the environmental performance of our plantations and ensure the conservation of ecosystems and the availability of natural resources where we operate. This is done by imposing conservation and improvement measures in the forestry activities plans considering the area environmental conditions. We are also member of important associations and multistakeholder platforms that discuss issues related to deforestation and forest degradation, such as the Brazilian Tree Industry, The Brazilian Forest Dialogue and the Brazil Climate, Forest and Agriculture Coalition, that dialogue with the different governmental spheres, trying to propose evolution in public policies and regulations in Brazil. We are signatories of important pacts for the restoration of ecosystems, like Pacto pela Restauração da Mata Atlântica (Atlantic Forest Restoration Pact) and Aliança pela Restauração da Amazônia (Alliance for the Restoration of the Amazon), where we reinforce our commitment to the recovery of degraded ecosystems.

Forest risk commodity

Timber products

Coverage

Direct operations

Supply chain

Main measure

Greater enforcement of regulations

Comment

Suzano is a transparent and legalistic company. By doing so, it only operates in areas that have the authorization of the environmental agencies. Suzano maintains an open channel of communication with representatives of the environmental agencies at federal, state and municipal levels, sending reports and all relevant information whenever is requested. By conducting prior environmental studies required by environmental agencies in accordance with its terms of reference, Suzano offers to these entities consistent studies, which assists its technical decision and assessment, facilitating its internal process. Besides, in order to protect its properties Suzano constantly monitors its areas and when identify irregular activities such as illegal hunting and fishing, wood theft, among others, inform the relevant bodies, collaborating with its environmental the inspection.

F17 Signoff

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.

For F6.5A, on options selected as Data not available: Suzano conservatively selected the option "Information is not available" since the company did not compiled 100% of the back-up information in time for this report

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Chief Financial and Investor Relations Officer, leading the areas of Treasury, M&A, Legal, Investor Relations, Controllershship, Shared Services, Taxes, Planning, Risk Management and Compliance.	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms