

Suzano's Positioning

Operations at
Caravelas Maritime Terminal



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The Barge Terminal in Caravelas, in the southernmost region of Bahia, had been operational since March 2003, but had operations suspended in February 2021 after the capture of forestry base synergies between the Mucuri and Aracruz units. This maritime wood transport system used to ship eucalyptus logs from the planted forests in southern Bahia, which were then unloaded at the Barra do Riacho Maritime Terminal before proceeding to the company's plant in Aracruz, Espírito Santo.

Licensed by governing authorities, the Barge Terminal has always been in strict compliance with the requirements established, especially regarding the monitoring and management of environmental aspects. The licensing process includes monitoring requirements that evaluate physical, chemical and biological factors, evolution of the coastline, coastal hydrodynamics, spatial distribution of turbidity, corals, shrimp bank and the grey river dolphin. Suzano has always taken these obligations and its social responsibilities seriously by closely monitoring the areas for disposing of dredging sediments and promoting the implementation of community support programs in the region, considered one of the largest in Brazil.

To enable safe navigation conditions in the stretch connecting the Caravelas Terminal and the sea, Suzano conducted annual dredging of the Tomba Channel, with the last campaign concluding in March 2020. The goal was to ensure safe depth for navigation of the barges carrying wood.

For example, to avoid interfering with the migration of humpback whales to the southernmost coast of Bahia to reproduce in winter, Suzano also used different routes for barge navigation. In summer, the barges sailed farther from the coast and, in winter, they navigated closer to the coastline so as to not interfere with the reproductive cycle of whales. This procedure, established in partnership with the Instituto Baleia Jubarte (IBJ), was in place during the entire operational period spanning over 20 years. The results of this initiative demonstrate the harmonious coexistence of whales with maritime wood transport.

The results of all these monitoring activities prove that there are no alterations in the aspects evaluated that can be attributed to the operation of the Caravelas Terminal and the dredging activities. In fact, an increase in the population and reproduction of whales has been observed.

Suzano invests in initiatives to support the city's fishing activity, which include fostering the creation of a Seafood and Fishermen Cooperative of Caravelas (Coompescar),

construction of an ice factory operated by the institution and the acquisition of a refrigerated truck to equip the plant and facilitate sales.

The possibility of resuming operations is being assessed by the company, which has studied more efficient and sustainable forms of operation.

During this period, the environmental monitoring and education initiatives, as well as the social projects will continue as established in the conditions for environmental licenses issued by the Brazilian environmental agency (IBAMA).

About the protests by fishermen in 2017

The company was surprised by the actions of a small group of autonomous fishermen, who were not members of the local association, which culminated in the suspension of operations at the Maritime Terminal twice in July 2017, especially for demands related to Coompescar, which is an independently managed cooperative.

Suzano and other representatives of communities and NGOs participated in constructive meetings with the involved parties to understand their concerns and find a mutually agreeable resolution. The outcome of this dialogue is evident from the Cooperative itself; whose membership grew from 24 to 68, with the entry of 44 members.

The Cooperative was recently chosen in a project by the State Government of Bahia to receive investments of R\$2 million for a fish and seafood processing unit, among other improvements. This project was carried out in the 1st quarter of 2018 and Coompescar was selected as it was the leading institution operating in the sector in the region.

Besides supporting fishing activities, Suzano has implemented various initiatives in Caravelas to support local communities. One of them is the Rural Land Development Program (PDRT) implemented by it to strengthen family farming. In Caravelas, nine (9) associations of small farmers, which gather around 350 families, are part of the PDRT. With the company's support, they receive guidance on producing, managing and marketing their produce, which includes cassava, beans and other food items cultivated by them.

Another Suzano project in the region is Colmeias (*beehives*), which benefits 20 families. Through this initiative, the company offers areas within its planted forests for installing beehives, as well as guidance on producing and marketing honey, in order to increase the income of families. Colmeias and PDRT are initiatives through which Suzano aims to include local communities in production activities by offering income generation opportunities.

About the mud deposits in Nova Viçosa

Regarding reports of mud on the beaches of Nova Viçosa (Bahia), Suzano clarifies that all the studies carried out for almost 20 years show that the phenomenon has no connection with port operations, dredging for maintenance of the Tomba channel in Caravelas or barge navigation.

The company has been continuously monitoring water turbidity in the region for almost two decades and historical data show that climate phenomena, such as strong winds and waves, directly influence water turbidity, leading to the rise of sediments in the coastline, which has no direct relation to Suzano's operations.

Dredging is carried out annually, between November and March, to ensure proper navigation conditions for vessels in the region, including fishing and tourism vessels, and complies with the laws in force, the Operating License issued by the Bahia Institute of Environment and Water Resources (INEMA). All the actions and monitoring are audited by a third-party audit and approved by an environmental agency. The dredging activity has been suspended temporarily due to the suspension of operations at the Maritime Terminal.

Suzano has always had an open channel for dialogue with the local community and authorities to clarify their doubts about this process and is ready to work towards arriving at a diagnosis that effectively demonstrates the origin of this phenomenon.