

Our sustainability strategy

In tandem with the definition of the purpose and business strategy, throughout 2019 we worked on the process to build our sustainability strategy.

We started a benchmarking process and defined that a fundamental aspect to build our strategy would be to actively listen to the various stakeholders.

WHO DID WE LISTEN TO IN ORDER TO DEVELOP OUR SUSTAINABILITY STRATEGY?

[GRI 102-40, 102-42, 102-43, 102-44]

11 INTERVIEWS WITH SUZANO EXECUTIVE LEADERS 

ONLINE SURVEY WITH APPROXIMATELY **200** PEOPLE 

 **36** INTERVIEWS WITH STAKEHOLDERS, REPRESENTING ORGANIZATIONS AND COMPANIES WITH WHICH SUZANO RELATES IN BRAZIL, THE UNITED STATES, EUROPE AND ASIA

 MEETINGS WITH APPROXIMATELY **90** ORGANIZATIONS

We then initiated a face-to-face engagement phase: it was necessary to introduce in its business strategy the new Suzano and its intent to evolve in terms of sustainability.

In this phase, the idea was to create a bond and explain about the path taken and the existing challenges, in order to capture insights, expectations and criticisms.

What did we do in this engagement phase?

- Internal roadshow - dialogue with **more than 750 employees**;
- Follow-up interviews with **30 key stakeholders**;
- External roadshow - meetings with approximately **90 organizations** in Brazil, the United States and Europe introducing Suzano and talking about the construction of the strategy, representing the diversity of stakeholders in our ecosystem, such as customers, NGOs, investors, academia and experts, amongst others.

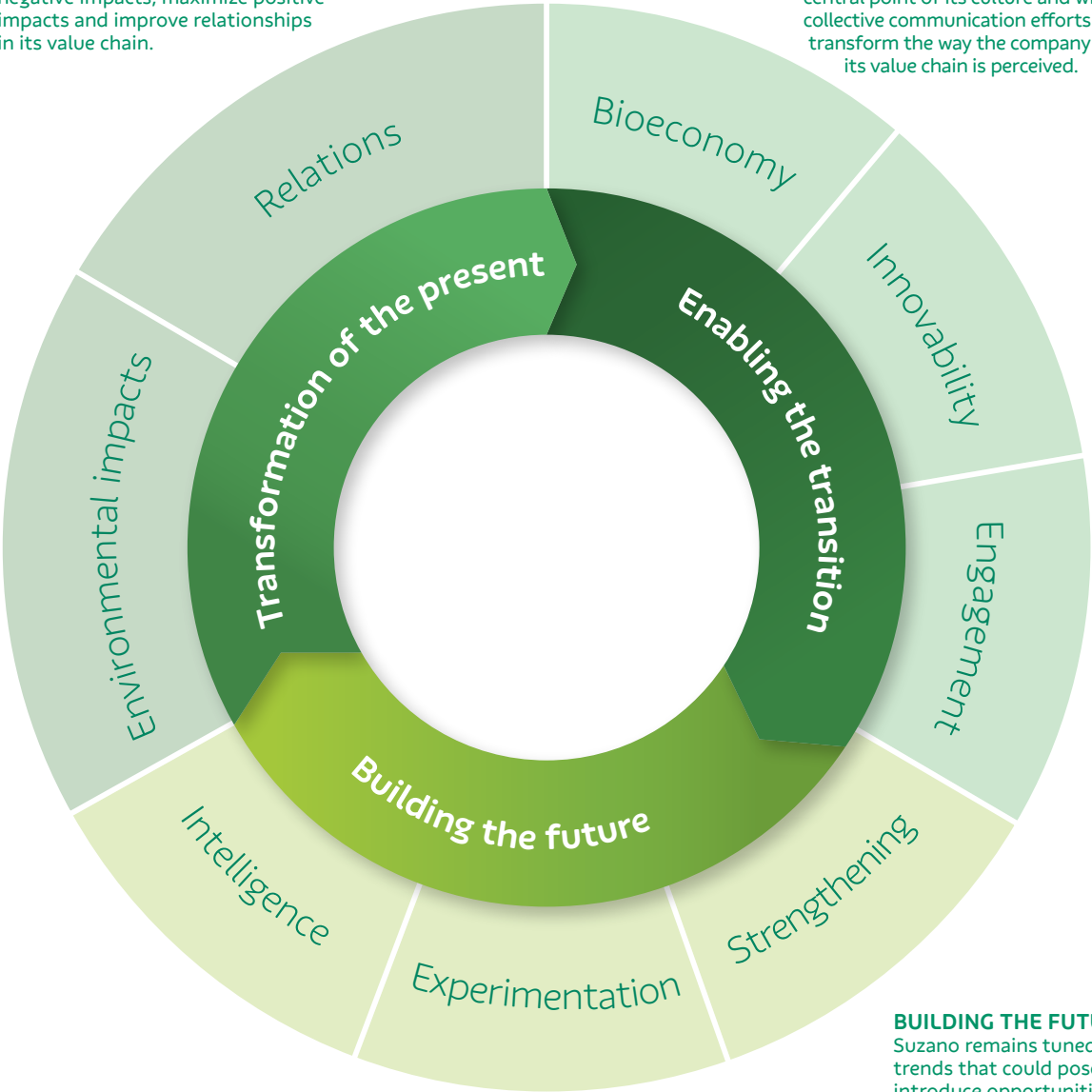
The third phase of this process was to consolidate the main topics mentioned and work on them in multidisciplinary groups in order to define their ambitions. The result of this work was the definition of our long-term public targets. These commitments were approved by the Executive Committee, the Sustainability Committee and the Board of Directors. In addition, during this work, we realized that our ambition aims at three horizons:

TRANSFORMATION OF THE PRESENT

Suzano looks to the future by caring for people and the environment of its business as usual, seeking to minimize negative impacts, maximize positive impacts and improve relationships in its value chain.

ENABLING THE TRANSITION TO THE BIOECONOMY

Suzano invests in the development of biosolutions, with innovation as the central point of its culture and with collective communication efforts to transform the way the company and its value chain is perceived.



BUILDING THE FUTURE

Suzano remains tuned to global trends that could pose risks and introduce opportunities for its business model and for society, and tests new possibilities based on innovation, aiming to make the business viable at scale and resilient in the long-term.



Sustainability Strategy

[GRI 103-1, 103-2, 103-3]

To be a leader and agent of transformation in the combined development of innovative and sustainable solutions contributing to tackle society's challenges.

This strategy is based on six fundamental assumptions:

- Integrated to the business;
- driven by innovability;
- transparent and fostering dialogue;
- generating of shared value;
- in our daily life;
- systemic and cross-cutting.





Eucalyptus seedling.
Photo: Suzano image bank

LONG-TERM GOALS

As a result of this journey, we have assumed long-term goals for this moment that the UN calls "The Decade of Action" (from 2020 to 2030)¹.

Monitoring of the execution and achievement of objectives will be under the responsibility of the Executive Board, the Sustainability Committee and the Board of Directors. It is worth mentioning that most of the topics above are part of the goals of the company's senior management (Executive Directors and Managers). The diversity and inclusion goal will be shared by all company executives in 2020. The evolution in performance of each of our commitments will be published annually in our Report.

SDG	GOAL	DRIVERS
	<p>Replace plastics and petroleum derivatives: offer 10 million tons of products from renewable sources</p>	<p>Due to its intrinsic versatility and renewable origin, our products are viable alternatives to fossil-based composites, stimulating, consequently, the increment of a low-carbon economy. Such investments are necessary to help combat the climate crisis and are completely connected to our business.</p>
	<p>Even more climate positive: remove an additional 40 million tons of carbon from the atmosphere (carbon capture - scopes 1, 2 and 3 emissions)</p>	<p>With a forest base of approximately 2.2 million hectares of trees that capture carbon, we understand our role in combating the climate crisis. For this reason, we are committed to going beyond the neutralization of our direct emissions and the emissions of our chain, also working for an additional and significant removal of carbon from the atmosphere.</p>

¹ Goals for 2030, except for Diversity and Inclusion goals (2025).

SDG

GOALS

DRIVERS



Mitigate the problem of income inequality: lift 200,000 people over the poverty threshold in our areas of influence

Our goal is to contribute to the development of structural fronts, such as generating income and improving the quality of education in the regions where we operate, aiming at their self-sufficiency.



Education: enhance the Basic Education Development Index (Ideb) by 40% in all priority municipalities

Access to quality education is one of the most important structural challenges in Brazil. Therefore, we comit to fostering the education network and quality teaching in the regions where we operate.



Climate change: reduce emissions intensity (tCO₂e/adt) by 15% (scope 1 and 2 emissions)

In the search for the efficiency of our processes, we have already managed to considerably reduce the emissions associated with our production. However, we know that we can do more. Thus, we remain focused on developing solutions that lead us to better results.



Diversity and inclusion:

- to ensure 100% accessibility and zero prejudice, witnessed or experienced, against people with disabilities
- to achieve 100% inclusive environment and zero prejudice, witnessed or experienced, against LGBTI+¹
- to have 30% women and 30% blacks² in leadership positions

Diversity and inclusion are intrinsic parts of our business strategy, as the maintenance of an environment based on such factors motivate employees to feel more involved and comfortable to explore their creativity, driving the development of collective, original and sustained solutions. Diversity and inclusion are also key aspects in the attraction and retention of talents.



Water (Forestry): increase water availability in 100% of critical watersheds

Access to water is at the heart of sustainable development, essential for the survival of people, businesses and the planet. Suzano's eucalyptus plantations, native forests and mills depend directly on water, and it is everyone's responsibility to take proper care of this resource.

Water (Industrial): reduce water withdrawal by 15%



Industrial waste: reduce by 70% the waste sent to landfills, transforming it into by-products

Today, the waste we generate results in costs and environmental impacts. In the future, this same waste can become a product with greater value added, furthering circularity to the economy. By reducing its destination to landfills, the goal is to enable this new universe of possibilities to become a reality.



Energy: increase renewable energy exports by 50%

The electric energy generated in the mills is produced from renewable sources, enabling surplus that can supply the national energy system. Thus, through investments in efficiency, research and innovation, we want to increase our contribution to making clean and renewable energy available throughout the country.

¹ At Suzano, we chose to use the acronym LGBTI+, which stands for lesbians, gays, bisexuals, transsexuals, intersexuals, and "*" symbolizing all other sexual orientations, gender identities and expressions.

² Classification used by the Brazilian Institute of Geography and Statistics (IBGE), including blacks and pardos.