

Infographic *Suzano*



A new company for the challenges of today and tomorrow

This infographic is aimed at some of Suzano's main stakeholders (such as employees, customers, suppliers, communities, government, and investors) and shows the company's journey in 2019, after the merger of Suzano Papel e Celulose and Fibria. Through this material, you will learn about our long-term strategic vision and the way we work, internally and externally, to achieve it, which demonstrates our commitment to the society's and world's transformation. We also show the main highlights of the year in all our business fronts, in actions dedicated at people, operations, sustainability, and innovation.

Enjoy your reading!

THE FIRST YEAR OF THE NEW SUZANO

It is no exaggeration to say that 2019 was one of the most intense years in Suzano's history. During this period, three priority initiatives enabled the results achieved: capturing synergies between the processes of the former two companies, creating the new culture, and integrating the systems. In parallel, the areas worked intensively to keep the business running on all the company's fronts.

Our broad portfolio of renewable-based products can be found in the daily lives of more than two billion people worldwide and is composed of pulp; printing and writing paper; tissue papers and diapers; packaging paper for a number of segments; specialty papers, and many others.

On the center pages of this infographic, we present some of the main initiatives in terms of people, products, innovation, sustainability and forestry, industrial and logistics operations that describe the new Suzano today.



84%¹
OF SALES
VOLUME TO
**FOREIGN
MARKETS**



3 PULP
EXPORT
PORTS

10 FULLY
DEDICATED
SHIPS



ALL MILLS CLOSE
TO THE COAST
OR CONNECTED
BY RAILWAYS

21 DISTRIBUTION
CENTERS



5 INTERNATIONAL
COMMERCIAL
OFFICES
(FORT LAUDERDALE – USA; LUSTENAU –
AUSTRIA; NYON – SWITZERLAND; SHANGAI –
CHINA; BUENOS AIRES – ARGENTINA)

5 RESEARCH
CENTERS
(3 IN BRAZIL,
1 IN CANADA
AND 1 IN ISRAEL)



Planted areas:
APPROXIMATELY
1.3 million¹
HECTARES

**Areas set aside
for conservation:**
APPROXIMATELY
900,000¹
HECTARES
(MAINLY IN THE AMAZON,
CERRADO AND ATLANTIC
RAINFORREST BIOMES)

87%
**FSC⁴ AND
PEFC/CERFLOR
CERTIFIED AREAS⁵**

Installed capacity:

1.4 million
TONS OF PAPER
ANNUALLY

10.9 million
TONS OF PULP
ANNUALLY
(INCLUDING VERACEL)



Renewable energy:
AVERAGE TRADING OF
167.2 MWm¹
(HIGHER THAN THE AVERAGE
CONSUMPTION OF ELECTRICITY IN
THE MUNICIPALITY OF SANTOS (SP))³

NEARLY
35,000¹
CUSTOMERS
IN THE PAPER
SEGMENT

Suzano in numbers²

36,547¹
EMPLOYEES
(COMPANY AND CONTRACTORS)



WE MANAGE
R\$ 73 million¹
IN SOCIAL INVESTMENTS
(SUZANO + PARTNERS) IN
NEIGHBORING COMMUNITIES



10 mills + VERACEL
(JOINT VENTURE WITH STORA ENSO)

PULP
ARACRUZ (ES)
IMPERATRIZ (MA)
JACARÉI (SP)
LIMEIRA (SP)
MUCURI (BA)
SUZANO (SP)
TRÊS LAGOAS (MS)

PAPER
LIMEIRA (SP)
MUCURI (BA)
RIO VERDE (SP)
SUZANO (SP)

CONSUMER GOODS
BELÉM (PA)
FORTALEZA (CE)
IMPERATRIZ (MA)
MUCURI (BA)

12,758¹
FAMILIES
BENEFITED BY OUR
SOCIAL PROJECTS



1. 2019 data.

2. With the exception of financial data, installed capacity and total number of production units, the other indicators presented throughout this material do not include information on Veracel's operation.

3. Data from the Department of Infrastructure and Environment (SIMA) of the Government of the State of São Paulo (base year 2018).

4. Forest management certificates FSC-C110130, FSC-C118283, FSC-C100704, FSC-C009927; and chain of custody FSC-C010014.

5. Calculation of the percentage of certified areas considers only Suzano's operational areas (excluding those under investment fund, under forestry partnership and not intended for supplying mills).

THE JOURNEY CONTINUES

Throughout 2019, we also worked on defining a long-term strategic vision capable of leveraging the future of Suzano's business, inspired by our Culture Drivers. Furthermore, we developed our sustainability strategy. As a result of this journey, we have assumed long-term goals. Learn how Suzano intends to follow its path.



CULTURE DRIVERS

These Drivers comprise a set of guidelines about who we are, what we do and how we do it, reflecting what drives us in our daily lives.



Who we are

People who inspire and transform

- We have the courage and competence to make it happen.
- Fostering diversity strengthens us.
- We work together and for the whole.
- Exceeding expectations drives us.
- We are "strong and kind".

What we do

Create and share value

- We think big and act globally.
- We are always evolving with agility.
- We innovate to advance.
- We build and share success while considering all stakeholders.

How we do it

It's only good for us if it's good for the world

- We dialog to build better.
- We are protagonists in society's evolution.
- We always act sustainably.
- We seek admired profit.

STRATEGIC VISION

- 1 Continue being a benchmark in the sector in **efficiency, profitability and sustainability**, from the forest to the client.
- 2 Be a transformational agent in the **expansion into new markets** for our biomass.
- 3 Be a reference in **sustainable and innovative solutions** for the bioeconomy and environmental services, based on planted trees.

Five main avenues, which aim to guide Suzano's path in the medium term:

Be **"Best-in-Class"** in the **Total Cost of Pulp** vision

Maintain **relevance in pulp**, through good projects

Advance in the **links of the chain**, always with competitive advantage

Expand **boldly into New Markets**

Play a leading role in **sustainability**

SUSTAINABILITY STRATEGY

This strategy is based on six fundamental assumptions:

Integrated to the business

Driven by innovability

Transparent and fostering dialogue

Generating shared value

In our daily life

Systemic and cross-cutting

LONG-TERM GOALS

See our Long-Term Goals for the period that the UN calls "The Decade of Action" (2020 to 2030)¹ and their relationship with the Sustainable Development Goals (SDG):

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Even more climate positive

Remove an additional **40 million tons of carbon** from the atmosphere (carbon capture – scopes 1, 2 and 3 emissions)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Replace plastics and petroleum derivatives

Offer **10 million tons of products** from renewable sources

1 NO POVERTY
2 ZERO HUNGER AND AFFORDABLE AND NUTRITIOUS FOOD

Mitigate the problem of income inequality

Lift **200,000** people over the poverty threshold in our areas of influence

13 CLIMATE ACTION

Emissions

Reduce emissions intensity (tCO₂e/adt) **by 15%** (scope 1 and 2 emissions)

7 AFFORDABLE AND CLEAN ENERGY

Renewable Energy

Increase renewable energy exports **by 50%**

4 QUALITY EDUCATION

Education

Enhance the Basic Education Development Index (IDEB) **by 40%** in all priority municipalities

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Industrial Waste

Reduce by **70%** the waste sent to landfills, transforming it into by-products

6 CLEAN WATER AND SANITATION

Water

Industrial: Reduce water withdrawal **by 15%**

Forestry: Increase water availability **in 100%** of critical watersheds

5 GENDER EQUALITY
10 AFFORDABLE HOUSING, SUSTAINABLE CITIES AND COMMUNITIES

Diversity & Inclusion

To ensure **100%** accessibility and zero prejudice, witnessed or experienced, against people with disabilities

To have **30%** women and **30% blacks**² in leadership positions (managers and above)

To achieve **100%** inclusive environment with zero prejudice, witnessed or experienced, against LGBTI+³

¹ Goals for 2030, except for Diversity & Inclusion (2025)

² Terminology used by the Brazilian Statistics and Geography Institute (IBGE), which includes blacks and pardos.

³ At Suzano we have chosen LGBTI+ as our umbrella term. It stands for: Lesbian, Gay, Bisexual, Trans, Intersex and + for all other spectrums of sexuality and gender.



SDG

To learn more about the Sustainable Development Goals, go to: <https://sustainabledevelopment.un.org/post2015/transformingourworld>

HIGHLIGHTS OF THE FIRST YEAR OF THE NEW Suzano 2019

Financial Results

Important results* that demonstrate resilience in the midst of a challenging market scenario:

*Data below include Veracel

R\$ **10.7** BILLION
ADJUSTED EBITDA

R\$ **7.1** BILLION
OPERATING CASH
GENERATION

CAPEX:
R\$ **5.78** BILLION

People

Suzano is formed by people who inspire and transform.

Culture: Suzano made an intense communication effort based on the dialogue between the leaders and their teams to promote a reflection on the Culture Drivers. The survey, conducted in January 2020 with the voluntary participation of 11,000 employees, showed that 91% of people are experiencing the Drivers in practice.

Diversity: the Plural movement works on five fronts: Women, People with Disabilities, LGBTI+, Race and ethnicity, and Generations. Three public commitments were signed: Business Initiative for Racial Equality, Forum of LGBTI+ Companies and Rights, and Women's Empowerment Principles (UN Women).

Safety: the sharing of best practices among the teams, the involvement of the leadership and the investments made in the operations resulted in a 22% reduction in the number of accidents.

Products

Pulp

- We are the largest producer of eucalyptus pulp in the world, with a broad portfolio of customers mainly distributed across the following sectors: printing and writing, packaging, specialty papers, among others.
- Main markets: Asia, Europe and North America.
- Sales volume: 9.412 million tons.

Eucافلuff

First fluff-type eucalyptus pulp, with applications in products such as diapers, sanitary pads and other hygiene products.

Carbon neutral fluff: we supply products with neutral carbon footprint to our customer Ontex in Italy, France, Mexico and Brazil.

Consumer goods

Based on pulp, we also offer products such as toilet paper, diapers, paper towels and napkins.

- Leader in value share in the North and Northeast regions, with 56.6% and 21.9%, respectively.
- 6.5% is Suzano's share in the toilet paper market in the country.
- Suzano is the company that contributed most to the growth of the double ply market in Brazil, accounting for nearly 48% of this increase. With this, we consolidated the brands Mimmo®, Max Pure® and La Vie Blanc® as market leaders in some regions and states in Brazil.

*Source: Nielsen Nov/Dec 2019.

Paper

- Best year in the history of the Paper segment with adjusted EBITDA of R\$ 1.373 billion.
- 40% market share in Brazil in the printing and writing market.
- Launch of Bluecup Bio®: a biodegradable, compostable and recyclable solution for disposable containers and cups.
- Launch of Loop®: paper for the production of straws as an alternative to single-use plastics. The product can already be seen in the main fast food chains operating in Brazil.

Operational efficiency

We work to increase our productivity and ensure high levels of efficiency in our operations, mainly through technology and processes digitalization.

Industry

- **Industrial waste:** we work to reduce the generation of solid waste, increasing recycling, reducing the volume of waste sent to landfills, and promoting internal reuse. The units in Limeira (São Paulo state), Jacareí (São Paulo state), Três Lagoas (Mato Grosso do Sul state) and Imperatriz (Maranhão state) are already transforming the inorganic waste generated in the industrial process into soil acidity correctives for our forest operations.

Forests

- **Early detection of fire outbreaks** through a system with 110 observation towers. The use of this equipment reduced by 30% the average response time for these incidents.
- **Forest protection:** we produced and released 50 million natural enemies of the pests that are characteristic of eucalyptus, which resulted in a R\$ 20 million reduction in forestry costs and in the use of agrochemicals.

Logistics

- **Launch of hexatrem,** the world's first trailer truck with six semi-trailers, capable of transporting a larger volume of wood on one haul, reducing, in addition to costs, CO₂ emissions (with a result 2.4 times lower per cubic meter of wood transported).
- **Construction of port terminals** increases the efficiency of pulp transportation: Itacel Terminal, in the Port of Itaquí, in São Luís (Maranhão state), and Vertere Project, in the Port of Santos (São Paulo state).

Digital

In order to drive the culture of innovation in processes and results, we created a digital transformation model, which consolidated the numerous existing digital initiatives in the company. One such result was the development of a roadmap with more than 80 opportunities for improvement and acceleration of results in the industry and forests, such as increasing forest productivity and optimizing wood harvesting and transportation activities.

Innovability

Suzano invests in the development of bioproducts based on innovability. This concept brings together two determining visions for the company's success - innovation and sustainability - and aims to bring positive impacts to the business and to society at large.

For this reason, our research centers work to develop applications aimed at innovation in the forests and industry, investing in three main fronts:

- **Support:** solutions to the challenges of the current business in the production and marketing of pulp.
- **Differentiation:** generates competitive advantage through different ways of using and applying pulp.
- **Diversification:** bio-strategy projects create sustainable solutions based on eucalyptus for different market niches.

24 ONGOING LINES OF RESEARCH

413 PATENTS AND PATENT APPLICATIONS

New business

We research the development, application, production scalability and marketing of the following materials:

- **Biocomposites:** application in several industries, such as automotive, packaging and consumer goods.
- **Bio-oil:** heating oil and biopetroleum.
- **Microfibrillated cellulose:** used in papers, paints, cosmetics and fabrics - approved in 2019 to be used in a pilot textile production line at Spinnova, a Finnish company.
- **Nanocrystalline cellulose:** application in oil and gas, adhesives, paints and cosmetics.
- **Soluble cellulose and derived sugars:** used in fabrics and in the chemical industry in general.
- **Lignin:** used in the segments of phenolic resins, elastomers and thermoplastics.

Environment

Our forest is managed in a mosaic system, interspersing eucalyptus plantations with areas of natural vegetation.

- **Weather Monitoring:** 87 weather stations distributed throughout the forest base make it possible to reduce uncertainties in operations based on the assessment of different climate scenarios.
- **Conservation and Preservation:** we have approximately 900,000 hectares of areas set aside for conservation, which corresponds to almost 40% of our total area.
- **Environmental Restoration Program:** we started the forest restoration process in additional 2,838.05 hectares, in three Brazilian biomes - Atlantic Rainforest, Cerrado and Amazon. As a result, we contribute to the generation of environmental services and to rebalancing the planet's climate.
- **Biodiversity:** monitoring conducted in our areas registered more than 2,700 species of plants, birds and mammals, including endangered species and others never registered.
- **Climate Change:** our forest base removed 15.5 million tons of CO₂ from the atmosphere. In view of our direct and indirect emissions in the same period (which total approximately 3.7 million tCO₂eq), we achieved a positive balance of 11.8 million tons of CO₂.

Relationship with communities

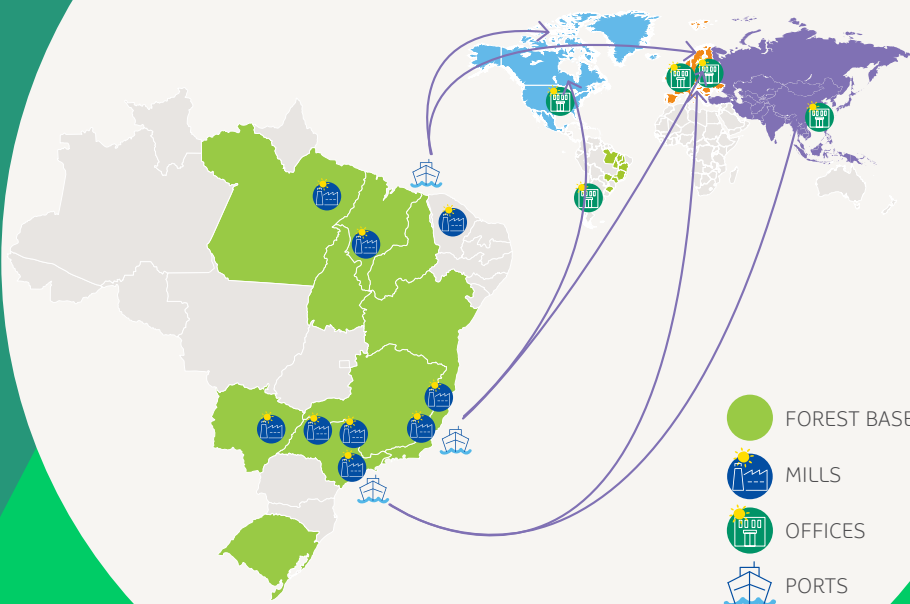
With dialogue and joint construction as principles, Suzano continues to strengthen its relationship with neighboring communities. Education and Income Generation were consolidated as priority topics in the social development work. Learn about some of our initiatives:

- **Rural Land Development Program (PDRT):** 3,931 families benefited in more than 30 municipalities in the states of Bahia, Espírito Santo, Mato Grosso do Sul, Maranhão, and São Paulo.
- **Colmeias:** more than 1,000 beekeepers served and 296 tons of honey produced in Suzano's areas.
- **Sustainable Extractivism:** with products mainly from babassu nut and açai, the program benefited 277 families from eight communities, generating revenue of almost R\$ 2.8 million.
- **Responsible Network:** 198 forms of financing, between partners and notices, with 46 new partners included and R\$ 26 million raised.
- **Territorial Sustainability:** initiatives in agroecology, meliponiculture, crafts and education with 3,000 families in indigenous villages, in the States of Espírito Santo, Mato Grosso do Sul and Bahia.

WHERE WE ARE

Global distribution

FULLY INTEGRATED



suzano.com.br



report: suzano.com.br/en/r2019

investor relations: ir.suzano.com.br

linkedin: [linkedin.com/company/suzano](https://www.linkedin.com/company/suzano)

instagram: [instagram.com/suzano_oficial](https://www.instagram.com/suzano_oficial)

youtube: [youtube.com/Suzanovideos](https://www.youtube.com/Suzanovideos)

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