

A message from the President





We are aware that, in addition to evolving with new attitudes, greater autonomy and entrepreneurism, we must also improve our ability to listen to, capture and incorporate messages from clients, suppliers, communities, in other words, society at large. And we know that this is a journey that never ends. As such, this transformative cultural movement, which is already underway in our factories, offices and forests, must be further reinforced internally and externally. An example of this is the project Springs of the Mucuri River, which began in 2016 in partnership with The Nature Conservancy (TNC). The initiative, designed to recuperate the springs of the Mucuri River, is aimed at ensuring the survival of the river and encouraging new initiatives to protect this important water resource.

We have also issued securities in local and international markets, an unprecedented move for Brazilian companies: Green Certificates of Agribusiness Credit Rights (CRA Verde) and green bonds in dollars in Latin America. This is only possible when you share values with everyone around you. The green of our papers is a translation of our actions. Socially, we focus on opportunities that result in shared gains. We have involved communities in all areas and decisions, in order to empower them, based on work supported by community councils, in which the participants themselves can discuss what is best for local development. The same logic applies to ties with clients, which are closer than ever today thanks to Suzano Mais, a program that required enormous flexibility in our industrial operations and closer ties with our clients, who benefit with better quality services and products. That is why I dedicate the results and the progress that we have made to our over 8,000 employees, who believe and invest in the change that we want to bring to the company. We are excited about the cultural evolution up until now, the constant pursuit of better results, preparation for our future and the progress made in our factories and forests.

I would also like to thank our clients, suppliers, communities and shareholders for their partnership and for sharing Suzano's conviction that the changes will continue to occur. And as long as we have a representative cross section of society satisfied with what we are doing, we know that we are on the right track. We will move forward with our strong and gentle nature. The strength to encourage and mobilize transformations that go beyond ourselves, generating value for the company and for the market, and also for society and the environment. And gentleness to ensure that these transformations are positive for everyone.

Warm regards,

Walter Schalka







The pursuit of constant evolution evolution evolution is what inspires us to adopt consistent governance and find, in people and the business, the strength to get better every day.



OUR VALUES

Integrity and Safety

Preservation of life is a fundamental value of the company, and transparency and ethics serve as guides for any and all actions and decisions.

Socio-environmental Responsibility

A sustainable vision of the company and its impacts, contributing to the socio-environmental and economic advancement of society.

Excellence

Constant pursuit of excellence in everything we do, combined with the best practices, to ensure sustainable high-quality results.

Global Vision

Going beyond the company and viewing the business environment as a set of interdependent relationships.

Leadership

Inspiring and directing people and teams to support the strategies of the company.

Quality Relationships

Create an environment in which respect, trust and transparent relations are cultivated.

Passion

Support the work environment with energy, autonomy and motivation, through dedication and a high level of commitment.



Founded by Leon Feffer in the mid-1920s, Suzano Papel e Celulose was the first company to produce pulp from eucalyptus.

We lead the Latin American paper industry and we are the second largest world producer of pulp from eucalyptus grown in certified, highly competitive forests. We also have the largest distribution system for papers and graphic products in South America.

We operate in the segments of pulp, paper and biotechnology, through Futuragene, which is dedicated to global biotechnology activities and divided into corporate offices and research and development facilities in São Paulo and Itapetininga (SP), in Brazil; Shanghai, in China; and Rehovoth, in Israel.

We continue to strive for the highest operational standards, based on the best practices, pertinent norms and legislation and the codes to which the company subscribes.

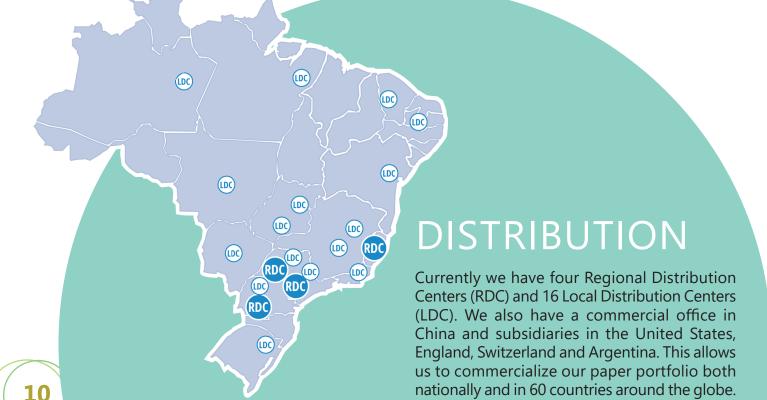




Suzano papel e Celulose

We sell pulp made from eucalyptus in **31 countries**. Papers for printing and writing (coated and uncoated) and cardboard, with four lines and around **20 brands**, are sold in **60 countries**.

We also have the largest distribution system for papers and graphic products in South America. Internationally, we have commercial offices in China, the United States and Switzerland, research laboratories in Israel and China and subsidiaries in England and Argentina.





DISTRIBUTION CENTERS

We have distribution and storage centers in the following locations:

Asia

Chancshu (China)

2 Road 1, Xinghua Port Area Changshu Jiangsu – CHI – 215513

Gunsan (Coreia)

814 Osikdo-dong Gundan – KOR – 59-118 Tel: + 063 464 6790 (ext. 3)

Qingdao (China)

No.1 Banghai Nan Road Qingdao – CHI – 266033 Tel: + 0086 532 82897930

Ulsan (Coreia)

891-1, Onesan-Ri Ulsan – KOR – 689-890 Tel: + 052 237 1775

Europe

Tarragona (Spain)

Muelle de Aragon SL Tarragona – ESP – 43004 Tel: + 34 977 249475

+ 00 34 943 350132

Fax: + 34 977 248256

Barcelona (Spain)

Ctra.N-II, Km 592,5

San Andrés de La Barca, Barcelona – ESP – 28320

Tel: + 34 93 653 41 52 Fax: + 34 93 653 43 12

Rouen (France)

Shed 126 / 138, Boulevard du Midi Rouen – FRA – 76100 Tel: + 33 2 35 58 17 17

La Pallice (France)

Warehouse, 31, Chief de Baie – Port de Commerce

La Rochelle – FRA – 17000 Tel: + 33 5 46 00 66 33

Flushing (Netherlands)

Luxemburgweg 2 (Harbour 6700) TM Nieuwdorp – NED – 4455

Tel: + 31 113 616 510 Fax: + 31 113 670 826

Genova (Italy)

Ponte Somalia – Radice Levante – Genova Porto, 16159

Genoa – ITA – 76100 Tel: + 39 010 4695340

Kallo (Belgium)

Land van Waaslaan, 5 Kallo (Beveren) – BEL – 9130 Tel: + 32 357 03 573

Livorno Pulp (Italy)

Terminals of Cilp, Docks Etruschi, Varco Valessini Via Donegani & Paduletta Via Galvani

Livorno - ITA - 57123

Tel: + 39 0586 841734 / + 39 0586 841806

Fax: + 39 0586 811083

Monfalcone (Italy)

Via Terme Romana, 34074

Monfalcone 34074

Tel: 00 39 0432 522731

Fax: 00 39 0432 520069

Montrose (United Kingdom)

Meridian Street

Montrose - SCO - DD10 8DS

Tel: + 44 1674 672 827

Napoli (Italy)

Napoli Terminals Srl, Molo Pisacane, Vittorio

Emanuele

Napoli Porto – ITA – 80133

Tel: + 39 081 5512211

Fax: + 39 081 5512947

Swansea (United Kingdom)

D Shed, Kings Dock

Swansea – UK – SA1 1QR"

Tel: + 01792 332226 /

+ 01792 332236"

Tilbury (United Kingdom)

47b Berth, Finland House – Finnish Terminal

Port of Tilbury - ENG - RM18 7EH

Tel: + 44 1375 852324 /

+ 44 7770 971225

North America

Beaumont (United States)

1225 Main Street

Beaumont (TX) - USA - 77701

Tel: + 409 835 3995 Ext. 232

Fax: + 409 832 9592

Baltimore (United States)

2001 McComas Street

Baltimore (MD) - USA - 21230

Tel: + 410 633 3800

Houston (United States)

2750 Holmes Rd.

Houston (TX) - USA - 77051

Tel: + 713-800-5803Jacksonville (United States)

2085 Talleyrand Ave

Jacksonville (FL) - USA - 32206

Tel: + 904-861-1075Long Beach (United States)

22941 S. Wilmington Ave

Carson (CA) - USA - 90745

Tel: + 310-835-0279Mobile (United States)

Building 55, 13th Street

Mobile (AL) – USA – 21230

Tel: + 251 432 4460 Ext. 2322

Fax: + 251 432 7504







Imperatriz-MA

Cellulose Production

Market Pulp: 1.5 million tons

Tissue: 60,000 tones (starting 3Q 2017)



Mucuri-13A

Paper and Cellulose Production

Market Pulp: 1.54 million tons Integrated Pulp: 200,000 tons

Printing and Writing Paper: 250,000 tons **Tissue:** 60,000 tons (starting 4Q 2017)



Port



Office



FuturaGene



Industrial Unit



Forest



🖲 Itaqui



Paper and Cellulose Production

Market Pulp: 70,000 tons Integrated Pulp: 460,000 tons*

Printing and Writing Paper: 160,000 tons

Eucafluff: 100,000 tons*



Paper and Cellulose Production

Market Pulp: 350,000 tons
Integrated Pulp: 300,000 tons

Printing and Writing Paper: 390,000 tons **Lignin:** 20,000 tons (starting 2Q 2017)



Rio Verde-Sp

Paper Production

Printing and Writing Paper: 50,000 tons



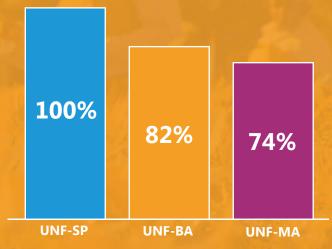




Our employees and partners

We have approximately 8,000 direct employees and 11,000 service providers who carry out our work.

We prefer to contract **local workers** and suppliers, thus contributing to the creation of jobs and strengthening economic activity in the regions where we operate.



Average percentage of local hires at each Suzano location.

over 20.000
professionals
involved in our
activities



In addition to our employees, local producers are also partners in forestry activities. This **Forest partnership**, conducted in São Paulo since 1973 by Suzano, provides support and incentives for local producers to be suppliers of timber.

Invest Verde 50%

This partnership covers the supply of eucalyptus seedlings, technical assistance and a sketch of the planted area. The properties must be located no more than 100 km from the factory units or in a region of strategic interest. According to this contract, the producer plants the seedlings with his own resources, while following technical instructions from Suzano. The producer is then committed to selling at least 50% of the timber produced to Suzano at the current market price at harvest.

Renda Verde 45%

This partnership covers the supply of eucalyptus seedlings, technical assistance for the planting phase and a topographical map of the contracted area. Some resources are paid for by Suzano, such as fertilizers, herbicides, insecticides, formicide and financial assistance for the services of planting and crop handling. The properties must be located no more than 130 km from the factory units or in regions of strategic interest.

SÃO PAULO

330 contracts
Over 10,000 hectares planted

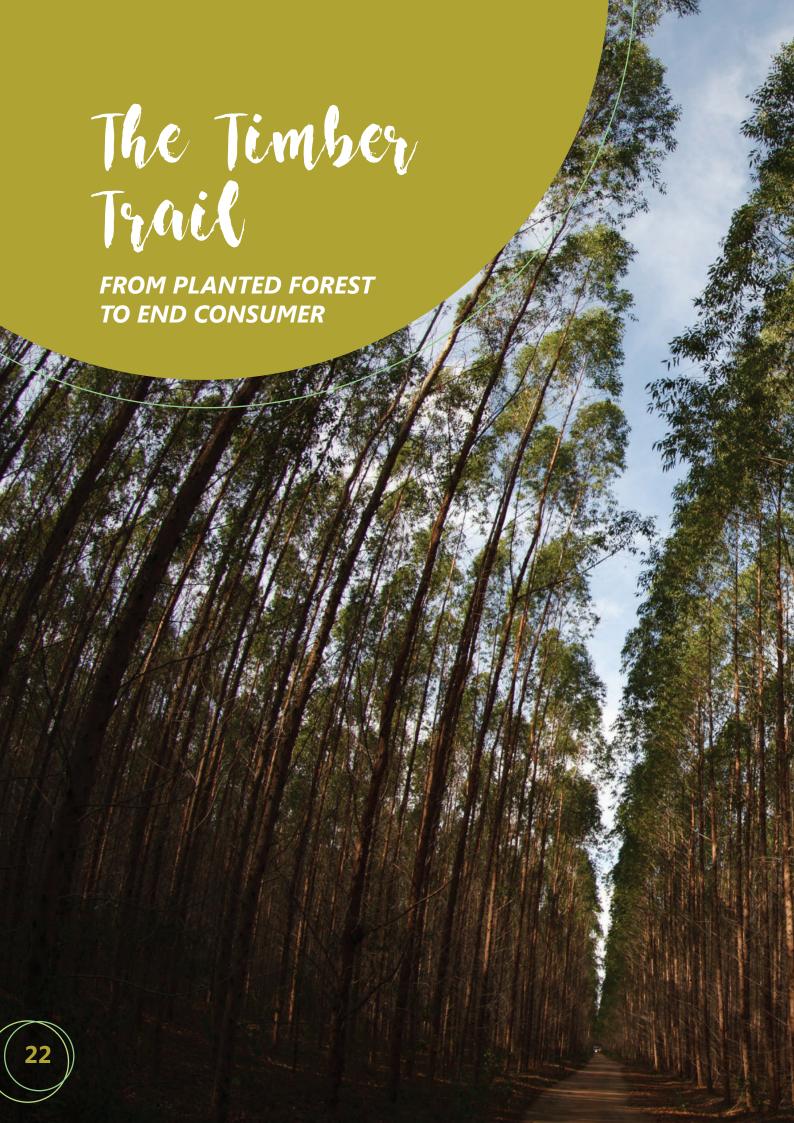
BAHIA

770 contracts
Over 45,000 hectares planted

MARANHÃO

58 contracts
Over 11,000 hectares planted







We conduct our forest management in accordance with the principles and criteria of the Forest Stewardship Council® (FSC®) and NBR 14.789:2012 (Cerflor), with the aim of providing sustainability for the business in the long term, continuous improvement of our activities and our performance, as well as the adoption of correct and socially responsible environmental practices. All of the forest operations are organized into different stages that are designed to provide quality supply to the industrial units and also protect environmental aspects of the areas where we are operating, with the following objectives:

- Constant pursuit of technological innovation and support of research into the best forestry techniques for the production units;
- Contribute to the development of direct and indirect employees;
- Planning of forest production, based on environmental aspects, such as the management of microbasins and landscapes, monitoring of fauna, maintenance of biodiversity corridors, in addition to complying with applicable national, state and municipal legislation, and international agreements to which Brazil is a signatory;
- Contribute to the maintenance or improvement of communities located adjacent to forest management units, by maintaining open channels of communication, and participative monitoring of indicators.





1. SOIL PREPARATION

2. SEEDLING PRODUTION



Through our soil classification, management and preparation program, we discern the variables in the soil-plant-atmosphere system so we can employ the best techniques and increase forest productivity in a sustainable manner.



Suzano produces around **30** million seedlings per year. The rest of the seedlings necessary for planting are acquired from nurseries from accredited partners.

3. TREE FARMING



It encompasses a set of forest activities that are designed to promote better conditions for the seedling to develop, from the time it is planted until it is harvested.

5. SHIPPING

4. HARVEST



We partially or totally harvest eucalyptus trees from a particular cultivated area. The harvest is divided into the stages of **felling**, **loading**, **piling**, **supply**.



We stand behind the statement that our timber is 100% FSC® certified, without any risk of mixture with trunks of wood collected from uncertified areas.

Our Forest Management
Chain of Custody meets
the Brazilian Harmonized
Standard for Forest
Cultivation and the FSC
norm for chain of custody
(FSC-STD-40-004), as well
as the CERFLOR norm for
chain of custody (ABNT
NBR 14790).

HARVEST



Loading and Piling

This operation consists of the removal of eucalyptus timber already processed from inside the production areas and subsequent formation of piles of timber along the edges of the logging trails.



Felling

Using the minimum cultivation technique, we leave, after every felling, at least 30% of the vegetation intact, protecting the soil from erosion, while maintaining humidity, retaining nutrients, and preventing silting of watercourses. This technique has culminated in the end of the use of fire, and is seen as a continuous improvement and a demonstration of company's concern with the sustainability of its lands.

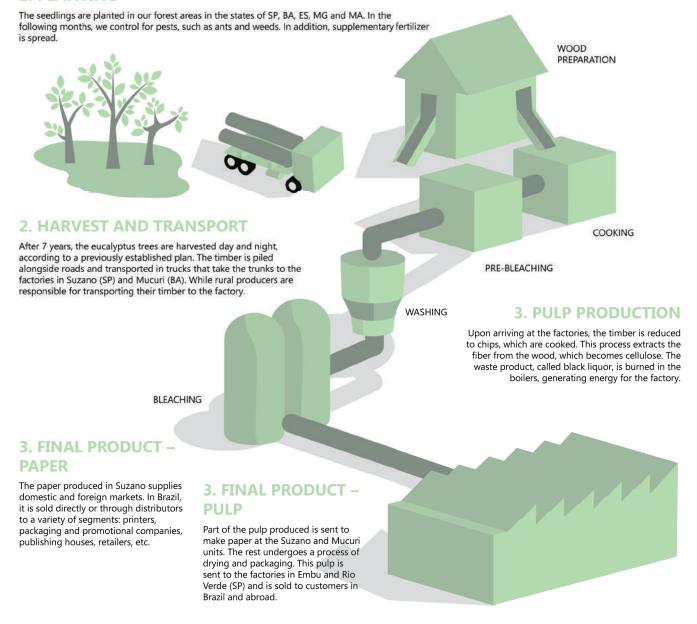


Infrastructure and Transport

Our roads are planned to serve the needs of timber transport to the factories, and are designed to avoid negative environmental effects and ensure safety and quality throughout the process.

BLEACHED PULP FOR EXTRACTION AND FOR PAPER MILL

1. PLANTING







paper

Our main portfolio is made up of four large lines of paper: **Uncoated**, **Cutsize** or papers for home and office, **Coated** and **Cardboard**—with over 20 brands.

Eucafluff

Our fluff cellulose is made from 100% sustainable eucalyptus, planted and harvested in Brazil, with excellent defibration, absorption and softness. It was designed for absorbent products, non-woven fabrics and disposable personal hygiene products, such as baby and adult diapers and sanitary napkins.





Tissue

Tissue is the name for papers with low grammage, such as paper towels and toilet paper. Our cellulose is the main input in the manufacture of our tissue reels.

A vision for coring for the environment



Our **commitment** to sustainability is reinforced on a variety of corporate fronts:

Global Pact

A UN initiative promoting human rights, labor relations, the environment and the fight against corruption.

Corporate Pact for Integrity and against Corruption

Coordinated by the United Nations Development Program (UNDP).

National Pact for the Eradication of Slave Labor:

Conducted by Instituto Ethos and the ILO.

Platform for an inclusive, green and responsible economy

An Instituto Ethos initiative, developed by companies and civil society organizations, which propose guidelines for a new economy.

Based on the Corporate
Greenhouse Gas Emissions
Inventory, annually we
quantify and monitor
our greenhouse
gas emissions for
all stages of our
production chain.

Atlantic Forest Restoration Pact

An initiative by public and private institutions designed to preserve fragments of the Atlantic Forest.

Strategic Committee on Sustainability

An initiative to advance the incorporation of sustainability into business models.

We have signed the Business Charter for the Conservation and Sustainable Use of Biodiversity, which aims to foster public debate on the importance of conservation of biological diversity.

Brazil Coalition on Climate, Forest and Agriculture

An initiative to promote agendas that foster the protection, conservation and sustainable use of forest, sustainable agriculture, mitigation and adaptation to climate change.

Our commitment to the environment and innovation in the field has been recognized by the market through the issue of green securities, previously unprecedented in Brazil:

Green Bonds and Green Agribusiness Credit Rights.

In our production areas we prioritize the creation of a *mosaic of native and planted forests*, a functional productive landscape aimed at complying with environmental laws and norms for forest certification, which, in addition to promoting economic activity, also ensure the preservation of biodiversity and ecosystem services.

Of Suzano's 1.2 million hectares of forest assets in Brazil, 518,000 are set aside for the conservation of native forests in the Amazon, Atlantic Forest and Cerrado biomes.

1.2 million hectores of forest assests

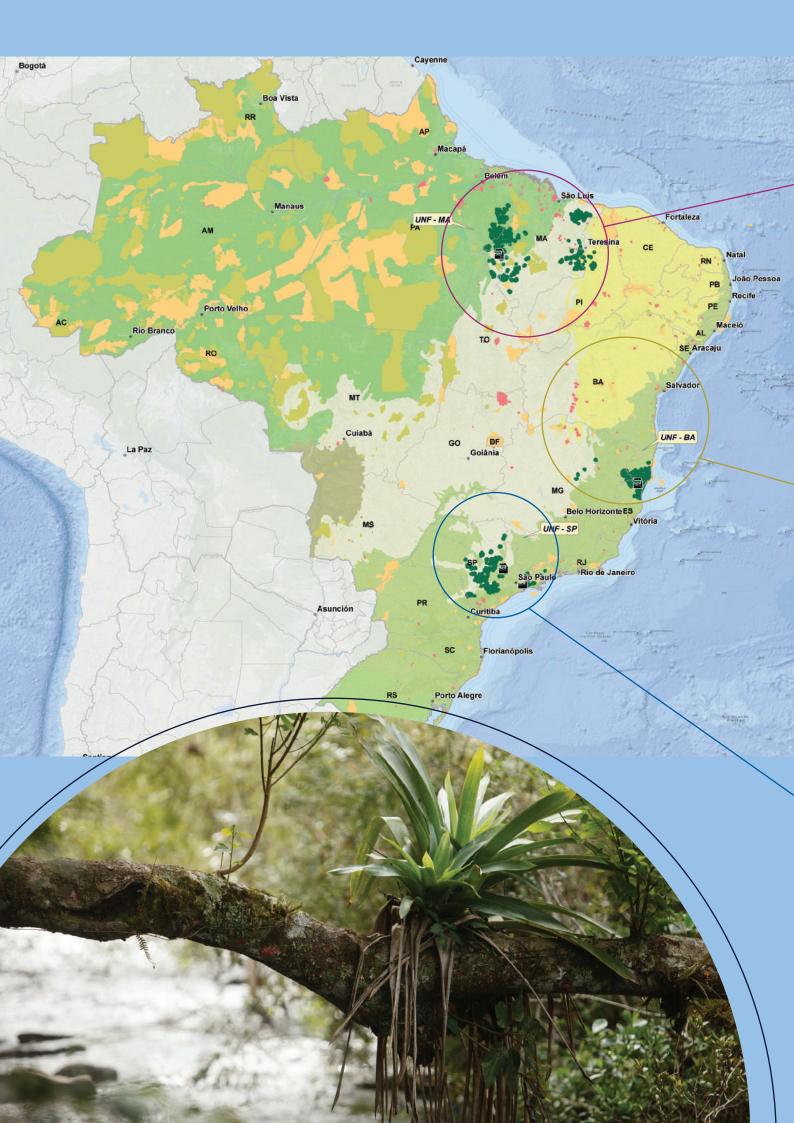
"For each hectare of planted forest, another 0.7 hectare, on average, is set aside for preservation"

David Feffer



Conservation actions on our properties

- Planning of a property's environmental zone, prioritizing the biodiversity and natural vegetation corridors, reduces the effects of local fragmentation and enables the flow of species;
- Restricting harvesting of entire areas and use of mosaic planting, in order to promote ecological corridors, allows flora and fauna to circulate freely;
- Dividing the harvest areas into sectors and planting each year on a rotation basis to reduce environmental and visual impact on these areas;
- Adoption of the minimum cultivation technique, retaining harvest residues and adding nutrients to the soil protect it from erosion and preserve humidity;
- Special attention of the property surveillance team and the forest fire fighting system.
- Active participation of all direct and indirect employees in monitoring inside and outside the high value conservation areas.



Moranhão

Biomes: Amazon, Cerrado and Caatinga

A number of the company's areas are adjacent to Conservation Units, including the Chapada das Mesas National Park and Árvores Fossilizadas Natural Monument. Hundreds of species have already been recorded in our areas, including some of high conservation interests such as the harpy eagle (Harpia harpyja) and Brazilian tapir (Tapirus terrestris).



Bahia

Biome: Atlantic Forest

Suzano is a permanent member of the advisory councils of important Conservation Units, such as the Córrego Grande Biological Reserve and Itaúnas State Park. We conduct periodic monitoring of flora and fauna that contributes to the conservation of the species and their habitats. Among the species recorded that are of conservation interest is the brocket deer (*Mazama sp*).



São paulo

Biomes: Atlantic Forest and Cerrado

In the region, our areas are located near federal, state and indigenous Conservation Units, including the Intervales State Park and the Araribá Indigenous Land. **Systematic conservation planning** provides us with the information we need to maximize opportunities for conservation. Our monitoring of fauna has identified hundreds of species, including the maned wolf (*Chrysocyon brachyurus*) which is endangered.

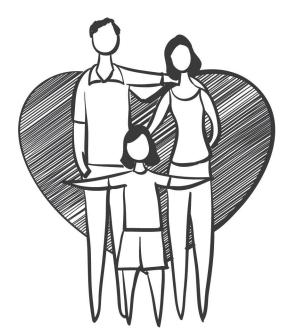


Socio-enviromental Projects and Community Relations

Suzano works to establish an active dialogue with different local actors with a view to identifying and promoting regional initiatives as well as preventing and mitigating possible socio-environmental impacts related to forest operations.

We strive to develop programs so both the general public and the communities of the cities where Suzano is present can become involved and strengthen ties with the company.

As we promote development and improve people's quality of life, we become part of the local environment and the daily routine of the region.





Solidarity Beekeeping

promotes the generation of alternative income for communities through the production of honey, creating the means to develop social programs and initiatives in the cities.

Protected neighborhood

a relationship program with neighbors of the forest properties when crop dusting of the company's areas is needed.

Live Forest

a program to strengthen the image of the company in the communities where it operates, by raising awareness on environmental conservation and prevention of forest fires.

Ecological Trails

a program created to instill in students and teachers knowledge, skills and attitudes that promote ecological conservation, focused on the importance of the biomes and respect for the environment.

Community agriculture

Support for the strengthening of family agriculture, through training and technical follow-up.

Fish farming

Alternative generation of income through fish farming in net-tanks and dugout ponds for the sustainable farming of tilapias. The project covers training, technical follow-up and donation of materials and equipment.

Sustainable extractivism

Strengthening of extractivist activities as alternative income, through training and organization to increase production and income.

Recognition and Understanding of the Cultural Rights of Indigenous Peoples and Environmental Conservation of Indigenous Lands

This occurs when there is an operation in municipalities with indigenous lands and consists of conducting socio-environmental diagnoses, by promoting continuous dialogue and free, prior and participative consultations with indigenous movements and FUNAI.

A closing ceremony is held in all communities to motivate and encourage participants.



Regional Culture Project

We conduct surveys in each municipality with the aim of identifying existing cultural manifestations and heritage in the form of archaeological, architectural, urban, rural, landscape, railway, furnishings and integrated assets, as well as the knowledge, deeds, celebrations, forms of expression and important historical sites of the municipalities.

Archaeological survey

Surveying for the presence of possible archaeological sites of historic importance is necessary, considering they are a fragile, nonrenewable cultural resource and a part of our heritage. Among the farms of the Maranhão unit, two archaeological sites of great importance were discovered. We are working to develop an archaeological excavation plan for the two sites identified.

Education and Training Program – Renovation of Public Schools

Suzano renovates and expands public schools in the regions where it operates, prioritizing rural areas, in addition to training professionals.

Golfinho Community Association

Founded in 1996 by the wives of fishermen in the municipality of Mucuri (BA), it was born out of a need to promote culture and education, through socio-educational activities with children and adolescents that include handicrafts, music, dance, capoeira, percussion, tutoring and classes in information technology. Today it has the financial support of Suzano.

We are the founders and sponsors of Instituto Ecofuturo, an organization that develops projects dedicated to conserving the environment and promoting literacy works in conjunction with civil society, government and the private sector.

By sharing know-how, practices for preservation and measurement of impacts, its objective is to contribute to expanding socio-environmental awareness and sustainable development.

Over 1,250 species of Brazilian biodiversity identified in Neblinas Park.

60 Community Libraries sponsored by Suzano

3,900 students and 110 educators involved in the Socio-environmental Education program of Neblinas Park, since 2010, sponsored by Suzano.





COMUNITÁRIA LER É PRECISO

The objective is to introduce libraries into schools as a way of supporting public policies that promote literacy. Currently, 107 libraries introduced in 12 states, including one on indigenous land and one in a penitentiary

Over 130,000 new books delivered.

An average of **500 users per month** in each unit.

ecofuturo

This program offers technical assistance for owners of public or private natural areas or those interested in acquiring land for environmental conservation.

ecofuturo

Located between the cities of Mogi das Cruzes and Bertioga (SP), Neblinas Park was created in 1999 on an old forest production area belonging to Suzano Papel e Celulose and is managed by Instituto Ecofuturo. Adjacent to the Serra do Mar State Park, and covering an area of 6012 ha, the park protects important forest remnants, conserves the Itatinga River basin, and promotes environmental restoration using socioenvironmental development strategies. Neblinas Park has been recognized as an Advanced Post of the Atlantic Forest Biosphere Reserve, by the UNESCO Man and the Biosphere Program.

Our Relationship Channels

Suzano Responds

Created to answer questions and receive suggestions and complaints, can be accessed through the call center or by e-mail

suzanoresponde@suzano.com.br

External Ombudsman

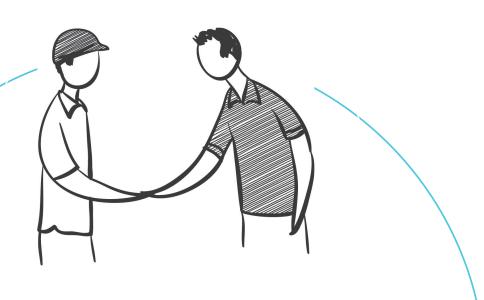
Created to receive queries and report ethics violations, this confidential channel can be accessed through the call center or by e-mail

ouvidoriaexterna@austernet.com.br

Corporate Visits Program

Leads groups of clients, suppliers, employees and their family members, and members of the communities on monitored visits to our industrial and forest units. Participation can be scheduled by e-mail visite@suzano.com.br

Customer Service 0800 022 1727





"Our relationships are based on transparency and open dialogue with all of our stakeholders, enabling the building of quality relations and creation of shared value."





