



**VERACEL**

**2023**  
*Sustainability*  
**Report**





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# About the report

[GRI 2-2| 2-3]

**As part of our commitment to transparency in sharing information with our stakeholders, we are pleased to present the 2023 Veracel Sustainability Report. In this document, we summarize our key achievements, challenges and progress on the Environmental, Social and Governance (ESG) agenda and reaffirm our commitment to deliver results through innovation in a safe and sustainable way to provide high quality cellulose and manage our business strategically.**

This report is organized into chapters based on our purpose: being responsible, inspiring people and valuing life.

The content is based on our key issues and social and environmental data, as well as our perspective on the legacy we want to leave as a cellulose company.

This report has been developed in accordance with the Global Reporting Initiative (GRI), which sets internationally recognized standards for communicating aspects of corporate sustainability management and transparency. The information presented covers the period from January 1 to December 31, 2023 and is consistent with the operations of Veracel.

**Thanks for your interest.**

**Questions, comments and suggestions about this report can be sent to**

**[comunicacao@veracel.com.br](mailto:comunicacao@veracel.com.br)**

**or the**

**[Contact Us](#) section of our site.**



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# CEO's letter

[GRI 2-22]

For Veracel, sustainability is about doing business in a way that is good for people. This has been the reference point that has guided our sustainability actions since long before the agenda gained the prominence it has today. The result of this approach is the recognition we are now receiving from our stakeholders: Veracel no longer needs to talk about itself, because society already identifies us as a partner, an agent of change in the territory where we operate and in our industry.

This report is the materialization of a strategy that has evolved through research, development, practical implementation, technical maturity, and increased community engagement. As participation begins with listening, we are proud to be seen as a partner in supporting and contributing to our stakeholders, answering their questions and engaging in open dialogue in search of better solutions for all. We believe in the power of the relationships we have built and will continue to build.

The area in which we operate on the Costa do Descobrimento (Discovery Coast) and in the Jequitinhonha Valley puts us in

a unique position to understand and spread the message that sustainability and business growth are not mutually exclusive concepts. In 2023, we reached the milestone of producing 20 million tons of cellulose produced, two years earlier than expected when we opened our plant, demonstrating our effectiveness. In the same year, we inaugurated the BA-658 highway in collaboration with the Bahia state government, which has brought logistical and sustainability benefits to our business, reducing distances and emissions, while improving mobility and services for the local community.

In addition, we strengthened our support for representatives of the 34 Pataxó and Tupinambá villages within our sphere of influence. Recognizing that no one is in a better position to take care of a place than the people who live there, we engage our forest producers in carbon market issues, providing another line of sustainable profitability for their businesses.

Another example of community support in 2023 was the strengthening of family farming through the promotion of a business round in partnership with SEBRAE. We subsidized the participation of small family farmers in the Esquina do Mundo Festival in Arraial d'Ajuda (Bahia). In this environment, small agricultural producers were able to make contact with potential buyers in the gastronomy industry, generating new business and promoting the relevance and autonomy of the communities in which we operate.

We have continued to make progress on diversity issues in our teams, with initiatives to ensure that

minority groups feel seen, fully listened to and have their professional aspirations met. We can say that we have delivered on our commitment to create a welcoming environment for agile, shared decision-making and the best business outcomes, with the physical and emotional safety of all people at the forefront, but we recognize that this work can always be improved. We have been recognized as a Great Place to Work for the sixth year in a row and we will continue on this journey.

The historic milestones in reducing water and natural gas consumption, and consequently greenhouse gas emissions, reflect a culture of integration at Veracel that is growing stronger every day, where global greatness is what matters, for the benefit of the entire company and society. With structured technology adoption, a proactive approach to safety and the leadership synergy that marked 2023, we will continue to prove that sustainability and stability are converging themes in 2024.

**Thank you and enjoy reading!**

**Caio Zanardo**  
Veracel CEO



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# Highlights of the Year

**20 million tons**  
cellulose produced  
two years ahead  
of schedule



**+7,000**  
hectares  
of forests



Opening of the first **Sea Turtle Rehabilitation Center** in the extreme south of Bahia, located at the Belmonte Maritime Terminal



**20 (m<sup>3</sup>/t<sub>sa</sub><sup>1</sup>):**  
lowest average annual rate  
of specific water use in the  
history of our operations



**5**  
solar plants  
launched



Launch of the **Veracel Woman Channel**,  
exclusively for receiving  
reports of cases of  
violence against women



**25 years**  
of the recognition of Estação  
Veracel Private Natural  
Heritage Reserve (RPPN)



**5,046**  
students and  
**244 teachers** in  
indigenous villages  
in our area of influence  
benefited from the  
Educação é Vida  
program



Longest General Shutdown  
ever carried out by the  
company: generation of

**+ R\$ 10 million**  
for the local economy  
with the hiring of



**3.1 thousand** workers

**+ R\$ 100 million**  
invested in logistics with  
the completion BA-658  
highway



**R\$ 9.7 million**  
of social  
investments



**6° year**  
consecutively  
chosen as a great  
place to work (GPW)  
(trust index of 87%)



**1,661** benefited families in  
**35 communities** by initiatives or projects  
focused on generating income



**+ R\$ 376 million**  
intended for local suppliers



1 cubic meter/ton of pulp.



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# Veracel

Who we are

Where we operate

Value generation

Materiality matrix



# Who We are

[GRI 2-1| 2-6]



We produce cellulose from Bahia to the world using eucalyptus fiber. We have made sustainability as a structuring and inseparable part of our business model, in line with the concept of the bioeconomy. Our operations include forestry, industrial and logistical activities in 11 municipalities in the south and extreme south of the state of Bahia, a region known as the Costa do Descobrimento (Discovery Coast). In 2023, we had forestry operations in Minas Gerais, in the north of the state and the Jequitinhonha Valley.

Our two shareholders, the Brazilian company Suzano and the Swedish-Finnish company Stora Enso - each with 50% of the shares - are leading companies in their respective industries. With a focus on value creation, we strive every day to achieve results through innovation aimed at producing high quality cellulose safely and efficiently.

The region in which we operate is located in the Atlantic Forest biome, known for its rich biodiversity and diverse cultures. We are conscious of our presence in this area and, therefore, we act responsibly to maintain an open, transparent and respectful dialogue with neighboring communities and in harmony with the environment.

In total, there are 158 communities in our operating area, 55 of which are under our direct influence.

We also have an ongoing relationship with 34 indigenous communities and 20 fishing colonies and associations. To strengthen our commitment to the environment, we maintain a Private Natural Heritage Reserve (RPPN, in the Portuguese acronym) and also preserve an area of more than 100,000 hectares.

**In doing so, we are inspired to build a better future for all.**



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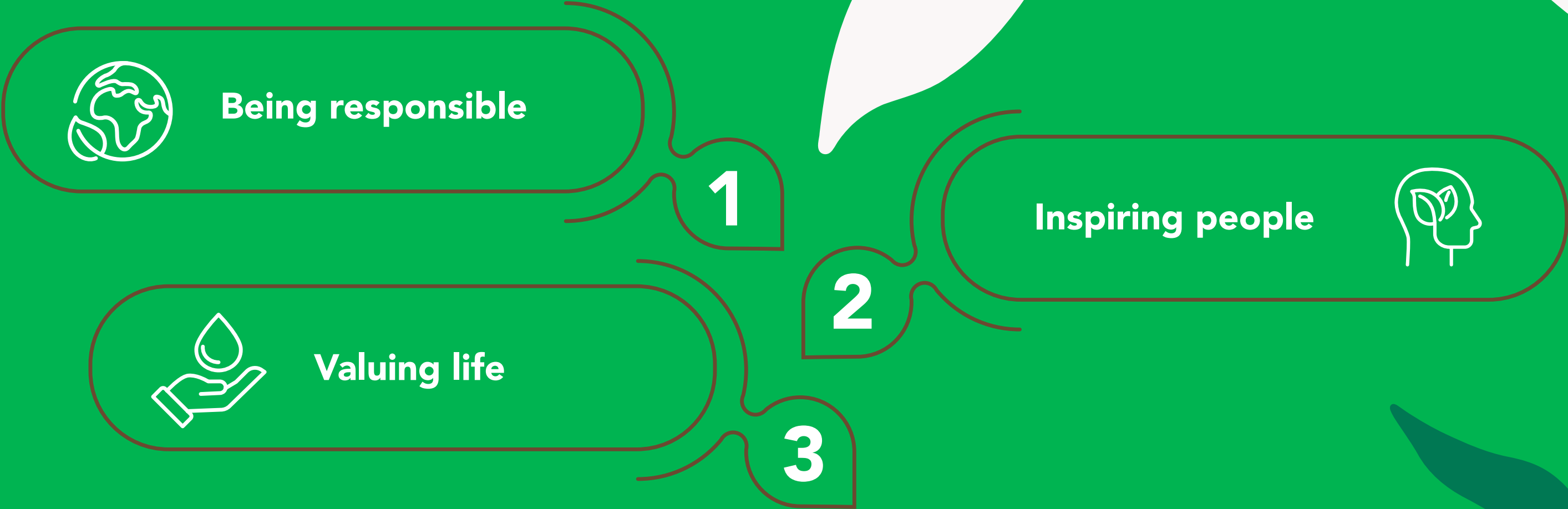
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# Our purpose



## Our way of being

Our culture is based on five pillars



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# Where we operate



**11 municipalities**  
Eucalyptus planting  
and conservation areas



**Eunápolis - BA**

- Veracel Celulose Mill
- Nursery



**Belmonte - BA**  
Belmonte Maritime  
Terminal



**Porto Seguro - BA**  
Estação Veracel RPPN



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# Value generation

## Eucalyptus plantation

We maintain more than 100,000 hectares of native forest preservation areas.

Our business model consists of the sustainable management of planted eucalyptus forests, the purchase of wood or their promotion in the states of Bahia and Minas Gerais.

We have 202.6 hectares of certified land. Our planted area is 90.5 hectares.

100% of the wood used in the production process is certified or controlled in accordance with the principles and criteria of international standards. We follow the credit system proposed by these standards.

Our operations are certified by Forest Stewardship Council® (FSC®1) and by Programme for the Endorsement of Forest Certification (PECF), for forest management and chain of custody, and by ISO 14001, for forestry management.

<sup>1</sup>FSC-C017612

## Forest producers

Eucalyptus Planting Alliance Program: Full support, from eucalyptus planting to harvesting – more than 178 producers supported, 29,071 hectares of planted area and R\$ 95 million of income generation.

Based on the Forest Producer Program, we reached 23,768 hectares of planted areas.

## Communities

We invest in and benefit people in rural groups, fishing communities, women's groups and community associations.

Family Farming Platform: structuring of initiatives and potential increased income generation.

## Mill

The specific water consumption for cellulose production amounted to 20.06 m³/tsa.

More than 98% of our industrial waste is recycled.

20 million tons of cellulose produced two years ahead of schedule.

We transport cellulose by barge: this method has lower carbon emissions and reduces the number of cargo vehicles on the roads.

We are self-sufficient in renewable electricity generation.



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# Eucalyptus cultivation

[GRI 3-3] Impacts of monoculture

The planting of eucalyptus, an exotic species with great growth potential in tropical regions such as Brazil, is strategic for Veracel because of its ability to produce a large volume of wood in a relatively short period of time. Planting requires that the land is properly prepared in accordance with legal requirements. Veracel manages its plantations without altering natural ecosystems and without deforestation, as plantations are established in anthropic areas. [GRI 304-2]

All of our eucalyptus planting, management, protection, harvesting and transportation activities are undertaken with high levels of quality, safety and best forest management practices,

respecting the environment and the communities in which we operate. We have operational procedures in place to mitigate and remediate impacts, such as the Technical, Economic, Environmental and Social Project, the Tactical Operational Plan and the Forest Management Plan.

Forestry activities are registered in the Forest Management System (SGF) to optimize planning and ensure that operations are carried out in accordance with technical procedures and in areas designated for eucalyptus plantations, while preserving native vegetation. All operational procedures are subject to mandatory review every two years.

**Learn more** about managing the impacts of forestry activities at the Indicator Sheet.



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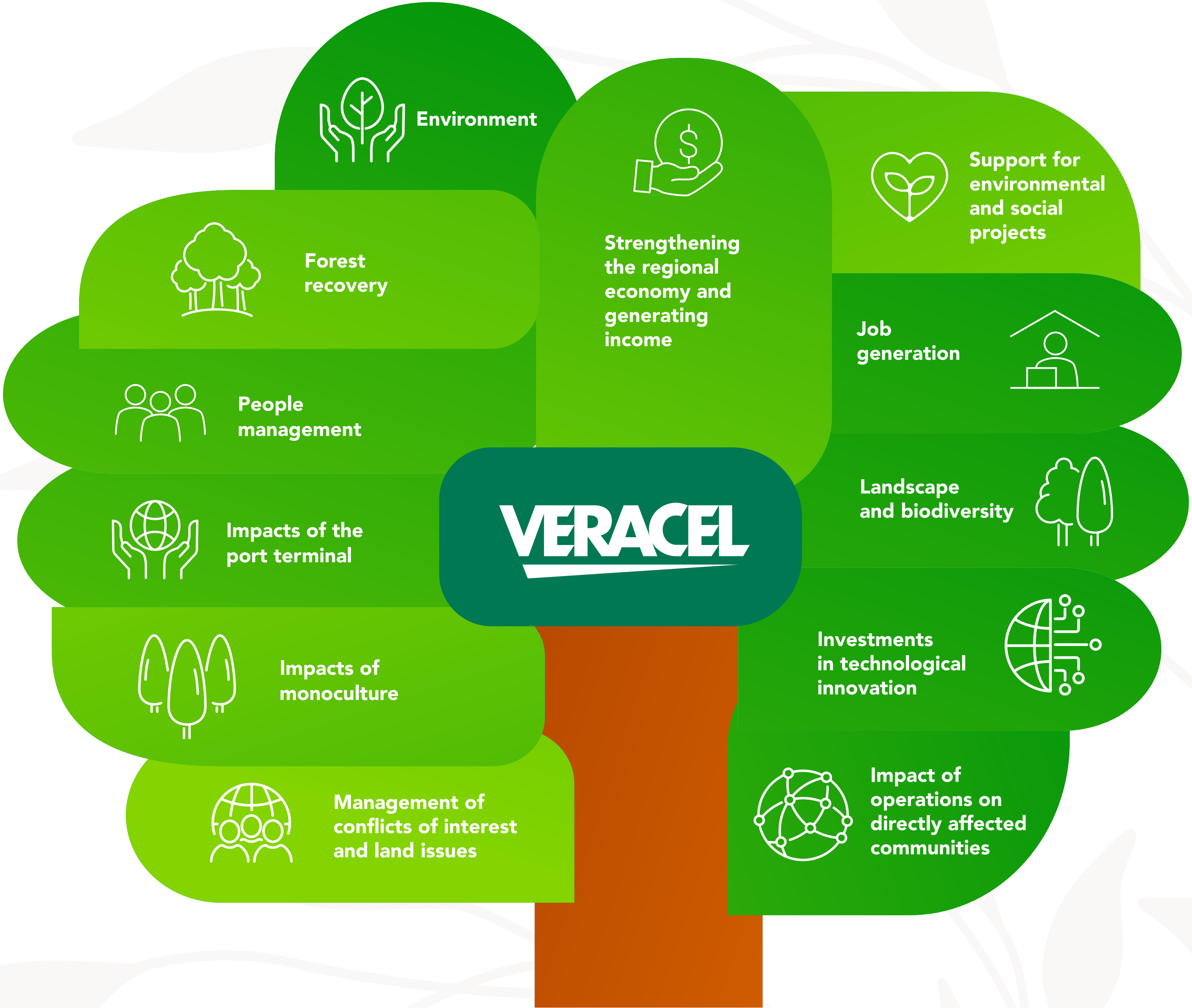


# Veracel materiality matrix

[GRI 3-1] 3-2]

The materiality matrix is one of the fundamental tools for targeting the audiences with whom we need to engage in dialogue to better clarify our impacts, whether positive or negative, as well as the priority issues for the company and how they relate to the different stakeholders.

Our materiality matrix was updated in 2022, and the process consisted of analyzing global, sectoral and thematic documents on the various aspects of sustainability and ESG management, seeking the views of key stakeholders, and conducting in-depth interviews with senior management. Based on the data collected, we have identified 12 material issues that cut across the preferences of internal and external audiences. These are presented in the following materiality matrix:







# Our work is *responsible*

Corporate governance

Sustainability management

Ethics & compliance

Stakeholders relationship

Social responsibility

Relationship with communities



# Corporate governance

[GRI 2-9| 2-10| 2-12]

The Board of Directors is Veracel’s principal governance body. Its role is to provide strategic direction, monitor impact, protect and enhance the value of the company’s assets and maximize the return on shareholders’ investment. The Board is fully aware of Veracel’s values, purpose and beliefs and ensures that they are reflected in its decisions.

It also plays a fundamental role in monitoring ESG (Environmental, Social and Governance) issues, ensuring the adoption of sustainable practices and transparent and responsible actions to make a positive contribution to society and the environment, in addition to meeting regulatory standards. Every quarter,

senior executives report data on the Veracel’s impact management to the Board of Directors. [GRI 2-13| 2-14| 2-17]

Board members are selected and appointed through shareholder nominations based on criteria of financial, operational, legal and environmental expertise. New members are nominated by each shareholder and approved for three-year terms at quarterly board meetings. The Board currently consists of 12 members (10 men and two women). It is important to note that the Chairman of the Board does not hold the same position as Veracel’s CEO. [GRI 2-11]

The Board of Directors’ key objectives include:

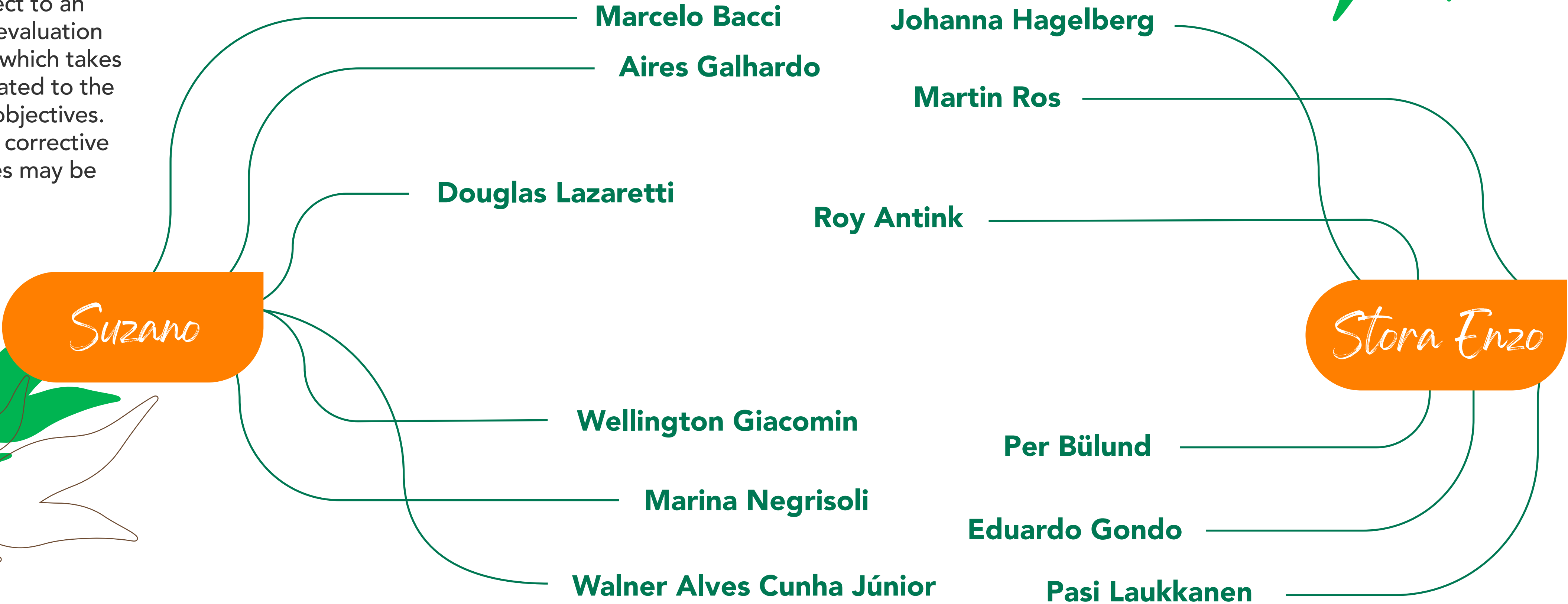
- **Enabling the continuity of Veracel’s business** from a long-term and sustainable perspective, including ESG and corporate governance considerations;
- Promoting and fulfilling the **company’s social purpose**;
- **Satisfying shareholder interests** and align them with those of other stakeholders;
- Adopting an **agile management structure** composed of highly skilled professionals;
- Establishing **guidelines for Veracel’s management** that are reflected in the annual budget;
- Ensuring that Executive Board **effectively implements the strategies and policies** without interfering in operational matters;
- **Preventing and handling conflicts** of interest or divergent opinions so that Veracel’s interests always prevail. [GRI 2-15]





# Members of Board of Directors

The members of Veracel’s Board of Directors are subject to an annual performance evaluation by the shareholders, which takes into account skills related to the company’s business objectives. Based on the results, corrective action and/or changes may be made. **[GRI 2-18]**







[GRI 2-9]

Six committees assist the Board of Directors in its decision-making and are also responsible for overseeing the management of the Veracel's economic, environmental and human impacts. All members of the Board of Directors and Committees are independent and have specific executive roles.



# Remuneration policy and strategy

[GRI 2-19] 2-20]

The compensation of the members of the Board of Directors is based on the achievement of individual objectives and performance, with annual evaluation and calibration by an integrated committee. The remuneration includes the following types of payments: fixed and variable compensation, adjustments and performance bonuses.

The variable remuneration program has corporate objectives that take into account factors related to the management of economic, environmental and human impacts.

We also pay a sign-on bonus to members of the Board of Directors or senior executives, which may vary depending on the level of the position being filled. Termination payment follows the same standards as for other Veracel employees.

For Veracel employees, the remuneration compensation program takes into account market practices as well as clear and objective performance guidelines. The entire process is overseen by People and Care Management and approved by the Chairman's Office.



Each salary change process goes through an approval flow according to criteria defined in the policies.

We conduct an annual Climate Survey that includes questions on remuneration to identify opportunities for improvement considering the market best practices. To ensure competitiveness, we also conduct market research with the assistance of external consultants.

We also offer a retirement plan for the highest governance body, senior executives and all employees. The plan has three types of contributions: Basic, Voluntary and Sporadic.

In addition, we provide other benefits to our employees. See page 36 for more information.

# Sustainability *management*

Sustainability is at the heart of everything we do. It is present in the way we produce cellulose and interact with employees, communities and the environment.

We have several initiatives in place to ensure the responsible use of natural resources. In our forestry operations, we maintain more than 100,000 hectares of environmentally protected areas, including a Private Natural Heritage Reserve (RPPN, in the Portuguese acronym) which covers an area of 6,000 hectares. In addition, for every hectare of eucalyptus planted, Veracel ensures the conservation of another hectare.

We are also working to expand our positive impact and are committed to ensuring a healthy and full production

chain through our **Sustainable Supply Program**.

In addition, we position ourselves as a partner in the development and training of neighboring communities, supporting family farming and educational projects, and generating employment and income for southern Bahia. In total, there are 158 communities in Veracel’s area of operations, 55 of which are in our direct sphere of influence.

We also maintain an ongoing dialogue with 34 indigenous communities and 20 fishing colonies and associations. Our Sustainability Department also evaluates and conducts field visits to meet social demands and respond to specific requests that are of paramount importance to the applicants.



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# Our way of operating

[GRI 2-23]

We have a **Management Policy** that guides our operations to which we are committed:

Encouraging actions that will make the Veracel competitive through operational excellence, the pursuit of lower costs, the continued adherence to established product and service requirements, and the maintenance and improvement of customer satisfaction.

Promoting actions to continuously improve the performance of the Integrated Management System and encourage employee participation in the adoption of best practices to prevent, eliminate or reduce the generation of waste, liquid and atmospheric effluents and risks related to safety, health, the environment and individual and social well-being, taking into account all interested parties and/or those associated with our activities.



Incorporating, implementing and maintaining our forest management and chain of custody activities based on the principles and criteria of the Forest Stewardship Council® (FSC®)

Maintaining an ongoing and transparent communication process with customers, suppliers, partners, employees, the community and government.

Complying with the laws applicable to our operations, including regulations, codes of conduct, standards and certifications to which Veracel is a signatory.

Promoting actions that contribute to the sustainable development of the municipalities in which we operate.



Training employees and encouraging the qualification of suppliers to conduct their activities in a professional and responsible manner with respect to environmental, quality, health, safety and labor relations issues.



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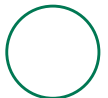
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# Ethics & compliance

The following procedures are part of our way of doing the right thing:

[GRI 2-24]

Operating ethically and transparently is a non-negotiable premise for Veracel. We have a Compliance Program that integrates our risk management, internal controls, crisis management, data privacy and internal audit processes.

Over the past few years, we have developed the Veracel Way of thinking and acting, both inside and outside the company. One of the guides to this way of being is the Code of Conduct, a document approved by the Board of Directors and developed so that employees and suppliers know how to

act in various situations that may arise in their professional and personal lives, or who to turn to when in doubt about the good conduct expected by Veracel.

Employees can also contact the Internal Audit or Compliance functions directly. [GRI 2-26] Our activities are also guided by internal procedures. Each position description outlines the expected behaviors and responsibilities.

We hold annual training on the Code of Conduct, and our employees must sign a commitment to comply with the Code’s guidelines. [GRI 2-24]

## Risk Assessment

We analyze events that could have a negative impact and be an obstacle to the achievement of our goals.

Formalizing the attitude that we have towards the business world.

## Codes, Policies And Procedures

## Training and Communication

We train our employees so that they understand our goals, rules, and their role in the program’s success.

We evaluate partners, agents, resellers and other third parties before, during and after engagement.

## Assessment of Third Parties

## Reporting Channels and Internal Investigation

We investigate and respond to all reports of illegal or unethical conduct.

We have mechanisms in place to mitigate risk and ensure that our financial statements faithfully reflect our business.

## Internal Control

## Internal Audit

Process to ensure that our pillars are functioning properly.



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Communication  
*and engagement*

To ensure the dissemination of ethics and compliance practices and awareness among our stakeholders, we carry out several initiatives. One of these is Good Conduct Week, a period dedicated to reinforcing strategic issues.

We also have the Good Conduct Ambassadors Program, which involves about 30 employees from different parts of the company who regularly discuss issues related to this topic.

Anonymous  
*Reporting Channel*  
[GRI 2-26]

We have an anonymous reporting channel to maintain a transparent dialogue with stakeholders and to address complaints regarding violations of the Code of Conduct - 100% of the cases received are handled by the Compliance Department.

The channel is available 24 hours a day, seven days a week by calling 0800 721 0764 or via the website. The case is reviewed in an ethical and confidential manner for those involved. In 2023, 91% of cases were received, analyzed and resolved. The remaining 9% were investigated and closed in 2024.

In 2023, during Good Conduct Week, we launched the Veracel Woman Channel, exclusively for receiving complaints of cases of violence against women — collaborators and partners — victims of any type of ill-treatment. The channel is part of our commitment to promoting an environment of safe and inclusive work, which promotes well-being and quality of life and of relationships between our people. With a specialized and dedicated team, our attendants are always ready to welcome, listen and act against any form of violence against women.







# Stakeholder relationship

[GRI 2-29]

For Veracel, respect and trust are built on dialogue, transparency and ethical behavior. With this in mind, we strive to create an environment that fosters structured and active dialogue with all stakeholders, respecting different cultures, ideas and opinions.

With a commitment to sustainability, we develop our business responsibly, creating value for the company and our stakeholders. We recognize the importance of building respectful relationships with people and contributing to local development through a participatory model.

The relationship with stakeholders should be understood as a fundamental contribution to achieving results and should be approached from three dimensions, understood in an interrelated and integrated way:

- Social dialogue and engagement
- Management of socio-environmental issues and impacts
- Socio-environmental investments and sponsorships

We interact with stakeholders categories, categorized according to their interactions with Veracel, socio-cultural elements and specificities, among other factors that may influence the relationship strategy with each of them. Our prioritization process includes an assessment of stakeholders, considering their level of impact on our business and their degree of influence. The Stakeholder Prioritization Matrix is updated as needed to reflect Veracel's strategies and the dynamic context of stakeholder relationships.

## Risk management

[GRI 2-25]

Veracel's Risk Management process establishes policies, guidelines and responsibilities to be followed, particularly with respect to the appropriate identification and evaluation of risks that may affect the business and the establishment of controls and procedures for managing, monitoring, and communicating these risks to prevent their occurrence or to minimize their impact.



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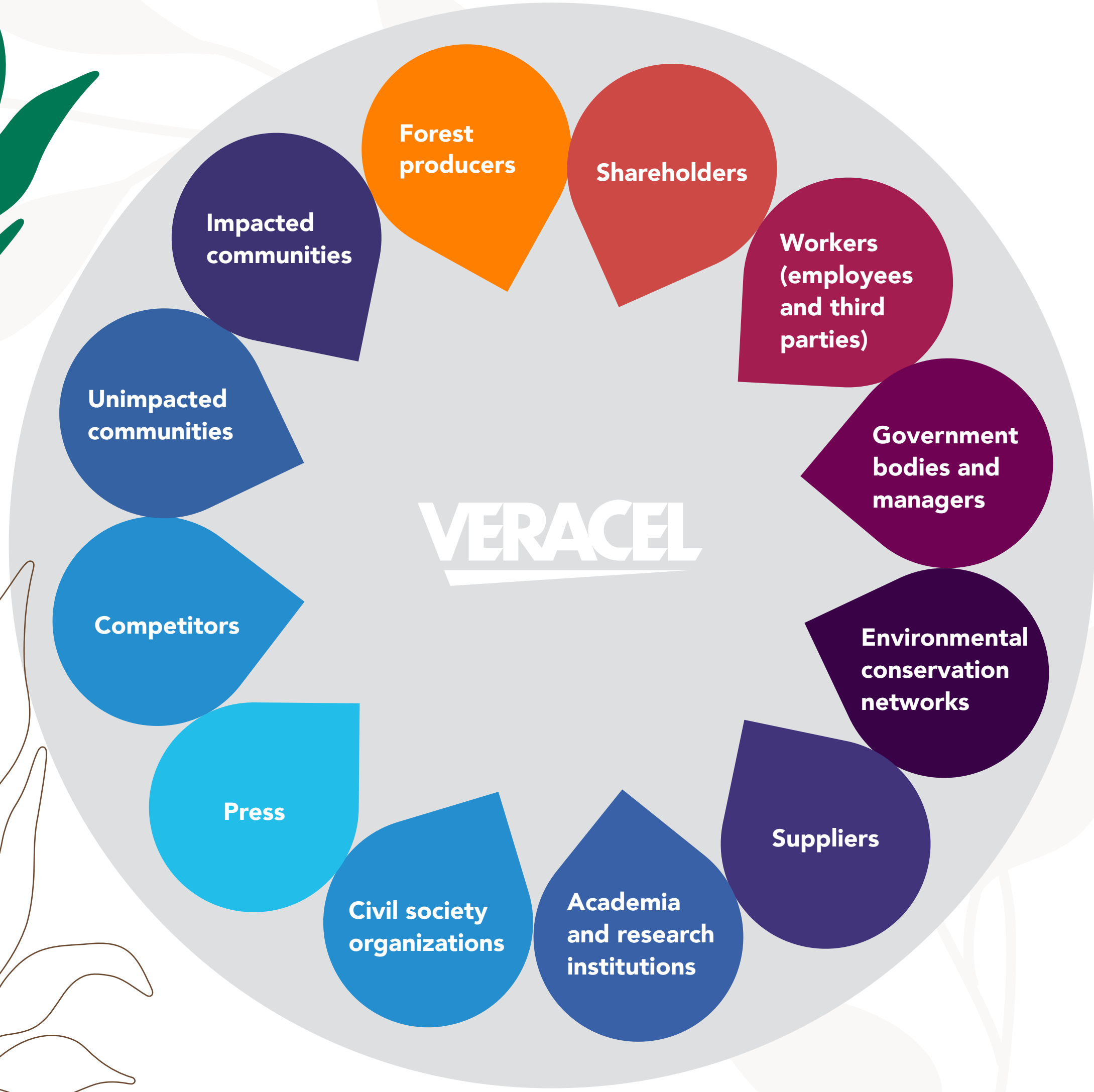
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In 2023, we advanced in the implementation of the Social Dialogue Cycle, a process that includes interaction initiatives with stakeholders in a planned, participatory and effective manner, taking into account the following guidelines and aspects:

- **Social dialogue truly integrated into management:** recognizing the impact of Veracel's presence in the communities in which it operates and recognizing structured and ongoing dialogue as an alternative for addressing and resolving stakeholder issues.
- **Understanding interactions:** opportunities to identify risks, support business decisions, and drive change. Issues requiring improvement action are expected to be addressed in an integrated, timely and accountable manner.
- **Understanding the importance of continuously expanding knowledge of the territory:** engaging people and the dynamics between

them, their demands, needs, and perceptions of Veracel's impact and relevant issues, taking into account different points of view and legitimate interests.

- **Engaging in dialogue in a transparent and respectful manner:** based on coherence between discourse and practice, guided by truth, common interest and the search for collective results, with appropriate management of the expectations inherent in the process.
- **Relationship with stakeholders with co-responsibility of various internal actors:** with clear responsibilities and interfaces, defining prepared interlocutors who act under institutional rather than personal authority. Proposing improvements and developing actions with the participation of different parts of the company.



# Human rights

In 2023, we structured our Human Rights processes to focus on contributing to the impact assessment and establishing policies and guidelines for Veracel.

We also conducted a due diligence process with our own employees and those of partner companies to identify and assess human rights impacts, with the possibility of implementing measures to interrupt, mitigate and/or prevent the identified adverse impacts. In total, 180 Veracel employees and 15 suppliers were interviewed.

In addition, we carried out a Human Rights Impact Assessment (AIDH), including issues related to labor practices, health and safety. The process included our own employees and those of partner companies, from our mill and forest operations in Bahia and Minas Gerais.

In our report, we considered the Business and Rights Guiding Principles (UNGPs) to assess the readiness of Veracel’s Governance Department to address Human Rights issues. The report concluded that the key impacts and risks that Veracel needs to monitor are related to:

- **Rights and working conditions: own workforce**
- **Rights and working conditions: outsourced workforce and contractors**
- **Rights and working conditions: health and safety**
- **Human Rights and Property Security**
- **Artisanal and non-artisanal fishing**
- **Corruption**

## Protecting human rights in the value chain

We are committed to contributing to the eradication of sexual violence and child labor, forced labor, and slavery-like conditions in our production and supply chain in Brazil and around the world.

In accordance with the International Labor Organization (ILO) and Childhood Brazil, a private non-profit organization dedicated to the defense of the rights of children and adolescents, we have mobilized to highlight the importance of these issues among our partners and have developed awareness-raising initiatives, such as a special series of podcasts with simple and educational explanations. [Click here](#) to learn more.





# Responsible *procurement*

[GRI 203-2]

We recognize the importance of developing a strong, inclusive and resilient regional supply chain that promotes improved quality of life in communities and increased competitiveness.

We have a Supply Sustainability Policy, which governs our purchasing procedures, and a Supplier Code of Conduct, which is intended to provide the public with key guidelines for Veracel’s relationship with its suppliers. This code is currently being updated and is expected to be completed this year. Suppliers are required to acknowledge compliance with the code by electronic acceptance of the document. Each year, we conduct training and awareness activities for this audience on the code’s guidelines.

[GRI 2-24]

In addition, we have a supply chain monitoring mechanism that periodically and automatically consults restrictive lists maintained by Ministry of Labor and other agencies, bodies and inspection institutes to check whether any Veracel supplier has been added to these lists. For suppliers linked to our operations, this monitoring also includes visits and interviews with employees. In 2023, we invested more than R\$376 million in local suppliers<sup>1</sup> (19.89% of the total R\$1.8 billion paid to suppliers).

[GRI 204-1]

<sup>1</sup>Local suppliers are considered to be those located in the 11 municipalities where Veracel operates (Belmonte, Canavieiras, Eunápolis, Guaratinga, Itabela, Itagimirim, Itapebi, Mascote, Porto Seguro, Potiraguá and Santa Cruz Cabrália).



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# Responsible Supply Program

We have a Sustainable Supply Program whose main objectives are engagement, productive inclusion, income generation, community empowerment and supplier development. This initiative aims to provide society with a healthy and complete production chain in compliance with legal requirements.

As part of the program, we held an edition of the Supplier Meeting in 2023 with the participation of around 70 partners to discuss topics of common interest, share knowledge and improve networking.



## Antecipay

In 2023, we partnered with the fintech Monkey Exchange to facilitate access to credit for small and medium-sized Veracel service providers. The initiative aims to strengthen the financial stability of the supply chain and reflects Veracel's commitment to maintaining mutually beneficial business relationships.

After registering on the Monkey Exchange platform, the supplier will be able to advance its receivables, guaranteeing payment on the same day, not just on the due date.

[Click here](#) to learn more.



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# Social responsibility & relationships with communities

[GRI 203-2] 3-3 Support for environmental and social projects

We maintain an ongoing dialogue with the communities in which we operate, respecting their traditions and supporting initiatives that contribute to improving their quality of life and defending their rights.

We have internal procedures that form the basis of this relationship, such as Operational Tactical Plan and Territorial Development Plan, in addition to social investment strategies to address community needs.

The projects supported by Veracel are at different stages of maturity. In 2023, the

Corporate Social Responsibility Department continued the restructuring process to define the guidelines for the Veracel’s social investments. The goal is to give the communities benefited more and more autonomy and independence in a sustainable and long-term way, based on a new arrangement that increases and strengthens the participation and support of institutions and identifies new sources of funding.



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# Relationship with indigenous communities

In our area of influence, there are 34 Pataxó and Tupinambá villages, home to approximately 25,000 indigenous people live. Our relationship with these communities is based on an active and transparent dialogue, respecting the culture and specificities of each village, and on qualified listening.

In order to better understand the needs of the communities, actions are carried out in a participatory manner, with the aim of jointly defining the efforts to be made. Meetings are held in each village according to the criteria of culturally appropriate dialogue and the characteristics of each community and ethnic group.

We also hold regular meetings with the councils of indigenous chiefs and movements. When appropriate, representatives of the National Indigenous Foundation (Funai) and local



communities also attend. These meetings are the main guidelines for managing impacts, whether positive or negative.

Other actions include initiatives to promote culture, such as the annual Araguaksã village ritual, the Pataxó Indigenous Games, and the construction of kigemes (cultural centers). In addition, we provide travel funds to representative social movements to help secure the rights of communities.

We also encourage our suppliers to support the rights of indigenous and local communities. In 2023, we did not record any cases of violations of indigenous peoples' rights.[GRI 411-1]

## Educação é vida Program

[GRI 203-1]

Through the Educação é Vida program, which is implemented in local villages, we help improve children's education and reduce school dropout rates. This program includes the delivery of school supplies and infrastructure improvements such as the renovation and construction of classrooms and schools, access to quality water, and other priorities identified with the village education unit leaders.

In 2023, we provided school supplies to 5,046 students and 244 teachers.



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# Supporting collective protagonism

[GRI 3-3 Strengthening the regional economy and generating income| 203-1| 203-2]

We invest in and benefit people through rural collectives, fishing communities, women’s groups and community associations. These resources create the conditions to identify vocations, train people, and provide the necessary support until the autonomy and full potential of these people and places are achieved.

## Family farming

Family farming is evolving in response to the challenges and demands of the agricultural sector. One of the features of this model is the adoption of agroecological and agroforestry approaches which emphasize the sustainable management of natural resources, the conservation of biodiversity, the reduction of chemical inputs and the promotion of soil health.

In Bahia, the state where we operate, family farming plays a key role in food production, job creation and the socio-economic development of rural areas. In this scenario, we promote and support family farming initiatives, seeking to strengthen development and income generation in the areas where we operate, in addition to valuing this production model as socially inclusive and ecologically sustainable, fundamental premises of Veracel.

We invested in initiatives to transfer knowledge in management and technology, in addition to supporting communities through technical assistance with training and access to resources to develop agricultural activities.

In 2023, we promoted partnerships with institutions such as Sebrae-BA, which helped us hold a business round at the Esquina do Mundo Festival in Arraial d’Ajuda (Bahia), connecting producers supported by Veracel with hotel consumers, restaurants and inns, and local residents.



In addition, we also advanced the Family Farming Platform model, which is still under implementation. This is a tool that will bring together data and indicators related to investments in family farming initiatives developed in partnership with local communities. On this platform, we will collect business data such as families served, number of production areas, production volume, points of sale, costs involved, income generated, and more. This technology is designed for and at the service of the local region.



Veracel’s commitment to family farming on five fronts:

Agroecological Settlements Project

It aims to contribute to socio-environmental sustainability through the development, adaptation and application of technologies adapted to the reality of family farming, based on training, production and rural landscape management processes and the development of diversified production systems. It is divided into the Sustainable Agroecological Settlements Program and the Socio-Environmental Development for Family Farming Program, benefiting more than 1,200 families.

In the project, we had a partnership with the Institute of Forestry Research and Studies (IPEF) and the Luiz de Queiroz School of Agriculture of the University of São Paulo (Esalq/USP) until June 2023. From that point on, Veracel’s Corporate Social Responsibility Department began to interact with community leaders, providing them with direct support to community leaders or, in the case of communities associated with the Landless Workers’ Movement (MST, in the Portuguese acronym) to coordinate support activities with MST leaders.

Agrovida Project

This family farming program’s activities include the promotion of community organization, the provision of land, tools and inputs for the production of a variety of crops from short to long cycles and professional training (technical, administrative, rural and financial management skills). In 2023, we continued to hire companies to support institutional regularization (associations) and training to improve cultural practices focused on the implementation of agroforestry activities. In addition, we help them to obtain native seedlings (fruit trees and other purposes) together with other partners in order to improve the use of resources.

Cassava Processing Agroindustry Project

This project began in 2011 with the agreement between the State of Bahia and Veracel to create the Pact for the Development of the Costa do Descobrimento. One of the communities benefiting from this partnership is Ponto Maneca, with a cassava processing unit, which aims to improve income generation for the families benefiting from the project. Another benefited community is Roça do Povo (União Baiana), to which we provided an area for cassava plantation and production of flour and other products.

Apiculture and Meliponiculture Project

For 18 years (since 2005), we have been supporting the honey production chain in the area where we operate. In 2023, 189 families benefited through local beekeeping associations. They produced about 52 tons of honey in the region, generating an income of almost R\$ 400,000. Some of these associations are also developing pilot meliponiculture projects. In 2023, we began to implement the Territorial Development Plan for Apiculture and Meliponiculture, launched the previous year, which includes short, medium and long term actions, as well as strategic actions for the development of the production chain.

Fishing and Shellfish Gatherer Women Project

The relationship with the fishermen is based on active listening to the community’s perception of what they need as priority actions to maintain fishing activity. Our actions are focused on the search for improvements for the community, indirectly contributing to the access to public policies, as well as to the collective institutional regularization of the fishermen and the adaptation of their working tools in the light of the requirements and premises of the maritime inspection bodies.





We also supported a group of women in the municipality of Belmonte who are traditional shellfish gatherers and whose work is the basis of their family's livelihood. They manage the Seafood and Fish Processing Unit, a structure for processing products and adding value to them to gain a larger share of the market. In 2023, Veracel supported this group with management and product commercialization consultancy.

The dialogue with this public is also justified by our operations at the Belmonte Maritime Terminal (TMB) and the transportation of cellulose from this terminal to Portocel in Espírito Santo, which is carried out by barges, configuring a collective use of the marine environment. [\[GRI 3-3\] Impacts of the port terminal\]](#)

Our figures in 2023

R\$ **9.7** million in social investments

**1,661** families living in **35** communities that have benefited from initiatives or projects with a specific focus on income generation

Essential oil from baleeira herb

The community of Miramar, in partnership with the Federal University of Southern Bahia (UFSB), has developed a research project to produce essential oil from the Baleeira herb. The oil is used in medicines and could serve as a new source of income for the community.

In 2023, the first liter of this oil was produced on a commercial scale. The university's pilot project, supported by Veracel, aims to expand production. For this project, UFSB and the community of Miramar received the Bahia State Federation of Industries (Fieb) Award in the Innovation category.



# Impact control

[GRI 3-3 Impact of operations on directly affected communities] 3-3 Management of conflicts of interest and land issues[ 413-2]

To manage and mitigate the impacts of our operations on communities, Veracel maintains corporate procedures such as the Environmental, Social and Economic Technical Project, the Operational Tactical Plan and the Global and Operational Aspects and Impacts Matrix. The focus is on identifying directly affected communities and managing the social impacts of forestry operations.

These procedures are applied to all macro-processes, including land acquisition and leasing, development contracts with forest producers, and market timber procurement, as well as road construction and maintenance, civil works, eucalyptus planting, harvesting, and timber transportation.

Based on forest planning, which determines the annual calendar of activities, the Social Responsibility Department, together with other forest areas, determines the calendar of social initiatives, **including:**



- Field visit to carry out the Environmental, Social and Economic Technical Project;
- Citizenship actions and events before and after forest operations: active dialogue with communities directly affected by forest operations;
- Recommendations for dealing with identified impacts (analysis and deliberations) and services for communities;
- Monitoring of impacts identified during operations.





Veracel maintains an active channel of dialogue with the communities in its forestry operations through company and/or community representatives who are trained to record any incidents or questions from directly affected communities. Incidents and/or complaints are recorded and forwarded by the Corporate Social Responsibility department for action by the operating units.

Following forestry operations, Veracel holds an Action and Citizenship meeting with a committee of community representatives to understand perceptions of forestry activities and the effectiveness of mitigation measures and to identify the deviations and potential benefits arising from forestry operations in the community and surrounding area. In the event of negative impacts, we act promptly in cooperation with stakeholders to mitigate and/or compensate them for loss or damage.

Information is recorded for monitoring and statistical purposes. Veracel maintains communication channels and regular visits to communities affected by timber transportation to ensure active dialogue on a regular basis.

In addition, we have conflict, dispute and compensation procedures that apply to business and land management, forestry operations, wood supply, legal, compliance, planning, sustainability and asset intelligence. They establish criteria for the systematic amicable or judicial resolution of conflicts, disputes and compensation related to rights of use, possession and control of land among Veracel and its neighbors, the local community, institutions, social movements and others, in order to maintain possession and control of these lands and ensure the continuity of Veracel's forestry operations.

In 2023, Veracel visited 2 de Julho, 3 Julho, Projeto Maravilha and Projeto Santa Maria communities in Eunápolis; Boca do Córrego, Aldeia Patiburi, Córrego Vermelho and Tuiuti communities in Belmonte; Frutos da Terra and Santa Maria communities in Porto Seguro; Pimenteiras community in Canavieiras; and Projeto São Miguel community in Santa Cruz Cabralia.

During this period, 23 negative impacts were recorded and action plans were developed for mitigation by the operational areas. Of this total,

19 impacts were approved and resolved and 4 were approved and forwarded to the responsible areas. **[GRI 413-2]**



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## Investments in infrastructure

[GRI 203-1]

In 2023, we completed the construction of the BA-658 highway and bridge in partnership with the state government of Bahia. The highway is 25 kilometers long; the bridge is 360 meters long and 9.60 meters wide over the Jequitinhonha River. The new highway connects the BA-275 and BA-982 highways, providing an alternative in case of the closure of the BR-101 highway. With an investment of more than R\$100 million, the BA-658 highway aims to facilitate transportation throughout the region, representing an important gain in infrastructure and development for the South of Bahia, in addition to bringing social and economic improvements to local communities.

Benefits include better transportation and access for people from other cities in the region, as well as improved access to health, financial and government services. In addition, the new road helps to reduce the flow of Veracel vehicles on the BA-275, BA-687 and BR-101 highways. This translates into a savings of 52 km per trip for each transport trailer on the route. It also reduces the amount of trucks on the roads and the distance traveled per day to transport the timber, reducing the risk of accidents and emissions.



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We want to  
*inspire*  
people

People management

Training & development

Diversity & inclusion



# People management

[GRI 3-3 Job generation | People management]

Veracel is committed to the responsible management and development of its human capital to ensure a positive impact on the economy, the environment and most importantly, people, including respect for human rights. We focus on fostering a work environment that values diversity, inclusion and employee well-being, which positively impacts our productivity and sustainability.

Our people are agents of change. They are the ones who help Veracel produce high-quality cellulose and improve the lives of thousands of families in nas comunidades em que temos atuação. Our operations rely on our own and outsourced employees, with 1,019 own employees and 2,258 outsourced professionals<sup>2</sup>. [GRI 2-7| 2-8]

Our focus is on providing an increasingly positive career and development journey. Our People Management is based on appropriate compensation and benefits practices and policies, as well as training, occupational health and safety, and at-work well-being programs. We also respect the right to freedom of association and collective bargaining. [GRI 2-30]

Another pillar of our culture is impartiality in hiring and promotion processes, through which we select candidates with the most appropriate profiles for positions. We believe that everyone is unique, so we promote diversity and inclusion, paving the way for everyone to be who they are in a welcoming environment where they feel comfortable and safe.

In 2023, the Organizational Human Development (DHO) Department was renamed People and Care Management. The function is responsible for defining processes and tools for appropriate People Management, combining disciplines related to career, development, diversity and inclusion, health, well-being and employee safety. Policies, practices and initiatives are always linked to Veracel’s purpose and pillars.

For the sixth consecutive year, Veracel has been recognized with the seal of Great Place To Work (GPTW), a global consulting firm that assesses and certifies workplaces in more than 60 countries. The survey found that the Trust Index of the people who work at Veracel reached 87%, confirming our position as one of the best companies evaluated by GPTW.

It is important to emphasize that there is no evidence of any direct negative impact on our operations and that we remain committed to ensuring fair labor practices, including in our supply chain.

<sup>2</sup>Outsourced professionals perform operational and administrative activities. They are continuous service providers, under the same contract with a term starting at 12 months. They work in forestry, transportation of people and materials, equipment maintenance, road maintenance, food, building maintenance, industrial maintenance, engineering, recycling and logistics. [GRI 2-8]



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# Benefits

## for employees

[GRI 401-2]

Among the benefits offered by Veracel, we highlight those designed to improve the quality of life and well-being of employees and their families. See the list below:

- Expense reimbursement for employees who work from home or in a hybrid mode
- Expense reimbursement for school supplies
- Meals on company premises
- Assistance and psychological support - Conte Comigo
- Financial assistance for employees on leave
- Support for employees with disabled children
- Childcare assistance for mothers with children up to five years old; also for hiring professional help
- Integration campaigns between employees and family members
- Leisure clubs

- Educational or related scholarships
- Financial advice
- Maternity leave
- Paternity leave
- Profit sharing
- Private pension plan
- Medical insurance
- Dental insurance
- Comprehensive physical, mental and nutritional wellness program
- Telehealth
- Transportation
- Meal voucher
- Gift and Christmas vouchers

The benefit programs listed here reflect our commitment to the well-being and satisfaction of our employees. By investing in initiatives that meet the individual needs of our employees, we strengthen the work environment and foster a culture of care and inclusion. We are committed to continually improving and expanding these benefits to ensure that our employees and their families have the support they need to thrive in their personal and professional lives.





# Training & development

[GRI 404-2]

Our corporate training strategy is developed around EducaVeracel, an initiative that includes training, qualification and development activities for our employees. Learning projects and actions aim to promote the discovery, reorganization, construction and application of knowledge, skills and attitudes (competencies) for business, work and life.

With EducaVeracel, we aim to modernize the learning system by automating the Training & Development Management process and providing a flow of educational initiatives, among others, adding value to the business through sustainability, innovation, diversity and inclusion.



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Our corporate learning platform ranges from simple training, such as basic IT courses, to behavioral and technical training. With the Saint Paul University seal, it provides digital education and training services in various areas such as leadership development and various knowledge through training, qualification and development activities for the company's employees.

The Corporate Training Department is based on the mandatory training matrix, the individual development plan and the business strategy for training the local workforce. The development and training activities offered to internal and external audiences contribute to career development.

In 2023, we invested R\$ 2.6 million in courses and training activities. This initiative is divided into mandatory training, defined by area and required by law, to enable employees to perform their duties, and into actions to develop the skills

and competencies of employees, based on each person's performance evaluation. During the year, the average training time per employee amounted to 23.66 hours - 11.63 hours for men and 66.21 hours for women. **[GRI 404-1]**

**Leadership development**

The Leadership Development Framework includes a variety of actions tailored to each level of management. It is an educational model that proposes training, qualification and continuous improvement itineraries for leaders.

We also have a Women's Leadership Program, which had 25 participants, of which 60% were promoted before the end of the program.



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# Performance *evaluation*

Our employees undergo annual performance evaluations as part of our Ciclo de Gente process. The goal is to review what they have been done and understand each person’s career and future prospects. In this way, we can identify the skills and competencies that can help accelerate professional and career development. Another stage of this assessment cycle is carried out through integrated committees that discuss performance, succession and career opportunities.

In 2023, 100% of employees (leadership, management, operational and technical) underwent regular performance and career development evaluations<sup>3</sup>. [\[GRI 404-3\]](#)

<sup>3</sup>Our performance evaluation process considers in a cycle 100% of employees (leadership to operational) hired until August of the year.

# Diversity & *inclusion*

Diversity & Inclusion issues at Veracel are integrated into the company’s strategic planning. Based on a critical evaluation process conducted in 2020, we launched an action plan with several goals to be achieved by 2025. We engaged a D&I consulting firm to support the strategy and conducted a census to determine the number of minority employees and a survey to understand the Veracel team’s perceptions on these issues.

The Diversity, Equality and Inclusion policies are the responsibility of the People and Care Management Department. We also have a Diversity and equity Committee, made up of employees from a variety of functions, whose focus is to help promote a more inclusive and pluralistic culture.

We address these issues based on five pillars of action listed below. Leadership, including the Board of Directors, acts in a participatory manner as sponsors of each pillar.

- Gender equality
- Disability issues
- Race and ethnicity
- LGBTQIA+ group
- Generations







We are a signatory to key initiatives such as Rede Mulher Florestal, UN Women, the Business Coalition for Racial and Gender Equality, the Business Coalition to End Violence Against Women and Girls, the Business Network for Social Inclusion, and the LGBTIA+ Business.

Throughout 2023, we promoted a more emotionally safe and diverse environment through strategies designed to improve everyone’s quality of life. The initiatives focused on ensuring that everyone had a voice, and the result was an internal climate of trust and learning. We discussed critical issues and talked about diverse topics, making a difference in the lives of many employees. To further strengthen our commitment, we set a target for the year: 50% of all hires in 2023 should be women and people with disabilities - this goal was achieved in the criteria for women.

One of the activities carried out during the year as part of the Diversity pillar was recruitment through the Jovem Aprendiz Program, taking into account business needs. We recruited 35 young apprentices, including self-identified black or brown people, women and members of the LGBTQIA+ group.

We also actively participate in associations, forums and networking events focused on the forestry industry and/or issues directly related to diversity, equity and inclusion, maternity and paternity leave.





# Diversity & inclusion culture

We have a Diversity and Inclusion Committee called “Empresa+ Inclusiva” whose mission is to promote the appreciation of plurality and equality at Veracel by creating pathways for everyone to be who they really are in a comfortable and safe way.

This committee has 28 volunteer members who work to ensure that the pillars of gender equality, race and ethnicity, people with disabilities, the LGBTQIA+ community and intergenerational coexistence are increasingly understood and respected within and beyond Veracel.

Through this committee, several initiatives are carried out to promote an inclusive culture, such as Diversity and Inclusion Dialogues for the Industrial, Forestry, Finance and Sustainability teams. In addition, it holds

Diversity Calendar lectures and live streams, as well as exclusive women’s discussion circles, where, among other things, manifestations and personal stories can be shared.

Other key pillar achievements of the Empresa+ Inclusiva Committee include:

## Women’s empowerment (gender equality)

This working group put the Papo de Mulher Program into practice throughout the company by training 13 female multipliers to ensure coverage of the issue, including administrative, forestry and industrial areas.

During the celebration of Women’s Month, we opened a special period to collect only women’s curriculum vitae on our partner platform, reaching more than a thousand resumes.

We also developed a program focused on training women leaders through an external partnership that has already trained a group of 25 women.

Another initiative was the Despertar Program, a pilot project aimed at raising the awareness of all Veracel women about women’s empowerment and careers through self-awareness and self-development tools with specific content, exercises and a protagonist posture of each woman, who recorded her professional aspiration plan and her personal reflections.

**In 2023, we completed a forestry machine operator training course and a mechanic training course, both for women and men, which did not require prior work experience. This provided opportunities for learning and internships inside or outside the company. Of the 40 places available for the two courses, 20 were filled by women.**





### Mentes Pretas (Race and Ethnicity)

The creation and implementation of the “Mentes Pretas” Program was the major advancement of the working group of this pillar in 2023. The initiative provided racial competency training and mentoring focused on the career development of black male and female employees.

### Inclusive Culture (LGBTQIA+ Population)

During Diversity Week, we hold online lectures and in-person dynamics focusing on respect and empathy with LGBTQIA+ people and, mainly, trans people.



### Empresa + Acessível

One of the main activities carried out by Veracel’s accessibility working group was a round table to listen carefully to the nursery employees to understand their perception of inclusion and to identify their areas of interest for professional development. A group of 15 people were interviewed, including people with disabilities at Veracel.



# Innovation *as a pillar*

[GRI 3-3] Investments in technological innovation]

Innovation is a pillar of Veracel’s business model. In 2023, we created the Innovation and Digital Transformation Commission to strengthen our culture of innovation and improve our practices and processes. The commission has been working on the following fronts:

- Diagnosis of innovation maturity;
- Development plan for innovation and digital transformation culture;
- Innovation and digital transformation governance, with the establishment of a hybrid corporate model for the execution of initiatives and projects in line with Veracel’s strategy.

Based on this work, we structured the Innovation and Digital Transformation department, which is responsible for fostering a culture of innovation and accelerating Veracel’s strategic projects.

One of the projects we carried out in 2023 was the implementation of Veracel’s official Whatsapp channel, WhatsVera, with a chatbot for corporate services. The goal is to provide our employees with more flexible communication and services. In 2024, the channel will be extended to communicate with communities and the general public.

In addition, we invested in the monitoring infrastructure for our mill’s control panels, which provides real-time safety and process information, with significant gains in process stability. We also continued the process of renewing our automation park, with system upgrades and other benefits for Veracel, such as predictability of failures, virtualization, and cybersecurity, among others.

In 2023, we also conducted several team training activities focused on artificial intelligence and analytics.

### Innovation in operations

We are the first company in South America to implement an innovative tool of intelligent soot blowers for the recovery boiler, the equipment responsible for the chemical recovery of the liquor used in the cellulose production process.

The goal of the new system is to avoid unscheduled shutdowns of the recovery boiler for scrubbing, thereby improving system efficiency, increasing blowing in more critical areas, and improving plant availability.

The technology will bring gains equivalent to 72MWh/day or 3MWh in Veracel’s hourly generation.



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# Valuing life *is a priority*

Health, well-being and safety

Environmental management

Biodiversity



# Health, well-being and safety

[GRI 403-1] 403-2]

To prevent and mitigate significant health and safety impacts in the workplace, Veracel has a Risk Management Program and a Medical Control and Occupational Health Program.

First, the Risk Management Program conducts a preliminary hazard identification of the activities performed at Veracel. From this, hazards are identified and occupational risks to which employees are exposed are assessed using a specific methodology. In this way, we develop a preventive analysis of the activity, identifying its stages, hazards and risks, as well as the control measures to be adopted.

The Occupational Health and Safety Management System is based on the Regulatory Standard NR-01 (General Provisions and Occupational Risk Management) and structured on Veracel’s premises and as defined in the company’s Health and Safety Cultural Transformation Plan. It covers all activities performed on the company’s premises (forests, plant, forest center, marine terminal and Veracel Environmental Protection Station) and includes all employees and those of partner companies (100%) that have their own management systems and use the Veracel Management System as a guide. [GRI 403-8]

In addition, we have an Occupational Health and Safety Policy and an Occupational Health and Safety Guide for partner companies, as well as a Hearing Protection Program, which manages noise risks, and the Respiratory Protection Program, which monitors chemical risks such as harmful dusts and mists. The Ergonomics Program establishes the controls and actions necessary to maintain a safe, healthy and comfortable work environment.

Veracel uses a variety of internal procedures and tools, including safety inspections conducted by

managers and specialists in safety engineering and occupational medicine. We also hold regular health and safety meetings and maintain a daily dialogue on these issues.

For all employees to report hazards and risks found in their work areas, we have a Deviation Report, a tool available through a computer and mobile phone application. Using this tool, any employee can report unsafe conditions or behaviors observed in their work areas. The person responsible for the area then takes the appropriate action, focusing on correcting the deviation.

When an incident occurs, after providing assistance to those involved, an analysis of what happened is conducted based on information gathered from site visits, statements and activity logs. In this way, we can determine the most appropriate methodology to determine the causes of the incident and establish the appropriate action plan.



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# Operational safety

Periodically, we perform a general shutdown for preventive maintenance of all plant equipment. This activity is carried out in coordination with the responsible authorities and in accordance with the required guidelines, regulations and deadlines. General shutdown planning ensures the mitigation of risks associated with accidents, spills, environmental odors or excessive consumption of natural resources during the performance of engineering and maintenance services.

In 2023, we carried out the most extensive general shutdown in the Veracel’s history, in terms of the number of people involved, the activities performed and the duration. During this period, we generated more than R\$ 10 million for the region of Eunápolis (Bahia),



where our plant is located, hiring more than 3,000 workers and contracting services such as hotels, transportation and food.

In addition, we have more than 400 sensors for predictive equipment analysis. They detect variations in equipment and indicate potential problems. This analysis helps us determine which equipment needs maintenance or repair. In this way, the mill that works 24 hours significantly reduces the risk of unexpected shutdowns every day.

# Building a culture of safety

[GRI 403-4]

To strengthen Veracel’s safety culture, we have implemented the Cultural Safety Transformation Plan, which includes initiatives such as:

- Life safety rules and consequence management procedures;
- Behavioral safety training for Veracel’s and partner companies’ health, wellness and safety managers and professionals;
- Monitoring and speed control of vehicles transporting cellulose and eucalyptus and light vehicles;
- Meetings of the Internal Accident Prevention Committee (CIPA, in Portuguese) and the work of the Safety Guardians, a group of professionals formed on the basis of



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recommendations from Veracel employees (Safety Guardians work alongside the company’s employees).

Within the Health and Safety Cultural Transformation Plan, it is worth highlighting the evolution of the safety culture maturity that Veracel achieved in 2023. After carrying out a new safety culture diagnosis, we identified a 20% increase in safety maturity within a period of 18 months of hard work. We saw a reduction in reactive profiles and an increase in proactive features, thanks to the commitment of managers and all employees.

Through our Health, Welfare and Safety Management System, we provide the employees (our own and partner companies) with specific advisory tools to support the development, implementation and continuous evaluation of procedures, such as monthly meetings including managers and partner companies, in addition to the CIPA members mentioned above.

All employees receive health and safety training. Training is determined based on a matrix of mandatory training, which in turn is developed based on legal requirements set out in regulatory standards and other normative documents. In addition to these mandatory courses, training is provided on internal procedures. [\[GRI 403-5\]](#)



# Health and well-being

[\[GRI 403-3\]](#) [403-7\]](#)

The Occupational Health Department plays a fundamental role in promoting the health, well-being and safety of employees. It is responsible for supporting the identification and assessment of health risks associated with work activities, including the analysis of processes, the identification of physical, chemical, biological and ergonomic agents, and the evaluation of working conditions that may be hazardous to employees.

By mapping the risks formalized in our Risk Management Program, as well as the relevance of the data contained in the ergonomic analyses, we have built our Medical Control and Occupational Health Program to monitor the health of our employees. On the basis of this data set, we have carried out a series of continuous measures, ranging from increased check-ups with the occupational physician, kinesio-functional analyses, workstation adjustments, ergonomic training, work gymnastics, and complementary examinations to monitor the evolution of employee health trends and other initiatives.



At Veracel, we provide health services that meet the needs of each group in an equitable manner while maintaining standards of quality. This includes the selection and monitoring of occupational health service providers, such as medical clinics, laboratories and healthcare professionals.

We have a wellness program built around the pillars of Move, Take Care of Yourself and Communicate, with activities that focus on the physical, mental and emotional health of employees and encourage the adoption and practice of healthy habits.

[GRI 403-6]

### Benefits of the wellness program

- Medical assistance service
- Telemedicine
- Work gymnastics
- Mental health support channel
- Physical activity app
- Comprehensive health plan
- Immunization campaigns



### Mental health support channel

As part of the Take Care of Yourself Pillar, Veracel implements mental health activities and provides an exclusive emotional support channel for employees and their families, called Conte Comigo. The service, which is confidential, is provided by specialized psychologists and is available every day of the week from 8 a.m. to 10 p.m., also via WhatsApp.



# Environmental management

[GRI 3-3 Environment] 403-1| 403-2]

We are committed to improving our environmental performance. As a company driven by advanced environmental technologies and the cellulose manufacturing process, the effort to improve this standard is challenging, but we face it with responsibility and determination.

Veracel has procedures in place to identify, manage, mitigate and compensate for the impacts of its operations on communities and the environment. Environmental impacts are primarily related to the planting, harvesting and transportation of timber. We carry out a series of studies and actions to mitigate and manage these impacts. Investments in technology and research also contribute to this.

In addition, Veracel maintains an open channel with local communities and those directly affected, relying on representatives to record any incidents, doubts or deviations that may occur. These facts are forwarded to the appropriate departments for appropriate action.

## Energy efficiency

Veracel committed to being increasingly efficient and responsible in both the generation and consumption of energy. All of the energy consumed at our plant is generated by burning fuels from renewable sources. The black liquor from the wood cooking process is burned in the recovery boiler. All other wood residues, together with sugarcane bagasse, açai seeds and primary sludge (fibers lost in the process) are burned in the biomass boiler for energy generation.

Of the total energy generated at our plant, we consume a portion and sell the surplus to the National Interconnected Grid (SIN, in the Portuguese acronym) and to a chemical plant located at our site.

We purchase energy from SIN only when the turbo generator is shut down for maintenance or steam balance. All of our energy sales are managed by a specialized energy management company.

In 2023, we completed the Veracel Solar Project with the installation of 2,172 photovoltaic panels at five of our external sites and an energy generation capacity of 1.8 GWh/year. This solar project provides an alternative source of energy to help relieve pressure on the local grid.

In 2023, we consumed a total of 4.767.197 gigajoules (GJ) within the organization and 111,856 GJ outside the organization<sup>4</sup>. The energy intensity rate was 3.07 GJ per ton produced<sup>5</sup> in 2023. [GRI 302-1| 302-2| 302-3]

## Buying and selling energy

Energy export is Veracel’s second business. We are committed to generating clean energy and maximizing energy efficiency at the plant. Steam generation in the recovery boiler is controlled by the plant’s liquor balance. Steam generation in the biomass boiler is controlled according to biomass availability and market fluctuations (energy price).

With the goal of generating clean energy, we are looking for new alternative fuels to burn in the biomass boiler. In this way, together with the Sustainable Supplies project, we are contributing to the development of local suppliers and promote the circular economy in our region, adding value to waste that could become an environmental hazard.

<sup>4</sup> The fuel consumption of light-duty vehicles and buses was measured. The conversion factors used were 1 liter of diesel = 0.1759 GJ and 1 liter of gasoline = 0.0342 GJ.  
<sup>5</sup> tons of pulp produced: 1,062,718 tsa. The energy types considered were electricity and natural gas. Only energy consumed within the organization was included in the calculation.



# Water and effluents

[GRI 303-1]

Cellulose production depends on the use of water at all stages of the process. The Veracel plant has been designed around the concept of intensive water recycling between the manufacturing stages, as well as equipment to monitor and control water losses.

Water is collected in a man-made watercourse on the Jequitinhonha River, 800 meters below the point where treated effluent is discharged from the plant. This means that Veracel is the first user of the resource after the effluent is discharged from the plant itself. Approximately 80% of the water collected is used and continuously returned to the Jequitinhonha River in the form of treated effluent, meeting legal discharge standards and without altering the river’s water quality standards.

Approximately 1.0% of the water collected from the Jequitinhonha River and destined for the mill is absorbed in cellulose and waste. This means that 99% of the water collected is returned to the environment in the form of treated effluent and water vapor. In the most critical condition of low flow of the Jequitinhonha River (about 40 m³/s), the dilution capacity can be about 70 times.

Regarding the discharge of wastewater, we comply with the standards established by Conama Resolutions No. 430/2011 and No. 357/2005 and the National Water Agency (ANA, in the Portuguese acronym) Resolution No. 717/22. In order to effectively ensure compliance with these laws, Veracel establishes more restrictive limits internally. [GRI 303-2]

## Controlling water use

The water consumption indicator is considered strategic by Veracel. The monitoring and control of this indicator is continuous. The plant’s water use target for cellulose production is reviewed annually.

Our specific water consumption for cellulose production amounted to 20.06 m³/t<sub>sa</sub> in 2023. With this result, we remain one of the one of the best performing companies in the world in terms of water consumption.



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The target set for 2024 is less than or equal to 20 m<sup>3</sup>/tsa. The long-term target set in 2020 is an average specific water consumption of less than 18 m<sup>3</sup>/tsa over the following five years.

**Water quality monitoring**

The main tool used to manage water use is the environmental monitoring of water resources, carried out both on the Jequitinhonha River and on the main rivers under the influence of eucalyptus plantation. Based on the results of this monitoring, we can control the water quality of the rivers and take action in case of non-compliance with parameters related to the Veracel’s operations.

We also monitor water use in forestry operations, seedling production, and forest and road maintenance activities. Some measures are being taken to reduce water

use in these areas, such as the use of calcium chloride -based gel for wetting roads and planting seedlings.

We also perform quantitative monitoring to evaluate the flows of some important water resources, such as the Jequitinhonha River. In addition, we monitor four specific micro-basins in partnership with the Luiz de Queiroz Agricultural College (Esalq, USP). The goal of the Microbasin Monitoring and Modeling Cooperative Program is to compare water availability in microbasins under the influence of the Atlantic Forest and eucalyptus plantation.





# Emissions *control*

All of Veracel’s cellulose production is transported by truck to the Belmonte Maritime Terminal, 60 km from the plant. From there, it is shipped by barge to Portocel, in the state of Espírito Santo, from where it is sent to various factories abroad. The option of transporting our pulp by barge is a sustainable choice, with lower carbon emissions and fewer cargo vehicles on the route between Bahia and Espírito Santo on the BR-101 highway.

To monitor the impact of Veracel’s emissions on local communities, we have established an odor perception network of 26 volunteers who live in nine communities near our site. They are trained annually to recognize the odors typical of the cellulose manufacturing process.

We have a communication channel via a toll-free number for people to report any unusual odors in the community. These

records are used as an indicator of Veracel’s strategic environmental performance. Every odor incident at our facility is investigated and treated as a priority.

## Inventory of carbon emissions and removals

In 2023, we reported our second annual inventory of carbon emissions and removals, considering Scopes 1, 2 (full) and 3 (partial) of the GHG Protocol, using data from fiscal year 2022. Veracel’s total operations removed 1,932,887.25 metric tons of CO<sub>2</sub>. In its manufacturing process, Veracel was responsible for the emission of 261,005.02 metric tons of CO<sub>2</sub> - only 13.5% of what it removed. In short, Veracel emits a very small percentage of greenhouse gases and removes a large amount (76.5%) from the atmosphere. [\[GRI 305-1\]](#)

We use inventory data to manage risks and identify opportunities to reduce GHG emissions by reducing waste and errors in our operations and optimizing processes.



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# Waste Management

[GRI 306-1] 306-2]

Concurrent with the startup of our plant, Veracel began operations at the Waste Treatment Center, which is designed to receive much of the waste from our cellulose production process. We are the first company in Brazil to do so.

Waste management is managed by Veracel under the responsibility of Environmental and Permitting Coordination, which monitors data and contracts. Our waste management process is regularly audited by an accredited company in accordance with ISO 14001, PEFC and FSC® standards.

Organic wastes, such as eucalyptus biomass and biological sludge from the wastewater treatment center, are composted to produce organic fertilizers. Similarly, inorganic wastes such as dredge and grit, lime sludge, slaked lime and fly ash are used as raw materials for the production of soil acidity improvers.



Over the past 10 years, some types of waste have been reused in the cellulose manufacturing process itself and are now considered by-products rather than waste. Brown cleaning waste is no longer sent to industrial landfills. This material is returned to the chip yard where it is used as a raw material. A portion of the lime sludge waste has also been diverted from recycling to the lime kiln, where it is used as a raw material.

We no longer sell a portion of the primary sludge waste (cellulose fiber recovered at the wastewater treatment center) for recycling. The discarded material started to be sent to the biomass boiler for use as an energy resource.

Non-recyclable industrial waste is sent to a licensed industrial landfill located on Veracel’s own site. Hazardous waste, such as waste oil, fluorescent lamps, batteries, oil- or chemical-contaminated waste, and packaging, is taken to the plant’s waste center and sent to specialized and licensed companies.

Waste transportation and treatment is performed by outsourced companies, with Veracel controlling and monitoring the transportation and destination data.

In 2023, the total waste generated by Veracel’s operations amounted to 42,400 tons. During this period, we prevented sending a total of 41,839 tons of waste to landfill and sent it for recycling. The total amount of non-recycled waste was 560 tons. [GRI 306-3] 306-4] 306-5]



# Biodiversity

[GRI 3-3 Landscape and biodiversity] 304-2]

We have about 100,000 hectares dedicated to environmental conservation, which has positive effects on the territory, such as water availability, increased pollination of cultivated and native forests, removal of CO<sub>2</sub> from the atmosphere through restoration activities, conservation of wild wildlife through the creation of ecological corridors. It also improves the quality of life for people, especially in neighboring communities, and generates income through seedlings of native species purchased from nurseries in Veracel's area of operations.

Another highlight is that our forest certifications guarantee that 100% of the wood used in the production process is certified or controlled according to the principles and criteria of international regulatory standards (FSC®), with annual audits. For regulation and control, we have a technical, economic, environmental and

social project that includes measures to mitigate potential environmental impacts on biodiversity in the areas where Veracel operates.

In partnership with Suzano, we have carried out an Integrated Biodiversity Monitoring (BAMGES), with the aim of maintaining or increasing the environmental characteristics of the flora and fauna identified in Areas of High Conservation Value located on our properties. In addition, we monitor eucalyptus plantations with the goal of proposing prevention, mitigation, control or compensation measures for any identified negative impacts that could affect fauna, flora or the environment.

The monitoring results in a list of species found, with information on the level and degree of threat, and a critical analysis that contributes relevant data to other scientific research in the area (read more about the fauna monitoring report on the next page).

In forestry, we use the mosaic planting method, which allows us to create a balanced landscape between commercial eucalyptus plantations and native vegetation, protecting the soil and ensuring water supply and quality, biological control and biodiversity conservation.

In addition, the native forest interspersed with the plantations contributes to the biological and natural control of pests that may affect the productivity of the planted forest. This type of environment also allows fauna to circulate between the forest fragments, since it favors the formation of temporary corridors. In this way, the ecological balance is maintained, promoting the exchange of genes between fauna and flora and the maintenance of biodiversity.



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## Forest restoration

[GRI 3-3 Forest restoration] 304-3]

We have restored former pastureland by increasing native vegetation cover and redesigning the landscape. Our annual goal is to restore 400 hectares. In 2023, we restored 295.32 hectares in the face of climatic conditions that promoted an intense period of drought in the region. From 1994 to 2023, 8,232.07 hectares have already been restored.

This work has contributed to the formation of ecological corridors connecting forest fragments of the Atlantic Forest. We consider a list of more than 100 species that can be planted and we use between 20 and 40 species per hectare.

The forest restoration project is validated by the State Environmental Agency as part of the fulfillment of the environmental license conditions and is also submitted through the Rural Environmental Registry.

All protected or restored areas are managed and monitored directly by Veracel. We rely on a partnership with outsourced companies to monitor fauna and flora, conduct heritage protection rounds and implement the restoration processes. In 2023, there were no complaints or observations from stakeholders regarding the impact of forest restoration activities.

### Amigos da Fauna project

Through this initiative, we promote environmental education activities and encourage our own employees and partners to take photographic records of wildlife elements seen in the areas where Veracel operates.

In 2023, more than 500 animal images were recorded on our plantations, 43% of which were in eucalyptus plantations, confirming that wildlife uses the area to move between natural fragments.

Throughout our plantations, we provide guidance on the importance of protecting flora and fauna. The result of the program shows that our form of forest management provides harmony between economic activities and environmental protection.



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# Environmental awareness and biodiversity protection

We conduct environmental awareness campaigns in the communities where we operate. The goal is to raise awareness about the care and maintenance of protected areas and the preservation of local biodiversity.

We provide a tool to fight forest fires, the Fire Perception Network. Using the phone number 0800 799 9802 and the Whatsapp number (73) 99925-0430, people in neighboring communities and municipalities can report possible fire outbreaks, whether in Veracel’s eucalyptus plantations or in areas of native forest located within the boundaries of our operations. In 2023, 298 fires were detected, affecting 2,105 hectares, including 1,230 hectares of eucalyptus plantations and 875 hectares of protected areas.





# Private National Heritage Reserve

## Estação Veracel RPPN

The Estação Veracel Private Natural Heritage Reserve (RPPN, in the Portuguese acronym) celebrated its 25th anniversary in 2023. The management of this RPPN is under the responsibility of Veracel, but the area is a World Heritage Site.

Located in the municipalities of Porto Seguro and Santa Cruz Cabrália, in the south of Bahia, Estação Veracel has more than 6,000 hectares of preserved Atlantic Forest, recognized by Unesco as a World Natural Heritage Site. The reserve plays an important role in the protection of fauna and flora species threatened with extinction worldwide. It also guarantees the preservation of life in all its manifestations. With 115 water sources, it is responsible for ecosystem services that extend beyond its borders.

Estação Veracel is also an open-air laboratory for scientific research by various institutions. Around 230 scientific studies have been carried out by

prestigious institutions to understand and preserve the environment.

The biodiversity conservation work carried out at the Estação Veracel RPPN has been certified by the FSC® Ecosystem Services Procedure. We are the first in the cellulose and paper industry to receive this certification. The purpose of the FSC® certification is to recognize and value the activities of companies and organizations that use natural resources without depleting them. This is one of the pillars of sustainable development and aligns with Veracel's corporate purpose.

We have implemented the Good Neighbor Program to promote awareness and dialogue with the immediate neighbors of this RPPN by providing environmental education through the Veracel Environmental Education Program team and conducting inspections and monitoring through the RPPN Physical Protection team.


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# Protecting the humpback whales

[GRI 3-3] Impacts of the port terminal



For almost 20 years, we have invested in the monitoring and protection of the humpback whale population along the coast of Bahia.

In 2023, we were part of an international documentary about the risks of collision with whales around the world, as a success story for the pioneering project of installing a thermal camera on one of the cellulose transport barges to monitor humpback whales on the route between the Belmonte Maritime Terminal and Portocel, in Espírito Santo. This project is being carried out in partnership with the Baleia Jubarte Institute and Norsul, the company that operates Veracel’s cellulose transportation logistics. The camera records the movements of whales and small boats.

The footage is fed into software that sounds an alarm if it detects an obstacle in front of the vessel, be it a whale or a fishing boat, within a radius of up to 2 km.

The frequency of these aerial observations is three years. The next population estimate for whales in the region will be made in 2025.

# Marine life

[GRI 3-3] Impacts of the port terminal

Our Sea Turtle Monitoring Program spends approximately 200 hours per month, day and night, on 35 km of beaches. The goal is to protect the nesting season from external threats caused by human activities or logistical operations.

Another goal is to ensure that Veracel’s operations at the Belmonte Maritime Terminal continue to have no impact on the reproduction of the species on the region’s beaches. In the recent nesting seasons, more than 11,700 turtle hatchings have been recorded in the Veracel’s monitoring area. The program also records the presence of stranded chelonians in the monitored areas.

In September 2023, we inaugurated the Sea Turtle Rehabilitation Center, the only one in the region authorized to rehabilitate these animals so that they can be reintroduced into the environment. Two species undergoing rehabilitation. The center is also capable of diagnosing the causes of turtle deaths and generating indicators to contribute to new environmental education and species protection actions.



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# 2024

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In 2023, we developed a work plan to prepare the entire Veracel for 2024. Some of the guidelines are to exceed the production target, increase the forest base and the planned plantation area. In addition, four pillars will be priorities for our operations: safety, people, sustainability and production.

On another front, we will continue to develop initiatives to maintain our position as a leader and reference in technology and innovation. Two years ago, we began the process of evolution towards Industry 5.0, in which people are the protagonists in the adoption of technologies. We will continue to evolve on this

front with the adoption of digital transformation tools, Internet of Things, data mining, augmented reality and online analytics.

In the Sustainability Pillar, 2024 will be marked by stronger alignment with the UN Sustainable Development Goals (SDGs).

In short, in 2023, we are planting the seeds for the years to come. We want to leave a positive legacy for society and the planet. We will continue to support the social development of neighboring communities and work together to achieve global sustainable development goals.





# Indicator sheet



Social indicators

GRI 2-7 Employees

Categories <sup>1,2,3</sup>	Midwest	North East	North	Southeast	South	Total <sup>4</sup>
Permanent employees	4	965	5	79	15	1,067
Temporary employees	-	-	-	-	-	0

<sup>1</sup>Data extracted from the SAP/Success Factors system used by Veracel for hiring and managing employees. The scenario considered was the number of employees as of 12/31/2023.

<sup>2</sup>For regional data, the analysis was based on the place of birth of active employees as of 12/31/2023.

<sup>3</sup>Temporary employees include young people who have signed an apprenticeship contract with Veracel in partnership with SENAI.

<sup>4</sup>Veracel maintains a stable number of employees, without fluctuations in the number of hires and dismissals.

GRI 2-30 Collective bargaining agreements

Total number of employees	Number of employees covered by collective bargaining agreements	Percentage of total employees covered by collective bargaining agreements	For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations
1,067	914	86%	The working conditions and terms of employees not covered by the collective bargaining agreements are determined by Veracel in accordance with its internal guidelines and procedures.

GRI 401-1 New employee hires and employee turnover

Age group	Total number of employees	Hires	Dismissals	Turnover rate <sup>1</sup>
Under 30 years old	163	42	54	29.45%
30-50 years old	787	89	123	13.47%
Over 50 years old	109	2	13	6.88%

Gender	Total number of employees	Hires	Dismissals	Turnover rate <sup>1</sup>
Men	821	81	108	11.51%
Women	238	52	27	16.59%

Region	Total number of employees	Hires	Dismissals	Turnover rate <sup>1</sup>
Midwest	3	2	0	66.66%
North East	994	109	102	21.22%
North	4	4	1	125%
Southeast	51	28	26	105.88%
South	7	1	5	85.71%

<sup>1</sup> The turnover rate considers the average number of hires and dismissals by the total number of employees at the end of the period.



GRI 401-3 Parental leave

	Total number of employees that were entitled to parental leave	Total number of employees that took parental leave in the reported period	Total number of employees that returned to work in the reporting period after parental leave ended and whose leave ended within the reported period
Men	821	32	32
Women	238	16	16

GRI 403-9 Work-related injuries<sup>1</sup>

Category of employee	Number of hours worked	Rates based on 200,000 or 1,000,000 hours worked	Number of fatalities as a result of work-related injury	Number of severe consequence work-related injuries (excluding fatalities)	Rate of severe consequence work-related injuries (excluding fatalities)	Number of recordable work-related injuries	Rate of recordable work-related injuries
Employees	1,915,842	1,000,000	0	2	1.04	3	1.56
Workers who are not employees	6,312,663	1,000,000	0	7	1.11	8	1.27

<sup>1</sup> All employees and employees of partner companies working in Veracel areas are included in the calculation.





GRI 403-10 Work-related ill health

	Number of fatalities as a result of work-related ill health	Number of cases of recordable work-related ill health
Employees	0	4 <sup>1</sup>
Workers who are not employees but whose work and/or workplace is controlled by the organization	0	0

<sup>1</sup> The most common work-related health issues are of a musculoskeletal nature.

GRI 404-1 Average hours of training per year per employee

Gender	Total number of training hours provided to employees	Total number of employees	Average training hours per employee
Total	25,435.17	1,067	23.66
Men	9,738.1	837	11.63
Women	15,757.07	238	66.21

Function	Total number of training hours provided to employees	Total number of employees	Average training hours per employee
Leadership	3,931.17	63	62.40
Management	6,980.5	178	39.22
Operational	11,391.45	785	14.51
Technical	3,191.25	19	167.96



GRI 405-1 Diversity of governance bodies and employees

Governance bodies

Gender	Number	Percentage (%)
Men	824	77.23
Women	243	22.77
Total	1,067	100

Age group	Under 30 years old	30-50 years old	Over 50 years old	Total	% Under 30 years old	% 30-50 years old	% Over 50 years old
	167	791	109	1,067	15.65	74.13	10.22

Race/ethnicity	Number	Percentage
Yellow	16	1.50%
White	252	23.62%
Indigenous	10	0.94%
Brown	593	55.58%
Black	177	16.59%
Uninformed	19	1.78%
Total	1,067	100%

Employees

Category of employees	Men	Women	Total	Men [%]	Women [%]
Employee (Operational, Management and Apprentice)	745	211	956	77.93	22.07
Director	4	-	4	100.00	-
Strategic (Specialist)	30	18	48	62.50	37.50
Coordinator and Manager	43	15	58	74.14	25.86
President	1	-	1	100.00	-





Category of employees	Under 30 years old	30-50 years old	Over 50 years old	Total	% Under 30 years old	% 30-50 years old	% Over 50 years old
Employees (Operational, Management and Apprentice)	167	703	86	956	17.47	73.54	9.00
Director	-	3	1	4	-	75.00	25.00
Strategic (Specialist)	-	43	5	48	-	89.58	10.42
Coordinator and Manager	-	41	17	58	-	70.69	29.31
President	-	1	-	1	-	100.00	-

Category of employees	Yellow	White	Indigenous	Brown	Black	Uninformed
Employees (Operational, Management and Apprentice)	14	194	10	553	167	18
Director	0	4	0	0	0	0
Strategic (Specialist)	0	23	0	18	6	1
Coordinator and Manager)	2	30	0	22	4	0

Category of employees	Number of employees with no disabilities	Number of employees with disabilities	Total	Percentage of employees with disabilities
Employees (Operational, Management and Apprentice)	932	24	956	2.51
Director	4	-	4	-
Strategic (Specialist)	47	1	48	2.08
Coordinator and Manager	57	1	58	1.72
President	1	-	1	-





GRI 413-1 Operations with local community engagement, impact assessments, and development programs

Number and Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	Total number of operations or operational units	Percentage of operations/units
1. Social impact assessments, including gender impact assessments, based on participatory processes	1	100%
2. Environmental impact assessments and ongoing monitoring	0	0
3. Public disclosure of results of environmental and social impact assessments	1	100%
4. Local community development programs based on local communities’ needs	1	100%
5. Stakeholder engagement plans based on stakeholder mapping	1	100%
6. Broad based local community consultation committees and processes that include vulnerable groups	1	100%
7. Work councils, occupational health and safety committees and other worker representation bodies to deal with impacts	1	100%
8. Formal local community grievance processes	1	100%



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Environmental Indicators

GRI 3-3 Impact of Monoculture

Potential negative impacts	Prevention, mitigation and repair measures
Modification of the region’s hydrological cycle, resulting in a reduction of water availability in aquifers at the beginning of the crop’s growth cycle	We maintain riverside forests, in addition to using mosaic plantations, harvesting timber from the region at different times so that part of the forest can maintain infiltration and reduce fluctuations in the amount of water in the aquifers.
Reduction of nutrients in the soil	We conduct soil fertility inspections and add the needed nutrients through fertilization.
Modification of the growth of plants and soil microorganisms, reducing the diversity of both local flora and fauna.	We preserve large areas of native forest, both in forest massifs and in corridors in the middle of eucalyptus forests (called ecological corridors), with the aim of maintaining the diversity of flora and food for fauna, favoring the diversity of both.
Inconvenience to community members due to movement during forest operations, risk of accidents and noise.	We warn communities in advance of operations that will take place nearby. We provide a complaint channel for cases of non-compliance or any kind of inconvenience.
Cultivation of large tracts of land, reducing the variability of potential businesses in the region	We have identified local service providers who are directly involved in the implementation of forests. In this way, the entire supply chain is developed.
Potential positive impacts	Measures to maximize impacts
Soil protection from erosion. When the soil is covered by forest, the impact of water is minimized during most of the crop cycle.	We monitor environmental and social indicators in order to maintain these positive impacts at their highest potential.
Removal of a large amount of carbon from the atmosphere (approximately 150 to 200 tons per hectare).	
Improved water quality, as the culture promotes infiltration and thus water quality of aquifers	
Creation of employment opportunities in the region, promotion of entrepreneurship and income generation.	
Positive impact through tax payments.	
Less pressure on native forests due to the possibility of their renewal after harvest.	





GRI 3-3 Impact of the Port Terminal

Potential negative impacts	Prevention, mitigation and repair measures
Various injuries (with or without permanent sequelae) and/or deaths	<p>The macro-processes related to cellulose transportation and loading operations have been mapped according to the Operational Tactical Plan and the Social Aspects and Impacts Matrix, which define prevention, mitigation and compensation actions. All procedures establish standards and guidelines that comply with legal requirements and prevent potential impacts on stakeholders. In the event of non-compliance, stakeholders can register their complaints through Veracel's communication channels. In the event of environmental or safety incidents, the Belmonte Maritime Terminal has a team of firefighters trained to deal with such incidents. It also has firefighting equipment such as blankets, containment and absorption barriers, a fire truck and a fire extinguishing system.</p>
Damage to buildings	
Discomfort for community members caused by dust, accident risks, and noise	
Impact on water resources of individual or community stakeholders	
Lack of job opportunities and consequent income generation	
Damage caused to third-party betterments	
Petroleum product spills and/or accidents	
Fire risks	
Potential positive impacts	Prevention, mitigation and repair measures
Creation of job opportunities in the region with remuneration compatible with the best market practices	<p>We monitor environmental and social indicators in order to maintain these positive impacts at their highest potential.</p>
Removal of more than 200 trucks from the BR-101 highway, resulting in lower carbon emissions	
Removal of more than 200 trucks from the BR-101 highway, resulting in lower carbon	
Use of solar energy	
Increased capacity and productivity for communities participating in Veracel's social projects in the region.	
Contribution to territorial development through social investment	
Improvement of the development of society, living conditions and growth opportunities through the adoption of new technologies	
Preservation and maintenance of water resources, biodiversity conservation, CO <sub>2</sub> removal and environmental restoration	





GRI 302-1 Energy Consumption within the organization (GJ)<sup>1</sup>

Non-renewable fuels	Energy (GJ)
Natural gas	1,106,528
BPF 1A oil	15,832
Diesel oil	461
Total	1,122,821
Renewable fuels	Energy (GJ)
Wood bark	84,936
Methanol	5,655
Black liquor	2,831,940
Primary sludge	6,243
Biomass wood chip	41,687
Total	2,970,461
Other sources of consumption	Energy (GJ)
Electricity	673,915
Energy sales	Energy (GJ)
Electricity	1,503,622
Energy consumption within the organization	Energy (GJ)
Total	4,767,197

<sup>1</sup> Data is extracted from SAP systems. Energy meters are CCEE compliant. Consumption reports are sent to shareholders.

GRI 303-3 Water withdrawal (MI)<sup>1,2</sup>

Sources	All the areas
Surface water	21,286.46
Underground water	32.39
Sea water	-
Produced water	-
Third-party water	126.15
Total	21,444.90

<sup>1</sup> Veracel’s major water collection is equipped with direct measurement instruments that are properly calibrated and suitable for this purpose. In addition, the data is properly recorded in the computerized information management system.

<sup>2</sup> No water is collected in areas of water stress.

GRI 303-4 Water discharge (MI)<sup>1,2</sup>

Destination	All areas: freshwater (≤1,000 mg/L total dissolved solids) (MI) <sup>1</sup> .
Surface water	17,422.25 MI
Underground water	-
Sea water	-
Third-party water	-

<sup>1</sup> There is no discharge of water other than fresh water.

<sup>2</sup> No water is discharged into areas of water stress.





## GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Geographic location	BA-275 highway, km 24, Fazenda Brasilândia - rural area of Eunápolis - BA, 48820-970 (Latitude: -16.08936000° / Longitude: -39.40833000°)
Subsurface and underground land that may be owned, leased, or managed by the organization	According to the forest plan, the actual eucalyptus plantation area (hectares - ha) is divided into owned (79,371.8 ha), leased (7,003.4 ha) and available for planting (4,129.6 ha), for a total of 90,504.8 ha. Areas not intended for planting are divided by type: Legal Reserve (43,508.5 ha), Permanent Preservation (19,105.2 ha), Veracel Station (6,062.9 ha), Infrastructure (10,814.8 ha) and Additional Protected Areas (32,629.7 ha), for a total of 112,121.1 ha.
Position in relation to the protected area	In the surrounding area.
Type of operation	Manufacturing/production
Size of operational site	202,625 ha
Diversity value characterized by listing of protected status	<p><b>HCV1:</b> Biodiversity: Concentrations of biological diversity, including endemic, rare, threatened or endangered species of global, regional or national significance</p> <p><b>HCV2:</b> Landscape-level ecosystems and mosaics: Extensive landscape-level ecosystems and mosaics of ecosystems that are globally, regionally or nationally significant, containing viable populations of the vast majority of naturally occurring species in natural patterns of occurrence and distribution;</p> <p><b>HCV3:</b> Ecosystems and habitats: Rare, threatened or endangered ecosystems, habitats or refuges of biodiversity;</p> <p><b>HCV4:</b> Critical environmental services: Basic environmental services in critical situations, including protection of water sources and erosion control on fragile soils and slopes;</p> <p><b>HCV5:</b> Community needs: Essential areas and resources to meet the basic needs of local communities, indigenous or traditional populations (subsistence, food, water, health, etc.), identified in cooperation with these communities or populations;</p> <p><b>HCV 6:</b> Cultural values: Areas, resources, habitats and landscapes of special cultural, archaeological or historical significance on a national or global scale, and/or of critical cultural, ecological, economic or religious importance to the traditional culture of local communities, indigenous or traditional populations, identified in cooperation with these communities or populations.</p>

HCV: High Conservation Value



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GRI 304-3 Habitats protected or restored

Size and location of all habitat areas protected or restored	1,013.06 km² are distributed throughout the company's areas involved in the area of operations
Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.	All protected or restored areas are managed and monitored directly by Veracel. However, there are outsourced companies for fauna and flora monitoring, heritage protection rounds, implementation of the restoration process and environmental/edaphic water monitoring. We monitor fauna and flora. In addition to vegetation, groups of mammals and birds are studied to ensure the maintenance or increase of the diversity of endemic, rare, threatened or endangered species. More than 1,300 species have been identified in our Areas of High Conservation Value, including 910 flora and 401 fauna species. These areas are monitored to identify ways to protect and conserve High Conservation Value attributes, and to define strategies and actions necessary to prevent, control and mitigate (attenuate, minimize) threats, pressures and risks that could cause harm. Veracel has a fundamental relationship with the ecosystems in which we operate. Therefore, our environmental commitment is to promote the restoration of these environments and to defend and protect local biodiversity without deforestation in our operations. The main strategy of our Atlantic Forest Restoration Program is to establish biodiversity corridors by creating a balanced landscape between the Atlantic Forest and Veracel's forestry projects. The goal is to restore and protect the remnants of this rich ecosystem, which are in various stages of conservation and located on our company's lands. In this way, by connecting the remaining fragments of native forest, they form contiguous areas that contribute to increasing the gene flow of animal and plant species and recovering the original biodiversity, thus mitigating the effects of the high fragmentation of the Atlantic Forest.
Status of each area based on its condition at the close of the reporting period	Veracel's protection areas are divided into: <ul style="list-style-type: none"><li>• Muçununga/Campinarana (2%),</li><li>• Clean Pasture (6%),</li><li>• Dirty Pasture (12%),</li><li>• Early Stage Forest (13%),</li><li>• Medium Stage Forest (54%),</li><li>• Advanced Stage Forest (primary) (9%) and</li><li>• Others (5%)</li></ul>
Standards, methodologies, and assumptions used	In the integrated biodiversity monitoring system (BAMGES), point and linear transect methods are used to monitor birds. Medium and large mammals are monitored using camera trapping and track cutting, and vegetation is monitored using the permanent plot method, both for arboreal and regenerating layers. Since 2020, the Atlantic Forest Restoration Program has aimed to adapt the permanent conservation and legal reserve areas of all Veracel properties, meeting the deadlines established in the Environmental Restoration Plans (PRA in the Portuguese acronym), as reported in the State Forest Registry of Rural Properties (CEFIR, in the Portuguese acronym), using the following methods: total planting, nucleation, enrichment, isolation of areas and assisted natural regeneration.



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GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations<sup>1, 2</sup>

Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction	Total
Critically endangered	11
Endangered	37
Vulnerable	71

<sup>1</sup> Numbers reported refer to species included in the IUCN Red List of Threatened Species, including birds, mammals and tree species. Species of Least Concern or Near Threatened were not counted. For the national list, the values are VU=46, EN=63 and CR=7.

<sup>2</sup> No survey was carried out for Near Threatened and Least Concern species.

GRI 305-1 Direct (Scope 1) GHG emissions<sup>1,2</sup> / GRI 305-2 Energy indirect (Scope 2) GHG emissions (tCO<sub>2</sub>e)

GHG emissions and removals (tCO <sub>2</sub> e)	2022 <sup>3</sup>	2023 <sup>4</sup>
Scope 1	146,646.73	188,887.86
Scope 2	13,649.31	972.31
Scope 3	33,716.57	71,144.85
Subtotal (Scope 1 + 2 + 3)	194,012.61	261,005.02
Removals	-1,800,518.13	-1,932,887.25
Total	-1,606,505.53	-1,671,882.22

Biogenic CO<sub>2</sub> emissions amounted to 2,163,009.34 tCO<sub>2</sub> equivalent.

<sup>1</sup> The base year is 2022. Emissions in the base year or baseline for Scope 1: 188,887.86 (tCO<sub>2</sub> equivalent).

<sup>2</sup> The consolidation approach is operational control. The methodology used to quantify and report GHG emissions was the Greenhouse Gas Protocol (GHG Protocol). Where relevant, other methodologies and references were used for the calculation models used, emission factors based on the IPCC, conversion factors, etc. To account for the balance between emissions and removals, the premises of NBR ISO 14064 were used.

<sup>3</sup> Base year 2021.

<sup>4</sup> Base year 2022.



GRI 305-3 Other indirect (Scope 3) GHG emissions (tCO<sub>2</sub>e) <sup>1,2, 3</sup>

Categories	GHG emissions (tCO <sub>2</sub> )
Downstream transportation and distribution	30,309
Purchased goods and services	3,522
Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	18,794
Upstream transportation and distribution	18,133
Waste generated in operations	361
Business travel	25
Total	71,144.85

Biogenic CO<sub>2</sub> emissions amounted to 2,595.37 tCO<sub>2</sub> equivalent.

<sup>1</sup> The base year is 2022.

<sup>2</sup> The consolidation approach is operational control. The methodology used to quantify and report GHG emissions was the Greenhouse Gas Protocol (GHG Protocol). Where relevant, other methodologies and references were used for the calculation models used, emission factors based on the IPCC, conversion factors, etc. To account for the balance between emissions and removals, the premises of NBR ISO 14064 were used.

<sup>3</sup> Tons of CO<sub>2</sub> equivalent related to Scope 3, including upstream T&D; downstream T&D; waste (solid waste + wastewater); purchased goods and services; business travel; and activities related to fuel and energy not included in Scopes 1 and 2.

GRI 305-4 GHG emissions intensity

Item	Values	Intensity ratio (tCO <sub>2</sub> / tsa ) <sup>1</sup>
Scope 1	48,271.30	0.04
Scope 2	972.32	0.00
Scope 3	71,144.85	0.06
Total	120,388.47	0.11

<sup>1</sup> Denominator: Amount of cellulose produced in 2022. Unit of measurement: tsa.



GRI 306-3 Waste generated / GRI 306-5 Waste directed to disposal

Waste type <sup>1,2</sup>	Total weight (t)	Destination
Light ashes	4,341	Recycling
Dreg/Grit	18,763	Recycling
Sludge from water treatment plants	1,291	Recycling
Burnt lime	1,324	Recycling
Primary sludge	2,531	Recycling
Precipitator purge	539	Recycling
Sand from log yards	4,187	Recycling
Sand from purification waste	70	Recycling
Dirty barks (log yards and trucks)	1,692	Recycling
Sand from the bottom of calderas (heavy ashes)	3,493	Recycling
Clean barks (choppers or barks with metal)	34	Recycling
Biological sludge - dehydrated and supernatant	3,574	Recycling
Total (recycling)	41,839	Recycling
Digester waste	23	Landfill
Tank waste	525	Landfill
Dreg and grit	12	Landfill
Total (landfill)	560	Landfill

Operations	Non-hazardous waste
Incineration with energy recovery - onsite	1,531
Incineration with energy recovery - offsite	0
Incineration without energy recovery - onsite	0
Incineration without energy recovery - offsite	0
Landfills - onsite	560
Landfills - offsite	0
Total	2,091

<sup>1</sup> None of the waste is hazardous.

<sup>2</sup> Non-hazardous waste is weighed periodically to calculate the average weight. The number of monthly trips is then multiplied by the average weight to determine the total amount of waste generated.





# GRI

## Content Summary



GRI Summary

**Statement of Use:** Veracel has reported in accordance with the GRI Standards for the period January 1 to December 31, 2023.

**GRI 1 used: GRI 1: Foundation 2021**

GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 2: General Disclosures 2021								
The organization and its reporting practices	2-1 Organizational details	Page 07						
	2-2 Entities included in the organization’s sustainability reporting	Page 03						
	2-3 Reporting period, frequency and contact point	Page 03						
	2-4 Restatements of information	There were no restatements						
	2-5 External assurance	This report was not subjected to an external audit						
Atividades e trabalhadores	2-6 Activities, value chain and other business relationships	Page 07				3		
	2-7 Employees	Pages 35 and 61						
	2-8 Workers who are not employees	Page 35				8, 10		
Governança	2-9 Governance structure and composition	Pages 14, 15 and 16						
	2-10 Nomination and selection of the highest governance body	Page 14						
	2-11 Chair of the highest governance body	Page 14						
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 14				16		
	2-13 Delegation of responsibility for managing impacts	Page 14						
	2-14 Role of the highest governance body in sustainability reporting	Page 14						
	2-15 Conflicts of interest	Page 14				5, 16		



GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
Governance	2-16 Communication of critical concerns	Critical concerns are communicated to the Board of Directors during regular meetings or through extraordinary agenda item.						
	2-17 Collective knowledge of the highest governance body	Page 14						
	2-18 Evaluation of the performance of the highest governance body	Page 15						
	2-19 Remuneration policies	Pages 16 and 17						
	2-20 Process to determine remuneration	Pages 16 and 17				16		
Strategy, policies and practices	2-21 Annual total compensation ratio	The ratio of the total annual compensation of the organization's highest-paid individual to the average total annual compensation of all employees (excluding the highest-paid individual) is 54.04. The ratio of the percentage increase in total annual compensation of the organization's highest-paid individual to the average percentage increase in total annual compensation of all employees (excluding the highest-paid individual) is 6.48%.						
	2-22 Statement on sustainable development strategy	Page 04						
	2-23 Policy commitments	Page 18						
	2-24 Embedding policy commitments	Pages 19 and 24						
	2-25 Processes to remediate negative impacts	Page 21						
	2-26 Mechanisms for seeking advice and raising concerns	Pages 19 and 20						
	2-27 Compliance with laws and regulations	In 2023, we recorded 23 cases of non-compliance with laws and regulations. Non-monetary sanctions were applied in all substantiated cases. The main cases identified were: questioning of the amount paid/period of overtime and the amount paid for contract termination, inconsistent time banking, and inconsistent benefits in relation to the collective agreement (food vouchers and health plan).						





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
Strategy, policies and practices	2-28 Membership associations	We are members of several industry associations, such as IBÁ, ABCPT, Fórum Florestal, and the United Nations Global Compact against Corruption.				16		
Stakeholder engagement	2-29 Approach to stakeholder engagement	Page 21						
	2-30 Collective bargaining agreements	Pages 35 and 61				8		
GRI 3: Material topics 2021								
	3-1 Process to determine material topics	Page 12				17		
	3-2 List of material topics	Page 12						
Employment management								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 35						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 61				5, 8, 10	6	
People management								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 35						
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 36				3, 5, 8		
	401-3 Parental leave	Page 62				5, 8	6	
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Page 47				3, 8, 12		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 38 and 63				4, 8	6	
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 37 and 38				8		
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 39				5, 8, 10	6	





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 64				5, 8, 10	6	
	405-2 Ratio of basic salary and remuneration of women to men		Complete omission	Information unavailable / incomplete	Standard 405-2 has not been included in this report due to the ongoing development of our data collection processes. We are focused on enhancing our collection and analysis methods. As a result, the information for this indicator is currently incomplete and incomparable. These enhancements are intended to guarantee improved accuracy, transparency, and consistency in sustainability reporting. This demonstrates our commitment to corporate responsibility and accountability.	5, 8, 10	6	





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	We were notified of an alleged incident of discrimination involving an employee of one partner company and an employee of another partner company. We conducted a thorough investigation of the reported incident and did not find the discrimination alleged in the complaint. The case was deemed to be unsubstantiated and therefore no remediation plans were required.				5, 8	6	
Strengthening of regional economy and income generation								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 28						
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Information unavailable / incomplete						
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 27 and 28				5, 9, 11		
	203-2 Significant indirect economic impacts	Pages 24, 26 and 28				3, 8, 10		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 24				8		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 66					1	
Support for environmental and social projects								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 27						
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Pages 27 and 28				5, 9, 11		
	203-2 Significant indirect economic impacts	Pages 24, 26 and 28				3, 8, 10		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 66					1	
Impact of monoculture								
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 11 and 67						





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Pages 11 and 54				6, 14, 15	8	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Page 27						
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 31 and 32				1, 2	1	
Impact of the port terminal								
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 30, 58 and 68						
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 31 and 32				1, 2	1	
Conflict of interest and land management								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 31						
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 31 and 32				1, 2	1	
Impact of operations on directly affected communities								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 31						
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 31 and 32				1, 2	1	
Forest restoration								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 55						



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GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 70				6, 14, 15	8	
	304-2 Significant impacts of activities, products and services on biodiversity	Pages 11 and 54				6, 14, 15	8	
	304-3 Habitats protected or restored	Pages 55 and 71				6, 14, 15	8	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 72				6, 14, 15	8	
Landscape and biodiversity								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 54						
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Information unavailable / incomplete						
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 70				6, 14, 15	8	
	304-2 Significant impacts of activities, products and services on biodiversity	Pages 11 and 54				6, 14, 15	8	
	304-3 Habitats protected or restored	Pages 55 and 71				6, 14, 15	8	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 72				6, 14, 15	8	
Environment								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 49						
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 49 and 69				7, 8, 12, 13	7, 8	
	302-2 Energy consumption outside of the organization	Page 49				7, 8, 12, 13		
	302-3 Energy intensity	Page 49				7, 8, 12, 13	8	
	302-4 Reduction of energy consumption	There was no reduction in energy consumption in 2023				7, 8, 12, 13	8, 9	





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 50				6, 12		
	303-2 Management of water discharge-related impacts	Page 50				6		
	303-3 Water withdrawal	Page 69				6	7, 8	
	303-4 Water discharge	Page 69				6	8	
	303-5 Water consumption	The total water consumption in 2023 was 4,022.75 Ml. There was no water consumption from areas with water stress.				6		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 70				6, 14, 15	8	
	304-2 Significant impacts of activities, products and services on biodiversity	Pages 11 and 54				6, 14, 15	8	
	304-3 Habitats protected or restored	Pages 55 and 71				6, 14, 15	8	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Page 72				6, 14, 15	8	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Pages 52 and 72				3, 12, 13, 14, 15	7, 8	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 72				3, 12, 13, 14, 15	7, 8	
	305-3 Other indirect (Scope 3) GHG emissions	Page 73				3, 12, 13, 14, 15	7, 8	
	305-4 GHG emissions intensity	Page 73				3, 12, 13, 14, 15	7, 8	
	305-5 Reduction of GHG emissions	Information unavailable				3, 12, 13, 14, 15	7, 8	





GRI Standard	Disclosure	Location	Omission			SDG	Global Compact	External Assurance (Y/N)
			Requirement(s) Omitted	Reason	Explanation			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 53				3, 6, 11, 12		
	306-2 Management of significant waste-related impacts	Page 53				3, 6, 11, 12		
	306-3 Waste generated	Pages 53 and 74				3, 6, 11, 12, 15		
	306-4 Waste diverted from disposal	Page 53				3, 11, 12		
	306-5 Waste directed to disposal	Pages 53 and 74				3, 6, 11, 12, 15		
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Pages 31 and 32				1, 2	1	
Investments in technological innovation								
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 43						
Non-material topics								
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pages 45 and 49				3, 8, 12		
	403-2 Hazard identification, risk assessment, and incident investigation	Pages 45 and 49				3, 8, 12		
	403-3 Occupational health services	Page 47				8		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pages 46 and 47				8, 16		
	403-5 Worker training on occupational health and safety	Page 47				8		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 47 and 48				8		
	403-8 Workers covered by an occupational health and safety management system	Page 45				8		
	403-9 Work-related injuries	Page 62				3, 8, 12, 16		
	403-10 Work-related ill health	Page 63				3, 8, 16		





# Credits

- CEO:** Caio Zanardo
- Director of Sustainability and Corporate Relations:** Luiz Tapia
- Industrial Director:** Ari Medeiros
- Forestry Director:** Marcio Veiga
- Administrative-Financial Director:** Rodrigo Louzada
- Communication Team:** Alexandre Campbell, Vanessa Pinto, Ana Carolina Souza, José Barra, Ricardo Saad
- Verification Committee 2023:** Alecsandro da Silva, Allana Kister, Ana Carolina Santos, Bárbara Oliveira, Cátia Leite dos Santos, Clay Anne Azevedo, Daniel Braga, Daniele Camargo, Izabel Bianchi, Leonardo Antunes, Ludimila Campostrini, Luiz Felipe Eler, Odair Jango, Renan Borges, Teobaldo Santos, Wilma Sena
- GRI, Content and Design Consulting** Juntos | Approach Comunicação - [approach.com.br](http://approach.com.br)
- Photography:** Ernandes Alcântara, Quelvin Clécio, Ricardo Teles and Veracel collection
- General Coordination:** Vanessa Pinto





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