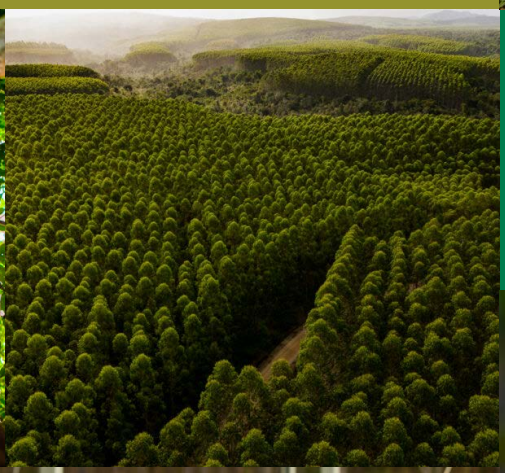
FOREST STEWARDSHIP

Our way of working

2023-2024



VERACEL

Esta edição foi elaborada com base nos Planos de Manejo de 2024 e 2025, que utilizaram, respectivamente, os dados de 2023 e 2024.

Índice

What kind of content can I find here?

This is the public overview of Veracel's 2025 Forest Stewardship Plan. This edition is based on the 2024 and 2025 Stewardship Plans, which used data from 2023 and 2024, respectively.

Our company has a strong presence in the territory, which has caught the attention of our neighbors and the communities in the eleven municipalities of Bahia where we operate.

This publication details our approach to forest stewardship, including the programs, actions, and procedures adopted by Veracel Celulose and the results achieved.

We review this document annually or whenever updates are required based on monitoring results and significant changes in activities, responsibilities, or socioeconomic and environmental conditions in the region where our company operates.

For more information, please visit our website or connect with us on social media.

Enjoy your reading!

VERACEL

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@CanalVeracel

About Us

Veracel is a forestry company that produces high-quality eucalyptus short-fiber pulp. Our pulp production is part of the Brazilian agribusiness and aligns with the concept of the bioeconomy. Veracel is a wholly Brazilian company headquartered in Eunápolis, state of Bahia. All activities covered by this Stewardship Plan comply with applicable laws.

Mill
Is located in a rural area of Eunápolis, 60 kilometers from our headquarters and 90 kilometers from the city of Porto Seguro.

Forestry Unit
Is located at the Eunápolis headquarters. This is where the eucalyptus seedlings that supply our plantations throughout the territory come from.

Belmonte Maritime Terminal (TMB)
Is 60 km from the mill. Pulp arrives by truck at the terminal, and then is transported by barge to Portocel, Espírito Santo. Each barge avoids more than 380 truck trips on the BR-101 highway, which is the land alternative to this route. This results in reduced CO_2 emissions, less traffic on the road, and a smaller impact on the fragile federal highway network.

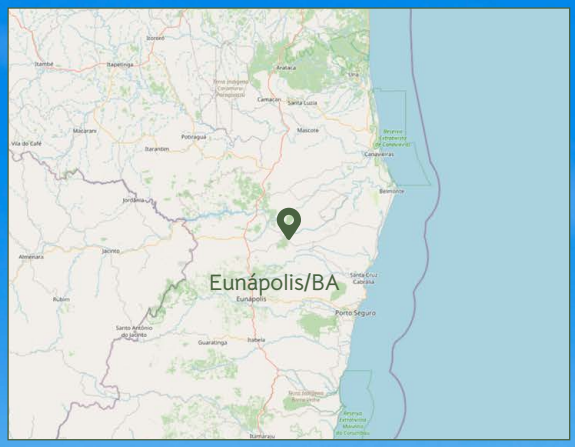
Veracel Private Natural Heritage Reserve (RPPN EVC)
Is a leading example of environmental conservation in the Atlantic Forest and has been recognized as a World Heritage Site by UNESCO. There are research and monitoring initiatives for fauna and flora.

Communities in our area of influence
We are in close proximity to more than 140 communities, 45 of which are located near our forestry operations.

Indigenous communities in our area of influence:
34 Pataxó and Tupinambá groups.

Where We Are

Location Map



Rodovia Fazenda Brasilândia, BA-275, Km 24, s/n
Zona Rural - Eunápolis - BA - CEP.: 45.820-000

ANNUAL PRODUCTION

- Pulp: 1,070,206 tsa
- Energy: 824,530 MWh

DIRECT JOBS

In December 2023, Veracel had 1,000 own employees, totaling 3,016 direct jobs. By December 2024, there were 985 own employees and a total of 3,516 direct jobs.

SHAREHOLDERS

- 50% of Suzano (Brazil)
- 50% of Stora Enso (Sweden and Finland)

Territorial Occupation

Eucalyptus planting areas (ha)	2024	2025
Owned area	78,380.9	78,301.2
Leased area	7,793.6	7,879.5
Area available for planting	4,386.7	4,963.1
Total	90,561.2	91,143.7

Areas not intended for planting (ha)	2024	2025
Legal natural reserve	43,406.0	43,557.5
Permanent preservation area	19,120.1	19,192.9
Veracel Station	6,062.9	6,062.5
Infrastructure	10,721.5	10,581.8
Additional protected areas	32,826.4	31,845.1
Total	112,136.9	111,239.9

Área Total	202.698,1	202,383.6

Base: Scope Area July/2024 - July/2025

Veracel's total area in Bahia is 237,513 hectares. Of this area, 35,129 hectares are not part of the certified forest stewardship unit and 139 hectares are occupied by social movements (as of July 2025). Veracel has been working to find fair and conciliatory solutions for all those involved, without prejudice to any legal proceedings that may be in place.

All properties that comprise the forest stewardship unit were acquired from their rightful owners. Areas under negotiation or donation, subject to management restrictions, and socio-environmental projects prioritizing family farming are not part of the management unit.

Purpose and Aspiration

Veracel's strategic planning aligns with the company's stated purpose: "To be responsible, inspire people, and value life," which is based on five cultural pillars: protection, coexistence, dialogue, overcoming challenges, and inspiration. Thus, Veracel aspires to be the best investment option for shareholders.

Aspiration
Being the best investment option for our shareholders.

Our purpose
Is being responsible, inspiring people and valuing life.

Ours pillars
are protection, coexistence, dialogue, overcoming challenges, and inspiration.

International Standard

Veracel has voluntarily adopted **national and international forest stewardship standards**. This business strategy is based on best practices and continuous improvement.

Veracel formally commits to adhering to the principles and criteria of **PEFC (Programme for the Endorsement of Forest Certification)** and **FSC® (Forest Stewardship Council®)** - and their respective chains of custody - through its management policy. In addition, it adopts the same forest stewardship philosophy for non-certified areas.

PEFC [1]

Standards for Sustainable Forest Stewardship Certification.

- Compliance with legislation;
- Rational use of forest resources in the short, medium, and long term to promote sustainability;
- Protecting environmental, cultural, and social attributes;
- Respect for environmental resources when implementing forest stewardship operations;
- Promoting the environmental, social, and economic development of regions where forestry activities occur;
- Performance evaluation and continuous improvement.

FSC® [2]

Standards for Planted Forest Stewardship Certification.

- Compliance with laws and FSC® principles;
- Rights and responsibilities for ownership and use;
- Rights of indigenous groups;
- Community relations and workers' rights;
- Benefits of the forest;
- Environmental impact;
- Stewardship plan;
- Monitoring and evaluation;
- Maintenance of forests with high conservation value;
- Plantations.

The FSC® certification covers the company's areas in the state of Bahia.

Our Region

The climate and soil characteristics of this region are very favorable to biomass growth. In our case, the region is ideal for growing eucalyptus, a species originally from Australia that was brought to Brazil at the beginning of the last century. The region's natural conditions allow plant development year-round, primarily due to the average annual temperature of 24°C with minimal variation and consistent rainfall. The region is characterized by coastal plains formed by large plateaus, interspersed with valleys, with altitudes reaching 100m and decreasing gently towards the coast.

This region is referred to as Costa do Descobrimento, where Europeans disembarked their vessels and initiated the colonization of Brazil. The historical importance of this land and the consequences of its occupation and use are coupled with the responsibility of acting within the vulnerable Atlantic Forest biome. This biome is considered a conservation priority because it is home to several endangered animal and plant species, and it is highly fragmented with few significant areas preserved.

[1] PEFC/28-23-31. [2] FSC-C017612.

Veracel began its operations in 1991. Recognizing that the Atlantic Forest biome was fragile even before our arrival, we face an even greater challenge in implementing stewardship practices that contribute to reversing degradation. This also establishes us as a key player in environmental conservation.

Veracel did not engage in deforestation when establishing its forest base. The forestry operation was established in pasture areas and has since contributed to preserving natural heritage, mitigating climate change, and promoting adventure and ecological tourism. The region's coastline, where Veracel's project is located, already has strong tourism potential due to the diversity of its beaches, dunes, and cliffs.

Objectives of Forest Management

Supplying the industrial unit with sustainable, low-cost, high-quality eucalyptus wood.

- Ensuring a stable land base for eucalyptus plantations.
- Excelling in forestry and supply.
- Improving planning techniques and tools.
- Continually seeking genetic improvement and better soil nutrition conditions.
- Using the best environmental, social, health, and safety practices.
- Establishing partnerships with forestry producers.

Forest Resources To Be Managed

The company currently maintains plantations in eleven municipalities. On average, it takes approximately 60 km to transport wood from the plantations to the mill.

A series of socio-environmental conditions within the licensed area determine the location and planting limits per municipality. Following the environmental license, Veracel does not plant eucalyptus in:

Fragments of the Atlantic Forest that were converted after November 1994 to meet the FSC® certification standard.

Areas of native vegetation, including primary forests and those in the medium and advanced stages of regeneration, which were identified using orthophoto maps (1995/1996);

A 10-kilometer-wide strip from the coast to preserve the natural features of Costa do Descobrimento.

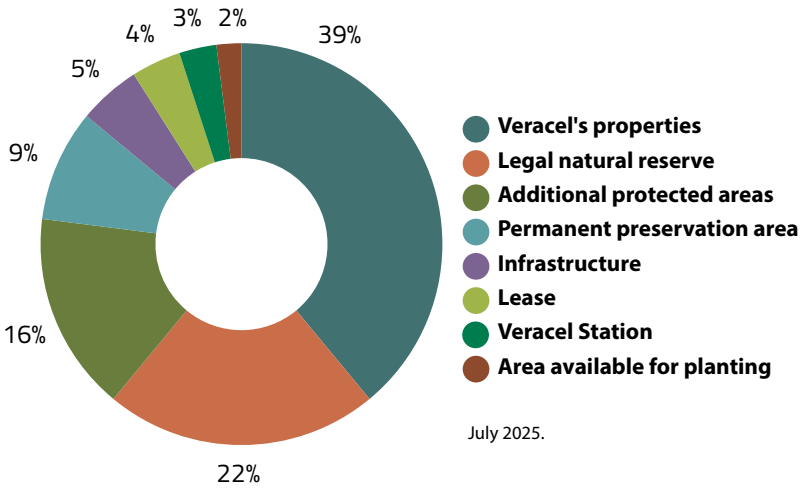
An area exceeding the total percentage licensed per municipality for our own plantings: 15% for coastal municipalities and 20% for others.

Planted Area by Municipality

Municipalities	Area of land owned and available for planting (ha)	Percentage of area planted by Veracel	Percentage of area allowed for planting
Belmonte	14,728	7.6%	15%
Canavieiras	605	0.5%	15%
Eunápolis	17,664	12.4%	17%
Guaratinga	5,013	2.3%	20%
Itabela	4,039	4.4%	20%
Itagimirim	11,270	12.9%	20%
Itapebi	2,916	2.9%	20%
Mascote	4,121	5.5%	20%
Porto Seguro	11,576	5.1%	13%
Potiraguá	596	0.5%	20%
Santa cruz Cabrália	18,616	12.7%	15%
Total Geral	**91,143.7**		

Source: Certified planting July 2025; area of municipalities based on IBGE data 08/2023

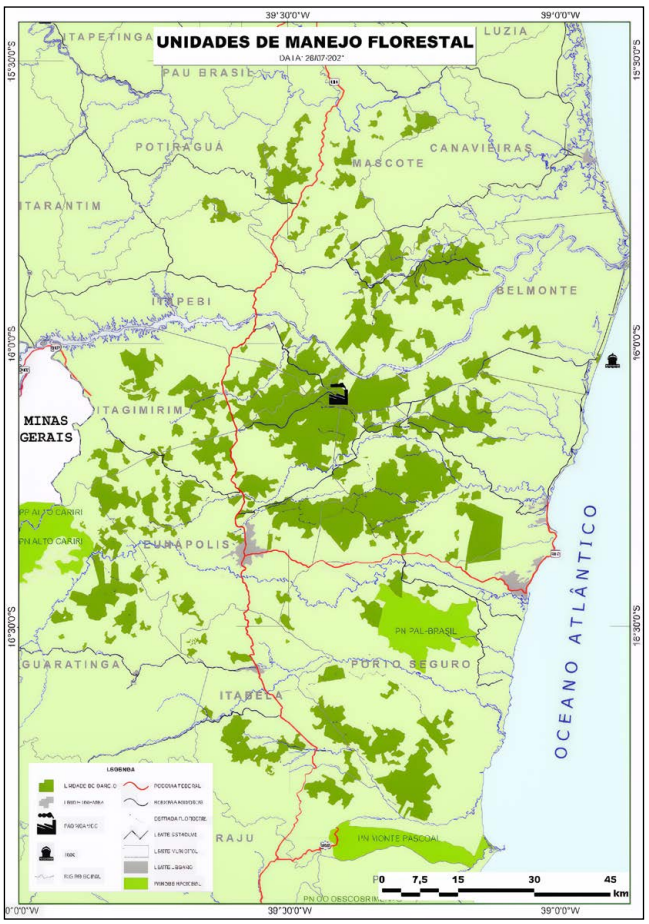
The figure below illustrates the land use of Veracel's properties.

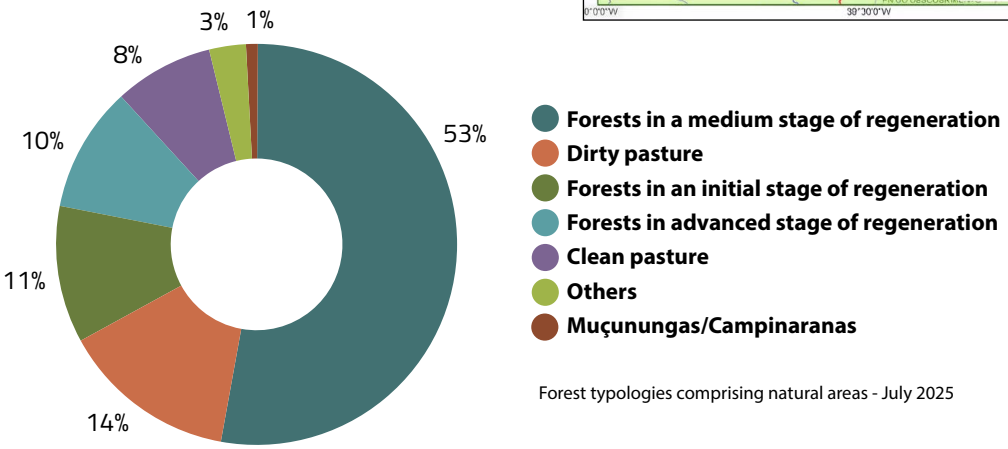


July 2025.

Maps detailing the land use and occupation (e.g., planting, protected areas, roads, streams, rivers, and other uses) of the company's areas are filed in Veracel's cartographic database.

The forest typologies that comprise the Legal Natural Reserve, Permanent Preservation Area and Additional Protected Areas are forests in an advanced stage of regeneration (10%), forests in a medium stage of regeneration (53%), forests in an initial stage of regeneration (11%), muçunungas/campinaranas (2%), dirty pasture (14%), clean pasture (7%), and others (3%). Maps showing the typology spatial distribution of are filed in Veracel's cartographic database (Classification of high-resolution images dated 2022).





Forest typologies comprising natural areas - July 2025

Forest Production Planning

Veracel's forest planning process is based on three main products: long-, medium-, and short-term plans, as well as technical, economic, environmental, and social projects (PTEAS). Together, these instruments indicate where, when, and how much to plant and harvest planted forests, including the forecast of required investments.

In the long term

Ensuring the sustainable supply of wood over a 21-year period.

In the medium term

Selecting projects to be implemented over a five-year period, while seeking to minimize costs and ensure productive capacity of the of natural resources.

In the short term

Planning forestry and supply operations for an 18-month period and establish a monthly operations schedule.

PTEAS: Technical, Economic, Environmental, and Social Project

Defining forestry and supply operations by year and plot.

The plant's production potential, which is estimated at 1,130,000 tDA (air-dry tons) of pulp, will demand a wood supply and planting program from 2024 to 2028, as illustrated in the table below:

Activity	2024	2025	2026	2027	2028
Planting (ha)	7,000	7,000	7,000	7,000	23
Renovation + Regrowth (ha)	17,000	15,000	14,284	14,085	15,515
Supply (1,000 m^3sc)*	3,843	4,050	3,877	3,886	3,996

* It includes wood from the Forest Producer Program and third parties

In order to support forest planning, Veracel conducts a Continuous Forest Inventory to enable the development models that estimate the current and future volume of forests, thus defining growth rates. The inventory begins two years after the forest is established with the installation of permanent rectangular plots containing 22 trees. The sampling density is one plot for every 10 hectares.

After conducting studies and analyses, Veracel decided to increase the size of the plots. As of 2016, the plots will contain 33 trees, resulting in two distinct plot sizes. The plots are measured annually up to one year before harvest. To ensure better management of the areas to be harvested, the pre-cut inventory is carried out no more than three months before harvest with a sampling density of one plot for every three hectares.

In recent years, Veracel's forest productivity has fallen, primarily due to climatic conditions. It is currently around 46.7 m^3/ha/year (commercial type with bark), which corresponds to a wood volume of 327.1 m^3cc/ha at seven years of age.

Veracel uses a series of information systems and analysis tools organized into different modules or subsystems to support and execute forest planning. These systems together make up the Forest Information Management System, which is summarized in the following figure.

FOREST REGISTRATION

It gathers digital data regarding projects and plots, such as genetic material, operational history and forest inventory data.

FOREST INVENTORY

It stores, consolidates and processes data collected in the field. This provides qualitative and quantitative information to define the productivity of the managed forest area.

GIS (GEOGRAPHIC INFORMATION SYSTEM)

It maps, analyzes, and visualizes georeferenced data, providing statistics and multidimensional assessments.

OPTIMIZATION

It selects long-term management options that consider supply target while minimizing costs and investments.

SCHEDULING AND CONTROL

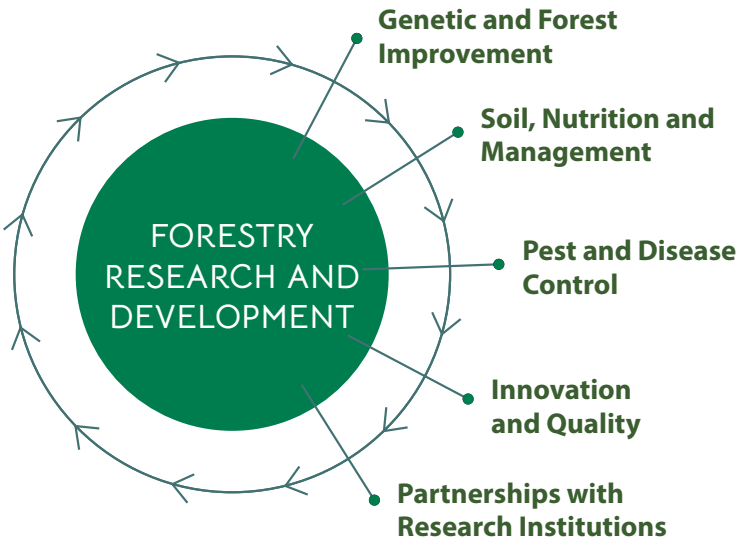
It schedules and monitors wood production and inventory, road construction, and forestry activities.

Forestry Research and Development

By conducting research and experiments, the Forestry Research and Development division gathers knowledge, information, methodologies, and products that help Veracel continuously improve its forestry productivity.

The four main lines of research are genetic improvement and biotechnology, soil management and eucalyptus nutrition (including climatology and physiology studies), forest health (including pest and disease control), and innovation projects and quality. This work is conducted in a multidisciplinary context that includes external partners, such as universities and research institutions.

The fourth line, which follows the quality of forestry operations, became part of the Forestry Research and Development division in 2015. This department aims to ensure that technical recommendations are implemented coherently and efficiently.



Forestry Operations

Land Acquisition and Leasing

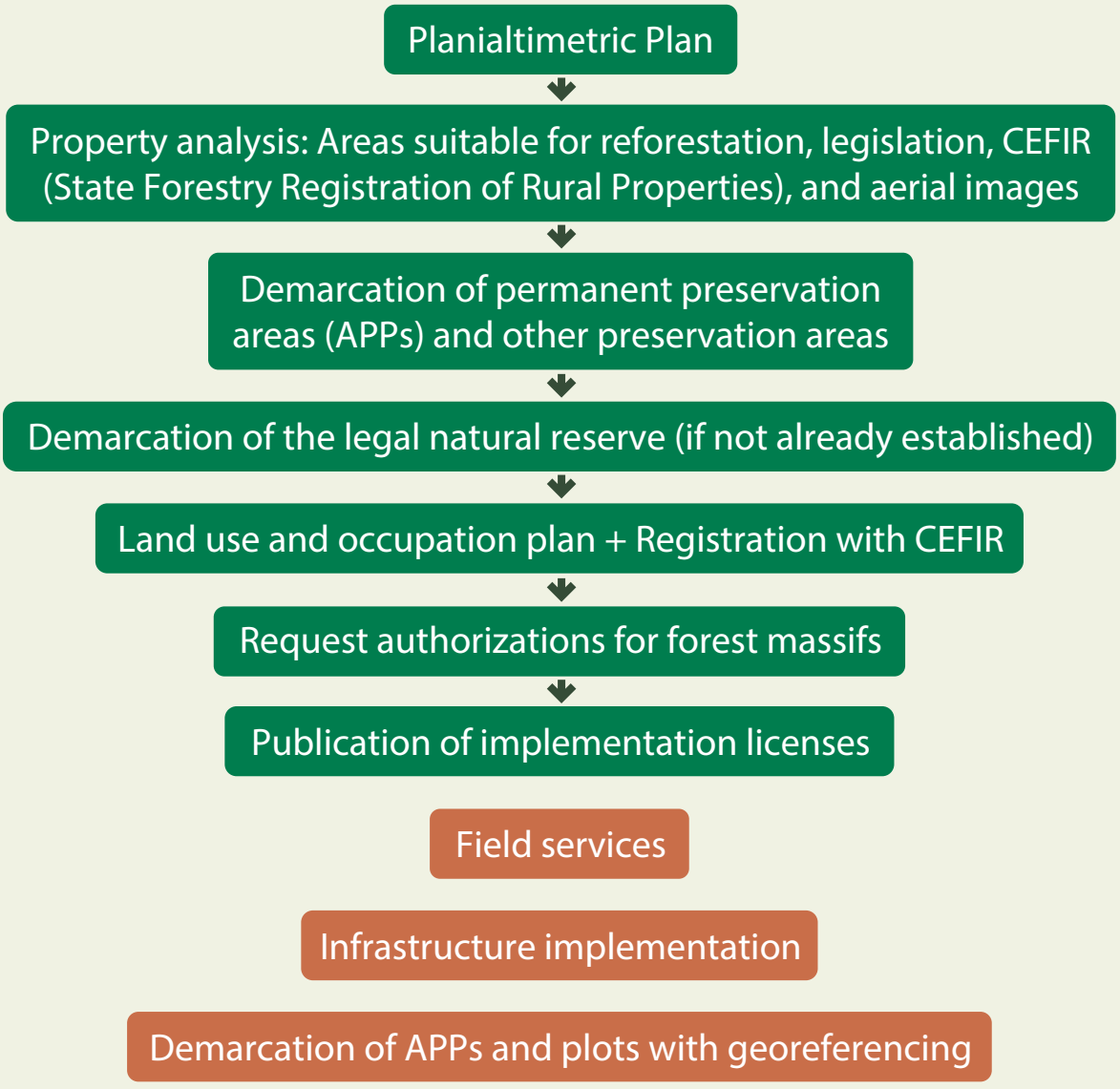
A technical, economic, environmental, and social assessment is conducted before the purchase or lease of properties.

Environmental Licensing

Before implementing new eucalyptus projects on its own and leased land, Veracel obtains an environmental license from the relevant authorities.

Land Use and Occupation Planning

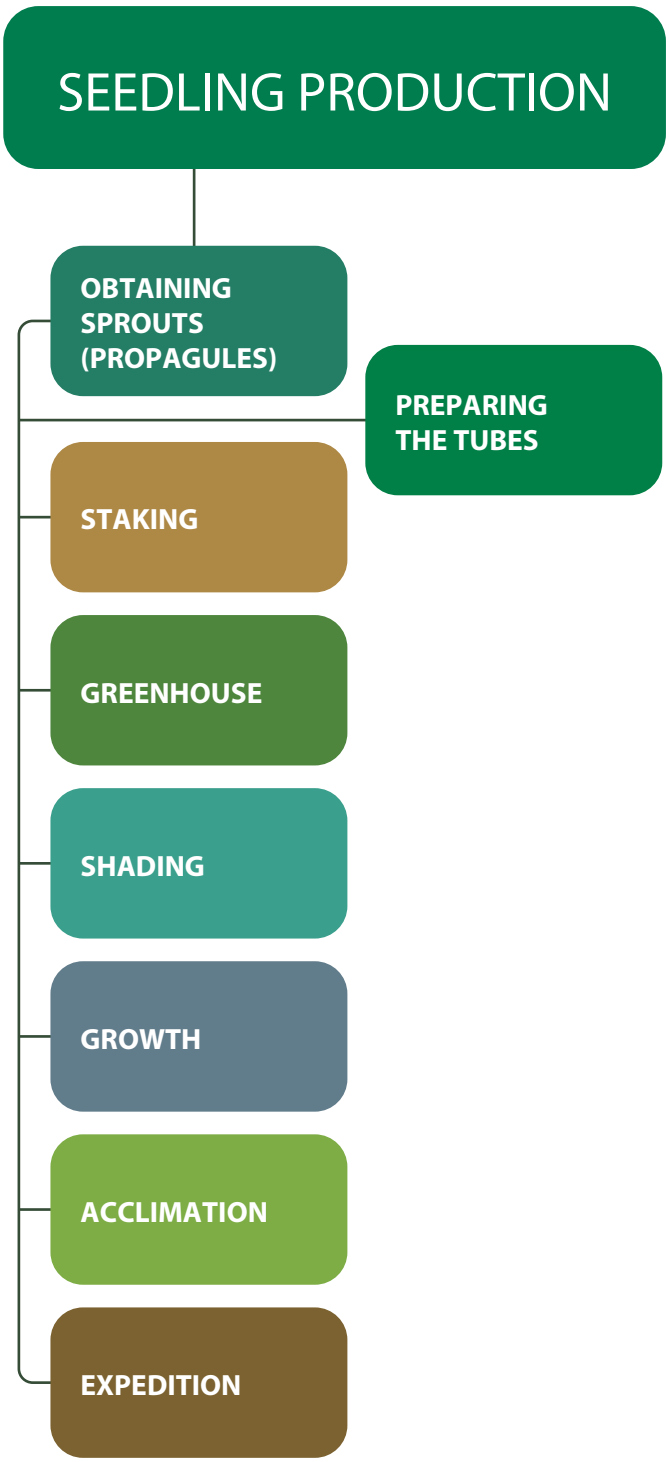
FLOWCHART - PROPERTY PLANNING



Forestry Activities

Seedling Production

We produce the seedlings using the mini-cutting method in our nursery in Eunápolis, which has the capacity to produce up to 20 million seedlings per year. Veracel also purchases seedlings from third parties to supplement the plantations.



Formation of Eucalyptus Plantations

Depending on the management adopted, the forest formation process can be divided into three stages:

Reform Phase: This phase is applied to plots where there is existing forest planting that will be reformed for a new cycle.

Implementation Phase: It is applied to areas where a new forest will be planted.

Sprouting Phase: Applied to areas under coppice management where a new rotation will begin.

After these stages, the forest enters the maintenance phase, during which it receives all the necessary care to achieve optimal conditions and productivity at harvest time.

Veracel's plantations are entirely made up of eucalyptus clones obtained from crossing the *Eucalyptus grandis* and *Eucalyptus urophylla* species. Eucalyptus is highly adaptable to regional environmental, soil, climate, and biodiversity conditions. It also has high productivity and regrowth capacity.

We use the minimum cultivation planting technique that aims to reduce soil interference as much as possible while protecting the soil against erosion, maintaining its moisture, and preventing the silting of waterways.

Even before planting, we begin controlling leaf-cutter ants and apply pre- and post-emergent herbicides. After planting, we apply pre-emergent herbicides and control leaf-cutter ants again, as well as applying post-emergent herbicides, mowing, and topdressing (12 months after planting).

The forest maintenance phase begins after the first year and lasts until the harvested wood is produced. During this period, specialized teams monitor leafcutter ants every six months. Based on their findings (the extent of the infestation and the resulting economic impact), they provide control recommendations detailing the level of control, the type of bait (granulated or in a bait holder), and the dosage of ant poison per hectare (kg/ha). The goal is to optimize the use of ant poison by determining the minimum effective dose for each plot.

We carry out weed control across the entire area before planting using post- and pre-emergent herbicides. After planting, we apply pre-emergent herbicide up to two times (at 45 and 90 days after planting) to prevent infestation and stop weeds from competing with eucalyptus seedlings for resources.

We begin monitoring weeds in the first month of life and repeat the process monthly up to 18 months, and then every six months until harvest. Based on infestation reports, we carry out an average of three control measures up to 18 months. If pesticides are ineffective or if there is a risk of pesticide drift affecting the seedlings, we use brush cutter instead.

We periodically carry out soil and water analyses to identify potential active ingredients in this material. Thus far, no contamination posing a risk to people or animals has been found.

Wood Supply

The Wood Supply department is responsible for constructing and maintaining roads, harvesting, loading, transporting, and handling logs in the yard, as well as maintaining machinery and equipment.

Given the significant impact of these activities on the overall cost of wood delivered to the mill, proper planning and execution are crucial for our enterprise's economic viability.

Similarly, the environmental aspects involved are significant and require measures aimed at minimizing potential environmental impacts, such as soil erosion and changes in water quality.

We also consider the impacts on residents and communities in areas close to forest projects, since transportation results in noise and dust pollution and increased risk of accidents. These impacts require mitigating measures.

Harvest

Harvesting usually occurs seven years after planting. The system used is a harvester and forwarder set. The main reason for choosing this model is to retain residual biomass (bark, leaves, and thin branches) from the harvest in the field. This protects and improves the soil's physical and nutritional properties and promotes forest sustainability. Additionally, it adds higher value to the product, allowing for a shorter interval between harvesting and new planting, thus optimizing land use.

Harvesters fell, debarked, peeled, traced, and flagged 6.5-meter-long logs distributed along the plots. Forwarders are then used to move the logs to the sides of the roads and form piles of wood, a process called transshipment.

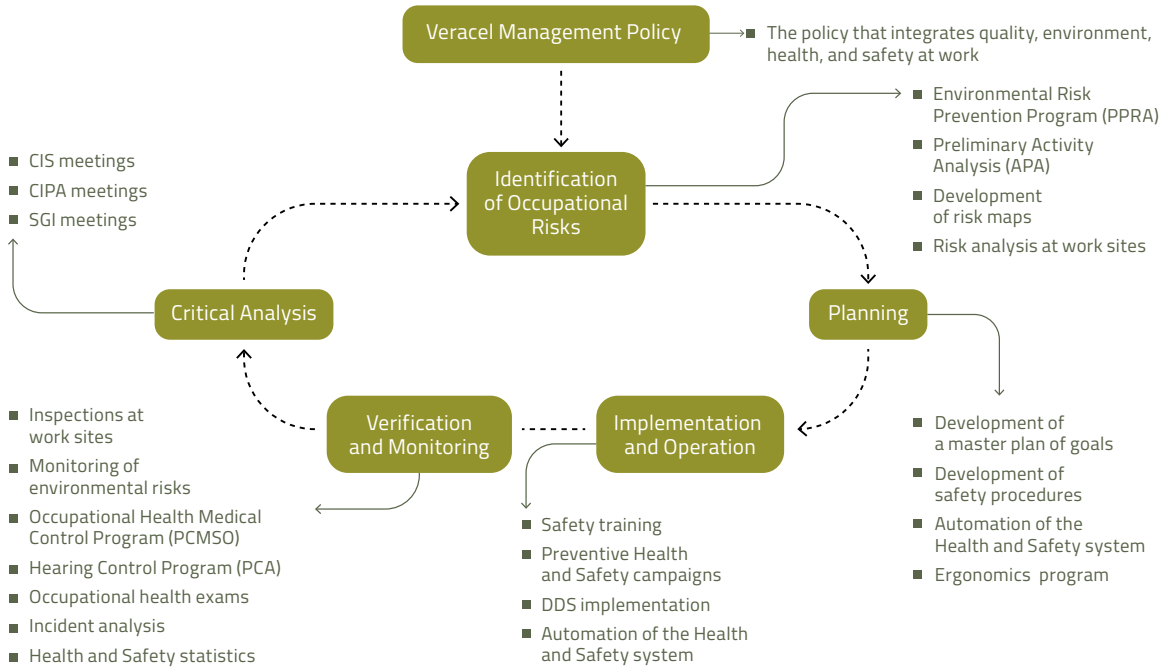
Forest Producer Program

Veracel's Forest Producer Program involves planting eucalyptus in partnership with rural landowners to supply wood for the mill. This program provides landowners with an opportunity to diversify their income. Plantations for this type of timber production are required to comply with the FSC® and PEFC standards for pulp production.

Under the terms of the purchase and sale contract, Veracel finances the formation and maintenance of forests and provides improved clonal seedlings and technical assistance to each contracted producer as an incentive. The producers' commitment to selling wood is based on contractual agreements that consider compliance with environmental and labor legislation, among other provisions. Veracel requires producers to obtain prior environmental licensing for forestry activities, ensuring compliance with current legal parameters. The wood owner has the choice to designate the use of 3% of the total volume of timber production, which can be sold in local and regional markets. This contributes to the use of timber in other regional economic activities.

Occupational Health and Safety

Veracel's Occupational Health and Safety Management Program systematically identifies and classifies occupational risks. It also establishes a methodology for controlling, maintaining, and verifying the effectiveness of these controls. The program serves both Veracel's own workers and service providers.



This process also covers service providers, who must adhere to the guidelines and procedures outlined in the Veracel Occupational Health and Safety Management Manual for Service Provider Partners, and undergo periodic verification as described in the same document.

Occupational safety establishes reactive and proactive indicators to manage this process. These indicators are monitored monthly and presented at meetings and technical occupational safety committees. These indicators' values are analyzed annually as part of the conceptual analysis of continuous improvement.

The tables below summarize data on occupational accidents with their analysis established.

Frequency Rate of Occupational Accidents with Leave.

Ano	UniT	Critical limit	Real
December 2023	Veracel+ Service Providers	0.50	1.09
December 2023	Veracel + Service Providers (forestry base)	0.50	1.15
December 2023	Veracel + Service Providers	1.20	1.55
December 2023	Veracel+ Service Providers (forestry base)	1.20	1.15

Severity Rate of Occupational Accidents.

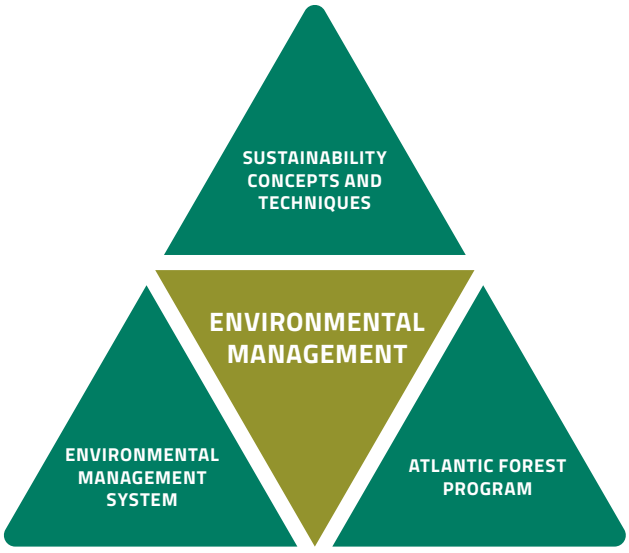
Unit	Critical limit	Real in 2023	Real in 2024
Veracel + Service Providers	30	55	48
Veracel + Service Providers (forest base)	30	38	69

December 2023 and 2024.

Environmental Management

The pulp industry considers environmental quality of operations and conservation of the environment to be essential and aims to provide long-lasting, sustainable services. To this end, the company establishes best forest management practices, conducting all processes, programs, and activities to increase positive environmental impacts and minimize negative ones.

To achieve this goal, the company has adopted three major strategies:



Good Sustainability practices

Forest management employs concepts, techniques, and procedures that enable the sustainability of our enterprise. Some of these actions are listed below:

- Respect for permanent preservation areas, legal natural reserves, and conservation units;
- Environmental recovery of degraded areas;
- Monitoring of flora and fauna in our enterprise areas;
- Research in forestry and environmental technology;
- Definition of operational management units;
- Land use and occupation planning;
- Protection and maintenance of soil productivity;
- Road network planning;
- Preventing and combating forest fires and other emergency situations;
- Solid waste control and disposal;
- Effluent control and treatment;
- Monitoring and control of liquid and gaseous emissions;
- Definition of parameters for monitoring and evaluating the quality of services performed by service providers (EPS);
- Integration with educational institutions, research institutions and non-governmental organizations (NGOs) for the development of forestry and environmental projects.

Water: A Precious Resource

Veracel has developed specific practices to prevent potential impacts of forestry operations on its watersheds:

- Debarking wood in the field to retain residual biomass from the harvest, such as leaves, thin branches, and bark. This helps protect and improve the soil's physical and nutritional conditions;
- Washing machines and equipment in flat locations away from springs and preservation areas, as directed in the PTEAS;
- Minimum soil cultivation;
- Keeping plant spacing between 9 and 12 m^2 per plant;
- Using biological products and chemicals with low toxicity and low residual power for pest and disease control, based on monitoring;
- Allocating legal reserves by river basin;
- Planning harvests to minimize soil compaction considering physical features and humidity;
- Constructing roads in valley crossings and hydroseeding road slopes.

Solid Waste Management

At Veracel, solid waste generated from forestry, industrial, and port operations is separated at the source and sent for treatment or final disposal according to the most appropriate method for each material. This approach maximizes recycling efficiency and minimizes environmental impact.

Veracel has standards for containers for selective collection, with field and mill infrastructure, collection logistics, storage, and controls for waste generation and transportation. These controls include weighing materials at the source and verifying the weight of samples at the Waste Center.

Atlantic Forest Program

We are part of the Atlantic Forest conservation strategy in southern Bahia. Our eucalyptus plantations create a mosaic with the native forest and serves as shelter and passage for fauna, connecting scattered fragments throughout the territory. This enables gene flow and prevents species isolation. Our analysis of the area in which we operate indicates more than 65,000 connected hectares and growth in the Atlantic Forest.

The main strategy of the Atlantic Forest Program is to establish "biodiversity corridors" by creating a balanced landscape that incorporates the Atlantic Forest and Veracel's forest projects. The goal is to recover and protect remnants of this rich ecosystem in various stages of conservation located on Veracel´s properties.

This creates continuous areas by connecting the remaining fragments of the native forest while increasing the gene flow of fauna and flora species, and contributing to the restoration of the original biodiversity, and mitigating the effects of the Atlantic Forest's high fragmentation.

Each area is evaluated annually before the restoration process begins. This evaluation follows the decision-making model and methodologies for selecting areas, and employs methods such as total planting, nucleation planting, and natural regeneration. Our target is to restore 400 hectares per year.

As of 2024, we have recovered 8.551 hectares of land and planted over 5 million seedlings.

High Conservation Value Areas

High Conservation Value Areas (AAVC, in the Portuguese acronym) are places with exceptional or critical environmental and/or social features. They are considered a conservation priority, and their High Conservation Value (HCV) attributes must be identified and maintained or expanded.

These areas require sufficient size and low-intensity management to allow natural ecological processes to continue.

With this in mind, Veracel identified eight AAVC areas:

AAVC1	Taquara;
AAVC2	Santa Maria;
AAVC3	Ipê;
AAVC4	Imbiriba;
AAVC5	Sucupira;
AAVC6	Piaçava;
AAVC7	Cemetery;
AAVC	Veracel Station RPPN.

These attributes make these areas high value:

AVC 1

Species diversity - Concentrations of biological diversity, including endemic, rare, threatened, or endangered species that are significant at the global, regional, or national level.

AVC 2

Landscape-level ecosystems and mosaics - Ecosystems and mosaics of extensive landscape-level ecosystems that are significant at a global, regional, or national level. They contain viable populations of most naturally occurring species in their natural patterns of distribution and abundance.

AVC 3

Ecosystems and habitats - Rare, threatened, or endangered ecosystems, habitats or biodiversity refuges.

AVC 4

Critical environmental services - Basic environmental services in critical situations, including the protection of springs and the control of erosion in vulnerable soils and slopes.

AVC 5

Community needs - Areas and resources necessary to meet basic local, indigenous, or traditional communities' needs (e.g., subsistence, food, water, and health) identified with these communities or populations.

AVC 6

Cultural values - Areas, resources, habitats, and landscapes of special cultural, archaeological, or historical significance at the global or national level and/or of cultural, ecological, economic, or religious importance that are critical to the traditional culture of local, indigenous, or traditional populations. These areas are identified with these communities or populations.

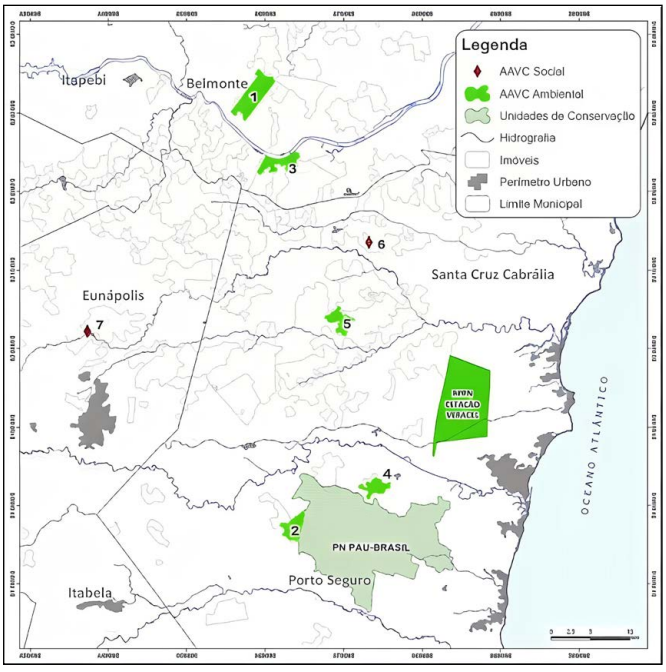
We have identified Veracel Station RPPN and areas 1, 2, 3, 4 and 5 by attributes related to environmental issues (AVC 1, 2, and 3). These areas contain are some of the last remnants of the Dense Rainforest Forest, a phytophysiognomy within the Atlantic Forest biome. They are located on private properties in this region of Bahia and play a key role in integrating the region known as the "Central Corridor of the Atlantic Forest."

We have conducted fauna and flora monitoring in these areas, examining vegetation, as well as groups of mammals, birds, and ants. Our goal is to maintain or increase the diversity of endemic, rare, threatened, or endangered species.

In addition, we have identified areas 6 and 7 based on social attributes (AVC 4, 5 and 6). Area 6 has a high conservation value due to the abundant occurrence of the Attalea funifera species (piaçava), which is extracted by the local community. The high conservation value of area 7 is attributed to the local cemetery, which is significant for cultural identity.

Attributes *(ProForest)*	**AREAS**							
	VERACEL STATION RPPN	**1**	**2**	**3**	**4**	**5**	**6**	**7**
I. Species diversity	X	X	X	X	X	X		
II. Landscape-level ecosystems and mosaics	X	X	X		X			
III. Ecosystems and habitats	X	X	X	X	X	X		
IV. Critical environmental services								
V. Community needs							X	
VI. Cultural values							X	X

The areas shown on the map below are identified by signs and monitored for integrity, sustainable management, and biodiversity conservation.



After identifying the areas, we have initiated an ongoing consultative process with local and scientific communities, NGOs, and public authorities to establish ways to protect and maintain the high conservation value attributes.

We have developed a physical protection plan to monitor and identify critical and vulnerable areas in Veracel's seven High Conservation Value Areas through patrols and inspections. The plan also defines the necessary strategies and actions to prevent, control, and mitigate threats, pressures, and risks that could damage the attributes of the areas or endanger the safety of employees, researchers and visitors.

Veracel Station RPPN is not included in this physical protection plan since the Conservation Unit already has a management plan specifically addressing its protection. The current infrastructure meets the protection demands of the seven HCVAs and the RPPN.

Veracel Station RPPN

Veracel Station, a 6,069-hectare Private Natural Heritage Reserve (RPPN in the Portuguese acronym), is located 15 km from Porto Seguro. It is one of the largest private Atlantic Forest reserves in the Brazilian Northeast. IBAMA recognized it as an RPPN in 1998, and UNESCO recognized it as a SPMN (Natural World Heritage Site) in 1999.

As a Conservation Unit, Veracel Station RPPN adheres to a specific management plan that was last revised in 2017.

The management plan currently includes the following programs:

Ecosystem Management

This program is responsible for planning the inspection and field monitoring of High Conservation Value Areas, as well as fire prevention and control.

Research

This program's objective is to promote the development of knowledge concerning the biodiversity of the Atlantic Forest, leveraging this knowledge to assist in the management of the conservation unit and environmental education initiatives.
From 2023 to 2024, 1,717 people visited the RPPN for scientific purposes, such as conducting research or holding field classes.

Visitation

In addition to environmental education, the program includes bird watching. From 2023 to 2024, 510 people participated in this program for this purpose.

Environmental Education

This program aims to promote environmental education with a focus on conservation. To this end, it employs strategies such as:

- Visits to the Veracel Station RPPN to connect visitors with the Atlantic Forest, sparking interest in interacting with nature, sharing knowledge and fostering critical awareness.
- Environmental Action and Citizenship to maintain a communication network between Veracel and the communities by using environmental education as the main tool.
- Itinerant Environmental Education to bring activities to the public that initiate reflection on environmental issues by contextualizing the local reality.
- Environmental education for employees to engage our own employees and those of partner companies, so they understand our environmental responsibility and environmental conservation practices.
- The Good Neighbor Program to maintain dialogue with the immediate neighbors of the RPPN.
- From 2023 to 2024, 3,319 people participated in the various activities developed by these environmental education programs.

Administration and Institutional Relations

This program aims to manage the RPPN to ensure the implementation of its management plan. It also acts in communication and institutional relations to strengthen partnerships.

Acknowledgements

ECOSYSTEM SERVICES CERTIFICATION: VERACEL STATION RPPN

- The largest RPPN in the Atlantic Forest of northeastern Brazil.
- Atlantic Forest's Central Corridor (Costa do Descobrimento).
- FSC® (Forest Stewardship Council) Ecosystem Services Procedure (PSE).
- One of the 20 areas with the greatest biodiversity in the world.
- UNESCO World Natural Heritage Site.
- Key Biodiversity Area (KBA).
- Important Bird Area (IBA) - BirdLife/Save Brasil.

In 2020, Veracel received unparalleled recognition in the planted forest sector when it received the Forest Stewardship Council® (FSC®) Ecosystem Services Certificate (C017612) from the Brazilian certifier Imaflora. This certificate recognizes Veracel's efforts to protect hundreds of animal and plant species in its production areas.

We are the first company in the planted forest industry to be recognized by FSC and Imaflora for our efforts in protecting hundreds of animal and plant species. The certificate aims to recognize and value companies' and organizations' performance in using natural resources without depleting them, thus following one of the main pillars of sustainable development. The declaration was based on biodiversity conservation criteria and considered 25 species of medium and large mammals, 229 species of birds, and 242 species of flora found in the area.

Environmental Monitoring

The plan includes several activities related to environmental aspects of forest management. These activities include monitoring of fauna and flora, as well as edaphic water monitoring. More details are provided below.

Monitoring of Fauna and Flora

Veracel monitors fauna and flora to better assess the state of biodiversity conservation in its area of influence. This monitoring takes place in High Conservation Value Areas, conversion areas, and understories of eucalyptus plantation. The goal is to understand the impact of forestry activities on biodiversity conservation.

- Phytophysiognomies monitored: Dense Rainforest and Muçununga.
- Taxonomic groups sampled to date: tree communities, birds, ants and, since 2009, mammals.

According to the state of Bahia (2017) and national lists of endangered species (2014), as well as the list of globally endangered species (IUCN, 2019), the total number of species and endangered species already observed in Veracel's fauna and flora monitoring program from 2008 to 2024 is as follows.

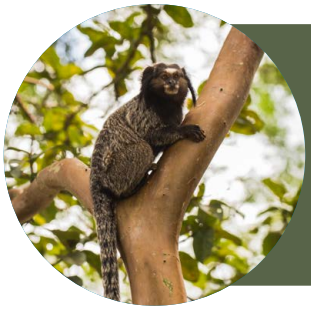
Plants

Number of species	910
Endangered species (Bahia list)	11
Endangered species (IUCN list)	84
Endangered species (IBAMA list)	82

Birds

Number of species	354
Endangered species (Bahia list)	21
Endangered species (IUCN list)	15
Endangered species (ICMBIO list)	26

Mammals



Number of species	37
Endangered species (Bahia list)	12
Endangered species (IUCN list)	08
Endangered species (IBAMA list)	10

From 2008 to 2024, the cumulative results show that High Conservation Value Areas remain crucial for conserving Atlantic Forest taxa. These areas harbor many sensitive, threatened, and endemic species, and the southern region of Bahia is particularly important for the biome's biodiversity.

Regarding eucalyptus plantations, vegetation studies reveal good species diversity, most of which depends on fauna for seed dispersal. Therefore, it can be inferred that some animal species uses these areas, facilitating the movement of species between forest remnants.

Soil/Water Monitoring

Soil and water monitoring began in 2008 with four campaigns. In 2009, monitoring switched to two campaigns, according to the season. Samples for surface water, groundwater and soil quality analyses were collected from the São José do Rio Salsa, Santo Antônio (Putumuju and Ponto Central), Santa Cruz, Buranhém, and Caraívas rivers, as well as from the Peroba II Project microbasin well.

The purpose of the monitoring program is to track water quality and the potential contamination of water sources by products used in forestry operations, particularly glyphosate (for weed control) and sulfluramid (for leaf-cutter ant control), which are the primary products used by Veracel in forest management.

In 2013, the sampling collection points were changed to ten locations under the direct and/or exclusive influence of eucalyptus plantations. Five of these locations are in rivers or springs on forest producer properties, and five are in rivers or springs on Veracel's properties. In addition, the scope of water monitoring was expanded to include benthic organisms and evidences of Imidacloprid, Isoxaflutole, polyacrylate copolymer, and potassium polyacrylamide, as well as Sulfluramid and Glyphosate.

In 2018, Veracel contacted the Instituto de Pesquisas e Estudos Florestais' (IPEF) Cooperative Program on Watershed Monitoring and Modeling (PROMAB) to conduct a critical and comprehensive evaluation of the historical series of monitoring data collected since 2008. The evaluation highlighted positive characteristics and proposed changes that would enable Veracel to optimize this tool and improve the forest management.

This work resulted in a report recommending that Veracel incorporate pesticide and macroinvertebrate analyses into PROMAB's existing monitoring of the four micro-basins and that sampling occur continuously at pre-established rates. This will enable Veracel to characterize the dynamics of benthic communities in areas with both planted eucalyptus forests and native vegetation and assess the potential impact of forestry operations on these communities. Since 2019, this monitoring has been integrated into PROMAB.

Study of the Impacts of Eucalyptus on Soil and Water

To better understand and manage the impact of forestry operations on water, Veracel partners with the Instituto de Pesquisas e Estudos Florestais' (IPEF) Cooperative Program on Watershed Monitoring and Modeling (PROMAB).

The project consists of monitoring the flow and quality of river water through spillways in two sets of paired watersheds. Two are located in the coastal region: one in a permanent preservation area at the Veracel Station and the other in a commercial planting area. The second pair of microbasins is located further inland in the municipality of Guaratinga. One is in a commercial planting area and the other is in a protected area. Only the microbasins in the coastal region have piezometric wells for groundwater monitoring.

Those responsible for carrying out a critical analysis receive periodic indicators based on the monitoring results. The table below shows the environmental monitoring results from January to December 2024.

MONITORING	INDICATOR	TARGET	UNIT	VALUE
Waste management	Average annual percentage of "Optimal" performance in the selective collection of operational and administrative areas	Over 80% rated as "Optimal"	%	94
Groundwater monitoring (Nursery)	Compliance with the legal standards of Conama Resolution No. 396 of April 3, 2008	100% of the monitored parameters comply with legal standards, except for aluminum, iron, and manganese, which are characteristic of the region's soil	%	99.1%
Water Collection Control in the Forest Center	Water consumption for seedling production	-	m³	143,666
	Water consumption for human use	-	m³	6,14
Black smoke monitoring	Percentage of compliant forestry equipment (Ringelmann scale <20%)	95%	%	100
Fuel consumption - Harvester	Harvester	19.11	liters	19.43 l/hh
Consumo de combustível - Forwader	Forwarder	17.45	liters	16.58 l/hh
Environmental Education	Number of people served by PEAV	7,000 people directly served per year, except visits to RPPN	un	3,018
Educação Ambiental	Número de visitantes na RPPN Estação Veracel.	5000 visitors to the RPPN per year	un	1,587
Restoration of areas (PMA)	Restored areas.	400 ha/year.	ha	411.06
Physical Protection of HCVAs	Meeting the fine-tooth comb operations schedule.	100%	%	98.50
Consumption of agricultural inputs	Consumption of purified MAP Fertilizers	-	Kg/ha	0.38
	Consumption of chemical fertilizers (NPK 10:12:25+0.5B+0.5Cu+0.5Zn+1.5Mn+3S)	-	Kg/ha	578
	Consumption of chemical fertilizers (NPK 00:00:54+1%B(KCl+1%B)	-	Kg/ha	270
	Consumption of chemical fertilizers (NPK 10:00:30 +9%S+0.5%B)	-	Kg/ha	414
	Consumption of chemical fertilizers (NPK 12:20:16+0.5B+0.5Cu+0.5Zn+1.5Mn+2S)	-	Kg/ha	319
	Consumption of chemical fertilizers (NPK 00:00:54+1%B(KCL+1%B))	-	Kg/ha	270
	Consumption of agricultural corrective (calcium magnesium ash 40:4	-	kg/ha	1,413
	Agricultural corrective consumption (calcium magnesium ash 38:8)	-	Kg/ha	1,721
Consumption of agricultural pesticides	Percentage of need for non-control of ant bait	>= 48%	%	*63.65
	Consumption of ant bait	-	kg/ha	*3.5

*The need for non-control of ants and consequently the consumption of ant bait varies depending on the infestation in the field.

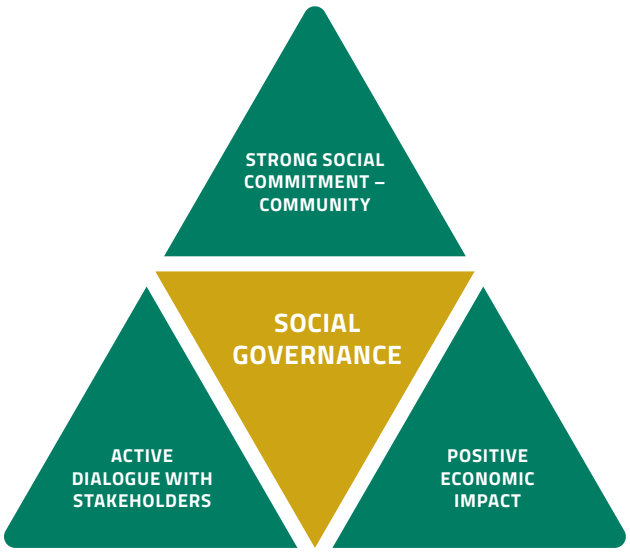
Social Governance

The main challenge of operating in this territory, where social indicators are below the national average, is to promote regional development without replacing the State's role.

We have transformed an industrial enterprise into an agent of positive regional development. Establishing a structured, transparent, and collaborative dialogue to find sustainable social solutions has been crucial.

Veracel's social governance model considers internal and external stakeholders, aiming to build strong relationships and ensure that the company's operations align with the needs and legitimate interests of all while addressing significant social, economic, and environmental issues.

Veracel seeks to develop a variety of practices in different spaces of dialogue. The following table shows the approaches Veracel uses to consolidate its relationship with various stakeholders:



STAKEHOLDERS	ENGAGEMENT MEANS
Shareholders	▪ Support Groups: Finance, Logistics, Procurement, Forestry, Sustainability, Technology and Investments, HR and IT. ▪ Committee: Audit ▪ Board of Directors
Employees	▪ Veracel Code of Conduct ▪ Infrastructure Services Committee ▪ Ergonomics Committee ▪ Health and Safety Committee ▪ Internal Communication Channels ▪ Sustainability Report ▪ Public Summary of the Management Plan ▪ Climate Survey
External Stakeholder	▪ Social Projects: Investments in communities ▪ Social Demands: Analysis and response to requests made by public, philanthropic or community entities ▪ Action & Citizenship Program (pre- and post-forestry operations): Dialogue with communities ▪ Meeting with Forestry Producers: To strengthen relationships ▪ Odor Perception Network: Gathering information to help Veracel understand community perceptions and questions and respond appropriately ▪ RMT – Transport Monitoring Network ▪ Representation: Participation in working/discussion groups to address specific objectives and external initiatives. Examples: Examples: Forestry Forum; Buranhém, Frades, and Santo Antonio Watershed Committee; Mosaic of Protected Areas in the Far South of Bahia; Southern Bahia Science and Technology Park; and Congregation of the Environmental Sciences Training Center at UFSB. ▪ Active Dialogue: Including visits, meetings, training sessions and forums ▪ Meeting with indigenous leaders ▪ Meeting with fishermen ▪ Sustainability Report ▪ Public Summary of the Management Plan

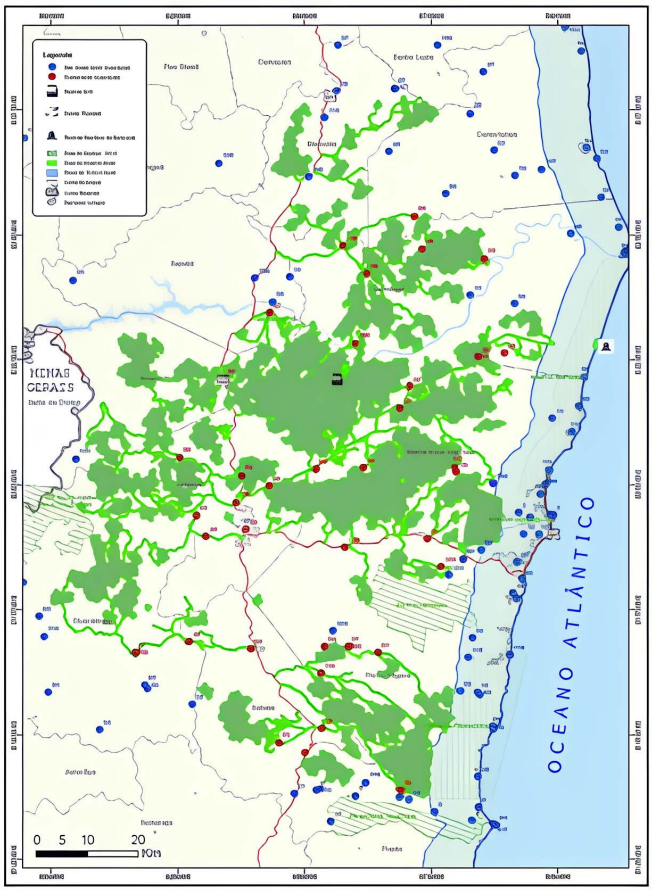
STAKEHOLDERS	ENGAGEMENT MEANS
Third Parties	▪ Veracel and Supplier Code of Conduct ▪ Public Summary of the Management Plan
Suppliers	▪ Health and Safety Committee ▪ Local Supplier Development Program ▪ Supplier Code of Conduct
Forest Producers	▪ Annual Meeting with Forest Producers ▪ Personalized Technical Assistance ▪ Sustainability Report ▪ Supplier Code of Conduct
Government Agencies and Authorities	▪ Regular meetings with community leaders and municipal, state, and federal authorities ▪ Manual for Relations with Government Officials ▪ Sustainability Report

Our Neighbors

A Veracel has defined directly affected areas as those located within a 300-meter radius of eucalyptus plantations (including owned and leased properties) and along municipal and state roads used to transport wood to the industrial unit.

Veracel uses its Global and Operational Aspects and Impacts Matrix and Spreadsheets to identify, monitor, update, evaluate, and measure the extent of its impacts on communities.

The map on the side illustrates the communities that are directly affected by Veracel's forestry operations.

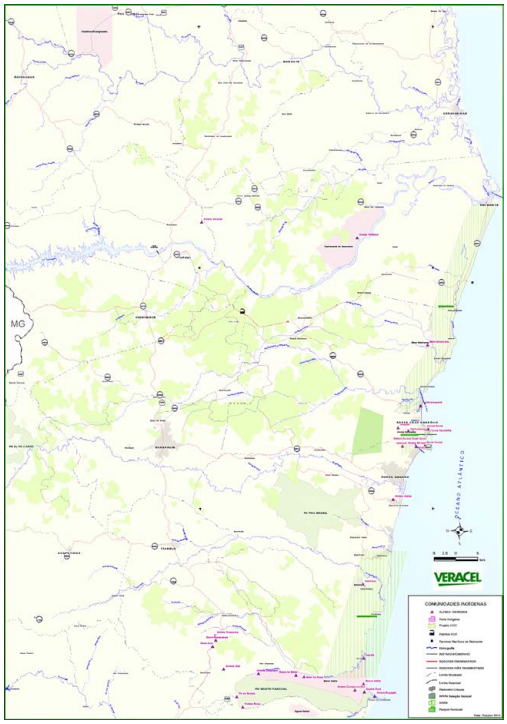


Respect for Indigenous Communities

Veracel coexists with several indigenous communities near its management unit and maintains varying levels of interaction with them. These relationships are based on dialogue and mutual understanding, and require the consent and presence of a FUNAI representative (the National Indian Foundation).

Veracel does not maintain its own or the Forest Producer Program's plantations in demarcated and legally recognized indigenous areas, and they are fully respected.

The map on the side illustrates the indigenous communities residing within Veracel's area of influence.



Communication and Dialogue Channels

The table below lists the main channels used for communication between Veracel and its stakeholders.

CHANNEL	CONTENT
Contact Us	The system is available on the Veracel website and via the mailbox.
Veracel Website	It discloses institutional information and results of studies and monitoring to promote transparency and interactivity.
Press Releases	It informs the community through the press.
Action & Citizenship Radio Show	It promotes the Contact Us channel and public services and discloses institutional information.
Action & Citizenship Event	It is a meeting held in communities prior to forestry operations. It serves to inform about and their impacts, to guide on traffic safety and STDs/AIDS, to update the social inventory and to open a communication channel with the community.
Odor Perception Network	It is a group trained to gather and transmit data to Veracel regarding stakeholder perceptions of odors generated during the production process.
Perception Survey	It collects information to make the company aware of its stakeholders' perceptions and questions.
Meeting with Forest Producers	Opportunity to strengthen the relationship among producers and Veracel assistants and coordinators through knowledge exchange and networking.
Intranet	It is used to disseminate and/or maintain information to be consulted by employees.
Anonymous Reporting Channel 0800-7210764	Channel for reporting or formalizing anonymous complaints via toll-free telephone, intranet, website, or letter. These complaints are related to accounting management, auditing, internal control, or any violation of Veracel Code of Conduct.
Publications/Journals	1. Electronic Communications 2. Digital bulletin board 3. Podcast: Vera's Talk 4. Newsletter 5. Sustainability Report
Visitor Program	The Visitor Program allows employees, their families, schools, associations, public officials, and other organized groups to tour the Veracel facilities, including the mill, planting areas, harvest and nursery areas, Maritime Terminal and Veracel Station. Various itineraries detail the production process, environmental practices, and social projects, and answer questions about the business.
Representation	Examples: Forest Forum, Buranhém, Frades, and Santo Antônio Watershed Committee, Technical Group on Riparian Forests and Springs, Atlantic Forest Biosphere Subcommittee, Sustainable Forest Mosaic Projects, among others.
Continuous Dialogue	Visits, meetings, and institutional interaction through daily work with public managers and other institutions.

Social Monitoring

In addition to technical, economic, and environmental aspects, Veracel addresses social issues that are analyzed, evaluated, and monitored. These aspects are included in Veracel's Monitoring Plan, which considers the project's social impact on communities, job creation, and occupational health and safety.

The table below summarizes social monitoring, sources of information, collection frequency, and storage methods.

MONITORING	INDICATOR	FREQUENCY OF COLLECTION
Worker conditions: Monitoring of food conditions	Quarterly inspections of catering sites	Quarterly
Worker conditions: Monitoring of transport conditions	Quarterly inspections of our own passenger transport vehicles and those of our partner companies	Quarterly
Active dialogue	Follow the schedule of visits to the communities directly affected	Monthly
	Follow the schedule for planned meetings with traditional communities	Monthly
	Number of visitors to the mill/forest	Monthly
Management of social demands	Quality of demand management	Biannual
Management of Contact Us channel	Quality of Contact Us channel management	Biannual
Social impact on communities	Percentage of the mill's wood supply coming from the Forest Producer Program	Annual
Implementation of the operational plan	PTEAS implementation	Monthly
	A&C program held pre-forestry operations	Monthly
	A&C program held post-forestry operations	Anual
	Implementation of the action plans of the Operational Plan	Biannual
	Own and third-party jobs generated by place of residence (% of distribution)	Biannual
Investment in Training & Development	Amount invested and applied to the training account	Monthly
Monitoring of the annual training plan	Training hours	Monthly
Recruitment & Selection	Recruitment type: Internal x External	Monthly
Accident statistics	Frequency rate and severity of accidents (forestry)	Monthly
Occupational Health and Safety	Percentage of improvement opportunities identified by proactive security tools that were acted upon	Monthly

The social indicators and results for 2024 are shown in the table below.

MONITORING	INDICATOR	TARGET	UNIT	VALUE
Worker conditions: Monitoring of food conditions	Biannual of catering sites	100%	%	100
Worker conditions: Monitoring of transport conditions	Quarterly inspections of our own passenger transport vehicles and those of our partner companies	100%	%	100
Active dialogue	Follow the schedule of visits to the communities directly affected	100%	%	100
	Follow the schedule for planned meetings with traditional communities	100%	%	100
	Number of visitors to the mill/forest	-	un	622
Management of social demands	Management of social demands met	100%	%	36
Management of Contact Us channel	Quality of Contact Us channel management	100%	%	100
Implementation of the operational plan	PTEAS implementation	100%	%	100
	A&C program held pre-forestry operations	100%	%	100
	A&C program held post-forestry operations	100%	%	100
	Implementação dos planos de ação do Plano Operacional.	100%	%	69,56
Territorial development	Own and third-party jobs generated by place of residence (% of distribution)		% Belmonte	0.87
			% Canavieiras	0
			% Eunápolis	71.48
			% Guaratinga	0
			% Itabela	2.03
			% Itagimirim	1.84
			% Itapebi	0.29
			% Mascote	0
			% Porto Seguro	11.34
			% Santa C. Cabrália	1.06
			% Others	12.80
Investment in Training & Development	Amount invested and applied to the training account	-	R$	1,500.00
Monitoring of the annual training plan	Training hours	45h	hour	23,980 h
Recruitment & Selection	Recruitment type: Internal x External	-	unit (vacancies)	External:82 Internal: 3

Where can we continue talking?

Here are the topics we wanted to share. If you have questions or want to learn more, let's continue the conversation:

CONTACT US

If you have any questions, comments, or suggestions for Veracel, please visit our website and send us a message through the "Contact Us" page.
www.veracel.com.br/fale-conosco

TALK TO US

If you have a complaint about Veracel or its operations, you can submit it anonymously and confidentially through the Anonymous Communication channel canalconfidencial.com.br/veracel or by calling the toll-free number 0800 721 0764.

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WORK WITH US

If you believe you can grow with us, submit your CV to our talent pool. Everyone is welcome!
www.veracel.com.br/vagas

DO BUSINESS WITH US

In 2024, 49% of Veracel's purchases originated from the state of Bahia. The first step to participating in this supply chain is registering your company on the Supply Portal suprimentos.veracel.com.br/Fornecedor/FornecedorSolicitarCadastro.aspx

www.veracel.com.br
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