

VERIFICATION STATEMENT – BUREAU VERITAS

Bureau Veritas Certification Brasil (Bureau Veritas) was engaged by Klabin S.A. (Klabin), to conduct a verification regarding Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs), associated with a financial transaction of Sustainability Bonds.

This verification, which was carried out in the post-issuance stage, was conducted by a multidisciplinary team, including verifiers with knowledge of financial and non-financial data.

CONCLUSION

Based on the verification carried out by us and the evidence gathered, it is our opinion that Klabin meets the Sustainability Linked Bond Principles (SLBP), Voluntary Process Guidelines, June 2020.

We have found appropriate management systems for all three sustainability performance targets, which were associated with the financial transaction in 2021. It is our opinion that Klabin has sufficient actions, management, and investments to meet the targets in 2025, when the financial transaction will be concluded.

After completing the Verification process, a Detailed Report was produced and retained as a record in our internal database. This report shows all the sampling trail related to the technical review of the KPIs and other applicable requirements in the context of the SLBPs.

1. SCOPE OF WORK

- ✓ The scope of this work included verification regarding:
- ✓ The application of methodology and metrics for KPI reliability review.
- ✓ The resources available to meet the established targets (SPTs).
- ✓ The traceability of the data that is included in the targets.
- ✓ The disclosure of information about SLB's transaction.
- ✓ The performance of Klabin's operation over the last year (2021), based on the defined KPI's, requirements described in the company's Framework and Pre-issuance Opinion, reviewed by our team.

The accountability period under review was from January to December 2021.

Bureau Veritas referenced the following in issuing this Verification Statement:

- Sustainability-Linked Bonds Principles, June 2020, ICMA.
- Internal Protocol for Verification of Sustainability Targets, Bureau Veritas Brasil, 2020.

2. KLABIN AND BUREAU VERITAS' LIABILITIES

The collection, calculation and presentation of published data are entirely the responsibility of Klabin's management. Bureau Veritas is responsible for providing an independent opinion to Klabin, according to the scope of work defined in this Statement.

3. METHODOLOGY AND DISCLAIMERS

The verification included the following activities:

- Interviews with the personnel involved in data collection, consolidation, and management of the reviewed KPIs.
- Evidence collection on Klabin's performance regarding the examined KPIs, for the period of assessment, as well as the review of the results obtained against the targets (SPTs).
- Evidence recording and technical review of relevant information in the context of each KPI examined.

DISCLAIMERS APPLIED:

- Data and indicators out of the review period determined in the scope of this Statement were not part of this verification.
- Targets and commitments not mentioned in this Statement have not been verified by our team.
- Activities not corresponding to the present scope were not verified by our team.

The verification level adopted was Limited, in accordance with the requirements of the ISAE 30001 standard, embedded in Bureau Veritas' internal verification protocols.

4. SUSTAINABILITY-LINKED BONDS PRINCIPLES (SLBP)

According to the International Capital Market Association (ICMA), Sustainability Linked Bonds (SLBs) are any type of bond instrument whose financial and/or structural characteristics may vary depending on whether the issuer achieves pre-defined Sustainability/ESG objectives. In this sense, issuers expressly commit (including in the bond documentation) to future improvements in sustainability outcome(s) within a predefined timeframe. SLBs are a future performance-based instrument.

These objectives are (i) measured using pre-defined Key Performance Indicators ("KPIs") and (ii) assessed against pre-defined Sustainability Performance Targets ("SPTs").

The components that we checked during the verification in the post-issuance stage were:

- Disclosure: The issuer must disclose: (1) performance information related to the KPIs associated with the financial transaction, (2) an independent opinion on the verification of the company's performance against the targets (SPTs), (3) other relevant information regarding the aspiration and ability to achieve the SPTs.
- Verification: A verification or statement, usually in the form of limited or reasonable assurance carried out by an independent body, with relevant experience and qualifications.

NOTE: The above is a summary of the two verified components. The full definition of these components can be found in ICMA's SLB Principles document.

5. ABOUT THE SLB TRANSACTION

Klabin issued in 2021 a Sustainability Linked Bond (SLB), in which the coupon rate is linked to the fulfillment of Sustainability Performance Targets (SPTs), which are based on key performance indicators (KPIs) related to (1) intensity of water consumption, (2) reuse of waste and (3) reintroduction or reinforcement of wildlife species in the ecosystem.

6. TECHNICAL OPINION REGARDING THE EVALUATED KPIs AND KLABIN'S SUSTAINABILITY STRATEGY

6.1 INTENSITY OF WATER CONSUMPTION

Target: reduce water consumption by 16.7% versus a 2018 baseline (equal to 3.68 m³ / ton of product)

- Our sampling was carried out in the following sites: PUMA - Ortigueira/PR, Piracicaba/SP, Correia Pinto/SC, Rio Verde/GO, Otacílio Costa/SC, and São Paulo/SP (Corporate).
- It was found that the indicator is accounted for in an Environmental Index of the sites, impacting on team and leadership compensation targets. Klabin has a governance dashboard for targets and management of the environmental index in each operational site. There is a well-defined data flow, from the data collection to its consolidation.

- It was noted an alignment with the intended result (SPT). However, there is not yet a centralized management that would allow us to evaluate the future projection of each site. There is a project in this regard being carried out.
- It was found that the facilities have flow measurement equipment at necessary spots to generate relevant data, indicating proper reliability. It is worth noting that most of the equipment has a calibration certificate and is included in the maintenance and calibration system of the facilities.
- It was found that the sites comply with the main legal requirement on water use (Water Permit) and meet the requirements, especially regarding the flow rate.
- It was found that the result of water consumption intensity in 2021 was 3.84 m³/ton corresponding to a 13.1% reduction when compared to the base year of 2018. The performance since 2018 shows that it is feasible to reach the final target in 2025. In addition, we have evidenced several actions taken by the company in order to further reduce specific water consumption per year.

6.2 REUSE OF WASTE

Target: to increase total waste reuse and recycling by 3.2% (equal to 97.5% of all hazardous and non-hazardous waste) versus a 2017 baseline.

- Our sampling was carried out in the following sites: PUMA - Ortigueira/PR, Goiana/PE, Feira de Santana/BA, Otacilio Costa/SC, and São Paulo/SP (Corporate).
- It was found that the indicator is accounted for in an Environmental Index of the sites, impacting on team and leadership compensation targets. There is a well-defined data flow, from the data collection to its consolidation.
- It was noted an alignment with the intended result (SPT). However, there is not yet a centralized management that would allow us to evaluate the future projection of each site. There is a project in this regard being carried out.
- It was found that the facilities have measurement equipment (scales) at necessary spots to generate relevant data, indicating proper reliability. It is worth noting that most of the equipment has a calibration certificate and is included in the maintenance and calibration system of the facilities.
- Regarding traceability, the data is managed by SAP system based on input from the operational sites, which have their own data collection mechanisms. This collection at the source includes from automatic mechanisms to manual notes, according to the reality of each site.
- It was found that the waste reuse rate in 2021 was 98.1%, exceeding the target established in the SLB transaction. This result is mainly due to the start of co-processing of grits and sand recycling from the boiler bed at Correia Pinto site, as well as the start of co-processing of dregs from Correia Pinto and Otacilio Costa sites as a trial run.

6.3 REINTRODUCTION OR REINFORCEMENT OF WILDLIFE SPECIES IN THE ECOSYSTEM

Target: to reintroduce or reinforce at least two extinct or threatened species against 2019 base year (baseline data = zero)

- There are two endangered species reintroduction projects, namely the black-fronted piping guan (*Aburria Jacutinga*) and the purple-breasted parrot (*Amazona Vinacea*), filed with the Paraná environmental agency (IAT).
- It is our opinion that the reintroduction or reinforcement of wildlife species is an unprecedented project for the forestry sector, proving that it is an ambitious project by Klabin. We highlight the participation of ICMBIO in the previous discussions about the reintroduction projects, seeking alignment with the National Action Plan for Threatened Species.
- It was found that Klabin has a proper structure (Parque Ecológico Klabin) to carry out important stages of the project.
- The stages already completed and evidenced by our team, show that Klabin is in line with the deadline of 2025 for meeting this target (SPT).

6.4 KLABIN'S SUSTAINABILITY STRATEGY

Regarding Klabin's implementation of sustainability strategies, we gathered the following evidences, which were considered relevant in the SLB transaction pre-issuance opinion:

- Klabin has demonstrated its participation in the basin committee of the region where it is located.
- The company has an environmental policy in place and its sites are certified under the ISO 14001 normative standard.

7. DISCLOSURE

According to a Klabin statement, the disclosure of KPI and other information related to performance in achieving targets, including actions already taken and future ones, will be made available on a specific webpage on Klabin's ESG Dashboard (esg.klabin.com.br) and updated on an annual basis, starting March 30, 2022.

DECLARATION OF INDEPENDENCE AND IMPARTIALITY

Bureau Veritas is an independent professional services company expert in Quality, Environmental and Sustainability management systems, among others, with more than 185 years of experience in independent verification services.

Bureau Veritas has a quality management system, certified by a third party, according to which it keeps documented policies and procedures for compliance with ethical, professional, and legal requirements.

The verification team has no links whatsoever with Klabin and is conducting this verification independently.

Bureau Veritas has implemented and applies a Code of Ethics throughout its business to ensure that its employees maintain the highest standards of ethics, integrity, objectivity, confidentiality, and professional competence/behavior in their day-to-day activities.

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