



COMMUNICATION ON PROGRESS REPORT

Period covered by your Communication on Progress (COP) July 2013 – December, 2014

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

Assessment, Policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

Our social responsibility policy states that Suzano seeks the balance between creation of economic value and promotion of human dignity and that all our activities, processes and products are in compliance to SA 80002 standards, which regard important international deals such as Universal Declaration of Human Rights, International Labour Organization (ILO), UN Convention on the Rights of the Child.

Suzano's code of conduct regards equality principles against discrimination of any kind.

Also, Suzano is signatory to the National Agreement for Eradication of Slave-Like Working Conditions, managed by InPACTO.

For more information, please see p. 35 and 39 of our Sustainability Report.

Examples

- Reference to (statement of support for) the Universal Declaration of Human Rights or other international standards
- Written company policy on respecting Human Rights and preventing potential abuses (e.g. in code of conduct)

- Policy requiring business partners and suppliers to adhere to the principles on Human Rights
- Assessment of Human Rights related risks and impact in industry sector and country(ies) of operation (see Risk Assessment Report at www.humanrightsbusiness.org)
- Specific goals in the area of Human Rights for the upcoming year

Implementation

Description of concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

Implementation of human rights are ensured by Social Responsibility Department through social, economical and cultural diagnosis based on secondary indicators such as health, education and income.. Also, Suzano has developed tools that promote active dialogue with the surrounding communities. See p. 39. on Suzano's Sustainability Report.

Actions taken towards reduction of human rights risks include training on the code of conduct and its distribution among suppliers. See p. 34. on Suzano's Sustainability Report.

*Also, Suzano provides communication channels such as **Suzano Responde** (a toll free number) and corporative e-mail which allow anyone to report violations to the human rights among other issues. See p. 23. on Suzano's Sustainability Report.*

Examples

- Suggestion box, call center or grievance mechanism
- Awareness raising or training of employees on Human Rights
- Consultation with stakeholders and affected parties
- Allocation of responsibilities for the protection of Human Rights within your company
- Human resource policies and procedures supporting Human Rights

Measurement of outcomes : Description of how the company monitors and evaluates performance.

The committee of ethics and conduct evaluates cases of human rights violation. See p. 23. on Suzano's Sustainability Report.

FSC certification audits verify every year the applicability of its principle 4, which regards monitoring of negative impacts on the surrounding communities.

Examples

- Specific progress made in the area of Human Rights in the past reporting period
- Information about how your company deals with incidents of Human Rights violations
- Investigations, legal cases, rulings, fines and other relevant events related to Human Rights
- Periodic review of results by senior management
- External audits of Human Rights performance

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals: Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Our social responsibility, health and safety policies ensure free union negotiation, rejects sexual and moral harassment as well as child and compulsory labour and commits to employ the best practices and technologies in order to prevent labour accidents and to reduce its risks.

Also, Suzano is signatory to the National Agreement for Eradication of Slave-Like Working Conditions, managed by InPACTO. See p. 35. on Suzano's Sustainability Report.

Examples

- Reference to ILO Core Conventions or other international instruments
- Written company policies to uphold the freedom of association and collective bargaining and the elimination of forced labour, child labour and employment discrimination
- Written policies that clearly state employee rights and responsibilities and their compensation and benefits
- Policy requiring business partners and suppliers to adhere to the Labour principles

- Assessment of labour-related risks in the industry sector and country(ies) of operations
- Specific goals in the area of Labour Rights for the upcoming year

Implementation : Description of concrete actions taken by your company to implement labour policies, reduce labour risks and respond to labour violations.

Implementation of labour policies include training on the code of conduct, trainings on health and safety policies and procedures available on the web platform.

In order to reduce labour risks, Suzano developed the Segurança na Área program that requires monthly reports about the electromechanical condition of all equipment and machinery. Safety technicians check for equipment operation on a daily basis. In 2014, this program reduced rates of accidents involving leaves of absence in comparison to the year of 2012. See p. 36-37 on Suzano's Sustainability Report.

Collective and union agreements regard issues about health and safety and include clauses that require personal protective equipment. See p. 36. on Suzano's Sustainability Report.

Labour right violations may be reported to the communication channel Suzano Responde.

Examples

- Suggestion box, call center or grievance mechanisms
- Awareness raising or training for employees on labour rights and policies • Describe how the health and safety of all employees is ensured
- Describe how your company prevents discrimination of all kinds and ensures comparable pay for comparable work
- Consultation with employees and other stakeholders
- Allocation of responsibilities for the protection of labour rights within your organization
- Human Resource policies and procedures supporting the Labour principles
- Participation in international framework agreements and other agreements with labour unions

Measurement of outcomes : Description of how the company monitors and evaluates performance.

Audits such as OHSAS 18001 help the organization to comply with its requirements on health and safety in order to check applicability of labour rights within the Company and among suppliers too.

FSC certification audit also ensures that the Company comply with its principle 4, which establishes criteria for worker's welfare.

For more information, please see p. 34-38 on Suzano's Sustainability Report.

Examples

- Demographics of management and employees by diversity factors (e.g. gender, ethnicity, age, etc.)
- Describe how your company deals with incidents of violations of the Global Compact Labour principles
- Investigations, legal cases, rulings, fines and other relevant events related to Labour
- Periodic review of results by senior management
- Specific progress made in the area of Labour during the last reporting period
- External audits (e.g. SA 8000)

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals : Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

The commitment with environmental principles is ensured by the Company's Environmental Policy which contains guidelines for the sustainable use of water resources and conservation of atmosphere, soil and biodiversity.

Our Forests are certified by two certification schemes: FSC® - Forest Stewardship Council® and Cerflor/PEFC.

The commitment with preservation and conservation through restoration programs signed between government and the organization are intended for preservation of the Atlantic rainforest, Cerrado and Amazon rainforest biomes. See p. 31 on Suzano's Sustainability Report. To date Suzano has almost 0.5 Million hectares of protected areas, one of the private largest conservation areas maintained in the Southern Hemisphere.

Examples

- Assessment of the environmental footprint and impact of your company
- Written company policy on environmental issues, including prevention and management of environmental risks
- Policy requiring business partners and suppliers to adhere to the environmental principles
- Describe specific goals in the area of the environment for the upcoming year

Implementation

Description of concrete actions to implement environmental policies, reduce environmental risks and respond to environmental incidents.

Suzano is signatory to global and national pacts such as Florestal Forum, Pact for Atlantic rainforest restoration, Amazonia Sustentável Forum, Business Charter for Conservation and Sustainable Use of Biodiversity. See p. 52 - 54 on Suzano's Sustainability Report.

The organization has signed commitments with state governments in order to monitor, preserve and restore approximately 3,6 thousands hectares of Atlantic rainforest and Cerrado. The company also conserves 28 High Conservation Value Forests. See p. 31 - 32 on Suzano's Sustainability Report.

Suzano sponsors Ecofuturo Institute, which articulates society, government and private sector in a way to spread social and environmental awareness. See p. 41 on Suzano's Sustainability Report.

The company invests on modern technologies on the productive processes aiming to the efficient water and energy consumption, renewable energy sources use, reduction of both solid waste and greenhouse gases emission. See p. 28 -33 on Suzano's Sustainability Report.

- Raise awareness among suppliers by asking for the environmental footprint of products or services
- Environmental management system to identify, monitor and control the company's environmental performance
- Allocation of responsibilities for environmental protection within your company

Measurement of outcomes: Description of how the company monitors and evaluates environmental performance.

Every year the company measures greenhouse gas emission due to wood and paper production and its distribution. See p. 48 on Suzano's Sustainability Report.

In addition, Suzano has tools to monitor environmental impacts and environmental incidents such as forest fires, oil leaks on soil, waste, etc.

Suzano complies with principle 8 of FSC certification that requires fauna and flora monitoring reports. FSC (info.fsc.org) also publishes public summary reports of their annual audits on our certified forests.

Examples

- Information about how your company deals with incidents
- Investigations, legal cases, rulings, fines and other relevant events related to environmental principles
- Specific progress made in the area of the environmental protection during the last reporting period
- Periodic review of results by senior management
- External audits of environmental performance

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

Suzano's code of conduct includes integrity and Anti-corruption Law and internal mandatory training on these issues.

Also Suzano signs to the Corporate Pact for Integrity and Anti-Corruption managed by Ethos Institute. See p. 35 on Suzano's Sustainability Report.

Examples

- Assessment of risk of corruption and bribery in the company's industry and country(ies) of operation
- Written company policy of zero-tolerance for corruption, bribery and extortion
- Reference to (or statement of support for) the UN Convention Against Corruption and other international instruments
- Protocol to guide staff in situations where they are confronted with extortion or bribery
- Policy requiring business partners and suppliers to adhere to the anti-corruption principles
- Specific goals in the area of anti-corruption for the upcoming year

Implementation

Description of concrete actions to implement anti-corruption policies, reduce anti-corruption risks and respond to incidents.

Implementation of anti-corruption policies include training on the code of conduct and anti-corruption law available on web platform for all employees. See p. 35 on Suzano's Sustainability Report.

Examples

- Suggestion box, call center or grievance mechanisms
- Awareness raising or training of employees about company's policies regarding anti-corruption and extortion (e.g. mailings, internet, internal communication, etc.)
- Allocation of responsibilities for anti-corruption within the company • Participation in industry initiative or other collective action on anti-corruption

Measurement of outcomes: Description of how the company monitors and evaluates anti-corruption performance.

Incidents of anti-corruption law violation are taken to Suzano's committee of conduct.

Additionally, there is an external ombudsman channel, which receives and processes corruption incidents. See p. 23 on Suzano's Sustainability Report.

Examples

- Information about how your company deals with incidents of corruption
- Internal audits to ensure consistency with anti-corruption commitment, including periodic review by senior management
- Investigations, legal cases, rulings, fines and other relevant events related to corruption and bribery
- Specific progress made in the area of anti-corruption during the last reporting period
- External audits of anti-corruption programmes