

Klabin
Sustainability-Linked Bond
Framework



December 2020

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1. Introduction

For over 121 years, Klabin has been part of the daily lives of millions of people by creating customized sustainable solutions for various industrial sectors, operating 18 plants in Brazil and one in Argentina.

Klabin is Brazil's largest producer and exporter of packaging paper, leading producer of cardboard, corrugated cardboard packaging and industrial bags in Brazil, and also the country's only company to offer the market the finest solutions in hardwood (eucalyptus), softwood (pine) and fluff pulps.

In order to contribute to the development of a sustainable economy and inspire final consumer choices, Klabin prioritizes the prosperity of the planet, generating value for its investors, employees and business partners. To put this commitment into practice, since 2016 Klabin is a voluntary supporter of the United Nations 17 Sustainable Development Goals (SDGs) and since 2019 aligned the company's Sustainability strategy to the goals of the 2030 Agenda. In December 2020, Klabin has announced its official set of public targets, available on kods.klabin.com.br website.

Klabin has been included in the Brazil's B3 Corporate Sustainability Index (ISE) since 2015 and recently has been included in the Dow Jones Sustainability Indices World and Emerging Markets. The company has a strong performance in the WWF Environmental Paper Company Index with a 90.5% score and is also on the Leadership category in CDP's programs Water Management, Climate Change, Forests and Supplier Engagement Rating. In 2020, it is also listed in the ranking of the best performances in emerging markets by Vigeo Eiris.

Klabin is a Task Force on Climate-related Financial Disclosures (TCFD) supporter and it is gradually implementing its recommendations in order to provide secure and transparent information on climate risks and opportunities. In addition, Klabin joined the UN's Business Ambition for 1.5°C – Our Only Future global campaign and committed to the Science Based Targets Initiative (SBTi) to set new emission reduction targets. The company is currently in the process of setting the SBTs.

Klabin has devoted tremendous efforts to reduce the use of fossil fuels and, consequently, reduce GHG emissions into the atmosphere. In the last 15 years, we reduced the emission of CO₂eq/t of product by 60%. Since 2004 all of our GHG emissions are audited and publicly available according to the Brazilian GHG Protocol parameters. Moreover, our CO₂ balance is positive, that is, we capture more CO₂ from the atmosphere through our forests than is emitted by our industrial operations. We have a balance of 4.7 million tons of CO₂eq.

With a focus on operational efficiency, care for people and for the environment, Klabin has been increasingly developing products from renewable, recyclable and biodegradable sources, fostering a circular economy model and actively participating in the construction of a sustainable consumption future.

2. Approach to Sustainability

Klabin is a unique forestry company with a responsible management that is committed to sustainability. We work in collaboration with our clients and suppliers, always guided by innovation and the constant improvement of our products and processes. Together we foster the engagement and development of people and local communities to achieve increasingly better and sustainable results for the entire value chain.

All of Klabin's operations incorporate into their strategy environmental management aspects, such as water, energy, climate change and biodiversity. In this way, the company strengthens its commitment to preserve natural resources, such as by working to reduce the use of non-renewable resources, controlling environmental impacts, monitoring biodiversity and preserving fauna and flora in the forests where it operates.

Since 2006, Klabin has been involved in the CDP's global initiative, which facilitates dialogue between investors and companies seeking to minimize the environmental impacts of their business in light of climate change. In 2019, Klabin was also included on Leadership category for CDP's Water Management, Climate Change, Forests and Supplier Engagement Rating. Such recognition places Klabin among the leading companies when it comes to transitioning to the new sustainable economy.

Sustainability is an essential foundation to Klabin's management, placed the core of its strategic decision-making. Thus, the company is strongly committed to The United Nations established 17 Sustainable Development Goals (SDGs), created to achieve shared prosperity and well-being of everyone by 2030. The SDGs prioritize issues such as climate change, life on Earth, industry, innovation and infrastructure, drinking water, reducing inequality and sustainable agriculture.

With its operations focused on sustainable development – and internationally recognized for its best practices – Klabin directs its efforts to projects and initiatives capable of generating value across the entire chain, maintaining its commitment to all stakeholders. We are committed to contribute to the SDGs that are relevant to our business by leveraging our local agenda and Sustainability Strategy. Throughout 2019, we made progress in establishing our own Sustainability Agenda by devising Klabin's Sustainable Development Goals (KODS), in line with the company's expansion plan, its sustainability strategy and the UN's 2030 Agenda (SDGs).

The milestones and progress for the most urgent Environment, Social and Corporate Governance goals in the short-, medium- and long-terms are addressed by the KODS Agenda, which was devised based on consultations with thousands of stakeholders and internally discussed in workshops with representatives from several areas.

Validated by Klabin's Permanent Sustainability Commission and the Board of directors, the work gained strength with the development of the agenda's governance proposal, and the respective set of 23 specific targets such as water and waste management, climate issues, biodiversity among others ESG themes has been recently announced (please refer to kods.klabin.com.br website).

Water Management

Water is one of the most important inputs for our processes, mainly in the production of paper and pulp.

We seek continuous improvement in all processes, valuing the conservation of natural resources and fostering water reuse. One hundred percent of the effluents are treated at the Effluent Treatment Plants, before discharge to the water bodies. Treatment is monitored both internally and by a third party, in compliance with all legal requirements. The units periodically undergo internal and external audits to assess the Management System, including the Water and Effluent System.

Klabin's Environmental Management System is ISO 14001 certified and supported by the company's Sustainability Policy. Aspects such as water pollution, water security and water risks are considered in all operations, reaffirming the company's commitment to the conservation of natural resources, through the constant reduction of non-renewable resource use and control and mitigation of environmental impacts. These aspects are monitored by indicators, whose management has been consolidated in the Schneider Electric's Resource Advisor platform, facilitating the traceability of information.

In order to ensure future availability of the resource, Klabin measures 100% of water withdrawals of water stressed areas ensuring that there will be no withdraw of higher volumes than the source regenerative capacity. The frequency of monitoring is daily. Furthermore, estimates of future changes in water availability at local level of Klabin's units are assessed using scenario analysis provided by the WRI Aqueduct tool.

Our goal is to keep water extraction below 105,000.00 E3M³/Year until 2022, following our good progress towards reducing specific water consumption in 45% since 2004. Klabin's specific water withdrawal intensity of 25.1 m³/t adhere to international best practices standards as those established by IFC/IPPC indicators¹ (20 to 100 m³/t are considered adequate for pulp mills and 10 to 50 m³/t for paper mills), in order to determine maximum discharge and consumption limits. Furthermore, in 2019 Klabin started assessing the risks of its suppliers using the Ecovadis Platform in order to improve supply chain engagement towards sustainable development.

We are committed to responsible water management in the supply chain. Over 72% of suppliers assessed by Ecovadis platform are engaged in water management initiatives. Among them, the wood suppliers participate of Klabin's Legal Woods program, which promotes several activities related to this theme, not only for having theoretical training but also for developing new practices of water resources conservation in the timber production.

We participate in the Tibagi River Basin Committee, in Paraná; the Canoas River Basin Committee, in Santa Catarina; and the Piracicaba, Capivari and Jundiá Rivers Hydrographic Basins Committee, in São Paulo. We also participate in other committees in the regions where our plants are located (Angatuba/SP and Goiana/PE). Company representatives actively engage in discussions on water use, water resource plans and the establishment of mechanisms for water use pricing/charging.

The concept of "hydrosolidarity" is being improved and implemented in all of our forest operations. This process considers the forest's water consumption throughout its productive cycle to avoid negatively affecting neighboring river basins. That is, water availability, especially in small neighboring rural

¹ Please refer to Environmental, Health, and Safety Guidelines - Pulp and Paper Mills: <https://www.ifc.org/wps/wcm/connect/2310ee34-7432-4546-8898-03372c9b51e2/Final%2B-%2BPulp%2Band%2BPaper%2BMills.pdf?MOD=AJPERES&CVID=ikD2FLw>

properties.

In 2019, the case Planejamento Florestal – Microbacias e Hidrossolidariedade [Forestry Planning – Microbasins and Hydrosolidarity] was awarded by the Forests Dialogue, an initiative that brings together forest-based companies, environmental and social organizations. The project consists of verifying the best forest management practices to extinguish or minimize impacts on tertiary basins. Based on the studies, it is established whether it is more appropriate to plant eucalyptus or pine, for instance, considering the local water supply.

Responsible Forestry and Biodiversity

Trees are the foundation of our business, which is why we take care of our raw material source with great responsibility. We are committed to sustainable development and mosaic planting is our trademark: it is a system that blends areas of preserved native forests, which amount to almost half of our forest area, with planted pine and eucalyptus forests of different ages. Such management helps to protect natural resources, improves the production potential of forests and helps preserve biodiversity through ecological corridors that help hundreds of species of wild animals to move about.

We are proud to have achieved the following with respect to responsible forest management: 100% of our owned forests certified by the FSC® - Forest Stewardship Council® standard for verification and certification. 20,000 ha. of preserved areas and those in the process of restoration in third-party rural properties supported by Klabin's Matas Legais [Legal Woods] and Matas Sociais [Social Woods] programs.

Besides FSC, in 2017, Klabin earned a new internationally recognized forestry certification, CERFLOR (Brazilian Forestry Certification Program) which is PEFC verified. The seal attests that the company cultivates eucalyptus and pine following the environmental, social and economic requirements and is integrated into the Brazilian Association of Technical Standards (ABNT) and Inmetro.

The *Plante com a Klabin* Program, which is a forestry partnership program, seeks to expand and diversify the income of communities near its units through the formation of forests planted on farms.

Additionally, 1,151 wood suppliers are visited and assessed by Klabin's Controlled Wood Program, in accordance with FSC® chain of custody certification methodology. Klabin achieved advances in actions to ensure a value chain free of deforestation. We have a longstanding history of encouraging good stewardship practices, which encompass controlling impacts and actions through supplier engagement and the certification and traceability of its wood as a means to guarantee a deforestation-free value chain. Furthermore, Klabin has a dedicated team in charge of eliminating invasive exotic species from permanent preservation area.

We are also committed to conserve biodiversity, perceived by Klabin as one of ecosystem's services that forests are able to provide, such as the dispersal of pollen and seeds, climate regulation, water purification, and natural diseases' prevention.

Beyond the maintenance of the ecological corridors, Klabin has been assessing the impacts of the forestry management within the Continuous Monitoring Program for Fauna and Flora so it is possible to understand the behavior of the species and adopting prevention and mitigation measures. Furthermore, Klabin has a biodiversity study center in the Ecological Park, which, going beyond veterinary clinical care of rescued species, aims to reestablish the quality levels of forests through the restoration of wildlife.

As the quality of planted forests also depends on the quality of native forests and their natural resources, the subject is material for the company, which has recently intensified practices aimed at conservation of biodiversity. In addition, these practices also allow us to address biodiversity loss, which, accompanied by climate change, are global urgencies. Our goal is to reintroduce two extinct species and reinforce four other threatened species into the forests by 2030. Since 2019, Klabin's Ecological Park led rewilding efforts (reintroduction of extinct species and population strengthening of threatened species according to IUCN, federal and state lists).

3. Rationale for Issuance

Through the issuance of our Sustainability-Links Bonds (“SLBs”), we aim to use the power of our company to address environmental issues where we have the ability to effect positive change. We hope the issuance of our Sustainability-Linked Bonds will inspire other similar companies to do the same.

4. Alignment with the Sustainability-Linked Bond Principles, 2020

The Sustainability-Linked Bond Principles² (“SLBP”), as administered by the International Capital Market Association (“ICMA”), are voluntary process guidelines that outline best practices for financial instruments to incorporate forward-looking ESG outcomes and promote integrity in the development of the Sustainability-Linked Bond market by clarifying the approach for issuance of a SLB. Our SLB is in alignment with the five core components of the SLBP.

1. Selection of KPIs
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond characteristics
4. Reporting
5. Verification

Sustainability-Linked Bonds are any type of bond instrument for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined Sustainability/ ESG objectives. In that sense, issuers are thereby committing explicitly (including in bond documentation) to future improvements in sustainability outcome(s) within a predefined timeline that are relevant, core and material to their overall business. SLBs are a forward-looking performance-based instrument. The proceeds of SLBs are intended to be used for general purposes, hence the use of proceeds is not a determinant in its categorization.

4.1 Selection of KPIs

The KPIs we select will be core, relevant and material to our business. Below is an example of three such KPIs and SPTs.

KPI #1 Water consumption intensity, in m3 per ton (m3/t)

- **KPI:** $m3/t$. Water consumption = $\frac{\text{Total water withdrawal} - \text{Total water discharge}}{\text{Total production}}$

² <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-PrinciplesJune-2020-100620.pdf>

- **SPT:** Covered in section 4.2, results in a water intensity equal to or less than 3.68 m³/t
- **Rationale:** Increase the water use efficiency of our operations in support to our efforts to protect and restore water-related ecosystems (forests, aquifers and rivers), generating water security for societies through our KPI #1. Ensure that the new forest frontiers incorporate the concept of hydrosolidarity, considering the Klabin standard for forest management and that the company's territorial management initiatives for local development foster sustainable use of water resources. SDG 6 – Clean Water and Sanitation.

Baseline: 4.42 m³/t

Baseline year: 2018

2030 goal: Ensure greater availability of natural resources while maintaining specific industrial water consumption below 3.5 m³/t (reduction of 20.8%)

Water consumption is calculated annually using a water balance, which considers: water withdrawals, evaporation from dryers, evaporation from wastewater treatment plants, water left in our end products and water discharges.

Water consumption intensity baseline is verified by an AA1000 guarantee. Klabin also commits to annually report and verify the water consumption intensity metric as of 2020 and to publish the results in our Sustainability Report.

KPI #2 Waste reuse (reuse and recycling)

- **KPI:** Percentage of reuse and recycling of hazardous and non-hazardous solid waste
- **SPT:** Covered in section 4.2, results in a solid waste reuse percentage equal to or greater than 97.5%
- **Rationale:** Support full optimization of resources in which waste generates value when reintroduced in production systems through our KPI #2. SDG 12 – Responsible consumption and production.

Baseline: 94.3%

Baseline year: 2017

2030 goal: Zero industrial waste destined to landfills

Waste reuse baseline is not verified, however, Klabin commits to annually report and verify the waste reuse metric as of 2020 and to publish the results in our Sustainability Report.

KPI #3 Reintroduction and/or Reinforcement of wild species into the ecosystem (rewilding)

- **KPI:** Number of wild species reintroduced and/or reinforced into the ecosystem

- **SPT:** Covered in section 4.2, results in the number of extinct or threatened species reintroduced or reinforced equal to or greater than 2
- **Rationale:** Support to reverse biodiversity loss, reestablish forest's quality through the restoration of wildlife, maintain the ecosystem service given by biodiversity through dispersion of seedlings, plague control, native forests viability and connectivity through our KPI #3. Sustainable and restorative management of forests, integrating ecosystems and biodiversity values, in order to improve their ability to generate and disseminate benefits among society. SDG 15 – Life on Land.

Baseline: Status of *Aburria jacutinga* specie reintroduction's process that started in the end of 2019.

Baseline year: 2019

2030 goal: Successfully reintroduce two regionally extinct species into the ecosystem and reinforce at least four threatened species into the Brazilian forest ecosystem. Our baseline is a list of 10 species that appear on current international (IUCN), national and state lists, based on the following criteria: occurrence and appearing in the National Action Plan for Endangered Species, developed by ICMBio (the national organization for monitoring and protecting Brazilian biodiversity).

Number of wild species reintroduced/reinforced baseline is not verified, however, Klabin commits to annually report and verify the number of wild species reintroduced/reinforced metric as of 2020 and to publish the results in our Sustainability Report.

4.2 Calibration of Sustainability Performance Targets (SPTs)

Water consumption intensity, in m³ per ton (m³/t)

Sustainability Performance Target: Achieve water consumption intensity equal to or less than 3.68 m³/t. This is equivalent to an estimated reduction of 16.7% from the 2018 baseline.

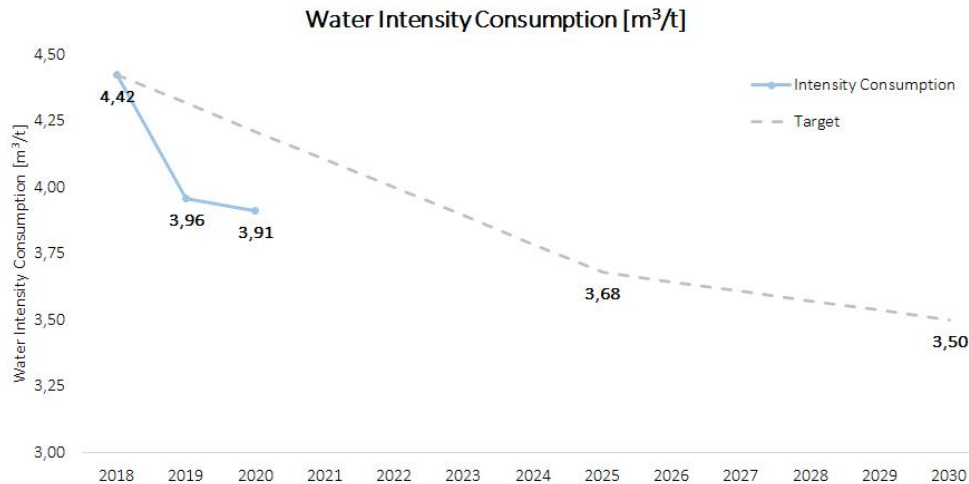
Sustainability Performance Target Trigger: Calculated as the result of the intensity of water consumption for the year 2025.

Sustainability Performance Target Observation Date: December 31, 2025

2018 Baseline Intensity: 4.42 m³/t

Strategic 2030 Goal and selection of methodology for calculating the SPT: This SPT aligns with our 2030 Goal of ensuring greater availability of natural resources while maintaining specific industrial water consumption below 3.5 m³/t (reduction of 20.8%).

Klabin has been reducing its total water withdrawn. The total amount of water withdrawn has been decreasing 45% since 2004.



Source: Klabin as of September 2020

Factors that support the achievement of the targets:

- The constant upholding the good results of recent years on the reconditioning of equipment for maintenance and leaks, technology acquisition and machinery readjustment to reduce water waste. Also, the use of new mechanisms in Puma II unit for increasing water reuse and effluent treatment.
- At all its industrial sites, Klabin takes part in river basin monitoring committees with local stakeholders helping in decision-making processes on the management of water basins and water use. Those committees are responsible for observing and discussing river basin conditions and for establishing river basin management plans with public participation. The stakeholder conflicts concerning water resources at a basin/catchment level are relevant because the decisions can directly affect Klabin costs.

Factors that risk the achievement of the targets:

- Climatic risks identified by Klabin's study of conditions associated with eucalyptus productivity and considers the most severe scenario in accordance with IPCC's model, HadGEN2, RCP 8.5. In this most severe case, the listed risks are: amount and frequency of severe drought; Minimum temperature (considers frost); Rise of average temperature; Potential evapotranspiration; Water Deficiency.

Waste reuse (reuse and recycling)

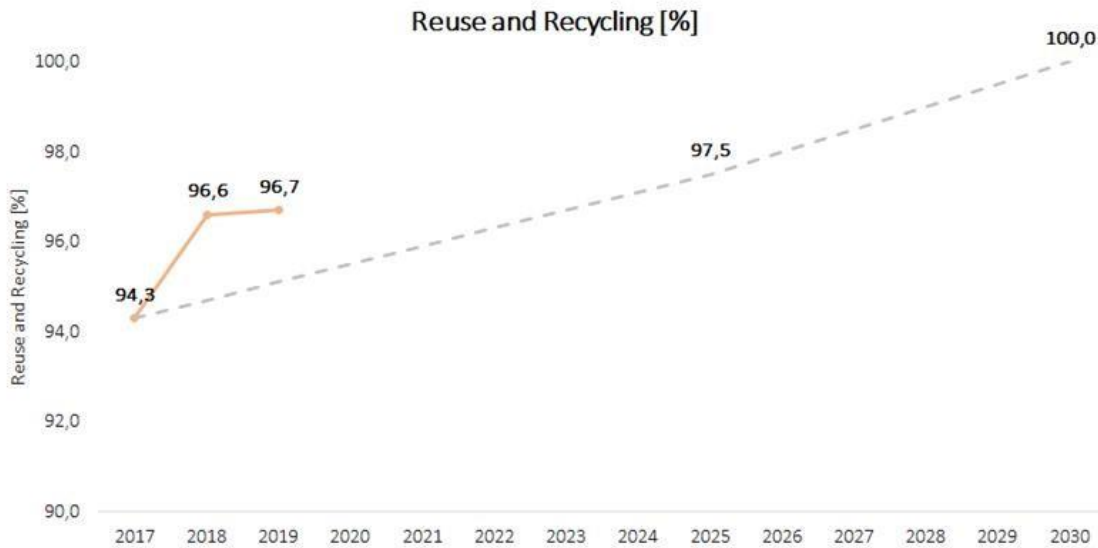
Sustainability Performance Target: Achieve waste reuse (reuse and recycling) equal to or above 97.5%. This is equivalent to an estimated increase in reuse of 3.2% from the 2017 baseline.

Sustainability Performance Target Trigger: Calculated as the percentage of reuse and recycling of waste for the year 2025.

Sustainability Performance Target Observation Date: December 31, 2025

2017 Baseline Intensity: 94.3%

Strategic 2030 Goal and selection of methodology for calculating the SPT: This SPT aligns with our 2030 Agenda of having zero industrial waste destined to landfills by 2030.



Source: Klabin as of September 2020

As of 2019, we began to consider as waste all the barks generated and burned in the boilers as biomass. Waste is classified according to the NBR 10004 standard. Klabin does not use chemicals controlled by international Substances of Very High Concern (SVHC) standards.

Factors that support the achievement of the targets:

- In 2016, Klabin implemented a Solid Waste Processing Plant at Puma Unit, which is responsible for transforming and reusing about 91% of all waste generated at the most representative units (71% of the company's total production capacity).
- Consolidated history of waste co-processing initiatives, strengthening circular processes through partnerships with the Research and Development department. Some successful cases are the reuse of waste generated by operations as raw material for the development of blocks for paving and civil construction; and organic compounds for soil fertilization.
- Co-processing and use of waste are part of one of the research and development routes, which is focused on reducing environmental impacts.

Factors that risk the achievement of the targets:

- Adaptation to the installation of new industrial capacity and/or acquisition of new industrial units may impact the performance of the continuous growing percentage.

Reintroduction and/or reinforcement of wild species into the ecosystem (rewilding)

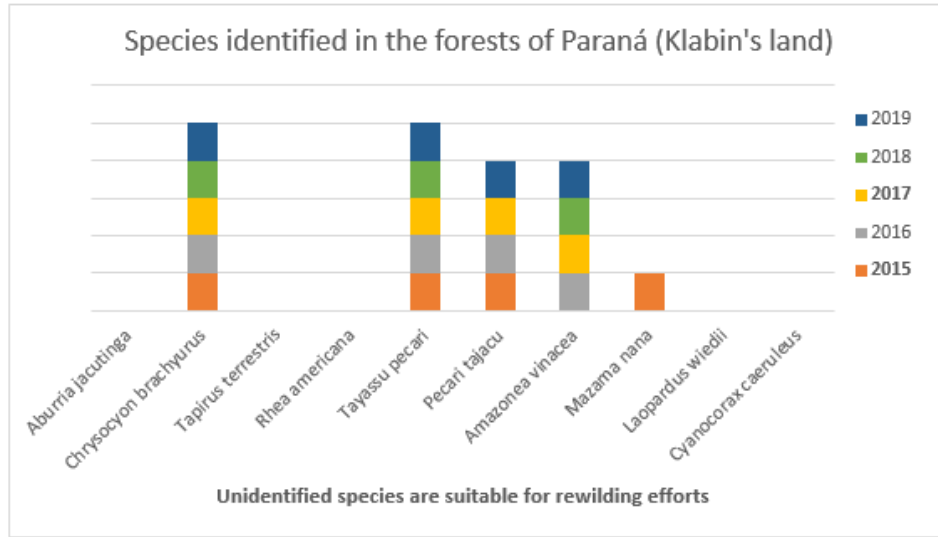
Sustainability Performance Target: Successfully reintroduce or reinforce at least two extinct or threatened species.

Sustainability Performance Target Trigger: Calculated as the number of reintroduced and/or reinforced species through rewilding initiatives concluded by 2025

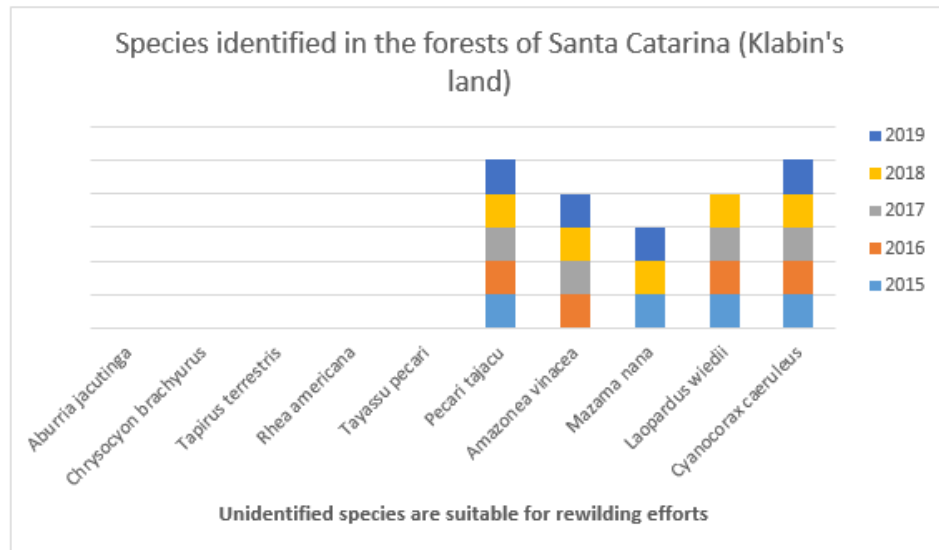
Sustainability Performance Target Observation Date: December 31, 2025

2019 Baseline: Status of *Aburria jacutinga* specie reintroduction’s process started in the end of 2019.

Strategic 2030 Goal and selection of methodology for calculating the SPT: This SPT aligns with our 2030 Goal of reintroducing at least two extinct and four threatened species into the ecosystem



Source: Klabin as of October 2020



Source: Klabin as of October 2020

Factors that support the achievement of the targets:

- The monitoring of biodiversity is consolidated in areas of high conservation value and has a historical basis of at least 10 years. In 2019, 918 fauna and flora species with conservation status

recognized by the IUCN, federal and state lists were identified in areas affected by Klabin's operations.

- The success factor of the rewilding actions is given by the subsequent monitoring of the species reproduction cycle and by the monitoring time determined by the National Action Plan for Endangered Species, developed by ICMBio.
- The rescue, rehabilitation and release of wild animals is a consolidated process at Klabin's Ecological Park, with an average of 62 species management actions per year and 584 individuals returned to nature in the last 3 years. Part of the rescued animals with severe lesions that prevents them to return to the wild remain under care at Klabin's Ecological Park.
- Klabin maintains regional leadership capable of promoting the necessary multistakeholder engagement between the private sector, civil society organizations and regional universities that focus on research of conservation interests.

Factors that risk the achievement of the targets:

- After the regional extinction of the species has been scientifically proven, the success of the reintroduction of those species can vary in accordance with the ecosystem response.

5. Bond Characteristics

Our Sustainability-Linked Bonds have a sustainability-linked feature that will result in a coupon adjustment if our performance does not achieve the stated Sustainability Performance Targets:

- (i) 12.5 bps coupon step-up if KPI #1 (water consumption intensity) does not meet its stated KPI target
- (ii) 6.25 bps coupon step-up if KPI #2 (waste reuse) does not meet its stated KPI target
- (iii) 6.25 bps coupon step-up if KPI #3 (reintroduction and/or reinforcement of wild species into the ecosystem) does not meet its stated KPI target

6. Reporting

Annually, and in any case for any date/period relevant for assessing the trigger of the SPT performance leading to a potential coupon adjustment, such as a step-up of our Sustainability-Linked Securities financial characteristics, Klabin will publish and keep readily available and easily accessible on our website a Sustainability-Linked Securities update included within our Sustainability Annual Report including:

- i. Up-to-date information on the performance of the selected KPI, including the baseline where relevant;
- ii. A verification assurance report relative to the SPT outlining the performance against the SPT and the related impact, and timing of such impact, on a bond's financial performance; and
- iii. Any relevant information enabling investors to monitor the progress of the SPT.

Information may also include when feasible and possible:

- i. Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis;

- ii. Illustration of the positive sustainability impacts of the performance improvement; and/or
- iii. Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

7. Verification

Annually, and in any case for any date/period relevant for assessing the SPT performance leading to a potential coupon adjustment, such as a step-up of the Sustainability-Linked Securities financial characteristics, until after the SPT trigger event of a bond has been reached, Klabin will seek independent and limited assurance external verification of our performance level against the SPT for the stated KPI by a qualified external reviewer with relevant expertise. The verification of the performance against the SPT will be made publicly available on our website.

Klabin may obtain and make publicly available a Second Party Opinion (SPO) and/or other limited assurance external review from consultants with recognized environmental and social expertise to provide an opinion on the sustainability benefit of this Sustainability-Linked Securities Framework as well as the alignment to the SLBP. The SPO will be available on the SPO provider's website.

Definitions

CO₂eq: carbon dioxide equivalent, is a way of expressing all the different greenhouse gases as a single number

Ecosystem services: Ecosystem services are the benefits that human beings obtain from ecosystems. These include provision services, such as food and water; regulation, regulation like regulation of floods, droughts, soil degradation; support services such as soil formation and nutrient cycling and other non-material benefits.

Endangered: When used in the context of the IUCN Red List, a taxon is classified as 'Endangered' when there is very high risk of extinction in the wild in the immediate future.

External Verifier: qualified provider of third-party assurance or attestation services appointed by the Issuer to review the Issuer's statements.

GHG: Greenhouse gases are those that absorb part of the sun's rays and redistribute them in the form of radiation in the atmosphere, heating the planet in a phenomenon called the greenhouse effect. Carbon Dioxide (CO₂); Methane (CH₄); hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) used in aerosols and refrigerators are examples.

Sustainability Performance Target Observation Date: the as of date that will determine if the sustainability performance target has been achieved

KODS: short-, medium- and long-term objectives defined by Klabin that follows the company's growth strategy, in line with the 17 UN Sustainable Development Goals.

Red List of Threatened Species: Listing of the conservation status of the world's flora and fauna administered by IUCN.

Re-enforcement: The release of individuals to supplement a remnant population.

Reintroduction: The release of individuals into a formerly occupied area after the native population have become extinct. (Source: IUCN).

Repopulation: Planned release into the natural habitat, of specimens of the same wild subspecies or, in the event the existence of subspecies had not been determined, of the same wild species, for the purpose of strengthening a reduced population.

Disclaimer

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failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise. In addition, it should be noted that all of the expected benefits of the Eligible Projects as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, the lack of available Eligible Projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Projects. Each environmentally focused potential investor should be aware that Eligible Project may not deliver the environmental or sustainability benefits anticipated, and may result in adverse impacts. This Framework does not constitute a recommendation regarding any securities of KLABIN or any member of KLABIN. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by KLABIN or any member of KLABIN. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. Any decision to purchase any bonds should be made solely on the basis of the information to be contained in any offering document provided in connection with the offering of such bonds. Prospective investors are required to make their own independent investment decisions.

