



CORPORATE BYLAWS OF KLABIN S.A.
Consolidated in the EGM held on November 26, 2020

CHAPTER I

Corporate Denomination, Purpose, Registered Offices and Duration

Article 1. KLABIN S.A. is a corporation (“Company”) governed by these corporate bylaws (“Corporate Bylaws”) and by the applicable legal provisions.

Paragraph 1. The Company, its shareholders, Members of Management, and members of the Fiscal Council, shall be subject to the provisions of the Level 2 Corporate Governance Listing Regulations of B3 S.A. Bolsa, Brasil, Balcão (“Level 2 Regulations”), given the admission of the Company to the special listing segment denominated Level 2 Corporate Governance of B3 S.A. Bolsa, Brasil, Balcão (“B3”).

Paragraph 2. The provisions set forth in Level 2 Regulations shall take precedence over statutory provisions in case of harm to the rights of the recipients of public offerings set forth in these Corporate Bylaws.

Paragraph 3. The terms set forth in capital letters in these Corporate Bylaws, when not defined herein, shall bear in their plural or singular, the meanings they are assigned in Section II, Item 2.1, of Level 2 Regulations.

Article 2. The registered offices and jurisdiction of the Company are established in the city and state of São Paulo, and at the decision of the Board of Directors, the Company is permitted to open or close branches, offices, and any other establishments at its convenience in Brazil or abroad.

Article 3. The Company has as its purpose:

- a) Industrial and commercial operationalization, including the importation and exportation of cellulose, wood pulp, paper, paperboard and similar, their byproducts and derivatives, packaging for all purposes, wood products in all their forms, forestry, and farming and cattle ranching products, including seeds, machinery, and raw materials;
- b) Forestry activities, agriculture, and ranching, including afforestation and reforestation in any of the forms incentivized by legal provision, encompassing the raising of third party funding;
- c) Mining, including research and mining of minerals, their industrialization and trading;
- d) Technology and services related to the corporate purpose;

- e) Transportation, fuel and lubricant stations, generation, and commercialization of energy as well as other secondary activities, which its characteristics as an integrated industry render necessary; and
- f) Participation in other corporations.

Article 4. The duration of the Company is for an indeterminate period.

CHAPTER II

Capital Stock, Shares and Units

Article 5. The capital stock, fully subscribed and paid in, is R\$ 4,475,624.836.00 (four billion, four hundred and seventy-five million, six hundred and twenty-four thousand, eight hundred and thirty-six reais), divided into 5,617,892,756 (five billion, six hundred and seventeen million, eight hundred and ninety-two thousand, seven hundred and fifty-six) all registered shares and with no par value, being 2,081,728,595 (two billion, eighty-one million, seven hundred and twenty-eight thousand, five hundred and ninety-five) common shares and 3,536,164,161 (three billion, five hundred and thirty-six million, one hundred and sixty-four thousand, one hundred and sixty-one) preferred shares.

Paragraph 1. The capital may be increased regardless of the proportion between the existing types and classes of shares, contingent on the number of preferred shares without voting rights not exceeding 2/3 (two thirds) of the total shares issued.

Paragraph 2. The Company may issue shares and debentures convertible into shares without preemptive rights to existing shareholders, pursuant to the restrictions set forth in law.

Paragraph 3. All the shares of the Company shall be book-entry held in a deposit account, in the name of their owners, at a financial institution authorized by the Securities and Exchange Commission (*Comissão de Valores Mobiliários*), with which the Company maintains a current booking agreement, without the issue of certificates, always pursuant to the provisions in articles 34 and 35 of Law 6.404/76 and other applicable legal provisions.

Paragraph 4. The preferred shares shall be entitled to: (a) priority in reimbursement in the event of liquidation of the Company; (b) be included in a public offering for purchase of shares in the light of the Sale of the Company's Control for the same price and under the same conditions offered to the Selling Controlling Shareholder; and (c) restricted voting rights in case of events set forth in Article 14 of these Corporate Bylaws.

Paragraph 5. The common shares shall entitle voting rights in the decisions of the General Meetings, according to the legal restrictions.

Paragraph 6. The holders of shares of the same class are assured of equality of rights.

Paragraph 7. The Board of Directors may authorize the acquisition of shares of the Company to be held as treasury stock for subsequent sale or cancelation, pursuant to the applicable provisions.

Paragraph 8. The capital stock of the Company may be increased up to the limit of 5,600,000,000 (five billion, six hundred million) common and/or preferred shares, regardless of statutory amendment, by decision of the Board of Directors, which shall determine the issue price and other conditions for the respective subscription and paying in of the shares to be issued ("Authorized Capital").

Paragraph 9. The Board of Directors of the Company may determine the issue of subscription warrants or debentures convertible into shares, be they common, preferred, or common and preferred shares for forming share deposit certificates within the limits of the Authorized Capital.

Paragraph 10. The shares issued may be subscribed and paid in in cash or through the transfer of properties or credits, pursuant to the legal provisions.

Paragraph 11. The Company may not issue Founders' Shares.

Article 6. The shareholders may convert common into preferred shares and preferred into common shares, exclusively for the formation of share deposit certificates ("Units"), at the ratio of one common share to one preferred share and vice-versa, contingent on being fully paid in, pursuant to the limit set forth in Article 5, Paragraph 1 of these Corporate Bylaws, and the chronological order of the requests.

Article 7. The requests for conversion shall be submitted by the shareholders, according to the procedures and timeframes established by the Board of Directors. Requests for conversion, execution of which results in the violation of the legal relation between common and preferred shares shall be subject to prorating or sortition to be structured by the Board of Directors.

Article 8. The Company may engage a financial institution to issue Units.

Paragraph 1. The issue of the Units, respecting the legal limits, shall be approved by the Board of Directors, which shall establish the timeframe and conditions for their issue, always according equal treatment to the holders of shares of the same class or type.

Paragraph 2. The Units shall be in book-entry form. Each Unit shall represent 1 (one) common share and 4 (four) preferred shares issued by the Company, in relation to the shares held in deposit, and they shall only be issued at the request of the shareholders pursuant to the rules to be established by the Board of Directors in accordance with these Corporate Bylaws.

Paragraph 3. Upon the issue of the Units, the shares held in deposit shall be recorded in a deposit account opened in the name of the holder of the shares with the financial depository institution.

Article 9. While bound under the share deposit certificate program pursuant to this Article, the shares issued by the Company used in the formation of Units, shall be transferred solely by means of the transfer of the Units.

Paragraph 1 – Except in cases pursuant to paragraphs 2 and 3 of this Article, the Unit holder shall be entitled at any time to request the issuing and bookkeeping financial institution, the cancellation of the Units and delivery of the respective shares held in

deposit, pursuant to the rules to be set by the Board of Directors according to the provision established in these Corporate Bylaws.

Paragraph 2. The Board of Directors of the Company may, at any time, suspend for a specific period, the option of cancellation of Units as set forth in Paragraph 1 of this Article, should there be the initiation of a public offering for a primary and/or secondary distribution of Units, in the domestic and/or international market. In this case, the timeframe for suspension shall be no more than 30 (thirty) days.

Paragraph 3. The Units backed by shares and subject to liens, encumbrances or impediments may not be cancelled.

Article 10. The Units shall entitle their holders to the same rights, advantages and restrictions as the shares issued by the Company which they represent.

Paragraph 1. The holder of the Units shall be entitled to take part in the General Meetings of the Company and in them, exercise all prerogatives under the shares represented by the Units, contingent on substantiation of their ownership.

Paragraph 2. The Unit holders may be represented at the General Meetings of the Company by a proxy duly constituted according to Article 126 of the Corporate Law.

Article 11. The following rules shall apply in relation to the Units in the event of stock split, reverse stock split, stock dividend or issue of new shares through the capitalization of profits or reserves:

(a) in the event of an increase in the number of shares issued by the Company, the financial issuing and bookkeeping institution shall register the deposit of the new shares and credit new Units in the account of the respective holders to reflect the new number of shares held by the holders of the Units, always maintaining the proportion of 1 (one) common share and 4 (four) preferred shares issued by the Company for each Unit, those shares insufficient to form Units being credited directly to the shareholders without the issue of Units; and

(b) in the event of a reduction in the number of shares issued by the Company, the financial issuing and bookkeeping institution shall debit the deposit accounts of the Units of the holders of grouped shares, automatically cancelling the Units in a sufficient number to reflect the new number of shares held by the Unit holders, always maintaining the proportion of 1 (one) common share and 4 (four) preferred shares issued by the Company for each Unit, the remaining shares that are insufficient to form Units being delivered directly to the shareholders, without the issue of Units.

Article 12. The following rules shall be adopted in relation to the Units in the event of a capital increase through subscription of shares where preemptive rights have been granted to the Company's shareholders:

I – Should the capital increase be executed through the issue of common and preferred shares of the Company in sufficient number to form new Units, the holders of the Units may exercise the preemptive rights intrinsic to the shares represented by the Units, as follows:

(a) if the shareholder subscribes new common and preferred shares issued by the Company, in the proportion of 1 (one) common share for every 4 (four) preferred shares issued by the Company, new Units corresponding to the shares subscribed by the shareholder shall be issued in their name, unless otherwise requested by the shareholders; and

(b) the shareholder may subscribe common and preferred shares issued by the Company without the issue of Units, or only common or preferred shares issued by the Company, the shareholder in this case notifying their intention in the share subscription list.

II – Should common or preferred shares be issued only without the possibility of forming new Units, the holder of the Units shall be allowed to directly exercise the preemptive rights to which each one of the shares represented by the Units is entitled, and in this case, the issue of new Units may not be requested.

Article 13. Each common share entitles its holder to one vote in corporate decisions.

Paragraph 1. The resolutions of the General Meetings shall be taken on a majority vote, with the exceptions established in law and the provisions in Article 36 of these Corporate Bylaws, blank votes not being computed.

Paragraph 2. The approval of the agreements between the Company and the Controlling Shareholders and/or companies in which they hold an interest, shall be taken in a General Meeting in which voting rights shall be extended to preferred shareholders.

Article 14 - Each preferred share entitles its holder to restricted voting rights exclusively in relation to the following matters:

- (a) transformation, incorporation, merger, or spin-off of the Company;
- (b) approval of agreements between the Company and the Controlling Shareholder, directly or through third parties, as well as other corporations in which the Controlling Shareholder has an interest, whenever they are approved in a General Meeting as a result of a legal or statutory provision;
- (c) appraisal of properties intended for use in the paying in of an increase in the Company's capital;
- (d) choice of a specialized institution or company to determine the Economic Value of the Company, pursuant to Article 36 of these Corporate Bylaws;
- (e) alteration revoking statutory provisions amending or changing any requirements pursuant to item 4.1 of Level 2 Regulations, conditional on this voting right prevailing while the Level 2 Corporate Governance Participation Agreement is in effect; and
- (f) amendment or revoking of the provision in Article 41 of these Corporate Bylaws.

CHAPTER III

General Meeting

Article 15. The General Meeting shall be held ordinarily during the first 4 (four) months following the end of the fiscal year and extraordinarily when corporate interests so demand.

Paragraph 1. Only the holders of shares, the names of which are enrolled in the corresponding register up to 3 (three) days prior to the holding of the Meeting, shall be permitted to take part in it.

Paragraph 2. Without limitation of the provision in the above paragraph, the shareholder, who attends the General Meeting at the time of opening with an identity document and proof of the respective shareholding interest issued by the bookkeeping institution, shall be permitted to participate in it and to vote should they be entitled to do so.

Paragraph 3. The General Meetings shall be presided by the Chairman of the Board of Directors and, in his absence, by a member of the Board of Directors selected by the Meeting.

Paragraph 4. The President of the Meeting shall choose from among the shareholders present, one or more secretaries.

CHAPTER IV Management

Article 16. The management organs of the Company shall be the Board of Directors and Executive Board.

Paragraph 1. The General Meeting shall establish the aggregate remuneration of the members of the Board of Directors and the Executive Board, being incumbent on the Board of Directors to distribute it among its members and those of the Executive Board.

Paragraph 2. The directors and officers shall be vested in their positions through the signature of the investiture instrument in the minutes register of the Board of Directors or of the Executive Board, as the case may be.

Paragraph 3. The investiture of the members of the Board of Directors and the Executive Board is contingent on the prior signature of the Declaration of Consent of the Members of Management pursuant to Level 2 Regulations, as well as adherence to the applicable legal requirements.

Paragraph 4. The term of office of the members of the Board of Directors and the Executive Board shall extend until the investiture of the newly elected members of management.

Section I

Board of Directors

Article 17. The Board of Directors shall be composed of at least 13 (thirteen) and at the most 18 (eighteen) members, elected and removed by the General Meeting, pursuant to the legislation in effect, with a unified term of office of 1 (one) year, reelection being permitted. For each one of the directors elected, 1 (one) specific alternate shall also be elected.

Paragraph 1. The Chairman of the Board of Directors shall be elected by the Board of Directors itself from among the directors elected by the Controlling Shareholder; the choice of Chairman from among these directors shall respect the principle of rotation, except for reelection on a favorable vote of all the directors elected at the proposal of the Controlling Shareholder.

Paragraph 2. In the event of impediment, absences and vacancy, the Chairman of the Board of Directors shall be elected observing the same criteria as the preceding paragraph.

Paragraph 3. Pursuant to the provision in the caption sentence to this Article, the numbers of members who shall compose the Board of Directors for each term of office shall be established by each General Meeting, the agenda of which shall be the election of members of the Board of Directors, this matter to be submitted to the President of the Meeting.

Paragraph 4. Exceptionally and for the purposes of transition, when the Controlling Shareholder, holding more than 50% (fifty percent) of the voting capital of the Company, ceases to exist, the members of the Board of Directors may be elected, once only, for a unified term of office of up to 3 (three) years.

Article 18. The meetings of the Board of Directors shall be held ordinarily once every 2 (two) months and, extraordinarily, whenever necessary, being convened by its Chairman or by 2 (two) of its members, 8 (eight) days prior to the meeting, by letter, fax, electronic mail, or telegram. Should the meeting not be held, a new call notice shall be sent at least 5 (five) days in advance.

Paragraph 1. The members of the Board of Directors may not be elected to the Executive Board of the Company and to the executive boards of its controlled companies, except in cases of vacancies, which shall be specifically disclosed to the market and which shall have a term of 180 (one hundred and eighty) days in which to adopt measures necessary to fill the respective positions.

Paragraph 2. In the event of a vacancy on the Board of Directors, the respective alternate shall assume the position until the next General Meeting.

Paragraph 3. In cases of absences or impediments, the members of the Board of Directors shall be replaced by the respective alternate, or by another director - through the specific indication of the absent member themselves - who in addition to their own vote, shall express, in the resolutions, the vote of the absent director. Each director is permitted to represent 1 (one) absent director at the same meeting.

Paragraph 4. The decisions of the Board of Directors shall be adopted by an absolute majority of votes, in a meeting at which at least half plus one of its members are present, it being incumbent on the Chairman to make the casting vote in addition to his own.

Paragraph 5. The meetings of the Board of Directors shall be drafted in minutes to a dedicated book, signed by all attendees. The meetings not held for lack of quorum shall be registered in the book.

Article 19. At least 20% (twenty percent) of the members of the Board of Directors shall be Independent Directors as established by Level 2 Regulations, and they shall be expressly declared as such in the minutes of the General Meeting that elects them. The directors elected pursuant to Article 141, paragraphs 4 and 5 of the Corporate Law, shall also be deemed as Independent Directors.

Sole Paragraph. When, as a result of complying with the percentage in the foregoing paragraph, the number produces a fraction of directors, the number shall be rounded according to the provisions of Level 2 Regulations.

Article 20. It is incumbent on the Board of Directors to:

a) Establish the general business objectives of the Company and its controlled companies:

I - guiding the Executive Board in formulating the medium- and long term plans;

II - approving the plans for development and expansion and the investments necessary for their implementation;

III - approving the annual budgets for operations and investments;

b) Electing and removing the officers of the Company, establishing their duties, observing the provisions of the Corporate Bylaws;

c) Electing and removing the Advisory Directors of the Company;

d) Permanently monitoring the development and performance of the Company;

e) Inspecting the management of the officers, examining, at any time, the Company's books, and documentation, requesting information on executed agreements or agreements in the process of execution, in addition to any other acts;

f) Convening the General Meeting in the cases involving legal issues or when deemed appropriate;

g) Opining on the Management reports, the financial statements, and the accounts of the Executive Board;

h) Establishing the policy for the Company's debt;

i) Authorizing acts that surpass ordinary administration acts such as:

I. taking an equity stake, including an increase in stake in other corporations and the sale of these interests;

- II. constitution, merger, incorporation, spin-off, transformation, and extinguishment of subsidiary corporations, amendment of articles of association and corporate bylaws;
 - III. acquisition, sale, and encumbrance of real estate property;
 - IV. sale of property, plant, and equipment for an amount in excess of that set by the Board of Directors;
 - V. opening and closing of branches and other establishments;
 - VI. constitution of encumbrances and the granting of guarantees or sureties except when in guarantee of the acquisition of the asset itself;
 - VII. investments in expansion and improvement projects involving an amount higher than established by the Board of Directors;
 - VIII. engagement of services for an amount in excess of that established by the Board of Directors;
 - IX. commercial lease for an amount more than that established by the Board of Directors;
 - X. engagement of long-term debt;
 - XI. acquisition of shares issued by the Company for the purposes of cancellation or for holding as treasury stock and subsequent sale;
 - XII. sale, encumbrance, or assignment for use of patents and trademarks;
 - XIII. establishment of pension plans for the Company's employees;
 - XIV. issue of securities intended for public distribution in accordance with the legislation in effect; and
 - XV. waiving rights or settlement in lawsuits for amounts higher than those established by the Board of Directors.
- j) Deciding on any proposals of the Executive Board for submission to the General Meeting;
 - k) Selecting and removing independent auditors;
 - l) Deciding, *ad referendum* of the General Meeting that approves the accounts for the fiscal year, on the payment of dividends, on the basis of intermediate or annual balance sheets, and on the payment of equity interest pursuant to the applicable legislation;
 - m) Deciding on the division of the aggregate remuneration of the managers of the Company, set by the General Meeting, as well as on the participation of the members of management in the Company's profits;
 - n) Decide on the proposal of the Executive Board regarding acts of subsidiaries in cases where a decision of the Controlling Company is necessary;

- o) Decide on the issue of shares within the limit of the Authorized Capital;
- p) Decide on the issue of subscription warrants or debentures convertible into common shares, preferred shares or common and preferred shares intended for the formation of share deposit certificates, in any case within the limits of the Authorized Capital;
- q) Opine favorably or otherwise with regard to any public offering for the purchase of shares which has as its objective the issue of shares of the Company on the basis of a prior substantiated opinion disclosed in up to 15 (fifteen) days from the publication of the notice of a public offering for the purchase of shares to include at least: (i) the convenience and opportunity of the public offering for the acquisition of shares with respect to the interests of the full spectrum of shareholders and with respect to the liquidity of their securities; (ii) the consequences of the public offering for the purchase of shares for the Company's interests; (iii) the strategic plans announced by the offeror with respect to the Company; and (iv) other aspects which the Board of Directors deem pertinent as well as the information required under the rules of the CVM;
- r) Draw up a list of three companies specialized in economic appraisals of companies for the preparation of an appraisal report of the shares of the Company, in the cases of a Public Offering for Acquisition of Shares (POA) for cancellation of company registration or delisting from Level 2 Corporate Governance;
- s) Establish the rules for the Company's Units plan, including rules on the issue and cancellation of Units and approve the engagement of an institution providing shares' and Units' bookkeeping services;
- t) Authorize the issue, conversion, early redemption, and other conditions involving debentures not convertible into shares, commercial papers, bonds, and other securities intended for primary or secondary distribution in the capital markets;
- u) Decide on the appraisal of properties to be used for paying in as capital stock of its subsidiaries and controlled companies except in the case of wholly-owned subsidiaries, where the responsibility for such shall be the General Meeting of the Company;
- v) Take a decision prior to the presentation by the Company of a request for bankruptcy or judicial or extrajudicial reorganization;
- x) Grant and establish the rules and conditions for the option to purchase or subscribe shares on behalf of the members of management or other employees of the Company or natural persons that provide services to the Company or to corporations under its control without preemptive rights to the shareholders within the limit of the Authorized Capital and pursuant to a plan previously approved by the General Meeting;
- y) Establish permanent and temporary committees and commissions as well as elect their members to provide support for the Board of Directors of the Company;
- z) Decide on any associations by the Company, as well as its participation in shareholder agreements;

- aa) In addition to the cases pursuant to Paragraph 2 of Article 26, authorize when deemed necessary, the Company's representation by a single member of the Executive Board or by a proxy;
- bb) Establish the policies for the trading of the Company's securities, disclosure of a material act or fact and transactions with related parties;
- cc) Establish policies and limits based on amounts, duration, or type of operation for financial derivative instruments of any kind, involving or not futures and options markets as well as procedures for the management and control of the Company's exposure to the respective risks in such operations;
- dd) Decide on the suspension of the activities of the Company and its controlled companies;
- ee) At any time, request the examination of any matter regarding the businesses of the Company and its controlled companies, if not already covered in the foregoing items, and in this respect proffer a decision for mandatory execution by the Executive Board;
- ff) Decide on any matter which is submitted by the Executive Board and/or by the committees as well as convene members of the Executive Board and the committees for joint meetings, whenever deemed advisable; and
- gg) Establish the functions and responsibilities of the Company's Advisory Board.

Article 21 – At ordinary meetings of the Board of Directors, the Chief Executive Officer shall present a report on events and performance of the Company in the preceding months, including trial balances and monthly reports. When convened, the other officers of the company shall present a summarized report on the areas under their responsibility.

Section II

Executive Board

Article 22. Elected by the Board of Directors, the Executive Board shall be composed of up to 10 (ten) members, resident in Brazil, shareholders or not, with term of office of 1 (one) year, reelection being permitted. The Executive Board shall be made up of one Chief Executive Officer with remaining officers to have duties and responsibilities established by the Board of Directors.

Paragraph 1. The Board of Directors may refrain from electing up to 4 (four) officers and in this case, shall determine a new distribution of functions.

Paragraph 2. The officers shall replace one another in the event of temporary absence. In the event of a vacancy, the Board of Directors shall appoint a replacement to complete the remaining term of office.

Paragraph 3. At the proposal of the Executive Board and where deemed necessary, the Board of Directors may appoint other officers, establishing their duties and functions.

Article 23. The elected Executive Board, convened by the Chief Executive Officer, shall meet ordinarily once a month and extraordinarily, whenever deemed necessary, complying with the minimum quorum of a half plus one of its members. The Chief Executive Officer shall have the casting vote in addition to his own vote.

Sole Paragraph. The meetings of the Executive Board shall be drafted in the form of minutes to the appropriate book and signed by all attendees.

Article 24. Executive Board shall have management duties and powers established in law and the Corporate Bylaws for ensuring the exact and efficient execution of the purposes of the Company.

Paragraph 1. It is incumbent on the officers to provide the Board of Directors and the Fiscal Council, including, at the request of any of the members of the same, information which is requested of them and any other information deemed relevant.

Paragraph 2. The Executive Board shall take its decisions collectively to perform acts which exceed those of a regular administrative nature according to provisions set forth in Article 23, particularly on all the acts which in the light of these Corporate Bylaws, must be submitted to the Board of Directors.

Article 25. In addition to their normal duties that are granted to them by these Corporate Bylaws, it is incumbent especially:

- a) on the Chief Executive Officer, to supervise all the activities of the Company, coordinate the activities of the other officers, to implement the corporate policy established by the Board of Directors for the Company and its controlled companies, and to supervise the internal audit; and
- b) on the remaining officers, to perform the functions established for them by the Board of Directors.

Article 26. Any 2 (two) officers together, 1 (one) officer together with 1 (one) proxy with sufficient powers, or 2 (two) proxies together with sufficient powers, shall have the powers to:

- a) represent the Company as plaintiff or defendant;
- b) execute agreements and accept obligations; manage bank accounts, for this purpose, issuing and endorsing checks; settlement, agreeing commitments; withdrawing, endorsing for guarantee or discount, or acceptance of trade bills and any other negotiable instruments; and
- c) engage guarantees or sureties for operations authorized by the Board of Directors.

Paragraph 1. 1 (one) officer, individually may provide testimony in Court.

Paragraph 2. 1 (one) officer, individually, or 1 (one) proxy with sufficient powers, may:

- i) issue trade bills and endorse them for bank collection, guarantee and/or discount, endorsing checks for deposit in a bank account in the name of the Company, execute

foreign exchange contracts, issue purchase orders within the limits set by the Board of Directors; and

ii) represent the Company with any federal, state, or municipal department, autarchy, or mixed economy corporation but contingent on this not involving the acceptance of obligations on behalf of the Company or releasing third parties from obligations to the same.

Paragraph 3. The Company may appoint proxies to represent it individually or jointly with an officer or another proxy as determined in the power of attorney. Proxies shall always be appointed for specific purposes and for a fixed duration unless in the case of powers of attorney of an *ad judicia* nature or for defending corporate interests in administrative proceedings. The appointment shall be made by 2 (two) Officers jointly, one of whom being the Chief Executive Officer and, in the event of his impediment and absences, another Officer as appointed by the Board of Directors.

CHAPTER V

Fiscal Council

Article 27. The Company shall have a Fiscal Council, installed on a permanent basis, composed of 3 (three) to 5 (five) effective members, shareholders or otherwise, elected by the General Meeting, with a term of office of 1 (one) year, reelection being permitted. The General Meeting shall also elect a specific alternate for each one of the members of the Fiscal Council and shall establish the respective remuneration.

Paragraph 1. The Fiscal Council shall have the powers, duties and responsibilities established in law.

Paragraph 2. The investiture of the members of the Fiscal Council shall be conditional on the prior signature of the Declaration of Consent of the Members of the Fiscal Council pursuant to the provision in the Level 2 Regulations, in addition to compliance with the applicable legal requirements.

CHAPTER VI

Advisory Board

Article 28. The Board of Directors of the Company shall have the support of the Advisory Board made up of up to 5 (five) members.

Paragraph 1. The members of the Advisory Board and its Chairman, shall be elected by the Board of Directors for a 1 (one) year term of office, reelection being limited to a maximum of 5 (five) terms of office.

Paragraph 2. The Advisory Board shall have the following duties:

- a) to opine on matters submitted by the Board of Directors; and
- b) to express an opinion on the Company's annual report.

Paragraph 3. The Advisory Board shall meet quarterly upon convening by its Chairman or the Chairman of the Board of Directors, through notices sent no less than 8 (eight) days in advance.

Paragraph 4. The recommendations and opinions of the Advisory Board shall be approved by a majority with the attendance of at least half of its members.

Paragraph 5. The remuneration of the Advisory Board shall be established by the Board of Directors in an aggregate annual amount, which shall also decide on its division.

CHAPTER VII

Fiscal Year, Financial Statements and Distribution of Profits

Article 29. The fiscal year begins on January 1st and ends on December 31st of each year, when the corresponding legally required financial statements shall be prepared, the following rules as to the allocation of net income to be observed:

- a) Accumulated losses and income tax provision shall be deducted from the result for the fiscal year.
- b) Verified net income shall be allocated as follows:
 - i) 5% (five percent) shall be allocated to a legal reserve up to a maximum of 20% (twenty percent) of the capital stock;
 - ii) constitution of other reserves required in law;
 - iii) distribution to shareholders in each fiscal year of a dividend of no less than 25% (twenty-five percent) calculated on the adjusted net income as ordained in law and also adjusted for the creation, realization, and reversal in the respective fiscal year, of the Biological Assets Reserve, subsections v), vi) and vii) and the realization of the "Asset Valuation Adjustments" account;
 - iv) formation of a Working Capital and Investments Reserve, consisting of a variable portion from 5% to 75% of the adjusted net income according to the law, observing the limit enshrined in Article 199 of the Corporate Law for the purpose of ensuring resources for investments in plant, property, and equipment of the fixed assets, increases in working capital, including through the amortization of debt, irrespective of retained profits linked to capital budgets. The balance of the Reserve may be used to absorb losses, whenever necessary, in the distribution of dividends, at any time, in operations of redemption, reimbursement or acquisition of shares, when authorized as established in these Corporate Bylaws, or for incorporation in the capital stock;
 - v) in each fiscal year, the creation of the Biological Assets Reserve with the purpose of allocating the effects of adjustments to the fair value of the biological assets while unrealized financially, the allocation of the result for the period in question, net of tax effects, of revenue from the evaluation of fair value of proprietary biological assets and of revenue from the evaluation of fair value of biological assets of controlled companies incorporated in the equity income result, booked by the controlling company. The amount to be used for establishing the Biological Assets Reserve shall be limited to the

balance of the “Retained Earnings and Accrued Losses” account after the constitution, if constituted, of the Legal Reserve, Contingency Reserve, Tax Incentives Reserve and Realizable Profits Reserve;

vi) in the case of expenses due to a reduction in the fair value of biological assets (proprietary and of controlled companies included in the equity income result) included in the profits for the fiscal year, the corresponding amount, net of taxes, shall be transferred from the Biological Assets Reserve to the “Retained Earnings or Accrued Losses” account;

vii) the realization of the Biological Assets Reserve shall correspond to the amount of depletion of the fair value of the biological assets (proprietary and of the controlled companies included in the equity income result) verified in the result for each fiscal year, net of tax. The realization of profit balances in the Biological Assets Reserve shall cause the reversal of the corresponding amounts to the “Retained Earnings or Accrued Losses” account for allocation;

viii) the Biological Assets Reserve may not exceed the amount of the capital stock; and

ix) in case of losses in the fiscal year and, if after the realizations and reversals cited under subsections vi) and vii) above, there is still a negative balance in “Retained Profits or Accrued Losses”, the balances held in the profits reserve shall be used to offset the negative balance in accordance with the law, the Biological Assets Reserve being the penultimate one to be used to this end and the Legal Reserve, the final one. In the event of a continuing negative balance, the outstanding balance in the Capital Reserves may be used for this purpose.

c) The General Meeting shall decide on the allocation of any eventual balance in net income verified in the fiscal year.

Paragraph 1. Pursuant to legal provisions, the Management of the Company, may raise semi-annual balance sheets or balance sheets for shorter periods, as well as declaring *ad referendum* of the General Meeting, interim dividends for account of retained earnings or profit reserves existing in the last balance sheet.

Paragraph 2. The General Meeting may determine the distribution of a portion of net income to the members of the Company’s management neither in excess of half the respective annual remuneration, nor more than 0.1 (one tenth) of the profits, whichever is lower.

Paragraph 3. The payout of dividends shall be realized within a term of 60 (sixty) days, as from the date they are declared but in any case within the fiscal year unless the General Meeting should decide otherwise.

Article 30. After the end of each fiscal year and quarter, the Company shall disclose the set of consolidated or individual financial statements together with the management report or comments on performance and opinion or report of a special review by the independent auditors pursuant to the law and Level 2 Regulations.

Sole Paragraph. The financial statements shall also be presented in English, this to take place at the most in 15 (fifteen) days from the publication of the financial statements in Portuguese according to the deadline enshrined in the current legislation.

CHAPTER VIII

Liquidation

Article 31. The Company shall be dissolved and liquidated in the cases established in law, as determined by the General Meeting, which shall appoint the liquidators, who shall perform during the period of liquidation.

CHAPTER IX

Sale of the Control of the Company

Article 32. The Sale of Control of the Company, whether through a single operation or successive operations, shall be contracted under the precedent or resolute condition whereby the Purchaser undertakes to make a public offering to purchase the shares of the other shareholders of the Company, pursuant to the conditions and timeframe set forth under the prevailing legislation and in the Level 2 Regulations, thus ensuring treatment equal to that extended to the Selling Controlling Shareholder.

Sole Paragraph – The public offering, the subject of this Article, shall also be required: (i) in the case of assignment for valuable consideration of rights to subscribe shares and other securities or rights related to securities convertible into shares which may result in the Sale of the Control of the Company; or (ii) in the case of sale of control of a corporation which holds the Power of Control of the Company, where the Selling Controlling Shareholder shall be required to declare to B3 the amount attributed to the Company for this sale and attach documentation substantiating this amount.

Article 33. The Purchaser acquiring the Power of Control, the result of a private share purchase agreement executed with the Controlling Shareholder, involving any number of shares, shall be required to: (i) execute the public offering referred to under Article 32 above; (ii) pursuant to the conditions set forth below, pay the amount corresponding to the difference between the price of the public offering and the amount paid per share acquired on the stock exchange in 6 (six) months prior to the date of acquisition of the Power of Control, duly restated until the date of payment. The said amount shall be distributed among all the individuals who have sold shares of the Company on the trading days that the Purchaser made acquisitions, proportional to the net daily selling balance of each one, being incumbent on B3 to operationalize the distribution pursuant to the terms of its regulations; and (iii) accept the commitment in Article 41 of these Corporate Bylaws.

Article 34. The Company shall not register any transfer of shares to the Purchaser or to those that may eventually hold the Power of Control, while they have not signed the Declaration of Consent of the Controllers pursuant to the Level 2 Regulations and/or do not accept the commitment set forth in Article 41 of these Corporate Bylaws.

Article 35 – No shareholders' agreement that provides for exercising the Power of Control may be registered at the registered offices of the Company while their signatories have still not signed the Declaration of Consent of the Controllers to which Level 2 Regulations refer and/or have not accepted the commitment established in Article 41 of these Corporate Bylaws.

CHAPTER X

Cancellation and Registration as a Listed Company

Article 36 – In the public offering for the purchase of shares to be made by the Controlling Shareholder or the Company for cancellation of registration as a listed company, the minimum price to be offered shall correspond to the Economic Value in the appraisal report prepared pursuant to paragraphs 1 and 2 of this Article, according to the applicable laws and rules.

Paragraph 1. The appraisal report to which reference is made in the opening sentence to this Article, shall be prepared by a specialized institution or company with proven experience and independence in relation to the power of decision of the Company, its Members of Management and/or the Controlling Shareholder(s) as well as satisfying the requirements of Paragraph 1, Article 8 of the Corporate Law and including the responsibility set forth in Paragraph 6 of this same Article.

Paragraph 2. The selection of the specialized institution or company responsible for determining the Economic Value of the Company shall be exclusively the responsibility of the general meeting, based on the presentation by the Board of Directors of a list with three names. The respective decision shall be made by the majority of votes of the shareholders representing the Free Float of shares attending the meeting irrespective of blank votes and with each share having the right to vote regardless of type or class. If the meeting is installed on first call, it shall require the presence of shareholders representing at least 20% (twenty percent) of the total Free Float, or, if installed on the second call, the meeting may be held with the attendance of any number of shareholders representing the Free Float.

CHAPTER XI

Delisting from Level 2 Corporate Governance

Article 37. Should the delisting of the Company from Level 2 Corporate Governance be approved so that the securities issued by it are registered for trading outside Level 2 Corporate Governance, or by virtue of a corporate reorganization, in which the securities of the corporation resulting from this reorganization do not qualify for trading in the Level 2 Corporate Governance, within 120 (one hundred and twenty) days as from the date of the general meeting which approved the said operation, the Controlling Shareholder shall make a public offering to acquire the shares pertaining to the remaining shareholders of the Company, for at least the respective Economic Value, to be calculated in an appraisal report prepared pursuant to paragraphs 1 and 2 of Article 36 in accordance with the applicable laws and regulations.

Sole Paragraph. The Controlling Shareholder shall be released from the requirement to make a public offering of shares in accordance with the caption sentence to this Article should the Company delist from Level 2 Corporate Governance as a result of an agreement to participate in the special segment of B3 known as the Novo Mercado ("Novo Mercado") or if the company resulting from a corporate reorganization obtains the authorization for trading securities in the Novo Mercado within 120 (one hundred and twenty) days as from the date of the general meeting which approved the said operation.

Article 38. Should there be no Controlling Shareholder and the decision is taken to delist the Company from Level 2 Corporate Governance so that the securities issued by it are registered for trading outside Level 2 Corporate Governance, or due to an operation of corporate reorganization in which the shares of the resulting corporation no longer qualify for trading in the Level 2 Corporate Governance segment or in the Novo Mercado within a timeframe of 120 (one hundred and twenty) days as from the date of the general meeting which approved the said operation, delisting shall be contingent on the holding of a public offering for purchase of shares under the same conditions as in the preceding Article above.

Paragraph 1. The said general meeting shall establish the responsible person(s) for holding the public offering for acquisition of shares, and who being present at the meeting, shall expressly accept the obligation to execute the offering.

Paragraph 2. In the event of there being no decision as to those responsible for holding the public offering for the purchase of shares, in the case of a corporate reorganization, in which the company resulting from this reorganization does not have securities which qualify for trading in the Level 2 Corporate Governance segment, it will be incumbent on the shareholders that voted in favor of the corporate reorganization to make the offering.

Article 39 – The delisting of the Company from Level 2 Corporate Governance, the result of noncompliance with obligations in the Level 2 Listing Regulations, is conditional on effecting a public offering for the purchase of shares for at least the Economic Value of the shares, to be verified in an appraisal report and the topic of Article 36 of these Corporate Bylaws, respecting the applicable laws and regulations.

Paragraph 1. The Controlling Shareholder shall make a public offering for purchase of shares as described in the caption sentence to this Article.

Paragraph 2. Should there be no Controlling Shareholder and the delisting from Level 2 Corporate Governance cited in the caption sentence reflects the outcome of a decision of the general meeting, the shareholders who have voted in favor of the decision leading to the respective non-compliance shall be responsible for the purchase of shares as set forth in the caption sentence.

Paragraph 3. Should there be no Controlling Shareholder and the delisting from Level 2 Corporate Governance cited in the caption sentence arises out of an act or fact of management, the Managers of the Company shall call a general meeting of shareholders, the agenda of which shall be a decision on how to remedy non-compliance with the obligations set forth in the Level 2 Listing Regulations or, if the case, to decide to delist the Company from Level 2 Corporate Governance.

Paragraph 4. Should the general meeting mentioned in Paragraph 3 above decide on the delisting of the Company from Level 2 Corporate Governance, the said general meeting shall decide the individual(s) responsible for holding the public offering for the purchase of shares described in the caption sentence, the individual(s), being present in the Meeting, shall expressly accept the obligation of making the offering.

CHAPTER XII

Arbitration

Article 40. The Company, its shareholders, Members of Management, and the members of the Fiscal Council, agree to settle by arbitration through the Market Arbitration Chamber, all and any dispute or controversy that may arise, related to, or resulting from, in particular, the application, validation, efficacy, interpretation, violation and their effects, of the provisions in the Corporate Law, the Corporate Bylaws of the Company, the rules published by the National Monetary Council, by the Central Bank of Brazil and the Brazilian Securities and Exchange Commission in addition to further rules applicable to the functioning of the capital markets in general as well as those set forth in Level 2 Regulations, Arbitration Rules, Sanctions' Regulations and the Level 2 Corporate Governance Participation Agreement.

CHAPTER XIII

Transitory Provisions

Article 41. The Controlling Shareholders undertake on their own behalf and on behalf of their successors, to exercise their voting rights so that in the event that migration of the Company to the special listing segment of B3, known as the Novo Mercado, is approved, the conversion of the preferred shares issued by the Company into common shares be mandatorily undertaken in the proportion of 1 (one) preferred share to each new common share, without payment or attributing any premium, in anyway, to any shareholders, irrespective of type, class or ownership of their shares. Furthermore, the approval of any proposal or operation, the effect of which is, by any means, to realize the conversion of preferred shares to common shares or the migration to the Novo Mercado, without respecting this relationship of parity between all the shares issued by the Company, shall not be permitted.

Article 42. The term of office of members of the Board of Directors of the Company, which is still ongoing on the date which approves these Corporate Bylaws, shall terminate on the date of the ordinary general meeting which approves the financial statements for fiscal year 2014, the exception being the election of directors representing the minority shareholders which is required and held on the occasion of the first ordinary general meeting after the approval of these Corporate Bylaws.

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