

Sustainability Report

2019



Eldorado
Brasil



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Message from the CEO

GRI 102-14

Eldorado Brasil was built in 2010 with a modern and sustainable design and a capacity to produce 1.5 million metric tons per year. Less than a decade since work began on building the mill, we have demonstrated far greater potential than initially envisaged, and an absolute commitment to socially and environmentally responsible business.

In 2019 we had a record-breaking year, including record production of 1.786 million metric tons—4% more than in 2018 and 19.1% more than our nominal capacity. The production expansion drove a 19% improvement in sales to 1.892 million metric tons. These results are a clear testament to our operating efficiency and the solid relations we have built with our customers.

Sound decision-making in recent years has helped to shield Eldorado from the effects of a challenging global pulp market and falling prices in 2019. While our margins contracted as a result, we generated EBITDA of R\$ 2.016 billion and net income of R\$ 541 million.

We are proud to report positive results even under adverse market conditions, and without creating environmental or social liabilities. On the contrary, our operations performed strongly on both of these fronts—our value chain creates net positive benefits for the environment, while our social programs support the development of the communities where we operate, creating job and income opportunities.

As a case in point, we expanded our production of electricity from clean and renewable sources to a record output in 2019. We will build further on this with the start of operation of our Onça Pintada thermal power plant, which saw continued progress on construction in 2019. This project is part of an ongoing effort to modernize our operations.

Our employees' dedication has inspired us to build a company that is increasingly strong and integrated with the communities where we operate. The positive results we report here show that we remain on the right path.

I hope you enjoy the report!

Aguinaldo Ramos Gomes Filho

CEO



Our COVID-19 response

We will pull through this, together!

Good practices combined with strong results in 2019 became an important asset supporting our response to the COVID-19 pandemic, which has caused significant disruption for people, governments and companies around the world.

Since the onset of the crisis, Eldorado Brasil has worked across a broad front to counter the adverse effects of the pandemic on employees, communities in the areas where we operate and broader society.

We ensured our entire workforce could perform their tasks safely by providing appropriate personal protective equipment (PPE) and implemented protocols prepared by subject-matter experts in accordance with guidance issued by public authorities.

Eldorado also made generous donations to municipalities in the states of Mato Grosso do Sul and São Paulo—we purchased and distributed groceries, PPE and test kits to diagnose the disease. Our goal is twofold: supporting public health care facilities in tackling this decade's gravest challenge, while helping Brazil's most vulnerable people to cope with the worst of the social and economic crisis caused by the pandemic.

These measures reflect our commitment to the well-being of communities where we operate. This commitment translates into compassionate action through the dedicated efforts of each of our more than 4,000 employees, who inspire us each day to make our company increasingly strong and sustainable. This gives us confidence that we will pull through this, together!

Priority topics and reporting practices

Since 2013 we have annually published our key financial results—covering the operations of Eldorado Brasil Celulose S.A.—and non-financial results—describing our management of priority and strategic topics—as an act of transparency and accountability to our stakeholders. The data in our *Sustainability Report 2019* is for the period from January 1 to December 31, 2019, and has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards. GRI 102-5 102-45 102-50 102-51 102-52 102-54



CONTACT INFORMATION

For any questions or comments about our *Sustainability Report 2019*, please write to sustentabilidade@eldoradobrasil.com.br. You can view our previous reports at <http://www.eldoradobrasil.com.br/Sustentabilidade/Sustentabilidade-Eldorado> GRI 102-51 102-53

Eldorado Brasil has annually published its key financial and non-financial results since 2013, as an act of transparency and accountability to stakeholders.

Materiality

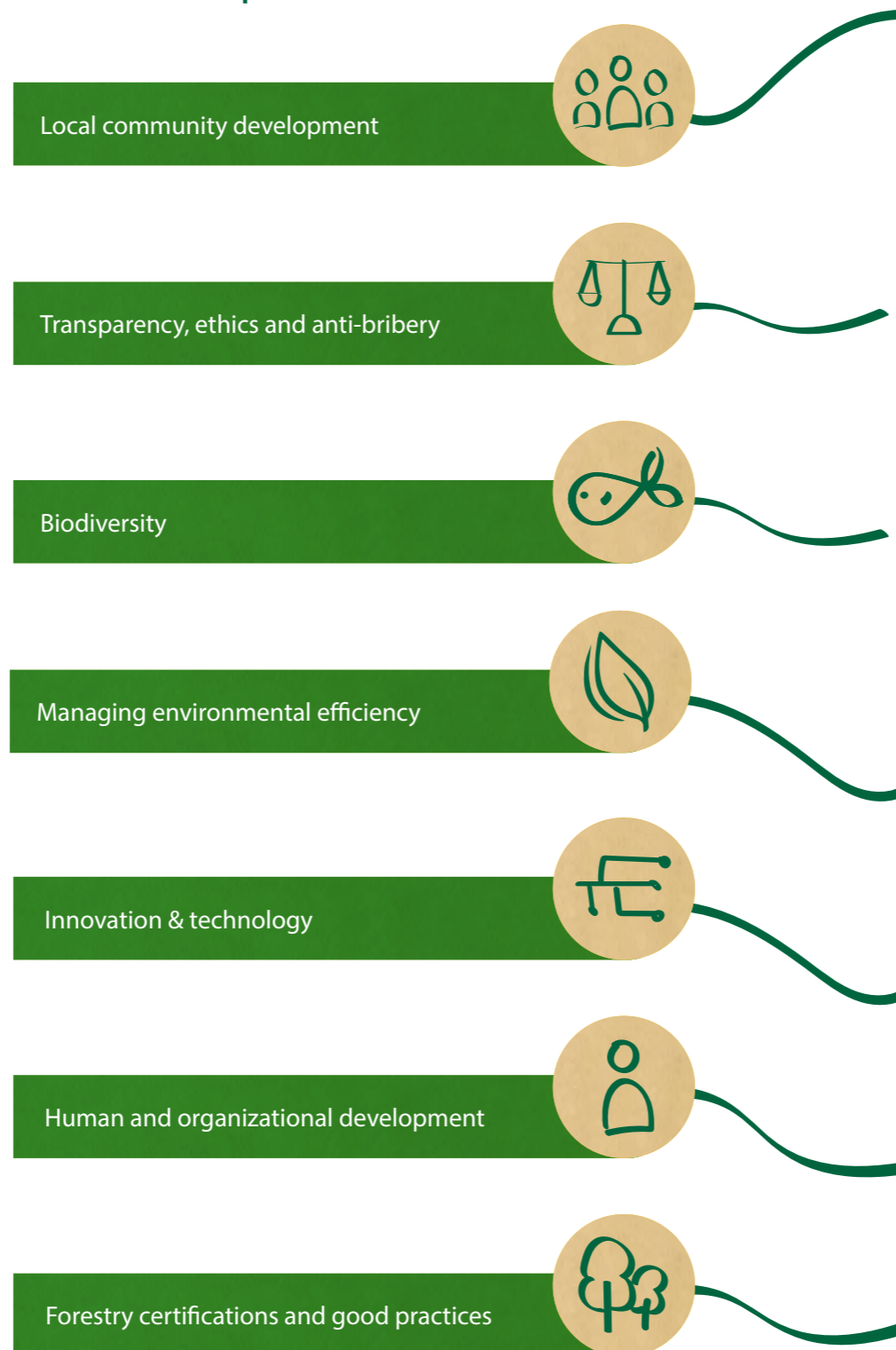
GRI 102-40 102-42 102-43 102-44

A materiality matrix to inform the content and scope of this report was developed in 2020 based on a survey of Eldorado Brasil's internal and external stakeholders. The materiality exercise comprised four steps: GRI 102-49

- **identification**—reviewing internal and industry documentation to select topics that are material to the company, and mapping out key stakeholders for the survey;
- **prioritization**—reviewing stakeholder views to prioritize topics;
- **analysis**: discussion and analysis of prioritized topics; and
- **validation**: examination and validation by the executive team against criteria such as Eldorado's responsiveness (indicators), risk management strategy and opportunities.

A multistakeholder survey was conducted during the prioritization step, evolving interviews with executives and community leaders. We also performed an online survey of different stakeholders including employees, forestry partners, suppliers, customers, and government organizations.

Eldorado Brasil's materiality matrix comprises seven material topics: GRI 102-47



DESCRIPTION	SDGS LINKED TO TOPICS	TARGETS	BOUNDARIES OF IMPACT GRI 103-1, 102-46
Managing positive and negative social, environmental and economic impacts on surrounding communities; environmental education activities and social initiatives in municipalities within our area of influence; company engagement in the social programs of partner organizations; and corporate volunteer work.	11, 12 and 17	11.3, 11.6 and 11.a 12.8 17.16	Communities Suppliers Employees Environment
Communications and training on anti-bribery policies; protecting our reputation and credibility; preventing misconduct in management; confirmed incidents of corruption and corrective and/or disciplinary action taken.	16	16.5, 16.6 e 16.7	Employees Customers Government agencies
Engaging in environmental education initiatives for surrounding communities; employee training and wildlife monitoring; managing information on Eldorado Brasil's High Conservation Value (HCV) areas; fire responder activities.	2 and 15	2.4 15.1, 15.2, 15.3 and 15.5	Environment
Material efficiency; water and energy management at our offices, mill, and forestry operations; effluent management; waste management, material reuse and recycling (including electronic waste).	2, 9 and 11	2.4 9.4 11.6	Environment Forestry partners Customers
Investments in more efficient and sustainable production technology; innovation program awards; activities at the Eldorado Brasil Forestry Intelligence Center; number of initiatives within our <i>Inovar</i> Program.	2, 8, 9 and 12	2.4 8.2 9.4 12a	Universities Environment Employees
Employee onboarding program; attracting and retaining talent; performance reviews; leadership development; average training hours per year.	5 and 8	5.1 and 5.5 8.5	Employees
Voluntary forestry certifications; and incentives for sustainable land-use practices.	12 and 15	12.6 and 12.7 15.1, 15.2 and 15.3	Forestry partners Customers



Approach to stakeholder engagement GRI 102-43 102-44

At Eldorado Brasil we seek to have a positive presence in the communities where our operations are located. We work to engage closely with our strategic stakeholders, including forestry partners, customers and suppliers. We also participate in industry associations, logging industry events— which are particularly important for the Company—and industry forums to discuss trends and market developments. In addition, we actively participate in discussions on social and environmental agendas, both in Brazil and globally.

We maintain certifications attesting to good practices, and invest substantially in innovation—two aspects that our customers see as strategic.

In addition to our *Sustainability Report*, we publish annual *Forestry Management Plans*, certifications and other relevant publications at <http://www.eldoradobrasil.com.br/Institucional/Imprensa%20Comunicação/Publicacoes>. Eldorado Brasil also regularly publishes greenhouse gas (GHG) emissions inventories; read more on page 49.

Our *Annual Report*, describing our most significant results of operations, is publicly available on our website, <http://www.eldoradobrasil.com.br/Investidores/Informacoes-financeiras/Relatorio-Anual>. At <http://www.eldoradobrasil.com.br/Investidores>, visitors can also view our quarterly information and other strategic information for the market.

Approach to stakeholder engagement and main topics and concerns raised

STAKEHOLDER ¹ GRI 102-40	APPROACH TO ENGAGEMENT GRI 102-43 102-44	MAIN CONCERNS RAISED GRI 102-44
Communities and civil society	<ul style="list-style-type: none"> • Periodic meetings; • Social programs such as permaculture vegetable gardens and training courses; • Providing channels, such as our Ethics Hotline, for reporting concerns; • Investigating concerns and complaints reported by stakeholders; and • Communications and engagement with communities surrounding our operations and with broader civil society. 	Maintaining transparent and harmonious relations with all communities within the area of influence of our operations, and with broader civil society.
Customers	<ul style="list-style-type: none"> • We engage closely with customers through in-person meetings and conference calls, participate in customer-organized forums and events, and provide an open channel for day-to-day customer service; • We monitor and manage concerns raised by business partners. 	Maintaining certifications attesting to the good social and environmental practices in place within the Company, and making clear our stance against logging in native forests. Through innovation, we have improved our relations with customers by ensuring high product quality, ongoing communications with teams specializing in pre- and after-sales, and efficient delivery.
Government and industry associations	<ul style="list-style-type: none"> • We attend periodic meetings and establish partnerships for investment in infrastructure to support sustainable local development; • We provide a channel to receive requests from these stakeholders; • We participate in monthly working groups about developing improvements in the regions where our operations are located. 	Maintaining regular interaction with governments and industry associations in a transparent and ethical manner, increasingly supporting sustainable development through employment and income opportunities and by using natural resources responsibly in our production processes.

Note 1: our stakeholders are those parties who are most affected by our business and our operations. GRI 102-42



STAKEHOLDER ¹	APPROACH TO ENGAGEMENT	MAIN CONCERNS RAISED
GRI 102-40	GRI 102-43 102-44	GRI 102-44
NGOs and forums GRI 102-13	<ul style="list-style-type: none"> We monitor concerns reported by stakeholders and manage these issues in a way that creates social, environmental and economic value; We participate in industry meetings, forums and working groups to discuss public policy and issues that are strategic for our industry and for sustainable development; We are members of WWF's Forestry Forum in Mato Grosso do Sul; We are signatories of the Brazil, Forests and Agriculture Coalition; Eldorado Brasil is a member of FSC® International, the Brazilian Forestry Association (IBÁ), the Brazilian Pulp and Paper Association (ABTCP), the Association of Planted Forest Producers and Consumers of Mato Grosso do Sul (REFLORE/MS) and the Forestry Research Institute (IPEF); and We are a member of the Ethos Institute for Business and Social Responsibility. 	Maintaining an open channel of communications with these stakeholders, attending meetings and forums to continuously and positively support environmental preservation and global efforts against climate change.
Suppliers GRI 102-9	<ul style="list-style-type: none"> We manage our supply chains and ensure our suppliers commit to comply with best social and environmental practices, in accordance with the Eldorado Brasil Code of Conduct and applicable Brazilian and international laws and regulations. 	Maintaining an active supply chain for services, products and materials for production.
Shareholders & investors	<ul style="list-style-type: none"> We engage closely and regularly with shareholders and investors, primarily via telephone interaction; and We manage concerns reported by the stakeholders and share information on our business results and operating performance. 	Maintaining transparency, reporting on our results and performance across the economic, environmental and social dimensions.

Note 1: our stakeholders are those parties who are most affected by our business and our operations. GRI 102-42

STAKEHOLDER ¹	APPROACH TO ENGAGEMENT	MAIN CONCERNS RAISED
GRI 102-40	GRI 102-43 102-44	GRI 102-44
Employees	<ul style="list-style-type: none"> We periodically communicate business results and information on collective bargaining agreements; We provide regular employee communications including newsletters, magazines, Eldorado Radio programs and other communication channels; We reinforce good practices and address strategic topics through training; We provide performance incentives such as compensation and benefits policies, as well as recognition through initiatives like our innovation awards program; and We monitor concerns reported by employees to ensure the continued growth and development of our workforce, while also improving quality of life for our people and their families. 	Continuously engaging with employees, supporting their growth and development, providing regular employee training, improving quality of life and safety, and providing employment and income opportunities.
Forestry partners	<ul style="list-style-type: none"> Annual meetings with forestry partners and telephone interactions where necessary. 	Maintaining active communications channels with forestry partners, maximizing the yields of planted forests on our properties, and maintaining long-term contracts as a consistent source of revenue for partners.

Note 1: our stakeholders are those parties who are most affected by our business and our operations. GRI 102-42

About Eldorado Brazil

We are recognized internationally for the quality of our pulp products, and are among the most sustainable and competitive companies in our industry.





Our pulp is distributed across the main consumer markets globally, especially to Asia, the destination market for 50% of our pulp output in 2019. GRI 102-6

Eldorado Brasil is recognized internationally for the quality of its pulp products, and we are among the world's most competitive companies in our industry. We have commercial offices in Brazil (in São Paulo City, where our head offices are located), the US (Connecticut), Austria (Vienna) and China (Shanghai). GRI 102-1 102-3 102-4 102-7

In Brazil we operate a mill in Três Lagoas, Midwest Brazil, with a nominal capacity to produce 1.8 million metric tons of pulp per year and approximately 230,000 hectares of company-owned Eucalyptus forest assets, as well as protected areas under company management. We produce 26 million seedlings at our nursery in Andradina, southeastern Brazil. GRI 102-4 102-7

We have operations in Brazil's primary ports—five in total—including a company-owned port terminal in Santos, southeastern Brazil, a differentiator that ensures swift and high-quality delivery across all continents. GRI 102-4 102-7

We have set production and sales records year-on-year thanks to the efforts of a high performance, highly engaged team combined with management and production practices that deliver world-class efficiency and quality.



Mission

To build relations of trust with our shareholders, our people and our partners, through the ongoing enhancement of our planted, renewable forest assets.



Vision

Eldorado Brasil as a global leader in the pulp industry, building new ways to create value.



Values

GRI 102-16

- Owner mindset
- Determination
- Discipline
- Availability
- Simplicity
- Humility
- Honesty

ESG

Good practices at Eldorado Brasil create positive social, environmental and governance value



Environmental

- Eldorado's forests are certified by the Forest Stewardship Council® (FSC® – C113536) and the Brazilian Forestry Certification Program (CERFLOR).
- Our pulp mill generates its own electricity from biomass – 1.581 million MWh generated in 2019.
- Our water consumption per metric ton of pulp produced is one of the lowest in our industry, at 24.96 m³/tsa in 2019.
- Our value chain is carbon-positive (based on data for 2019):

2,181,111.110
(tCO₂e) of aboveground biomass in our planted forests

445,886.510
tCO₂e of aboveground biomass in native forests



Social

- We support the development of communities where we operate by creating job opportunities—in 2019 we benefited 4,051 people directly and 7,180 people indirectly including employees and their dependents.
- We donate funds and material resources to the health care sector to improve quality of life for our employees, their families and, ultimately, the local community.
- We implement social programs and initiatives that support the development of family farming.
- Our operations are present in 13 municipalities in Brazil.
- We contribute to local economic development: 409 local suppliers onboarded in 2019.

94%

of eligible employees attended annual compliance training



Governance

- Ethics, compliance and transparency in doing business are a part of our organizational culture, and are conveyed to all employees through our Code of Conduct and training.
- Our Compliance Program works to prevent, detect and address any misconduct. It also ensures compliance with our Code of Conduct in our daily operations.
- Our anti-corruption campaign in 2019, under the slogan “Sou ético, sou Eldorado” (“Being ethical, the Eldorado way”), engaged employees around anti-corruption topics.
- In December 2019 we subscribed to commitments outlined by the Ethos Institute for Business and Social Responsibility, strengthening our commitment to transparency and integrity. We joined the Business Initiative for Integrity and Transparency and the Business Pact for Integrity and Against Corruption.

A global leader in pulp production

GRI 102-2

Eldorado Brasil's bleached eucalyptus pulp is marketed to 45 countries in North America, Latin America, Europe, Africa, Asia and Oceania. Customers use our pulp to produce packaging, tissue products, stationary, printing paper, decorative paper, and specialty paper, such as banknote paper, passport paper and thermal paper rolls. GRI 102-2 102-6

TISSUE

Personal care and household products such as toilet paper, paper towels, napkins, facial tissue and wet wipes.

PAPERBOARD

Packaging materials for the pharmaceutical, food and beverage, and cosmetics industries.

PRINTING AND WRITING PAPER

Stationary, books, notebooks, newspapers, magazines, advertising posters and other products.

SPECIALTY PAPER

Banknote paper, passport paper, thermal paper rolls, decorative paper and other products.

Financial headlines

GRI 102-7 103 | 201

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization): R\$ 2.016 billion.

- Margin: 47.2%, down 35% on the previous year, reflecting a 24% drop in dollar-denominated pulp prices

- Net income: R\$ 541 million, down 34% on 2018)
- Record production volumes: 1.786 million metric tons, up 4% on 2018
- Sales record: 1.892 million metric tons of pulp—a 19% improvement on the previous year

Strategy and performance in 2019

GRI 103 | 201

The market context in 2019 reflected a challenging year, with historically low prices stemming from macro economic uncertainties and a global economic downturn. Despite the adverse trading conditions, Eldorado Brasil set a new sales record at 1.892 million metric tons of pulp, up 19% on the previous year.

Gross revenue was R\$ 5.2 billion, a decrease of 7% compared to 2018 primarily reflecting the lower pulp prices. We generated net revenue in 2019 of R\$ 4.3 billion, down 8% on 2018, ending the year with a stable cash and cash equivalents position of approximately R\$ 900 million.

Our biggest challenge in 2019 was balancing our inventories in a way that would not adversely affect business performance. In the year our sales were highest weighted in the tissue segment, which is slated to see average annual growth of 3% globally and more than 5% in China through 2023.

We also increased our sales in the specialty paper and paperboard segments (packaging, banknote paper and passport paper) as well as in the printing and writing paper segment, albeit to a lesser degree due to our business strategy of prioritizing other segments.

The market for printing and writing paper contracted by 6.1% in 2019 according to the Pulp and Paper Products Council (PPPC), and is expected to contract by 3% annually through

Net prices for bleached eucalyptus kraft pulp (BEKP) in China ended 2019 more than US\$ 300/t below the peak price in 2018 and U\$196/t below the closing price in December 2018, according to PIX index data.

2023, with sharper declines in advanced economies and limited growth potential in emergency economies like India and Africa.

Foreign markets are the primary destinations for our pulp products—45 countries on all continents—with Asia accounting for the bulk of our exports, at 50% of total sales in 2019.

Eldorado Brasil considerably grew its share of sales to China to the detriment of Europe, and its market share in the US.

This reflects primarily, among other factors, the industrial slowdown in China and Europe and its effects on paper and packaging production, reducing pulp purchases from two of the world's largest consumer regions. Added to this were high levels of global pulp supply, creating a supply-and-demand imbalance caused by historically high global inventories.

The pulp market

In Asia and especially in China, the pulp market made a recovery in the second half of 2019. In 4Q19, responding to better margins and the economic upturn in China, paper producers began to build up their stocks and increase their purchase volumes when pulp prices were low and paper prices high.

The recovery in demand, combined with greater producer discipline in pulp supply, led to a reduction in buyer inventories in the second half of 2019. As a result, pulp prices reached a trough in November and December—PIX BEKP China net prices stabilized at slightly under US\$460/t, ending 4Q19 at just US\$13/t below the prices at quarter-end 3Q19.

Europe experienced an economic slowdown in 2019, with demand for printing & writing paper declining by 9.2% compared to the previous year according to PPPC data for Western Europe.

Global pulp demand, meanwhile, grew by 2.8% as measured by chemical market pulp sales compared to 2018, based on PPPC estimates. BEKP demand ended 2019 at 24.5 million metric tons, just 0.3% lower than volumes in 2018.

Industry fundamentals are expected to strengthen through 2022 as demand likely outgrows capacity, according to PPPC

projections, creating a more favorable supply-and-demand balance for pulp producers. However, with the uncertainties around the economic impacts from the COVID-19 pandemic, especially in China, the actual effects on the pulp and paper market remain to be known.

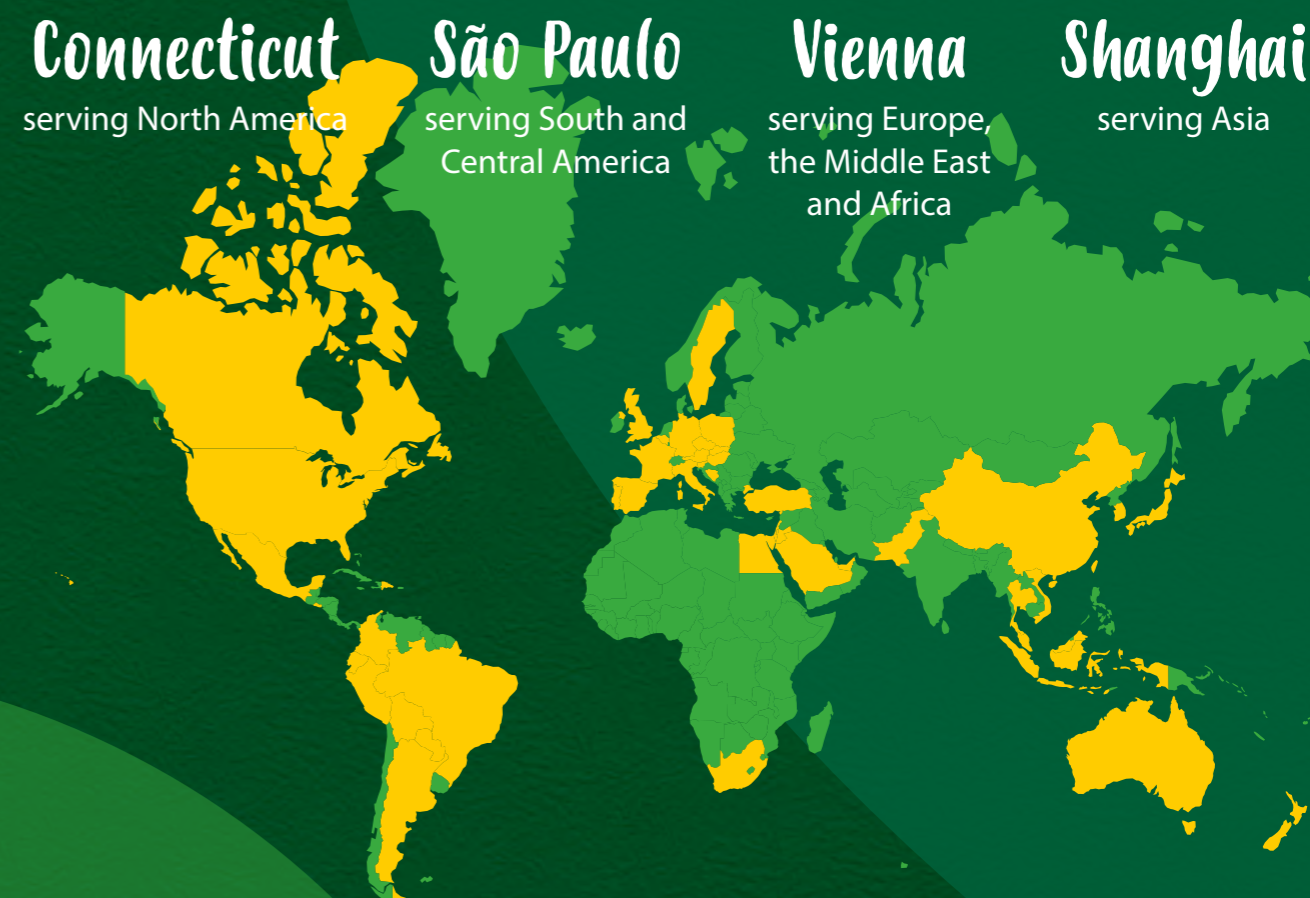
Customers as business partners

The relationships we build with our customers are one of our biggest differentiators. Working closely with them supports both our customers' and our own development. This also strengthens good operational practices and our efforts to supply the market with certified products—Eldorado Brasil's pulp products are FSC® – C113939 and PEFC™-certified—while building a carbon-positive value chain.

More than 85% of our sales are contract sales and nearly 90% are direct-to-customer sales, demonstrating how long-term relationships based on mutual development have become an important asset for the company. With a geographically diversified customer base, we serve more than 140 countries and invest in our long-term sustainability and continued ability to serve our business partners.

Commercial offices GRI 102-7

Recognizing the importance of understanding our customers and their needs, we work closely with them and have offices in the leading consumer markets:



Eldorado Brasil's bleached eucalyptus pulp is marketed to 45 countries in North America, Latin America, Europe, Africa, Asia and Oceania.

Our global sales operations conform to the requirements of international bodies and legislation, such as the United States Food and Drug Administration (FDA) and the Lacey Act in the US; the European Timber Regulation (EUTR) and the Bundesinstitut für Risikobewertung (BfR) scheme in Germany.

We also respond to customer questionnaires to attest that our pulp is sustainably sourced, high-quality, safe and produced to rigorous standards of social and environmental responsibility.

Customer credibility and reputation is one of our strategic topics

That is why we work to transcend beyond transaction-based relations to deliver transparency and high quality information to these stakeholders.

Direct economic value generated (in thousands of reais - R\$) GRI 201-1

GENERATED	2017	2018	2019
Revenue	3,753,651.00	5,004,133.00	4,340,163.00
Sales of goods, products and services	3,384,540.00	4,746,984.00	4,419,899.00
Non-operating	369,111.00	257,149.00	- 79,736.00
Inputs purchased from third parties	-1,142,228.00	-1,353,939.00	- 1,642,928.00
Cost of goods and services sold	-1,142,228.00	-1,353,939.00	- 1,642,928.00
Gross added value	2,611,423.00	3,650,194.00	2,697,235.00
Withholdings	-431,727.00	-400,624.00	- 407,408.00
Depreciation, amortization and depletion	-431,727.00	-400,624.00	- 407,408.00
Net added value produced by the organization	2,179,969.00	3,249,570.00	2,289,827.00
Transferred added value received	39,835.00	29,729.00	241,716.00

Economic value distributed (R\$) GRI 201-1

DISTRIBUTED	2017	2018	2019
Operating expenses	338,368.00	362,867.00	358,873.00
Employee salaries and benefits	207,726.00	429,457.00	221,953.00
Payments to providers of capital	960,070.00	1,671,095.00	1,409,396.00
Payments to government	713,367.00	815,880.00	541,321.00
Community investments	2,219,531.00	3,279,299.00	2,531,543.00
Total	338,368.00	362,867.00	358,873.00

Economic value retained (R\$) GRI 201-1

RETAINED	2017	2018	2019
"Direct economic value generated" less "Economic value distributed"	1,534,120.00	1,724,834.00	1,808,620.00

Economic value distributed (%) GRI 201-1

	2017	2018	2019
Gross revenue (R\$ million)	4,067.00	5,636.00	5,233.00
EBITDA (R\$ million)	2,221.00	3,114.00	2,016.00
Production capacity (million metric tons)	1.5	1.5	1.8
Production output (million metric tons)	1,708	1,715	1,786
Sales volume (thousand metric tons)	1,721	1,590	1,892
Total added value to be distributed (R\$ million)	2,219.53	3,279.29	2,531.54



Transparency and anti-corruption

93.94% of employees attended
anti-corruption training.

GRI 103 | 205



Transparency, ethics and anti-bribery

Ethics, compliance and transparency in doing business are an integral part of our organizational culture, and are conveyed to all employees through our Code of Conduct and training.

The Code sets out guidelines that govern our relations with employees, customers, suppliers, business partners, shareholders, governments and communities. It addresses topics such as anti-corruption, equal and fair treatment, employee data privacy and information security, workplace harassment and abuse of power, and intellectual property. GRI 205-2

Our Compliance Program ensures we adhere to applicable laws and regulations in our day-to-day operations, and helps to prevent, detect and remediate any irregularities. The program also reinforces compliance-related values among our employees through training and engagement initiatives.

Our company's leadership team is also responsible for overseeing business activities and engaging their teams around Code of Conduct compliance.

Eldorado's organizational culture promotes integrity

GRI 103 | 205 205-2

Under Eldorado Brasil's compliance communications policy, we conduct campaigns and publish information to inculcate a culture of integrity among our employees, suppliers and business partners.

In 2019 we used posters, webcards and totems to disseminate information about employee communications channels, under the slogan "*Sou ético, sou Eldorado*" ("Being ethical, the Eldorado way").

We aired audio spots with related information on the Eldorado Radio broadcast, on buses and in our forestry operations. An induction training video animation was also developed with information about our integrity rules.

Compliance risks in our business and operations are assessed through independent audits.

We also provide regular training to employees on Brazil's Anti-Bribery Act and other topics related to compliance and ethical conduct. In 2019, training was provided to all Eldorado Brasil employees, including in-person and video training on

ethics, anti-corruption mechanisms and measures to prevent fraud and other misconduct.

The goal of the training is to equip employees to identify instances of misconduct and remind them of the mechanisms available to prevent, detect and remediate violations.

Training was attended by 94% of employees required to attend, for a total of 3,700 employees trained. These positive results have been supported by tone from the top from our senior management team, which has helped to keep employee engagement levels high.

The training program in 2019 included a quiz to test employees' knowledge of training topics.



Anti-corruption training equips employees to identify instances of misconduct and to use available mechanisms to prevent, detect and remediate violations.

Governance body members that have received communications and training on anti-corruption, broken down by region GRI 205-2

REGION	GOVERNANCE BODY MEMBERS ¹	2019	
		INFORMED	TRAINED
Midwest	total number of members in the year		1
	number of members who have received communications/training	1	1
	percentage of members who have received communications/training	100%	100%
Southeast	total number of members in the year		15
	number of members who have received communications/training	6	6
	percentage of members who have received communications/training	40.00%	40.00%
TOTAL	total number of members in the year		16
	number of members who have received communications/training	7	7
	percentage of members who have received communications/training	43.75%	43.75%

1. In 2019, all executive directors at Eldorado Brasil received communications and training on our anti-corruption policies, representing more than 40% of governance body members. Training was not provided to the Board of Directors, which accounts for 60% of governance body members.

Employees who have received communications and training on anti-corruption, broken down by region GRI 205-2

REGION	EMPLOYEES	2019	
		INFORMED	TRAINED
Midwest	total number of employees in the year		3,708
	number of employees who have received communications/training	3,708	3,494
	percentage of employees who have received communications/training	100%	94.23%
Southeast	total number of employees in the year		267
	number of employees who have received communications/training	267	229
	percentage of employees who have received communications/training	100%	85.77%
TOTAL	total number of employees in the year		3,975
	number of employees who have received communications/training	3,975	3,723
	percentage of employees who have received communications/training	100%	93.66%

Note: 11/8/2019 was the cutoff date for the list of employees required to attend compliance training in 2019, hence the discrepant employee figures.

Employees who have received communications and training about the organization's anti-corruption policies and procedures, by employee category GRI 205-2

EMPLOYEE CATEGORY	EMPLOYEES	2019	
		INFORMED	TRAINED
Executive Board	total number of employees		7
	total number of employees who have received communications/training	7	7
	percentage of employees who have received communications/training	100%	100%
Managers	total number of employees		36
	total number of employees who have received communications/training	36	36
	percentage of employees who have received communications/training	100%	100%
Heads/Coordinators	total number of employees		78
	total number of employees who have received communications/training	78	76
	percentage of employees who have received communications/training	100%	97.44%
Technical/Supervisors	total number of employees		185
	total number of employees who have received communications/training	185	185
	percentage of employees who have received communications/training	100%	100%

EMPLOYEE CATEGORY	EMPLOYEES	2019	
		INFORMED	TRAINED
Administrative	total number of employees		393
	total number of employees who have received communications/training	393	348
	percentage of employees who have received communications/training	100%	88.55%
Operational	total number of employees		3,245
	total number of employees who have received communications/training	3,245	3,052
	percentage of employees who have received communications/training	100%	94.05%
Intern	total number of employees		19
	total number of employees who have received communications/training	19	19
	percentage of employees who have received communications/training	100%	100%
TOTAL	total number of employees		3,963
	total number of employees who have received communications/training	3,963	3,723
	percentage of employees who have received communications/training	100%	93.94%

Note: 11/8/2019 was the cutoff date for the list of employees required to attend compliance training in 2019, hence the discrepant employee figures.



ESG Assessment of integrity risks

GRI 205-1

In 2019 we engaged independent auditors to conduct an assessment of integrity risks. The purpose of the engagement was to assess Eldorado Brasil's Compliance Program and integrity risks against the requirements of the Brazilian Anti-corruption Act (Act 12846/13), against best-practice programs in place at companies with similar size, operations and risk environments, and against the requirements of ISO 19600 (compliance management systems) and ISO 37001 (bribery management systems).

We established a set of recommendations and risk factors that informed a plan of action to prevent, mitigate, and reduce the integrity risks to which we are exposed.

Reports received through our Ethics Hotline, if applicable, are investigated to identify corruption risks such as misconduct involving company employees and government agencies and/or officials (for more about our Ethics Hotline, see page 36).

Our plans for 2020 include continued improvement of our compliance management framework along with initiatives within our Compliance Program.



Anti-bribery training: 3,723 employees trained in the year, or 93.94% of our total workforce.

Initiatives to promote a culture of ethics, integrity and compliance



In 2019 we organized the following initiatives:

- **Annual Compliance Campaign**—our Compliance Program regularly reminds employees of the conduct expected of all people at Eldorado Brasil. *In 2019, a campaign under the slogan "Sou ético, sou Eldorado" ("Being ethical, the Eldorado way") addressed our culture of ethics and compliance policies through communications addressed to all employees.*
- **Code of Conduct Comic Book**—designed to engage employees around the guidelines set out in the Code and ethics and integrity.
- **Compliance Toolbox Talks**—during toolbox talks, compliance topics are discussed with employees in non-operations functions.



Read more about risk management on page 42.

Ethics Hotline GRI 103 | 205

Eldorado Brasil has an Ethics Hotline for receiving reports on suspected violations of our Code of Conduct and laws and regulations in general—including instances of harassment, corruption and human rights violations—as well as suggestions, questions and compliments. Whistleblowers are kept anonymous and Ethics Hotline cases are handled in confidence. [GRI 103-2](#)

Reports are received by an independent firm which conducts a preliminary investigation of each case. Our Compliance team then performs an impartial internal investigation, identifies any conflicts and recommends action to be taken by the Company. Cases are then escalated to the Ethics Committee for analysis and further handling. The committee is composed of representatives from our Human Resources, Legal, Financial and Compliance departments. [GRI 103-2](#)

The Compliance Department provides recommendations on case handling—ranging from opportunities for improvements in our processes and practices to disciplinary and corrective action—which are then assessed by our executive leadership team.

All cases opened in 2019 were investigated and reported on internally, and appropriate action was taken. Eldorado’s management has provided necessary support to ensure reporting channels are used properly and cases are adequately investigated to identify and mitigate any risks to the business. [GRI 103-2](#)



Ethics Hotline Channels:
www.linhaetica.eldoradobrasil.com.br
linhaetica@eldoradobrasil.com.br
 0800 527 5280

Brazilian General Data Protection Act (LGPD) GRI 103 | 205 GRI 102-25

In 2019 Eldorado Brasil Initiated an assessment on new obligations created by the Brazilian General Data Protection Act (LGPD; Act (13.709/18). We engaged independent auditors to map out our data handling processes and identify opportunities for improvement in our processes, frameworks and environment to ensure LGPD compliance.

This involved a detailed assessment to inform the Company’s privacy program.

In 2020 the resulting recommendations and improvements will be implemented to ensure Eldorado Brasil is compliant with the new LGPD requirements. We work to continuously improve our program for ensuring the privacy, control and protection of personal data to which we have access in the course of our business activities.

Independent audit

In 2019, an independent audit assessed our data handling processes against the Brazilian General Data Protection Act (LGPD), and prepared a report with recommendations on compliance.

Grievance mechanism GRI 103-2

GRIEVANCES	2017	2018	2019
Number of grievances about human rights impacts filed through grievance mechanisms	56	245	333
Number of grievances addressed	56	245	333
Number of grievances resolved	56	245	333
Number of complaints filed prior to the reporting period that were resolved during the reporting period	0	0	0

The growing number of Ethics Hotline reports demonstrates that it is being actively used by employees, local communities and third parties to report potential misconduct. This shows that stakeholders trust the Hotline as an anonymous and confidential tool to report concerns. Eldorado Brasil’s management is committed to providing needed support to ensure that our reporting channels are used effectively to ensure continual improvement.



Supplier management 102-9

Eldorado's value chain comprises 409 suppliers that are committed to running their business and operations in conformity to our Code of Conduct. They sign a commitment containing clauses that prohibit forced or child labor and human rights violations. These clauses also include anti-corruption and other obligations under local and international laws and regulations. GRI 103 | 205 205-2

Suppliers undergo an onboarding due diligence process in which they are requested to produce documents and statements of conformity under our Code of Conduct. GRI 103 | 205 205-2

In 2019 all suppliers were assessed on compliance with human rights, labor rights and environmental laws and regulations.



Contracts with suppliers contain clauses requiring compliance with Brazilian anti-bribery legislation.



Governance

Governance practices at Eldorado Brasil are guided by *Novo Mercado* listing rules, although we are not listed on the São Paulo stock exchange, B3. Eldorado is registered with the Brazilian Securities Commission (CVM) as a category B1 listed company. We publish reports on financial performance, organizational policies and other information relevant to the market at www.eldoradobrasil.com.br (read more about our disclosures to the market and other stakeholders on page 55).

Our governance structure comprises the Board of Directors, four advisory committees to the board, an Audit Committee and the Board of Executive Officers. GRI 102-18

Our governance bodies form a highly capable and experienced team that is recognized by the market for its expertise. This creates a strategic, robust and credible governance framework.



Ownership structure 102-7

J&F INVESTIMENTOS



50.59%

CA INVESTMENT (BRAZIL) S.A.,
A PAPER EXCELLENCE GROUP
COMPANY



49.41%



Board of Directors

- The Board of Directors is responsible for overseeing the business and the management activities of the Board of Executive Officers;
- The Board comprises seven members representing all shareholders;
- It also has an independent member as required by *Novo Mercado* listing rules;
- Directors are elected in General Meetings for a renewable term of one year;
- Board members meet periodically or as otherwise necessary;
- Under our bylaws, the chairman of the Board is precluded from acting as chief executive of Eldorado.

Members of the Board of Directors 102-22

Sérgio Longo 102-23
Francisco de Assis e Silva
José Antônio Batista Costa
Leonardo Porciúncula Gomes Pereira
Márcio Antônio Teixeira Linares
João Adalberto Elek Júnior

Audit Committee

The Audit Committee comprises five members who exercise oversight of financial management. On a quarterly basis, they review our *Annual Report*, statement of financial position and financial statements disclosures.

Audit Committee Members

Demetrius Nichele Macei
Adrian Lima da Hora
José Paulo da Silva Filho
Luís Felipe Schirilak
Orlando Octavio de Freitas Junior

Advisory Committees

Advisory Committees are composed of Eldorado shareholders and employees, who hold periodic meetings in support of the Board of Directors. The following committees are in place:

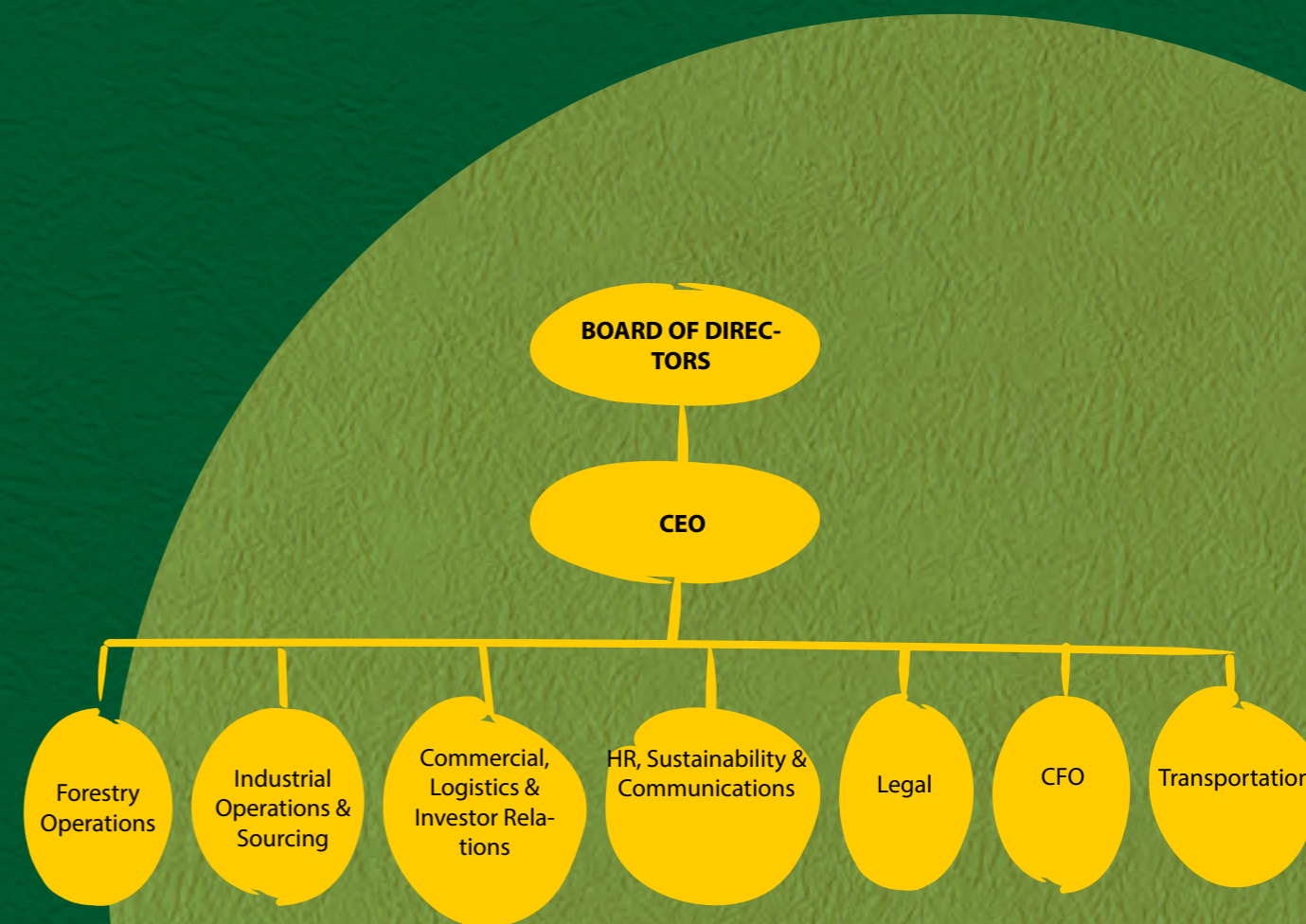
- Audit, Finance & Risk Management;
- Related Parties & Conflicts of Interest;
- People & Development; and
- Sustainability & Social Responsibility.

Board of Executive Officers

The Board of Executive Officers is responsible for executing company strategy and is composed of the chief executive and six officers.

Members of the Board of Executive Officers

Aguinaldo Gomes Ramos Filho – CEO
Carlos Monteiro – Industrial Operations
Germano Vieira – Forestry Operations
Rodrigo Libaber – Commercial, Logistics & Investor Relations
Fernando Storchi – Financial
Elcio Trajano Jr – Human Resources, Sustainability & Communications
Carmine De Siervi – Legal
Marcius de Lucca Braga – Transportation





Risk Management

Eldorado Brasil has a risk management plan that is disseminated across all levels of the organization, providing guidelines on monitoring, preventing and taking action to mitigate impacts.

Risk management is overseen by the CEO and executive officers, each of whom is responsible for managing business and operations risks within their scope of authority.

In 2019 we retained our Highly Protected Risk (HPR) status awarded by reinsurers FM Global in recognition of the high standards of quality in risk management in our operations. The HPR designation also recognizes the stringent safety controls in place in our assets to safeguard the integrity of our operations and our customers, and the reliability of our facilities.



Our CEO and executive officers oversee risk management at Eldorado Brazil.

Committed to best-practice corporate governance

In December 2019 we subscribed to commitments outlined by the Ethos Institute for Business and Social Responsibility, strengthening our commitment to transparency and integrity. We joined the Business Initiative for Integrity and Transparency and the Business Pact for Integrity and Against Corruption. Both initiatives are designed to engage Brazil's private sector around fostering a socially responsible business environment that supports sustainable development.

Managing environmental risks and the Precautionary Principle GRI 102-11

At Eldorado Brasil our business activities and operations are compliant with the Precautionary Principle (Principle 15) outlined by the United Nations (UN), namely that of protecting the environment and preventing potential damage, especially serious and irreversible damage.

As part of our approach to managing social and environmental risks, we develop matrices of social and environmental aspects and impacts, which identify the most significant operational aspects and potential risks. These are regularly monitored and kept up-to-date by internationally recognized certification entities.

Also as part of our risk management approach, we work to ensure high levels of compliance with the Precautionary Principle, such as through on-site micro-planning by our multidisciplinary Operations Committee for Sustainable Planning (COPS). The team assesses potential risks prior to initiating any activities on our farm properties.

At the mill, air emissions and wastewater parameters are monitored by an online system that measures our performance against environmental best-practice indices (IPA), allowing us to act proactively to prevent any potential environmental risks.



Our monitored risks

Operational

Forestry, mill, haulage, commercial and pulp logistics risks.

Reputational

Risks related to Eldorado's credibility and public trust.

Regulatory

Risks related to impacts on our business and operations from new laws, regulations and standards.

Information technology

Risks to information security and customer and employee data privacy.

Supply chain

The risk of shortages, inability to source business-essential materials or failure to comply with good operational practices, such as failure by our suppliers to comply with laws, regulations and technical standards.

Financial

Market risks, such as foreign-exchange and interest rate fluctuations.

Social

The risk of impacts on local communities that could affect our operations.

Environmental

The risk of climate change and its financial implications.

Financial implications and other risks and opportunities due to climate change GRI 201-2

Classification	Risk	Opportunity
Description of the risk or opportunity.	<p>The international community's perceptions of climate policy in Brazil, especially in the Amazon.</p> <p>The risk of reduced water availability.</p>	<p>Demonstrate that our forestry assets are located outside the Amazon region and that deforestation and forest fires are prohibited and actively prevented. All planted forests are located in previously disturbed areas used for decades for extensive cattle farming. Our planted forests have internationally recognized forestry management certification attesting that we have adopted and adhere to best practices in forestry management, across the environmental, social and economic dimensions.</p>
Description of impact associated with the risk or opportunity.	<p>Reduced water supplies would increase the cost of forestry operations by requiring water to be transported from more distant locations.</p>	<p>Demonstrate how sustainable forestry management practices, including planted forests, help to absorb CO₂ from the atmosphere, supporting global efforts against climate change.</p> <p>Remediate protected areas and buffers along water bodies.</p>
Financial implications of the risk or opportunity before action is taken.	<p>Loss of markets due to poor government policy and failure to comply with international agreements on emissions reduction targets to mitigate climate change.</p>	<p>We support efforts against climate change and adopt responsible management and operational practices as differentiators in our eucalyptus pulp value chain.</p>

Methods used to manage the risk or opportunity GRI

- **Maintaining certification** for forestry management.
- **Publishing complete annual** greenhouse gas (GHG) inventories.
- **Adopting responsible practices** in management and operations.
- **Complying with legislation** and certification standards.

Financial costs of managing the risk or opportunity GRI 201-2

Risk management is an integral part of our operations, in which excellence in managing social and environmental issues is a strategic priority.

Eldorado Brasil adopts best practices in responsible forestry management. Our forestry assets are FSC® and CERFLOR certified.



How we manage climate change risks

Biodiversity



At Eldorado Brasil, environmental management is integral to our day-to-day operations, in everything we do. This involves a set of activities covering all environmental aspects across the organization, supporting continuous improvement of environmental quality in our processes, products and services.

We assess and monitor areas that are important for environmental preservation, as well as statutory protected areas. We also monitor and assess our forestry management operations to continuously improve our processes, activities and the environmental integrity of natural resources.

As part of this process, we identify and remediate degraded areas in an environmentally compliant manner, especially in protected areas such as permanent preservation areas (APP) and legal reserves (RL).

Eldorado Brasil also manages and monitors the water resources used directly in connection with our forestry operations. To

maintain the quality and availability of water resources, we monitor water withdrawal points and micro drainage basins in the areas we manage or that are otherwise under our responsibility.

Water withdrawal sites and protected areas are monitored in order to maximize positive impacts and mitigate potential negative impacts.

We plan to implement a program in 2020, called "Where and When to Irrigate", that is expected to reduce water consumption by 30%.

Also as part of our approach to water management, we conduct assessments on the availability of capital to implement risk management programs and identify opportunities in connection with climate change. In 2019, for example, we initiated construction of our Onça Pintada thermal power plant—which will produce clean energy from eucalyptus biomass that would otherwise go to waste, while creating new revenue streams from electricity sales.



We remediate degraded areas and manage permanent preservation areas (APP) and legal reserves (RL) in accordance with Brazilian laws and regulations.

Ensuring the environmental quality of our operations is a guiding principle at Eldorado Brasil

Environmental quality is ensured by managing natural resources identified as being strategic in studies and environmental monitoring.

Water vulnerability assessment

In partnership with the Federal University of Mato Grosso do Sul (UFMS), we conducted an assessment to identify water resource and environmental vulnerability in sub-drainage basins within our forestry properties. Initiated in 2018, the study was conducted as a collaboration between Eldorado Brasil and the Três Lagoas campus of UFMS within its undergraduate and graduate program in geography.

Opportunities from climate change

Our forestry assets contain native forests that are compliantly managed to prevent impacts on ecosystems and on climate change (for more about our operational practices, see page 52).

In 2019 our forest assets—including planted and native forests—sequestered 2,626,997.62

tCO₂e from the atmosphere, offsetting and neutralizing greenhouse gas (GHG) emissions from our operations.

Although a carbon credit market has yet to be regulated in Brazil, it remains a potential opportunity for Eldorado Brasil, which has a carbon-positive value chain.

In 2019 we prepared a carbon inventory that was published in June by Fundação Getulio Vargas. For further information, please visit <https://registropublicodeemissoes.com.br/participantes/568>.



FSC® and PEFC certified pulp

Good practices across
the value chain





FSC® and PEFC certified pulp

Forestry certifications and good practices



Eldorado is recognized globally as a supplier of FSC® and PEFC certified bleached eucalyptus pulp. These certifications attest that we use good practices in our forestry operations and across the broader value chain—in accordance with local and international laws and regulations—while respecting labor and human rights, protecting the environment, and supporting the social and economic development of the communities where we operate. GRI 103 | 205

Brazilian Forestry Certification Program (CERFLOR)

This program provides assurance that our forests are managed sustainably in accordance with best practices in preventing and mitigating environmental and social impacts.

Program for the Endorsement of Forest Certification (PEFC)

PEFC is a non-government organization that identifies good practices in support of sustainable forestry management.

Halal

Halal certification provides assurance that processes and products are compliant with legal requirements and principles and values that benefit humanity. It is based on ethical and moral standards on what is lawful in social settings, in personal conduct, in Justice, in finances and in dietary habits based on Islamic law.

Kosher

Kosher certification attests that our pulp is produced in accordance with Orthodox Jewish dietary laws. It is also recognized globally as synonymous of the highest standards of quality control.



FSC® and CERFLOR certification audits in 2019 found that our operations were 99.9% compliant with audit requirements.

Forest Stewardship Council® (FSC-C113536 and FSC-C113939) Certification

FSC® certification attests that we apply responsible forest management practices that are environmentally appropriate, socially beneficial, and economically viable, and our products are traceable across the value chain.



Forest fire prevention campaigns

Ethos sector disclosures (PULP & PAPER)

Eldorado Brasil is a member of the Association of Planted Forest Producers and Consumers of Mato Grosso do Sul (Reflore/MS), which brings together strategic players in the forestry value chain.

The organization's mission is to unite, promote and advocate for the collective interests of members in support of sustainable development through planted forestry operations. Association activities include awareness campaigns on preventing forest fires in the regions where member companies operate.

To mark World Environment Day, as a member of Reflore/MS we organized our 7th Forest Fire Prevention and Response Campaign, which

featured an educational blitz in Três Lagoas (MS) where we distributed pamphlets with tips on preventing fires.

We also organized workshops on fire prevention at schools in the region. Educational booklets were distributed to properties neighboring our farms with a telephone number to report any incipient fires and instructions on fire prevention and response (read more about our environmental education initiatives on page 111, and about our fire prevention initiatives on page 64).



Biodiversity

Biodiversity management GRI 103 | 304

Eldorado Brasil is committed to preserving biodiversity in the areas where we operate. Our practices are compliant with environmental legislation on natural resource stewardship, and our operations undergo both independent and internal audits.

Eldorado's approach to managing biodiversity includes regular ecosystem monitoring and assessments of the areas hosting our operations. We also have programs in place to identify potential environmental deviations and monitor biodiversity dynamics in these ecosystems (for more about biodiversity, see page 64).

Good practices in sustainability

Eldorado's Sustainability Policy lays out guidelines for all our operations with sustainability as a core principle. Under this Policy, we undertake a commitment to:

- ensure the business remains competitive while operating in a socially and environmentally responsible manner
- comply with applicable laws and regulations in accordance with the requirements laid down by the Forest Management Council
- innovate and develop technologies that boost competitiveness while preventing pollution
- use natural resources sustainably and protect local biodiversity
- contribute to attaining Brazil's INDC (Intended Nationally Determined Contribution) targets through forestry and by producing energy from renewable sources
- foster ethical relations and transparent communication with stakeholders
- provide working conditions that offer equal rights without discrimination based on gender, race or color
- provide a motivating, safe and healthy work environment
- invest in training and develop a culture of continual improvement in our operations

At Eldorado Brasil we also seek to act with transparency in our relations with stakeholders. We publish annual *Sustainability Reports* in collaboration with a consulting firm specializing in reporting on financial and non-financial results in accordance with Global Reporting Initiative (GRI) guidelines—read more on page 7 and in our Public Forest Management Plan Brief. The two reports provide stakeholders with information about our business, our financial, environmental and social performance, and the good practices we have implemented. Both reports are distributed and disseminated to stakeholders. [GRI 102-43 102-44](#)

Eldorado Brasil also follows a regular calendar of initiatives to engage with stakeholders (for more about community engagement, see page 102) and annually publishes a greenhouse gas (GHG) emissions inventory (Scopes 1, 2 and 3), demonstrating that our value chain is carbon positive (for inventory data for 2019, see page 78). [GRI 102-43 102-44](#)

COMPLIANCE WITH IFC STANDARDS

We support the Equator Principles, a set of social and environmental management policies and guidelines that are adopted as requirements for financing from the International Finance Corporation (IFC).



A campaign in 2019 raised awareness about preventing and responding to forest fires in Mato Grosso do Sul.



Our Animals and You program was first implemented in 2014.

As of December 2019, the program database had approximately 10,000 images of sighted wild animals, including:



Eldorado employees have built a database of images of native wildlife

Within our *Vc e o bicho* ("Animals and you") program, employees capture images of wild animals sighted along roads, in our eucalyptus forests and in our protected areas in the Três Lagoas (MS) area. The initiative helps to disseminate knowledge about wildlife in the area and to raise employee awareness about preserving biodiversity, as part of our environmental education initiatives.

277
bird species

53
mammal species

46
reptile and amphibian species

Forestry Operations

Producing pulpwood with excellence and ensuring our mill's supply requirements are fully met are the two main goals in our forestry operations. In 2019, Eldorado's forestry assets continued to reconcile good practices in sustainability with competitive operations. We produced 6.16 million cubic meters (m³) of pulpwood in the year.

Our forestry assets include two areas containing land ecosystems with high biodiversity value: GRI 304-1

- Eldorado has leased properties in areas near the Pombo Municipal Park in Três Lagoas (MS), managed by the municipal government. The park has an area of 9.41 square kilometers (km²) and is used for extraction of non-timber forest products; and
- we also have leased land near the Piraputanga Park Road State Protected Area in Dois Irmãos do Buriti (MS). This is a surface protected area with protection extended to its surroundings. The site is used for extraction of non-timber forest products and has an area of 8,42km².

Eldorado's forestry operations are located outside the Amazon Forest



Forestry operations at a glance GRI 102-7

369,000 hectares of forests

- 229,000 hectares of pulpwood forests
- 140,000 hectares of protected and other similar areas

Pulpwood production

- 6.16 million m³ produced
- 6.26 million m³ hauled

Training

- 29,400 hours of training, reskilling 381 employees including mechanics and operators
- 9.8% increase in harvesting and forwarding productivity

Our forestry operations

1. Planning

Planning ensures a reliable supply of pulpwood to produce pulp at the lowest possible cost, supporting long-, medium- and short-term **business sustainability**.

Assessment of biological assets

Algorithms are used to plan plantation area and pulpwood harvesting and hauling volumes to ensure an optimal supply to the mill.

Our forest assets

- 232,000 ha of planted forests
- CO2 sequestration
- FSC® and CERFLOR certified
- 109,000 ha of protected areas

2. Forestry Technology

We produce **genetic materials** adapted to the regions where they will be cultivated, improving forest management and quality, in a **sustainable cycle**.

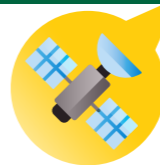
R&D Department

We conduct **biotechnology** research to improve genetic materials and forestry management.

3. Nursery

Our nursery has a capacity to produce **26 million seedlings** annually, which are transported to our plantations in box trucks. With an area of 159,000 m² for producing seedlings, the nursery is located in the municipality of Andradina, southeastern Brazil.

Satellite



4. Planting

Planting is managed within a quality and forest maintenance program. Our **Forestry Intelligence Center (IRIS)** remotely monitors data to increase operating performance, improve productivity and reduce forestry costs.

Eldorado Brasil's forests are FSC® and Cerflor certified.



Forestry 4.0



Eldorado Brasil uses technologies like the **Internet of Things (IoT)** to enhance performance and make our operations more competitive and sustainable.

Drone

Forest maintenance

Experimental technology

Inventory

5. Harvesting

Around **18,000 trees**—17,000 m³ of pulpwood—are harvested on a daily basis.

Harvesters fell, debark and buck eucalyptus trees into 6-meter logs

Forwarders carry the logs from the stumps to a roadside landing

6. Haulage

6 million m³ of pulpwood are transported every year, and 140km of roads are built each month—roughly 1,600 km per year.

Pulpwood is transported by a fleet of 293 three-trailer road train trucks to the mill.

Biomass

Preventive and corrective maintenance



This department **manages assets, mechanical maintenance and equipment replacement**.



Forestry Support Center: runs a program of preventive and corrective maintenance activities.

Onça Pintada Thermal Power Plant

Mill



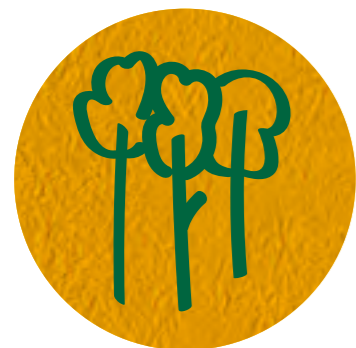
Forestry innovation and R&D

Eldorado Brasil has programs and projects to maximize the benefits from our planted forests and minimize any negative effects from our forestry operations. We use a matrix of methods and criteria to identify and assess the potential aspects and impacts of our forestry operations, activities and products. The environmental quality of our forests is periodically monitored, including water resources, flora and fauna. GRI 304-2

Inova+, a program implemented in 2018 involving all functions in our forestry operations, is part of our approach to environmental management. In the first year of the program, a total of 37 improvements were implemented.

In 2019 the number of employee-identified solutions approved for the program increased by 467.5%. Of the total idea entries, 173 innovations were implemented throughout our forestry operations, and 17 were recognized as the best initiatives in the year, with the employees who developed these solutions receiving prizes.

In 2020, as of the date of publishing this *Sustainability Report 2019*, a total of 73 initiatives had been implemented and 5 had received prizes and recognition for the employees that developed them.



Eldorado invests in innovation and R&D in clone development at our nursery, cultivation and forest management.



projects in the pipeline at the Eldorado Brasil Forestry Intelligence Center

PROJECTS	VALUE CAPTURE
Optimizing mechanized irrigation—forestry	R\$ 330,000
Zero replanting—forestry	R\$ 0
Camera monitoring	R\$ 1,000,000
Cost reduction (machine hours)—forestry	R\$ 10,960,000
Improving machine availability through maintenance—harvesting	R\$ 2,930,000
Reducing deadhead trucking—logistics and infrastructure	-R\$ 100,000
Reducing loading costs—logistics and infrastructure	R\$ 4,400,000
Bunk optimization—logistics and infrastructure	R\$ 3,300,000
Cost reduction in third-party services and operational maintenance—logistics and infrastructure	R\$ 3,300,000
Waterway transportation project	R\$ 0
Harvest waste reduction project	R\$ 2,000,000
Forestry Excellence Program (ProEF)—Cultivation, harvesting, roads, loading and fueling station	R\$ 0



Operational management

In 2019 Eldorado Brasil implemented remote sensing systems on our machinery and equipment as part of our *Forestry Connectivity* project. Sensor-collected data has helped to improve performance in our field operations.

Early results from the project include opportunities to lower fuel consumption, improve operational efficiency and reduce costs on equipment repairs and maintenance.

We are also investing in digitalization and harvesting. Electronic guidance, telemetry and remote sensing systems were installed on 60% of the Company's harvesting and forwarding machinery.

These systems were developed to support operations managers in decision-making by providing high quality information in real time on digital maps of monitored areas.

As of the end of the first quarter of 2020, the technology had been implemented on 100% of our machinery and equipment. Collected data supports improvement in operational performance and reduced costs on corrective maintenance (see infographic on page 58).

In forest nutrition and management, we initiated a soil classification program in 2019 in a collaboration with the Ilha Solteira campus of São Paulo State University. The research aims to improve efficiency and precision in nutritional management and identify best practices in sustainability for eucalyptus forest cultivation.

Investing in technology:

Eldorado Brasil implemented remote sensing systems on our machinery and equipment as part of our *Forestry Connectivity* project.

ESG

Weather monitoring

GRI 103 | 304

We made further progress on weather monitoring in our forestry operations, expanding our weather station network. Eldorado currently has 20 stations covering 96% of our forests.

Increased coverage supports ecophysiological modeling to identify functional adaptations in organisms to environmental conditions. This technique helps to maximize the productivity of genetic material under different environmental conditions in different regions (for more about climate change risks, see page 49).



A weather station network covers 96% of our forestry assets.

Biodiversity

**Ensuring forest integrity**

GRI 103 | 304

Eldorado uses satellite systems to monitor weed competition and quickly identify incipient fires and other potential damage to our forestry assets.

These systems also help to lower monitoring costs and improve forest yields through a faster response to weed control activity.

We also launched a Natural Predator Multiplication Laboratory in 2019. The facility produces three species of parasitoids for biological control of caterpillars.

During the year, we released individuals for pest control at a coverage rate of 2,000 hectares per month. A total of 26,657 hectares were covered by biological control in the year, reducing the use of pesticides.

R&D investment GRI 103 | 304

Eldorado Brasil has invested in genetic improvement of eucalyptus clones as part of its Forestry Research Program. In 2019 the program developed a total of 262 hybrids of different species, had 1,953 materials under pure-line progeny testing, 1,333 materials under hybrid progeny testing and 2,540 materials under clonal testing.

The results will be used as inputs into high-volume genetic studies on wind resistance, basic wood density, pulp yields and pest and disease resistance.

Generating electricity from waste wood

We continued our research into the use of eucalyptus tree stumps to generate electricity, which we began in 2018. These studies are assessing the potential of tree stumps as a renewable source of energy fuel for our new Onça Pintada thermal power plant.

ESG

In biotechnology, we initiated a Polyploidy Program in 2019 that received 36 polyploid seedlings—clones that have undergone a laboratory process to duplicate their genomes, i.e. they have two copies of their complete DNA sequence. These clones were developed for manipulation at a hybridization grove—a collection of planted eucalyptus parent stock used for controlled crossbreeding between clones with specific, strategic attributes—to provide new material for clonal testing.

This research aims to multiply genetic materials to obtain species with longer and thicker fibers, better pulpwood quality and improved forest growth.

Haulage

In 2019 Eldorado Brasil created a Transportation Division to improve efficiency in forest-to-mill haulage operations. In the year, the division transported 40% of total pulpwood volumes, structure new processes, and delivered training and other engagement initiatives covering the entire operations team.

This helped to improve competitiveness, including an 8.3% reduction in weight to volume ratios in hauled pulpwood. This means that pulpwood in-transit contains less water and is therefore a lighter load, improving operating efficiency. This allowed truck carrying volumes to increase (the amount of pulpwood carried per trip) to 63.1 m³ per trip, a 7% improvement on our previous best performance. As a result, fuel consumption decreased by 4.6%.

In 2019 our fleet was equipped with new loading booms that generated fuel savings of 11.9% compared to legacy equipment.

In the year, we also implemented a Maintenance System (SISMA) that provides a one-stop platform for quickly and securely accessing all operations-related data to support managers in decision-making. The system has improved efficiency and quality in decision-making, planning, execution and management of machinery servicing and maintenance.



Innovation and technology

We also reduced unplanned machinery maintenance by 52% through investments in preventive and corrective maintenance of cultivation, harvesting and infrastructure equipment.

Fleet renewals have improved operational efficiency in pulpwood transportation

In 2019 we purchased 580 new units for our loading operations, renewing:

- 90% of our loader fleet
- 40% of our harvester fleet
- 35% of our road vehicle fleet
- 20% of our forestry fleet
- 50% of our haulage fleet

Pulp mill

Eldorado Brasil set a new record for pulp production in 2019 at 1,786,220 metric tons produced, exceeding our mill's rated capacity of 1.5 million metric tons per year by 19%. This, combined with lower production costs compared to the local industry average, helped to make our company more competitive.

Operating efficiency—measured as average maximum sustainable rate (MSR)—stood at 96% in the year, a rate that sets a benchmark for the global industry.

The higher efficiency was largely driven by investments in innovation and technology, such as our autonomous mill project, implementation of industry 4.0 solutions, and deployment of artificial intelligence.

Sustainable mill operations

Continuous investment in improving operational efficiency, such as by minimizing impacts on the environment, is integral to our culture at Eldorado. Since the start of our operations, we have consistently evolved our performance on environmental indicators. And while we have broken pulp production record after record over the past three years, we have concurrently consumed less water, less electricity and used less chemicals per metric ton of pulp produced, as well as generating less effluents.

In 2019 there were no plant shutdowns for maintenance, which are now conducted every 15 years in accordance with the new edition of the Brazilian regulatory standard NR13. However, we continued to manage operational risks efficiently to maintain operational reliability, availability and continuity, keeping the mill running at optimal levels.

Our pulp mill is energy self-sufficient with biomass generation capabilities using waste materials from the production process—such as lignin and wood waste—as fuel.

Highly Protected Risk (HPR)

Eldorado Brasil retained its Highly Protected Risk (HPR) status awarded by reinsurers FM Global in recognition of our high standards of protection against risks and our ongoing commitment to preventing losses.



Water consumption



Water intensity decreased to 24.96 m³/t_{sa} compared to a design water intensity of 34 m³/t_{sa}.

Energy efficiency

In 2019 our operations generated a total of 1,588,555 MWh of electricity, of which:

- **754,000 MWh** were consumed by the mill
- **452,000 MWh** were sold to chemicals suppliers co-located at the mill
- **382,000 MWh** were exported to the national grid—generating revenues of R\$ 91 million, an improvement of 6.8% on 2018

Training

- **121,148.9 hours** of statutory training
- **172,314.8 total hours** of training
- **27,538 employees** trained (read more on page 90)



Innovation and technology

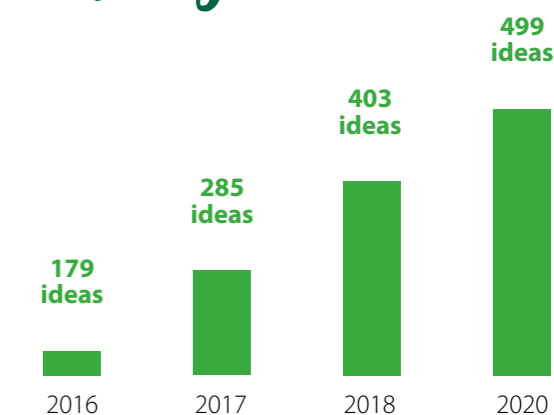
Innovation in mill operations

Our *Inovar* program is central to our innovation efforts at the mill. In 2019 a total of 499 ideas were submitted on the program portal, including mill process improvements to improve efficiency and reduce maintenance costs.

The number of employee-created solutions has steadily increased since the solution was launched in 2016, as shown in the following chart. The increase reflects efforts to extensively disseminate the program and allow users to easily submit ideas to improve their work routines and deliver positive results for the Company, safely and sustainably.

In 2020 we launched two campaigns on our general plant shutdown and COVID-19 response, which we will report on in our *Sustainability Report 2020*.

Inovar program history



Our pulping operations

Our pulping operations are



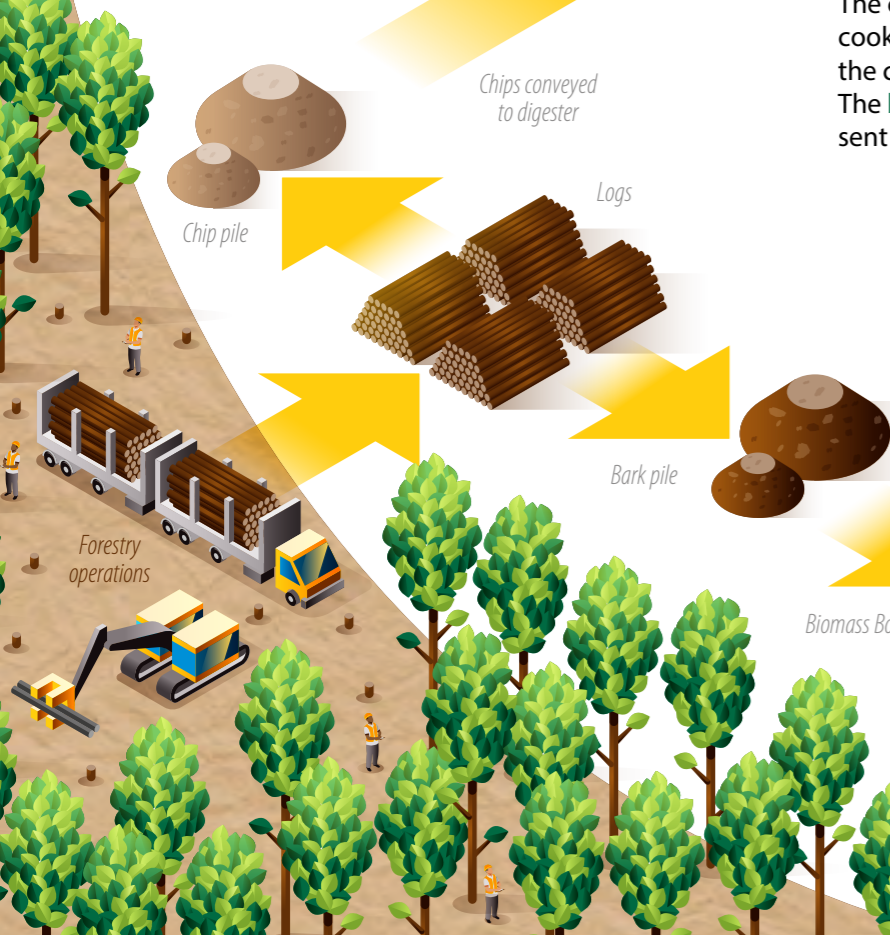
Energy self-sufficient, reducing clean electricity



A net carbon sink

1. Woodyard (chipping)

Eucalyptus pulpwood from our forestry operations arrives at the mill. The logs are **chipped and fed to the Cooking stage**. The bark is directed elsewhere.



2. Cooking

The chips are cooked in a **digester** with cooking liquor (white liquor). This separates the cellulose fibers from the rest of the wood. The **black liquor** produced in the process is sent for **chemical recovery**.



Biomass boiler

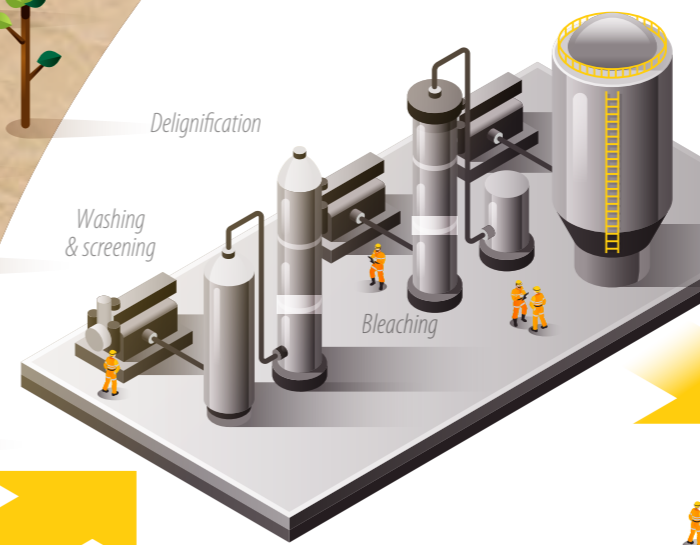


A casca é separada da madeira e conduzida para a caldeira de biomassa.



4. Washing & screening, delignification and bleaching

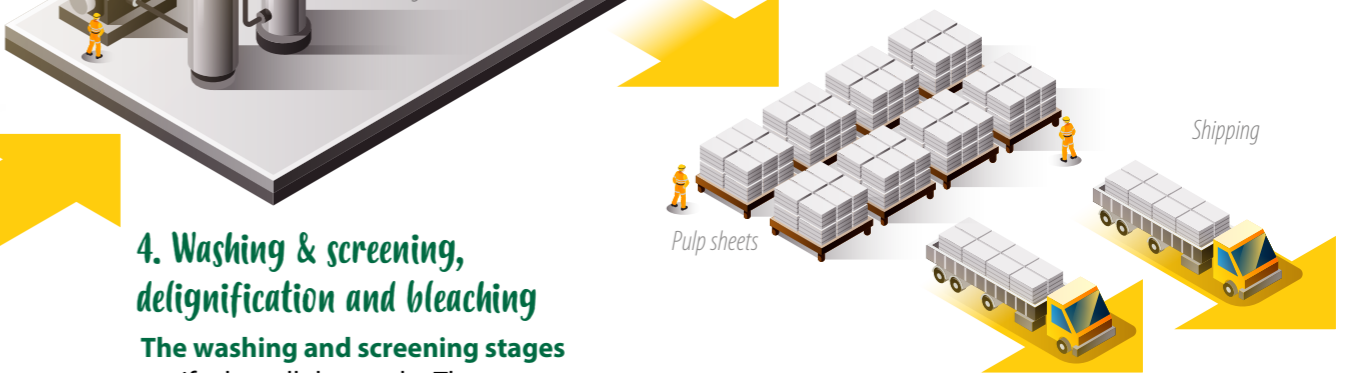
The washing and screening stages purify the cellulose pulp. The **delignification stage** removes residual lignin with oxygen, which is produced on-site by White Martins. The pulp is then fed to the **bleaching stage**.



Bleaching

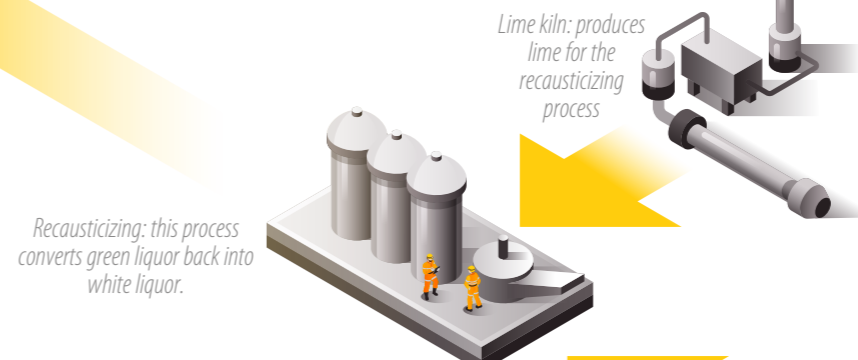


The pulp is bleached using chemicals in an **elemental chlorine free (ECF) process**.



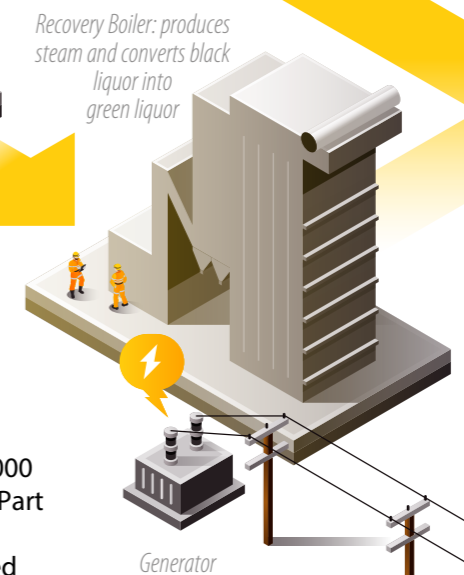
5. Drying, packaging and shipping

Pulp sheets are dried, packaged and shipped to our customers.



3. Chemical Recovery

The black liquor is burned in a **recovery boiler**, producing 1,000 metric tons of steam per hour. Part of this steam is used within the pulping process and part is used to drive turbine-generators producing electricity.



Power generation

A **biomass boiler** (fueled by bark biomass) and a **recovery boiler** (fueled by black liquor) produce steam that is directed to turbine generators, producing a total of **190 MW of electricity**:

90 MW

used in our pulping process, offices and other on-site facilities.

50 MW

supplied to Nouryon, which produces chlorine dioxide for the mill.

45 MW

exported to the national grid.

5 MW

supplied to White Martins, which produces oxygen for the mill



In 2019 we created a Logistics Projects and Processes department that is leading the deployment of new tools in pulp shipping operations to increase efficiencies.



Innovation and technology

Logistics

Eldorado's logistics operations leverage a range of competitive differentiators to increase efficiency, quality and safety in pulp shipping operations. We have operations in five ports in Brazil, including our own terminal at the port of Santos (SP). This diversification strategy helps to mitigate the risk of bottlenecks in product exports.

Because our products are accommodated in containers, we can ship to ports located closer to our customers. Improved operational efficiency also helps to minimize operations costs.

In 2019 we invested in training for 200 Logistics employees.

EldTruck: digitizing pulp logistics management

Eldorado Brasil has developed an online, web- and app-based platform for logistics management, truck hiring and road transportation tracking. As part of this program, in 2019 we:

- completed the first stage of development of a Logistics Control Tower—an operations monitoring center
- implemented an Extended Warehouse Management (EWM) program for integrated management of temporary inventories across our warehouses in Brazil; and
- conducted studies on the use of river and rail freight for transporting pulp to export ports.



Operational data

Operational processes that are certified for best practices in environmental management help to improve efficiency in our forestry, hauling, mill and pulp distribution logistics operations. This creates environmental value in the form of improved energy efficiency, water savings, and minimized waste, effluents and greenhouse gas (GHG) emissions.

Energy efficiency

GRI 103 | 302

Our energy management efforts aim to increase the amount of electricity we generate while reducing operational costs and energy consumption. We are committed to further optimizing our energy performance over the coming years through our Electricity Savings Committee (CICEEL), an internal program that disseminates good practices in responsible consumption in our mill and office activities.

Energy consumption within the organization GRI 302-1

FUEL CONSUMPTION – NONRENEWABLE (GJ) GRI 302-1	2017	2018	2019
Fuel oil	1,019,190.60	1,287,640.53	1,285,254.40
LPG—forklifts	5,061.51	8,944.80	15,677.73
Diesel—generators/on-site vehicles	890,087.77	756,815.26	821,074.75
Gasoline—fleet	11,152.51	18,698.50	20,932.92
Natural gas—lime kiln	1,959,901.71	1,619,339.21	1,553,501.84
Total	3,885,394.10	3,691,438.30	3,696,441.64

NON-RENEWABLE FUEL CONSUMPTION INTENSITY (GJ/1000 ADT)	2017	2018	2019
Fuel oil	596.72	750.81	719.63
LPG—forklifts	2.96	5.22	8.78

FUEL CONSUMPTION – RENEWABLE (GJ) GRI 302-1	2017	2018	2019
Liquor	31,918,957.57	33,504,338.15	34,476,346.38
Biomass	3,563,701.29	1,892,583.66	1,855,205.44
Biodiesel—diesel content	70,620.39	60,046.43	65,144.83
Ethanol—gasoline content	2,807.61	4,707.29	5,269.80
Total	35,556,086.86	35,461,675.53	36,401,966.45

ENERGY CONSUMED (GJ) GRI 302-1	2017	2018	2019
Electricity	4,439,354.58	4,335,656.73	4,360,383.26

ELECTRICITY SOLD (GJ) GRI 302-1	2017	2018	2019
Electricity	840,002.46	1,050,231.46	1,330,984.97

TOTAL ENERGY CONSUMED (GJ) GRI 302-1	2017	2018	2019
Nonrenewable fuels	19,254.92.40	3,691,438.30	3,696,441.64
Renewable fuels	35,556,086.86	35,461,675.53	36,401,966.45
Electricity consumed	4,439,354.58	4,335,656.73	4,360,383.26
Electricity sold	840,002.46	1,050,231.46	1,330,984.97
Total	43,880,835.54	43,488,776.57	44,458,791.35

ENERGY INTENSITY (GJ/1000 ADT)	2017	2018	2019
Total energy consumption	25,691.36	25,357.89	24,892.94

ESG Water consumption

GRI 103 | 303

We monitor water consumption rates at the mill on a daily basis against water optimization indicators and targets. By doing so, we aim to gradually reduce water consumption

through routine actions to identify and address deviations and implement continuous improvements. At Eldorado Brasil we also develop projects to minimize consumption of, or recycle, the water we utilize in the process.

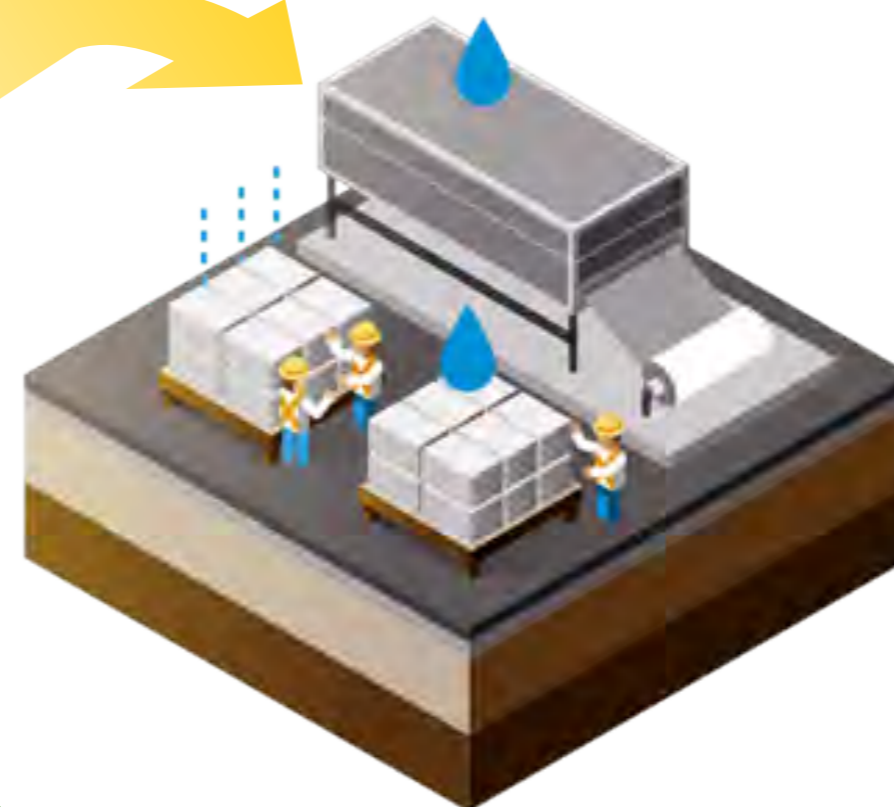


1. Eldorado Brasil withdraws water from the Paraná River for pulp production. Our water recycling rate is currently 82.3%.



2. 85% on average of the water used in pulp production returns to the river.

Water used in pulp production is treated at an on-site wastewater treatment plant before returning to the river.



3. Of the 15% of water withdrawals that are not returned to the river:

- 0.4% is incorporated into the pulp sheets and therefore becomes part of the product's composition as moisture content.
- 14.3% evaporates during the production process at the drying and cooling stages.
- 0.3% is used for other purposes, such as grounds irrigation and human consumption.

WATER WITHDRAWAL BY SOURCE (M³) GRI 303-1	2017	2018	2019
Surface water, including water from wetlands, rivers, lakes, and oceans	43,681,742.54	43,483,540.34	44,814,442.00
Groundwater	291,860.00	210,100.00	133,735.00
Total	43,973,602.54	43,693,640.34	44,948,177

WATER RECYCLED AND REUSED GRI 303-3	2017	2018	2019
Total volume of water recycled and reused by the organization (m ³)	275,575,775.71	258,892,369.83	252,943,578.00
Total water withdrawal (m ³)	43,973,602.54	43,693,640.35	44,841,843.00
Ratio of water recycled and reused to total water withdrawal	627%	593%	564%
Percentage of water recycled and reused out of total water withdrawal	86%	86%	85%
Percentage of water withdrawal out of total water consumed	14%	14%	15%

Water discharge by quality and destination GRI 306-1

TOTAL PLANNED AND UNPLANNED WATER DISCHARGE (M³) GRI 306-1

METHOD OF DISPOSAL	METHOD OF TREATMENT	2017	2018	2019
To surface waters	Physical/biological treatment	34,444,150.32	36,257,474.00	38,984,633



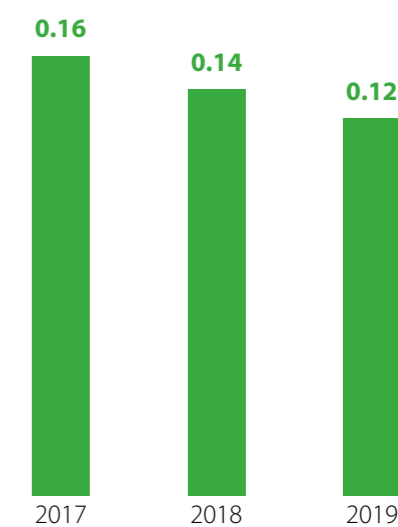
Emissions management GRI 103 | 305

Our environmental best-practice index (IPA) measures both statutory and non-statutory emissions parameters in our production process. Eldorado Brasil uses more stringent operational limits than under Brazilian regulations, which helps to ensure the sustainability of the business and improves our environmental efficiency.

In 2019 we invested in mill equipment improvements with a focus on enhancing operational efficiency.

This included implementation of state-of-the-art technologies such as air emissions control equipment to improve production performance while preventing environmental impacts.

In the year, we produced 1,786,220.00 metric tons of pulp and generated a total of 216,645.20 t CO₂ of greenhouse gas (GHG) emissions. Although our scope 1 and 2 (indirect) emissions have increased in absolute terms, our emissions intensity (metric tons of CO₂e/TSA) have decreased steadily year over year:



The carbon cycle in our operations

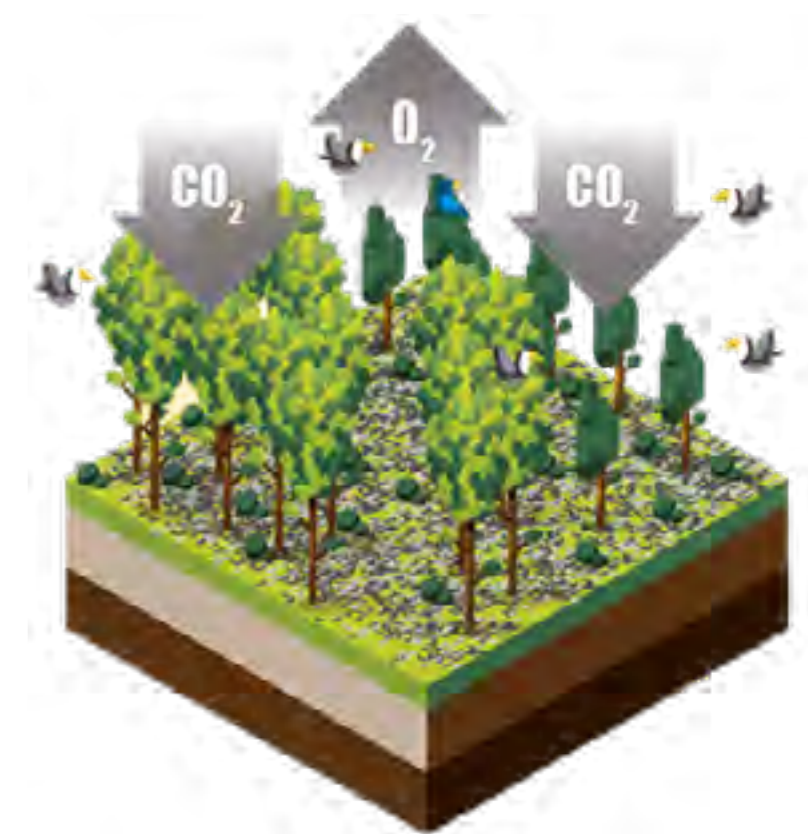


Carbon sequestration

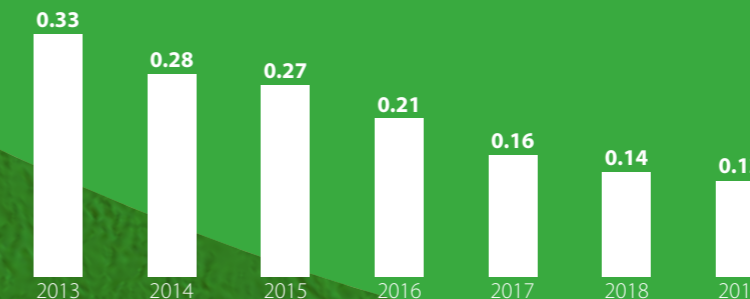
- Eldorado's forestry assets—including eucalyptus plantations and protected areas—provide a significant range of ecosystem services. Among these is carbon sequestration, which helps to mitigate the greenhouse effect.

25% of tree volumes are left on the soil, including leaf litter, roots and branches

- Eldorado's GHG emissions are more than offset by carbon sequestration in our forestry assets, which capture significantly more CO₂ than the emissions of 100% of our operations. This makes Eldorado's value chain carbon-positive.



Eldorado's greenhouse gas (GHG) emissions inventory data (metric tons of CO₂e/TSA)

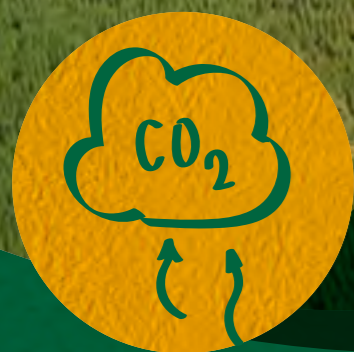


Note: Our emissions intensity was 0.12 tCO₂e/TSA of pulp, including scope 1 and 2 emissions under the GHG Protocol.

Eldorado's value chain carbon-positive. In 2019 our forest assets removed 2,626,997.62 tCO₂e from the atmosphere.

2,181,111.110 tCO₂e
 sequestered by our
 planted forests in 2019.

445,886 tCO₂e
 sequestered by
 protected areas in
 the year.

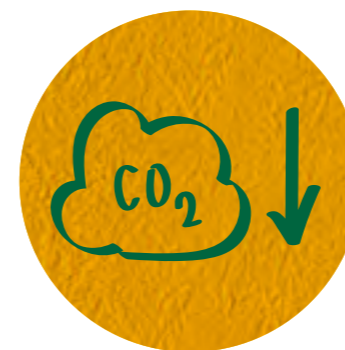


Emissions are monitored by an online system

Fixed-point emissions are monitored by an online system 24 hours a day. Air emissions reports are issued on a monthly basis to the local environmental authority.

On a six monthly basis, air emissions are also monitored off-line by a specialized firm accredited by the Brazilian Institute for Metrology, Quality and Technology (INMETRO). The off-line data is compared against online data to verify the readings from continuous air emissions monitoring.

We also complete a Greenhouse Gas Emissions Inventory using the GHG Protocol framework, with assistance from FGV. Our inventory data for 2019 can be viewed at <https://www.registropublicodeemissoes.com.br/participantes/568>.



Greenhouse gas emissions intensity (tCO₂eq/TSA) decreased by 13% compared to 2018, across Scope 1 and Scope 2

Direct (Scope 1) GHG emissions GRI 305-1

DIRECT GREENHOUSE GAS EMISSIONS (T CO ₂ EQUIVALENT) GRI 305-1	2017	2018	2019
Agricultural (use of fertilizers)	32,586.30	33,015.10	13,652.55
Production of electricity, heat or steam	147,828.00	135,888.04	131,438.81
Transportation of materials, products, waste, employees and passengers	78,747.20	66,202.93	55,249.63
Solid waste and wastewater	10,127.00	10,359.89	11,784.00
Fugitive emissions	3,671.44	1,944.88	3,050.33
Total gross CO₂ emissions	32,586.30	33,015.10	13,652.55

BIOGENIC CO ₂ EMISSIONS (T CO ₂ EQUIVALENT) GRI 305-1	2017	2018	2019
	3,254,451.09	3,475,724.81	3,551,705.98

Note 1: Gases accounted for: carbon dioxide; methane; nitrous oxide; hydrofluorocarbons; and sulfur hexafluoride.

Note 2: Source of emissions factors: Brazilian GHG Protocol Program.

Indirect (Scope 2) GHG emissions GRI 305-2

ENERGY INDIRECT GHG EMISSIONS (T CO ₂ EQUIVALENT) GRI 305-2	2017	2018	2019
	878.00	893.62	1,469.88

Other indirect (Scope 3) GHG emissions GRI 305-3

OTHER INDIRECT GHG EMISSIONS (T CO₂ EQUIVALENT) GRI 305-3	2017	2018	2019
Transportation and distribution (third-party fleet—upstream)	5,525.07	44,817.63	38,666.75
Transportation and distribution (third-party fleet—downstream)	300,272.19	294,697.62	557,185.73
Business travel	283.61	234.30	305.72
Employee commuting	4,763.78	4,764.72	4,091.43
Total	310,844.65	344,514.27	600,249.62

BIOGENIC CO₂ EMISSIONS (T CO₂ EQUIVALENT) GRI 305-3	2017	2018	2019
	625.09	5,495.43	4,502.63

Note 1: Gases accounted for: carbon dioxide; nitrous oxide; methane.

Note 2: Source of emissions factors: Brazilian GHG Protocol Program.

Greenhouse gas emissions intensity GRI 305-4

	2017	2018	2019
Metric tons of pulp produced (ADT)	1,708,094.00	1,715,366.00	1,786,220.00
Total GHG emissions (t CO ₂ equivalent)	273,837.94 ¹	248,304.46	216,645.20
Greenhouse gas emissions intensity	0.16	0.14	0.12

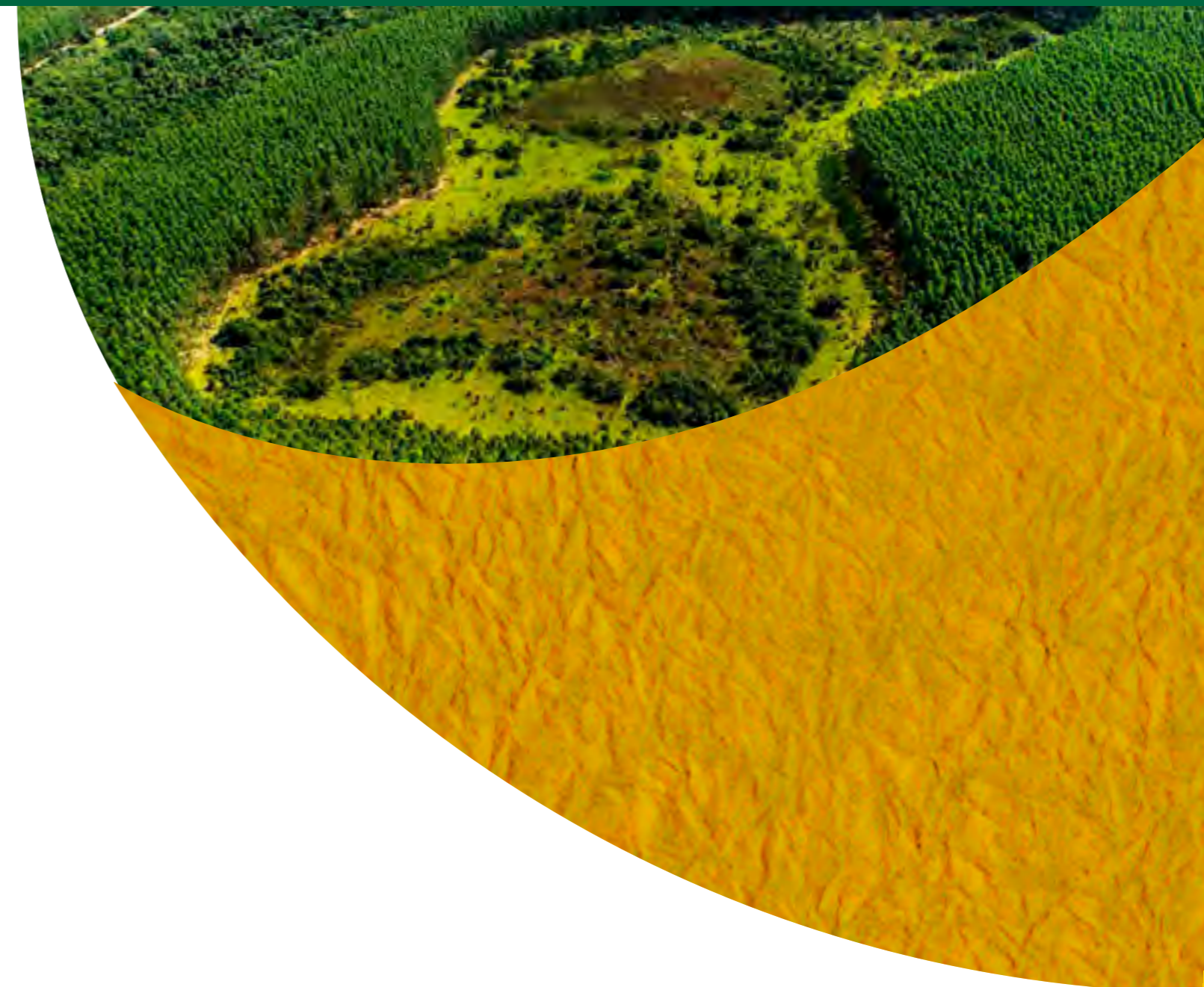
Note 1: Types of GHG emissions included in emissions intensity data: Scopes 1 and 2.

Note 2: Gases accounted for: carbon dioxide; methane; nitrous oxide; hydrofluorocarbons; and sulfur hexafluoride.

¹ The sum of Scope 1 and 2 emissions for 2017 has been restated. The sum of 878 in Scope 2 emissions (purchased electricity) changed to 625 (biogenic emissions). GRI 102-48

Greenhouse gas emissions reduction GRI 305-5

REDUCTION OF GHG EMISSIONS (T CO₂ EQUIVALENT) GRI 305-5	2017	2018	2019
Reductions of direct emissions (Scope 1)	86,026.58	25,280.55	32,235.38
Reductions of energy indirect (Scope 2) GHG emissions	916.80	-	-
Reductions of other indirect emissions (Scope 3)	-	-	-
Total reduction of GHG emissions	86,943.38	25,280.55	32,235.38





Managing waste and effluents GRI 103 | 306

Our solid waste management practices conform to Brazil's National Solid Waste Policy and Solid Waste Management Plan (PGRS) and include activities spanning waste generation—with a focus on reduction—and compliant disposal.

Waste management activities were insourced in 2015. Since 2016, we have developed projects to reduce the volumes of waste going to landfills, such as by burning biological sludge in power generation boilers and selling recyclable waste. Our Process, Engineering & Sustainability department supports operations teams and runs a Zero Waste program to reduce waste volumes and find new applications for recycling materials such as byproducts.

The program develops alternative uses such as utilizing lime mud as a soil ameliorant, biological sludge from the wastewater treatment plant as a fuel to generate electric power, and other applications (for more information about how these substances are re-utilized in our mill operations, see page 68).

In 2019 we disposed of a total of 641.82 metric tons of hazardous waste, less than the 893.96 metric tons in 2018. Volumes of non-hazardous waste were also reduced, ending the year at 327,885.08 metric tons, down from 341,468.74 metric tons in 2018.

In 2015 we created an effluent management department that is responsible for achieving continuous improvement in these processes.

Effluent disposal intensity (m³/1000 ADT) GRI 306-1

EFFLUENTS DISCHARGED	2017	2018	2019
	20,166.36	21,113.87	21,650.00

Waste by type and disposal method GRI 306-2

DISPOSAL OF HAZARDOUS WASTE (T) <small>GRI 306-2</small>	TYPE OF WASTE	2017	2018	2019
Landfill	Mill and forestry	683.32	867.36	628.54
Re-refining	Mill	24.73	26.60	13.28
Total		708.05	893.96	641.82

DISPOSAL OF NON-HAZARDOUS WASTE (T) <small>GRI 306-2</small>	TYPE OF WASTE	2017	2018	2019
Recycling	Mill	1,715.53	2,319.00	1,932.90
	Forestry	564.00	480.00	465.91
Class II Industrial Landfill (on-site)	Mill	111,943.36	114,972.00	106,631.04
Class II Industrial Landfill (off-site)	Forestry	572.64	672.80	235.70
Co-processing	Mill	194,844.25	223,024.94	218,619.53
Total		309,639.78	341,468.74	327,885.08

Our people

GRI 103 | 401

Developing our people is a strategic imperative for Eldorado Brasil.



ESG

Our people

GRI 103 | 401

Human and organizational development



We credit our team for the important milestones we have achieved in these seven years of operations, for the production and sales records we have set, and for other positive results year after year. That is why we see our human capital as being strategic and our most valuable asset.

Most of our 3,800 employees work in our Três Lagoas (MS) operations and in neighboring areas—especially in our forestry operations; this creates competitive advantage by increasing alignment and efficiency across forestry and pulp production operations. Geographic proximity is also an advantage in disseminating our culture through regular dialog, as well as supporting a sense of ownership, one of our core values.

Developing our people is a strategic imperative. As we have every year in the past, in 2019 we invested in training and capacity building to improve operational efficiency and quality in our business processes and operations. We implemented an initiative to

strengthen teams' connectedness to their leaders, we provided distance education resources and we provided in-person ethics and anti-corruption training to 100% of our more than 4,000 employees across all operations (read more about our approach to managing transparency, ethics and anti-corruption on page 27). GRI 205-2

We also continued our Occupational Health & Safety programs and initiatives, and invested in providing employees and their families with health care services.

We conducted our first survey on the level of engagement with our purpose, to identify opportunities to strengthen our organizational culture at Eldorado Brasil among our employees.

4,051
employees in 2019.

121,148.9 hours
of training on Brazilian
Regulatory Standards (NRs).

100% of eligible
employees received
ethics and anti-corruption
training.

51,165.9 hours
of training to develop our
teams and operational
capabilities.

**200 forestry
operations**
leaders trained, in a total of
1,760 hours of training on
safe mindsets, safety culture
and communications.



Behavioral development

More than 40 employees trained in a total of 500 hours of training.

The program features group activities that support self-awareness, self-development, improved team performance and greater synergies in alignment with our purpose.

Communication is crucial and is among our differentiators as a company

Our team at Eldorado Brasil is comprised of professionals from a variety of backgrounds, working across our forestry, pulpwood haulage, mill and pulp logistics operations.

Our employee relations and engagement strategy works to build effective communications with our entire workforce, using best-for-

purpose channels to address important topics, disseminate health campaigns, and align employees around business goals. This strategy is delivered through the following channels:

Intranet

Institutional campaigns

Rádio Eldorado

Our institutional website,
<http://www.eldoradobrasil.com.br>

Deploying technology to improve HR processes

In 2019 and in the first half of 2020, our HR, Sustainability and Institutional Communications department—working with the Information Technology (IT) department—made significant progress on developing tools such as business intelligence (BI) and automated HR management systems.

The goal of these initiatives is to optimize processes and make data more readily available for analysis and processing.

A number of systems have been completed and others are well under development, including:

- Recruiting & Selection (R&S) programs leveraging BI and artificial intelligence in candidate selection
- a Training & Development (T&D) program supporting distance learning
- human resources tools for applications such as self-service timekeeping, vacation management, and movements such as position and salary changes and employee replacements

Information on employees and other workers GRI 102-8
Total workforce by employment contract and gender GRI 102-8

EMPLOYMENT CONTRACT	2017			2018			2019		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Definite term	-	-	-	85	25	110	4	5	9
Indefinite term	3,222	582	3,804	3,040	510	3,550	3,474	640	4,114
Total	3,222	582	3,840	3,125	535	3,660	3,478	645	4,123

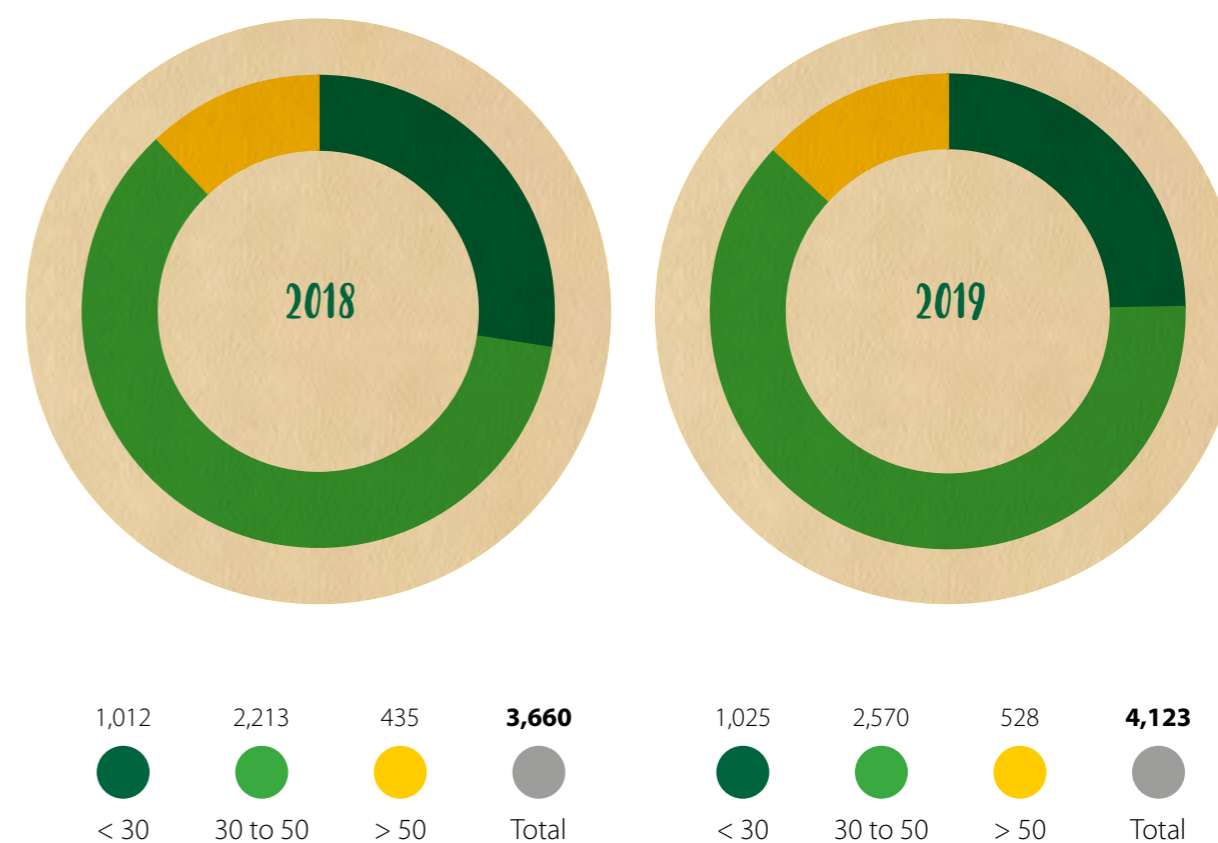
Note 1: all employees receive the same benefits regardless of their employment type (full or part-time) or employment contract (definite or indefinite), across 100% of our operations both in Brazil and in other geographies. GRI 401-2

Total workforce by employment contract and region GRI 102-8

REGION	2017			2018			2019		
	DEFINITE TERM	INDEFINITE TERM	TOTAL	DEFINITE TERM	INDEFINITE TERM	TOTAL	DEFINITE TERM	INDEFINITE TERM	TOTAL
Midwest	-	3,575	3,575	108	3,289	3,397	9	3,829	3,838
South-east	-	229	229	2	261	263		285	285
Total	0	3,804	3,804	110	3,550	3,660	9	4,114	4,123

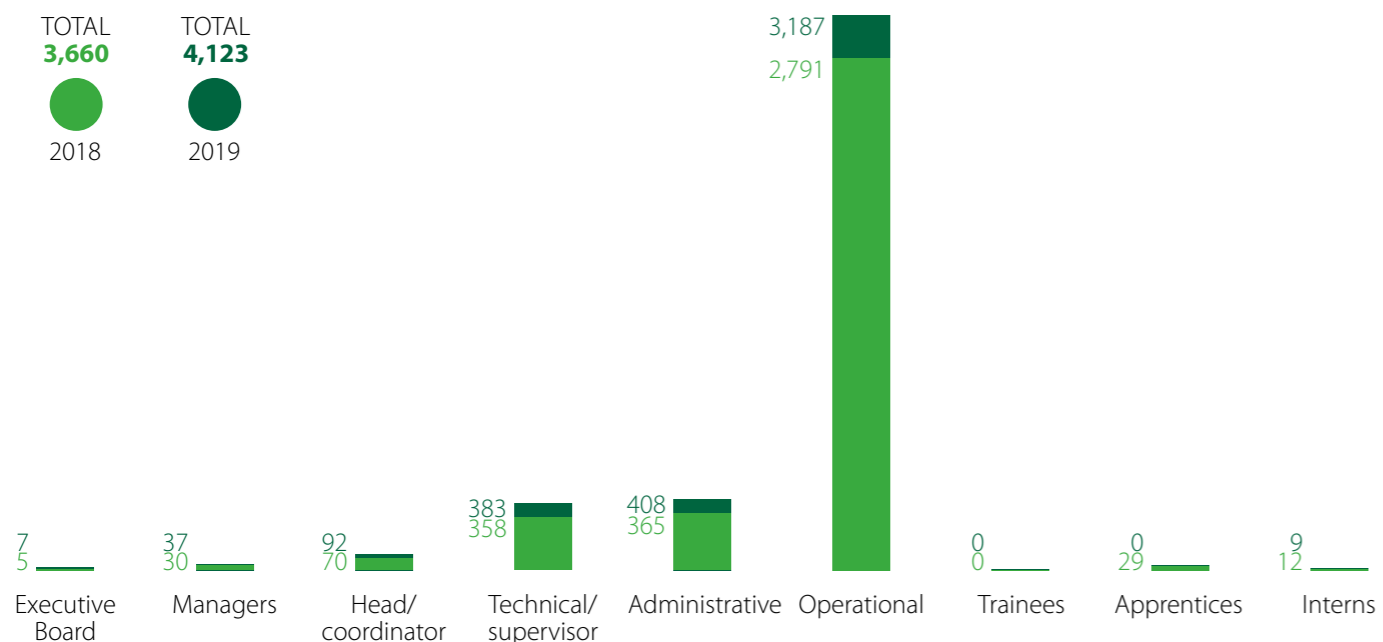
Workforce by employment type GRI 102-8

TYPE OF EMPLOYMENT	2017			2018			2019		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Full time	3,197	570	3,767	3,097	522	3,619	3,474	640	4,114
Part time	25	12	37	28	13	41	4	5	9
Total	3,222	582	3,804	3,125	535	3,660	3,478	645	4,123

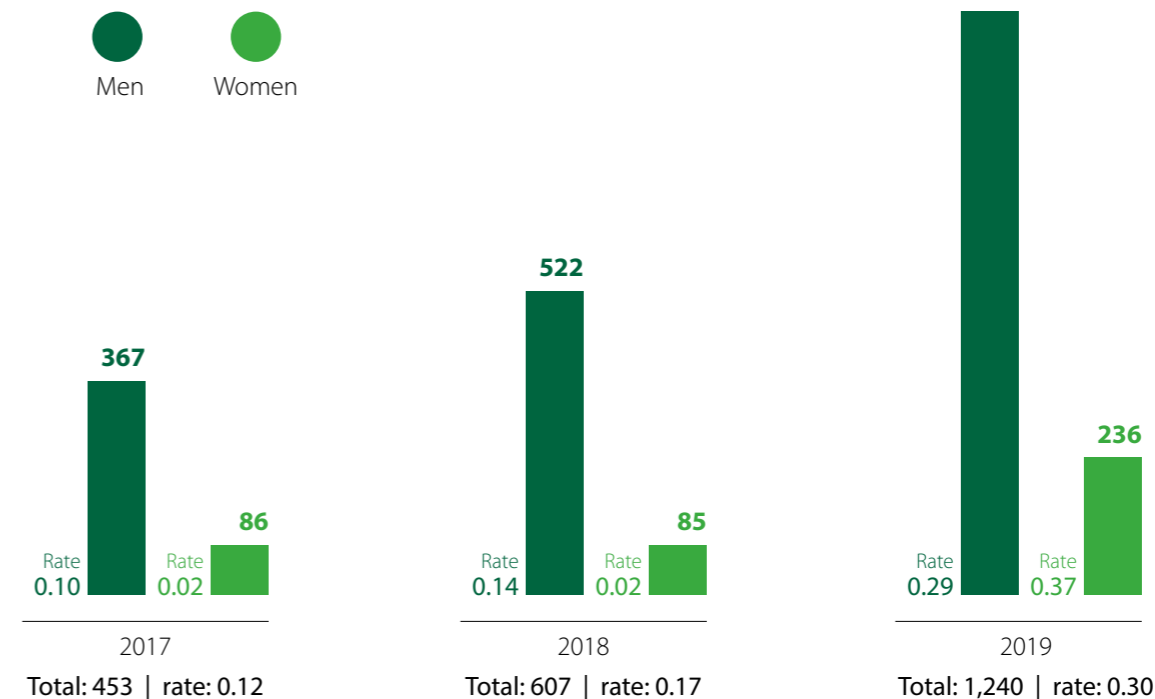
Workforce by age group GRI 102-8




Workforce by employee category GRI 102-8

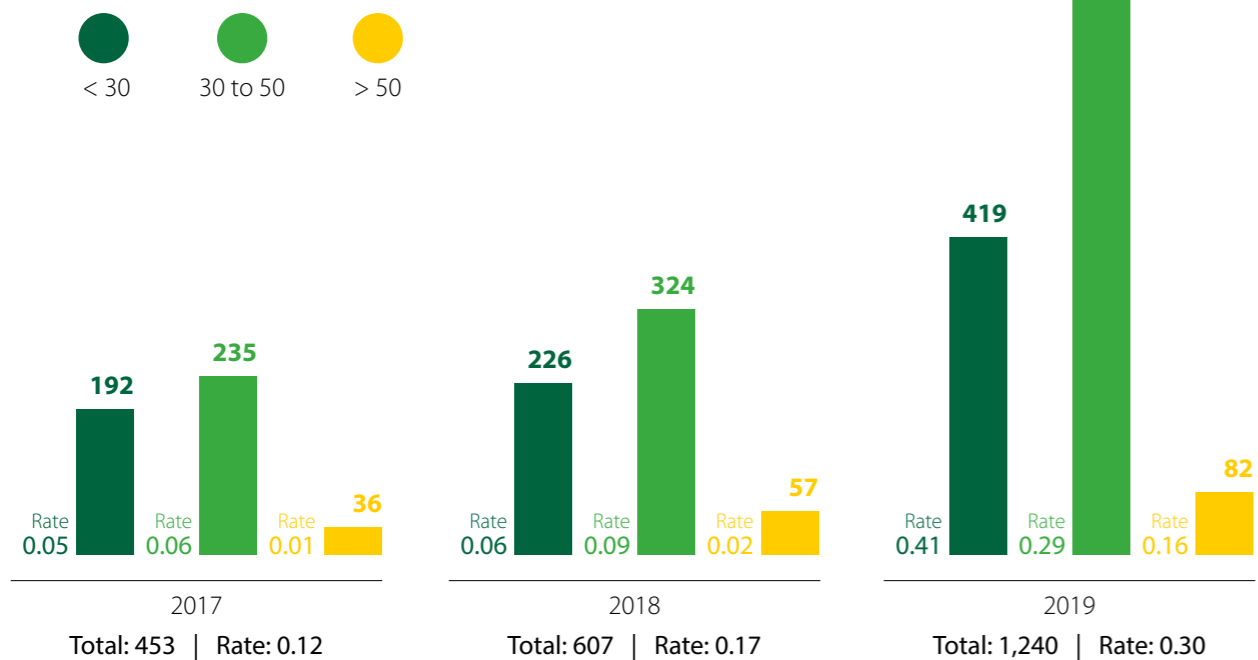


Workforce by gender GRI 401-1

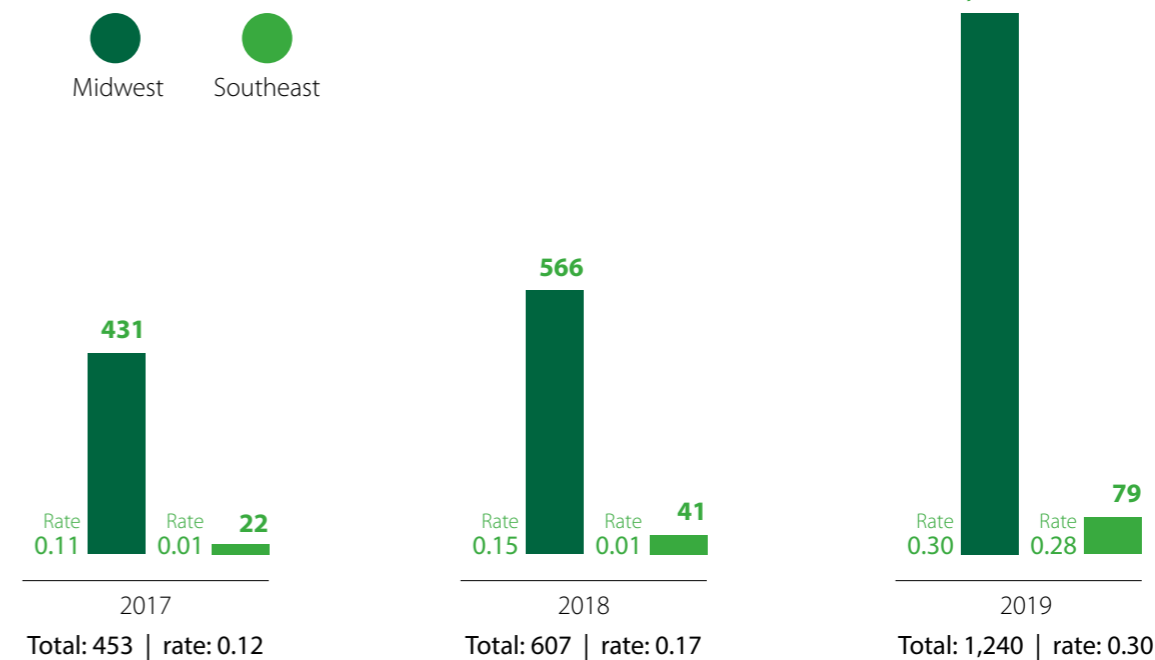


New employee hires and employee turnover GRI 401-1

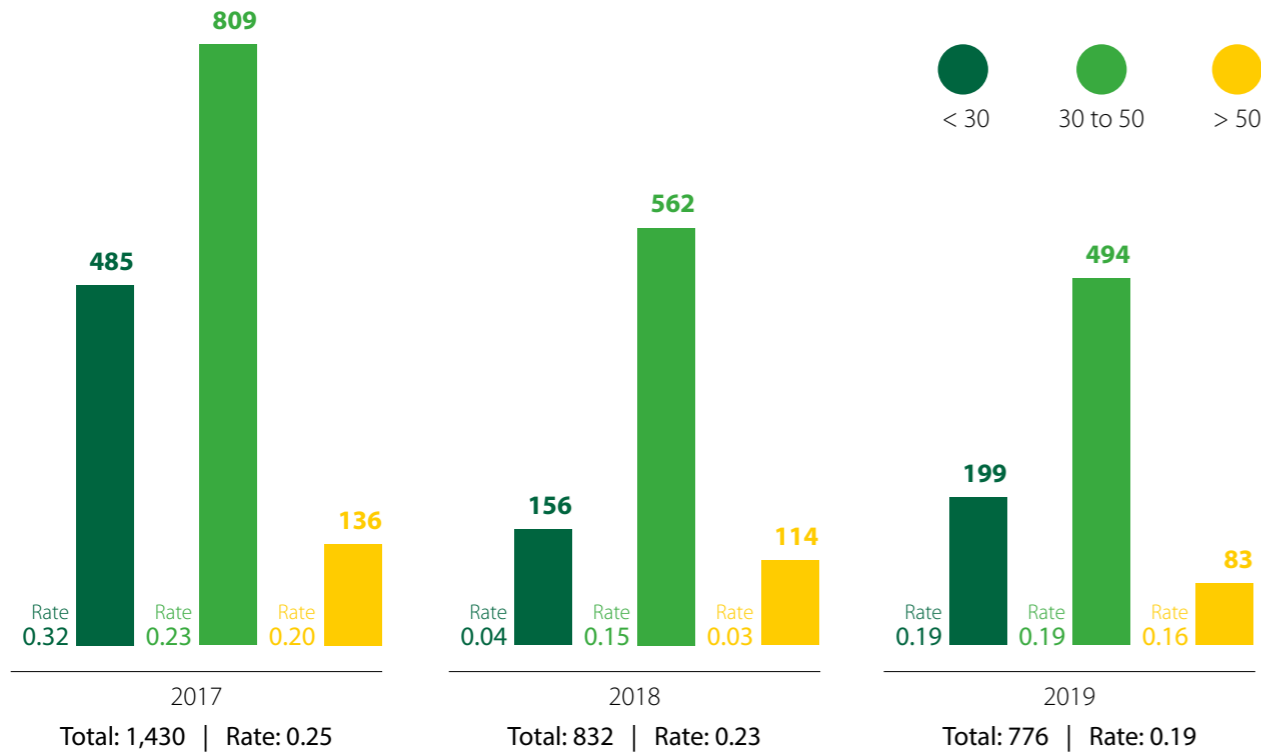
Workforce by age group GRI 102-8



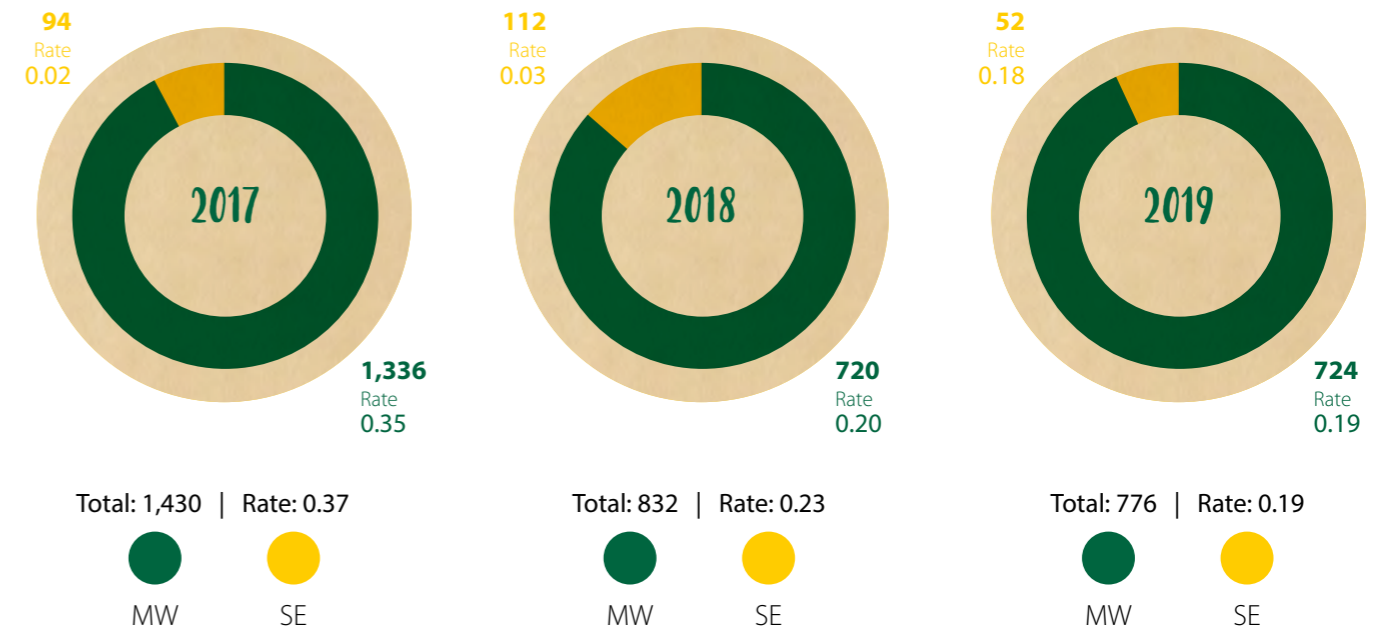
New hires by region GRI 401-1



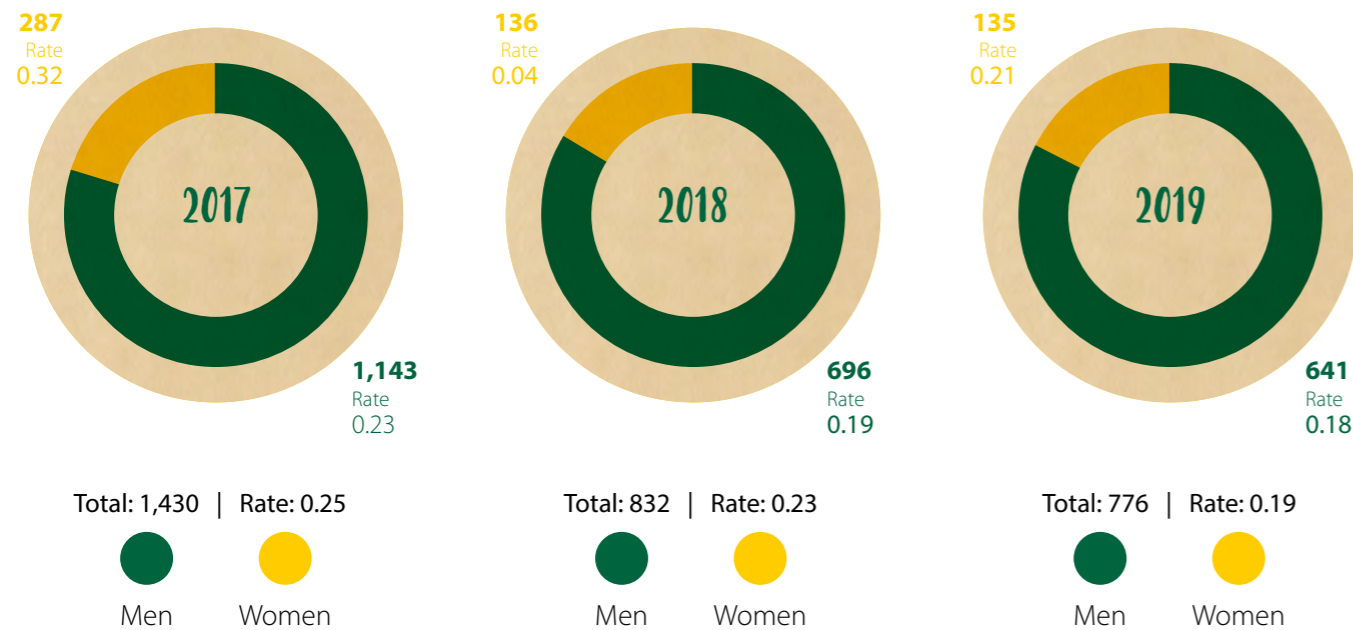
Turnover by age group GRI 401-1



Turnover by region GRI 401-1



Turnover by gender GRI 401-1



Training, development and education GRI 103 | 404



Our employees are one of our differentiators at Eldorado Brasil. Through our people—and by motivating and giving them freedom to create—we have achieved increasingly positive results underpinned by the excellence of our teams. Keeping our employees highly trained is not only a competitive advantage, but also a way of rewarding our talents. Eldorado Brasil invests in continuous training and development programs that provide opportunities for knowledge acquisition, learning, growth and professional development—all in a safe environment in which people have a sense of belonging and company pride.

In 2019, we provided 172,314.80 hours of training to 27,538 employees. Safety is a priority in the conduct expected of employees. We delivered a total of 121,148.9 hours of statuto-

ry training (required by Brazilian regulations) in the year. We also provided more than 2,000 hours of leadership training with a focus on our culture and people management.

Other investments included technical training such as work instructions and position-specific upskilling programs for maintenance and operations teams. In behavioral skills, we implemented team development programs in several departments that will continue into 2020.

We have also invested in e-learning programs. After launching *Eldorado Educa*—a learning management system (LMS)—in 2019, more than 34,000 hours of distance learning training were provided in the year, an increase of 40% compared to 2018.



Key development initiatives in 2019

GRI 103 | 404

Onboarding program

This program introduces newly hired employees to the company and familiarizes them with the organizational context. It includes instructional content on our mission, vision and values and guiding principles, HR processes, occupational safety and health, and the environment.



Statutory training – NRs (Brazilian Regulatory Standards)

Statutory training on Brazilian regulatory standards (NRs) is managed using a department-specific matrix that our Organizational Development and Occupational Health & Safety departments use to identify training requirements based on positions within the company and their related tasks. In 2019, we provided 121,148.9 hours of statutory training, demonstrating our approach of actively addressing safety requirements.



Technical, operational and/or behavioral training

We have development programs in place that are designed to support knowledge acquisition, upskilling and/or skills building for specific roles. In 2019, we dedicated 51,165.9 hours of training to team development as well as to operational capacity building across the company.

On-the-Job Training

On-the-job training helps employees to hone their skills and techniques, and acquire new experience and knowledge. This includes activities outside employees' job routines; operational training; and training on department-specific documentation.

Team development

In 2019 our Forestry Research & Technology, Harvesting, Forestry Safety, Pulp Logistics, Rishis and Mill Safety departments worked with the HR & Organizational Development department and several suppliers to implement a number of behavioral development programs for their teams. These programs featured group activities that support self-awareness, self-development, improved team performance and greater synergies in alignment with our purpose, covering soft skills such as time management, change management, problem-solving, organization, planning, results orientation and improvement, systemic vision, active listening, communications, team integration and proactiveness.





Safety training for leaders

In 2019 our Safety department initiated the second wave of our 85x15 Program. This program teaches leaders the concept that 85% of incidents in their departments are their responsibility and 15% are caused by other factors. The program—which focuses on building synergies among leaders in our forestry operations—aims to strengthen their commitment to safe mindsets, using a behavioral approach. The first training event in December 2019, with 200 leaders in attendance, provided a total of 1,760 hours of training. Training content helps to raise leaders' awareness about their role in areas such as safe behavior, culture, communications and ownership. This is an ongoing process that will continue into 2020 with new training content.

Performance management

A people management process that supports the development and professional and personal growth of our people based on assessments of their performance and the behaviors they demonstrate.

Super Talents Program

This program—geared to apprentices and interns—provides opportunities for technical and behavioral development and to acquire the skills needed to perform the day-to-day tasks of their professions safely, providing a big-picture view of their roles. These young professionals engage in on-the-job activities as they pursue basic, trade-level or university-level training at education institutions.

Eldorado Brasil also has partnerships with education institutions to offer tuition discounts to employees and their dependents, supporting them in developing and improving their skills and qualifications. We currently have 50 partner institutions in Três Lagoas, Ilha Solteira, Água Clara and Andradina, the four cities hosting our operations. Tuition discounts are available for trade schools, language learning, undergraduate and graduate programs, daycare, primary education and secondary education.

Average hours of training per year by gender GRI 404-1

AVERAGE HOURS OF EMPLOYEE TRAINING PER YEAR BY GENDER GRI 404-1	2017	2018	2019
Men	38.33	28.83	45.10
Women	21.62	16.38	23.96
Total	35.77	27.01	41.79

AVERAGE HOURS OF EMPLOYEE TRAINING PER YEAR BY EMPLOYEE CATEGORY GRI 404-1	2017	2018	2019
Executive Board	4.25	6.4	4.93
Managers	41	24.17	28.77
Leaders/coordinators	48.32	39.65	12.02
Technical/supervisor	55.94	82.23	71.38
Administrative	22.75	9.16	32.28
Operational	34.43	21.68	40.43
Trainees	37.81	62.93	41.45
Total	107	25.54	41.79

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (%) GRI 404-3	2017			2018			2019		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
CEO	100	-	100	100	-	100	100	-	100
Executive Board	100	-	100	100	-	100	100	-	100
Managers	100	100	100	96	100	97	92.86	100	93.33
Leaders/coordinators	100	100	100	98	80	96	92.96	100	93.98
Technical/supervisor	62.10	48.20	64.80	62	69	62	98.67	95.56	98.33
Administrative	10.50	6.90	8.60	10	8	9	61.36	83.33	69.12
Operational	7.60	3.60	7.10	7	3	7	100	100	100
Total	16.30	10.50	15.40	16	11	15	94.69	93.02	94.48

Community engagement

Close communications with stakeholders and an agenda of initiatives to deliver positive impact are a part of our approach to community engagement.



ESG

Community relations

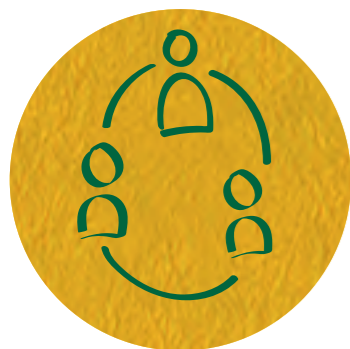
Local community development



Eldorado Brasil engages closely with local communities through a channel that supports open communications. As part of our approach to stakeholder engagement, we regularly interact with municipal and state government agencies—including regulators and oversight bodies such as the Mato Grosso do Sul Environmental Authority (IMASUL)—in the areas where our forestry and industrial operations are located. [GRI 413-1](#)

Our Sustainability Policy sets out guidelines on our approach to dealing ethically and transparently with stakeholders. [GRI 103 | 413](#)

Eldorado Brasil is committed to engaging closely with local communities and businesses to support the development of the regions where we operate.



Managing impacts from our operations

[GRI 103 | 413](#) [GRI 413-2](#) *Ethos sector disclosures (PULP & PAPER)*

Our operations generate impacts that are inherent to the pulp industry, including noise, air emissions and solid waste.

Other potential impacts include water withdrawal, particulate (dust) emissions, the risk of agrochemical contamination, the risk of accidents involving pulpwood transportation, and road surface degradation.

Within our forestry assets, we monitor water resources, wildlife and potential risks of environmental impact, and invest significantly in technology in all our operations to prevent impacts from our activities on the environment and local communities (for more about our investments in technology and innovation, see pages 60, 65, 67 and 71). In our

industrial operations, we have a quality program that helps to improve our practices in order to ensure we generate no or minimal operational impacts on surrounding communities. Plant employees are encouraged to come up with new ideas and solutions, and those submitting the best ideas receive prizes and recognition each year.

In terms of social impacts, we work continuously to not only manage these impacts but also to support local development through job opportunities, local sourcing, investments in health care—which benefit employees, their families and ultimately the entire local community—and by fueling local economies in the regions where we operate.





Managing concerns reported by local communities

GRI 102-43 GRI 103 | 413 GRI 413-1

Ethos sector disclosures (PULP & PAPER)

We have initiatives in place as part of our Social Relations and Engagement (RES) program that aim to foster direct communications between Eldorado Brasil and residents, neighbors and communities directly impacted by our forestry activities.

Directly affected stakeholders are identified based on pre-established criteria, including: those located within a 3 kilometer radius from our farms; isolated neighboring properties within a 50 m radius from our farms; farmhouses with occupants; and neighbors along our pulpwood haulage routes. Our Sustainability team visits these stakeholders and provides a telephone number they can contact to report any future concerns.

Each family also completes a checklist on their social and economic conditions and infrastructure in the region (whether they have access to public schools, school buses and public transportation, health centers, adequate roads, etc.). The checklist data is then fed into a database that is used to plan our

operations. These stakeholders also give our Ethics Hotline number to report concerns (for more about the hotline, see page 36).

Eldorado provides communications channels appropriate to each stakeholder group affected by our business, all designed to provide transparency, efficiency and active listening. This increasingly strengthens our ability to work together towards the company's goals.

Supplementing the social outreach efforts of our forestry operations, we also engage in communications efforts that help to bring the company closer to local communities, including:

- media outreach;
- campaigns and workshops;
- membership of forums and industry committees;
- visits to labor unions;
- the Eldorado Brasil Environmental Education Program (PES); and
- our Sustainability department's email address (sustentabilidade@eldoradobrasil.com), where stakeholders can submit complaints, suggestions, compliments and requests.

Creating positive impacts on local communities

GRI 103-2 | 203 GRI 203-2 Ethos sector disclosures (PULP & PAPER)

One of the pillars of our business model is supporting local development as an exercise of social responsibility.

We also consistently invest in technology and R&D. These investments have enabled us to improve efficiency and set new production and sales records year after year. Positive business performance benefits employees by increasing their variable compensation, a way of recognizing the contribution of our human and intellectual capital toward this performance. While many of our technology investments aim to increase process automation, this does not result in a reduction of our workforce (for more about people management, see page 87).

Positive business performance also translates into increased tax revenues for the municipalities where we operate, creating economic value for local communities.

Eldorado Brasil also runs initiatives to strengthen and empower our communities. In 2019 we conducted the following initiatives.

Supporting the economic development of local villages

Two restaurants in the village of Alecrim have been contracted to provide meals to Eldorado employees, as part of our local sourcing strategy. In 2019 these restaurants provided 25,227 meals—including breakfast and lunch—supporting economic development and providing income opportunities for local communities.

ESG

Local sourcing

GRI 203-2

Eldorado Brasil has local sourcing and supplier management practices that support suppliers in developing their businesses and management models.

We also work to manage financial dependency risks for small suppliers based on financial due diligence on each business partner.





Engaging with strategic stakeholders

Interaction with academia

We delivered a keynote presentation, titled “Value Chain Sustainability at Eldorado Brasil,” during an “Academic Week” event within the Crop Science program at Faculdades Integradas de Três Lagoas (AEMS), sharing knowledge about our industry with participants.

Donations

Donation of pulp sheets to local communities

Eldorado donated approximately 500 pulp sheets for cultural and educational projects developed by schools and education departments in the Três Lagoas (MS) area. The pulp sheets were used in art classes featuring the culture of Mato Grosso do Sul.

Donation of materials to the Federal University of Mato Grosso do Sul (UFMS)

We donated materials for research as part of a collaboration between Eldorado Brasil and the Três Lagoas campus of UFMS for sustainability-related research.

Creation of a touring school in Selvíria in partnership with SENAI

We adapted a vehicle as a mobile school in Selvíria (MS) in 2019 to provide electromechanical technician training in partnership with the National Industrial Training Service (SENAI) in Mato Grosso do Sul. In the year, 15 young students attended the course.

New playground in Lagoa Maior, Três Lagoas

Eldorado built a public playground area for the local community as an environmental offset in connection with our Onça Pintada thermal power plant project (for more about the new plant, see page 47).

Community engagement GRI 413-1

In partnership with the local Rural Union, Eldorado Brasil donated oral hygiene kits to the 42nd Agricultural Fair in Três Lagoas (MS), and donated a bus to transport residents from the villages of São Joaquim, Alecrim and Canoas. Our head of Forestry Competitiveness delivered a presentation titled “Forestry Challenges in Mato Grosso do Sul”, discussing megatrends including global growth and demand for pulp-based products, positioning the state to become the “next forestry frontier”.



Training courses for communities Ethos sector disclosures (PULP & PAPER)

To support sustainable development in the communities where we operate, we have partnered with the National Rural Training Service (SENAR) in Mato Grosso do Sul to provide training courses to communities where we operate. All training courses are developed to meet communities’ training needs and suggestions.



Volunteering initiatives

1st Eldorado Run event

We organized our first community road running event in December 2019. The initiative marked our 7th anniversary and attracted more than 700 participants. Approximately 4 metric tons of food donations were collected for charities in Três Lagoas (MS).

Winter clothing campaign

We collected donations of sweaters, blankets, accessories and other items at the mill and donated them to the Municipal Social Service in Três Lagoas (MS).

Nursing home initiatives

A group of volunteers from Eldorado Brasil organized a July festival at a nursing home in Três Lagoas (MS) as part of an employee volunteering initiative.



Christmas Campaign

We collected donations of toys at the mill and donated them to charities and communities in Três Lagoas (MS).



Food donations

Approximately four metric tons of food donations were collected during our 1st Eldorado Run event and distributed to five charities in Três Lagoas (MS) and one in Selvíria (MS).



Environmental education initiatives GRI 413-1

Recognizing that we have a social and environmental responsibility as a company, we implement environmental education initiatives both for our surrounding communities and for our employees. These initiatives present our environmental programs, and address the importance of preserving natural resources and using them sustainably.

Eldorado Sustainability Program (PES) GRI 103 | 413

This program informs and engages our different stakeholders around environmental issues related to our mill operations, helping to develop a sense of responsibility and encouraging actions to protect the environment and improve quality of life based on solutions to environmental issues suggested by participants.

The program focuses on environmental education activities and social initiatives in municipalities within our area of influence. PES comprises three sub-programs:

- PES-Schools—for primary and secondary education students;
- PES-Communities—four directly impacted communities; and
- PES-Employees—for Eldorado employees and their families.

In 2019 we organized workshops on preventing forest fires for children in the region, and on value chain sustainability at Eldorado Brasil for university students—both in Três Lagoas (MS).

Integrated & Sustainable Permaculture Ethos sector disclosures (PULP & PAPER)

This program helps smallholders to leverage social technology to implement organic agriculture practices—or farming without the use of synthetic inputs such as fertilizers and pesticides—to support environmental preservation, food security and economic development. In partnership with the Brazilian Small Business Support Service (SEBRAE), Eldorado Brasil implemented permaculture on 45 smallholder properties in Três Lagoas (MS) and Selvíria (MS). In 2019 we purchased approximately 19 metric tons of organic produce within the program for our cafeteria at the mill.





GRI Content Index

GRI 102-55





GRI Content Index 102-55

General disclosures

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
GRI 101: FOUNDATION 2016				
	GRI 101 contains no disclosures	-		
ORGANIZATIONAL PROFILE				
	102-1 Name of the organization	16		
	102-2 Activities, brands, products, and services	20		
	102-3 Location of headquarters	16		
	102-4 Location of operations	16		
	102-5 Ownership and legal form	Corporation		
	102-6 Markets served	16, 20		
GRI 102: General disclosures 2016	102-7 Scale of the organization	16, 20, 23, 39, 57		
	102-8 Information on employees and other workers	92, 93, 94	8, 10	
	102-9 Supply chain	12, 38		
	102-10 Significant changes to the organization and its supply chain	none		
	102-11 Precautionary principle or approach	43		
	102-12 External initiatives	Eldorado has not subscribed to, signed or otherwise endorsed any charters or other external initiatives		
	102-13 Membership of associations	12		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
STRATEGY				
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	04		
ETHICS AND INTEGRITY				
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	17	16	
GOVERNANCE				
GRI 102: General disclosures 2016	102-18 Governance structure	39		
STAKEHOLDER ENGAGEMENT				
	102-40 List of stakeholder groups	08, 11, 12, 13		
GRI 102: General disclosures 2016	102-41 Collective bargaining agreements	Collective bargaining agreements—All employees at Eldorado are covered by collective bargaining agreements. The types of agreements vary from one site to another but are equivalent in nature.	8	
	102-42 Identifying and selecting stakeholders	08, 11, 12, 13		
	102-43 Approach to stakeholder engagement	08, 10, 11, 12, 13, 55, 106		
	102-44 Key topics and concerns raised	08, 10, 11, 12, 13, 55		



GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
REPORTING PRACTICES				
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	07		
	102-46 Defining report content and topic Boundaries	09		
	102-47 List of material topics	08		
	102-48 Restatements of information	82		
	102-49 Changes in reporting	08		
	102-50 Reporting period	07		
	102-51 Date of most recent report	07		
	102-52 Reporting cycle	07		
	102-53 Contact point for questions regarding the report	07		
	102-54 Claims of reporting in accordance with the GRI Standards	07		
	102-55 GRI content index	112		
102-56 External assurance	This report has not been independently assured			

Material topics

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
ECONOMIC PERFORMANCE				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 20, 21		
	103-2 The management approach and its components	20, 21, 36, 37		
	103-3 Evaluation of the management approach	20, 21		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	24, 25		8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	45, 46		13
INDIRECT ECONOMIC IMPACTS				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 107		
	103-2 The management approach and its components	36, 37, 107		
	103-3 Evaluation of the management approach	107		
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	107		1, 3, 8
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 27, 29, 36, 37, 38, 52		
	103-2 The management approach and its components	27, 29, 36, 37, 38, 52		
	103-3 Evaluation of the management approach	27, 29, 36, 37, 38, 52		



GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	34		16
	205-2 Communication and training on anti-corruption policies and procedures	28, 29, 30, 31, 32, 38, 88		16
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	103-3 Evaluation of the management approach	72		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	72, 73		7, 8, 12, 13
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 74		
	103-2 The management approach and its components	36, 37, 74		
	103-3 Evaluation of the management approach	74		
GRI 303: Water 2016	303-1 Water withdrawal by source	76		6, 7
	303-3 Percentage and total volume of water recycled and reused	76		6, 8, 12
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 54, 63, 64		
	103-2 The management approach and its components	36, 37, 54, 63, 64		
	103-3 Evaluation of the management approach	54, 63, 64		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	57		6, 14, 15
	304-2 Significant impacts of activities, products, and services on biodiversity	60		6, 14, 15
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 77		
	103-2 The management approach and its components	36, 37, 77		
	103-3 Evaluation of the management approach	77		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	81		3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) GHG emissions	81		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	82		3, 12, 13, 14, 15
	305-4 GHG emissions intensity	82		13, 14, 15
	305-5 Reduction of GHG emissions	83		13, 14, 15
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 84		
	103-2 The management approach and its components	36, 37, 84		
	103-3 Evaluation of the management approach	84		
GRI 306: Effluents and waste 2016	306-1 Water discharge by quality and destination	77, 85		3, 6, 12, 14
	306-2 Waste by type and disposal method	85		3, 6, 12



GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 87, 88		
	103-2 The management approach and its components	36, 37, 87, 88		
	103-3 Evaluation of the management approach	87, 88		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	94, 95, 96, 97		5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	92		3, 5, 8
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 97, 98		
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	103-3 Evaluation of the management approach	97, 98		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	101		4, 5, 8, 10
	404-3 Percentage of employees receiving regular performance and career development reviews	101		5, 8, 10
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09, 104, 105, 106, 111		
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	103-3 Evaluation of the management approach	104, 105, 106, 111		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSIONS	SUSTAINABLE DEVELOPMENT GOALS
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	104, 106, 109, 111		
	413-2 Operations with significant actual and potential negative impacts on local communities	105		1, 2
PUBLIC POLICY				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	09		
	103-2 The management approach and its components	36, 37		
	103-3 Evaluation of the management approach	xx		
GRI 415: Public policy 2016	415-1 Political contributions	xx		16
SOCIAL AND ECONOMIC COMPLIANCE				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	Instances of social and economic noncompliance are addressed by our Litigation department in accordance with conflict resolution policy guidelines.		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 419: Social and economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	In 2019 the company incurred a total of R\$ 30,900.00 in fines, some of which remain appealable. There were no significant fines in connection with labor issues in the year.		16


SUSTAINABLE DEVELOPMENT GOALS

1.	No poverty
2.	Zero hunger
3.	Good health and well-being
4.	Quality education
5.	Gender equality
6.	Clean water and sanitation
7.	Affordable and clean energy
8.	Decent work and economic growth
9.	Industry, innovation and infrastructure
10.	Reduced inequalities
11.	Sustainable cities and communities
12.	Responsible consumption and production
13.	Climate action
14.	Life below water
15.	Life on land
16.	Peace, justice and strong institutions
17.	Partnerships for the goals

SUPPLEMENTAL DISCLOSURES

Indicators	Disclosure	Page/URL
	Forest fire prevention campaigns involving local communities	54
Ethos sector disclosures (pulp & paper)	Channels available to receive complaints from external or neighboring communities regarding disturbances from the production process (odors, noise, light, dust, visual pollution, etc.)	105, 106
	Programs and initiatives to support and create local income opportunities based on non-timber forest products	104, 107, 109, 111
	Number of projects in the pipeline at the Eldorado Brasil Forestry Intelligence Center	61
Eldorado Disclosures	Innovation Program Awards	xx
	Number of initiatives implemented within our <i>Inovar</i> program	67

Report Production

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