

**SUSTAINABILITY
REPORT
BO PAPER GROUP**

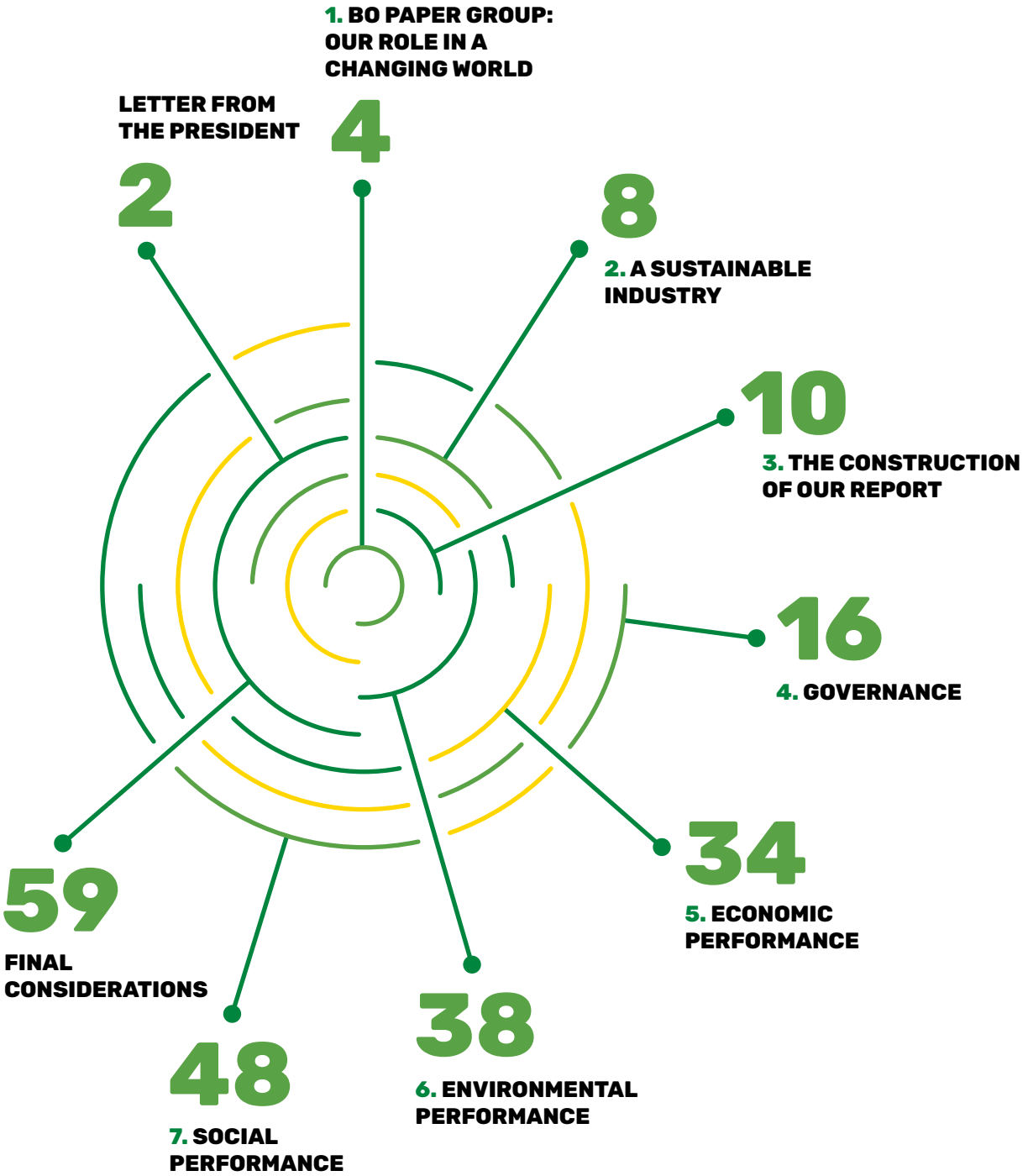
2021



BO PAPER



SUMMARY



LETTER FROM THE PRESIDENT

[GRI - 102-14]



It is with great pride that we launch this, which is BO Paper's first sustainability report, on a completely voluntary basis, and with the belief that the search for the best environmental practices, sustainability and governance will bring prosperity, growth and value creation to all parties involved in the business, such as shareholders, professionals, customers, suppliers, communities and society in general, whether in terms of retention of talents that make a difference, the innovation and development of products and solutions for our customers, as well as the optimization and greater efficiency in the use of resources.

Today's BO Paper has existed for just over 6 years, but its operations date back to the beginning of the century, from the creation of the old "mother factory" in Arapoti, Paraná, in 1925. It is the leading company in Latin America in the production of papers for communications such as newspapers, magazines, commercial printed matter, books and periodicals. Just like these markets, today, BO Paper is undergoing a profound transformation and diversification in its offer of products. We are already one of the leaders in production of the manufacture solutions for labels and self-adhesive labels, we produce lightweight papers for the packaging market, we supply high-performance fibers for the production of numerous papers such as tissue, packaging, printing and writing, and molded pulp.

Behind our growth and diversification, we are proud of our four pillars: valuing the human being as a central element in the transformation and value creation, the sense of ownership and propriety of each BO Paper employee, which translates into the incessant search for operational excellence, innovation as the main engine of our growth, and maximum orientation and attention to our customers.

Today, more than 60% of the company's revenue comes from new products, developed over the last 4 years.

In our production processes, we adopt sustainable and socially responsible practices, through efficient and clean systems. The wood we use in our papers' manufacture comes from certified and controlled forest plantations, we invest continuously in the efficiency of our production processes, our suppliers are developed under the same concept of sustainability and through relationships that prioritize trust and longevity, we enable and develop our teams, we offer higher education scholarships for the children of our professionals, we carry out numerous social projects and we have the most rigorous environmental, labor, safety and quality certifications.

All these actions are portrayed in this 1st BO Paper Sustainability Report, which is based on the GRI (Global Reporting Initiative) guidelines and ESG indicators.

This Report marks another chapter in the the BO Paper Group's history, which has always been pursued with great courage, competence and openness to the future. And it will be no different now, when we are working to consolidate ourselves in a market that is undergoing great evolution, seeking to be an increasingly organized, innovative company and sustainable. It will also be our main tool to engage and motivate our professionals, and transparently achieve our most valuable change, awareness of our role in the company and in society.

Good reading!



André Arantes
BO Paper Group General Manager



1

BO PAPER GROUP:
OUR ROLE
IN A CHANGING
WORLD

[GRI - 102-15]

Generate jobs and income, promote the economy, protect the environment, offer society a wide range of products... We have played many roles since our first unit was installed at the beginning of the last century. We, from BO Paper Group, have a history that has been written by many hands since the first fibers were transformed in our industry into paper rolls.

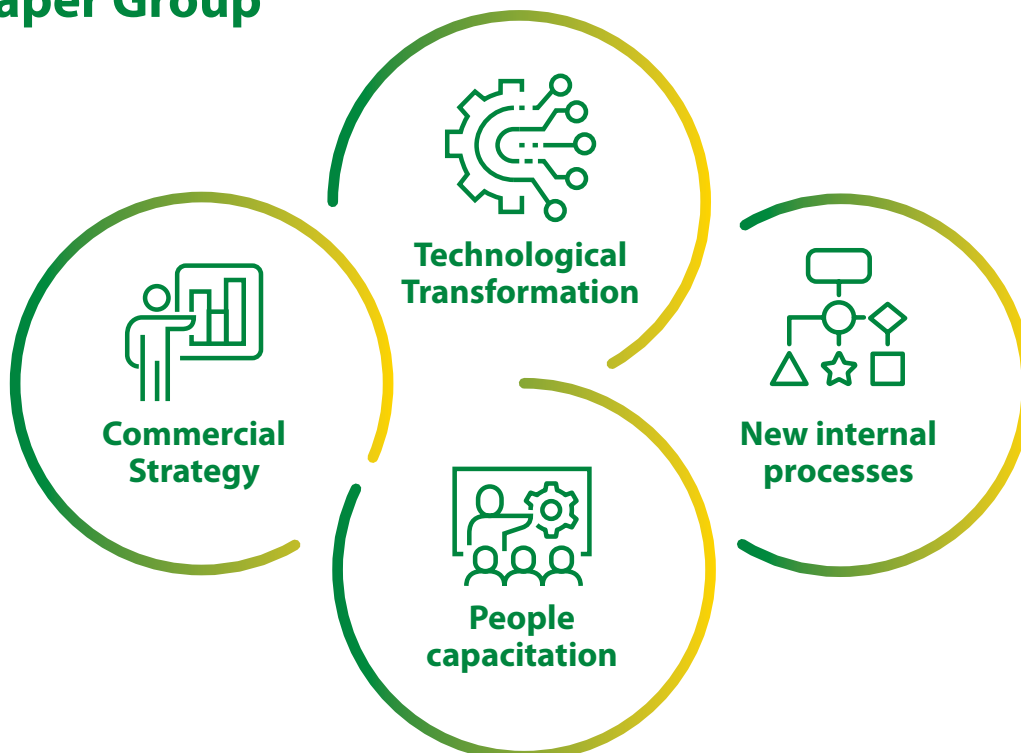
A trajectory that is a source of pride for us and that has made it possible for us to achieve excellence in everything we do: the processing of raw materials, the care of our professionals and community, in the environment management, in the commitment to stakeholders. To get to know all this, we invite you to taste the pages of this Sustainability Report, as every reader enjoys a good book.

But first of all, we would like to mention the two protagonists of this report: our two factories, Arapoti and Pisa. These factories are our main assets and in recent years they have been undergoing a transformation phase. I'll tell you why!

With the arrival of the 21st century and an increasingly digital world – marked by the lower use of magazines and printed newspapers, for example – there was a drastic change in the consumption profile of good old paper. Our units started to have lower demand for products – such as paper for newspapers and magazines – which are no longer consumed as much.

At the same time, other markets are gaining strength, especially the packaging segment, with the growth of virtual and delivery purchases. Aware of the new consumption pattern in the paper market, BO Paper Group is in a bold process of changes, characterized by portfolio diversification and incorporation of new technologies.

Main challenges of BO Paper Group



Main impacts, risks and opportunities

[GRI - 102-14; 102-15]

In this context, the first challenge we are facing is that of technological transformation, incorporating innovations and new knowledge that allow us to deliver new products. This challenge must include important points such as development of innovative engineering projects, mastery of cutting-edge technologies, benchmarking and analysis of the areas in which the BO Paper Group has the potential and vocation to act. Another challenge is in relation to the market we are entering, since customers are used to using a raw material type with different characteristics from what we produce.

Therefore, Grupo BO Paper is focused on a well-structured commercial strategy considering the new markets we are envisioning. The company also seeks to invest in the development of people in tune with the innovations being incorporated, in addition to establishing new processes and production flows.

In addition to the challenges, other areas also need to have a special look, such as the supply of raw materials (wood) and electricity. As the company invests in portfolio diversification, it will need different types of inputs to manufacture new products. Fiscal and tax issues, the country's economic situation, the dollar exchange rate and the price of an oil barrel are other topics of an external nature that bring volatility to the business and must be closely monitored.

Differentials

One of our differentials is the fact that our units in Arapoti and Pisa are among the most modern in the production of high-yield pulp in Latin America, in addition to standing out as the largest producers of this type of fiber on the continent.

Another differential is that Grupo BO Paper is a lean, dynamic company with agility in decision-making. And our two manufacturing units have excellent location, since they are located between the main centers of consumption in the South and Southeast regions. They are located within a radius of 500 km from cities that correspond to 70% of the Brazilian Gross Domestic Product.



Pisa Unit
(Jaguariaíva)



Attitudes of BO Paper Group in the Pandemic

As happened all over the world, an untimely virus brought problems to our units, professionals and families. Due to the new coronavirus pandemic, BO Paper Group has structured a Campaign to Combat Covid-19, adopting actions such as:


- Creation of an Internal Crisis Committee, with weekly meetings for analysis and decision-making;
- Constant interaction with public bodies to monitor the scenarios in the surrounding communities;
- 100% of administrative professionals had their contracts changed to remote work;
- Online medical care and daily monitoring of positive cases, in addition to Covid-19 detection tests;
- Anticipation of the flu vaccination campaign;
- Redoubled attention to high-risk situations of contagion on the part of professionals, such as public transport, common work environments, equipment and restaurants;
- Dissemination of information to the public, with the development of various communication formats, both internally and in the surrounding communities.



Because of this campaign, we received the Sesi ODS Seal in 2020 and, as a result of the effectiveness of our actions, we didn't have no more serious involvement or death in the period, caused by Covid-19. The motto of our campaign in the pandemic was "Caring for People is Our Best Role". In addition to the actions already mentioned, the initiative brought measures aimed at mental health, lives with specialists, Psychology support, development of online educational games for children and a custom mask contest. We also focus on promoting engagement and online interaction between teams during remote activities.

We are pleased to say that in our units we went beyond compliance with legal protocols (distancing, masks and hygiene). We even offer information about vaccination and reward professionals who have presented a complete vaccination record.





2

**A SUSTAINABLE
INDUSTRY**

Effluent treatment
station at the Pisa Unit
(Jaguariaíva)

Transform is a verb that we conjugate every day among ourselves. Every day, a few thousand tons of raw materials are processed, giving rise to different types of paper and packaging. An eye-popping technological process.

But today, the transformation that knocks on our door is different: not only offering new products in tune with new times and markets, but also reaffirming our commitment to sustainability and continuing to improve and adopting the best market practices. A way not only to expand our operations, but also to add value to the company with socio-environmental responsibility.

One of the moves is to offer new products, which strengthen sustainability actions as they are from renewable, recyclable and biodegradable sources and, for that, investments in innovative technologies are necessary. This disruptive decision-making, however, must go beyond changing the production process and product portfolio. For the BO Paper Group's Senior Management, the incorporation of sustainable practices must permeate the entire value chain and requires a different mindset from all stakeholders, including consumers, who need to be willing to embrace this movement.

And BO Paper Group wants to be among the pioneers in the transformation process. Not just because this is a market trend, but because this "turnaround" in the sector is in line with the global need to create more sustainable production systems, reducing as much as possible any type of impact to the planet. A sign of this global change process comes from publicly traded companies. Many have set goals, for example, to replace traditional packaging with biodegradable or recyclable packaging.

This is a path of no return. We are pleased to know that we are heading in the right direction on this road. The one that leads us to increasingly sustainable practices and products.



Working to offer more innovative and sustainable solutions

To keep up with these new times, our two protagonists are getting "charged". Did not understand? Let's explain! For this change to come out of the strategic planning of our board of directors and become a reality in the day-to-day activities of our units, we have to overcome technical challenges. We are investing in new equipment and processes, as well as making adjustments to our industrial facilities in order to deliver new products.

It is worth mentioning that, in the past, the two plants were designed to manufacture certain types of products, with equipment with little flexibility. Today, we want to take advantage of the existing equipment, but with important adjustments that allow for a greater range of manufacturing of new products and to explore coveted markets.

In the medium term, it is our objective to establish ourselves in other segments, supplying products on a constant basis. In the long term, however, we want to explore more intensively this "new world", which will increasingly require disruptive and sustainable solutions, so that we can innovate and expand our capacity to respond quickly to the demands of an ebullient market. We're looking ahead!

ESG Strategy

So that we can remain competitive and perennial in such a competitive market, the BO Paper Group invests in the creation of lasting and sustainable value with its stakeholders - any individual or organization that, in some way, is impacted by the actions of a company with reciprocal interests.

This concern gains even greater strength in this transformation process of the company, in which different topics start to have great relevance within our management model, such as diversity, climate change, reduction of emissions, human rights, transparency, ethics and purpose, technology

and responsibility for the product. More than the issues that we now address, these themes become part of our business strategy.

This is because we guide the company's planning according to an ESG strategy *Environmental, Social and Corporate Governance* – acronym. . By looking at our business and seeking to improve management based on ESG indicators, we are taking an important step in building our future and a better society for all.



3

**THE CONSTRUCTION
OF OUR REPORT**

[GRI - 102-43; 102-44; 103-1]

Before we talk more about our company, and delve deeper into our style of running the business and our sustainable practices, we would like to present the process of producing this report.


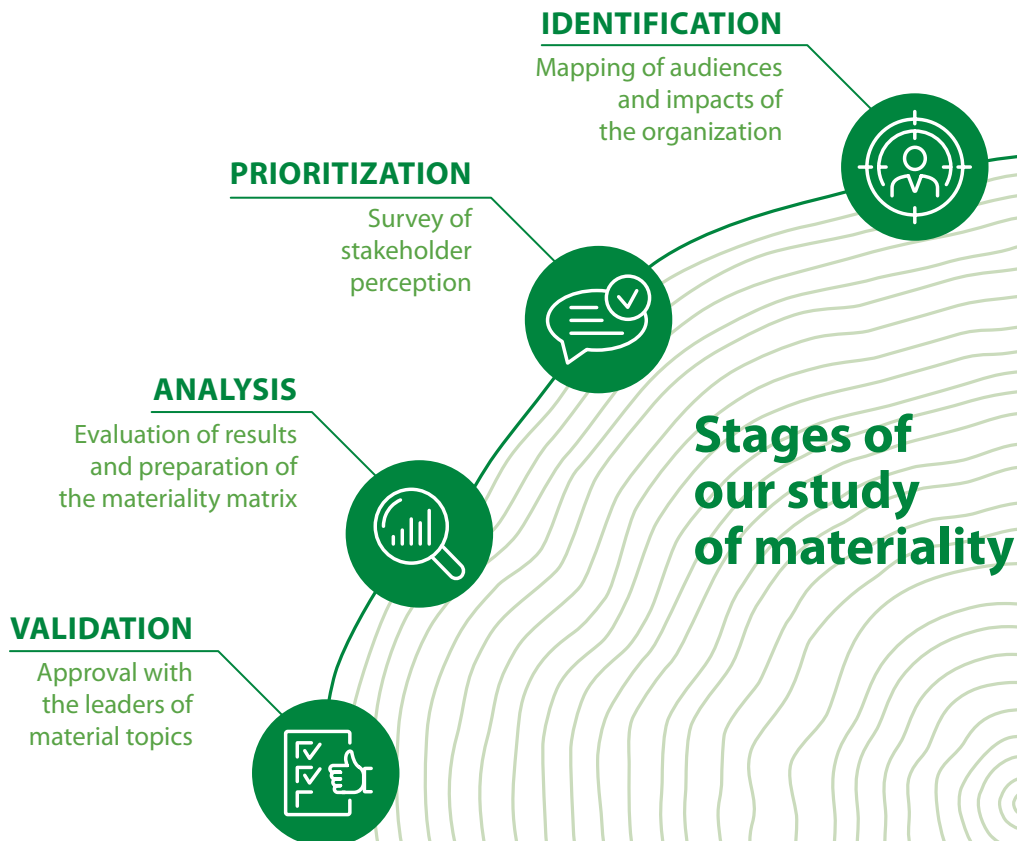
It was the commitment to sustainability that led us to the preparation of the 1st Sustainability Report of the BO Paper Group, having as a reference the indicators of the Global Reporting Initiative (GRI) and the ESG indices, this reporting process being the result of a transparent dialog with our stakeholders. [GRI - 102-54]

Among them, we highlight the company's Senior Management, direct and indirect professionals, suppliers, communities, customers, institutions and associations, government agencies, unions and financial institutions.

The indicators presented in this Report refer to the years 2020 and 2021, comprising the period between January 1, 2020 and December 31, 2021. This report covers a moment that coincides with the first year of the Covid-19 pandemic. Faced with the threat of this disease to the physical integrity of our professionals and the local community, as well as its impact on our business, we have adopted numerous procedures, strategies and actions of a social nature, as described earlier in this report.

In this sense, we are dedicated to building, in 2020, our first materiality matrix, defining the priority themes for the company and considering the vision of our main stakeholders. It is an important instrument to understand how the public sees the impacts and the management of the company, prioritizing the subjects to be dealt with by the leadership and disclosed to society through public documents, such as this report.

This is the first version of **BO Paper Group Sustainability Report**, focusing on the **period 2020 and 2021**, and inaugurates the **company's reporting practice**.



Chip pile at the Pisa Unit (Jaguariaíva)

Stakeholders with the highest degree of involvement with our company and able to provide more data for this report were chosen to support the materiality matrix construction. They were appointed by the company's Senior Management, but some were suggested by local authorities or entities operating in our sector. [GRI - 102-42]

The process included the analysis of internal and sector documents, benchmarking studies with companies that are reference in sustainability and interviews with the group's Senior Management. At the end of the stage of identifying the material topics that could be reported, the list was sent for consultation with the company's stakeholders to verify the perception of these publics and prioritize the themes. [GRI - 102-46]

The this process objective was to understand the specific concerns regarding the activities developed by the BO Paper Group, particularly in relation to the environment, society and governance, which allowed consolidating the final list of Material Themes of this report, presented in the table on page 13.



The survey was online, for which we obtained responses from a total of 122 stakeholders, as follows:

33 professionals

Including Senior Management and areas such as production and maintenance, sales and logistics, people management, quality, supplies, among others;

38 suppliers

They operate in different segments, such as services, legal advice, logistics, transport, insurance, raw materials and energy;

51 audiences from other areas

Representatives of customers, local community, government agencies, banks, institutions, associations and unions.





Material themes [GRI - 102-44; 102-47; 103-1]

To prepare this report, we mapped the organization’s performance according to different indicators, diagnosing what is relevant for the company. As shown in the table below, this mapping also established a correlation between the different material themes defined and the Sustainable Development Goals (SDGs). This gives us clarity on how much our performance is in line with these global indicators of sustainable development.

Priority Material Themes	Definition	Related Sustainable Development Goals (SDGs)
Ethics and Integrity	Combating the corruption practice; enforcement of the business code of conduct and compliance with rules, laws and regulations; good governance and transparency.	16
Environmental management	Ensure good management of natural resources, which includes the preservation of biodiversity, energy and water consumption, greenhouse gas emissions, waste, by-products and proper disposal.	6 7 13 14 15
Occupational Health and Safety	Ensuring a safe work environment that provides health and well-being to the professionals involved in the group’s activities.	3 8
Technology and innovation	Creating an environment conducive to process and technology innovation that is capable of responding and adapting to changes and new market demands.	9
Professional satisfaction	Promotion of appreciation, training, qualification of professionals, as well as mechanisms for attracting and retaining talent. Salaries and benefits competitive to the market, evaluation mechanisms and promotion of organizational climate	5 8 10
Relationship with the government	Foster the development of BO Paper’s relationships with government entities to develop partnerships and a good relationship in the public-private spheres.	16 17
Material Themes		
Product liability	Ensure compliance from production to product delivery and sale; product quality verification at all stages of production to ensure the safety of professionals and consumers.	9 12
Relationship with the community	Promotion of actions for the development of surrounding communities, volunteer programs and social investment projects.	1 8 10 11
Economic performance	Financial performance is critical to the continuity of any business. One of the objectives of the BO Paper Group is the generation of wealth and value for society, through its activities.	8
Human Rights	Legal compliance with regulations on labor, children, forced labor, health and safety, non-discrimination, among other legal frameworks aimed at protecting human rights is a priority issue for the Group. Seeks to improve its processes to ensure proper management of its business partners with regard to preventing adverse human rights impacts.	5 8



Paper Machine Team, Pisa Unit (Jaguariaíva)

Identification and dialog with stakeholders in the BO Paper Group

[GRI - 102-40; 102-43]

We have a close relationship and continuous communication with its stakeholders, which was used to support the elaboration of the materiality process of this report. Engagement and dialog with these audiences are carried out periodically, as follows:



<p>Together with the Community</p>	<p>Periodic meetings with government bodies (health, social and environmental action); Open channel with NGOs, which allows us to align demands and/or promote partnerships.</p>
<p>Together with the Shareholders</p>	<p>Monthly meetings to report performance and other necessary alignments.</p>
<p>Together with the Customers</p>	<p>Proactive visits, participation in market-related events focused on strengthening relationships and/or seeking to add value to our customers' product chain.</p>
<p>Together with the Suppliers</p>	<p>BO Paper exercises an ethical posture and fair negotiation with suppliers, and they have an open channel for conversations and meetings. They are often accompanied by the supply area through periodic contract evaluations.</p>
<p>Together with direct professionals</p>	<p>Reinforcing the dialog and open environment within BO PAPER, we have several channels in which professionals have direct impact and participation, from periodicals, corporate TV, murals and also the ethical channel. All professionals are encouraged to take part in this dialog and through the Human Development programs, the focus on the role of leaders and on the training of skills that generate this inclusive environment, encouraging protagonism, making us have this constant openness with all professionals and behaviors that translate this environment into day- to-day practice.</p>



Regarding the internal public engagement, we also carried out the following actions:

Positive Agenda (bimonthly)



Online forum open to all professionals with the objective of sharing victories, project evolution, commercial gains, new programs, good ideas with cost reduction or increase in process safety, among others. The focus is to recognize the action, generate visibility of results and group engagement.

Share to Grow (Monthly)



Online forum open to all professionals. In the company, sharing is much more than a verb: it reminds us of collectivity, collaboration, division, and shows us how rich it is to exchange experiences.

In practice, the program is a light and dynamic space, in which we grow and learn from the knowledge of our colleagues as well. For this, workshops are held by volunteer professionals from the BO Paper Group and prepared by the People Management area, always on topics that contribute to the development of teams.

Central Security Committee (SESMT)



Meetings held monthly with the managers of the operations areas on specific health and safety topics.

Professionals Commission



Negotiation of the Profit Sharing/Results Agreement – Comprised of a multisectoral team, it holds periodic meetings involving the executive board and alternating its members every 2 years. The PPR, which has jointly defined goals, can result in financial benefits for professionals, depending on the results achieved (Financial and Environmental Indicators, Sense of Ownership and Attitude Focused on Value Creation and Strong Customer Orientation).



You can access more information about this reporting process or answer questions about the report by contacting our team through the link: www.bopaper.com.br/ouvidoria [GRI - 102-53]



4

GOVERNANCE



The company's history starts at the beginning of the 20th century, specifically in 1925, when a factory in Arapoti/PR started operating. This was the "mother" factory, symbolically recognized as the unit that enabled the evolution to the current site.

The Pisa Unit has been operating in Jaguaiaíva since 1984 and is located 30 kilometers from the Arapoti Unit. These two units are now part of the **BO Paper Group**, whose production capacity now benefits from different synergies.

BO PAPER GROUP TIMELINE

1925

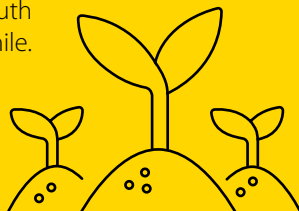
Arapoti

The Arapoti Main Factory, a pioneer in the paper manufacture in Brazil, starts operating.

1957

PBB (CMPC Group)

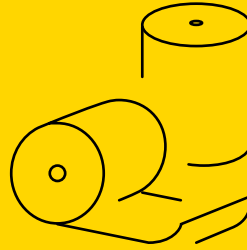
Papeles Bio Bio (PBB) is built by the Chilean Group CMPC, located in San Pedro de La Paz, about 500 kilometers south of Santiago, Chile.



1984

Pisa

After 23 months of construction, the Pisa Unit goes into operation, controlled by the newspaper O Estado de São Paulo.



1987

The New Zealand group Fletcher Challenge becomes a shareholder in Pisa and carries out a capital increase in forest assets.

1988

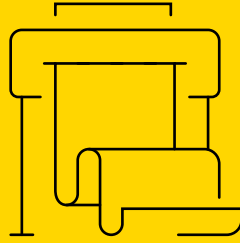
PBB is sold to the Fletcher Challenge group (New Zealand).

1992

Inpacel opens more modern facilities in Arapoti.

2013

PBB becomes a shareholder in Pisa (49%).



2012

PBB is acquired by the Inversiones BO S.A. consortium (Chile).

2001

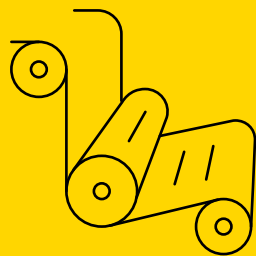
PBB is acquired by Norske Skog (Norway).

2000

Norske Skog Group acquires the paper operations of Fletcher Challenge and the shares of the newspaper O Estado de São Paulo and takes control of the Pisa operations.

2014

Pisa becomes a wholly owned subsidiary of the Chilean group PBB.



2016

Stora Enso's Arapoti plant (Swedish-Finnish group) is acquired by PBB.

The BO Paper Group is born, after the acquisition of the Arapoti plant and the Pisa unit (which had happened two years earlier).

2021

First quarter: closure of the industrial plant of Papeles Bio Bio (PBB), in Chile.

Third quarter: modernization of the Pisa Unit for the packaging production; and Arapoti unit, with the Speed Sizer installation.

Organizational Profile [GRI - 102-1]

The Grupo BO Paper history is the result of a lot of work and dedication, with more than three decades of experience in the production of printing and writing papers for the publishing market in both Brazil and Chile.

Grupo BO Paper in Brazil has two manufacturing units in the interior of the state of Paraná, in the southern region of Brazil. They are located in the cities of Arapoti and Jaguaiaíva, in addition to a corporate office in Curitiba (PR). The organization’s headquarters are in the city of Arapoti (PR), on the Municipal Highway BR 001, Km 07, Fazenda Barra Mansa – Parte, s/n, Zip Code 84990-000. [GRI - 102-2; GRI - 102-3]

The BO Paper Group is a limited liability company of an industrial nature, located in an urban area. In both manufacturing operations, we deliver high-yield paper and pulp to the market. [GRI - 102-5; 102-7]

The forecast for 2022 is that the company will earn 1.2 billion of Brazilian reais (net, without taxes). BO Paper is a 100% subsidiary of Inversiones BO Paper S/A. [GRI - 102-7]

In all, our company has 623 professionals, with another 20% who are outsourced. Check the tables for the total number of professionals per employment contract (by gender and by unit). [GRI - 102-8]



Learn more about our two units!

So that you can learn more about Grupo BO Paper, we now invite you to take a dip in each of our two units. Check out!

Number of professionals by employment contract and gender

[GRI - 102-8]



Type	Total	Male	Female
Permanent	623	551	72
Temporary	7	5	2

All professionals are covered by collective bargaining agreements [GRI - 102-41]

Number of professionals per employment and lease

[GRI - 102-8]



Type	Total	Arapoti	Jaguaiaíva
Permanent	623	386	237
Temporary	7	3	4

All professionals are covered by collective bargaining agreements [GRI - 102-41]

Arapoti Unit

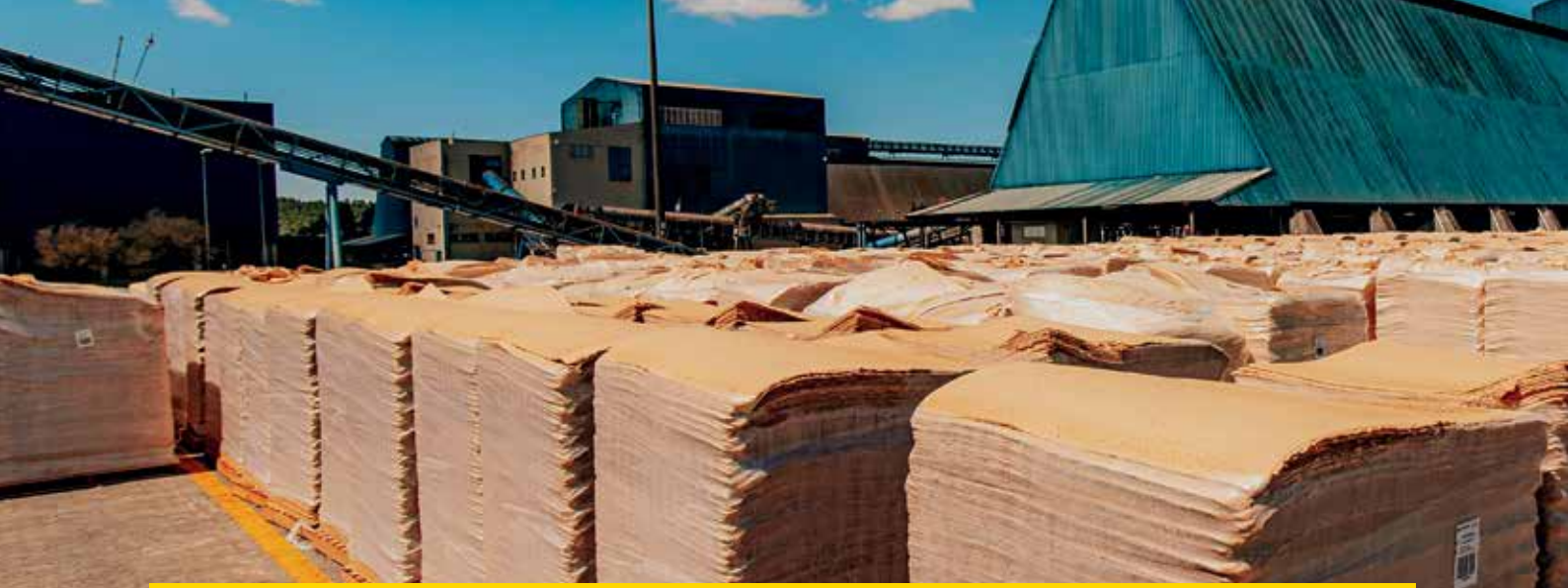
It has a factory with an installed capacity of 160,000 tonnes per year of paper and 60,000 tonnes per year of marketable thermomechanical pulp (TMP), which are produced in a 79,000 m² industrial park. The Arapoti Unit is a pioneer in the production of high-yield coated paper based on pulp, being committed to the Integrated Management System in its manufacturing and sales process, which applies to both thermomechanical pulp and paper. [GRI - 102-2]



Pisa Unit (Jaguariaíva)

This factory has an installed capacity of 170 thousand tons of paper per year. The Pisa Unit is a pioneer in the production of newsprint and currently also produces pulp-based packaging paper of high yield. The unit's manufacturing process is also committed to the Integrated Management System. [GRI - 102-2]





Our products [GRI - 102-2]

Did you enjoy meeting our protagonists? It is in the manufacturing process of each one of them that a large portfolio of products is manufactured to supply all of Brazil and several parts of the world. But what exactly do our two units manufacture? The industrial process of each one of them produces paper and thermomechanical fibers, the latter being the raw materials for the packaging segments. But our work goes beyond that... We deliver sustainable solutions to people, participating, with our products, of the children, young people, adults and the elderly routines.

And that is a matter of great honor! Everything produced by our factories is converted into a multitude of materials, intended for communication, education, entertainment, product dissemination and advertising campaigns, information on labels, decoration and hygiene.

It also serves to snuggle the gift sent to the loved one, embellish a memory, pack gestures of love and affection... From our machines, paper and packaging come out that, in some way, can transform people's lives in some corner of this world.

When we think of PAPERS....

- Books, Magazines, Comic Books and Sticker Albums are printed with our papers. With this, we bring entertainment and digital rest to readers. We make it possible to read news and facts with credibility through the pages of newspapers produced with our papers.
- We promote the dissemination of products, whether through flashy promotional tabloids, moving retail, whether in beautiful windows within product catalogs, or even supporting marketing campaigns with admirable promotional inserts. Through the printing of these products, we connect companies and consumers.
- We allow labels and tags to carry important information to consumers of a multitude of products. And through the sublimation process, fabrics gain beautiful images.
- We provide beautiful decorations in homes and offices through the use of wallpapers.
- And to accommodate and protect different types of products, we contribute to the manufacture of sustainable packaging (rigid or flexible).

When we think of THERMOMECHANIC FIBERS....

- We offer raw materials to support segments such as Packaging, Molded Pulp, Cardboard, P&W and Toilet Paper. In many ways, our products are part of everyday life for all of us!





WTP Storage Yard,
Arapoti Unit



Loading Yard,
Arapoti Unit

In short, the products manufactured by the BO Paper Group units are as follows:

- Thermomechanical fibers (TMP);
- Newsprint;
- Off White Paper;
- Coated Papers;
- Special Papers;
- Packaging Papers.

Our technical specifications meet the needs of each of the segments to which we deliver our products, which are sold both for the domestic and foreign markets. We even export to more than 20 countries. Currently, the most relevant international markets are: Argentina, Chile, Bolivia, Paraguay, Uruguay, Costa Rica, Dominican Republic and Mexico. [\[GRI - 102-4\]](#)

In Brazil, we serve the market both directly, with the commercial team of BO Paper Group, and also indirectly, through partner distributors. Within the market segments in which we operate, we serve clients of different types.

[\[GRI - 102-4; GRI - 102-6\]](#)

In our line of Graphic Papers, we serve:

- Graphics;
- Newspaper companies;
- Paper dispensers;
- Books and magazines' publishers;
- Catalog producers;
- Gift paper producers.

For Special Papers, we serve:

- Label and sticker converters;
- Converters for decoration papers;
- Visual communication companies;
- Companies with sublimation process;
- Distributors.

In Packaging Papers, we serve producers of:

- Paper and cardboard sheets;
- Cardboard sheets and boxes;
- Micro wavies;
- Flexible packaging;
- In addition to distributors.

In Thermomechanical fibers, we serve producers of:

- Cardboard papers;
- Corrugated packaging papers;
- Printing and writing papers;
- Sanitary papers;
- Thermo-molded packaging.

Supply Chain [GRI - 102-9]

We operate in numerous segments. In all of them, the supply chain has a strategic role to ensure the sustainability of the BO Paper Group's business.

Due to the supply policy we have adopted, everyone is invited to bring innovations that support our growth, collaborating and cooperating with the launch of new products and technologies, and replicating in their respective management systems the most modern practices of social and environmental commitment.

The BO Paper Group only produces with excellence because it acquires products and services from a wide chain of suppliers, composed of input, energy, materials (mechanical, electrical, civil, etc.) companies and various services of maintenance, installation e consultancy, being all legal entities.

In the routine of our manufacturing units, what we demand most from our suppliers is inputs, which corresponds to a cost of MR\$460 to 500/year. It is also worth mentioning our energy contracts, which represent an approximate cost of MR\$120/year for the company, and services, which demand MR\$110/year.

The main location of our supplies is centralized in the South/Southeast axis of the country. It is worth highlighting the origin of suppliers of some products/services:

Pulp	Paraná
Wood	Paraná
Peroxides	Paraná
Freights	Paraná
Kaolin	Santa Catarina
Latex	São Paulo
Gas	Paraná

Various services, such as maintenance, yard movement, security, cleaning, workshop and transport in general, are all local. There are no significant changes in the BO Paper Group's supply chain in the period related to this report. The company's project is that in the coming years there will be a start in the opening of the market for direct purchases from suppliers in Europe and China for some inputs, initially importing generic products or low complexity products in formulation and, later, covering items that require greater quality validation. [GRI - 102-10]

Principles or precautionary approach

[GRI - 102-11]

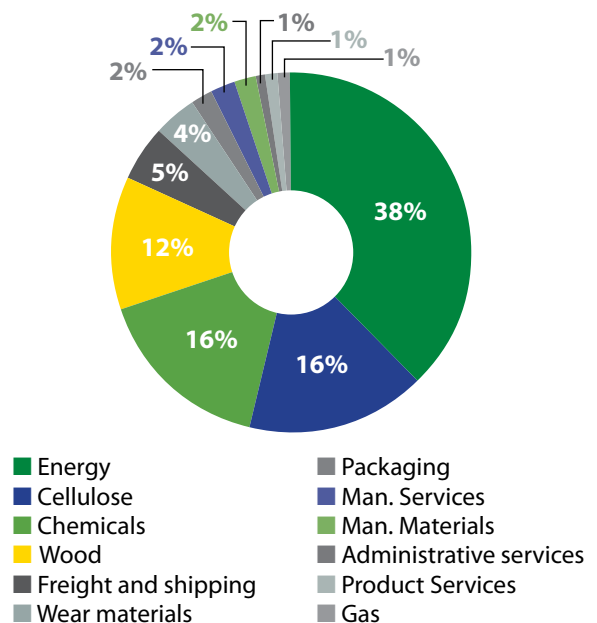
The precautionary approach was introduced by the United Nations in Principle 15 of the "Rio Declaration on Environment and Development." The principle provides that "where there are threats of serious or irreversible damage, lack of full scientific certainty should not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

Thus, the application of the precautionary principle can help an organization to reduce or avoid negative impacts on the environment. If the organization has a specific job focused on risk management, it can look at the risk matrix to see if the principle is applied.

As the management of our business is guided by Approach or Precautionary Principles, we only make acquisitions from companies licensed and certified by responsible bodies, especially when the purchase is of inputs, as established by the FSC® and Cerflor certifications for wood and pulp suppliers.

For other demands, we also have well-defined requirements for suppliers, such as Inmetro certifications, NR's, and specific licenses to operate in national and international markets. The needs for each activity or product must be met, and any unspecified and dubious source goods are not purchased.

The chart below shows the matrix of BO Paper's main





Loading Yard,
Arapoti Unit

The policy we have adopted for our suppliers is set out in our Code of Ethics and Conduct. If possible weaknesses are observed in the purchase process of products and services, complaints can be made on our Integrity Portal. It is available on the company's intranet and website ([https:// app.codigoconduta.com/bopaper](https://app.codigoconduta.com/bopaper)). Our Ethics Committee is also a legitimate instance to handle cases related to this topic.

Governance structure

[GRI - 102-18; GRI - 102-22]

BO Paper Group has at the top of its organizational structure the shareholders and the advisory board based in Chile.

In Brazil, Senior Management is headed by the General Director of the BO Paper Group. This leadership is responsible for the management and decision-making of the company's processes that involve stakeholders.

The General Board is the highest governance body in Brazil, responsible for directing the mission, vision and values, as well as complying with the company's strategies, according to the guidelines of the Group and majority shareholders. [GRI - 102-26]

Senior Management translates strategic direction into goals and tactical plans, so that results can be achieved by taking care of people, quality, safety, social responsibility and sustainability.

Strategic positions of the company and their attributions

- **General Director** – company administrator and main liaison with shareholders.
- **Operations Director** – responsible for managing the production processes at the Arapoti Unit, as well as responsible for maintaining the manufacturing assets and engineering projects of the two units (Arapoti and Pisa).
- **Executive Manager of People, Management and Sustainability** – responsible for managing the area of people management, labor/social security relations, benefits, unions, and health and safety at work. It also manages the planning of environmental issues and certifications.
- **Executive Manager for Corrugated Paper, Wood and Energy** – responsible for managing the production processes at the Pisa Unit, encompassing all activities directly related to production.
- **Administrative-financial director** – responsible for controlling, corporate, fiscal and managerial accounting, as well as financial operations. Also under its responsibility are the management of the information technology area; legal; and supplies.
- **Sales and Marketing Director** – responsible for planning and managing the commercial, S&OP and shipping in all BO Paper Group units.

Based on the Group's guidelines and strategic vision, Senior Management has the autonomy to make decisions regarding operations in Brazil, which occurs independently of the Board of Directors and shareholders, including on social, economic and environmental themes. As for the composition of the Senior Management of the BO Paper Group, 85% are men and 15% are women. Regarding the participation of social groups in the senior Management, 15% of the components are LGBTQIA+.

Management [GRI - 103-2]

The BO Paper Group's governance model follows corporate, business and functional strategies. The organizational structure allows us to have corporate or Unit management forms, depending on the type of process.

We also have a competence and leadership model, which explains what the company expects from each professional and leader and to what extent each one can contribute to the management model. One of the main tools of our people management policy is the human development program.



André Arantes, BO Paper Group General Manager

Regarding the responsibilities of each professional with the way the company is managed, we have a Remuneration and Career Management process. It allows us to monitor the performance of each person, as it allows us to be clear about the responsibility, know-how and expected results for each position.

We even have performance indicators that monitor, on a monthly basis, all results related to health, safety, environment and quality.

Integrated Management System (SGI)

The company also has a solid Environmental, Health, Safety and Quality policy, which serves as the foundation for the Integrated Management System (SGI). Reference of the best practices of the global market, the SGI encompasses the requirements defined by the rules international management standard practices, which focus on quality, environmental protection, work safety and occupational health, in addition to social responsibility. All direct and indirect professionals, suppliers, service providers and customers are covered by the SGI.

Rules for Life

Ensuring the health and safety of our professionals is a non-negotiable priority for BO Paper Group. Therefore, we have adopted some rules that must be followed in everyday life. This is because we understand that they are crucial to positively impact the behavior of each member of our team, supporting our main value: life.

By prioritizing the adoption of these principles, we guarantee the effective prevention of accidents and strengthen our culture of safety at work.

The rules for life relate to the following areas:

- Use of PPE's;
- Safety in the use of machines and equipment;
- Blocking dangerous energies;
- Handling of suspended loads;
- Survey aimed at the Permission of critical works;
- Work safety analysis;
- Issuance of the FISPQ - Safety data sheet for chemical products;
- Rules regarding the use of adornments;
- Safe practices in vehicle driving;
- Use of electronic equipment.

Competency Model

We guide our organizational culture based on 4 strategic pillars, which are:

Human development as the main factor in generating values

- We believe that our success will be achieved through people committed to our goals;
- We build relationships of respect and trust;
- We respect the environment, build business sustainability and work continuously for the well-being of our professionals.

Innovation in the development of new products and applications

- We continually investigate and identify opportunities for technical and economic advantages to offer the market and customers;
- We understand that the diversity of our product portfolio is essential for the profitable use of our assets;
- The key to success is an entrepreneurial, inventive and continuous learning culture.

Strong customer orientation

- We believe that our success is primarily based on how we act and relate to our current and future customers, from the first contact to the delivery of a competitive and consistent value proposition.

Sense of ownership

- We foster a sense of ownership among our professionals, which results in high productivity and operational efficiency, appreciation of our products and services;
- We see it as an important factor for rigorous cost management, which is the basis for our transformation;
- We relentlessly seek excellence in processes and focus on generating value in our activities.



These four strategic pillars are the foundation on which our competency models work. In this area, we work on the following aspects:

- Self knowledge;
- Innovation and creativity;
- Customer orientation;
- Sense of ownership;
- Organizational agility;
- Adaptability;
- Results orientation.



Mauro Nogueira
and Lucas Silva,
Pisa Unit (Jaguariaíva)

Ethics and integrity [GRI - 102-16]

All of our business practices, as well as our principles and values, are expressed in the Code of Ethics and Conduct. This document governs our way of acting inside and outside the BO Paper Group. Comply with the rules, regulations, ethical standards and ensuring adequate operational processes are essential to protect the reputation of BO Paper Group and our professionals. Our ability to do the right thing with integrity defines results in challenging and frequently changing markets.

Our Code of Ethics and Conduct is applicable to all professionals in our units and to those who have a relationship with the BO Paper Group. The code's rules and regulations relate to different areas, such as Standards of Conduct; Corporate governance; Quality; Environment and Sustainability; Conflicts of Interest; Supplier Relations; Relations with Public Agents and Bodies; Business Practices and Competition; Child or Slave Labor; Environment Free of Discrimination; Moral Harassment and Sexual Harassment; Information security; Confidentiality; Respect for Laws and Rules; Donations and Sponsorships; Health and safety; Intellectual property; Legal Representatives; Privacy and Data Protection; Compliance with Anti-Corruption Laws; Media and Social Networks; Use of Company Assets and Resources, etc.

Periodic training on the Code of Ethics and Conduct is carried out with all professionals. The company's position on Ethics and Integrity is based on the Strategic Pillars.

Transparency and privacy

All policies adopted by the company, including those in the area of Ethics and Integrity, are periodically reviewed and are available on the intranet and are disclosed in various training courses. These policies are contained in our Code of Ethics and Conduct, which is available at the link: <https://app.codigoconduta.com/bopaper>.

Since March 2020, we have had an Integrity Portal, which contains our publicly accessible Code of Ethics and Conduct. In this same portal, it is possible to make complaints regarding possible non-compliance with the Code, which can be identified or anonymous. [GRI - 102-17]

During the period covered by this report, the BO Paper Group had no complaints about breaches of privacy and loss of customer data. There was only one questioning that, however, was shelved. [GRI - 418-1]

We also had no leaks, theft or loss of data identified. On the contrary, we made positive progress in risk management in this area with the implementation of the Privacy and Data Protection program, in accordance with the General Data Protection Law (LGPD). [GRI - 418-1]

Whistleblowing channel

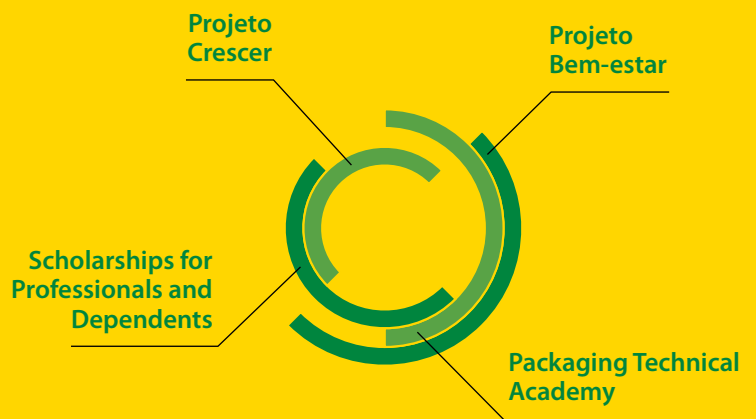
At BO Paper Group, we have channels that allow professionals and stakeholders, anonymously or not, to send suggestions to the company's Senior Management. For this purpose, the e-mails **faleconosco@bopaper.com.br** and **comunicacao@bopaper.com.br** are available. In addition, we have the Ethics Channel, provided for in our Code of Ethics and Conduct, it is an opportunity for professionals, stakeholders and people in the community to report issues related to integrity and ethics to the company.

Different external initiatives of the BO Paper Group [GRI - 102-12]

Not only internal practices are in the DNA of our management model, focused on production excellence or business profitability. We also carry out numerous external actions, aimed at meeting the different demands of the surrounding community and contributing to social and human development of professionals and the population that is so much a partner of our company. In the period covered by this report, the BO Paper Group allocated approximately more than half a million Brazilian reais to numerous actions with the community, which we will present below.

It is also important to highlight that the company, in its development and well-being actions, has the support of BO Paper's Educational Fund for Professionals. The objectives of this partnership are divided into three aspects: benevolence, philanthropy and culture,

and the actions carried out are materialized through the provision of benefits to professionals and their dependents for the exclusive purpose of technical, behavioral and well-being development. The Educational Fund also has other projects that will be detailed throughout this report, such as:



We invite you to know, below, some actions that we carried out, in the period covered by this report, together with the community and our professionals and families, with a focus on social, human and citizenship development.



Business Coalition to End Violence Against Women

Violence against women is a very common problem in Brazilian society. To help address this issue, the BO Paper Group is committed to giving voice to women victims of violence. Therefore, we carried out a campaign focused on this theme, and we forwarded some violence cases to be dealt with by experts and competent authorities. Measures that are in line with our search for a just and dignified society for all.

In partnership with Instituto Avon, BO Paper Group has been a signatory, since 2019, of the Business Coalition for the End of Violence Against Women. As a result, it develops concrete actions in line with this movement, demonstrating to the internal public and surrounding communities its commitment and engagement to the following objectives:

- Ensure a safe work environment so that professionals who are victims of violence have access to the necessary support and support;
- Promote communication and awareness campaigns among professionals about fighting violence against women and girls, reaching both company people and our stakeholders.

With an internal focus, the BO Paper Group periodically promotes conversation forums, makes digital and printed material available, in addition to encouraging the use of the active listening channel by everyone. In the communities, the company gives broad visibility to the campaign with billboards and delivery of an orientation booklet on the topic.

Environmental awareness campaign

With the motto “Some papers we manufacture. Others we assume. Taking care of the environment is one of them”, the company’s environmental education campaign has a wide scope and seeks to raise awareness through education.



At the manufacturing units, we constantly seek improvements aimed at protecting the environment, enhancing compliance with internal policies, such as the practice of selective collection, the rational use of resources, the reuse of waste, encouraging the use of returnables replacing plastic packaging, etc.

In the communities, we act robustly with educational campaigns with the general population. With the motto “Every Attitude Counts, one by one the garbage becomes a big problem, and in the attitude of each one lies the solution”, we developed a project that involves the entire community, aiming to raise awareness of the role of each citizen, regardless of age, so that we have cleaner cities. In this initiative, we had partnership with the government and we launched outdoors, videos, songs in jingles format, bags and recreational activities for children.

Scholarships for Professionals and Dependents

To the professionals of the BO Paper Group, we periodically grant scholarships, favoring the personal and professional development of those involved through an undergraduate course. These projects are carried out with the support of the Educational Fund, as the initiative meets the requirements for promoting education and human and familiar developments.

We have a second scholarship opportunity, intended for children of our professionals, each year registrations are opened for 30 scholarships for higher education courses. Selection criteria are based on evaluation, attendance, letters of recommendation and evidence of volunteer work in communities. With this, we make it possible for the professionals’ children have access to higher education, in addition to contributing to the reduction of inequalities in society.

'Pegaí' Free Reading

This is a non-profit, non-governmental initiative created in July 2013 in the city of Ponta Grossa, in Paraná. The proposal encourages the habit of reading, making books available to readers in public places, with the motto “Bringing Books Without Readers Closer to Readers Without Books”. Our company is one of the official supporters of Pegaí, with periodic donation of paper for printing books. We have the mark of 70 thousand books printed with paper from the BO Paper Group and the “Semeador de Livros” trophy.



Raio de Luz

This is a project supported by the BO Paper Group that develops the socioeconomic potential of women through sewing workshops in Arapoti, where material is reused in order to generate financial income.

It is in this context that the BO Paper Group participates in the initiative. As our professionals wear uniforms provided by the company (knitted t-shirt and jeans) that are changed every six months, these clothes that would be discarded are destined for the Raio de Luz, which makes it possible to collect good quality material for the production of craft pieces.

With this, we create opportunities for employability in the region and encourage volunteering and the awareness of professionals, since they are committed to returning preserved and clean parts. In addition, we facilitate the transformation of what would be waste into a resource that generates income. We also support the sale of the products that are made. In this way, the project is able to financially benefit the Project’s seamstresses, enabling them to generate their own income.



Colmeias Campos Floridos

The partnership between Grupo BO Paper and AAPicaf (Associação de Apicultores Campos Floridos) in Arapoti aims to promote the development and sustainability of beekeeping in the region. Started in 2012, the action has a growing number of associates and honey production capacity.

For this project, beekeepers install the boxes at strategic points close to our units. The hives are monitored, removed at the right time and taken by the association for production. Periodically, BO Paper Group acquires honey pots from beekeepers. With this partnership, we:

- Promote the development and sustainability of beekeeping in the region;
- Protect the environment, taking care of biodiversity;
- Contribute to the Beekeepers Association to increase honey production in the region and generate income and employment.

Projeto Transformando o Futuro

It is characterized by the partnership between the BO Paper Group and APAE (Associação de Pais e Amigos dos Excepcionais) of Jaguariáiva in the promotion of workshops that produce wooden wedges used as support for transporting paper rolls.

This partnership contributes to the professional training of people with disabilities enrolled in the São Judas Tadeu Special Education School, affiliated with APAE.



Workshop students, together with monitors, are responsible for producing the wood wedges. Through this project, in addition to professional training, students learn skills necessary for intellectual development. This project is one of the most distant social partnerships of BO Paper Group. Through it, several students were able to develop and grow in the social sphere, in addition to acquiring work techniques. Thus, we provide opportunities for human development, social inclusion and encouragement of work practices for people with disabilities.

Volunteering

The BO Paper Group encourages its professionals to develop volunteer actions, such as winter campaign, contest to collect clothes and purchase geriatric diapers for homes for the elderly. Individual initiatives are also recognized. When volunteer activities take place during working hours, these hours are paid. Internal communication channels are available to publicize the initiatives.

All projects showed evolution from 2020 to 2021, with the Transformando o Futuro Project being the most prominent with a 70% increase in shim production. These results reinforce how much our communities are engaged in helping us increasingly with sustainability.

Data from programs and projects involving local communities [GRI 413-1]

Program / Project	Unit	2020	2021
Raio de Luz	qty of donated clothes	600	1,000
	qty of participating women	11	10
Colmeia Campos Floridos	Ton of honey produced by the cooperative	1,000	1,200
	kg of honey donated to professionals	75	150
Projeto Transformando o Futuro	qty of shims produced (parts)	6,000	10,200
	qty of people served	6	6
Projeto Sacolona	qty of bags produced	3,000	3,600
	qty of people served	10	10

Projeto Sacolona

Through a partnership with suppliers in the region, we direct the vinyl tarpaulins used as visual communication in internal and external campaigns for the manufacture of returnable bags. These items are delivered to communities and professionals as an incentive to reduce the use of plastic and non-returnable bags. Thus, we create opportunities for income generation, reduction of material sent for disposal and we develop environmentally correct awareness.

BO Paper Group Wellness Program

The Wellness and Quality of Life Program is recognized not only by our professionals and families, but also at the state level, with recurring awards within the current UN guidelines for this purpose (SESI SDGs).



The general objective of this project is to enhance results that show the appreciation of people, both in health promotion and in recognition and engagement. It's formed by 3 pillars: Health, Safety and Environment, including individual and team recognition programs. Through initiatives like this, the company aims to have healthy, happy, motivated professionals who are proud to belong to the BO Paper Group. The Program provides 12 actions in the year:

Carnaval Seguro	Awareness of disease prevention and safe traffic
Saúde da Mulher	Encouraging self-care and self-esteem
Cuide-se 24 Horas	full-time job Security Healthy
Saúde e Bem-Estar	eating and physical activity
Inverno com + Saúde	Prevention of winter illnesses
Mai Amarelo	Adherence to the national campaign and valuing life
Sustentabilidade	Use of natural resources and waste reduction
SIPAT	Workplace Accident Prevention Week
Seu Coração em Dia	Awareness about smoking and cholesterol
Outubro Rosa	Adherence to the national campaign
Novembro Azul	Adherence to the national campaign
Família BO Papel	Recognition

Diversity and Inclusion

We believe that, in order to inspire innovation in the workspace, it is essential to be aligned with diversity issues, providing a rich exchange of ideas and experiences. We understand that each person, due to their ability and talent, can make a difference in building a better company and society!

Therefore, all our vacancies are open to anyone, regardless of nationality, race, sex, age, ethnic origin, religion, disability, sexual orientation, etc. We work together with leaders, seeking to ensure a healthy environment free from any discrimination.

We maintain employment quotas for the PNE (Disabled People) and for Young Apprentices, providing everyone with the same benefits and special support through the area of social responsibility. We encourage and live in harmony in teams with different characteristics. One of our concerns is to give space to professionals of different age groups. We believe in sharing knowledge also by example and the exchange of experiences. Today, 3% of the workforce is made up of professionals over 50 years old.

Relationship with the government

The BO Paper Group seeks to maintain permanent interaction with the government. In recent years, we have further expanded communication with government bodies, in all spheres, to support the fight against Covid-19. With pride, we prove that companies have a fundamental role in mobilizing and transforming the society. Our Code of Conduct and Ethics guides this relationship, guiding and disciplining the activities of the company and its representatives in contact with the spheres of government, in addition to guiding the work in partnership with a focus on supporting communities in a reputable and healthy way. Our projects with APAE, Cooperatives and NGOs show BO Paper's commitment

in the social sphere, and we aim to foster more and more partnerships also with government institutions.

We make it a point, whenever necessary and following appropriate procedures, to act alongside the government in actions of a social and environmental nature, mainly. Our alignment with ESG practices and the recognition that we have obtained in the last five years with the granting of the ODS Seal, with the quality of life program and social projects developed together with APAE and NGOs that cover a large part of Paraná, evidence our concern with the future and with the construction of a more just and sustainable society.

Participation in associations [GRI - 102-13]

In addition to developing different projects together with society, including in partnership with different institutions in the community and with government spheres, the BO Paper Group also actively participates in numerous associations and/or organizations of national and international scope. They have sectoral and political representation, or have a social or technical role in the company's sector. Check out!

- **IBA** – Indústria Brasileira de Árvores
- **EMPAPEL** – Associação de Embalagens em Papel
- **ANDIPA** – Associação Nacional dos Distribuidores de Papel
- **ABTCP** – Associação Brasileira Técnica de Celulose e Papel
- **Two Sides** – International non-profit organization
- **ANJ** – Associação Nacional de Jornais
- **SINPACEL** – Sindicato das Indústrias de Papel e Celulose
- **ABRO** – Associação Brasileira de Empresas com Rotativas
- **Legal in Skirts**
- **RHTriple A** – Fundação Dom Cabral group for exchanging HR practices
- **FastMarkets RISI**
- **Campos Gerais Environment Group - PR**
- **Norte Pioneiro River Basin Committee - PR**
- **Business Coalition for the end of violence against women and girls** – participation as a signatory company of the Instituto
- **HR Group of companies in Campos Gerais - PR**
- **GRUPESPEL** – HR Group of Pulp and Paper companies
- **ACIPG** – Associação Comercial, Industrial e Empresarial de Ponta Grossa - PR
- **ABRACE** – Associação dos Grandes Consumidores Industriais de Energia e de Consumidores Livres



Awards, certifications and press release

The BO Paper Group's excellent work in the sector, as well as its work with society, resulted in numerous awards and certifications, which we present below.

Juridical Area

Practices certified in 2018 at the IV Award for Best Practices in the Management of Legal Departments promoted by Intelijur - Inteligência Jurídica and FDJUR - Fórum de Departamentos Jurídico:

- "Recognition of the Legal Department as a Business Partner after the M&A transaction, effectiveness and legal certainty in the elaboration of contractual instruments".
- "Financial default – mechanisms to contain overdues and preventive action by the legal department".
- "Management indicators: effectiveness in monitoring goals and controlling the budget."

Practices certified in 2019 in the V Award for Best Practices in the Management of Legal Departments promoted by Intelijur - Inteligência Jurídica and FDJUR.

- Fórum de Departamentos Jurídico: "Management and automation of emails and legal documents through Artificial Intelligence".

- "Regulation of the contractual relationship with suppliers through the Implementation of General Conditions of Supply and Digital Acceptance linked to the Purchase Orders".
- "Integrity Program and Automated Compliance Management" (whistleblower channel).

Social Area

- Recognition for more than 3 years with the SESI ODS Seal – State Award <https://portalods.com.br/>.
- Friendly Company of Pegaí (Pegaí Institute) <https://www.pegai.info/>.
- Signatory Company of the Business
- Coalition for the End of Violence Against Women <https://www.coalizaoempresarial.com.br/>.
- Anuário Época Negócios 360º e Fundação Dom Cabral: 4th place in the Pulp and Paper segment, looking at dimensions: Innovation (3rd place) / Corporate Governance (4th place) / People (5th place) / Sustainability (5th place) / Future Vision (6th place) / Financial Performance (7th place).

A hand in a blue suit jacket holds a black pen, pointing at a glowing green line graph. The background is a blue grid with a blurred figure of a person in a suit. The overall theme is economic performance and data analysis.

5

**ECONOMIC
PERFORMANCE**

The timber pole is of great importance to the economy of Paraná and we are very proud to be part of this economic vocation of the state where our operations are located. In the Central-Eastern region of the state, where the paper industry is an anchor, we were pioneers in the cultivation of reforestation in the region, attracting other companies in the lumber sector. In addition to the manufacture of paper, the wood is used for the production of furniture, frames, panels, plywood or used in sawmills, creating an economically sustainable synergy between companies in the forestry chain. [\[GRI - 103-1\]](#)

In this way, companies in the forestry cluster promote the development of the region, favoring the hiring of labor and local service providers, generating employment and income and maintaining important contracts with suppliers from Paraná in the supply chain. [\[GRI - 103-1\]](#)

To get an idea of the direct economic value generated by the BO Paper Group in 2021, the company's net sales revenue was BRL 827 million. [\[GRI - 201-1\]](#)

Distributed economic value - 2020 and 2021

[\[GRI - 201-1\]](#)



Net revenue in

2020

BRL 597
millions

2021

BRL 827
millions



Remuneration of professionals

2020

BRL 73
millions

2021

BRL 65
millions

Investment in the community

2020

BRL 420
mil

2021

BRL 600
mil



Paper Machine, Arapoti Unit

Indirect economic impacts [GRI - 203-1]

In the period covered by this report, we made investments in several areas, such as infrastructure, education and awareness campaigns. The environment and community assistance campaigns supported situations of social vulnerability, as an example of the pandemic. Among our various investments, we carried out the revitalization of parks and developed a project to raise awareness of the importance of protecting the environment. In 2020 and 2021, the BO Paper Group also developed health promotion campaigns with the population.

Due to the external initiatives we carry out, we have an indirect workforce made up of approximately 230 people, which results in approximately more than half a million reais per month in investments. Check in the box how much income we generate in the region and the amount of direct, indirect and induced jobs that our productive activities and projects provide.

Income and employment generation (direct and indirect)



BO Paper
Arapoti and
Jaguariaíva

Direct jobs

623

Indirect and induced jobs

10.000

According to the IBGE input/output matrix

To support the bold process of transforming the flows and production capacity of Grupo BO Paper, we have made considerable investments in the industry. At the Arapoti unit, for example, resources have already been implemented to update the production system, but new investments are planned until 2023, as shown below.

Operational and management excellence

2018	<ul style="list-style-type: none"> • Start of operation of the new high-performance fiber line for the market • Expansion of the product offer • Increase in production capacity by 60,000 tons per year
2019-2020	<ul style="list-style-type: none"> • Modernization of the Arapoti plant facilities • Higher quality and reliability • Cost reduction
2021	<ul style="list-style-type: none"> • Start of operation of the new paper coating station ("Speed Sizer") • Expansion of the product offer • Reduction in paper weight and consequent increase in income for customers • Cost reduction
2022	<ul style="list-style-type: none"> • Phase 1 of the Pisa unit conversion for the packaging paper production • Diversification of the product portfolio • Sustainability and longevity
2023 onwards	<ul style="list-style-type: none"> • Continuing of BO Paper transformation

Total BRL invested in 2020 and 2021: 86 million Brazilian reais

Purchasing practices [GRI - 204-1]

At the BO Paper Group, both funds destined for investments and those invested in ordinary expenses follow a careful purchasing policy. Between 55% and 60% of the acquisitions we make are local, with between 40% and 45% for materials and 15% for services. It is also worth noting that 90% of all contracting of services that we practice takes place in the State of Paraná where the units are located. In this case, we even consider them as local suppliers.

If these multinationals were not considered in the calculation, the percentage of local supply would be between 20% and 25%, with 5% to 10% for materials and 15% for services. For this assessment, the company uses as a criterion for local suppliers those that are within a radius of 200 km.

Net income generation

BRL 60
millions

Road transport

BRL 50
millions

Local service provision

BRL 22
millions

Gardening, surveillance, cafeteria, cleaning

Reference: 2020



6

**ENVIRONMENTAL
PERFORMANCE**

We also performed our role, and with praise, in the environmental area, which is evidenced by our positive performance. Respect for the environment is a non-negotiable premise of Grupo BO Paper, which permeates all actions and policies we adopt. This commitment is important not only because of our permanent search for excellence, certifications and fulfillment of the objectives of our Integrated Management System. This concern guides us on a daily basis because our business is intrinsically linked to nature, where our main raw material comes from, certified wood fibers.

In this Report, we present our environmental performance in different aspects, which are in compliance with all current legislation. Here we also report on the sustainable practices that we have adopted and that ensure the perpetuity of our business. [\[GRI - 307\]](#)

The policy we have established in this area is also transmitted to our professionals, partners and society. In addition, our suppliers are also selected based on environmental criteria, which allows us to take the precepts of sustainability to other organizations. [\[GRI - 308-1\]](#)

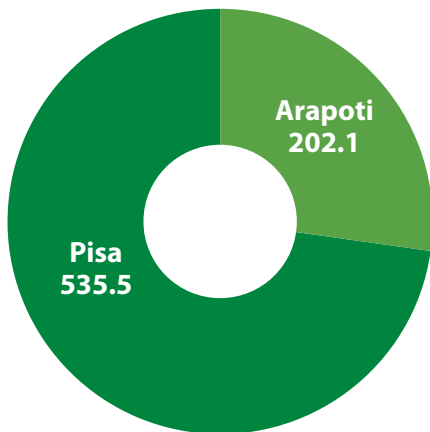
Check, below, our environmental performance in different indicators.



Wood: Our main raw material [\[GRI - 301-1\]](#)

BO Paper Group has international certification from the Forest Stewardship Council® (FSC®) in its two units, which guarantees that the raw material used in its products comes from forests managed in an ecologically correct, socially fair and economically viable way. BO Paper uses only wood certified by FSC® principles, following sustainable management standards. At the Arapoti unit, in addition to FSC® certification, there is also the CERFLOR forest management certification. We bring in the table below our wood consumption in 2021.

Wood Consumption (thousand tons)



Total wood consumption in the two factories
737.6 thousand tons



Remembering that the BO Paper manufacturing process ensures that all wood used is FSC® and Cerflor certified, following sustainable management standards.



In both units, we use both non-renewable and renewable fuels in the movement of our operations and in the company's day-to-day activities. The use of biomass is the main one, being common to both factories. The electricity consumed comes from direct purchases in the national free system, where most of the matrix comes from hydroelectric plants.

Consumption of fuels from non-renewable sources (2020 and 2021)

Pisa Unit: does not use non-renewable fuels;

Arapoti Unit: BPF A1 Oil – used for burning in the boiler (quantity of 55 ton in 2021 and 40 ton in 2020).

Consumption of fuels from renewable sources (2020 and 2021)

Arapoti Unit: sludge from the Sewage Treatment Station – 6,500 tons dry in 2021 and 5,100 tons in 2020). CNG - quantity of 4,198,729.768 m³ in 2020 and 6,617,834 m³ in 2021;

Pisa: Steam, being 302,770 tons in 2020 and 398,236 tons in 2021.

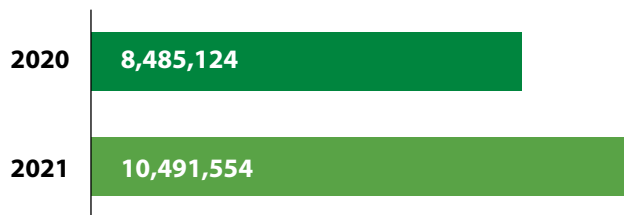
However, it is important to highlight that, of all fuel consumption, 99% of our sources come from renewable sources (by weight).

Arapoti and Pisa

Energy	Renewable - R Non-Renewable - NR	Unit of measure	2020	2021
Fuel oil	NR	GJ	2,173.67	1,588.84
Natural gas	NR	GJ	256,441.00	162,700.00
Electricity	R	GJ	2,192.00	2,471.20
Biomass	R	GJ	968,187.00	1,308,809.00
Steam	R	GJ	7,256,130.00	9,015,985.00
Total		GJ	8,485,123.67	10,491,554.04

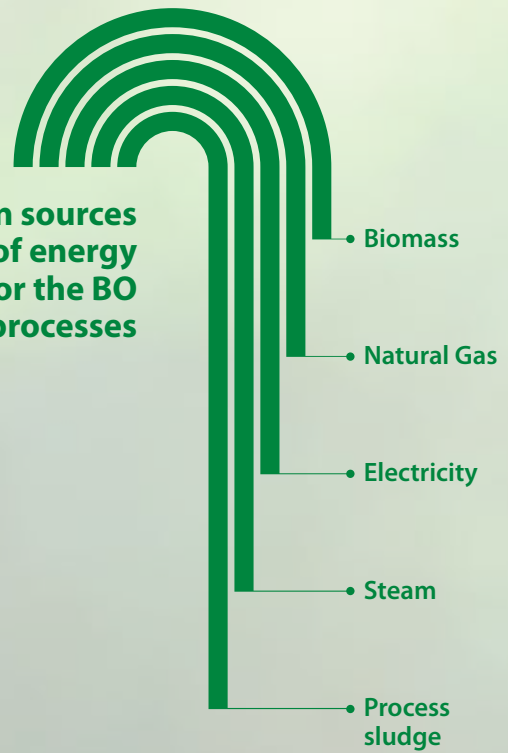


Total energy (GJ)





Main sources of energy for the BO processes



Water and effluents [GRI - 303-1]

In the process of industrializing our products, water is a very important input, which we have used with increasing efficiency in our units, in addition to adopting practices and technologies that allow the treatment of the effluents we generate.

Pisa Unit

The water used in the Pisa Unit comes from the Jaguaiaíva River, being captured at a point after the effluent emission, being pumped from the river to the Treatment. The greatest consumption of treated water occurs in the production areas (TMP and Paper Machine). In the production process, we adopt the recirculation of this input to the greatest reuse (examples: clear water and white water). After the industrial process, there is the generation of effluents that are sent to the Effluent Treatment Station, where they are treated. The water resulting from this treatment process is returned to the Jaguaiaíva River with high quality, in compliance with current legislation.

Arapoti Unit

The water used at the Arapoti Unit comes from the Barra Mansa River, in addition to abstraction from eight artesian wells. The capture takes place at a post effluent emission point. The input is pumped from Barra Mansa to the Treatment Station. As in the Pisa unit, the greatest consumption of treated water occurs in the productive areas (TMP and Paper Machine).

Also in the Arapoti production process we use recirculation aiming at greater reuse (examples: clear water and process water). The effluents resulting from the industrial process are sent to the Effluent Treatment Station. At the ETE, they are properly treated, and the water produced from this process is returned at the junction of the Barra Mansa and Chico Rivers.



Arapoti Factory

Water management in BO Paper operations

The BO Paper Group units make use of water belonging to the Itararé River Watershed. Daily we monitor our consumption and we also control water consumption with sensors. By understanding the importance of water resources for business and society, the company has a representative on the Itararé River Basin Committee, which brings together various sectors of society and public bodies to define guidelines, discuss water use, plan for water resources and establish mechanisms for charging of water use.

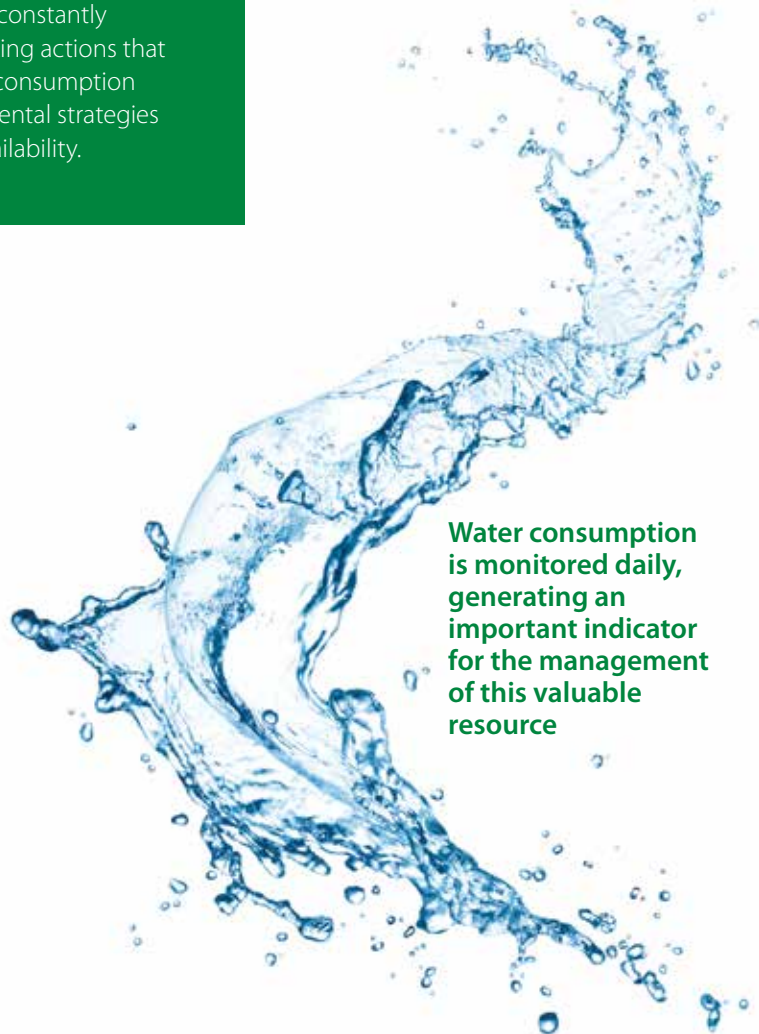
The water used in our production processes is fresh. All sources of abstraction of our business units are granted by the responsible body, ensuring that there is no significant impact on the respective water bodies due to the volume captured. In our factories, opportunities to improve operational efficiency are constantly being evaluated to ensure water availability, prioritizing actions that enable productivity gains allied to the reduction of consumption and the closing of circuits. This is one of the fundamental strategies of our business, which largely depends on water availability.

Goals and objectives

Potable water

The BO Paper Group has an established target for the volume of water treated at the WTP, which is a of the company's environmental indicators. Consumption data are obtained through flow meters (hydrometers). These data feed the evaluation of indicators. The BO Paper Group's two Units have targets for water consumption, defined annually.

This indicator is calculated based on the volume of water consumed in the production process to manufacture the finished product. The less water used to produce a greater amount of finished product, the more efficient the process and better is the application of natural resources.



Water consumption is monitored daily, generating an important indicator for the management of this valuable resource



Water consumption target

BO Paper Arapoti			2020	2021
Water	Consumption of treated water in industrial operations (catchment + wells)	m ³	12115	12882
		m ³ /ton	30,2	34,3
BO Paper Pisa			2020	2021
Água	Consumption of treated water in industrial operations	m ³	10152	10689
		m ³ /ton	28,8	30,7

Effluent generation

All effluents from our production processes are treated to remove solid material and stabilize dissolved organic matter. We have a permit for the release of effluent into receiving bodies.

With a focus on improving our treatment system, we periodically carry out analyzes in internal and external laboratories recognized by environmental agencies. The results are forwarded to the environmental agency, as determined by the relevant legislation. Both units undergo periodic internal and external audits to assess the management system, including the water and effluent system.

The effluent generation data are obtained through flow meters (hydrometers). These data feed the evaluation of indicators. Both units have targets for the amount of effluent generated, which are defined annually. The indicator is calculated based on the volume of treated effluent. The lower the effluent flow, the greater the use of water. In addition to the specific monitoring of effluent, there is strict control of the flow granted.



Effluent treatment station, Pisa Unit (Jaguariaíva)

The tables below demonstrate the performance and targets for the monthly average of effluents.

BO Paper Arapoti		2020	2021	
		Accomplished	Accomplished	
Effluent	Effluent release: Water disposal in industrial operations	m ³	7915	8281
		m ³ /t	18.22	19.63
	BOD: Biological Oxygen Demand in effluents in industrial operations	mg/L	14	15.3
		Kg/t	0.186	0.312
	COD: Chemical Oxygen Demand in effluents in industrial operations	mg/L	158.4	179.3
		Kg/t	3.17	3.74
	SS: Presence of total suspended solids in treated effluent	mg/L	3.4	1.8
		Kg/t	0.07	0.04

BO Paper Pisa		2020	2021	
		Accomplished	Accomplished	
Effluent	Effluent release: Water disposal in industrial operations	m ³	9878	10647
		m ³ /t	24.5	28.61
	BOD: Biological Oxygen Demand in effluents in industrial operations	mg/L	13.4	22.1
		Kg/t	0.407	0.636
	COD: Chemical Oxygen Demand in effluents in industrial operations	mg/L	207	248
		Kg/t	5,17	6.91
	SS: Presence of total suspended solids in treated effluent	mg/L	1.0	1.0
		Kg/t	0.025	0.028

When analyzing the total water volume abstracted and the total effluent volume discarded in 2021, it is noted that BO paper's operations return more than 76% of the volume of water collected.



Biodiversity [GRI - 304-1]

There are no permanent preservation areas or legal reserve areas on the property occupied by the two Units. Our raw material is of forest origin, coming from planted forests and certified by the FSC® (Forest Stewardship Council®) and CERFLOR, acquired from certified suppliers. These certifications, to be granted, have as one of the main criteria the respect and encouragement of local biodiversity. All forest management certification procedures include requirements that help to conserve biodiversity and minimize environmental impacts.



Emissions [GRI - 305-1; 305-2]

When we talk about the environment, we cannot leave aside one of the issues that have most concerned society today: climate change. We understand our commitment to work actively to reduce our level of emissions. We monitor information regarding our direct and indirect greenhouse gas (GHG) emissions, as we understand that having this data is essential for us to adopt mitigation measures.

There is a plan to start more detailed measurements and studies related to GHG emissions in the coming years, in preparation for the BO Paper Group Emissions Inventory. We perform the CO2 measurement following the energy conversion calculations as suggested by the IPCC protocols.

BO Paper is committed to implementing a GHG emissions assessment mechanism, which is being evaluated internally together with the company's leadership.



Waste [GRI - 306-2]

The paper manufacturing process generates solid waste, either in human activities or in production processes. Therefore, we maintain efforts to have the most efficient production possible, with the least amount of leftovers and focused on the reuse of the by-products of the process.

To ensure a good recycling rate, we have adopted procedures aimed at proper segregation of waste. Most of them are destined for recycling, external recovery and co-processing. We constantly seek to incorporate the best technologies and alternatives for the disposal of our waste. Let's tackle some of them!

Wood bark	»»	During the production process, wood bark is generated. It is part of the material burned in the boiler that generates steam. This process takes place in both units.
Ash	»»	The units' steam production results in the generation of wood ash. This residue is destined for the production of agricultural substrate for plants.
Sludge from the treatment of effluents and solid tailings	»»	Both sludge and solid waste are rich in fiber, which favors their reuse. At the Pisa unit, in Jaguariaíva, the sludge is destined for the production of agricultural substrate for plants. In Arapoti, the sludge is burned in the boiler to generate steam, according to the operating license.

Both units have a solid waste inventory, based on waste characteristics, such as weight, classification according to NBR 10004, costs, revenues and destination. All residues are controlled by weighing on scales and recorded. Waste management and inventory follow the rules and legislation of environmental agencies. See chart below:

Waste management | BO Paper Group's Pisa and Arapoti Units

We have a contract with a service provider for the selective collection of waste generated and organization of buckets. All allocation and control is the responsibility of Grupo BO Paper.

- The company has a standard for waste management in its units
- Management and internal logistics of waste is done by a contracted company
- The selection of waste recipients is carried out, with documentary evaluation
- There are strict controls on output, generation and disposal of waste
- Class I and II waste are destined for co-processing
- Paper, plastic and scrap metal are sent for recycling
- Used lubricating oil is intended for re-refining
- Boiler ash is intended for the manufacture of agricultural substrate
- Sludge from the ETE is burned in the boiler (Arapoti unit)
- Sludge from the ETE is destined for the manufacture of agricultural substrate (Pisa unit)
- Fibrous waste (production) is burned in the boiler at both units
- Wood bark is burned in the boiler in both units



Waste Generated [GRI - 306-3]

The waste generated in each unit is related to the type of each operation, so there are some differences between them.



Generated Quantity | Arapoti

Waste Description	Unit	2020	2021
Wooden packaging	ton	35.74	9.03
Other waste not previously specified	ton	128.07	595.96
Boiler ashes	ton	3,461.23	4,850.89
Engine oils, transmissions and used lubrication	L	34,500.00	23,852.00
Ferrous metals	ton	165.40	129.15
Organic waste not covered in 16 03 05	ton	2.68	6.17
Fluorescent lamps, of sodium vapor and mercury	UN	545.00	345.00
Paper and cardboard	ton	252.91	359.10
Plastics	ton	43.96	3.33
Total		39,134.99	30,150.63



Environmental compliance [GRI - 307]

The Integrated Management System Policy that we have adopted at the BO Paper Group units includes protecting the environment and preventing environmental contamination in its processes, products and services. Environmental management is also guided by the guidelines established by ISO 14001, implemented in the company's units. In addition, our units undergo regular internal and external audits.

Grupo BO Paper still has the goal of selecting suppliers based on environmental criteria. We understand it to be a way of multiplying our good practices in the environmental area among our partners. Currently, we require legal documents, such as operating licenses, rules for contracting services and supplier evaluation. [GRI - 308-1]



Generated Quantity Pisa			
Waste Description	Unid.	2020	2021
Sands and clays	ton	2.32	2,273.04
Glass	ton	0.36	0.40
Plastic	ton	9.18	9.21
Used engine, transmission and lubricating oils	L	5,120.00	3,890.00
Organic wastes	ton	1.05	3.28
Other wastes not previously specified	ton	26.08	33.07
Absorbents, cleaning cloths and clothing	ton	2.87	2.10
Rubbers	ton	0.00	5.60
Other cells, batteries and accumulators	ton	0.00	0.47
Wooden packaging	ton	36.73	61.43
Non-ferrous metal scraps	ton	1.53	2.58
Scrap mix	ton	0.00	4.12
Ferrous metal scraps	ton	32.63	76.99
Waste from paper and cardboard sorting	ton	101.31	156.74
Boiler ashes	ton	7.04	4.11
Treatment sludge	ton	25.72	36.90
Total		5,366.82	6,560.04



BO PAPER



7

SOCIAL
PERFORMANCE



Legal Trail at the Ruy Cunha Biennial Park, in Jaguariáiva

To conclude this report, we would like to show you an aspect that is central to our business: caring for people. Everything we do is based on solid values and commitments to the health, safety and well-being of our professionals and the sustainability of our operations, always maintaining respect and attention to our stakeholders. We believe that our goals will be achieved through the work of trained and motivated people, based on relationships of trust. [\[GRI - 103-1\]](#)

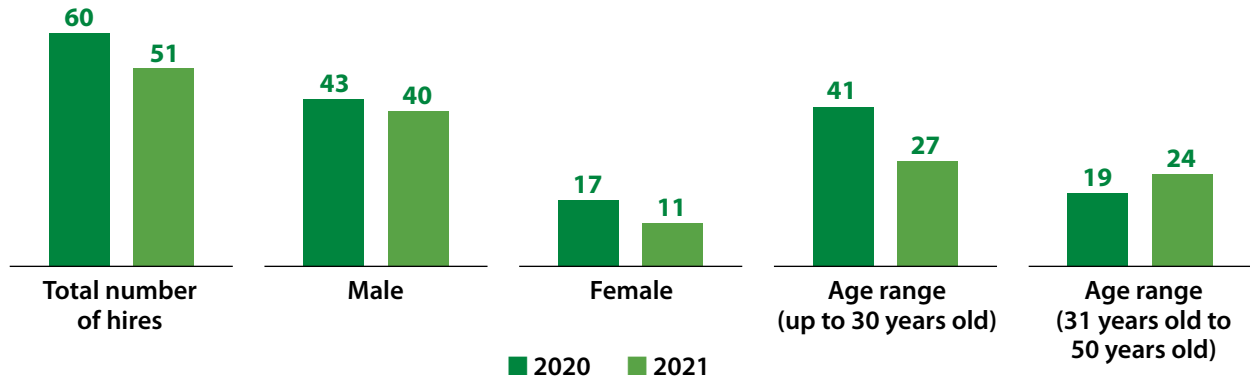
At the BO Paper Group units, the entire process chain is the focus of people management. In addition, we act positively and purposefully with the surrounding communities, with educational campaigns, dissemination of content in communication channels and various investments. By the way, we seek to understand the social context in which our units are inserted and we actively participate in community life. In this aspect, we even have periodic meetings to evaluate these actions. [\[GRI - 103-2\]](#)

To consolidate and systematize our work with professionals and the community, a specific policy for the social area is under development and will be completed soon, which will include items such as commitments, objectives and goals, responsibilities, resources, and complaint mechanisms.

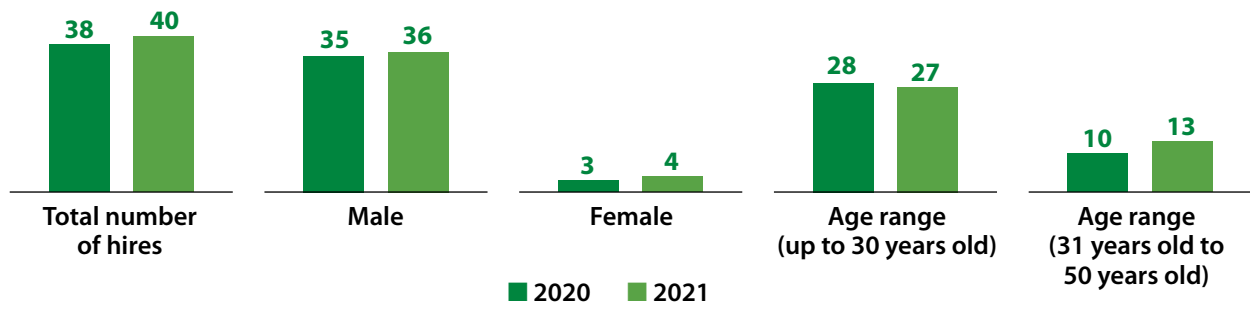
An important tool for improving our form of management in the social aspect is evaluation, both in the actions we carry out with the community and in the work with our professionals. That's why we always carry out climate surveys and performance evaluations. And our performance in the area has been positive, as we have obtained awards and certifications. These achievements are also instruments that help us to guide our path in this area. [\[GRI - 103-3\]](#)

Employment [GRI - 401-1]

Total number of hires – Arapoti



Total number of hires – Pisa



Arapoti	Turnover (%)	Male	Female	Up to 30 years	Up to 50 years
	2020	0.11	0.44	0.21	0.34
	2021	0.05	0.42	0.38	0.08

Pisa	Turnover (%)	Male	Female	Up to 30 years	Up to 50 years
	2020	0.27	1.06	0.5	0.82
	2021	0.02	0.37	0.32	0.07

Benefits to professionals [GRI - 401-2]

Arapoti and Pisa Units



Meals (daily meal and food stamps)



Public transport (100% subsidized)



Health



Life Insurance



Raquel Proença and Joici Quadros, Effluent Laboratory

Considering the company’s staff, our goal is to increase the number of women in the coming years. The estimate is to achieve this objective in all areas, including positions in the lines of operation and leadership. We have had a significant evolution in the last two years, increasing by almost 30% in relation to the number of women in December 2019.



Total workers in BO Paper Group units (2021)

578 professionals

The BO Paper Group has a total of 578 professionals, being 522 men and 56 women. Everyone is entitled to maternity/paternity leave. [\[GRI - 401-3\]](#)

We offer benefits to professionals after the end of the employment contract, in the period close to retirement or to those who are already retired by the INSS. This support consists of:

- Pre-retirement assistance through payment of the INSS until retirement is granted;
- Retirement bonus: single installment according to length of service and up to 5 salaries of the professional.



Private Pension Plan



Supplementation of sickness/accident assistance



Financial support for professionals in remote activity

Profit Sharing Program

In order to encourage and reward our professionals, at Grupo BO Paper we have adopted a variable compensation program. Direct professionals participate in the Results program, and may have an extra annual income of up to 2 salaries. This policy is based on financial indicators, with a focus on value creation. The managerial level and the direction participate in the program with individual goals and objectives and analysis of the performance of the respective areas.

Occupational health and safety [GRI - 403-1]

One of the main values of our company is the health and safety at work of our professionals. For this reason, we have implemented an Integrated Management System (SGI), focused on the Environment, Labor Health and Safety and following the requirements of NBR ISO 14001 and ISO 45001. The this management system's scope, described below, meets the stakeholders and the demands of the business, always prioritizing that the expected results are achieved with sustainability. [GRI - 403-8]

To determine the scope of the Management System, the company determined its limits and its applicability, which are restricted to the physical limits occupied within the facilities of the two units. The System is available to internal stakeholders through the SGI manual. External stakeholders can access it on the company's website: <https://www.bopaper.com.br/>

In addition, we identify, assess and control hazards and risks in the areas of labor health and safety continuously. In this way, we believe it is possible to increase our capacity to control possible risks to the health and safety of our team of professionals. [GRI - 403-2]

At the BO Paper Group, the methodology adopted for the identification of aspects/impacts and hazards/risks is duly defined and described in the SGI.



Adriano Ribas and
Nicolas Souza, SESMT

Record of hazardous situations

We have communication channels where professionals can consult and report dangers and risk situations to the organization, such as:

- CIPA meeting with the participation of service providers, in which the topic is addressed and, if necessary, an action plan is prepared in response to the demands presented;
- Communication to the SGI, through which the professional has access to a form with Health/Safety/Environment/Quality questions. The communications are registered in the SGI system, which forwards the dealings and brings a return to the issuer;
- Central Safety Committee, in which health and safety issues are addressed at a strategic level.

In addition to the items mentioned above, professionals have at their disposal the whistleblowing channel, the intranet, the BO Paper Group website (<https://www.bopaper.com.br/>), LinkedIn, periodic meetings with the community, the internal report O Papel do Nosso Papel, and the Positive Agenda. All these communication channels are always open to everyone.



Dispatch, Pisa Unit

Accidents and Occurrences [GRI 403-9]

BO Paper works daily in engagement and invests in prevention measures, always thinking about the well-being of everyone who works in the company. However, in some cases accidents and occurrences do happen. Regardless of that, we always continue to work together to make the work environment

increasingly secure. In the event of an unexpected event, all professionals will receive the necessary care and support. Analyses are conducted with the aim of learning from these occurrences and thereby increasing the capacity and resilience of our management system.

Consolidated Number of accident leaves (ACA) (sum of 02 factories)

2020	1
2021	8

Obs.: accidents only with own professionals (BO PAPER).

H1 - Consolidated Frequency Rate (ACA accident) (sum of 02 factories)

2020	0.93
2021	6.31

Obs.: accidents only with own professionals (BO PAPER).

Corrective and preventive actions

In the SGI, we define topics such as accidents, incidents, deviations, non-conformities to the methodology and the responsibilities to identify, investigate and deal with each situation, establishing corrective and preventive actions. The measures determined (corrective or preventive) to address the causes of an accident,

incident or non-compliance are appropriate to the magnitude of the problems and are proportional to the environmental impact or risk posed to Occupational Health and Safety. When necessary, SGI documents are reviewed based on the results of corrective and preventive actions.



Andrei Dalkhe and
Maicon Almeida,
Occupational Medicine

Occupational health services

[GRI - 403-3; GRI - 403-6]

We have, in our structure, Occupational Medicine, responsible for monitoring the health of professionals, through the PCMSO (Medical Control and Occupational Health Program). PCMSO has different guidelines such as:

- Tracking and early detection of work-related health problems;
- Detect possible excessive exposures to occupational harmful agents;
- Define the aptitude of each professional to perform their specific functions or tasks;

- Subsidize the implementation and monitoring of the effectiveness of the prevention measures adopted in the organization;
- Subsidize epidemiological and statistical analyzes on health problems and their relationship with occupational risks, etc.

For internal care, we have an outpatient medical clinic on our premises. In addition, the professionals themselves have health insurance coverage. The organization also develops initiatives aimed at promoting health, such as the Quality of Life and Well-being Program and the Hearing Conservation Program.

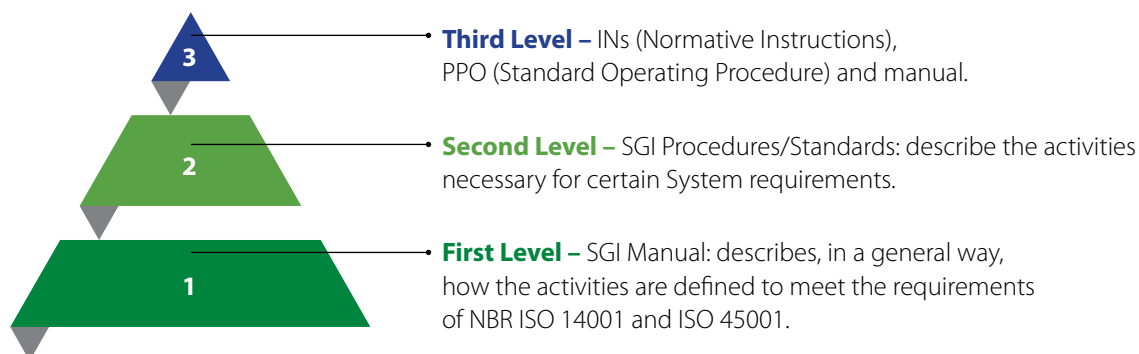
Training in occupational health and safety [GRI - 403-5]

We understand that the promotion of occupational health and safety is a topic that should not merely be included in protocols and documents, but must be put into practice in the company's daily routine through the engagement and collaboration of professionals. Therefore, the SGI has a specific procedure on Training and Development, which ensures the identification of needs, planning, execution, evaluation and registration of training for our professionals.

Training activities are carried out with the objective of qualifying professionals and guiding service providers and permanent hired labor, who perform tasks that may cause significant environmental impacts or health and safety at work. On the other hand, service providers and visitors with short-term activities at our units undergo an integration process, addressing issues of the environment, health and safety at work.

Structure of the SGI documentation

The SGI has documentation that is divided into three levels, as illustrated in the figure below.



INs and PPOs detail how a specific task is performed in a given area.

Programs for the improvement of skills [GRI - 404-2]

To achieve the future we want, we need properly trained professionals. Otherwise, the qualification of the workforce can become a bottleneck for the consolidation of the transformation process that we are currently undergoing.

But regardless of this transition phase that we are going through (and for which we need, more than ever, people able to face the new challenges of the company), the improvement of competencies has always been our priority. In line with our strategic pillars, we carry out the Human Development Project focused on our team of professionals. This initiative has some central focuses:

- Leadership training program,
- Performance Management,
- Career,
- Skills Development.

The Human Development Project, which outlines a learning path for each professional, has inaugurated in the company a development model of competences.

It is divided into three programs that are supported by the Educational Fund, which we present below.

Develop to Grow:

- Leadership support to develop skills in people management, which has been essential to carry out the transformations we seek;
- Our leadership plays a key role in extracting the best performance from teams.

Learn to Grow:

- It carries out actions based on our organizational skills, which are: Results Orientation, Customer Focus, Ownership, Organizational Agility, Adaptability and Innovation.

Share to Grow:

- It promotes internal knowledge-sharing workshops, given by volunteer professionals from the BO Paper Group itself, in activities that are prepared by the people management area.

Training and education [GRI - 404-1]

Arapoti	Trained professionals	Male	Female	Operational	Tactical	Management	Total of Hours	Average Hours
2020	245	241	4	220	5	20	8.792	35,89
2021	263	253	10	242	12	9	9.776	37,17

Pisa	Trained professionals	Male	Female	Operational	Tactical	Management	Total of Hours	Average Hours
2020	183	180	3	163	16	4	4.686	25,6
2021	178	165	13	159	10	9	4.548	25,55

Professional career transition

We seek to offer assistance for the career transition of professionals, acting in several ways:

Grow Project – is a project that has a partnership with the Educational Fund. This initiative supports the planning of the career transition of professionals who are approaching retirement, as well as the preparation of new professionals to assume these responsibilities. It's a program of structured training that aims to prepare people, in a technical and behavioral way, to work in the company. To participate, a selection process is carried out with people from the community who attend the "Paper and Cellulose Technician", as well as courses in the areas of Electricity and Mechanics.

They are hired for entry-level positions in the company, which allows professionals who currently occupy such positions to undergo training for future and more complex positions;

Support at the retirement time – as provided for in the collective bargaining agreement, we offer indemnification support for professionals who are already retired and have left the company. This guarantees stability at the time of transition;

Private pension/pension fund – allows professionals to plan throughout their careers to receive the supplement after retirement.



Elisângela Camargo,
Chemical Laboratory

Diversity and Equal Opportunities [GRI - 405-1]

The BO Paper Group develops a policy aimed at diversity and promoting equal opportunities. Our look at this topic aims to value the specificities of men and women, without misogyny, without racism and without sexual, social, ethnic, ideological or age group discrimination, etc. We understand that our professionals will be even better able to contribute with the company and society if they are motivated and respected according to the differences of each one.

It is a fact that we still have challenges to overcome, such as increasing the number of women in the company's governance body, which today is 15%. But we believe that our work to promote equal opportunities, as well as diversity, has delivered

results. The most important thing is to realize that this company value has been incorporated by professionals.

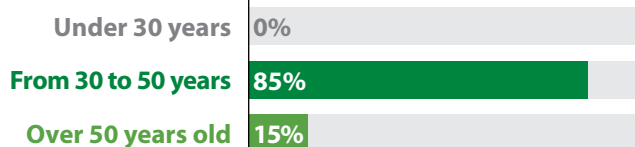
In 2020, we had a case of discrimination and some measures were taken. The case that occurred was of moral harassment and reached the company's Senior Management through a complaint and was also dealt with by our Ethics Committee. In 2021, we had no record of harassment cases. [GRI - 406-1]

After the case in question was analyzed by the committee, it was the subject of an investigation. From evidence and reports collected, a consensus deal was defined, as well as a remedial plan was drawn up.

Members of governance bodies according to gender



Members of governance bodies according to age group



Professionals by age group and gender in the two company units

Region	Male	Female	Age group up to 30 years	Age group up to 50 years	Above 50 years
Arapoti	335	37	109	212	51
Jaguariaíva	221	21	50	156	36

Child Labor [GRI - 408-1]

The BO Paper Group does not condone child labor or the exploitation of minors. Our young apprentice and internship programs are regulated, not allowing activities that are not provided for in the legislation in force to be carried out. Participants in these programs have their school performance monitored assiduously. The non-practice of child labor is a criterion for hiring suppliers, and our supply area has specific procedures to monitor this issue. Most of our suppliers are certified, which allows us to attest that they are in accordance with good practices in the fight against child labor, which is also in line with the requirements of our Code of Ethics and Conduct.

Forced or slave-like labor

[GRI - 409-1]

The BO Paper Group, through the contract it establishes with its suppliers, manages to mitigate forced or slave labor, since the topic is part of our Code of Ethics and Conduct. Internally, we adopt measures that ensure that our professionals only fulfill the hours established in the employment contract, which follows the labor legislation.

The company makes strict control in relation to the working hours of the professionals, guaranteeing well-being and quality of life at work. We have dashboards of indicators that control overtime in each area. This device monitors the workload of each professional and requests justifications to the leadership in cases of shifts (intra, inter-day, 11h of rest). In order to mitigate any vulnerabilities, we also have a labor committee, which reviews the working conditions of our professionals, in addition to dealing with specific situations.

Security practices [GRI - 410-1]

We also have a clear policy regarding the training of all professionals working in the security area, including specific qualifications regarding ethics and human rights and their application in the day to day of the function.

Supplier health and safety

[GRI - 416-1]

All BO Paper Group service providers undergo a health and safety assessment. Based on this analysis, actions are taken if a provider achieves a low score in different criteria, such as in requesting an action plan to correct the deviation and internal audits.



Paper Machine
Control Room

Social assessment of suppliers

[GRI - 414-1]

For the selection of new suppliers, we have well-defined criteria, including those based on social aspects. The company requires clearance certificates at the time of execution of the contract, as well as researching the suitability of the contracted company, through the press, social media and with companies in the region. Our contracts with suppliers require compliance with labor, environmental and human rights laws.

Local communities [GRI - 413-1]

All the company's operations have their impacts on the local community assessed. Furthermore, the initiatives and development programs aimed at the surrounding population are constantly evaluated with a view to improving them, improving engagement and effectiveness. With the objective of promoting local development, we act in different instances of representation of civil society, contributing to entities, carrying out educational campaigns and seeking to act, when necessary, alongside the government for the benefit of the population.

Below are some spaces for the company to participate in the local community:

- Participation in community councils;
- Community Youth Hiring Program/succession plan;
- Maintainer of entities/cooperatives (APAE/Raio de Luz/Beekeepers);
- Program for Hiring PCDs and Apprentices;
- Campaigns to End Violence Against Women;
- Participation in regional Human Resources groups.

Specifically in the environmental area, we carry out:

- Partnerships with Municipal Departments;
- Educational campaigns – waste and recycling;
- Sustainability campaigns and support for local tourism;
- Disclosures and interactions on environmental protection "We manufacture some papers;
- Others we assume. Caring for the Environment is one of them!";
- Donation of tree seedlings, including for planting on Environment Day.

All our actions developed for and with the local community are publicized by external media, including social networks and communication channels of unions and sector entities, such as the Paper and Cellulose Industries Union and the Brazilian Tree Industry. The actions we perform with the community rely on the engagement of different stakeholders, such as local governments, Instituto Avon, APAE, SENAI, SESI, Fire Department and Instituto Pegá, etc.



Beekeeper managing apiary

FINAL CONSIDERATIONS



It is through readers like you that, over the last century, we have helped to write many stories. In the papers that were produced, many news were recorded in newspapers and magazines, many letters were shared... Now, in which we live in the age of the Internet of Things, robotics, artificial intelligence, these same stories become digital and told through the screen of the tablet or smartphone. Despite this, our role is not over.

On the contrary, our industry faces a "forest" of opportunities, but which can only be explored by those who are visionary, by those who see far. And as you can see in this report, it is precisely because we are looking towards this future (which is taking great strides in the present) that our company is undergoing a phase of profound transformation.

It is true that this process is not simple. It requires investment, patience, learning. But it's worth it, because the future of the paper industry has arrived. In this vein, our units, which are the stars of this story, are adapting, our new portfolio is taking shape and our team of professionals is quickly tuning in to the news.

The good thing about it all is the path we chose to take this journey: that of sustainability. But not the one expressed on the pages of books and magazine articles. At Grupo BO Paper, sustainable practices, which already guided our way of being, are permanent pillars of our management model.

Credits

Coordination

Executive Management of People, Management and Sustainability
Viviane Gonçalves, Fátima Lodi

Technical Content and Writing

Prisma Consultoria Ambiental – prisma.ambiental3@gmail.com
Gabriel Lima – Environmental and Sustainability Consultant

BO Paper Sustainability Committee

Graphic Project

Azul Publicidade – www.azulpublicidade.com.br

Photos

BO Paper and Adobe Stock Collection

This publication is the responsibility of BO Paper

Rodovia Municipal BR 001, Km 07, Fazenda Barra Mansa – Parte, s/nº,
Zip Code 84990-000, Arapoti – PR
www.bopaper.com.br

For information, suggestions or comments

Get in touch through the internet ombudsman channel
www.bopaper.com.br/ouvidoria







bopaper.com.br