



Suzano Papel e Celulose S.A.

**Independent reasonable
assurance report**



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Independent reasonable assurance report

To the directors of
Suzano Papel e Celulose S.A.
São Paulo - SP

Introduction

We have performed a reasonable assurance engagement in relation to Suzano Papel e Celulose S.A. (Suzano or the Company) Agribusiness Receivables Certificates (CRA), in accordance with the guidelines and requirements of "Green Bond Principles, 2016" and also to conclude whether as at April 28, 2017:

- The Use of Proceeds is in accordance with the 'Use of Proceeds Statement' and requirements of Green Bond Principles, 2016 (Voluntary Process Guidelines for Issuing Green Bonds released in June 16, 2016); and
- The assertions from management, described in the Company Agribusiness Receivables Certificates Management Statement comprising (i) the Use of Proceeds, (ii) project evaluation and selection process, (iii) management of proceeds and (iv) the report, are fairly presented to meet the requirements of the Green Bond Principles, 2016.

We have not been engaged to provide an assurance opinion on the financial, environmental or social performance of the eligible projects.

Directors' responsibility for the Statements

Suzano's management is responsible for the preparation and proper presentation of the information related to the Agribusiness Receivables Certificates (CRA) in accordance with the guidelines and requirements of the Green Bond Principles, 2016 and the internal controls it has determined as necessary to enable the preparation of such information free of material misstatement, whether caused by fraud or error.

Suzano management has determined that the "Green Bond Principles, 2016" are appropriate to meet the needs of stakeholders in this report.

Our responsibility

Our responsibility is to express an opinion on the information disclosed regarding Agribusiness Receivables Certificates (CRA) in accordance with the guidelines and requirements of the Green Bond Principles, 2016 and also to conclude if on April 28, 2017:



- The Use of Proceeds is in accordance with the requirements of Green Bond Principles, 2016 (Voluntary Process Guidelines for Issuing Green Bonds released in June 16, 2016); and
- The assertions from management, described in the Company Agribusiness Receivables Certificates Management Statement, comprising (i) the Use of Proceeds, (ii) project evaluation and selection process, (iii) management of proceeds and (iv) the report, are fairly presented to meet the requirements of the Green Bond Principles, 2016.

We have performed our work in accordance with International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*; other auditing standards applicable to internal control engagements and including complying with relevant ethical requirements relating to assurance engagements. Our tests and procedures included planning and performing the engagement to obtain reasonable assurance whether, in all material respects, the Statements are free from material misstatement.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Statements whether due to fraud or error and the assessment of the risks that controls are not suitably designed. In making those risk assessments, we have considered internal controls and processes relevant to the preparation and presentation of the Statements in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the internal control over the preparation and presentation of the Statements. Our tests and procedures included obtaining an understanding of the control procedures and examination, on a test basis, of evidence supporting the design of the control procedures

Inherent limitations

Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. Our reasonable assurance engagement is not designed to detect all weaknesses and errors in the Statements in meeting the requirements of the Green Bond Principles, 2016, as the engagement has not been performed continuously throughout the period and the procedures performed, were undertaken on a test basis.

Further, the internal control structure within which the control procedures which are the subject of our engagement are designed to operate, has not been subject to any reasonable assurance procedures and no opinion is expressed as to its effectiveness.

Any projection of the Statements and their meeting the requirements of the Green Bond Principles to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

The reasonable assurance opinion expressed in this report has been formed on the above basis.

**Independence**

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

Opinion

In our opinion, as at April 28, 2017:

- The Use of Proceeds is in accordance with the 'Use of Proceeds Statement' and requirements of Green Bond Principles, 2016 (Voluntary Process Guidelines for Issuing Green Bonds released in June 16, 2016); and
- The assertions from management, described in the Company Agribusiness Receivables Certificates Management Statement, comprising (i) the Use of Proceeds, (ii) project evaluation and selection process, (iii) management of proceeds and (iv) the report, are fairly presented to meet the requirements of the Green Bond Principles, 2016.

Sao Paulo, April 28, 2017

KPMG Assessores Ltda.
CRC 2SP034262/O-4 F-SP

Eduardo V. Cipullo
Contador CRC 1SP135597/O-6

KPMG Financial Risk & Actuarial Services Ltda.

Ricardo Algis Zibas
Sócio Diretor



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Appendix/Appendices

Appendix A

Suzano Agribusiness Receivables Certificates (CRA) Management Statement

The management of Suzano Papel e Celulose SA asserts that the definitions below, procedures and internal controls for the use of the resources derived from the Agribusiness Receivables Certificates (CRA) are in accordance with the "Green Bond Principles, 2016" and that Suzano has designed effective internal controls in relation to the Use of Proceeds, according to the situation verified on April 28, 2017.

I- Use of Proceeds

The CRA issued by Suzano has the specific purpose of financing its capital expenditures related to sustainable forest management, either (i) for the maintenance of already certified areas or (ii) for the expansion of the certified forest base (areas not yet certified, but in the process of becoming certified) that complies with national and international standards, such as the Forest Stewardship Council (FSC), Cerflor (PEFC) or equivalent certification ("Green Projects"). Therefore, the Criteria of Eligibility for projects funded by the CRA will be the same as defined by the certification criteria.

Eligible projects within these criteria include, for example, the maintenance of nurseries, planting, maintenance and harvesting of forests through sustainable forest management practices recommended by FSC®, CERFLOR or other certification. In addition, the resources from CRA can be allocated to expenses related to the certification process, training and monitoring of the forest base and certifications.

Suzano has established systems to monitor and ensure that the net proceeds from the emission are allocated to sustainable forest management, either in areas already certified or in the process of certification. Projects that can be included are those that have consumed resources up to 18 months before the issuance of CRA until the term of the financial instrument expires.

II- Project Evaluation and Selection process

All sustainable management projects developed by the company that receive resources from CRA are evaluated on their financial viability and alignment with the company strategy before having their budget approved by the Investment Committee and by the Board of Directors, when applicable.

The Investment Committee includes directors and representatives of the Engineering, Procurement and Financial Planning departments. In addition, eligible green projects financed by CRA are evaluated by the sustainability or environmental management area of the industrial unit, when applicable.

III – Management of Proceeds

The Agribusiness Receivables Certificates (CRA) were issued by agribusiness credit securitization companies ("Issuer"), which are non-financial institutions incorporated in the form of joint-stock companies and have the purpose of acquiring and securitizing agribusiness credits. The Issue comprised CRAs issued by Securitizadora EcoAgro, with a credit in an Export Credit Note issued by Suzano. Suzano is the entity using the funds raised to implement eligible projects. The accounting of the allocation is made by the Department of Assets, since the investments in forest management are accounted as assets of the company in the balance sheet.



The amount disbursed in each project is determined according to the internal approval process and following the CRA eligibility criteria. Eligible projects may have expenses allocated to the CRA up to 18 months before the issue date and until the expiration of the term of the financial instrument.

Unallocated Proceeds: Pending allocation of the net proceeds from the sales of the Notes to Eligible Green Projects, we will temporarily invest an amount equal to the balance of such net proceeds in cash, cash equivalents and/or financial investments which consist of mainly bank deposits, repurchase commitments, investment funds, time deposits and cash available abroad. Payment of principal and interest on the Notes are made from our general funds and will not be directly linked to the performance of any Eligible GreenProject.

IV - Reporting

Until the full allocation of the net proceeds of the Notes to the Eligible Green Projects, we will (i) provide relevant impact metrics related to the Eligible Green Projects (ii) a confirmation by an independent consultant with expertise in environmental and social issues that an amount equal to the net proceeds of the Notes were disbursed for qualifying Eligible Green Projects and (iii) a confirmation by external audit on allocation of proceeds from the sale of the Notes to Eligible Green Projects.

Suzano Papel e Celulose S.A.



Appendix B - Summary table of allocation of proceeds to Eligible Green Projects on April 28, 2017:

Project	Amount allocated (BRL)
Sustainable forest management in accordance with FSC and PEFC principles and criteria	690.017.420
Total	690.017.420