

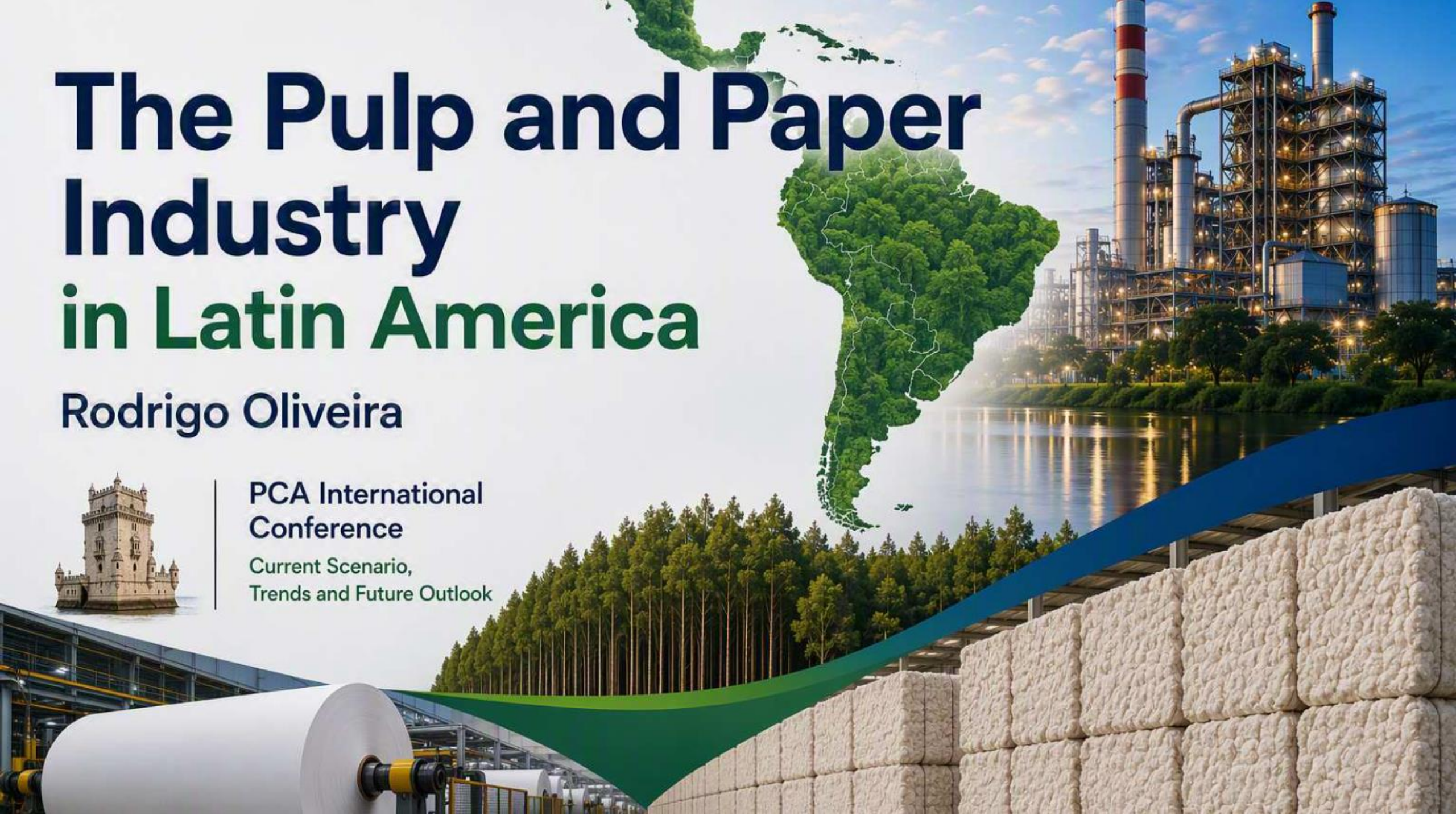
The Pulp and Paper Industry in Latin America

Rodrigo Oliveira



PCA International
Conference

Current Scenario,
Trends and Future Outlook



CONSISTENT GROWTH WITH VALUE CREATION

Integrated, diversified and flexible business model generates solid and perennial results



Unreplicable assets

- Best forestry productivity in the world
- Differentiated access to short and long fiber
- State-of-the-art industrial assets, with low technical age
- Asset efficiency positions cash cost in the first quartile



Product portfolio

- Positioning in niche markets with high added value
- Diversification of fiber use, with the right use for each application
- High level of integration and flexibility enables to maximize profitability
- Products from renewable, recyclable and biodegradable sources



Secular demand trends

- Exposure to consumption of basic necessities
- Population growth and aging
- Global GDP growth and urbanization
- Single-use plastic replacement



Capital allocation

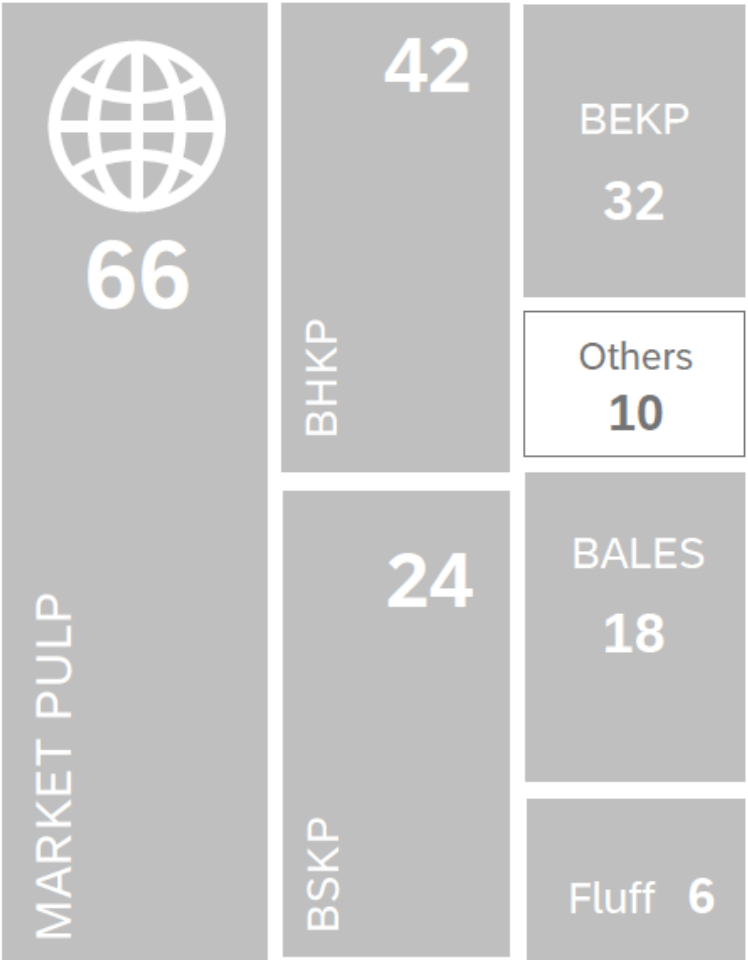
- Solid track record in project execution
- Increasing return and distribution of proceeds
- Strategic roadmap with clear growth avenues

GLOBAL MARKET OF PULP

Growing markets

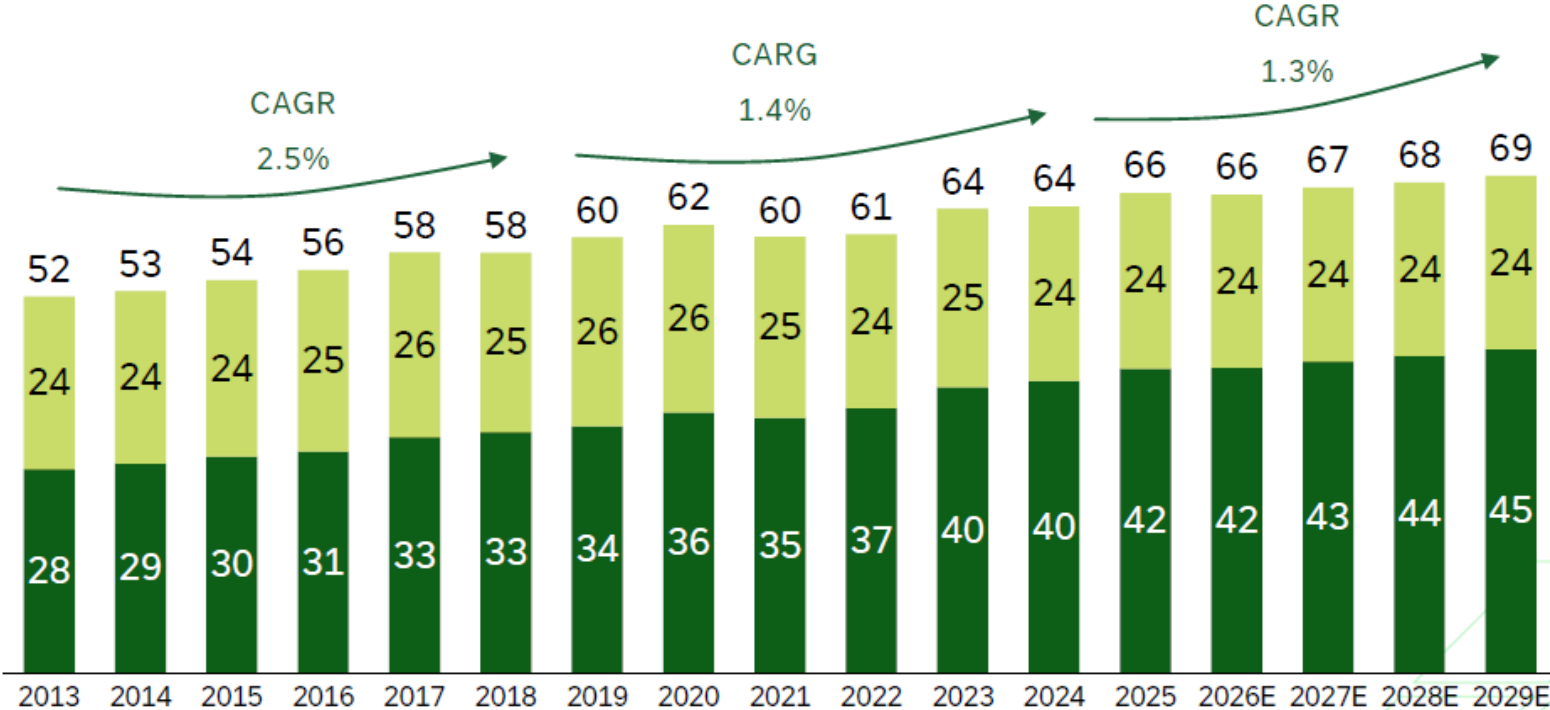
Paper and Fibers Breakdown

Million tonnes (2025)



Growth Projection

Million tonnes



BHKP
BSKP

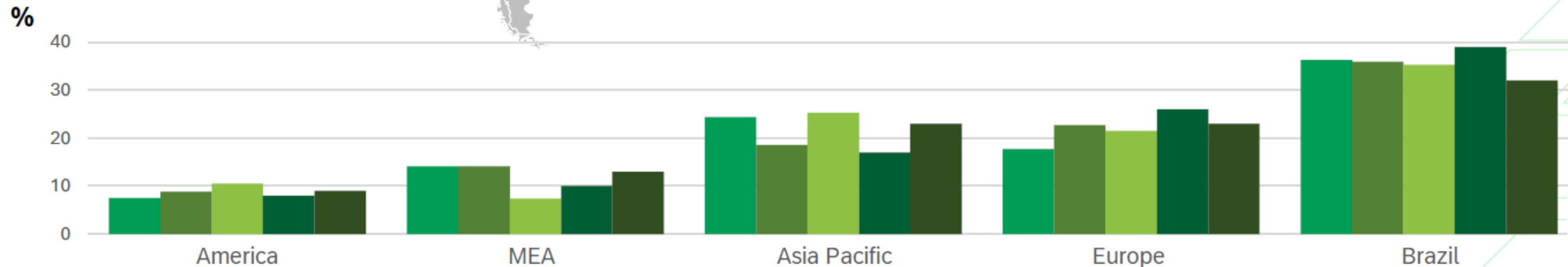
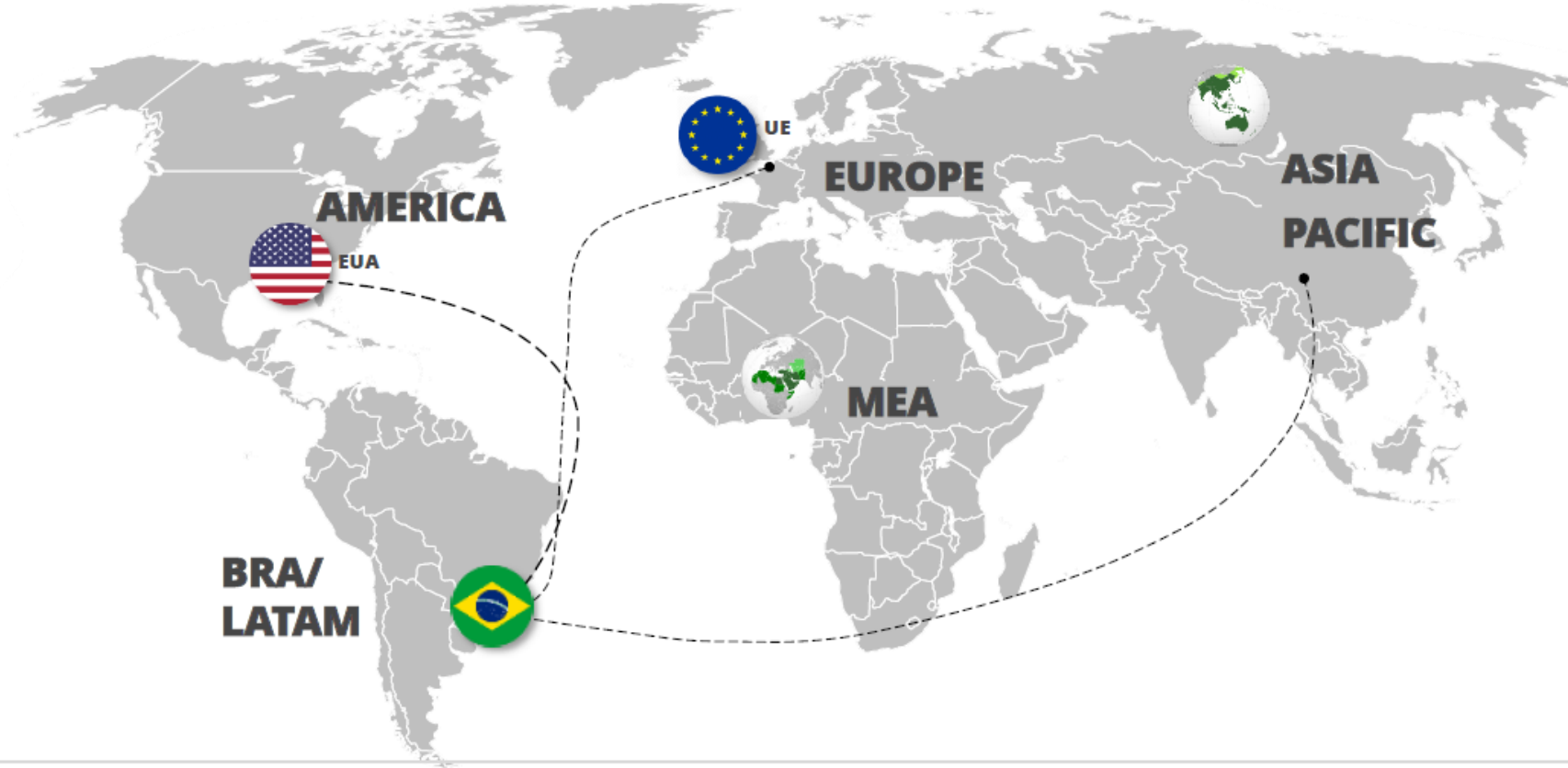
BHKP
+900 k tons/yr
CAGR 2024-2029 2.1%

BSKP
-35 k tons/yr
CAGR 2024-2029 -0.1%

Source: Hawkins Wright and Klabin

BSKP: Bleached Softwood Kraft Pulp | BHKP: Bleached Hardwood Kraft Pulp | BEKP: Bleached Eucalyptus Kraft Pulp

DIVERSIFIED GEOGRAPHIC POSITION



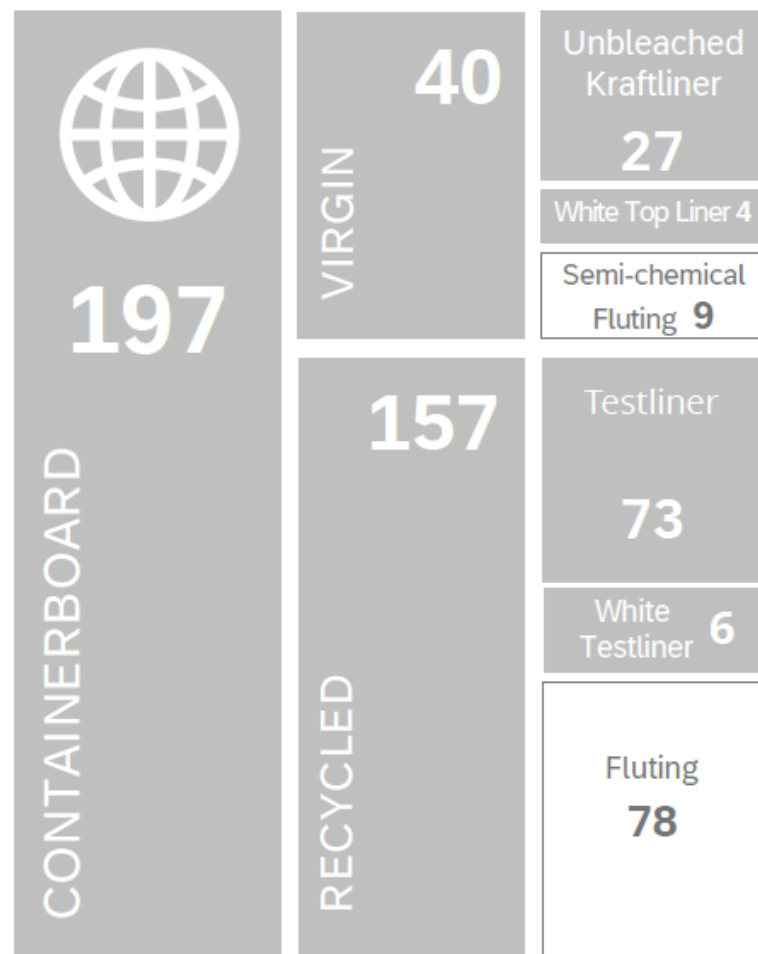
Source: Price Hanna, ÄFRY

GLOBAL MARKET OF CONTAINERBOARD

Growth Expectations

Paper and Fibers Breakdown¹

Million of Tonnes (2025)²



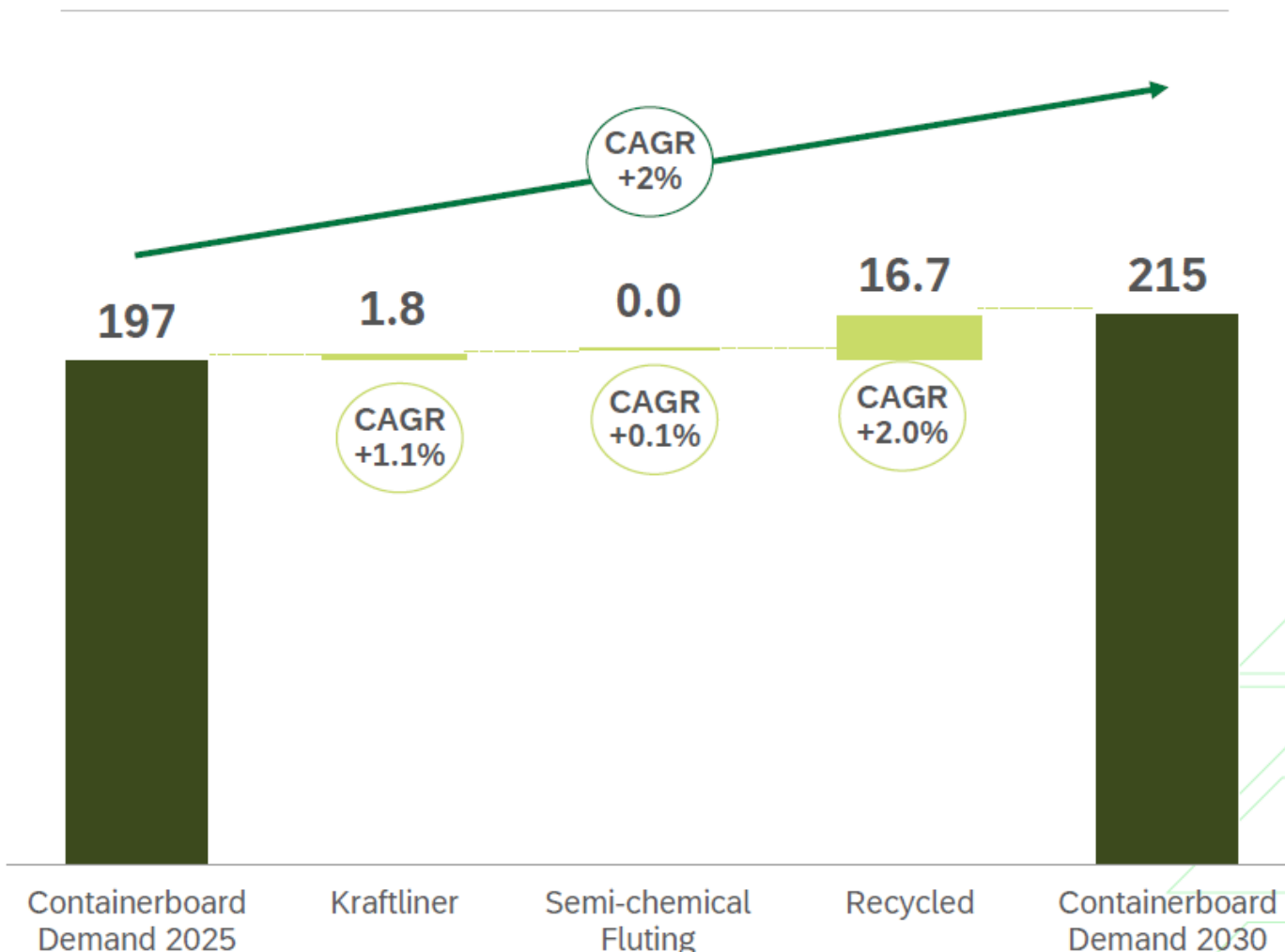
1 - Much of the capacity refers to integrated producers

2 - Fastmarkets and Klabin

Source: ÄFRY, Jay Partners and Numera

Demand Growth Projection²

Million of Tonnes

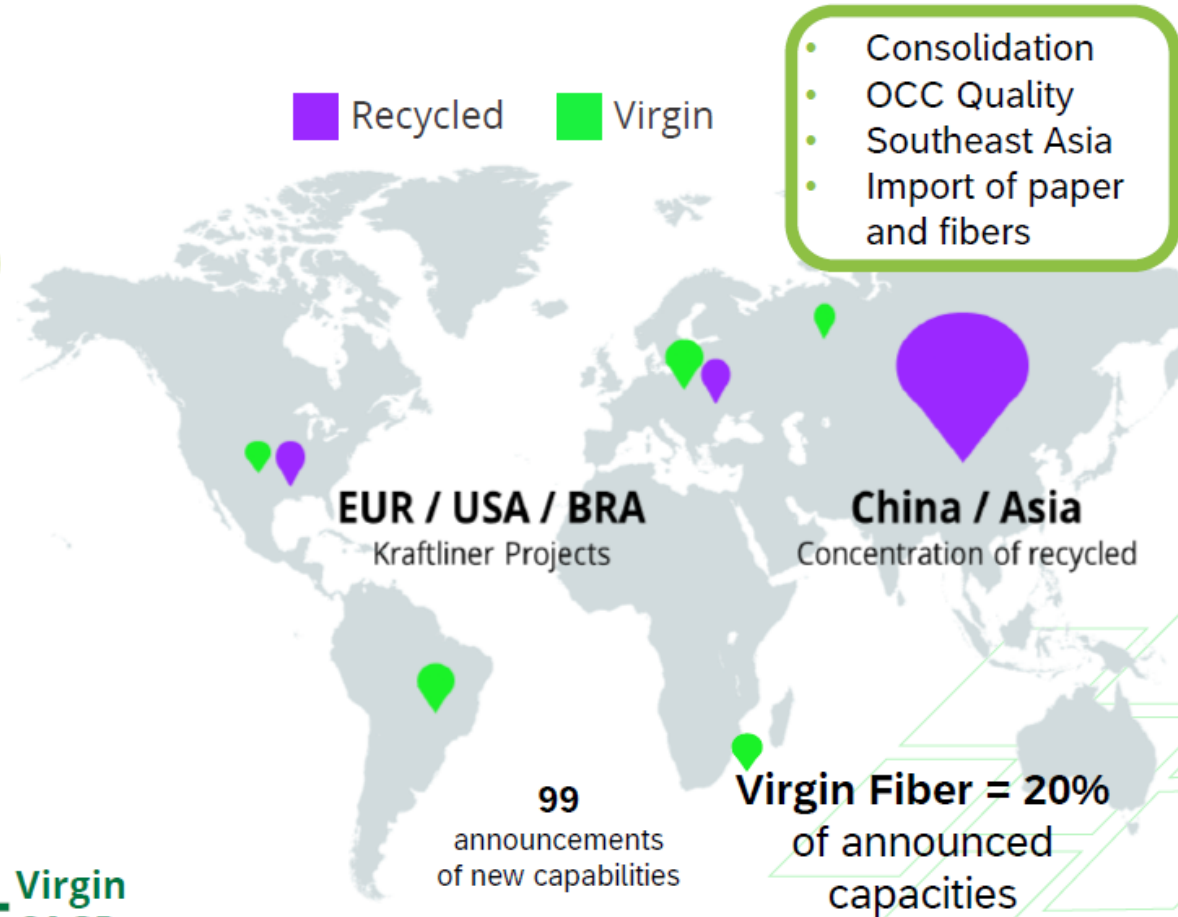
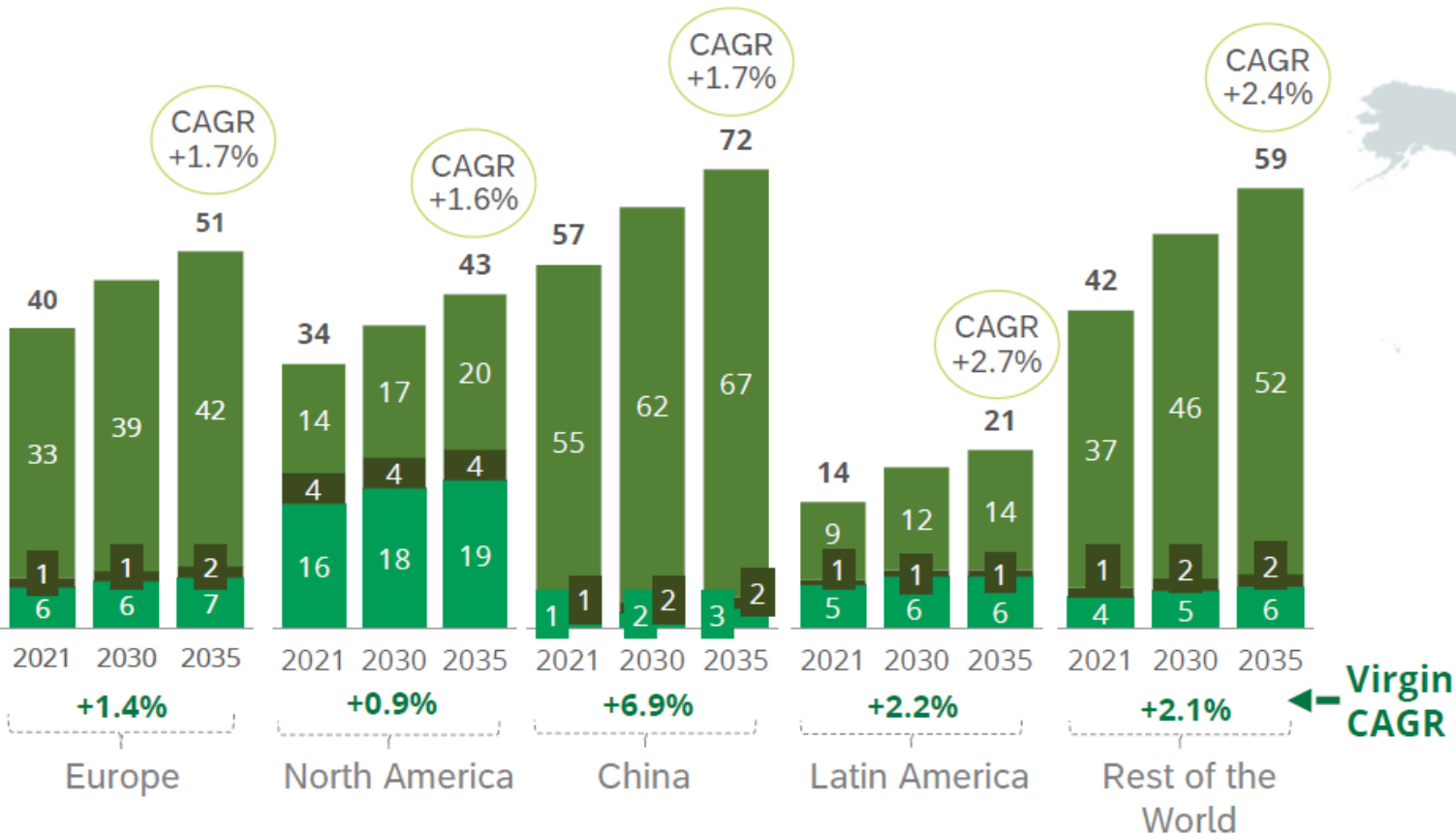


CONTAINERBOARD EXPECTED MARKET GROWTH

Demand by region

Growth by Region Million tonnes

■ Recycled ■ Semi-chemical Fluting ■ Kraftliner

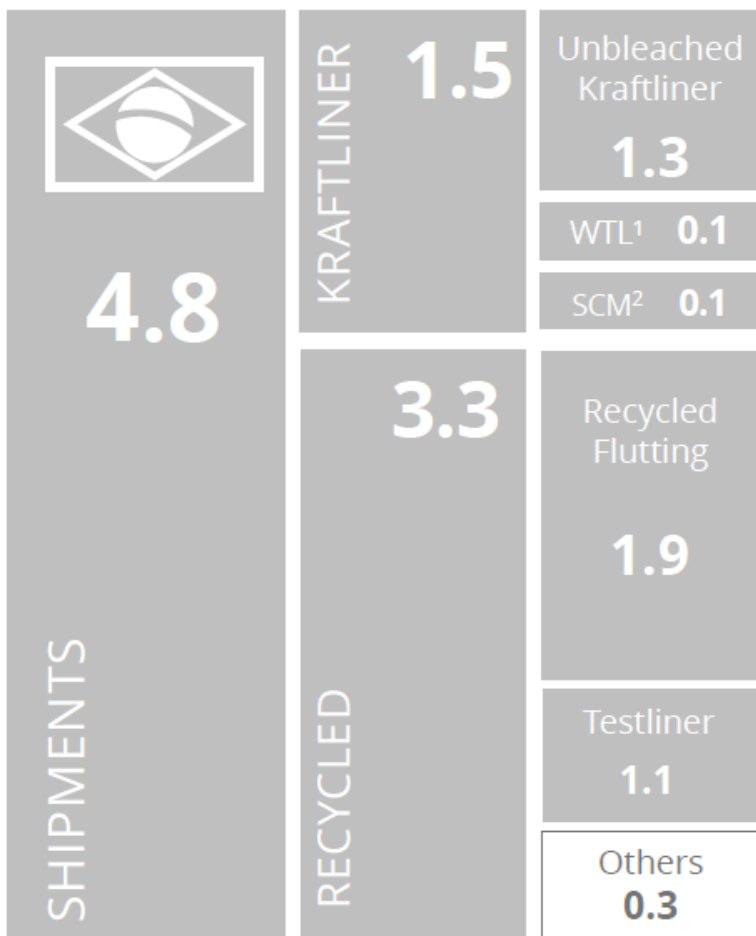


CORRUGATED BOXES MARKET

In Brazil

Paper and Fibers Breakdown

Million tonnes (2024)

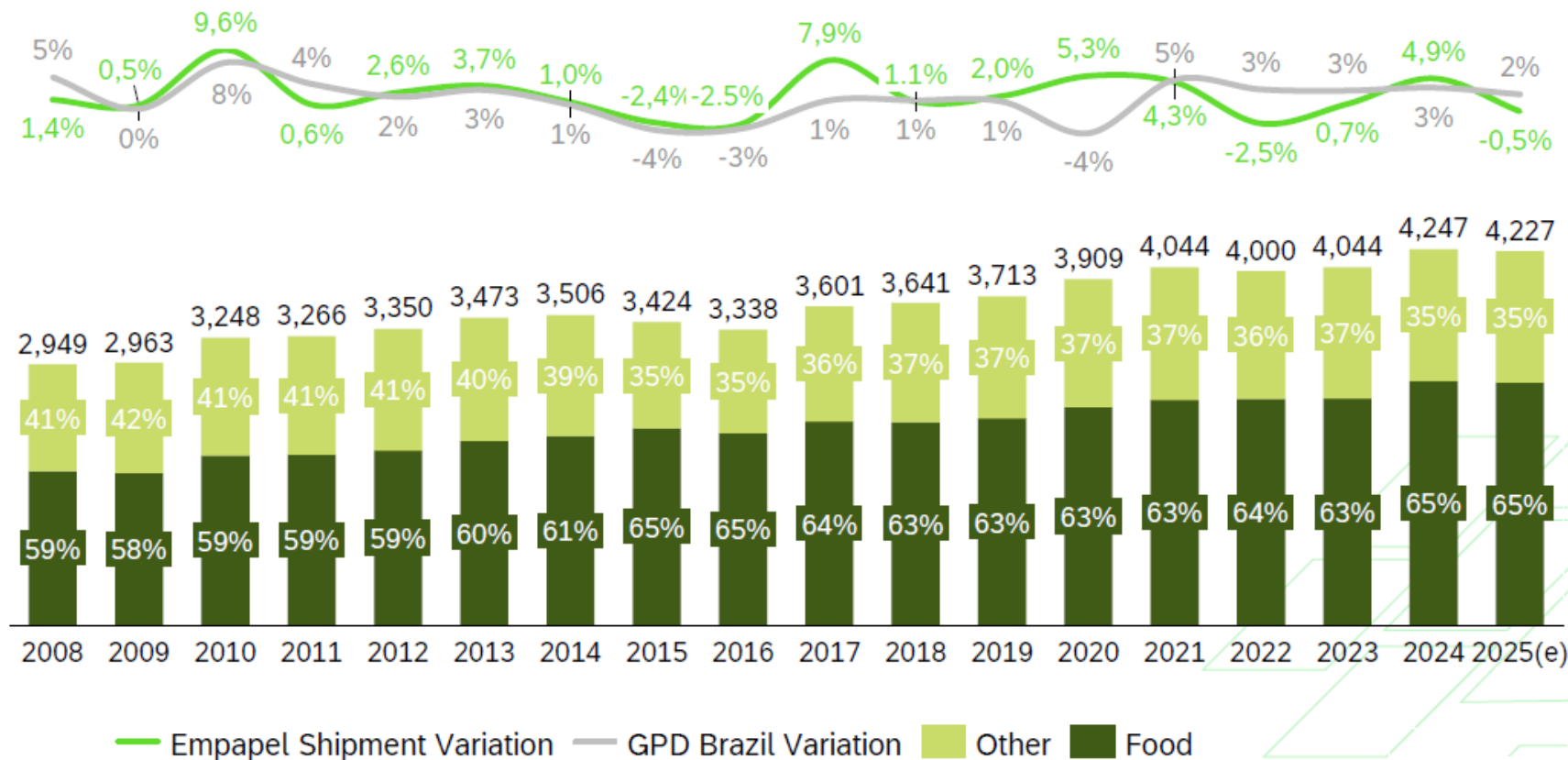


1- WTL: White Top Liner
2 - SCM: Semi-Chemical Fluting

Source: Empapel, Focus and Klabin estimates

Corrugated Boxes Shipments and Growth

Thousand tonnes and Var. %



INNOVATIONS IN SUSTAINABLE PACKAGING

Corrugated boxes: raw material is biodegradable, recyclable and comes from renewable sources

E-commerce

Fan-fold:

Supply of corrugated sheets for box on demand manufacturing



e-Klabin:

Multi-client solutions



Delivery

Drone packaging:

Cover + bottom packaging concept to be transported via drone



Design and Aesthetic



Digital Print:

entering high-end markets

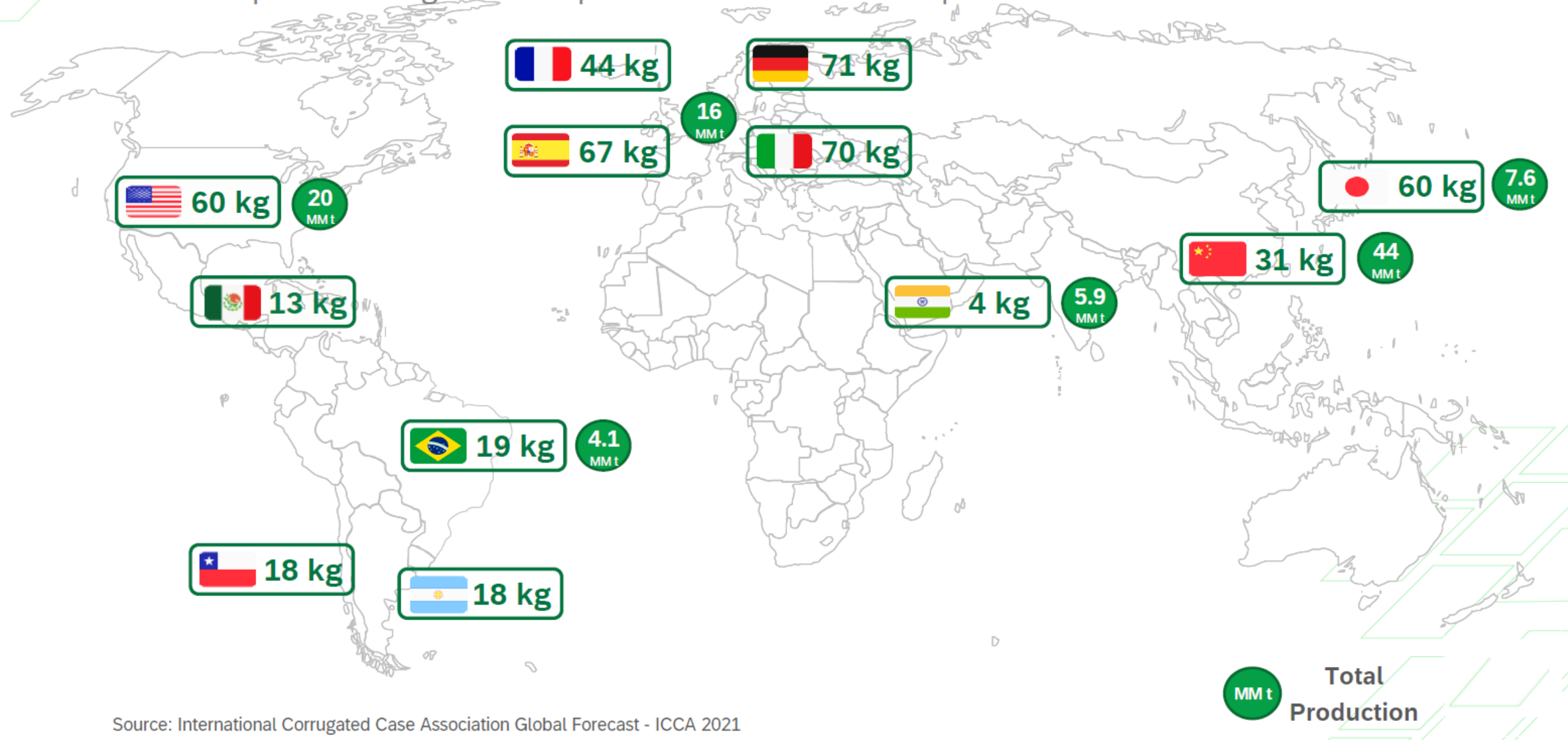
Accessibility:

application of Braille in animal feed packaging



PER CAPITA CONSUMPTION

Brazil shows potential for growth compared to other more developed



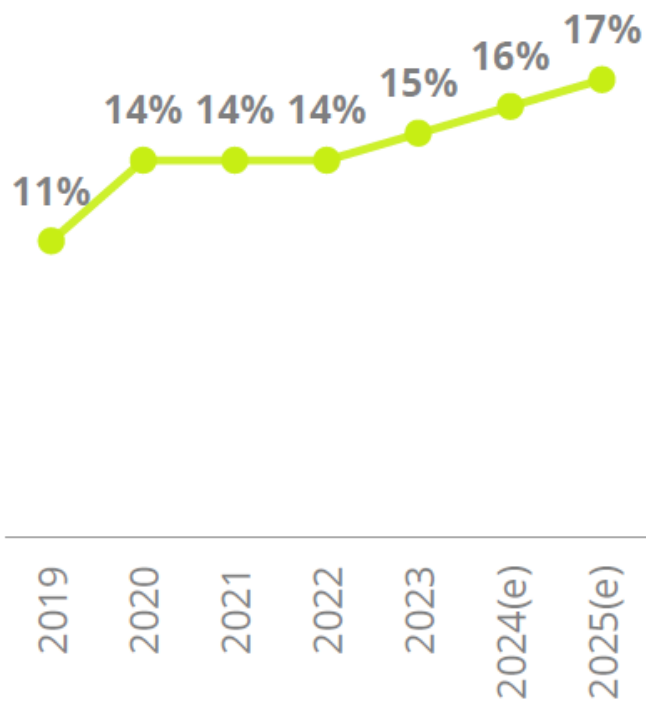
Source: International Corrugated Case Association Global Forecast - ICCA 2021

E-COMMERCE WORLDWIDE AND SHARE OF TOTAL RETAIL

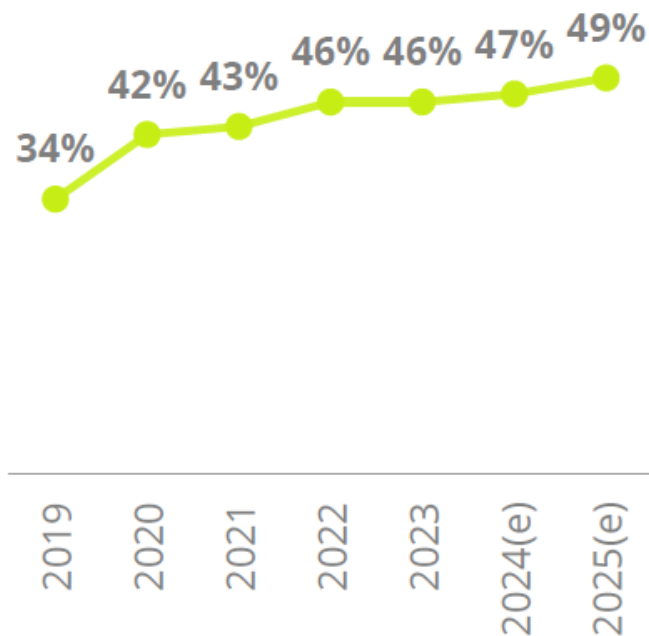
It shows steady growth in all regions of the world



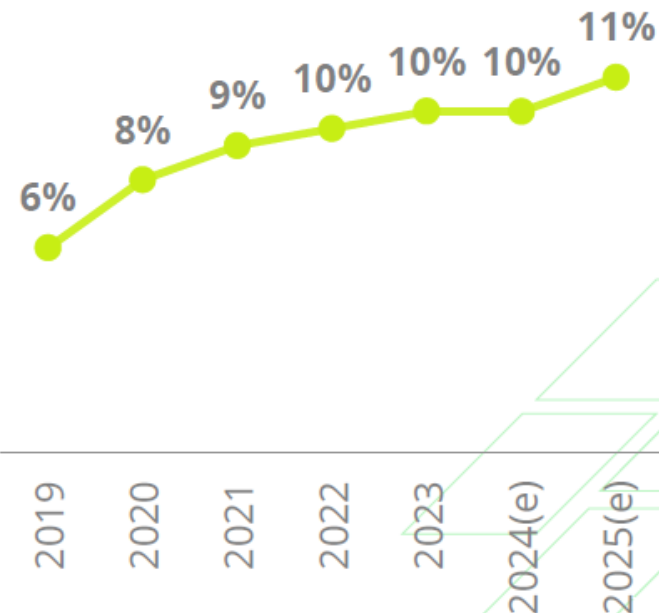
USA CAGR 7.5%
(2019-2025)



China CAGR 6.3%
(2019-2025)



Brazil CAGR 10.6%
(2019-2025)



Source: US and China: e-marketer | Brazil: ABCComm

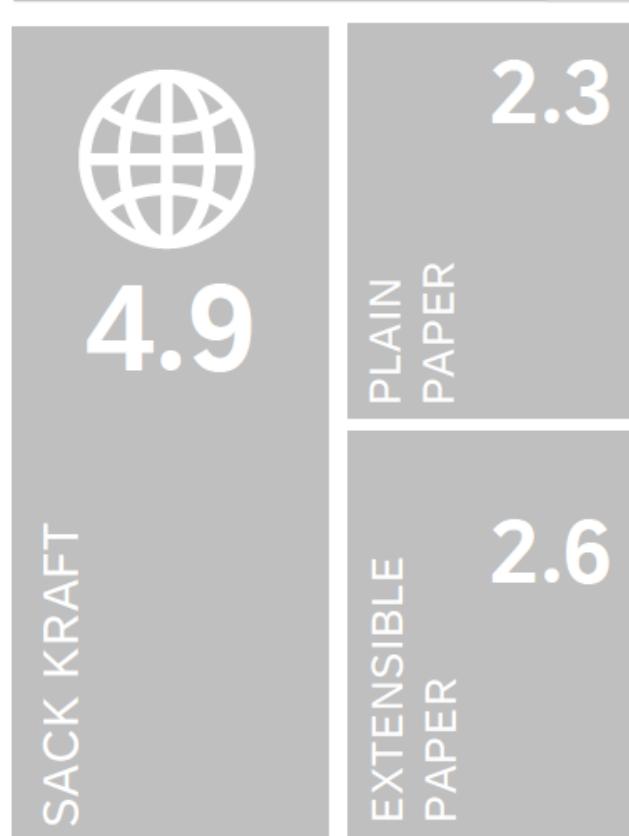
—●— Retail share

INDUSTRIAL BAGS MARKET

Growing Markets

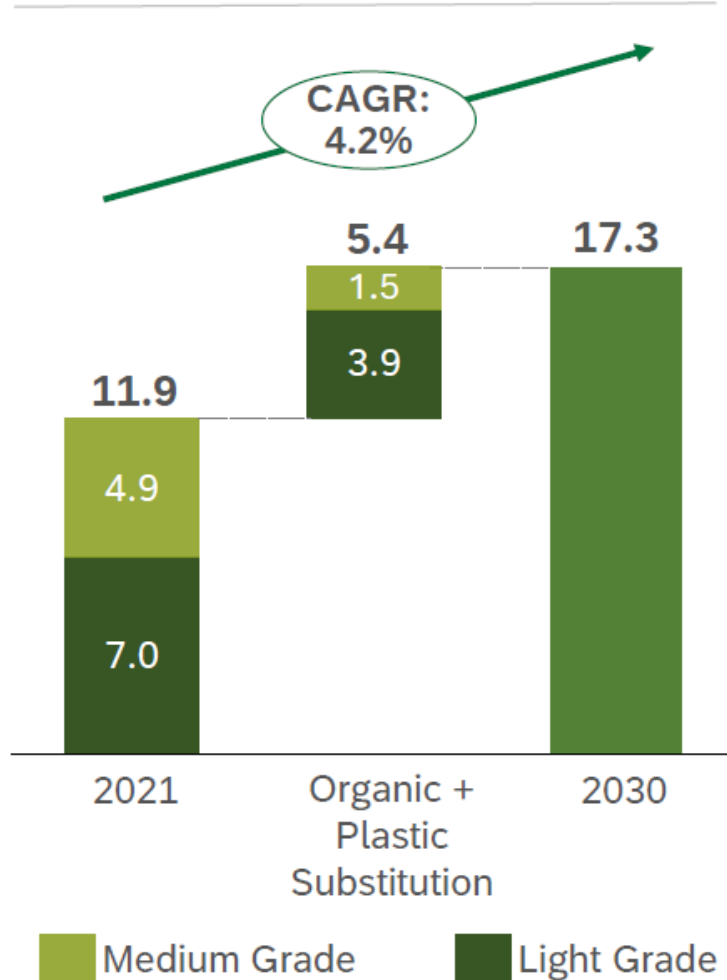
Paper and Fibers Breakdown

Million tonnes (2021)



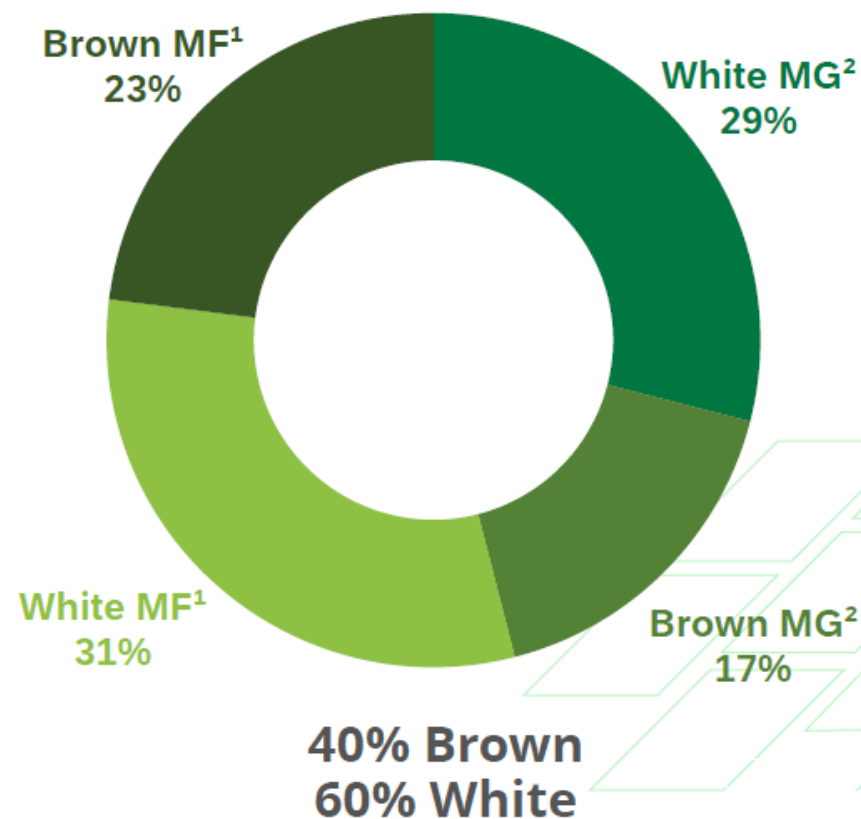
Sack Kraft Worldwide Demand

Million tonnes per year



Demand for Light Grade Sack Kraft by Type

2021



1 - Machine Finished
2 - Machine Glazed

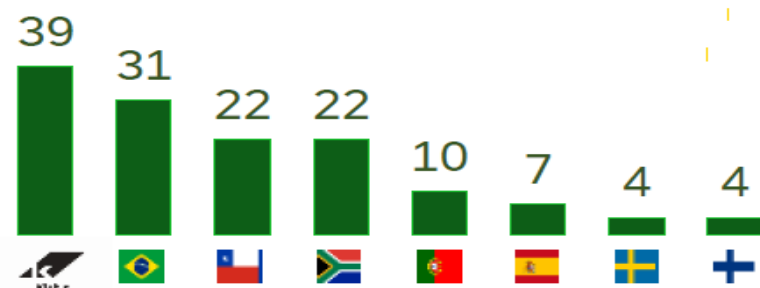
FORESTRY COMPETITIVENESS

High productivity in fibers

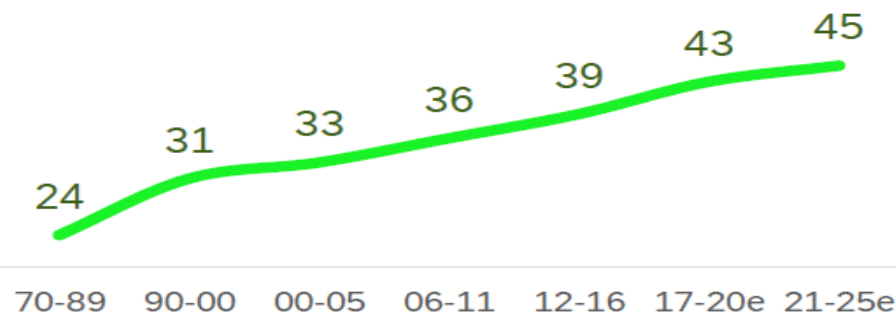
PINE

Forest Productivity⁴

m³/ha/year



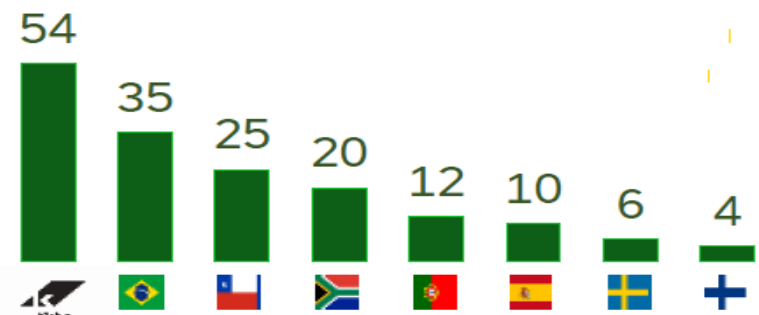
Mean Annual Increment (MAI) - Klabin³



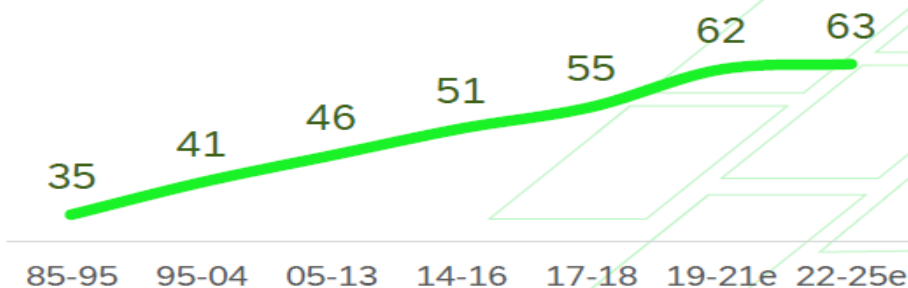
EUCALYPTUS

Forest Productivity⁴

m³/ha/year



Mean Annual Increment (MAI) - Klabin³



1 – Reference date: 2025

2 - 49 thousand hectares for operating areas and other uses. Reference date: 2025

3 - Average hauling distance refers to own wood. Reference Date: December 2018

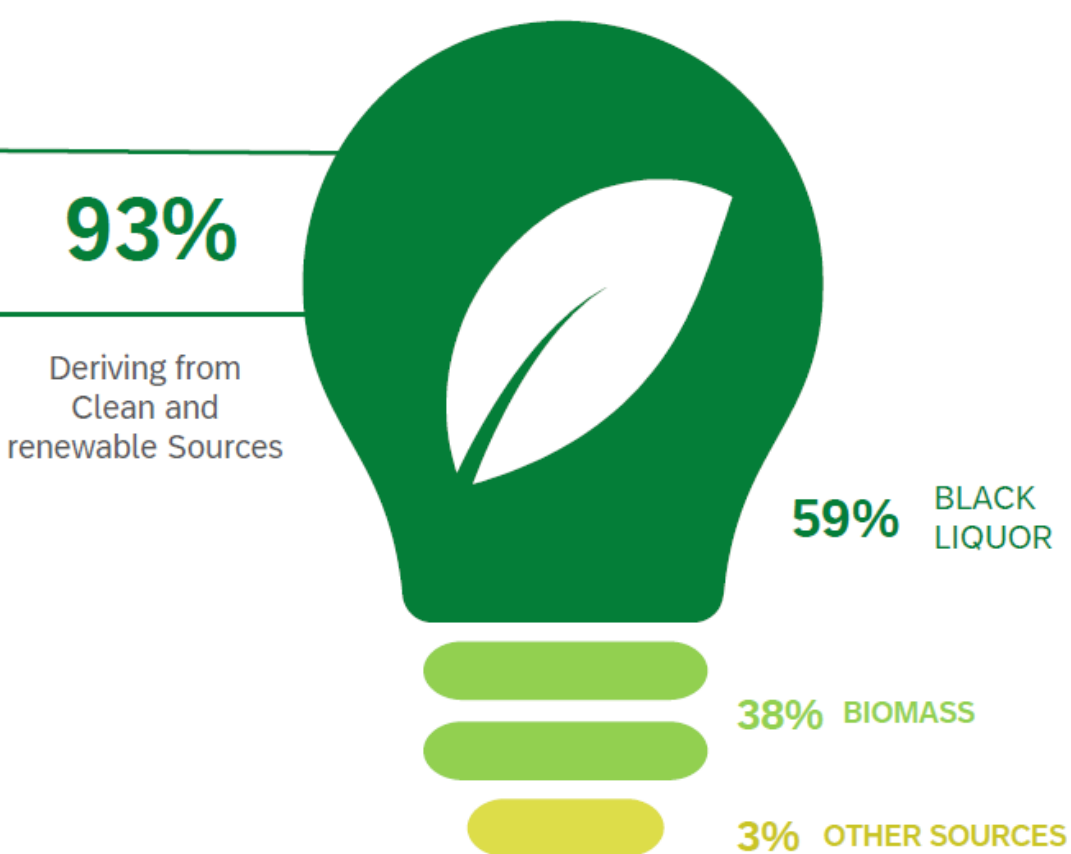
4 - Productivity reference date 2018

Source: Ibá and Klabin

IMPACTS

Low environmental impact with renewable and clean energy sources

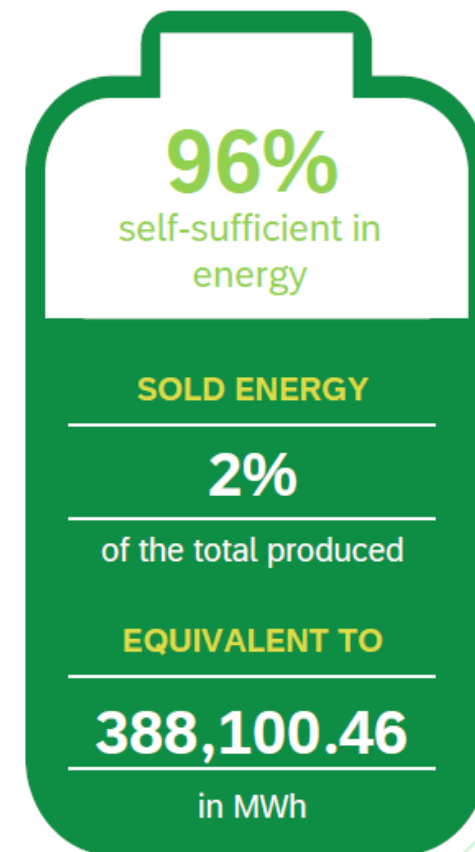
ENERGY



ISO 50001

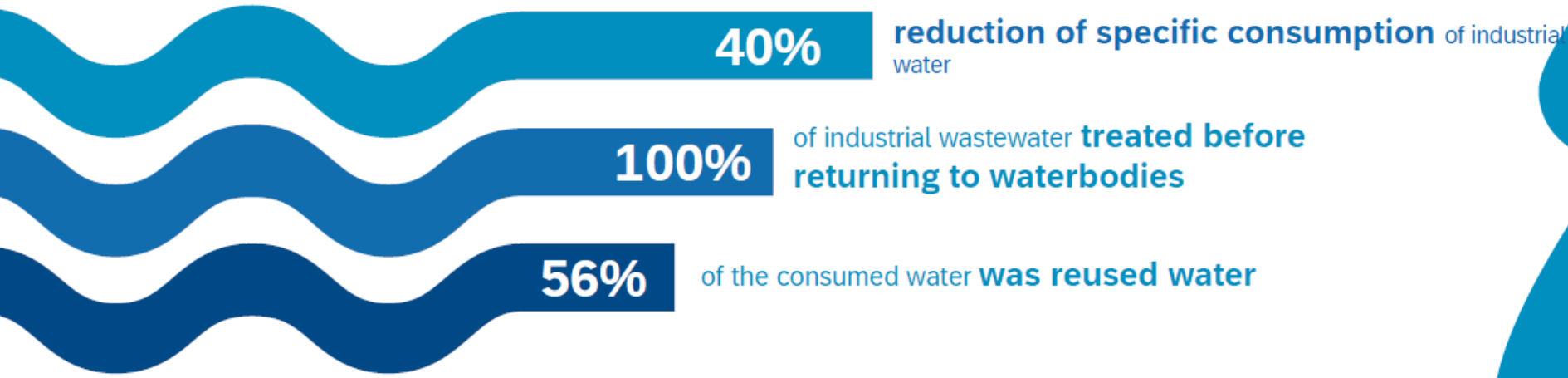
Total energy consumed, in MWh

2019	21.071.096,02
2020	18.963.975,38
2021	20.033.611,88
2022	21.285.034,49
2023	21.450.860,79
2024	23.743.806,74



Conscious Use

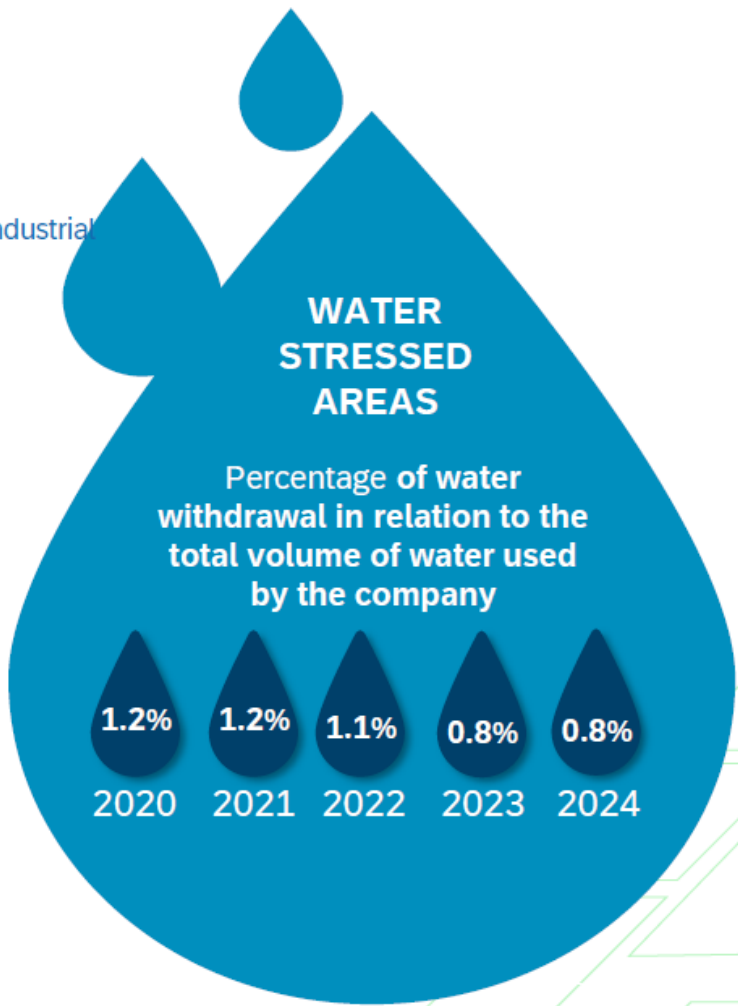
WATER RESOURCES AND EFFLUENT



SOLID WASTE



99.4% Reuse and recycling of solid waste in 2024





THANK YOU !

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