



RESPONSE NOTICE

With more than 52 years of history, Grupo Indusparquet has sustainability in its DNA. Present both in the country and internationally, with relationships in over 40 countries and with 600 employees, for five decades the company balances economic and environmental development and innovation as regards the environment. The company is respected and admired by its employees, clients, partners and suppliers for its best practices.

It has held the most recognized green seal in the world, the FSC (Forest Stewardship Council), since 2001. The company is frequently audited and inspected by both national and international agencies. Between 2015 and 2020, it underwent frequent audits carried out by American company Benchmark; and no misconduct was pointed.

With that, and considering our history, we condemn all accusations set forth in the document sent. With the certainty that we operate guided by ethics and concern with our ecosystem, we highlight:

Regarding the Lawsuit in Parana

The case mentioned occurred in 2016, when Indusparquet broadly disclosed to the entire domestic market that it was seeking Bracatinga (Mimosa scrabella).

The outlet omits the fact that Mr. Baggio was cleared both in trial court and court of appeals for the criminal lawsuit, and at the court of appeals the ruling of the first instance was fully confirmed by a collegiate decision.

The recordings mentioned simply confirm a regular negotiation, with common language and tone, where prices, measures and sales commissions are discussed.

At no point Mr. Aleixo identified himself as a public servant. Mr. Faria and Mr. Baggio only became aware of his position after the 2018 notification. This fact was validated during the lawsuit.

It is important to note that we reject the insinuation that the Judge had dismissed the case due to certain proximity with Mr. Baggio (non-existing) and an alleged promise from a company from the judge's home town. Such insinuation is absurd and criminal, as it attributes a criminal fact to a bench member of the Brazilian Judiciary.

We stress that the acquittal in the criminal lawsuit, initially and correctly pronounced by the Judge of the Trial Court, was fully confirmed by the collegiate ruling passed by the Court of Justice of the State of Parana.

Regarding the Lawsuit in São Paulo:

The case does not have direct connection with Operation Patio, but with alleged punctual data insertion on IBAMA's database occurred between 2014 and 2015.

In what related to Indusparquet, it is important to note that the lawsuit does not involve environmental damage or illegal origin of timber, but mere questions on administrative information provided to IBAMA, and (ii) has no grounds and there is no evidence of illegal operation, which was recognized by the judiciary's first and second instances, that denied preliminary injunctions for asset blocking or any kind of restriction on Indusparquet's legal activities.

The federal prosecutor, in sum, dragged several companies to a lawsuit arguing indemnification to the State for alleged favors received from an IBAMA employee. The companies and the facts have no relation between them.

As the companies and facts have no relation between them and the lawsuit has several defects, the judge determined that the prosecutor chooses which companies and facts to involve in the lawsuit; (ii) useless information be removed from the lawsuit, as the documents were not well organized or were related to the facts; and no measures of asset blocking should be determined as there was no justification. The decision was confirmed by superior courts.

Indusparquet presented its defense proving that it has not received any benefits from State employees or from alleged operations with IBAMA; the data inserted on IBAMA's database was true and rightful; and it had no illegal relationship with IBAMA's employees. The case is awaiting judgment.

We also note that Grupo Indusparquet has strict policies for the selection of suppliers and document collection and has been dedicated to enhancing the supplier assessment mechanisms over the past few years, adopting measures such as:

- Implementing the Compliance department to manage and map risks;
- Hiring DoubleHealix, considering one of the most specialized companies in the USA in wood traceability and mapping of supply chain, for risk assessment audit;
- Using 11Foundry and its tool FiberTrace™ to manage and assess risks, increasing the transparency for all stakeholders;

We once again invite you to visit our corporate headquarters in Tiete, Sao Paulo, or our Masterpiso unit in Curitiba, Parana. In addition to visiting our offices, you may visit our suppliers and farms, with full access to see the company's work.

We are always open to our clients, partners and journalists. Since 2015, we have the *Programa IP Portas Abertas* [IP Open Doors Program] for visits to our facilities, widely publicized in our website.

Throughout its 5 decades, Grupo Indusparquet's history has been marked by the legality of its activities and integrity of its commercial activities.

Grupo Indusparquet

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