

Compensation of Executive Officers and Directors.

The compensation practices for the board of directors, statutory board of executive officers, audit board, statutory committees, as well as audit, risk, finance and compensation committees, include the following:

Board of Directors and Audit Board

Members of the Board of Directors and Audit Board receive a fixed monthly fee and other benefits such as life insurance, medical care and pharmacy.

Statutory Board of Executive Officers

Members of the Statutory Board of Executive Officers receive a fixed monthly fee and other benefits such as life insurance, medical care, pharmacy, food vouchers, private pension plan and check-up. They also receive annually, short- and long-term variable compensation based on the company's results and individual performance, as well as FGTS (Workers' Severance Fund).

Non-Statutory Board of Executive Officers:

Members of the Non-Statutory Board of Executive Officers receive fixed monthly compensation and other rights envisaged in law, such as vacation, Christmas bonus and FGTS. Other benefits include life insurance, medical and dental care, pharmacy, meal vouchers, food vouchers, private pension plan and check-up. Apart from the above, they receive short- and long-term variable compensation based on the company's results and individual performance.

The breakdown of management compensation mentioned above is as follows:

Board of Directors

Fixed Fees: 95.2%

Benefits: 4.8%

Audit Board

Fixed Fees: 94.0%

Benefits: 6.0%

Statutory Board of Executive Officers

Fixed Compensation: 41.7%

Variable Compensation: 52.0%

Benefits: 6.3%

Non-Statutory Board of Executive Officers:

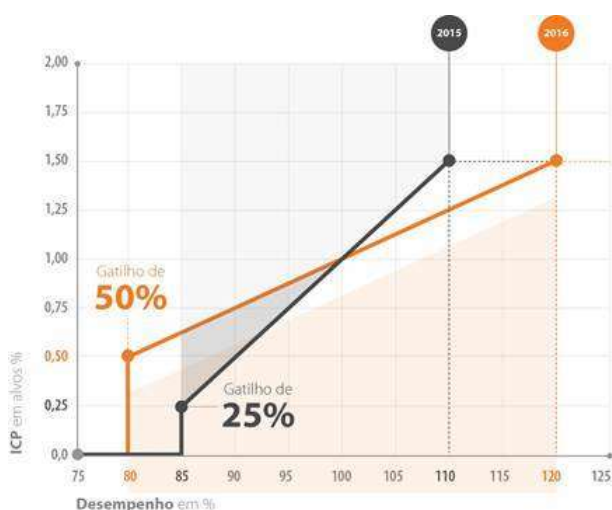
Fixed Compensation: 51.5%

Variable Compensation: 38.6%

Benefits: 9.9%

The compensation targets are updated annually according to the goals and prospects of Klabin for a period of twelve (12) months.

In 2016, the Managers Profit Sharing Program (PPRG) will be based on the result curve of EBITDA, Net Revenue, Trigger and Working Capital, indicating the new alignments in relation to 2015.



Faixa de premiação : EBITDA e Receita Líquida

- 2015** mínimo de 85%, máximo de 110%, gatilho de 25%.
- 2016** mínimo de 80%, máximo de 120%, gatilho de 50%.

As such, the new targets for executive officers and other employees of Klabin will be determined according to the following indicators.

	Corporativo	Unidade de Negócios
EBITDA Consolidado	50%	30%
EBITDA da Unidade de Negócios	-	20%
Receita Líquida Consolidada	15%	15%
Capital de Giro	10%	10%
Metas Individuais	25%	25%