

Case Study: Sustainability in the paper supply chain



Committed to halting any further destruction of the rainforest, Stora Enso is demonstrating this at one of the largest plantations in the southern hemisphere. 215.000 ha of former Brazilian rainforest is now under the control of Stora Enso, and its joint partner Aracruz through their joint venture Veracel. Plantations are established in flat areas, leaving river valleys and other areas mainly for conservation purposes.

The face of the paper supply industry is changing. Sensitive global issues such as sustainable forest management continue to challenge customers who increasingly demand conflict-free products, suitable certification and of course, a guaranteed, low-cost supply.

With extensive experience of providing advice on sustainability to companies within and associated with, the paper industry, **csrnetwork** has witnessed a global sea-change as the industry brings its corporate social responsibilities to the top of the agenda.

Stora Enso's commitment

Stora Enso is one such company which aims to ensure that its commitment to sustainability underpins

its every approach to doing business. As an integrated paper, packing and forest products company, Stora Enso produces newsprint, magazine paper, fine paper, as well as consumer board, industrial packaging and wood products. It has some 39,000 employees in more than 15 countries on three continents. With an annual production capacity of 13.1 million tonnes of paper and board, Stora Enso is one of the world's largest producers.


csrnetwork has been a "critical friend" to Stora Enso for the last four years. Within that time the corporate structure of the paper supply industry has shifted. As well as continued investment in traditional European, Scandinavian and Russian forests, a number of companies are now operating globally, focussing on new,

massive plantations in China, South America and throughout the southern hemisphere.

Assurance role

Stora Enso builds accountability into its operations by seeking to be transparent and engaging in dialogue with its stakeholders. Group-wide targets and clear governance are used to monitor and measure how well it performs in terms of sustainability. Every year it reports its performance on a wide range of targets, including in relation to its sourcing of pulp and fibre from forests and plantations worldwide.

csrnetwork interviews senior managers to assess governance arrangements and the link between business strategy and sustainability; we produce a



detailed review of data collection systems; we carry out web-based research of sector issues and best practice; and we visit sites around the world to test data systems, stakeholder engagement mechanisms and materiality processes.

As a result of this work, **csrnetwork** is able to assess and check the data and claims in the report. Using the AA1000AS standard, we also comment on issues relating to materiality, completeness and responsiveness.

Industry leading policy

At the other end of the supply chain, **csrnetwork**'s work with the Guardian Media Group (GMG) has provided the Group with an industry-leading paper sourcing policy. GMG is one of the UK's leading multimedia businesses, publishing two of the UK's most respected and successful newspapers, The Guardian and The Observer, as well as a portfolio of regional and local newspapers and magazines.

In its Living its Values 2007 report, GMG states, "Our ambition is to be environmentally regenerative. We will investigate how we can become carbon positive—go beyond carbon neutral and positively affect climate change. Our offices and print sites will be of the highest environmental standards and we commit to minimising waste and maximising both efficiency and recycling. Sustainability will be at the heart of our procurement processes, as we recognise that our suppliers represent a key part of our operational impact."

With **csrnetwork**'s in-depth experience in dealing with responsible sourcing issues, the new paper sourcing policy developed for GMG is based on a number of core commitments, providing confidence that the paper

for GMG publications comes from reputable sources. These commitments cover dialogue with paper suppliers, the recycled fibre content of paper; the rejection of illegally felled timber; the use of certified virgin fibre, and pollution control at paper and pulp plants.

Benchmarking standards

We used these commitments as the basis for a detailed survey of GMG's paper supply. This enabled us to benchmark the supply in terms of quantifying the recycled content and certified fibre content of the various grades of paper supplied. We also undertook a sustainability risk assessment in relation to the provenance of the fibre used to make the paper, and the standards of pollution control at the pulp and paper mills.

csrnetwork has carried out environmental reviews on GMG's two newspaper print sites in East London and Trafford Park, Manchester. Benchmarking standards of environmental management at the sites against good practice, we suggested actions GMG could take to ensure its publications are printed in accordance with company environmental policy.

"The paper and forestry products industry has a complex path ahead as pressure on them grows from consumers, pressure groups and multi-stakeholder partnerships, to further improve their global responsibilities."

"There are some difficult issues across the industry to be faced, from globally accepted certification to deforestation, from cross border dialogue, to end use expectations. Sustainable forest management is one of our most sensitive issues."

Mark Line, director, **csrnetwork**



csrnetwork

csrnetwork is a leading consultancy that helps companies do business in a responsible and sustainable way. Our mission is to make corporate social responsibility (CSR) a reality. We help organisations by providing services in seven main areas:

- benchmarking of CSR management and performance
- strategy development
- stakeholder engagement
- assurance of CSR and sustainability reports
- performance management
- communication (external and internal)
- responsible sourcing

Our high-calibre team of consultants offers a rich blend of skills in everything from CSR strategy to environmental auditing, and stakeholder dialogue to report development.

csrnetwork works with clients including Airbus, ArcelorMittal, Bacardi, Bechtel, The Co-operative Group, EDF Energy, Exxon Mobil, First Group, Holcim, HP, ProLogis, Royal Bank of Scotland, RWE, TNT, Tokyo Electric Power and Vodafone.