

Sustainability – Beyond Green

Panel Discussion

“Where Does Sustainability Lead Us?”

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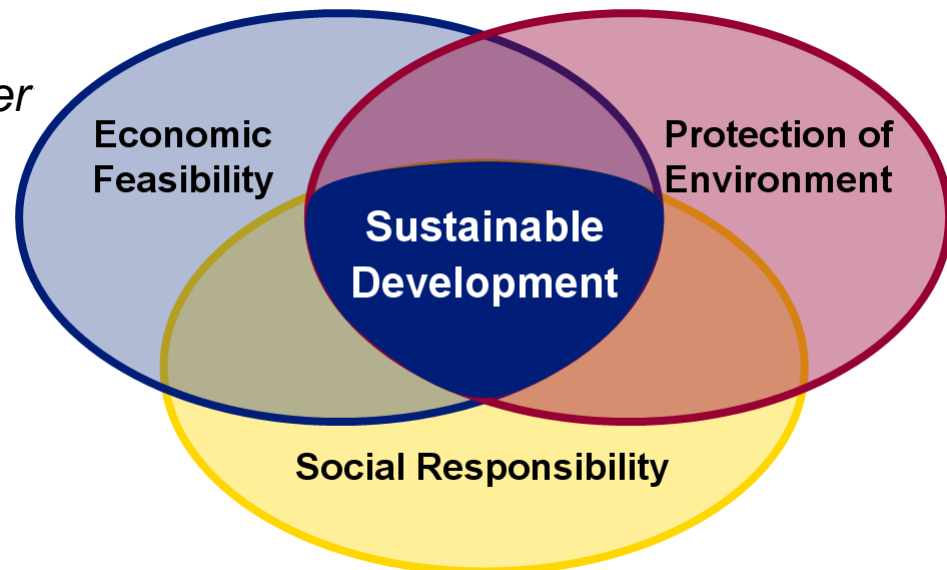
Jeff Lindsay, InnovationEdge

Rick Merdan, NewPage Corporation

William Platt, Neenah Paper

Michael von Grumbkow, Voith Paper

James Weinbauer, AECOM



“Where Does Sustainability Lead Us?”

Communication – Questions

- Does the Forest Products Sector do enough to tell its good sustainability story?
If not, what could be done and who is best to communicate the positive sustainability messages?
- Is there a growing need for product-level sustainability information?
- Does good sustainability performance make a difference to key stakeholders?

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Communication – Discussion on 4/14/2010, part 1

- The Forest Products Sector has relatively poor profile: “low” and often not positive, e.g. “tree killers”
- The Forest Products Sector is based on renewable resource and is one of the “greenest” industry sectors; leaders in biofuel; leaders in nano technology; but receives no credit from the public for it
- Paper recycling has its limits; virgin fiber supply is required
- Industry’s potential for future (see also below) needs to be part of message
- Tell the “whole story”, don’t shy away from “mistakes” like dioxins, river pollution etc.

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Communication – Discussion on 4/14/2010, part 2

- ❑ Pro-active PR activities out of the Forest Products Sector are quite rare; more and better coordinated would improve business climate; target groups would be:
 - Investors/Owners (access points are existing)
 - Government & NGOs
 - Educators at all school levels
 - Students at all school levels, e.g.
 - Field trips / create “cool” experiences for teens
 - Encourage “pro paper” viral videos
 - TV show of family where paper-related products being taken away

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Communication – Discussion on 4/14/2010, part 3

- ❑ Several initiatives for product-level sustainability information have been started by NGOs as well as some manufacturers & retailers (e.g. Walmart). The trend is likely to continue, but requires binding evaluation standards (“green accounting”) to be meaningful.
- ❑ Every product or service has some level of “footprint”. The comparison to product alternatives is important; e.g. print vs. electronic media, paper-based vs. plastic packaging.
- ❑ A good sustainability performance is important to a portion of stakeholders active in the Forest Products Sector, but is mostly seen as part of the brand image/marketing. It usually plays only a minor roll for investment decisions (so far).

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Transformation & Innovation – Questions

- ❑ What are the biggest sustainability challenges for the Forest Products Sector and what is being done to pro-actively address these challenges and improve performance?
 - Availability of wood; energy consumption
- ❑ What are the drivers to define and reduce a company's carbon footprint?
 - Customers' demand (also NGOs); government regulations
- ❑ What type of mill or corporate programs are developed to improve sustainability performance?
 - Only few P&P companies with pro-active programs

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Transformation & Innovation – Discussion on 4/14/2010

- ❑ What is the future for Forest Products Sector?
- ❑ Areas of opportunities for Forest Products Sector:
 - Hygiene - Tissue and personal care products
 - Packaging - Substitution of fossil-fuel-based plastics
 - Chemicals - Biorefinery concepts: Value-added products from wood
 - Energy - Self-sufficient mill / revenue from biofuel
 - Water - Filter media / water stewardship
- ❑ Look beyond just the mill, e.g. sustainable harvesting technology for forest owners, sustainable printing techniques & packaging solutions, sustainable logistics

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