

## **Sonae Arauco products retaining 2.1 million tonnes of CO<sub>2</sub> each year**

- **The wood used by Sonae Arauco comes from sustainably managed forests, certified forests and other controlled sources.**
- **The company sets an example in sustainable and circular bioeconomy.**
- **Sonae Arauco has associated itself with the “Portugal Chama” awareness campaign, launched by the Rural Fire Integrated Management Agency with the aim of making the Portuguese people proactive in the prevention and combat of forest fires.**

The products placed on the market every year by Sonae Arauco, one of the largest producers of wood solutions in the world, represented retention of around 2.1 million tonnes of carbon dioxide in 2018.

At a time when climate change is the order of the day, “taking full advantage of the Portuguese forests, under the framework of a sustainable and circular bioeconomy, is an extraordinary opportunity to replace an increasing number of products made from non-renewable raw materials with products made from renewable resources”, according to Rui Correia, CEO of Sonae Arauco.

He believes that, in this context, the maritime pine area should merit particular attention: “There is a worrying trend towards reduction and supply in the value chain, despite its relevance. Exports in the pine sector totalled 1.83 billion euros in 2018, representing 3.2% of all goods exported. And, in terms of job creation, the pine sector represents 54,181 direct jobs (many of these in the interior of the country)”, he added.

### **Minimum waste throughout the entire process**

For almost two decades, Sonae Arauco has integrated recycled wood in its production. Currently, the company guarantees minimum waste throughout its production process, under a strategy based on a circular economy model.

Sonae Arauco prioritises reusing, recycling and recovering over disposal in landfills. In other words, it helps, for example, to reduce the waste from a house reconstruction project, bringing life to wood that would otherwise be sent to the landfill.

“It's part of Sonae Arauco's nature to respect the environment. We are dedicated to developing wood solutions for a better life and a better planet, because we believe in the positive impact that wood can have on the quality of life”, said Nuno Calado, Wood Regulation & Sustainability Manager at Sonae Arauco.

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He explained that wood “is an indigenous, renewable, reusable and recyclable base material and is a natural substitute for many products, such as steel, oil, plastic, textiles, etc., through an infinite number of solutions for countless applications.”

Wood-based panels contribute to responsible use of forest resources: “They are an alternative to solid wood; they have a positive effect on global warming by improving energy efficiency; when used in construction, they act as carbon storage, helping to reduce carbon dioxide emissions (one cubic metre of wood stores 900 kg of CO<sub>2</sub>); and, when their useful life is over, they can be recycled and transformed into new products”, he concluded.

### **Initiatives for Forest valorisation and support**

The need to develop research activities and for innovation and the transfer or knowledge and technology aimed at increasing sustainable forest management in Portugal was at the root of the setup of the CoLAB ForestWISE, Cooperative Forest Laboratory for Integrated Forest and Fire Management, based in the University of Trás-os-Montes and Alto Douro (UTAD), which Sonae Arauco has been a partner of since its inception. In addition, with the aim of encouraging responsible forest management, the company pays a €2 bonus per tonne for FSC or PEFC certified wood.

Throughout the year, the company has been organising a number of social responsibility activities, focusing particularly on the forest areas around local communities. The first reforestation campaign took place in Oliveira do Hospital on 30 March. This involved over three hectares of an area of forest affected by the wildfires in 2017. In the last quarter, the company will be organising a similar campaign in Mangualde, thus involving the communities it is present in and that were most affected by the wildfires in 2017.

In terms of raising awareness on the prevention of rural fires, Sonae Arauco, in conjunction with other companies in the Sonae group, teamed up with the “Portugal Chama” initiative, with the aim of alerting people to the need to avoid risk behaviour, as well as increasing the perception that this cause belongs to all of us and requires a nationwide effort.