



# **Overview over Corporate Social Responsibility (CSR) reporting practices in the industry**

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## **CSR is a part of sustainable development.**

- Brundtland 1987
- Rio Summit 1992
- Three pillars of sustainability,
  - Economical,
  - Environmental
  - Social



## CSR - Corporate Social Responsibility: Definition

- Over the last two decades in OECD countries increasingly more firms are certifying as CSR
- assigned by private companies to guarantee that a certain firm's behavior is environmentally and sociologically correct
- First studies: CSR firms are more virtuous and have better long run performance
- Initial CSR costs are balanced by higher sales and profits due to:
  - reputation effect
  - reduction of long run costs
  - increased socially responsible demand

Source: Poddi and Vergalli, 2008



# The concept of CSR

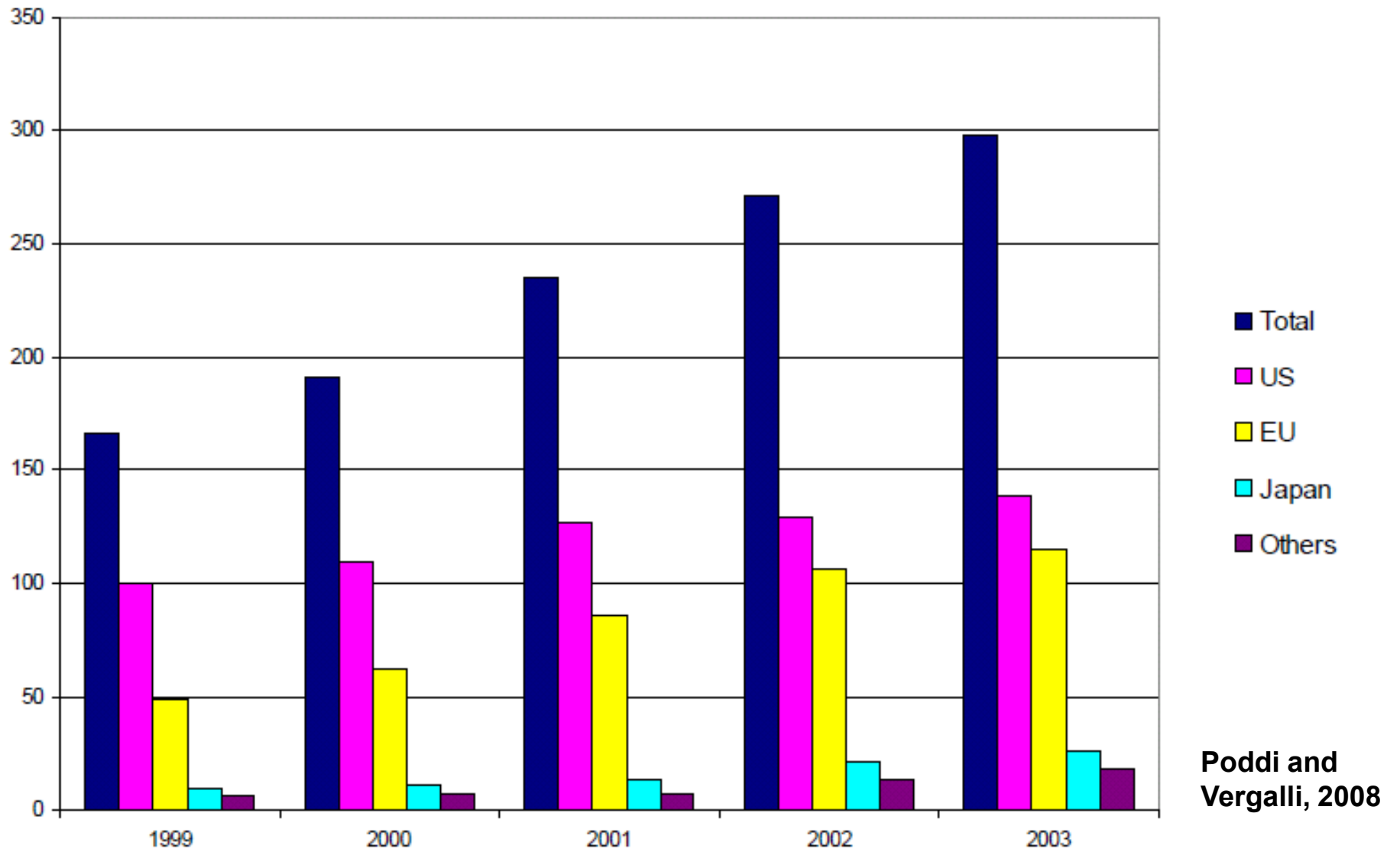
- Takes on different meanings depending on the organisation or group
  - Emphasis on individual aspects e.g., ethics, environment, safety, education or human rights

- World Business Council for Sustainable Development (WBCSD - [www.wbcsd.org](http://www.wbcsd.org)):

*“CSR is the task of a business to contribute to sustainable economic development, working together with workers, their families, the local community and society in general to improve quality of life.”*

- European Council of Lisbon (2000) included it as a fixed strategy

Figure 1: number of CSR firms



Poddi and Vergalli, 2008



## Background

- Variety of competing global standards for CSR reporting, such as:
  - Global Reporting Initiative, formed by the Coalition for Environmentally Responsible Economies (CERES) and UNEP in 1997
  - UN Global Compact, first announced by then UN Secretary-General Kofi Annan in 1999, an initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on them.

Source: Chen et Bouvain, 2009



## Background for ISO Standard

- Development of a New ISO Standard, ISO/DC 26000?
- CSR is relevant for the participants of Northern ToSIA!
- What will the impact be?
- Oops, we don't know what is in the standard, we are making guesses based on our experience from the development of environmental standards!



# The Scope

- An organization and its governance lives interdependent with
  - community and its law,
  - labour,
  - suppliers,
  - consumers,
  - organizations of human and labour rights
  - and owners.





## How will it work?

- A systematic approach.
- Transparency.
- Accountability.
- A system for Communication.
- Continuous improvement



## ...How will it work...

- Relevant aspects and impacts for the organization and stakeholders!
- Relevant approach to the organizations' size and structure!
- Pick the low hanging fruits first and improve!



## **What will the impact be for the organizations of this workshop?**

- Up to you!
- Incorporating CSR ISO to forestry standards?
- Development of safe guard objects?
- Audit and revision, transparency?



# Practical examples from Forestry CSR Reporting of today

Eg  
- Holmen





## HR targets and results, Holmen's Swedish units

	Target 2009	2008	2007	2006	2005
Human capital <sup>1)</sup>	635	-	616	-	605
Leadership index <sup>1)</sup>	60	-	56	-	54
Performance reviews, % <sup>1)</sup>	100	-	70	-	58
Accidents at work leading to sick leave/1 000 employees	10	23	18	21	23
Proportion of female managers, %	13	13	11	9	9

1) Measured alternate years. The 2009 results will be presented on Holmen's website by June 2009 at the latest.

## HR targets

For a number of years Holmen has set strategic targets for its HR activities:

- Human capital
- Leadership
- Performance review
- The number of accidents at work
- The proportion of female managers

## Working practices

Holmen's personnel policy is aimed at developing le and the employees. Activities in this area are based agreements, and internal policies.

Important issues affecting employees are co-ordinated by the HR management team. This consists of the personnel managers of the large business areas and is chaired by the Group HR director. For specific HR issues, working

**THE EQUAL OPPORTUNITIES POLICY** promotes a more equal gender distribution and an increase in the number of women in qualified positions

**THE WAGE POLICY** expresses the management's

### The HR concept

Personnel issues at Holmen are coordinated under the internationally established HR concept (Human Resources). This emphasises the direct link between personnel activities and the company's business concept.



# Practical examples from Forestry CSR Reporting of today

- Eg
- Sveaskog



## **Entreprenörer och leverantörer**

Samverkan med lokala entreprenörer och leverantörer är viktig för utvecklingen av Sveaskogs verksamhet. Vår verksamhet skapar arbetstillfällen för både egna arbetslag och entreprenörer inom avverkning och skogsskötsel samt vägarbeten. Under 2008 anlidade vi cirka 585 entreprenörsföretag inom områdena planering,

### **Naturturism**

Naturturism är en verksamhet som växer i hela landet. Den bidrar till en levande glesbygd och ökad förståelse för naturvård och biologisk mångfald. Vi bidrar till utvecklingen av naturturism bland annat

## **Kvalitetssäkring av import och export**

Sveaskog inledde under 2008 arbetet att kvalitetssäkra vår export- och importverksamhet. Tillsammans med Tullverket har en genomgång av rutiner och arbetssätt gjorts. Sveaskog är nu certifierad enligt AEO, Authorised Economic Operator, i alla tullar inom EU. AEO är ett sätt att skapa säkra och smidiga varuflöden till och från EU genom att modernisera, effektivisera och harmonisera tullhanteringen.





# Practical examples from Forestry CSR Reporting of today

Eg

- Metsäliitto





## Changes in Metsäliitto Group's human resources management

Metsäliitto Group's profitability improvement programmes and structural changes affected personnel in many ways during the year. While the number of personnel decreased significantly, investments were made to improve personnel well-being, operating practices and well-being at work.

PERSONNEL BY BUSINESS AREA  
31 DEC 2007



Wood Supply	1 429	7.1%
Wood Products Industry	4 471	22.2%
Pulp (63% of Metsä-Botnia)	987	4.9%
Board and Paper (M-real, excluding the company's share of Metsä-Botnia)	8 949	44.6%
Tissue and Cooking Papers (Metsä Tissue)	3 308	16.6%
Others	961	4.8%
<b>Total</b>	<b>20 106</b>	

Occupational safety and well-being at work	Sickness absenteeism (%)**	Lost time accident freq (per million worked)
Metsäliitto Group*	4.5	22.5
Wood Supply	2.4	6.3
Wood Products Industry	3.9	45.9
Pulp Industry	5.6	14.9
Board and Paper	4.6	17.3
Tissue and Cooking papers	5.5	14.2

\*) The figures include 96% of Metsäliitto Group's personnel

\*\*) Per cent of regular working hours



**Thank you for your attention**

