Focus on Suzano

COMPANY OVERVIEW
Headquartered in Brazil, Suzano is one of the largest vertically integrated producers of eucalyptus pulp and paper in Latin America and, since its approximately 10 billion USD merger with Fibria in 2019, is the world’s largest wood pulp producer.

Suzano’s climate and nature efforts are inextricably linked and work in tandem to support the company’s environmental targets. The company’s efforts to improve forest management and actively engage in natural forest conservation promote biodiversity and the protection of ecosystem services while also reducing the company’s operational carbon footprint. These actions are further bolstered by the company’s comprehensive stakeholder engagement strategy, which has empowered communities throughout Brazil to take ownership of local conservation efforts and Suzano’s effort to reduce carbon emissions.

Why climate and nature?
Suzano has long recognised its dependence on natural cycles and local community relationships. The company’s field labs have tracked micro-climate data for over two decades, providing first-hand insights on how climate change is affecting company productivity. Suzano also recognises the threats of water scarcity and reduced biodiversity, and has committed to planting its eucalyptus trees in mosaic formations, interspersed with native forest, to protect waterways, provide natural pest control and create wildlife corridors.

SUSTAINABILITY JOURNEY

| Started in 2001 | Suzano launches the Rural Land Development Program (PDRT) - today recognised by the UN as one of the largest private restoration programs in the world. |
| 2001–2018 | Suzano continues to invest in restoration and conservation. As part of these efforts, the company empowers local families to adopt sustainable agriculture practices. |
| Started in 2019 | Suzano undertakes a systemic, top-down analysis of its social, environmental, financial and governance performance. This leads to the creation of a comprehensive Indicators Center tracking ESG performance across 430 metrics. Concurrently, Suzano’s leaders speak to over 150 stakeholders and over 700 employees to develop a bottom-up view of its performance. |
| Started in 2020 | Using information from the Indicators Center and stakeholder and employee conversations, Suzano releases 13 long-term, SDG-aligned goals for 2030. |
| Started in 2021 | Suzano announces a 14th Long-Term Goal related to biodiversity, developed in partnership with the Ecofuturo Institute and informed by engagement with over 40 institutions in Brazil and abroad. |

KEY ACTIVITIES AND ACHIEVEMENTS
In addition to PDRT’s success in Brazil, Suzano has found success in more localised efforts, which promotes conservation by enabling families to adopt sustainable agriculture and restoration practices. The company has also emerged as a sustainability leader within the national and international finance communities. These efforts are made possible through strategic partnerships, comprehensive data collection and the promotion of public policy to stimulate a restoration chain within designated regions.

• One localised effort, the Mucuri Springs Project, has engaged over 6,700 people since 2017.
• In 2020, Suzano became the second company in the world to issue a Sustainability-Linked Bond connected to emissions reduction. Today, green financing encompasses 39% of Suzano’s debt issuance.
• The company is included in the Dow Jones Sustainability Emerging Markets Index and the Corporate Sustainability Index of Brazil’s Stock Exchange, and is among the top 15 companies worldwide in the Globescan/SustainAbility Leaders Survey.
• Suzano is among the top 15 companies worldwide in the Globescan/SustainAbility Leaders Survey.
ENABLERS

COMMUNITY EMPOWERMENT
Suzano supports communities through not just philanthropic giving, but more importantly through enabling positive change. Initiatives like the Mucuri Springs project promote environmental education and help communities create a culture of preservation.

NGO AND PRIVATE PARTNERSHIPS
In 2020, for example, Suzano, WWF and Procter & Gamble joined forces to tackle certain areas in the state of Espírito Santo vulnerable to deforestation and reduced water availability. This project is part of a wider program to scale partnership collaborations that create more resilient territories and communities.

Key Takeaways

“We talk about the good, as well as the not-so-good.”
Suzano is still working to educate its stakeholders about the long road of improving sustainability. By sharing its approaches, including those that didn’t work, Suzano gets valuable feedback in dialogue with investors, local communities and other stakeholders.

“As a society, we should understand how we can better connect with the land through a regenerative lens — both environmentally and socially.”
While the word ‘conservation’ implies maintenance, there are actions companies can take to improve land and support ecosystem services on a larger scale. A no-deforestation commitment is the basis for Suzano’s actions, but the company understands that it creates the most value when it goes above and beyond, engaging local communities and addressing their needs.

“We can’t wait for perfect information to act.”
By promptly and openly communicating science-informed changes in environmental policy, Suzano reinforces that sustainability is a journey — organisations should act now, but be open to course correction as new information arises.

Spotlight on: Culture as a driver of transformation
After the merger, Suzano prioritised defining the core tenets of its culture: to inspire and transform, to create shared value, and to embrace the business benefits of social responsibility. Setting strategies that follow these values enables the organisation to prioritise environmental and social sustainability.

Spotlight on: incentivising sustainability
As of 2020, climate change targets are amongst the long-term goals linked to the variable pay of C-suite directors. In 2021, Suzano is working to cascade these goals across the organisational structure, and to integrate a similar incentive model for biodiversity targets.

CHALLENGES AND OPPORTUNITIES

DATA AVAILABILITY AND TRANSPARENCY
Although performance indicators related to GHG emissions are well-established at the organisation level, the challenge remains to internalise these metrics so that operational areas can take ownership of data collection and analysis, and understand their roles in achieving the 2030 goals. In 2020, a 170-person team within Suzano worked on a data collection system to streamline the company’s emissions calculations.

MANAGING CHANGES IN STRATEGY
In 2020, Suzano started to significantly revise its carbon sequestration model to reflect new data on the carbon capture abilities of its pine forests’ soils. Once these changes are finalised, the company has committed to communicating them proactively and transparently to ensure a shared understanding.

PRODUCED IN PARTNERSHIP WITH THE FOLLOWING ORGANISATIONS