

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Slovenská Grafia is the original name of the company dating from 1921 and is the oldest original printing works in Slovakia. In 1935, the first color publication made for Matica slovenská emerged from its printing-machines. In 1936 rotogravure equipment was installed, and two years later, an offset equipment. The tradition of rotary printing dates back to 1956, when the first rotogravure printers and offset rotary presses were installed and the production of color picture magazines started. In 1971, the current factory in Bratislava - Krasňany was built. From 1997, a technology for the preparation of a form in rotogravure without film was introduced - CTG and from 2002, the same was done for offset - CTP. In 2012, after 55 years, the rotogravure production was finished. The majority shareholder of Slovenská Grafia is the Grafobal Group, the most important Slovak business group working in the area of packaging, printing, distribution and media.

We have the state-of-the-art equipment in all production stages available, from the order placement by means of and web interface InSite, through the workflow Kodak Prinergy Connect, the state-of-the-art proof on the monitor on each printing press, automatic color control in the printing presses up to the elements of automation and robot utilization by the production machines in the printing as well as finishing. For the manufacture of printing molds, CTP technology is used, which ensure a top reproduction quality. The immediate hourly capacity of 12 million A4 per hour ranks us among the best printing houses in Europe. In 2018 we expanded our printing capacity by installing a new rotation offset printing press.

We know and define the needs of our clients and guarantee high-quality service with high added value. Our aim is to offer complex service to the clients and to fulfill demanding market requirements on quality and professional engagement. In this way, we have gained a firm place in European printing and integrated ourselves in to the strong international community of renowned publishing houses and influential printers, whether through direct customers or through partnerships.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1 2020	December 31 2020

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

EUR

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Manufacturing	<Not Applicable>
Palm oil	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Cattle products	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Soy	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Rubber	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Cocoa	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Coffee	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>

F0.5

(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

No

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Using as input into product manufacturing
Distributing/packaging

Form of commodity

Paper
Primary packaging
Secondary packaging
Tertiary packaging

Source

Multiple contracted producers
Trader/broker/commodity market

Country/Area of origin

Austria
Finland
Germany
Hungary
Netherlands
Norway
Slovakia
Sweden
Switzerland

% of procurement spend

81-90%

Comment

Our procurement spend for paper is %, for packaging material (pallets, packaging paper) % of total procurement spend.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption data.

Forest risk commodity

Timber products

Data type

Consumption data

Volume

82010.99

Metric

Metric tons

Data coverage

Full commodity production/consumption

Please explain

<Not Applicable>

F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

100

Please explain

There was no timber products originated from forest risk countries consumed in 2020 by our company.

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on

your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased severity of extreme weather events

Primary potential impact

Change in revenue mix and sources

Company-specific description

Increased severity of extreme weather can cause damage of large areas of forests (strong winds - tornadoes, hurricanes, strong thunderstorms). It can cause a scarcity of timber and timber products few years after. Consequently the price of timber and timber products will rise.

Timeframe

4-6 years

Magnitude of potential impact

High

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

2500000

Potential financial impact figure - maximum (currency)

4500000

Explanation of financial

Calculation is reflecting potential rise of a price of paper from 5 - 10 %.

Primary response to risk

Supplier diversification

Description of response

To become more independent and flexible we will diversify our suppliers. As a result we will lower the risk of inaccessibility of paper on a local market.

Cost of response

25000

Explanation of cost of response

One more procurement officer will be needed to communicate with our suppliers.

Forest risk commodity

Timber products

Type of risk

Physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Changes in precipitation patterns

Primary potential impact

Change in revenue mix and sources

Company-specific description

Changes of precipitation patterns would reduce an area of forests globally. It can cause a scarcity of timber and timber products. Consequently the price of timber and timber products will rise.

Timeframe

>6 years

Magnitude of potential impact

High

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

2500000

Potential financial impact figure - maximum (currency)

4500000

Explanation of financial

Calculation is reflecting potential rise of a price of paper from 5 - 10 %.

Primary response to risk

Supplier diversification

Description of response

To become more independent and flexible we will diversify our suppliers. As a result we will lower the risk of inaccessibility of paper on a local market.

Cost of response

25000

Explanation of cost of response

One more procurement officer will be needed to communicate with our suppliers.

Forest risk commodity

Timber products

Type of risk

Physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Forest fires

Primary potential impact

Change in revenue mix and sources

Company-specific description

Big forest fires as a consequence of lower amount of precipitation would reduce an area of forests globally. It can cause a scarcity of timber and timber products all over the world. Consequently the price of timber and timber products will rise.

Timeframe

1-3 years

Magnitude of potential impact

High

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

2500000

Potential financial impact figure - maximum (currency)

4500000

Explanation of financial

Calculation is reflecting potential rise of a price of paper from 5 - 10 %.

Primary response to risk

Supplier diversification

Description of response

To become more independent and flexible we will diversify our suppliers. As a result we will lower the risk of inaccessibility of paper on a local market.

Cost of response

25000

Explanation of cost of response

One more procurement officer will be needed to communicate with our suppliers.

Forest risk commodity

Timber products

Type of risk

Regulatory

Geographical scale

Country

Where in your value chain does the risk driver occur?

Direct operation

Primary risk driver

Changes to national legislation

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

Changes to national legislation could rise our total spend due to potentially higher paper recycling fees. According to the national legislation every producer or manufacturer of paper is obliged to pay for paper recycling proportionally to its amount of paper products placed on the market per year.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

10000

Potential financial impact figure - maximum (currency)

50000

Explanation of financial

Potential impact is hypothetical. It will depend on particular rate of recycling fees.

Primary response to risk

Engagement in multi-stakeholder initiatives

Description of response

With engagement in multi-stakeholder initiatives there is a bigger chance to influence the national government and thus stop rising recycling fees.

Cost of response

5000

Explanation of cost of response

Fees for membership. Other spends.

Forest risk commodity

Timber products

Type of risk

Regulatory

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Primary risk driver

Changes to international law and bilateral agreements

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

Changes to international legislation could rise our total spend due to potentially higher paper recycling fees. Latest higher emphasis on circular economy in EU could cause requirement of higher paper recycling. This duty could be delegated to producers or manufacturers of paper and cause a higher spend.

Timeframe

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

10000

Potential financial impact figure - maximum (currency)

50000

Explanation of financial

Potential impact is hypothetical. It will depend on particular rate of recycling fees.

Primary response to risk

Engagement in multi-stakeholder initiatives

Description of response

With engagement in multi-stakeholder initiatives there is a bigger chance to influence the national or international (European) institutions and thus stop rising recycling fees.

Cost of response

5000

Explanation of cost of response

Fees for membership. Other spends.

Forest risk commodity

Timber products

Type of risk

Regulatory

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Poor enforcement of regulation

Primary potential impact

Change in revenue mix and sources

Company-specific description

Poor enforcement of regulation could cause higher rate of illegal timber logging globally. This can cause lack of timber and timber products all over the world few years after. Consequently the price of timber and timber products would rise.

Timeframe

>6 years

Magnitude of potential impact

Medium-high

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

2500000

Potential financial impact figure - maximum (currency)

4500000

Explanation of financial

Calculation is reflecting potential rise of a price of paper from 5 - 10 %.

Primary response to risk

Engagement in multi-stakeholder initiatives

Description of response

With engagement in multi-stakeholder initiatives there is a bigger chance to influence both national and international institutions and thus stop illegal timber logging.

Cost of response

8000

Explanation of cost of response

Fees for membership. Other spends.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Primary risk driver

Shifts in consumer preference

Primary potential impact

Reduced demand for products and services

Company-specific description

There is a global trend of digitization. As a result still more people is leaving classical printed media (journals, catalogs) and start prefer digital media (PC, tablets, smartphones). Moreover young people are already not using printed media at all.

Timeframe

>6 years

Magnitude of potential impact

High

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

1000000

Potential financial impact figure - maximum (currency)

10000000

Explanation of financial

Potential impact is calculating with 30% to 50% drop of using paper printing products in 10 years.

Primary response to risk

Marketing campaign(s)

Description of response

The only way is to persuade people to buy or use printed media. Especially we will argue with strong compliance with environmental requirements and very low negative impact of our operation on environment.

Cost of response

90000

Explanation of cost of response

Cooperation with marketing companies.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Supply chain

Primary risk driver

Increased cost of certified sustainable material

Primary potential impact

Increased production costs

Company-specific description

Proportion of certified paper from sustainable sources was 23 % of all paper material we used in 2020 in our company. If the percentage of manufactured sustainable paper was over 50% of all paper used it would increase production cost of products made of the certified paper.

Timeframe

1-3 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

100000

Potential financial impact figure - maximum (currency)

500000

Explanation of financial

In average the cost of certified paper from sustainable sources is more expensive than non certified paper.

Primary response to risk

Engagement with suppliers

Description of response

We would like to engage with suppliers of certified graphic paper from sustainable sources and packaging material and find the reasons of higher costs. We would look together with suppliers for some solutions to drop down the costs.

Cost of response

5000

Explanation of cost of response

Business trips

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Supply chain

Primary risk driver

Increased commodity prices

Primary potential impact

Increased production costs

Company-specific description

Proportion of procurement spend of paper material was 83% in 2020 . This would fundamentally increase production cost of our products.

Timeframe

1-3 years

Magnitude of potential impact

High

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

1000000

Potential financial impact figure - maximum (currency)

10000000

Explanation of financial

Estimation is based on a rise of cost of paper by 2,5 - 10%.

Primary response to risk

Engagement with suppliers

Description of response

We would like to engage with suppliers of graphic paper and packaging material and find the reasons of higher costs. We would look together with suppliers for some solutions to drop down the costs.

Cost of response

10000

Explanation of cost of response

Business trips

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Country

Where in your value chain does the risk driver occur?

Direct operation

Primary risk driver

Exposure to sanctions and litigation

Primary potential impact

Brand damage

Company-specific description

We are not aware of any potential sanction or litigation now. Anyway it could make us a lot of problems especially damage of our brand and of our public reputation.

Timeframe

Unknown

Magnitude of potential impact

High

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

It is difficult to estimate a financial impact of any sanction or litigation or financial impact of any coherent consequences.

Primary response to risk

Greater compliance with regulatory requirements

Description of response

Greater compliance with regulatory requirements should be a cornerstone of our prevention against possible sanctions or litigation.

Cost of response**Explanation of cost of response**

As we are not facing to any direct sanction or litigation we can not estimate financial cost of particular response.

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.**Forest risk commodity**

Timber products

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased demand for certified materials

Company-specific description & strategy to realize opportunity

As an consequence of global problems with illegal logging or massive deforestation caused by climate change many people and companies may be more aware of our common responsibility of supporting sustainable forest management. They would prefer products made of certified materials which come from well-known sources. This would be an opportunity for us to offer our products made from certified paper - in particular FSC or PEFC certified. Thus we can guarantee to our customers that by purchasing our products they support sustainable forest management. We believe this will be a trend in the future and it will be even more intense.

Estimated timeframe for realization

4-6 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

7500000

Potential financial impact figure – maximum (currency)

15000000

Explanation of financial impact figure

More intense demand of products printed on certified paper could cause rise of revenues from sold products. We assume rise by 10 - 20% in next 6 years.

Forest risk commodity

Timber products

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Increased availability of products with reduced environmental impact (other than certified products)

Company-specific description & strategy to realize opportunity

As an consequence of global problems with illegal logging or massive deforestation caused by climate change many companies may be more aware of our common responsibility of supporting sustainable forest management. They would prefer manufacturing materials which have low environmental impact. We assume that our suppliers will also offer more environmental friendly products. Thus we will produce more environmental friendly products as well. We will engage with our suppliers to discuss about environmental impact of their products and looking together for the way how to produce more environmental friendly products.

Estimated timeframe for realization

4-6 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

It is difficult to provide even an estimation of financial impact because there are many different choices of engagement with our suppliers.

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased brand value

Company-specific description & strategy to realize opportunity

If our company preferred environmental friendly production using environmental friendly materials this would be a clear signal to our customers. Depending to customers "green" awareness they would prefer our products to products of our competitors. This could cause rise of our brand value.

Estimated timeframe for realization

4-6 years

Magnitude of potential impact

Medium-low

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial impact is very hypothetical. It is very difficult to make even an estimation of financial impact. It depends on reaction of our customers to our new "green" policy.

Forest risk commodity

Timber products

Type of opportunity

Resilience

Where in your value chain does the opportunity occur?

Other parts of the value chain

Primary forests-related opportunity

Improved customer education

Company-specific description & strategy to realize opportunity

Engaging with our customers we will organize meetings about importance of environmentally friendly activities in our company. We will emphasize their significance in this process by choosing our company as a business partner and thus support "healthy" environment.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

750000

Potential financial impact figure – maximum (currency)

3750000

Explanation of financial impact figure

We estimate that our customers will increase their contracts by 1-5% with our company to sell environmentally friendly products.

F4. Governance

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Other committee, please specify (Board of director)	Assessing forests-related risks and opportunities	Annually	Board of directors is assessing forest-related risks and opportunities annually based on a report written by business unit manager.
Business unit manager	Managing forests-related risks and opportunities	Annually	A business unit manager writes a report about managing forest related risk and opportunities annually. The report is then submitted to the board of directors for assessment.

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

No, but we plan to develop one within the next two years

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

No

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	16-20	Our company management has admitted several objectives regarding to forest-related issues. They were subsequently integrated into our long-term business plan as an environmental aspect. The most important issue is FSC certificates.
Strategy for long-term objectives	Yes, forests-related issues are integrated	16-20	Among most important objectives is a purchase of FSC certified paper. This objective is the most forest-related issue. The FSC certified paper guarantees legal and sustainable origin of a raw material for paper production.
Financial planning	Yes, forests-related issues are integrated	16-20	The purchase of FSC certified paper is annually incorporated into our financial plan.

F6. Implementation

F6.1

(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Type of target

Third-party certification

Description of target

We would like to keep our FSC certification valid.

Linked commitment

Zero net/gross deforestation

Traceability point

<Not Applicable>

Third-party certification scheme

FSC Chain of Custody

Start year

2020

Target year

2040

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

23

Please explain

We would like to achieve 100% of purchased paper with a FSC certification in 2040. Proportion of FSC certified paper depends on demand of our customers. We calculate that the number of customers who will demand paper with FSC certification will grow in the future.

Target reference number

Target 2

Forest risk commodity

Timber products

Type of target

Traceability

Description of target

We would like to develop and launch a system of traceability of purchased paper to a level of a particular municipality.

Linked commitment

Zero net/gross deforestation

Traceability point

Municipality or equivalent

Third-party certification scheme

<Not Applicable>

Start year

2020

Target year

2040

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

0

Please explain

We would like to achieve 100% traceability of purchased paper till 2040. With planned traceability system we will be able to find out the area where the raw material of the purchased paper come from.

Target reference number

Target 3

Forest risk commodity

Timber products

Type of target

Engagement with direct suppliers

Description of target

We would like to engage with our direct suppliers to talk about FSC or PEFC certification of their products. We would like to motivate them to join those certification schemes.

Linked commitment

Zero net/gross deforestation

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Start year

2020

Target year

2040

Quantitative metric

<Not Applicable>

Target (number)

<Not Applicable>

Target (%)

100

% of target achieved

10

Please explain

We would like to achieve 100% of our direct suppliers to join FSC or PEFC certification schemes by 2040.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	No	<Not Applicable>	<Not Applicable>	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2b

(F6.2b) Why do you not have system(s) in place to track and monitor the origin of your disclosed commodity(ies) and what are your plans to develop these in the future?

Forest risk commodity

Timber products

Primary reason

We are planning to track and monitor the origin of forest risk commodities within the next two years

Please explain

We are planning to track the origin of paper to avoid paper made from an illegal logging .

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	23
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

23

Form of commodity

Paper

Volume of production/ consumption certified

17995.1

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

F6.8

(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Supply chain mapping	Supplier questionnaires on environmental and social indicators	Please select	We send a questionnaire to our direct suppliers annually in order to monitor their ability to comply with our forest related policy. The questionnaire is a part of a report the business unit manager submits to the board of directors.
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.10

(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Forest Stewardship Council (FSC)

Jurisdictional approaches

<Not Applicable>

Please explain

We participate in FSC certification scheme. There is an audit according to FSC-STD-40-004 (Version 3-0) EN every year in our company.

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Lack of adequate traceability systems

Comment

There is no traceability system in place (except of FSC and PEFC scheme), to which we can join. System has to be developed and established.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Limited availability of certified materials

Comment

Availability of certified paper is still limited. Not every producer of graphic paper is FSC or PEFC certified.

Forest risk commodity

Timber products

Coverage

Supply chain

Other parts of the value chain

Primary barrier/challenge type

Limited public awareness and/or market demand

Comment

Market is still not aware of huge illegal timber logging and people are not interested of it very much unless it is not at their neighborhood.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Investment in monitoring tools and traceability systems

Comment

A system of traceability of material could be established in our operation (paper) by collecting data regarding to origin of timber. It is difficult to find out the origin of timber which was used for paper production, especially because used pulp may be a mix of timber come from more than one area. However by investing to the traceability system and to proper data collection there will be at least general information about some level of origin. (If not a forest unit than at least a country).

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Greater supplier awareness/engagement

Comment

By engaging suppliers of our paper and packaging material we would like to promote an idea of elimination of illegal logging. We would like to make a common webinar in which we would like enlighten a problem of illegal logging of timber, We would like to explain them how important is to protect forests, especially those that serve as a nature reserve.

Forest risk commodity

Timber products

Coverage

Other parts of the value chain

Main measure

Greater customer awareness

Comment

We would like to communicate with our customers about environmental issues especially about illegal logging. Communication would be through webinars, personal meetings, advertisement, questionnaires, leaflets etc. We would like to persuade them that environmental issues are important.

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Managing director	Chief Executive Officer (CEO)

SF. Supply chain module

SF0.1

(SF0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	95059135

SF0.2

(SF0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

No

SF1.1

(SF1.1) In F6.3 you were asked "Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption". Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

Yes

SF1.1a

(SF1.1a) For each of your requesting CDP supply chain members, indicate the percentage of certified volume sold per disclosed commodity(ies).

Requesting member

The LEGO Group

Forest risk commodity

Timber products

Form of commodity

Paper

Primary packaging

Secondary packaging

Tertiary packaging

Third-party certification scheme

FSC Chain of Custody

Total volume of commodity sold to member

10771.44

Metric

Metric tons

What % of the volume reported in column 5 is certified?

100%

Comment

SF2.1

(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

Requesting member

The LEGO Group

Commodity related to the project

Timber products

Category of project

Traceability and transparency

Type of project

New traceability system

Estimated timeframe for realization of benefits to customer

1-3 years

Details of project

We would like to make a proposal for a common project with the LEGO Group regarding to traceability and transparency of paper commodity. We would like to engage with our suppliers of paper to implement traceability of timber used for paper production. For every batch of pulp an origin of timber should be stated from which country had pulp come from. This would be announced downstream of supply chain . The point of traceability would be on a municipality unit level.

Projected outcome

A database of timber origin used for production of paper we have purchased.

SF2.2

(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

Yes

SF2.2a

(SF2.2a) Specify the requesting CDP supply chain member(s) that have driven organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain and provide details on how.

Requesting member

The LEGO Group

Category of project

Certification

Type of project

Increase in coverage of commodity

Description of the project/initiative

In the beginning of cooperation with the LEGO Group we were asked to undergo the FSC Certification. The LEGO Group has accepted only FSC Certified paper in their products. After successful FSC certification we started the cooperation with the LEGO Group. Now many more customers also use FSC certified paper.

Give an indication of the metric of success for the initiative

Before the cooperation with the LEGO group we purchased 0% of FSC certified paper. Now 23% of purchased paper is FSC certified.

Would you be happy for CDP supply chain members to highlight this work in their external communication?

Yes

SF3.1

(SF3.1) For your disclosed commodity(ies), do you estimate the GHG emission reductions and/or removals from land use and land use change that have occurred in your direct operations and/or supply chain?

Timber products

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Our operation does not use land, so there is no possibility to reduce or remove GHG emissions from it.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Customers	Public	<Not Applicable>

Please confirm below

I have read and accept the applicable Terms