



Press Release – 05/11/08

**Portucel Soporcel group focuses on hybrid products.**

## **Pioneer, Inacopia and Explorer launch new products incorporating recycled fibre**

- **New products manufactured using 30% recycled fibre and 70% new fibres**
- **Guaranteed high performance and printing quality**
- **Available in Pioneer Shi Zen, Inacopia Fusion and Explorer iCare**

Three new products incorporating recycled fibre were recently launched into the Portucel Soporcel group's office paper range – Pioneer Shi Zen, Inacopia Fusion and Explorer iCare – products that present a coherent, efficient solution to their users' needs: a paper product incorporating recycled fibres, high paper quality and concern for the sustainable development of our forests.

The three new products differentiate themselves from traditional recycled papers thanks to their superior whiteness, greater multifunctionality (laser, inkjet and copier) and low dust content for better equipment protection. Produced using 30% recycled fibre and 70% new fibres, the new formula means consumers will be able to choose an office paper that addresses their environmental concerns, not only through the re-use of fibres, but also because these new fibres come from sustainably managed forest areas.

### **A complete range to suit all office needs**



The new addition to the Pioneer office paper range, the first premium office paper in the world designed for the female segment, is Pioneer Shi Zen, which will reinforce the brand's environmental positioning.

The product's name, Shi Zen, the Japanese term for Nature, reflects the traditional oriental philosophy that the environment, mankind and everything around us are one and the same thing.

With the predominant theme of renewable energies, shown on the ream packaging, the communication strategy of Inacopia Fusion highlights the advantages of combining these two fibre types.



Finally, the scenic landscape on the packaging of Explorer iCare ties in with other products in the Explorer range, with their focus on the environment and sports activities in contact with nature.

All these products in the recycled office paper range are certified by the Forest Stewardship Council (FSC), certification that is clear proof of the group's commitment to social responsibility and to preserving the environment, in addition to its concern for responsible forest management. It is one of the most important and well renowned certifications worldwide.

The new range reflects the group's perpetual concern with matching the quality of its papers to the growing sophistication of the most demanding users of Pioneer, Inacopia and Explorer, brands committed to developing products that guarantee the best performance on the most modern printing equipment. All products were subjected to numerous printing and performance quality tests on a variety of office, laser, inkjet, photocopying and fax equipment.



Prior to the launch of these products, market research was conducted among end consumers at European level to test product concept, the image of their packaging and how each product fits into its brand's current ranges.

### **Paper recycling**

European paper production using virgin fibre is supported by a sustainable industry that promotes the increase of biodiversity and totally rejects the illegal felling of trees. As proof of this, the European forest has grown at an annual rate greater than 8000 km<sup>2</sup> in the last 15 years, on par with the growth of the paper industry. Portugal, home to the Portucel Soporcel group, is no exception; its forests have grown 74% since the beginning of the last century (1.5 million hectares between 1902 and 2006). Since its creation, the company's main raw material has been wood from sustainable and renewable plantations created specifically for this purpose. It also uses biomass (a production process by-product) to generate energy, thus avoiding the use of fossil fuels. The Portucel Soporcel group is currently the largest Portuguese producer of biomass-based green energy.

The forests in which their raw material is grown are not irrigated, and any water consumption during paper manufacture is significantly lower than for other products manufactured using industrial crops: the amount of water needed to manufacture one ream of A4 80 g/m<sup>2</sup> produced by the Portucel Soporcel group is just 6% of the water needed to manufacture a 250 grams cotton T-shirt.

Preparation of the soil's surface layers and subsequent forestation contribute to make the soil more fertile and progressively more productive, unlike intensive farming which contributes to degrading the soil (and hence the need for fallow areas) and polluting the groundwater as a result of the excessive and continued use of chemical products.



In addition, forests in which the trees used for paper manufacture are constantly renewed have a stabilising effect on the climate and contribute to air purification by absorbing carbon dioxide and releasing oxygen through photosynthesis. The quantity of carbon stored in forests managed by the Portucel Soporcel group (around 100 000 ha) is equivalent to the carbon dioxide emissions from 1.5 million cars travelling around the world.

Printing on paper manufactured by the Portucel Soporcel group using virgin fibre also contributes to the sustainability of the forest plantations in which the wood used to make it is grown, in other words, it contributes to the sustainability of Portuguese forests, ownership of which is distributed among over 400 000 owners.

In terms of recycling, the fibres used in paper manufacture can only be recycled 4-6 times, losing their papermaking qualities with each recycling. Incorporating new fibres is therefore essential in order to renew and sustain the global paper and cardboard production system.

Not all paper can be recycled after use; despite paper being the most recycled product in Europe, it is estimated that 19% of paper consumed in Europe is unsuitable for recycling. In other words, not all paper can be made exclusively using recycled paper and not all paper can be recycled; even recyclable paper cannot be recycled forever (although it can be used to produce green energy at the end of its useful life, avoiding the use of fossil fuels).

This naturally poses the question as to where it makes more sense from the environmental and quality point of view to use higher percentages of recycled fibre?

64% of the paper and card consumed in Europe is used for packaging, newspapers and hygiene and sanitary papers, products that given their less refined uses have less demanding characteristics, shorter life cycles and which can be made using 100% recycled fibre, in the majority of cases with no significant impact on quality and performance.

Office paper represents a mere 5% of European paper and cardboard consumption and has more demanding characteristics in terms of quality. Office papers produced using new fibres are therefore an excellent source of fibres for recycling into products that have quality characteristics that are progressively less demanding.

It does not make sense to use 100% recycled fibres to manufacture high quality, high demand paper yet to use wood, that is, 100% new fibres, to produce lower quality paper materials that have shorter life cycles or which cannot be recycled anymore.

Consumers of office paper quite rightly associate paper made using 100% recycled fibres with lower quality standards (performance, aesthetic characteristics and printing quality).

Furthermore, the higher the percentage of recycled fibre in office papers, the greater the effort needed to separate recovered papers in order to use only the best recycled fibres and avoid further degrading quality.



In this context, the use of a high percentage of recycled fibre for products with lower quality demands and shorter life cycles (such as most packaging papers, newspapers and some tissue papers), while reserving virgin fibres for papers with higher quality demands and longer life cycles (such as office papers) is advocated with a view of ensuring rationality and sustainability of the global papermaking system. The local abundance of sustainable forest resources or significant quantities of effectively available and suitable recovered paper should certainly influence the extent to which this general principle is applied.

In areas with high forest potential and vocation, such as Portugal, where virgin fibres are produced locally on sustainable forest plantations, we believe there should rationally be a clear preference for virgin fibres, in particular for making high quality papers. Given the objective of re-using them (similar to other recycled office consumables such as toner cartridges), Portucel Soporcel's new products offer an excellent combination:

- 30% of recycled fibres to reduce the impact on product quality and contribute to re-using resources
- 70% of new fibres in the end product to increase printing performance and quality, while simultaneously ensuring continued planting of new trees and sustainability of the forests that produce them, in addition to the more practical impact of storing CO<sub>2</sub> and oxygenation of the planet.

### **About the Portucel Soporcel group**

The Portucel Soporcel group is the largest producer of uncoated woodfree papers in Europe. The Group holds a strong position in the office paper market and a leading position in the European graphic paper market.

In 2006, the Portucel Soporcel group gave the go ahead to the installation of a new paper mill in its industrial site in Setúbal, requiring an investment of some €550 million. This will allow the company to significantly strengthen its competitiveness in the paper market and take on a leading position in the European market for uncoated woodfree papers (UWF).

The new production unit will house the largest and fastest UWF paper producing machine in the world, a state-of-the-art facility that has a nominal paper production capacity of 500 thousand tons per annum.

The Group has sales offices in Portugal, Spain, France, Italy, United Kingdom, Netherlands, Germany, and Austria, as well as in the United States, and sells to over 70 countries in five continents.

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