

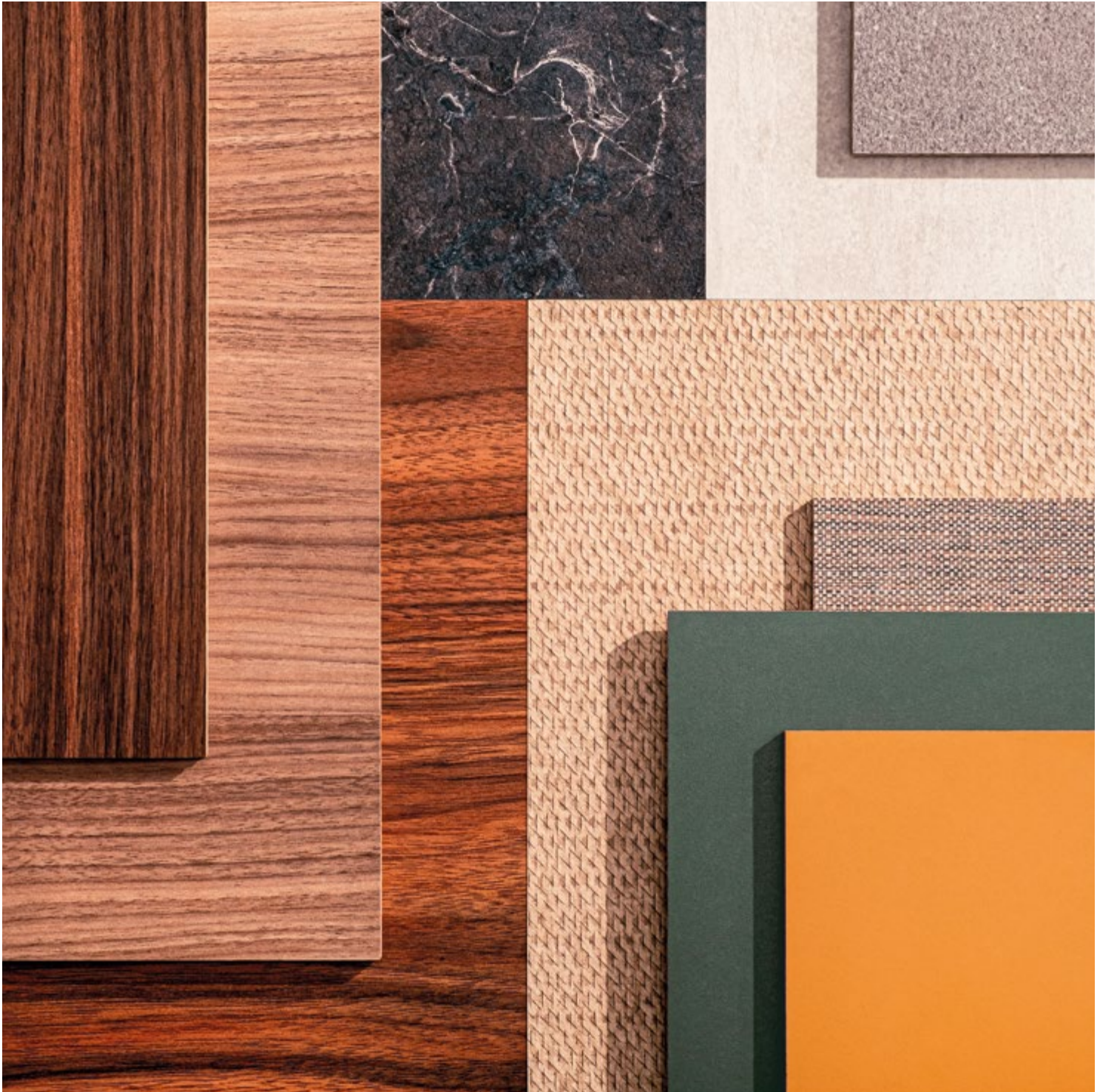
WOOD MADE

STORIES

ISSUE 5

MAY 2023

SONAE ARAUCO WORLD STORIES



NEW BLOOD

Four employees of the younger generations share their ambitions and expectations for the future.

GREEN ECONOMY

Sonae Arauco's holistic vision for a more sustainable future.

ULF JOHANSSON

The leader of IKEA's global Wood Supply & Forestry team reflects on the importance of wood solutions in mitigating climate change.

MATCHING OUR NATURE

The concept of the new Innovus® Collection, designed to be timeless, in line with trends and new lifestyles.

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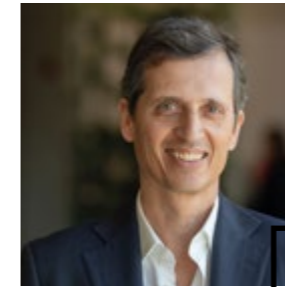
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Table of contents



12

04
Editorial
Creating value, adding purpose, designing the future of the sector

16
Interview
Abulele, Carlos, Dominik and Julia
New blood at Sonae Arauco

Future Made

50
Guest
Ulf Johansson
Wood is definitely a material for the future



24

Refresh

Wood Made Stories

06
Overview
What we have done and where we will invest

24
In-Depth Report
The industry revolution for a green economy

56
Trends
New Innovus®
Collection: Inspired by (our) Nature



36

12
Opinion
João Berger
A value journey to win

36
Profile
Steffen Körner
Passionate about wood



56

14
Featured photography
A single particle of recycled wood

46
Destination
Porto
The heart of Portugal is here

Editorial

Creating value, adding purpose, designing the future of the sector and contributing to a better world

Rui Correia,
CEO Sonae Arauco

2023 is a year of change at Sonae Arauco. The world has changed and it is in our DNA to evolve to keep up with this development.

With our eyes on the future, we have reviewed our strategy and **redefined our mission**, aligning it with the maturity of our company and the times in which we live.

At a time when companies are being demanded to do more and authenticity prevails, it is necessary to make a coherent commitment, without ambiguous purposes. Thus, at Sonae Arauco, every working day, every production process, every step will be taken towards **sustainably developing, producing and delivering renewable wood-based solutions, through operational excellence, innovation, inspired people and partnerships, creating long-term value.**

Our vision of creating wood-based solutions for a better life, a better future and a better planet remains untouched. We know that wood is one of the vital materials for the world to move towards an increasingly sustainable paradigm and

we do our best, day after day, to be part of this movement.

In fact, this strategic review has reinforced the essence of Sonae Arauco, the starting point on which the company was founded, but above all it has reaffirmed our commitment to be the benchmark in a sector that, through the products that it delivers to the market – for furniture, interior design and construction – contributes to creating a better world.

Putting purpose at the centre of our operations, the new strategy includes **five main axes** that will guide the processes, investments and all the decisions we make in relation to the different stakeholders.

First and foremost, **people and culture**. Our employees are the foundation of this organisation and the main creators of value. Their dedication day after day allowed Sonae Arauco to follow this continuous and coherent path of adding value to wood. The investment in human capital will translate into more initiatives in the area of people development, such as leadership and social responsibility programmes, and safety, which remains our main priority.

Next, **value-based innovation**. The understanding that innovation drives differentiation and market growth. In addition to research and development, innovation must be a priority for everyone, so that it is expressed in products, services and behaviour. This implies a cultural evolution, which will be grounded on initiatives such as the creation of an agenda and an entire value management system based on innovation.

Partnerships have always been a distinctive feature of Sonae Arauco's operations and, in the new alignment, our ambition to be a **valuable partner** continues to drive us. Complementing a portfolio of products with excellent environmental and performance credentials, partnerships are already a way of life that allows us to truly create long-term value for our customers. To underpin its importance, we are already working on several front lines, such as the Value 2 Win programme.

The fourth axis of action is **operational excellence**. As an industrial company, we have always been focused on doing better, using production resources even more effectively and efficiently. And how do you evolve towards excellence? With initiatives



05

focused on identifying, standardising and adopting best practices in all processes of our organisation, leveraging on the new technologies of industry 4.0 and artificial intelligence. We want to do well, first time, every time.

Finally, the fifth axis, which has characterised the company since its inception, is **caring for the planet**. In the daily pursuit of purpose, environmental concerns are a priority. To this end, we remain committed to the challenge of carbon neutrality in our operations, to deepening our circular economy model, to pursuing the Forestry R&D programme to identify species and families of pine trees with greater resilience levels and growth potential, as well as to the various projects under way to manage forest areas according to best sustainability practices.

2023 is also the year in which we launch the new Innovus® Collection which, completely in line with the company's strategy, is now based on the *Matching our nature* concept. Inspired by a sustainable lifestyle, it was designed to escape the immediacy of trends and survive the passage of time. As I mentioned before, companies must be authentic and consistently do what they promise. In our case, the new collection is further evidence of a clear alignment with the essence of Sonae Arauco.

We count on all of you – employees and other partners – to continue to create value, adding purpose every day, and thus contribute to designing a more sustainable future.

I am certain that by working together, with a culture of excellence and continuous innovation, always bearing in mind our responsibility to care for each other and the planet, growth and profitability will naturally follow. This is what the new times are asking of us, so let's be proud of the work we do and the positive impact we make on the world – our own and that of future generations.

Refresh

Overview



WHAT WE HAVE DONE

TOWARDS AN EVER-BETTER FUTURE

With the aim of continuously improving our industrial operation and with focus on greater efficiency and sustainability of the business, the year 2022 saw the implementation of several improvements in production processes, resource management and tools at Sonae Arauco. Digitalisation continues to be a priority, with the consolidation of the big investments of recent years and the implementation of projects that will shape the future of the company.

IN INDUSTRIAL UNITS

New production lines:

in Beeskow

A new state-of-the-art particleboard production line was officially inaugurated at the Beeskow plant during a public event attended by leading German state figures such as the Minister-President of the State of Brandenburg, Dietmar Woidke. This new line involved an investment of more than €50 million and is part of the Beeskow 50+ project.

and in Nettgau

At the end of the year, Sonae Arauco finished the installation of a new decorative panel line in Nettgau. With a total investment of €7.9 million, the new press will allow the company to increase its productivity (by 50% in some product categories), to produce thicker materials and to start manufacturing decorative panels with latest-generation synchronized embossing, which means an improved overall offer in this product area.

More digital factories

Mangualde and Oliveira do Hospital units joined Linares in the implementation of the Digital Plant, as part of the digitalisation, simplification and automation journey of processes and systems. The project has also been updated with innovative features:



The company's first bot, a digital assistant for the Digital Plant



A mobile version of the software that can be carried in a pocket



A visualisation tool for factory processes that allows us to "travel back in time"



Improvements in chain data support with cataloguing of error modes

Data analysis to improve supply

The kick-off was given for a pioneering collaboration with LTPLabs for the development of a simulation-optimisation model capable of providing analysis between stock and production capacity, such as relationships between production capacity and supply to the market.

CONTINUOUS IMPROVEMENT

2022 saw the implementation of the new Management Control tool in all countries where we operate, with the methodologies established for each industrial unit. This is now a structured, standardised management process, based on routines and activities to identify and solve problems, and thus improve the plants' results. This was also the year when we started to adapt this approach for corporate areas, such as Sales Back Office, Supply Chain and Human Resources.

IN CUSTOMER SERVICE

An efficient portal

The Customer Portal is getting more and more robust. Following the implementation of new features in July 2022, users can now view the information for all their companies using a single login. A new type of user profile that does not include the display of price information allows access to be extended to more users within the same company, and all orders placed through the portal are now automatically integrated into our ERP software.

Around

400 users

45 logins per day

More accessible data

Customer account details such as portfolio information, planned deliveries, invoices and financial status are now accessible to all Salesforce users – via the SAP Live platform.

More effective price management

Two years since the launch of the PRICE FX platform in Sonae Arauco's main markets, which allows better and faster price management, the system is now implemented in four more markets: Scandinavia, Switzerland, Italy and France. Several improvements were also made available in order to speed up negotiation processes, improve price simulation, create price lists, and manage promotional collections and spot deals.

Less paper, more partners

The implementation of Electronic Data Interchange (EDI), an electronic exchange of commercial information using a standardised format that allows information to be exchanged between companies automatically, increases productivity and improves the communication process.

People

Rainer Zumholte is the new Managing Director for Sales and Marketing in NEE



Rainer Zumholte, recognised for his expertise and experience in the wood-based panels sector, took over as Managing Director for Sales and Marketing in NEE in 2022 and has also joined the Board of Directors of Sonae Arauco Deutschland. A highlight of his professional career is his position as general manager of Pfeleiderer Germany, where he worked for 37 years. In his new role, Zumholte's focus will be on strategic leadership of the sales area for the NEE region, with special attention to defining and implementing the strategy for this market.

Launch of the Employee Referral Programme

Sonae Arauco now allows its employees to refer and recommend people from their network of contacts for open job vacancies in the company. In exchange for a successful reference that meets the established requirements, employees receive a financial reward. The programme is in place in all geographies and since its inception, more than 60 referrals have been made, with more than 10 resulting in hirings.

Reskilling 4 Employment: 1 million people by 2025

With reskilling increasingly recognized as a solution for attracting and retaining human resources, Sonae Arauco joined the European initiative Reskilling 4 Employment. Focused on various sectors, including industry, this project aims to retrain unemployed people or people with professions at risk. By 2025, this initiative is expected to have trained one million people, giving them the opportunity to return to the labour market.

Support for Ukraine

The conflict situation in Ukraine that has been putting millions of children and families at imminent risk for over a year is on Sonae Arauco's radar and the company has already donated €60,000 to UNICEF. This institution has been working hard to meet the growing needs on the ground, helping children and their families. The donation to Ukraine was invested in drinking water, medical care, child protection and education, as well as other supplies.

Broad-based Black Economic Empowerment (BBBEE) has the support of Sonae Arauco

Sonae Arauco recently joined Broad-based Black Economic Empowerment (BBBEE), an integration programme launched by the South African government to reconcile South Africans and address the inequalities of Apartheid. The aim is to bridge the gap between equality in theory and practice and to ensure that all South Africans fully enjoy the right to equality. The initiative encourages companies to integrate these communities into the workplace, to support black-owned companies and the poorest communities affected by land repossession. As something we have promoted as a company since our inception and which is fully in line with our Code of Ethics and our values, this is a natural step that will allow us to pursue a strategy focused on BBBEE to contribute to the national imperative of economic transformation in South Africa.

Health, Safety and Environment

2022 was another year of consolidation of our Safety roadmap as part of the industrial model of the Competence Centres, for an alignment, standardisation and optimisation of processes in all units. This work is ongoing, but the results show clear improvements:

36%
Reduction in total work-related events since 2020.

46%
Reduction of LWCs (own employees) since 2020.

October 2022

The first month in the company's history without any accident.

A full year

Without type A events, maintaining the 2021 record, something that has never been achieved since the classification was introduced in 2015.

On this journey, this year the highlight goes to four factories, for recording long periods without accidents resulting in lost workdays involving our employees:

- Valladolid — 1 year
- ImPaper — 3 years
- EuroResinas — 2 year
- White River — 1 year

Sustainability

First financing linked to sustainability performance secured

Sonae Arauco has subscribed its first financing linked to sustainability performance in the amount of €184 million. Two ESG indicators will affect the interest rate: the purchase of recycled wood and workplace accidents with sick leave. The aim is that by 2026 the first component will increase by 19% and the second will be significantly reduced. The operation was led by CaixaBank and also involved ABANCA, Caixa Geral de Depósitos, Export Development Canada and The Bank of Nova Scotia.

Industrial symbiosis project in the name of the circular economy

Several MDF manufacturers – including Sonae Arauco – and manufacturers of wood packaging and packaging components are participating in a consortium that aims to contribute to the recycling of the materials that make up fruit and vegetable crates. ECOWOOX® wants to encourage the use of wood in this type of packaging, as well as demonstrate compliance with recycling requirements. A certification has already been created to guarantee the recyclability of products, the ecological design, and the possibility of energy recovery.

Academia and business united

in forest training

Sonae Arauco, Altri, Corticeira Amorim and The Navigator Company have created a public-private partnership to fund 22 scholarships to cover 100% of the tuition fees for forestry engineering courses at four Portuguese universities. This initiative aims to stimulate the interest of potential students in an area of growing strategic importance for Portugal.

in the development of innovative projects

As part of the collaboration with the University of Minho and the Computer Graphics Centre, numerous projects are underway that can help Sonae Arauco innovate and bring new ways of working to its business in areas as varied as the creation of Digital Twins, the use of augmented and mixed reality, improvements in the field of cybersecurity, and product authenticity verification systems.

AGEPAN® SYSTEM arrives in Iberia

Sonae Arauco launched in the Iberian market two sustainable and innovative wood fibre solutions for building insulation and cladding, to meet the growing need for more sustainable, ecological and carbon-neutral solutions in construction and refurbishment projects.

Created from wood fibre panels, AGEPAN® DWD T&G and AGEPAN® THD T&G products ensure high technical performance, functionality and reliability, for use in roofs, walls and floors, protecting buildings from sun, rain, wind, snow or hail, and excellent acoustic insulation in houses and buildings, reducing noise pollution. These solutions are class A+ in indoor air quality and result in a shorter construction period. The insulating properties of these products contribute to the thermal balance inside homes, which consequently reduces energy costs.



Awards and Distinctions

Innovus® DP is Green Product of the Year

The **Innovus®** decorative product range has been named the best product in the **Interior & Lifestyle** category of the **Green Product Awards 2022**. In the words of Nils Bader, founder of what is one of the most recognised international awards in the field of sustainable design, "Innovus® DP proves that sustainability, design and innovation can combine perfectly with a greener lifestyle and future."

Beeskow safety pathway concept distinguished

The **Beeskow** plant was distinguished by BGHM, the wood and metal professional association, with the **Smart Fox** award. The new concept of safety routes is at the basis of this recognition, which prevents employees from approaching or crossing with any type of vehicle, through electronic and mechanical barriers, traffic lights, signs and even a "beeper" that announces an employee's intention to enter a space where there are vehicles operating.

Improvement Awards

In the 5th edition of the **Improvement Awards**, six of Sonae Arauco's projects received awards, from around twenty applications. The company's various teams were thus recognised for the relevant improvements implemented in the industrial units during 2022, which bring savings of more than €2 million per year.

Safety:

Cuéllar - Multiple nucleus change-overs
Beeskow - Loto Training Board

Product Quality:

Mangualde - MDF defects reduction

Cost Savings:

Meppen - Adjustable plug screw

Innovation and Digital Transformation:

Linares – Re-engineered MFC

Team Involvement:

Mangualde – Team analysis of damaged parts

Customer Proximity

The return of IMPULSE

IMPULSE sessions are a special moment for Sonae Arauco's annual activity, as they mark the presentation of new products to industrial customers. This year's edition had simplicity as its motto – KEEP IT REAL! – and the presentation of the new portfolio was down-to-earth and uncomplicated. More than 40 companies and 100 people were impacted in various locations in Northern and Southern Europe.

Innovus® highlighted at Premium Dealers

Sonae Arauco was present at the Open Days of its Premium Dealers Araújo & Lino and Banema, with Innovus® decorative solutions. In these events, visitors had the opportunity to discover and combine the different references in the collection and to see for themselves the quality of a selection of exclusive finishings.

A new showroom for Innovus®

Sonae Arauco now has a special place at Flavimadeiras, as an image of an environment was applied in an area of the exhibition, highlighting the decorative Feel Light Grey | Cosmos from the Innovus® Collection. In addition, the space now has a set of physical samples for visitors to explore the different combinations and quality of these solutions.

More face-to-face events

+40 events

In 2022, Sonae Arauco was present at more than 40 events, including FIMMA – Maderalia 2022, the largest international trade fair for the wood and furniture sector; interihotel (Madrid) and Decorhotel (Porto), two landmark events for the hotel and restaurant industry; Sicam, in Pordenone, Italy; Euroshop, a trade fair focused on retail spaces in Düsseldorf, Germany; and DACH+HOLZ International in Cologne. These events served to successfully show the versatility of Sonae Arauco's products.

Celebrations

A decade of Innovus®

Versatile, modern and innovative: this describes the **Innovus®** collection, which has been providing Sonae Arauco customers with high-quality decorative wood solutions for **10 years**. The date was marked in the almost **70 countries** where the brand is present, presenting an opportunity to highlight its attributes, not only in terms of decorative or finishing excellence, but also for its specific added value features. May many more decades come!



20 years

of our Shared Service Center

In February 2002, the implementation of an area that brings together administrative, accounting and technological services was concluded, with the aim of producing reliable, high quality financial information and releasing it to customers in a timely manner to support decisions that lead to the sustainable growth of the company, while ensuring compliance with all legal and tax obligations.

The **Shared Service Center** team currently operates in seven countries, has more than 30 employees and is led by **Alcídio Figueiredo**.

WHERE WE WILL INVEST

Main lines of investment

Mangualde
Oliveira do Hospital
Souselas

Linares

Meppen

+€100M

New production line in Meppen

Starting in 2025, Sonae Arauco will expand its portfolio of AGEPAN® SYSTEM building solutions with the development of a new production line of sustainable building materials for roofs, walls and floors. This will include flexible insulation solutions, pressure-resistant wood fibre insulation solutions and blown-in insulation.

AGEPAN® SYSTEM is a brand recognised for its functionality, sustainability and for being in line with a healthy lifestyle, through

its wood-based solutions which simultaneously guarantee environmental balance and robust technical performance.

The expansion of Sonae Arauco's building solutions is in line with the company's strategy to enhance the use of wood in construction, as it is a key material in the transition that the world must make to a more sustainable construction model.

Improvements in customer service

€22M

Oliveira do Hospital - Portugal
Linares - Spain

Oliveira do Hospital

Optimisation of the logistics process with the installation of a High Rack system for the automation of the intermediate warehouse.

Linares

Construction of a new warehouse, covering a total area of 23,500 m².

Recycling and wood efficiency

€13M

Oliveira do Hospital,
Mangualde and Souselas

Portugal

Upgrade of wood processing equipment and lay-out optimizations in our sites.

Installation of photovoltaic panels

Mangualde - Portugal
Linares - Spain

Power Purchase Agreement (PPA) for 25 MWhp Photovoltaic Panels, representing approximately 18% of the combined electricity auto consumption of the two industrial units.

Opinion

A value journey to win

The importance of value for Sonae Arauco

We currently live in a fast-paced and dynamic business environment where supply chain disruption, unpredictable business dynamics and cost volatility have become the norm. It is a crucial time for Sonae Arauco and all companies worldwide to adapt and evolve.

In such a volatile context, it is easy to lose our bearings if we don't have foundational values and guiding principles to keep us on the right path. For Sonae Arauco, that guiding principle is value creation.

Our focus is to continuously pursue value generation for our clients, suppliers, employees and their communities.

And because we want to walk the talk, we have launched Value 2 Win: a comprehensive programme to ensure a focus on measurement and delivery of value to our stakeholders. This involves a

deliberate, structured approach to creating, quantifying, and capturing economic and monetary value for our customers and business partners. It is our belief that this will be vital for the company's long-term competitive advantage and sustainable growth.

In the business language, often the words cost, competition, and value are repeated. Yet, while it is common to measure the first and study the second, the truth is that, when looking at value, we think in a qualitative way, as something that is there but not measurable. Making value tangible and not only qualitative is our aim.

The launch of the Value 2 Win journey at Sonae Arauco was made with the clear notion that not only we should measure value but that doing so is a competitive advantage. By explicitly and deliberately measuring everything we do around the value that is truly created for our partners, we can harness the creativity and energy of our teams, we can focus the organisation on what truly matters and properly allocate capital and resources where they are needed.

As we progress in this journey, we want to ensure that we cover four key ingredients of the value mindset, namely: a deep understanding of our partners' businesses, needs and competitive environments, since different companies and individuals will value different things; creating the environment for constant innovation centered on value generated and differentiation; quantifying the true value generated systematically and finally a fair price to share the value generated.

We are not talking about a sales pitch or a negotiation tactic; we are talking about a true vision that is embedded in the deep culture of Sonae Arauco and is central to our business strategy.



13

Value is generated (or destroyed) in every step, every activity and every function of the organisation. So is the possibility for innovation to create more value for our partners. From the shop floor, through logistics, the sales teams or corporate function, everybody has the potential to improve the lives and businesses of our partners and end-users of our products and solutions.

As such, we are working on the mobilisation of the entire organisation across all geographies. Everyone and every function will take part in the journey.

This year we will progress around four key workflows:

- A strategic plan revision with a core focus on value creation.
- The establishment of a value knowledge foundation across the whole organisation. To ensure the base concepts are common to everyone, that we all speak the same language and to identify

and highlight the current and potential ways in which we can all add value to our partners and stakeholders.

- A value-based segmentation analysis in order to better understand our partners and customers and tailor our offerings or way of collaborating. The focus is always on generating value for them.

- And finally, the fourth workflow is the operationalisation of customer value, quantifying and clarifying explicitly the value we generate. And ensuring we integrate the value lens in our day-to-day activities from the innovation pipeline, the marketing and communication, the pricing policies and the sales, delivery and customer support.

We are immensely proud of our culture of partnering with clients, suppliers and communities. Creating truly sustainable value for them is what drives us. And we have the humility to know that we can always do better.

That is what the Value 2 Win journey seeks to emphasize and promote both within and outside Sonae Arauco. I am thrilled to be part of the journey.

João Berger
Chief Marketing & Sales Officer

Featured Photography

Have you ever thought about how much a single particle of recycled wood is worth?

The truth is that it is simultaneously simple in form, effective in technical performance and valuable in terms of its remarkable ability to retain CO₂*.

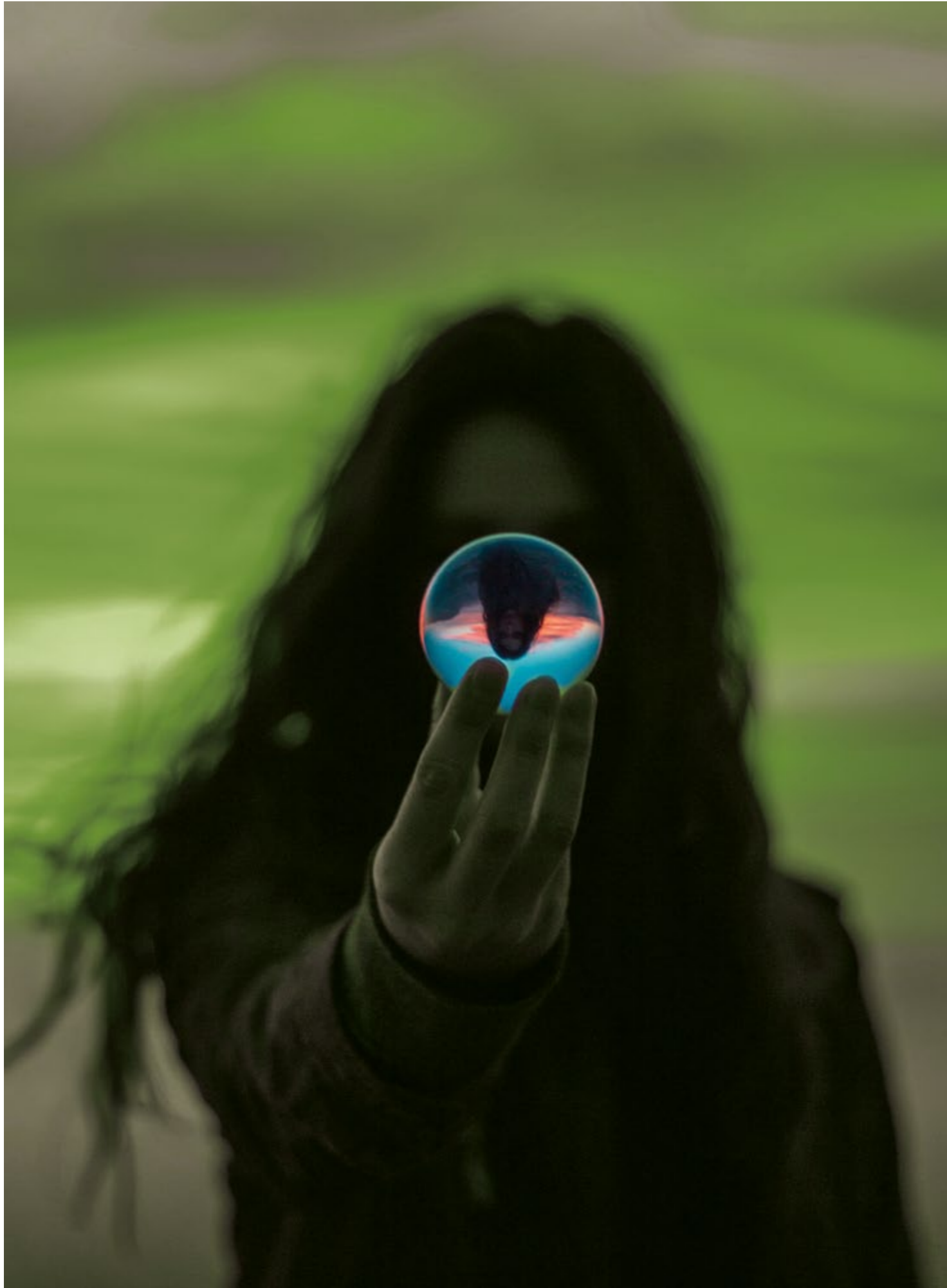
Every time we recycle wood, we transform potential waste into new value-added products for the furniture, interior design and construction sectors.

And the more we recycle wood, the more we will be extending the carbon retention associated with this natural material and making a clear contribution to building a better world.

This picture is of the Alfena recycling centre (Portugal), one of Sonae Arauco's 11 recycling centres. While Sonae Arauco's industrial units materialise the company's purpose of creating sustainable wood solutions for the market, the recycling centres are the starting point of our circular bioeconomy model.

It is from these centres and with the dedication of our people that we are committed to increasing the amount of recycled wood, in some of our product ranges, up to 85%.

*The main cause of global warming



Interview

Abulele, Carlos, Dominik and Julia: new blood at Sonae Arauco

We are experiencing an unprecedented time in the labour market: for the first time, companies have people from four different generations – Baby Boomers, Generation X, Millennials and Generation Z – on their teams. According to the Randstad Workmonitor 2022, the last two of these generations, people born between the 1980s and the 2000s, differ from the others in prioritising aspects such as happiness, purpose, flexibility and work-life balance.

We sat face to face with some of Sonae Arauco's youngest employees, aged between 23 and 31, to understand what expectations they have of this industry and the company they chose to work for, focusing also on the lenses through which they look at society and current affairs: Abulele Madasa, Brand Communication Specialist in South Africa, Carlos Lopes Silva, SWE Supply Chain Planning in Portugal, Dominik Most, Prospective Master Electrician in Germany, and Julia Olmedo, IOW Manager in Spain.

Abulele Madasa

Brand Communication Specialist

Born in 1992 in Johannesburg, South Africa. She has a degree in Fashion Design, and pivoted to Marketing after a post-graduate degree in Strategic Brand Communication. She has been with the company since September 2020.



You are all Millennials or Generation Z, but you come from different backgrounds. What path did you take to get here and what were your main influences?

Abulele Madasa: My main influence was my grandmother who had a very artistic vein: she sewed regularly with the women of her community, was an English teacher, and later founded a bakery and agricultural production business alongside my grandfather. All this stimulated my desire to pursue work in a creative field and to combine my love for writing and reading.

The rest of you have paths more linked to the exact sciences, right?

Julia Olmedo: Yes, both in primary school and high school I enjoyed maths, physics, chemistry... Given these preferences, chemical engineering was a no-brainer. My parents have always helped to clear the path for my journey and supported me in everything.

Dominik Most: Since my father had a background in industrial electricity, my decision was more or less already made,

because I really enjoyed watching him work. And as I have found that training and working in this area is interesting and diverse, and as I really enjoy both, I am currently taking further training to become an electrical engineering foreman.

Carlos Lopes Silva: My academic path was more of a journey of discovery, with some uncertainty. Now on my professional path, and with more self-knowledge, I have been looking for challenging opportunities that allow me to develop different skills.

As children, what did you want to be when you grew up?

Carlos: I wanted to be an architect.

Abulele: Fashion designer.

Julia: It sounds very cliché, but I was that child who wanted to be an astronaut. In time, I realised that it would be almost impossible and I eventually forgot about that dream. I also went through a phase when I wanted to be a professional dancer. All easy dreams (laughs).

Dominik: I have always been fascinated by technology, so my dream job has always been in that area. All students received career advice and when I was introduced to the profession of industrial electronics technician and learned more about it, it was easy for me to decide to go down this path.

Your coming of age is being affected by some major crises: the climate emergency, Covid-19, the war in Ukraine, inflation. How do you feel about that?

Abulele: It is something that has made me more humble, because it is a disruption of the perception you have of what adulthood is. We grow up believing that adulthood means independence, freedom and unlimited opportunities and all this influences short-, medium- and long-term goals and decisions. At times, I feel discouraged, but at the same time, I have a sense of hope when I talk to my family, friends and colleagues. So being an adult for me means being present and appreciating the "small victories", understanding that life has many seasons. And it's more about the journey.

A shared purpose

More than ever, talent – especially younger talent – is looking for companies with a sense of mission and a purpose that is aligned with their values.

An emphasis on wood as the archetype of the industry, an environment that these four employees highlight as challenging, as well as the focus on sustainability, recycling and circularity of the raw material, make Sonae

Arauco a company where there is a natural feeling of belonging.

Waking up in the morning knowing that their opinion is heard and that what they do has a positive impact on building a better world is the motivation they need to face their working day with enthusiasm.

Carlos Lopes Silva

SWE Supply Chain Planning

Born in 1999 in Póvoa do Lanhoso, Portugal. He has a degree in Engineering and Industrial Management. He has been with the company since early 2022.



Julia: it's not easy at all. We see how everything around us starts to collapse and get worse and we have to keep on getting up, day after day. It is difficult to remain optimistic in a context where young people cannot become independent before the age of 30 because rents cost 500 euros, petrol, food and leisure are getting more expensive and wages aren't keeping up.

Carlos: The transition to adulthood is a time of discovery and uncertainty, the latter feeling being reinforced by the current context. I feel it makes the process more difficult, but it also allows me to get a better sense of what I value and what my priorities are.

Dominik: I agree. And since everything is becoming more expensive, the financial aspect also plays a critical role. I feel we have to start learning how to handle money from a very early age.

Carlos, you mentioned priorities and values. What values govern your life and how do you apply them in the work context?

Carlos: Respect and determination. Firstly, because I am always open and willing to discover new projects or tasks,

and secondly because I maintain the necessary motivation and focus on the goals I have set for myself.

Julia: My father has a motto I like to apply: "Live and let live". It's very easy, it's about doing tasks as well as possible and never hindering the work of others or judging them. Another important point, especially in these times, is to leave individualism aside. If I can help others, I will, because we live in a society and the bonds of mutual help keep us human.

Dominik: In Germany, we also say that "order is half the battle". I live by that principle and try to implement it in all aspects of my life.

Abulele: *Whatever happens, I will always learn. Trying is important. Move with God. Quick thinking, meaningful action. Live the best life. Listen to understand. More response, less reaction.* These quotes define how I choose to live, whether in approaching something new or in my current roles. I live as a Christian; I base myself on God's truth and that has given me tools to relate to myself and others. I approach decisions actively, but with purpose.

Which Sonae Arauco values would you highlight as being important to you?

Abulele: Sustainability and recycling, with a focus on the circular economy. I also think it's important that we're creating something and understand the impact it has on the environment, socio-economic development and the legacy we leave in communities and will leave for future generations.

Carlos: I agree with Abulele, and also highlight the focus on creating and delivering solutions that fit with people

21

Julia Olmedo

IOW Manager

Born in 1999 in Valladolid, Spain. She has a degree in Chemical Engineering and works at the Cuéllar plant. She has been with the company since 2022.



and the environment, in a long-term perspective.

Dominik: I particularly appreciate the fact that the company obtains its raw material from certified sources, with total respect and in harmony with the forests, contributing to sustainable management.

Julia: Sustainability and innovation go hand in hand. We need to innovate to be increasingly sustainable, because there is no point in innovating if we do not protect the planet.

What is it like to work in the industry?

Abulele: It's stimulating because there are actually many similarities between this branch and what I first trained in. The shift in the narrative to a genuine focus on sustainability, opportunities to renew decorative ranges and communicating this to the market is very challenging.

Carlos: On the technical side, it's a constant challenge. The constraints and needs of the market drive a continuous search for balance and improvement, which makes every day stimulating.

Dominik: The more you work in an industrial environment, the more you understand how everything works together. Every day is exciting because there are new, varied tasks.

Julia: I'm a very restless person: I need to be busy all the time and I enjoy a challenge. Right now, I couldn't sit in an office for eight hours. I am curious and need to see how things really work and how real problems are solved beyond a screen.

And what do each of you value the most about your job?

Julia: I think I speak for all of us when I say that the most important thing is respect for employees. This means giving them good working conditions, paying them a decent wage and giving them the holidays they are entitled to. It is also important that we are heard, because we are on the front line every day. People are what I like best about my work. People are the source of very good ideas that enable us to improve. Much of what I know is thanks to my colleagues.

Abulele: Relationships are very important, yes. I feel I work in a strong team, where everyone is working towards the same goals. I also value recognition, learning and growth.

Dominik: The diversity of tasks, because every day is different.

Carlos: I agree.



Do you believe that your generations are different from previous ones?

Abulele: We are all different, but the similarities are infinite. This generation is dynamic because we are always receiving stimuli. Here's an example: our lives are constantly connected to technology, which functions almost as an extension of our own self. This can be positive or negative, but essentially it reflects the way devices are part of our daily lives, whereas for previous generations they were considered just tools.

Carlos: I agree. Our generations have grown up with almost unlimited access to information and have had greater contact with diversity, which makes us

more detached from prejudices and makes us value experiences above all.

Julia: Each generation experiences different things, of course, they're different. One crisis after another, a changing world, technology. All this has given us more of a fighting spirit; we won't settle for "that's the way it is", something I hear a lot (laughs). We believe that things can, and should, be changed.

What do you take away from working in a multi-generational environment?

Dominik: Honestly, every generation has its good things. When I work with young people, they usually bring new ways of thinking, methods or approaches. Colleagues from older generations bring the experience of many years, which is a huge help.

Julia: It is very easy to work with people of the same age because there is a lot of common ground and there is a greater understanding. But I learn the most from older generations. What is enriching is the wisdom of older ones with the freshness and new insight of younger ones.

Abulele: The focus should be on common ground, building on important things like shared values and visions.

Is it important to have a purpose in life, both professionally and personally?

Dominik Most

Prospective Master Electrician

Born in 1999 in Eisenhüttenstadt, Germany. He specialised in industrial electronics and works at the Beeskow industrial site. He has been with the company since 2016, when he joined as a trainee.

Abulele: Yes. And that translates into living each day meaningfully, regardless of the outcome.

Carlos: At the centre of my personal and professional fulfilment will always be a purpose that drives me to overcome setbacks and maintain motivation. Without purpose, the achievements and celebrations would be meaningless.

Dominik: Yes, of course. In my eyes, I need a purpose or a goal that I can work towards.

Julia: Of course! Without a purpose, what is the motivation to get up in the morning?

Do you consider that what you do has an impact on society?

Julia: Everything has an impact on society. We are small wheels that ultimately keep society moving and advancing. It has always been clear to me that we live on a planet with limited resources and I don't think it is valid not to think long-term. I am interested in sustainability, feminism and anti-fascism. Although there is a long way to go until we achieve equality, women are gradually gaining more influence in society. And it's clear to me that I don't want to go back to the past.

Abulele: Yes. I believe that education and socio-economic advancement are invaluable and change lives. Access to education has been neglected in local communities, but it is one of the drivers for eradicating poverty and its effects, such as crime or over-dependence on resources. I live for causes like these and believe that we only grow by helping ourselves and others.

Carlos: Both personally and professionally what we do and the impact we create may seem limited, but the cumulative effect of these actions creates a real and lasting impact, so yes.

What do you look forward to?

Abulele: A rewarding career with meaning and impact. Achievement, by improving my skills. I hope to lead teams in the future and be able to inspire others to fulfil their own dreams and live meaningful lives. A sense of meaning, by balancing what I do with what I am, in the environments I inhabit.

Carlos: I hope to have a career with achievements and added value, although the concept of success is always very personal and changes over the years. I hope to feel fulfilled on a personal and professional level and also to contribute to a more sustainable, fair and egalitarian society.

Dominik: I want to continue to develop professionally, expand my knowledge and keep it up to date. So, for my future, I hope things go as smoothly as possible. And I hope that everyone will be able to have a normal life soon, without the stressful crises we have been facing.

Julia: I just know that I want to keep learning, so I never stagnate. I hope to be happy and for people around me to be happy too.

FUN FACTS

Favourite meal

Abulele

Mushroom risotto

Carlos

Duck rice

Dominik

Grilled feta cheese with tomato

Julia

Cocido

Favourite destination

Abulele

Bali. I hope it becomes Cuba in the near future

Carlos

New York

Dominik

The Baltic Sea. Very relaxing

Julia

Florence

Guilty pleasure

Abulele

Cake

Carlos

Craft beer

Dominik

Whenever I visit a new city, I have to check out the new technologies at an electronics shop

Julia

A cool beer on a sunny day on the terrace

In-Depth Report

How Sonae Arauco is revolutionising the industry for a green and conscious economy

What do we want tomorrow to be like? And what role do we play in that future? Sonae Arauco moves towards a long-term vision in which creating value is not just about generating wealth and in which the ultimate goal of every step is a more sustainable planet. With carbon neutrality at the heart of its strategy, the company renews its commitment every day by developing high-quality, sustainable solutions inspired by nature and people. Adding value and investing in a more resilient forest and a greater use of recycled wood continue to contribute to that goal.



27

In these times of transition, it is clear that there is also room to rethink the economy. Rethink models, objectives, and roles. “To safeguard the prosperity and well-being of its citizens, the European Union needs to achieve a fair and inclusive transition to a greener future,” says the European Commission. This is the path to creating a new European Growth Model, for an economy that wants to be green, digital and resilient. Underpinning it is the European Green Pact, which sets out the roadmap for making the Union’s economy sustainable, fair and inclusive, addressing climate and environmental challenges, and

the commitment to achieving carbon neutrality by 2050. However, much remains to be done.

“We believe that economic value cannot be created without environmental and social sustainability. Therefore, sustainability is fully integrated in Sonae Arauco’s strategy”, says Rui Correia, the company’s CEO, who singles out wood as a key material for all this to be fulfilled.

After all, how many materials are there like wood – natural, renewable, recyclable and with an intrinsic and remarkable ability to retain carbon?

With a purpose and a business model aligned with European objectives, Sonae Arauco once again leads by example by bringing the goal of carbon neutrality forward by at least 10 years, a challenge in which the company proposes to encompass all emissions in scopes 1 and 2. At the same time, the company is addressing the issue transversally and making every effort to bring forward the mitigation of scope 3 emissions (which include the supply chain, among others) as much as possible.

“Sonae Arauco has always had a pioneering, innovative – even disruptive – approach. A good example was the use of recycled wood in our products in the 1990s, in line with the circular economy model which, nowadays, emerges as a response to the challenge of lack of resources. This pioneering spirit and commitment are also about positive impact, the ability – and duty – to be an example to the market and to our stakeholders. To improve the value chain, to grow in partnership and to anticipate the regulatory processes”.

Rui Correia,
CEO Sonae Arauco



José António Rocha
HSE & Risk Management



Nuno Calado
Wood Regulation & Sustainability

Carbon neutrality: a commitment for 2040

Sonae Arauco is a company that excels in carbon retention. How many companies are there whose products capture more CO₂ than they emit in the production process? Sonae Arauco is an example of this, by capturing around eight times more carbon than it emits in its business activity.

How many companies are there whose products capture more CO₂ than they emit in the production process?

However, there is room for more with regard to emissions that are not directly linked to Sonae Arauco's activity. The information comes as a result of the completion of the first phase of the Carbon Neutrality Roadmap, a process

started in 2021 which, according to Nuno Calado, Wood Regulation & Sustainability Manager, "brings transparency to production processes, as it involves full monitoring, and is also a way of developing new growth models that enable us to be more competitive and sustainable."

"The results obtained are within expectations and in line with a normal typology of industrial activities. The biggest surprise, if you can call it that, was the extent of the scope 3 emissions, which will be a complex challenge in terms of mitigation", summarises José António Rocha, Corporate Risk Management & HSE Director.

Sonae Arauco is now moving on to the second phase of this project, prioritizing the reduction of emissions during production, through energy efficiency processes and investments. "We all need a change of mindset to think that the GHG (Greenhouse Gas) emissions

These are the phases of Sonae Arauco's Carbon Neutrality Roadmap:

Phase 1

Conducting a greenhouse gas emissions inventory in accordance with the principles of the GHG Protocol (completed).

Phase 2

Establishing a baseline and scenarios to achieve neutrality within the appropriate timeframe, assessing challenges and opportunities, and developing an effective strategy (under development).

Phase 3

Defining and prioritising decarbonisation actions.

Direct and indirect emissions

Scope 1 Direct sources

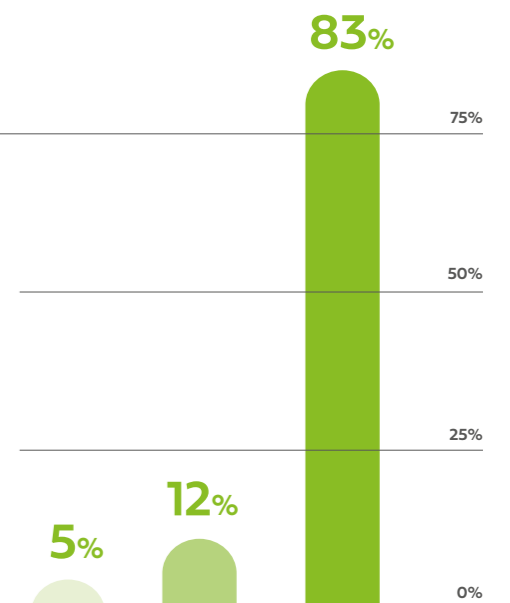
Emissions from the company's units and vehicles.

Scope 2 Indirect sources

Emissions from energy production and raw material production.

Scope 3 Upstream and downstream sources

Purchased goods and services, business travel, employee travel, waste disposal, use of products sold, transport and distribution, leased goods and franchises, and future investments.



we produce, directly or indirectly, are as important as other production-related issues. It is an approach that will have to be integrated across the company, and which implies changes in purchasing, production, investments and even behaviour", points out José António Rocha. "Each area or role will have a specific roadmap, within its area of responsibility, to monitor the evolution of performance in terms of GHG

emissions against the objectives that are set in future", he explains.

The focus of the working group, and of the whole company, is now to "gradually reduce emissions to zero, Sonae Arauco's preferred and essential approach towards carbon neutrality. Only those emissions that cannot be eliminated will be compensated through credible and certified projects", assures Nuno Calado.

However, this path is not starting from square one. Sonae Arauco already contributes, on average, to the retention of around 2 million tonnes of carbon annually just through the products it places on the market.



Benoit Foucart
Group Procurement



Ecociclo, Alfena
(Portugal)

30

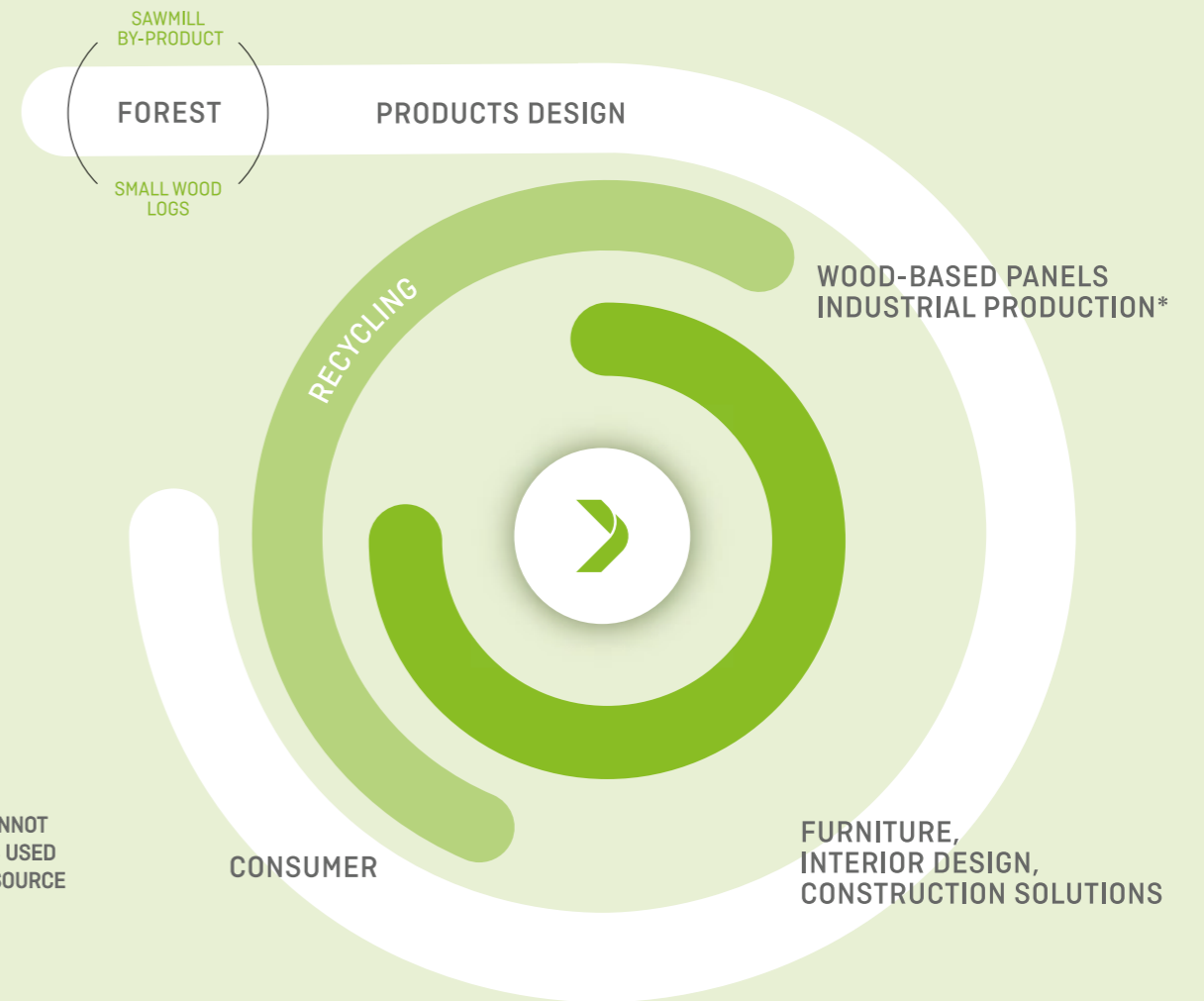
A model of circular bioeconomy: 85% recycled wood in Sonae Arauco products

A green economy is also built by recycling raw materials and making full use of resources. For wood, this translates into a move that prevents a material that retains carbon – in the form of pallets, furniture, doors, construction waste and industry by-products, among others – from being sent to landfill or burned at the end of its life. Thus, Sonae Arauco follows a circular bioeconomy model (see infographic) which respects the principle of cascading wood use and puts a raw material that would otherwise be wasted back into the production process.

“We already have some products made using 75% recycled wood, but we have an ambitious strategy underway to increase this figure to 85% in some product lines,” points out Benoit Foucart, Group Procurement Senior Director.

Continuous investment in its own recycling network implemented in the Iberian Peninsula is a point of growing strategic importance for the company, which thus guarantees the quality of the material incorporated and competitiveness in the market. There are 11 Sonae Arauco

recycling centres – managed by the subsidiaries Ecociclo, in Portugal, and Tecmasa, in Spain – where by-products and waste from hundreds of customers from all sectors arrive daily (see box). And the potential for expansion is enormous, as shown by the most recent investments, namely two million euros invested in the Souselas centre in Portugal, to increase its capacity and productivity. At the same time, “we are looking into the possibility of replicating this business model in Germany, where recycled wood is purchased directly



from wood waste management operators, as well as the acquisition of two new recycling centres in Spain,” adds Benoit Foucart.

The use of recycled wood thus appears in this process as a double competitive advantage: on the one hand, it re-uses something that would otherwise be discarded, reintegrating it in the production process and, on the other hand, it guarantees enough raw material to supply production needs.

Innovation and technology are also indispensable tools in this process of finding alternative sources of raw materials. In this sense, the company is part, among others, of the EcoReFibre project, which explores intelligent sorting and processing technologies to recycle

post-consumer wood into fibreboards and new construction products. “There is still a large amount of wood that is incinerated or even sent to landfill, contrary to the principles of the circular economy,” explains Benoit Foucart.

“By recycling and integrating wood into new value-added products, we are delivering to the market solutions with great technical performance and robust environmental credentials that are great alternatives to fossil-based products, and which are completely in line with the need to transition to a new economic model, sustained by the circularity of materials and sustainability,” says the CEO of Sonae Arauco.

The advantages of recycling with Sonae Arauco are:

- A team of over 100 experienced professionals with decades of expertise in the field.
- Provision of a quality service to companies and municipalities either through the wood waste disposal in our recycling centres or assuring the materials’ collection and transportation.
- A unique, fully-integrated process with a guarantee that collected wood will be integrated into new boards.
- Proximity to sources and provision of a competitive and customised service.
- Corporate practices and processes that respect the environment and ensure the technical performance of products.

Left to right
Tiago Correia, Manuel Rainha, André Nunes, Nuno Calado, Ricardo Marinho and Estela Almeida



33

More sustainable forests, wood recycling for carbon retention and a zero-emission activity. These are the three main pillars on which Sonae Arauco's holistic vision for a greener and more conscious economy is based. As a natural, renewable and recyclable material, with excellent technical performance credentials for the interior design, furniture and construction sectors, wood is an ideal partner in the fight against climate change.

Because it is reliable, safe and versatile, it has been increasingly valued by consumers, prescribers, NGOs and legislators, and named as a key to building a more sustainable and egalitarian society. And it is because it is all this and has the capacity to become so much more that it must be appreciated, day after day. "At Sonae Arauco we know the value of wood and we are committed to making this widely known," concludes Rui Correia.

Innovation as a key factor for a more resilient forest: pine trees with 59% more growth

Sonae Arauco's journey of increasing the value around a material that is already so remarkable in itself does not end with the circular economy model and the search for more efficient processes. If it is in the seed that everything begins, it is to the seed that one must look to guarantee the sustainable development of the forests.

What if forest management could be more profitable for everyone? What if we could plant pine trees that grow more than normal? What if that growth was almost 60% greater? It is hypotheses such as these that are being tested and confirmed through Sonae Arauco's forestry Research and Development (R&D) project. Created

"The preliminary results are very positive and provide good prospects, in terms of both survival and growth."

in 2020, this pioneering initiative in the pine sector consists of planting and monitoring pine trees of different families and nationalities to test their productivity and growth in various conditions existing

in Portuguese territory. In its second year of implementation, it is already possible to anticipate a notable potential impact on forest activity. "The preliminary results are very positive and provide good prospects, in terms of both survival and growth", says Nuno Calado, highlighting some families of radiata pine from Chile, which display better performance both in terms of survival and growth. "These represent a growth improvement of 10 to 17% compared to Spanish radiata pines and 15 to 59% compared to maritime pine, depending on the planting location."

To reach these figures, the Sonae Arauco team dedicated to this project used

"These represent a growth improvement of 10 to 17% compared to Spanish radiata pines and 15 to 59% compared to maritime pine, depending on the planting location."

200,000 seeds of maritime pine and radiata pine from four different origins – Portugal, Spain, France and Chile. After

the seeds had germinated, the trees were planted in 12 different trials across inland and coastal areas, with sandy, granite and schist soils, in a total area of about 35 hectares. "The big plus of this project is to use seeds from different pine improvement programmes, i.e., high productivity species, which will allow us to provide forest owners and national nurseries with recommendations on the species and provenances best adapted and most profitable for different regions of Portugal," says Nuno Calado.

In practice, this means that if these results are maintained, Portuguese forestry producers who invest in the

best performing species to the detriment of others, may obtain plantations with a higher survival rate, higher levels of resilience to extreme climate phenomena and greater growth. A major response to a challenging context: between 2005 and 2019, the volume of maritime pine growth in Portugal fell by 37%, and between 1995 and 2015, 27% of the maritime pine area was lost, which is equivalent to more than 13,000 football pitches per year. "The next few years of evaluation will allow us to begin to understand if there are differences in growth between families per location, in order to see which families are best for each location," points out Nuno Calado.

Matching
our nature.

Steffen Körner is 62 years old and was born in Dresden, Germany. He holds a degree in Wood and Fibre Engineering from TU Dresden. He started his career at Sonae Arauco in 1998 as Plant Manager of the Eiweiler plant and is currently Managing Director of Sonae Arauco Deutschland GmbH, Sonae Arauco Beeskow GmbH and Impaper GmbH. He also holds the position of Industrial Operations Director for the NEE region.



Profile

Steffen Körner

Passionate about wood, educated for change, always ready to help: that's Steffen Körner

"Achiever" and "restorative". This is how one describes the man who has successfully brought to the table problems that many thought impossible to solve throughout his 25-year career at Sonae Arauco. Thoughtful and flexible, even in "stressful" situations, Steffen Körner knows that the best in each industrial unit, in each office, are those who ensure that the machines work on a daily basis. "You have to keep people together and energised", he says. Three years away from retirement, he feels that he still has a lot to do to ensure that the full potential of wood is recognised.

As a young man who grew up east of the Berlin Wall, Steffen Körner learned from an early age to always be prepared for adversity. Indeed, growing up in a divided territory, where the climate of war was palpable in daily life, made preparation to deal with the unexpected a personality trait: "From this I learned that there is always a way out, there is always a solution. We can adapt to many things, even if they are not pleasant at the time; hope is always there," the now Managing Director of Sonae Arauco Deutschland summarizes.

Even today, this is not an easy topic for Steffen. Born in the 1960s in Dresden, his family and social situation dictated the early start of his military career, first at a boarding school, where he received pre-military preparation, and later through mandatory military service. “The prevailing ideology determined that only children of working-class parents could attend higher education and my parents were engineers,” he points out. “Sometimes I wonder how I survived all that.” The answer to that question, now he realises, lays in the ambition he always had to pursue his education. Because military life, he says, was never an option.

The hope for a better life, soundly based on perseverance, allowed him to find ways to escape the strong grip of the regime and continue at school. “When I finished the 10th grade I started a carpentry apprenticeship in a furniture factory. One of the perks was that I started to earn my own money; the other was that I became part of the working class,” he emphasizes. From there, he was able to finish his secondary education and enter higher education. “It was the only way I could lead a good life.”

Process Engineering was then the chosen path to graduation. And if that time spent at the factory awakened Steffen’s passion for wood, that connection eventually materialised with a Doctorate focusing on the area of wood and fibres. But as great challenges are given to the greatest warriors, the socio-economic context that seemed minimally stable ceased to be: “The Wall fell and everything became uncertain”.

Going out to come back even better

The fall of the Berlin Wall was, in Steffen’s words, one of the biggest challenges of his life. “By then I had already started a family and suddenly several questions arose regarding the future”, he recalls. And while

it was true that this event would bring a new dimension of freedom and autonomy to people’s lives, it was also true that, until all that became a reality, it was necessary to deal with the divisions caused by over forty years of a physical barrier that left irreparable marks between peoples. “The Eastern part of the country was in pieces: industry, the universities, the economy itself. And in the West people were very sceptical, they didn’t know if they could trust us [East of Germany residents], if we were good workers”, he continues.

The solution to this uncertainty appeared on a newspaper page, but it involved leaving everything behind. “They were looking for a technician at a wood-based products factory in Scotland and it seemed a perfect fit with what I had studied. It was my first experience in this area,” he recalls. Without ever having left Germany, without much knowledge of the country that would become his home for two years – “All I knew was a handful of jokes about Scotsmen” – and with only a few words of English – “which were useless because they didn’t speak English” – Steffen set off in search of a better future.

The experience in Scotland thus became a double-edged sword. Professionally, it was one of the key moments of his career: “My boss was a great teacher and I had the chance to link theory to practice for the first time. I learned a lot about particleboard, MDF, OSB. And that was my foundation for the next steps in my career.” On a personal level, being away from his family, who remained in Dresden, had a negative impact on Steffen’s life. He only spoke to his wife and children for five minutes every Saturday at 10 a.m., when a call from the public telephone connected the two countries. “When I look back I think it was a mistake; we should have all gone to Scotland.”



Despite the administrative tasks inherent to his role, Steffen Körner prioritizes contact with the teams in the factories.

39

“I learned that there is always a way out, there is always a solution. We can adapt to many things, even if they are not pleasant at the moment, hope is always there.”

Carmen Amrath
Supply Chain Manager, ImPaper Europe



Paulo Pinto de Sousa
Industrial Strategy,
Technology & Projects Director



Jens Bente
Plant Manager, Meppen

40

“We all recognise in Steffen a vast knowledge of our industrial sector and an extensive and valuable network of contacts acquired over a long and diverse career.”



When the team is the basis for success

Since then, Steffen Körner has held around ten positions in five companies in the wood-based products industry, from Key Account Manager to Managing Director to CTO and Plant Manager. He arrived at Sonae Arauco in 1998, when the German company where he worked, Glunz AG, was bought by Sonae Indústria. “I remember my first day at Sonae Indústria very well, all the German managers were invited to Frankfurt am Main. The acquisition was announced and we all took the Myers-Briggs personality test,” he mentions.

Even though the results of that test are outdated, on another scale that defines personalities and strengths, CliftonStrengths, Steffen falls into the “achiever” and “restorative” categories. This means that he is a man who needs to have

tangible goals that he can clearly observe, so that he can work towards achieving them. Furthermore, these results also tell us that he derives his energy from problem solving. The challenge of looking at a set of signals, identifying errors and finding solutions is something that motivates him. All these qualities are highlighted by the colleagues and peers he works with on a daily basis.

“We all recognise in Steffen a vast knowledge of our industrial sector and an extensive and valuable network of contacts acquired over a long and diverse career”, points out Paulo Pinto de Sousa, Industrial Strategy, Technology & Projects Director, who has worked closely with Steffen for almost 20 years and sees in him “a team worker with strong convictions”. The importance of the team is precisely one of the themes that leads Steffen to always

want to be with people, in factories, even if his responsibilities often lead him to have more of an administrative role.

“One thing I learned very early on is that I can’t solve problems alone; you always need a team”, says Steffen, stating that the “best job” you can have in this industry is to be Plant Manager because of the proximity.

Besides his current position as Managing Director of two branches of Sonae Arauco’s operation, the Beeskov plant and the German structure, Steffen also has

management responsibilities in ImPaper Europe. With all this to deal with, Carmen Amrath, Supply Chain Manager at ImPaper Europe says that Steffen “is always ready with all his energy to deal with any matter in which the company needs him”. And in the end, the challenge is overcome successfully, thoughtfully and calmly, “even at the most stressful times”.

One such challenge came from Carlos Moreira da Silva, CEO of Sonae Indústria at the time, who on a visit to the newly opened plant in Nettgau asked the Plant Manager, Steffen, to make the impossible possible. “He observed everything very closely, told me that the factory was very nice, but that the results were a disaster. He asked me to present a rehabilitation concept within four weeks,” he says, admitting that he felt frustrated at that moment. After intensive analysis of production and market data, and several tests on active production lines, Steffen and a small team outlined a plan that envisaged reorganising production and selling into stronger markets. Four weeks later, he presented it to the board of directors, who were unsure. “I was told it wouldn’t work, but that in the absence of alternatives we should test it. After that, Nettgau won the Sonae Indústria Award for best factory – twice in a row.”

Jens Benten, Plant Manager at the Meppen site, closely followed this process in Nettgau, as well as other “quality and process improvements with only small investments”, and says that

“these have only been achieved thanks to a lot of commitment and continuous work”, factors that connect with the “analytical and data-driven” skills he attributes to his line manager. “Working with Steffen is uncomplicated and based on trust,” concludes Jens.

A leader who “nurtures” solutions

The case of Laminate Park is, for Steffen, at the opposite end of the scale of success. From the start, it was a labour of love, which came about after a visit by Belmiro de Azevedo to the Eiweiler industrial unit. “It was just an MDF factory and the future was uncertain. I went up with the engineer to the roof of this building, which was very high, and showed him the drawings of what was to become the laminate factory two years later,” he recalls. The years went by and Steffen became the factory’s Managing Director. However, and six years into that position, “I had to look each employee in the eye – I knew them all personally – and tell them that the factory was closing” in 2019.

However, all these moments have helped Steffen Körner to shape his leadership style, his way of seeing the world of work and people. “There is a physical process that is called entropy and it says, in short, that if you have a system and you want to keep working, you have to supply it with energy. For example, if you have a car and you want to keep it running, you have to provide fuel. I believe the same thing happens with management.

Nettgau, the factory which, under the leadership of Steffen Körner, won the Sonae Indústria Award for the best factory twice in a row.

43



You have to keep people together and energised,” he says. In practice, this becomes leadership that is increasingly closer to mentorship, with Steffen providing his teams with the tools for finding solutions together, rather than presenting his decisions at the outset as an order to be followed.

All this applies in his day-to-day life where, through a synchronised diary system, he keeps in touch with Plant Managers to receive data, anticipate problems and outline paths. The daily IOW meetings are also very important for a continuous improvement process that, in his vision, must have everyone’s input and commitment. “This is a big challenge for all management teams and implies a lot of work, learning effort and, more than anything, implementation of new management methods.”

On this path towards a more efficient company and consequently a better world, Steffen also dedicates his time to the German Wood Panels Association, where he does “strategic work to keep our sector as sustainable as possible”. It is through this association that he has fought to show the world the reasons behind his great appreciation for wood. “As a company and as a society, we must see wood as a great solution to various problems, particularly those related to climate change. We have to use it as raw material and not burn it,” he states.

Three years with much to look forward to

How about outside work? The answer to this question comes promptly from Steffen Körner’s mouth: “There’s not much time

for hobbies.” Family comes first, and it is for the sake of family and his son that he is executive director of a foundation that supports people with disabilities so that they can participate more actively in society. Friends are also an important part of his life, with some of his colleagues saying it is a pleasure to spend time with Steffen outside the company gates. “Our professional relationship, as well as our friendship, I believe, is based on mutual respect,” says Paulo Pinto de Sousa.

In parallel, music and food are two pleasures he has nurtured for some years. In music, the fascination with new piano composers such as Hans Zimmer or Ludovico Einaudi. In the kitchen, artisan bread was a recent discovery that requires “effort and detailed knowledge”, two aspects that are close to this German’s heart. “Some types of bread require planning 48 hours in advance and mastery of many processes for a good fermentation and baking process. It has a lot in common with making particleboard, but it tastes much better,” he says, between laughs.

In the meantime, and with three years to go until retirement, Steffen says he hasn’t given much thought to what he will do when he no longer has to report to the office at 8 a.m. every day.

“I feel that we are in a process of transformation and that I still have a lot of work to do with Plant Managers so that their work is more mentoring and less management. I don’t know if three years is enough to complete it, but at least I know I started it.”



Meppen industrial unit where a new production line will be developed.

45

An investment that is a source of pride

After returning from Scotland, Steffen Körner moved with his family to Meppen, Germany, making the city a very important landmark on a personal and professional level. “We really enjoyed living in that small town. We were able to raise our children there and integrate very well socially,” the manager points out. “I was also twice responsible for the industrial unit as Interim Plant Manager and we developed several products in the Research and Development centre.”

So, he is very proud to see the investment of more than €100 million coming to this industrial unit. “After more than ten years of discussion and preparation while I was CTO of the German operation and two postponements, it seemed that nobody believed in this anymore,” he highlights, saying that the necessary land purchase papers have already been signed. There will be a new production line for wood fibre insulation materials, which from 2025 will allow the portfolio to be expanded to include flexible insulation, pressure-resistant wood fibre insulation boards and blown-in insulation.

“Now, the opportunity has finally arrived to create the factory we have always wanted.”



Destination

Porto

The heart of Portugal is here

Porto

Voted the World's Best City Destination 2022 by the World Travel Awards and one of the 50 must-see places in 2023 according to Forbes, Porto is on the lips of the world for the best reasons. And rightly so. This northern Portuguese city retains Portuguese tradition and authenticity while balancing it with the more cosmopolitan side of a European city. Vibrant, dynamic, multicultural, welcoming and home to genuine people, there is much to see and taste, learn and experience, always with the suggestions of the best guides: our people.

Sonae Arauco in Portugal

Around **800 employees**

Three industrial units:
Mangualde, Oliveira do Hospital and Sines

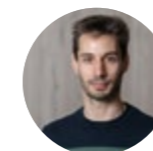
Three recycling centres:
Alfena, Seixal and Souselas

One office:
Maia (Porto district)

The Sonae Arauco team who contributed to this article:



Ana Fonseca
Senior Contoller



Diogo Correia
Delivery Consultant



Joana Santos
Tax Manager



Pedro Cunha
Specification Representative

Where to go?

Port Wine Cellars

The city lends its name to the wine that is known throughout the world and is enjoyed by millions. The production process is worth a visit in the iconic cellars, where you will have the chance to find out about the whole life cycle of this acclaimed beverage. There are many cellars scattered along the banks of the river Douro where one can learn about the history and enjoy tastings, attesting first-hand the complexity of this national treasure.

Couples (or two travellers)
Group of friends



Palácio de Cristal Gardens

The wonderful Gardens of Palácio de Cristal offer some of the most beautiful views in the city. Firstly in the viewing points set in the wonderful garden, where time passes more slowly, and a great place to have something to eat or drink. From the dome of the Super Bock Arena – Pavilhão Rosa Mota you can enjoy a 360° view of Porto, overlooking Gaia and the Douro River.

Group of friends - (who are not afraid of heights!) and have fun climbing the dome and creating great memories



Serralves Foundation

Encompassing several spaces, from the Serralves Villa to the Museum of Contemporary Art, the Serralves Foundation has a diverse programme of initiatives on offer that promote debate and reflection on art, nature and the landscape. The latest attraction is the 260-metre raised wooden walkway that allows you to stroll through the Park's canopy.

The whole family



Lello Bookstore

One of the world's most famous bookshops is located in the heart of Porto and preserves its original beauty. Founded in 1906, this shop is known for its huge winding staircase, carved wood and a wide range of valuable books. For Harry Potter fans, this shop was the inspiration for the world of the young wizard because of its aura of magic and secrecy.

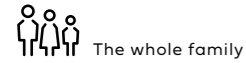
The whole family (especially if you have wizards on board!)



What to do?

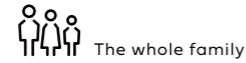
Casa da Música

This is one of the most important cultural centres in the city, where you can access a diverse programme of shows throughout the year. With three auditoriums and a large surrounding area, it is home to the Orquestra Sinfónica do Porto and the Casa da Música Choir. It is also one of the architectural symbols of the city, designed by Dutch architect Rem Koolhaas.



Foz Beaches

After travelling almost 1,000 kilometres, the Douro River flows into the Atlantic Ocean. Some of the most beautiful beaches in the country are to be found along the mouth of the river. From walking along the waterfront to having a meal or drink in the area's bars and restaurants, there is plenty to do in Foz do Douro.



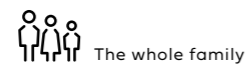
Arrábida Bridge Arch

Sixty-five metres above the river, 262 steps down. A visit to the arch of Arrábida Bridge, one of six bridges that cross the Douro River, may not be for everyone, but if you are brave enough, you have the chance of getting a whole new view over the city. You can visit the arch 362 days of the year, summer or winter, but these visits are only allowed when all safety conditions are met.



Clérigos Tower

The architectural complex of Clérigos, considered a National Monument since 1910, is one of the main points of interest for its Tower, Museum and Church, and a must-see for all those visiting the city of Porto. The Church and Tower are part of an 18th century Baroque-inspired building.



Where to eat?

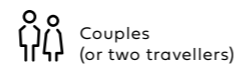
Cervejaria Brasão

Eating a *francesinha* when visiting Porto is a must. In fact, locals say it's mandatory. In this iconic establishment, there is always the guarantee of good-quality ingredients, from the meat to the sausages, and respect for tradition. However, and as times change, there are options for everyone, like the vegetarian *francesinha*, always with a cold beer on the side.



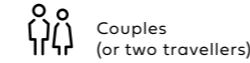
Chama

In this restaurant, the star is the century-old wood oven that gives all the dishes "that" special taste. And speaking of dishes, there is no set menu because only fresh local and seasonal ingredients are used. Each visit is an experience that makes it worth the long waiting list. It is therefore advisable to book in advance.



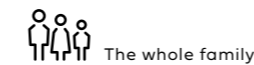
Bom Sucesso Market

Taste the world in Porto? Yes, you can. At Mercado do Bom Sucesso, there are more than forty establishments offering gastronomic experiences of excellent quality. Offering snacks and drinks, traditional Portuguese, Italian or Japanese food, the hardest part is choosing. The still has an area for selling fresh produce and flowers.



World of Wine

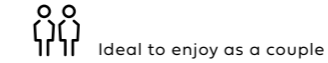
Another place there is a bit of everything is World of Wine, a cultural space of excellence on the banks of the Douro River, which focuses on port wine and all the products and processes that surround and go with it. There are nine restaurant concepts in this building, from sushi to pizza, as well as traditional dishes – always paired with the best wines.



Where to stay?

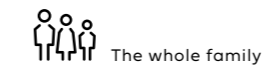
The Yeatman Hotel

They say that Vila Nova de Gaia offers the best views of Porto. Also in this city, on the south bank of the Douro River, you can spend the night in one of the best five-star hotels in the world, with an elegant spa and a restaurant with two Michelin stars. The building invites you to live and breathe port wine and is part of the cellars of the illustrious Taylor's wine brand.



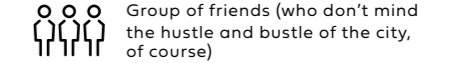
Hotel Vincci Ponte de Ferro

With a wide view of the Ribeira do Porto, this four-star hotel located in Vila Nova de Gaia offers the best of both worlds: value for money and proximity to the city. Right next to D. Luís I Bridge, it invites you to walk between the two river banks and get to know the most beautiful aspects of the Sé Cathedral and its medieval streets.



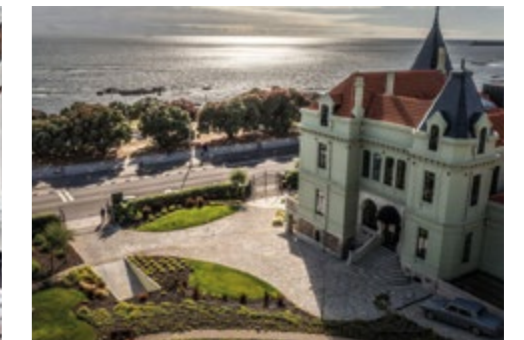
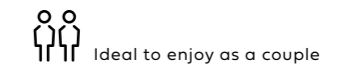
Eurostar das Artes

Located in the city centre, this four-star hotel draws its inspiration from the arts, as it is split between a modern building and a historic palace with a sky-blue tiled façade. Some of the city's most emblematic museums are located around it, in addition to the exhibitions that the space frequently hosts.



Vila Foz Hotel & SPA

A charming five-star hotel, located on one of Porto's most prestigious avenues, on the seaford overlooking the Atlantic Ocean. With a concept of refinement and well-being, this unit offers an excellent spa service, 68 rooms and suites that stand out for their elegance and comfort, as well as a Bar area and two restaurants.



Ulf Johansson leads the IKEA global Wood Supply & Forestry team that now comprises over 40 individuals worldwide leading business priorities for responsible forest management, strategic wood sourcing and communication. Ulf has long experience in different forestry industry companies and has led IKEA operations in both Asia and Europe.



Ulf Johansson - Head of Global Wood Supply & Forestry, Inter IKEA Group

Guest

Being such an ancient material, wood is definitely a material for the future.

Ulf Johansson

In the wake of the launch of a first-of-its-kind IKEA platform, which is hoped to set an example for the entire industry, Ulf Johansson reflects on the vital role of wood solutions in mitigating climate change and talks about how honesty and transparency have guided IKEA, with the goal of doing more and better for a sustainable future. He also makes some observations to be taken into account by all of society for an increasingly effective management of what is “humanity’s greatest heritage”, the forests.



Sonae Tech Hub

53

What distinguishes forest-based products, such as wood, from other options on the market?

Wood is an unmatched material that allows us to create beautiful, long-lasting and comfortable products. It is unique in that it is both renewable and recyclable and it is available in large quantities, which allows us to have efficient, large-scale production. Furthermore, during their life cycle, trees are always retaining carbon dioxide from the atmosphere. There are countless investments in new technologies and projects that focus on carbon sequestration, but trees have always done this naturally, for free.

In this challenging context of climate change, what role do forests and wood play?

I would say that the forest can play either a positive or negative role, depending on how you look at it.

The forest has this amazing ability to remove carbon from the atmosphere and store it in the trees and soil. During their life cycle, wood products continue to ensure the retention of previously captured CO₂. By promoting the recycling of those products, we extend this retention.

At the same time, deforestation is one of the biggest sources of CO₂ emissions today, when driven by land conversion and agriculture. Growing trees to

produce biomass is also not the best way to mitigate climate change. The focus should be on retaining CO₂ in the material for as long as possible, as well as reforesting and restoring forests to mitigate climate change.

What other benefits do you think forests provide, apart from those related to CO₂?

There is a 30-year-old quote from our founder that says "Our forests are mankind's greatest asset". They can store and clean water and help to clean the air.

The forest has this amazing ability to remove carbon from the atmosphere and store it in the trees and soil. During their life cycle, wood products continue to ensure the retention of previously captured CO₂. By promoting the recycling of those products, we extend this retention.

A global responsibility map

Based on data reported by IKEA, between September 2021 and August 2022, 85% of the wood used in its products originated from European countries, with the Polish, Lithuanian and Swedish markets contributing most to this figure. To ensure responsible forest management globally, the company requires all raw materials provided to have FSC® certification or to be recycled.



They are a vital part of many ecosystems providing shelter to plants and wildlife. Nor should we forget the enormous impact they have on human populations. There are approximately 1.6 billion people in the world who depend heavily on forests for their livelihoods, people who are not always seen or heard.

How can we, in the future, develop and improve all the potential that forests have to offer?

First of all, we need to stop deforestation. It is the only action that can have an immediate impact. After that, there is still too much forest being managed short-sightedly or irresponsibly. Responsible forest management must become the norm worldwide. The technology and knowledge to help achieve this already exist. Finally, there is a need to strengthen property rights and ensure that companies only use timber from responsibly managed forests.

What responsibilities do the different groups in our society have in this challenge of protecting forests, from

governments to Non-Governmental Organisations (NGOs) to companies?

We all have a role to play. I think governments have to create and enforce robust legislation because I don't foresee the market being able to solve all the problems by itself. Legislation should establish what should be done and also has the role of making clear to the market how it should be done. And when I say the market, it is not just the industry, but a combination of industry and consumers. It is a risk if legislation is too demanding because it can become rigid and difficult to apply in different countries. All management must ensure biodiversity and growing stocks. NGOs, which are also a part of the ecosystem, are extremely important because they challenge governments and industry, which can make us better.

IKEA has created a website dedicated to sharing details of the provenance of the wood used in its products. Why is transparency so important for the company?

Honesty and transparency have been IKEA's core values since its foundation. The more we work on transparency and honesty in our activities, the more inspired we become.

Therefore, one of the objectives of this site is to be a good example for the sector, so that a new standard of transparency is established.

On our map we see that there are countries where we get 1% of our wood, others 2%, others 5%. But where does the rest go? Which companies buy it and what are their requirements? In our view, transparency is fundamental to sustainable development. Besides, consumers place a big demand on us and have expectations that companies should be transparent. When we started this process, we decided to listen to consumers and we carried out a large survey: 8000 people, different countries, different consumer groups. And the message was clear: they wanted more information about our wood supply, about the origin of



Sonae Tech Hub

55

the wood used in our products, and the requirements we set. **All this so that they can make an informed decision, as they are willing to pay more for a product if they are sure that the wood used to make it comes from responsibly managed forests.**

How important is wood recycling for IKEA and sustainable development?

Wood recycling is an extremely important issue for IKEA, but not only. It was also very clear in the survey that consumers value the use of recycled wood. IKEA's goal is that by 2030 at least one third of all wood used in our products will be recycled. On the other hand, the target for particle board is 80%. The technology already exists and there are factories working with 100% recycled wood. But there are also parts of the world where there is no infrastructure for collecting waste for recycling. Recycling is therefore something that has to be worked on together with governments and industry to create joined-up approaches and achieve a change in habits.

Wood is definitely a material for the future. It could be the basis for a circular society, for all the reasons I have already mentioned, but also for its potential to contribute to the phasing out of virgin fossil materials.

What future do you foresee for this group of materials?

Being a material that has been in use for centuries, wood is definitely a material for the future. It could be the basis for a circular society, for all the reasons I have already mentioned, but also for its potential to contribute to the phasing out of virgin fossil materials. And we must also challenge ourselves to use the material even better tomorrow than we do today. For example, we use wood more than any other material, and most of the wood is composite that is kept together by glue. We have recently introduced a new bio-based glue that will help reduce the climate footprint.

How can we build a carbon neutral future?

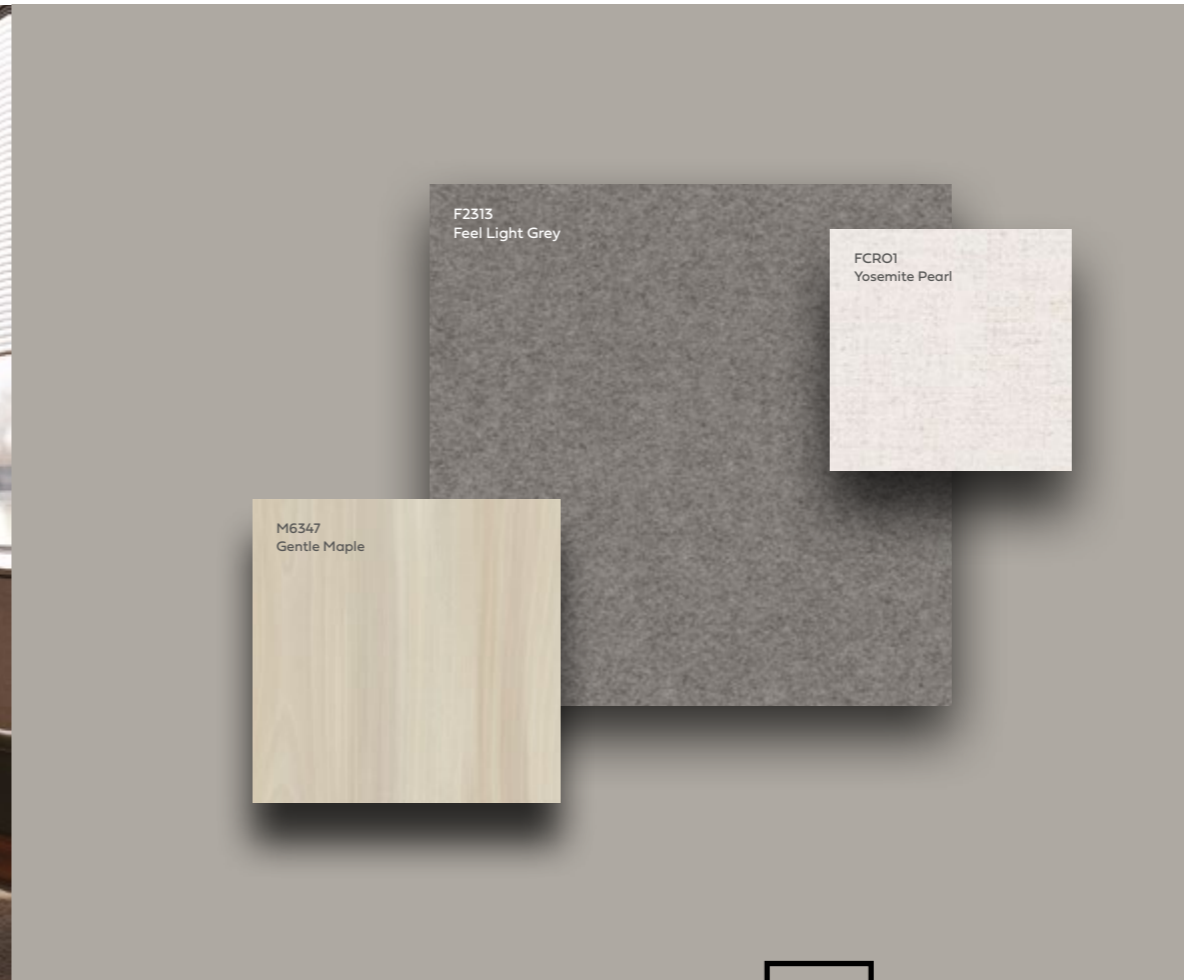
By working together on this issue. Forests will play an extremely important role, but the wood-based products industry has the opportunity to make a positive impact, to do its bit, to recycle wood and ensure it is used in long-life products through carbon-neutral processes. It is very exciting to work in an industry that looks to the future and the opportunities it holds.

Trends

New Innovus® Collection: Inspired by (our) Nature

Matching our nature is the concept chosen for the renewal of the Innovus® Collection. Designed to be timeless and to escape the immediacy of passing trends, this is “the collection”, the one that reaffirms Sonae Arauco as a key world player in the decorative panel sector. A collection with character that is a perfect reflection of the company’s innovation, sustainability and customer focus.

Balanced and emotional, rational and creative, the new Innovus® collection aligns with a more calm and conscious lifestyle and presents itself clearly as one of the best collections on the market.



59

innovus[®]
Decorative Products

The new Innovus[®] Collection's alignment with the continuous appreciation of nature goes beyond new decorative materials. As the forest is the starting point of Sonae Arauco's portfolio, the branding of the collection now has a more natural look, with wood and forests as its inspiration.

At the same time, the colours of the logo have been simplified for a more rational use of resources. "All the materials were developed with the aim of reducing paper and ink consumption, but without losing their identity," says Michelle Quintão.



If recent times have shown us something, it is the need to take our foot off the accelerator, to live a calmer, more thoughtful and, at the same time, more conscious life. We have all grown to realise that every action on this planet is accompanied by a reaction and that all resources must be used rationally. The achievements of the past and the challenges of the future require that we look to the horizon with a new perspective, putting each person's responsibility regarding what we are and what we consume in the first place. High speed is giving way to quality, trends are yielding to timelessness, and inspiration comes from the origin of everything: Nature.

This paradigm shift was the decisive factor in the renewal of the Innovus[®] Collection,

whose key motto is *Matching our nature*. The basis is our long-standing motivation: to develop a collection of versatile, high-quality decorative materials with added value for different uses and applications, with the focus firmly on respect for the raw material, wood. "We follow the same principles and apply the knowledge and experience of a large work team with the

aim of ensuring our collection is the best in the market," states João Berger, Chief Marketing and Sales Officer at Sonae Arauco.

The element of novelty is inspired by the concepts of slow and sustainable living. From there, 50 new visuals and a new texture emerge, designed to

"As a company, this collection reaffirms our responsibility to design now a collection for the future— both from an environmental or human well-being perspective."

successfully withstand the challenge of the passage of time and trends. Michelle Quintão, Marketing Director of Sonae Arauco, feels that "the new collection is fresh, robust and balanced and explores different themes that are part of our lives. As a company, this collection reaffirms our responsibility to design now a collection for the future – both from an environmental or human well-being perspective".

The collection also reflects the path the company has taken in terms of sustainability. All these solutions are in themselves a way of enhancing the value of wood and its remarkable ability to extend the CO₂ retention for many more years. But there's more: "Today we have decorative panels incorporating over

70% recycled wood in some cases", quantifies Michelle Quintão, adding that "with the products we place on the market every year we ensure a retention of around two million tons of carbon".

More than a decade after the launch of the Innovus[®] brand, synonymous with a global and up-to-date Sonae Arauco, the new collection, in the head of Marketing's view, is now "the perfect size": "We present a diversified high-quality offer, with more than 200 products, and we have achieved the balance between new arrivals and best-sellers that the market keeps asking for." Let's find out more about it.

All human dimensions in a single collection

Having distinctive and versatile solutions that elevate any environment is part of the essence of Innovus®. Whether it is a shop or a bedroom, comfort and functionality are the essence of an environment developed with these decorative materials, so that we can grow and enjoy all our dimensions in the best way possible. It is precisely these dimensions that give rise to the themes that underpin the new collection: *Emotional Nature*, *Social Nature*, *Functional Nature* and *Sustainable Nature*.

We all have within us an emotional dimension, the desire to express ourselves in an authentic and original way, to make known who we truly are. That was the starting point for the *Emotional Nature* area, which brings together bold, distinctive and impressive materials. “These are designs with meaning, emanating personality. Elements full of character that encourage optimism and calm, in a visual connection with nature”, points out Adelaide Alves, who leads the Product Development team at Sonae Arauco.

Added to our emotions is our social dimension. We are innately social beings and we need welcoming and comfortable environments, capable of receiving these moments of sharing, community, and well-being. Thus, the *Social Nature* theme brings together décors designed for an inclusive and global look.

Functionality is also necessary in modern life that combines different experiences, and the versatility of a space makes all the difference. Thus, the *Functional Nature* area has simple and timeless

décors for everyday use, solutions that adapt to ever-changing lifestyles. “These are welcoming designs with practical and aesthetic benefits, where style and beauty meet technology to create adaptable, long-lasting interiors,” says the Product Development team.

Finally, nature is exalted in the *Sustainable Nature* area, with décors that highlight organic textures and natural elements. This area prioritises the use of authentic products that draw a visual analogy with recycled and ecological materials.

This celebration of human experience in symbiosis with nature is the fruit of a development process that, according to João Berger, combines “innovative technologies and new production processes, trend forecasting and the perception of our clients’ ambitions, and a truly committed and motivated internal team”.

Dozens of employees were involved in the renovation of this collection and besides seeing it as a professional project, they think of it in a first-person

perspective. “The market, partners and customers inspire us, but ultimately, we are also inspired by our own experience. As creators, we also inhabit this world and we also need to manage our daily lives and make decisions about our homes and spaces,” says the Product Development team. “We always keep our eyes and ears open to reality and what can emerge from that probably makes the crucial difference and the ultimate inspiration to make the right decisions.”



“The new collection is fresh, robust and balanced and explores different themes that are part of our lives.”



Product Development SWE ↑

Left to Right - Up
Joana Resende, Paulo Magalhães,
Isabel Moutinho, Samaritana Costa,
Adelaide Alves, André Mota,
Helena Silva, Isolino Valiño
Below
Maria Inês Mota, Mónica Lázaro



Product Development NEE →

Left to Right
Christian Blecke, Tien Pham, Dirk Eiyneck



↑ Marketing - SWE

Left to Right - Up
Filipa Sendim, Nuno Carneiro,
Vasco Albuquerque, Sofia Castro Lopes,
Michelle Quintão
Below
Oraça Rocha, Filipa Barbosa,
Bruno Cardante, Ana Oliveira,
Rita Sequeira



← Marketing - NEE

Left to Right
Simon Drath, Darren Wünsch,
Antonio-Marcus Brown, Janine Blume

A proud and motivated team

With the launch of this new collection, the parallelism between the *Matching our nature* and *Matching our life* motto, presented in 2019, is clear. “The latter, we believe, left an indelible mark on the market that completely changed perceptions of the Innovus® brand,” recalls the Product Development team. “It was the pinnacle of a revolution the

company began in 2015, when the signs of the times pointed to a focus on globalisation and innovation.” They are clear, however, that “times have changed. Now, after Covid-19, with a war being waged in Europe and global awareness of the impact of climate change, a focus on safe and comfortable spaces and more sustainable lifestyles is what is on people’s minds.”

Michelle Quintão looks at the two collections as distinct but complementary, especially when talking about the backstage work. “It was particularly challenging to maintain the development, launch cycle, and review a ‘young’ collection, because just as the 2019 collection was picking up momentum, we

were hit by the pandemic. When we started our review and began to understand what we had to leverage, the ideas we had from different teams, from customers, we realised that, actually, we had had little ‘normality’ time.”

In this context of constant transformation, it became imperative that the collection’s development process was also a balancing act: innovation with sustainability, novelty with timelessness. “We had to think rationally, but without losing our creativity.” The team members confidently add, “It was not an easy path, especially when we consider the global nature of the collection, but we are convinced that we have used

the right approach in these turbulent and unpredictable times”. “We can only overcome challenges like these through teamwork, and it is with a great sense of pride and achievement that we see all the work and effort materialised in a project of this dimension” underlines João Berger.

The sense of pride is even greater when talking about the main highlights of this collection, symbols that there is always more and better to do in such a dynamic and important market as wood decorative panels. One of them is the new Soft Clean texture that, having been mainly designed for unicolours décors, brings modernity and quality to the collection. “This replaces

a texture that is outdated. Simple as it may sound, this change has to be perfectly established as it affects a large spectrum of products,” says the Product Development team. The other is Innovus® Natur, a range of products with natural fibres, textile and fabric, available exclusively in laminate. “We have managed to incorporate materials such as jute, linen, cotton and leather that are perfect for special projects or combinations, in a partnership with Surforma,” details Michelle Quintão.

After the launch at Interzum 2023, the most important fair in the sector, in Cologne, Germany, there is a sense of mission accomplished and the

unquestionable alignment not only of a collection but of all of Sonae Arauco with the concept of “Matching our nature”.

“We are convinced that this new collection retains the quality and innovation that defines us so much,” concludes João Berger. “The new additions, whether in décors or the new texture, further strengthen the collection and ensure we continue to have arguably the best collection on the market.”

innovus[®]

Decorative Products



**Green
Product
Award**

**Winner
2022**

INNOVUS DECORATIVE PANELS

**SONAE
ARAUCO**
Taking wood further