

Leveraging a Circular Economy to Fast-track the SDGs

A Guide for an Integrated Approach



Global Compact
Network Canada

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About the UN Global Compact

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 15,000 companies and 4,000 non-business participants based in over 160 countries, and more than 69 Local Networks, it is the largest voluntary corporate sustainability initiative in the world.

About UN Global Compact Network Canada

UN Global Compact Network Canada is the Canadian chapter of the UN Global Compact, dedicated to supporting organizations through a principles-based approach to responsible business conduct and guiding companies' contributions to the 17 Sustainable Development Goals (SDGs or Global Goals) to drive long-term business success. In doing so, the Network Canada unifies and builds the capacity of the Canadian private sector to embrace sustainable business practices by convening and accelerating opportunities for multi-stakeholder collaboration.

This outline is the deliverable from UN Global Compact Network Canada's Working Group: Leveraging Circular Economy to Fast-track the SDGs and was co-created by the following:

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Introduction

Prior to the COVID-19 pandemic, significant progress was being made with the implementation of the Global Goals, yet those efforts have not been actionable enough to achieve the 2030 Agenda. Moreover, according to the [2021 United Nations Sustainable Development Goals Report](#), in some efforts such as lowering carbon emissions, progress has been severely hindered with some areas witnessing regression. The extent to which the achievement of the Global Goals has been derailed is not yet fully understood, but the [report](#) submitted to the Secretary General during the 2021 High-level Political Forum indicates that bold, urgent, and innovative measures are required to fast-track the progress of the SDGs.

The SDGs provide a comprehensive approach to creating a sustainable world. The SDGs offer a viable framework to transform the businesses to be a force for good and ensure long-term growth and success. At the same time, the circular economy model has gained increasing prominence as a tool which presents solutions to some of the world's most pressing and crosscutting sustainable development challenges. The concept of a circular economy imagines a society where waste and pollution do not exist by design, products and materials are kept in use, and natural systems are regenerated. This idea helps address the root causes of our most pressing sustainability challenges and provides much promise to accelerate the implementation of the 2030 Agenda.

Though many overlaps exist between the SDGs and the circular economy frameworks, when considering solutions for sustainability challenges, the synergy between, and the potential of these two frameworks is not always clear. As such, the common practice among companies today is siloed reporting on corporate SDGs and circular economy initiatives.

UN Global Compact Network Canada recognizes the importance and potentiality of these two frameworks and has invited companies, who are utilizing the circular economy model and are committed to the SDGs, to collaborate in the function of a working group. Having outlined the following objectives, the participants worked to:

1. Conduct a mapping exercise to establish how the circular economy principles complement the SDGs.
2. Discuss the opportunities and challenges for the circular economy model as it relates to the SDGs.
3. Identify solutions where companies contribute to their most applicable SDGs in addition to the circular economy principles, and d) highlight best practices to inspire further action for the applicable SDGs.



"The world is striving for more sustainable growth. We all need to work together to change our way of thinking. The goal shouldn't be to maximize profits, but to optimize them. Integrating sustainable development into all our activities is part of the solution. Hydro-Québec is fully assuming its leadership role in speeding up the transition to a more agile, circular and low-carbon economy."

Sophie Brochu
President and Chief Executive Officer, Hydro-Québec

"Cascades built its business model on the conviction that one person's trash is another person's treasure which is why we make our products from recycled materials. Seeing the enthusiasm for the circular economy today, shared by so many organizations, motivates us to do even more in collaboration with our customers and partners."

Mario Plourde
President and CEO, Cascades

"Believing and sharing in the vision of a sustainable world and a viable model for long-term growth is the first step to ensuring that commitments and progress become the focus today, tomorrow, and into the future. This working group has provided fantastic examples from numerous industries on how business actions can be aligned with circular economy principles and the SDGs."

Michael Rudolph
R&D Process Engineer, Intertape Polymer Group

"At Bell, we believe that our purpose to advance how Canadians connect with each other and the world is directly linked to our fundamental commitment to sustainability. We are long-time supporters of the Global Compact and Sustainable Development Goals and we are committed to increasing our efforts towards building a more circular and low carbon economy via our internal actions to reduce waste and energy as well as by providing innovative products and services that help our customers reduce their environmental footprint."

Nikki Moffat
CHRO and EVP Corporate Services, Bell



“Social capitalism is embedded in everything we do — it is at the centre of every decision we make. We are proud of our global leadership in sustainability and our dedication to exploring new and innovative ways to reduce our carbon footprint and minimize our impact on the planet while creating sustainable value for the communities where we live, work and serve. From our commitment to reducing GHG emissions, to operational carbon neutrality by 2030, and implementing the most expansive Work Styles program in Canada — our innovative program that enables our team to work from wherever they are — sustainable solutions are at the core of every decision we make at TELUS.”

Doug French
Executive Vice President, Chief Financial Officer, TELUS

“ETCH was founded on the belief that companies and organizations have the capability and, therefore, the responsibility to do more with their buying power. We believe all organizations have opportunities to bring to the table and are proud to be part of the wave of evolution in the Canadian economy. This working group will create a simple and effective outline for organizations to efficiently adopt a circular economy in their operations.”

Jane Zhang
Co-Founder & Co-CEO, ETCH Sourcing

“In Canada, the business community is demonstrating growing interest towards adopting the circular economy model and stronger commitments to support the SDGs. The circular economy model and the SDGs framework complement each other demonstrating tremendous potential for alignment to improve business sustainability. The alignment would allow businesses to identify breakthrough innovations to overcome market disruptions and pursue growth opportunities, while at the same time helping to address environmental concerns and improve social well-being.”

Ayman Chowdhury
Head of Secretariat, UN Global Compact Network Canada



The Business Case for Aligning Circular Economy and the SDGs

- ▶ Companies adopting circular economy practices and communicating on their progress not only demonstrate leadership in their field of operations, but also participate in a more general promotion of the transition towards a circular economy.
- ▶ The alignment between the circular economy model and the SDGs helps facilitate communication by highlighting the link to a growing global effort.
- ▶ The alignment helps to demonstrate how improving specific products and processes translates to the big picture of sustainability, which reflects in the 17 Sustainable Development Goals. Additionally, it allows companies from different industries to build symbiotic relationships in their contribution towards sustainability and the circular economy.
- ▶ The alignment helps companies share success stories towards sustainable solutions in a more harmonized manner, resulting in greater engagement and encouragement from other internal business units to think outside the box.
- ▶ The alignment allows for more consistency and standardization to report on circular economy activities and capture wins and best practices for other organizations to reference and will allow for more direct comparison with peers/competitors.
- ▶ The circular economy connection to the SDGs allows for active participation with results that can be measured and analyzed. It helps to check multiple sustainability metrics with tied initiatives.
- ▶ Integrating circular economy into existing reporting frameworks (such as SDGs, GRI, SASB, CDP, TCFD, etc.) helps reduce the additional layers of reporting burden directed towards the same goal.
- ▶ The alignment has the potential for defining and measuring 'circularity' so that it becomes standardized and easier for companies to do their reporting, benchmarking, and making informed decisions.

Exploring the Circular Economy Model and the SDGs Connection

The circular economy model is one of the few impactful tools that can help accelerate progress towards achieving the SDGs. As defined by the Ellen MacArthur Foundation, “The circular economy gives us the tools to tackle climate change and biodiversity loss together, while addressing important social needs. It gives us the power to grow prosperity, jobs, and resilience while cutting greenhouse gas emissions, waste, and pollution.” Essentially, the circular economy model is a way to transform the use and management of our scarce resources.

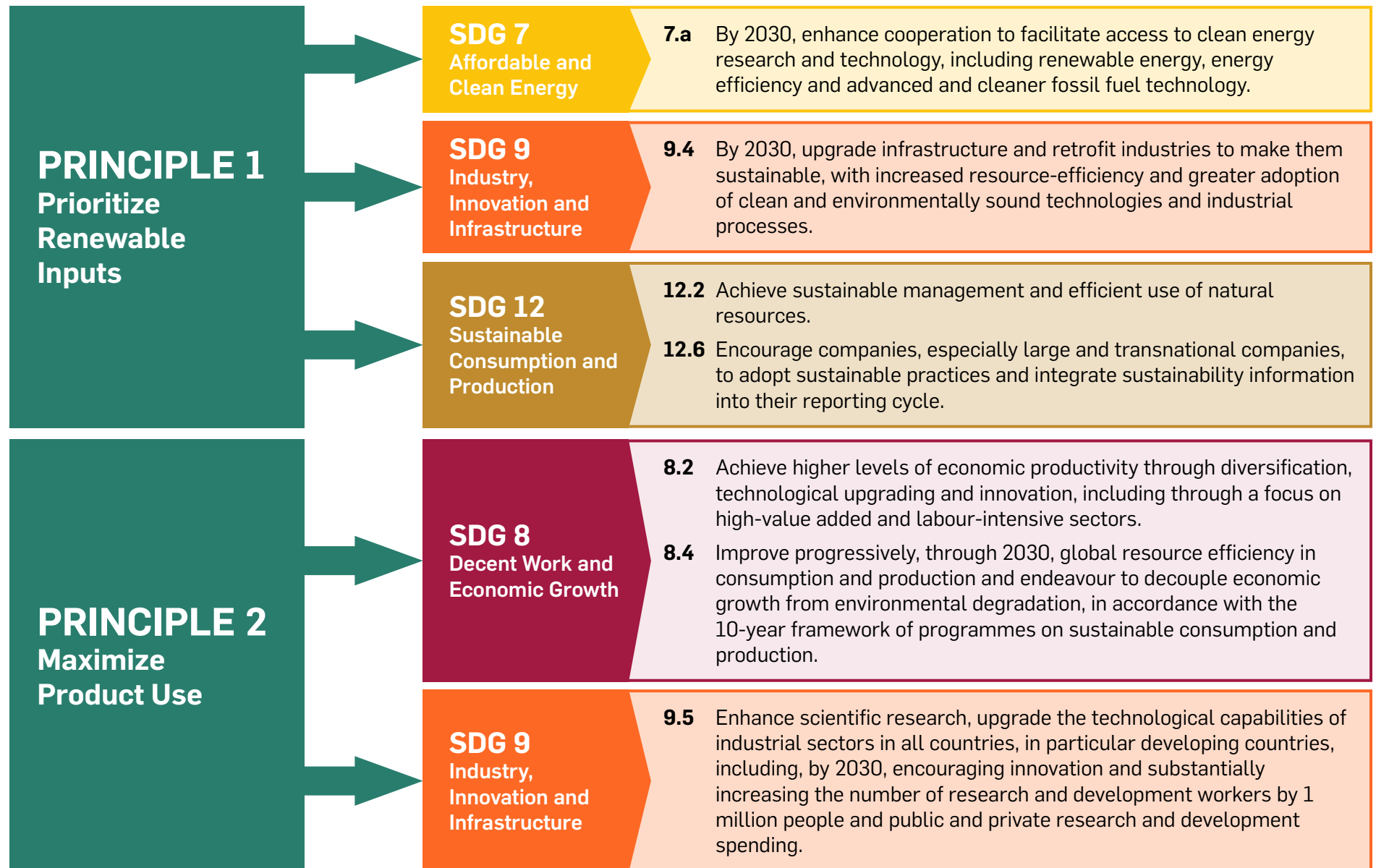
The aim of the circular economy model is to improve resource efficiency by prioritizing renewable input, maximizing the life cycle of the product, and looking into ways to reuse by-product and waste. There is no one way of approaching circular economy, however, to be on the same page in terms of how we are looking at the circular economy model as a working group, we looked at [PwC’s three overarching circular economy principles](#), which define ten corresponding strategies:

Circular Economy Initiatives		Definitions
Prioritize Renewable Inputs	1 Circular Sourcing	Replace finite resources / materials with renewable, bio-based, or recycled materials in the production process
	2 Sustainable Design	Design products - and select raw materials - such that they can be effectively disassembled, reused, repaired and up-cycled
	3 Resource Efficiency	Optimize usage of raw materials / resources – minimize waste – in the production process
Maximize Product Use	4 Product as a Service	Provide a service in areas that were traditionally sold as products; increases the product lifecycle through repurposing at the end of usage
	5 Sharing/ Virtualising	Share durable assets such as cars, rooms, appliances, and digitise products to increase their lifetime (e.g., books, music, shopping, autonomous vehicles etc.)
	6 Usage Optimisation/ Maintenance	Increase performance / efficiency of a product and prolong life through maintenance
	7 Reuse/ redistribution	Purchase and sell second-hand and previously owned products to increase product lifecycle
Recover Byproducts and Waste	8 Refurbishing/ Remanufacture	Remanufacture products or components for a new usage, instead of down-recycling
	9 Industrial Symbiosis Recycling from manufacturing	Waste or by-products from manufacturing become the inputs for another product
	10 Recycling from Consumption	Recycle discarded materials after the end of consumption

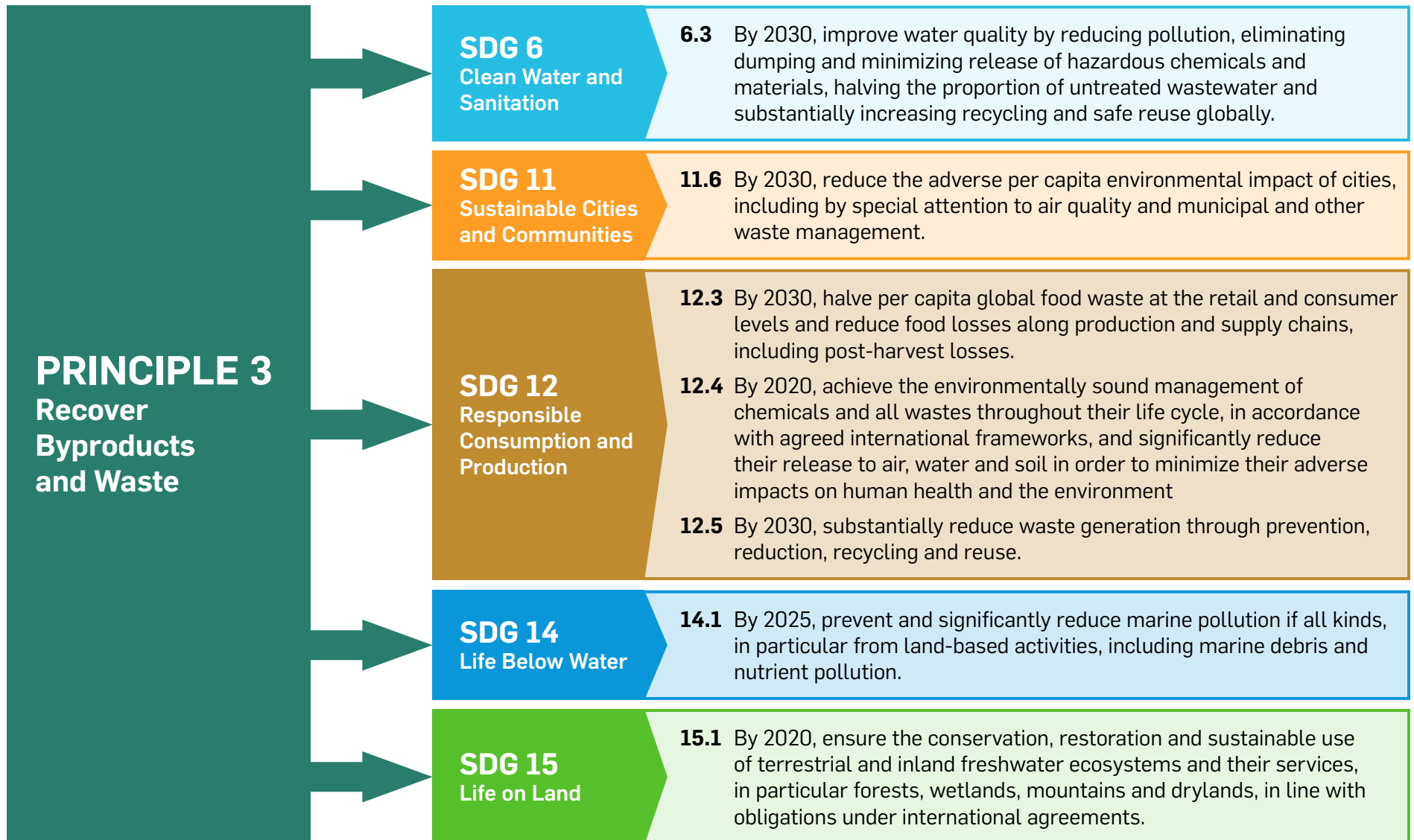
Source: PwC’s three overarching circular economy principles.

A Mapping Exercise: The Circular Economy Model and the SDGs Framework

While the circular economy model has the potential to support all 17 SDGs, the working group has identified the SDGs that have the highest likelihood to have an impact through the circular economy initiatives. The following is an illustration of how each of the circular economy principles can align with individual SDGs and their associated targets.



A Mapping Exercise: The Circular Economy Model and the SDGs Framework (Continued)



The UN Global Compact and GRI has published a guide, "[Business Reporting on the SDGs: An Analysis of the Goals and Targets](#)" in which you can find a list of indicators and possible business actions for each of the identified targets. Please note that other goals and targets may also be relevant to your organization and operations. This mapping exercise is intended to help you identify the obvious SDGs goals and targets that are associated with the circular economy principles.

Examples of How Business Actions Can be Aligned With Circular Economy and the SDGs

PRINCIPLE 1: Prioritize Renewable Inputs

SDG 7: Affordable Clean Energy	
<p>7.a By 2030, enhance cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil fuel technology</p>	<p>TELUS</p> <p>As part of global commitment to the Science Based Targets initiative, TELUS is setting emission targets and investing in clean energy. Some notable achievements in 2020:</p> <ul style="list-style-type: none"> • 15% reduction in domestic energy consumption • Reduced domestic GHG emissions by 30% • 20,308 MWh of renewable solar energy generated and purchased • Signed four Power Purchase Agreements for 153 MW of renewable electricity capacity • Rapid transformation of working remotely (95% of employees at the end of 2020)
	<p>Nutrien</p> <p>Nutrien intends to reduce the direct GHG emissions from their manufacturing facilities and the indirect emissions from purchased energy through efficiency projects and using renewable energy sources. The target is to deploy self-generated wind and solar energy at four potash facilities by the end of 2025. An example of waste heat recovery in Aurora, NC and White Springs, FL, USA: During the sulfuric acid manufacturing process (to treat phosphate during production) a significant amount of heat is produced, which is redirected to generate steam-based electricity.</p>
SDG 9: Industry, Innovation and Infrastructure	
<p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</p>	<p>Intertape Polymer Group (IPG)</p> <p>Select IPG facilities have been enrolling in programs such as ISO50,001 (Energy Management), Energy Star, and Cradle to Cradle certification (for select products). These programs, among others, as well as public corporate goals, encourage the upgrading of infrastructure and documented processes to continually improve upon energy consumption during the manufacturing process.</p>
	<p>IKEA</p> <p>By 2025, all new buildings, and by 2030, all existing buildings within current and future water-stressed areas, reduce freshwater consumption by 30% by using harvested, reused or recycled water. By 2030, strive to become water positive and stewards in IKEA's own operations..</p>

PRINCIPLE 1: Prioritize Renewable Inputs (Continued)

SDG 12: Sustainable Consumption and Production

<p>12.2 Achieve sustainable management and efficient use of natural resources</p>	<p>BASF Canada Creating circular feedstocks through Biomass balancing enables BASF to substitute fossil feedstock with recycled or renewable feedstock. The amount of Bio-based feedstock is allocated to specific products that are externally certified. Benefits of this method include:</p> <ul style="list-style-type: none"> • Maintaining product performance • Saving fossil resources and reducing GHG emissions • Driving the use of sustainable renewable feedstock <p>IKEA By 2030, all materials for non-home furnishing products will be renewable, recyclable and/or recycled and all plastics will be recycled and/or from renewable sources.</p> <p>Cascades Cascades shows their dedication to the circular economy by making products from recycled materials. In 2020, 1.5 million tonnes of material were recovered by Cascades Recovery+. In 2021, Cascades launched its fourth sustainability action plan that sets bold objectives to further improve their use of natural resources, such as:</p> <ul style="list-style-type: none"> • By 2030, all Cascades products will be 100% recyclable, compostable or have reusable packaging. • By 2025, 100% of the fiber and paper used will be recycled or certified. A large portion of the fiber used in the manufacturing of products is from Cascades own Recovery division. The post-consumer paper collected by the division supplies Cascades' mills with recycled fiber used to manufacture new fiber products. These fiber products are then put back in the market for consumption and then further recycled as a post-consumer, discarded material packaging.
<p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and integrate sustainability information into their reporting cycle</p>	<p>Cascades Cascades has committed its suppliers to a comprehensive evaluation of their business practices since 2012. In the coming years, Cascades would like to take their responsible procurement program, which is based on eight general principles, even further by qualifying more suppliers and adding new categories to our strategic procurement portfolio. Which is why Cascades has set the objective that by 2025, 70% of their purchases will be sourced from responsible suppliers.</p>

PRINCIPLE 2: Maximize Product Use

SDG 8: Decent Work and Economic Growth	
<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors</p>	<p>Hydro-Québec The distribution line hardware is entrusted to a social economy enterprise (CFER) where the material is sorted manually. The parts still in working order and reusable are checked, conditioned and cleaned, then resold to Hydro-Québec if not to other companies. Last year, over 690 metric tones were sorted by the CFER Normand-Maurice.</p>
	<p>Intertape Polymer Group (IPG) IPG continuously works towards increasing the efficiency of their manufacturing processes through their Energy Action Plan (EAP) and energy management programs. IPG strives to continuously increase the performance of their products, and have formed partnerships with programs such as How2Recycle, which is a labeling system that communicates recycling instructions to the public (currently implemented on 10 IPG product lines).</p>
<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production</p>	<p>Bell Through the deployment of Bell's network and maintenance, they have created a return, repair and reuse system for their wooden cable reels, which are used to wind, transport and lay cables. After use in the field, the wooden reels are returned to the warehouse where they will be reused and wound with new cable. If a wooden reel is damaged, it will be directed to a supplier for repair and returned to the warehouse for reuse once complete. If a wooden reel is too damaged and cannot be repaired, it will be dismantled, and the materials will be sent to various sites to be recycled.</p>
	<p>Nutrien Nutrien is a part of a national industry-wide program called Cleanfarms that collects a variety of used agricultural packaging. In 2020, more than 8,200 pesticide and fertilizer one-way drums and totes were recycled from Nutrien locations through Cleanfarms. Additionally, nearly 439,000 pesticide and fertilizer jugs were recycled from Nutrien locations across Canada for a plastic recycling total of more than 210,000 kg. Nutrien is also considering to join a new Cleanfarms collection program where seed and pesticide bags can be returned and used for energy recovery.</p>

PRINCIPLE 2: Maximize Product Use (Continued)

SDG 9: Industry, Innovation and Infrastructure

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers by 1 million people and public and private research and development spending

BASF Canada

To enable a circular economy for plastics in Canada, BASF Canada launched the reciChain project which focuses on finding new business models to address the challenges around plastic and plastic waste. The program was created to improve the circularity of plastic within the supply chain while proving the value of secondary plastics and incentivizing recycling. The platform combines the power of blockchain with a digital badge and loop count technology that enables the secured sharing of data among market participants, while improving the sorting, tracing, and monitoring of plastics throughout the value chain. The result is a more competitive circular supply chain rather than a linear one, extending the life cycle of plastics.

PRINCIPLE 3: Recover Byproducts and Waste

SDG 6: Clean Water and Sanitation

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

Nutrien

Nutrien is committed to improving water stewardship performance by using best practices found within the Alliance for Water Stewardship International Water Stewardship Standard. Nutrien uses global thinking to make plans at regional levels and support local action to make a difference across the agricultural community. By taking a management approach to water resources they find local, basin-specific outcomes that efficiently optimize water use in each watershed where we operate, such as collection and treatment of onsite stormwater or process water treatment and reuse. Nutrien's environmental management system is designed to ensure compliance with all applicable laws pertaining to water use and discharge and they report discharges to surface water annually in their ESG Report. Nutrien aims to increase water use efficiency at its facilities to reduce costs and potential impacts.

SDG 11: Sustainable Cities and Communities

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by special attention to air quality and municipal and other waste management

Intertape Polymer Group (IPG)

IPG's sustainability framework is driven through four Sustainable Value Network (SVN) teams, each with its own mission: Product and Material Innovation, Circular Economy Solutions, Operational Footprint, and People and Communities. Operational Footprint SVN has a mission to eliminate the concept of waste and explore a wide variety of opportunities to meet the challenge. Waste minimization efforts have been in place at IPG for years and have been extremely successful. They are currently exploring goals to reduce waste-to-landfill. All waste generation is measured and tracked, and they evaluate waste contractors when setting them up as vendors. For air quality, they have set a public goal of reducing CO2 emissions by 3% per year (30% by 2030). This is accomplished through their Energy Action Plan (EAP) that sets out one- and five-year company-wide energy goals and identifies projects to help meet those goals. IPG also participates in the US EPA's SmartWay Transportation Partnership (run in Canada by Natural Resources Canada), which has allowed them to partner with transportation providers who work with the EPA to enhance their supply chains' sustainability.

PRINCIPLE 3: Recover Byproducts and Waste (Continued)**SDG 12: Sustainable Consumption and Production**

<p>12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses</p>	<p>Cascades Cascades develop products according to recognized eco-design principles and pioneer eco-friendly packaging solutions. These designs have several benefits for the environment and also increase product life and reduce food waste.</p>
<p>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p>	<p>BASF Canada BASF aims to move toward a circular economy by using more recycled and renewable feedstocks, shaping new material cycles, and building new business models to help reduce plastic waste. BASF believes that plastics are a valuable material that must remain in the value chain and not end up in landfills or leak into the ecosystem. When looking at the circular economy, BASF understands that there are complimentary methods to manage, and recycle plastic waste depending on what is ecologically most beneficial, technologically possible, and economically attractive. This includes traditional mechanical recycling, chemical recycling, and composting. For example, BASF Canada's ecovio® and ecoflex® brands are certified compostable polymers used for organic waste bags, fruit and vegetable bags, carrier bags with dual-use, packaging applications and agricultural films. Solutions such as these helps improve the collection and recovery of food waste, and further helps avoid the release of plastics in air, water and soil.</p>
<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>Hydro-Québec Hydro-Québec's Center of Excellence in Transportation Electrification and Energy Storage (CETEES) is part of a consortium with Seneca, Centre d'études des procédés chimiques du Québec (CEPROCQ) and Call2Recycle™. Lithion Recycling Inc has developed an innovative and patented process that will allow up to 95% of lithium-ion batteries' components to be recovered in an ecofriendly and cost-effective manner. The construction of a 200-tons-per-year capacity pilot plant in Quebec is underway.</p> <p>Bell Bell has been running waste sorting, reduction and recovery programs for over 25 years. Bell has been recovering residual materials from operations for more than 3 decades. Telecommunications cable, terminals, utility poles, cable reels, wood pallets, lead-acid batteries and some hazardous materials produced by Field, Fleet, and Network activities are reused and recycled. Also, Bell's reuse and recycling programs address residual materials such as electronic waste, toner cartridges, and office furniture. Bell's waste initiatives also focus on reduction at the source, such as reduced consumption of paper for administrative purposes and packaging. In 2009, Bell began the Sort-It program, which encourages employees to sort their waste at central stations by separating paper, cardboard, glass, steel, aluminum, and organic matter. 93 sites now offer this program.</p>

PRINCIPLE 3: Recover Byproducts and Waste (Continued)

SDG 14: Life Below Water

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

Nutrien

By promoting the adoption of agronomic best practices and products, they help reduce nutrient runoff from fields to support a healthy environment for life below water. The use of mineral and organic fertilizers to improve soil health is essential to achieving sustainable global food systems. Two essential elements of progress to protect water bodies are higher Nutrient Use Efficiency (the fraction of fertilizers taken up by the plant) and lower nutrient losses to the environment as a result of 4R Nutrient Stewardship, which is the use of the right nutrient source, at the right rate, at the right time, and in the right place.

Intertape Polymer Group (IPG)

Select IPG facilities have been participating in Operation Clean Sweep. This is an international certification program that is designed to prevent plastic loss and keep these materials out of marine environments through infrastructure upgrades and documented processes. Cradle to Cradle certification for select products covers this as well, by requiring manufacturers to identify direct negative impacts operations have on ecosystems, develop a strategy to address the issues, and report on progress at recertification.

SDG 15: Life on Land

15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

Cascades

Cascades is committed to ensuring that all fiber and paper inputs are recycled or certified, while ensuring to increase the proportion of FSC® Mix. Cascades has always favored the use of recycled fiber in products, and will continue to do so. In 2020, 2.2 million short tonnes of recycled fibers were integrated into Cascades' products. These recycled fibers account for 83% of its fiber and pulp consumption. However, depending on the availability of recycled fiber and the specific technical needs of customers, Cascades is sometimes forced to use virgin fiber and paper. In such cases, Cascades buys from suppliers with the highest forest management standards. Their virgin fiber and pulp are certified, and Cascades continues to expand the scope to include paper rolls purchased externally to cover all the fiber and paper inputs. There are three levels of FSC® certification. FSC® Mix certification guarantees that products come from certified forests whose operations meet the highest environmental, social and economic standards. Cascades would like to work with its supply chain to promote inputs in this category.

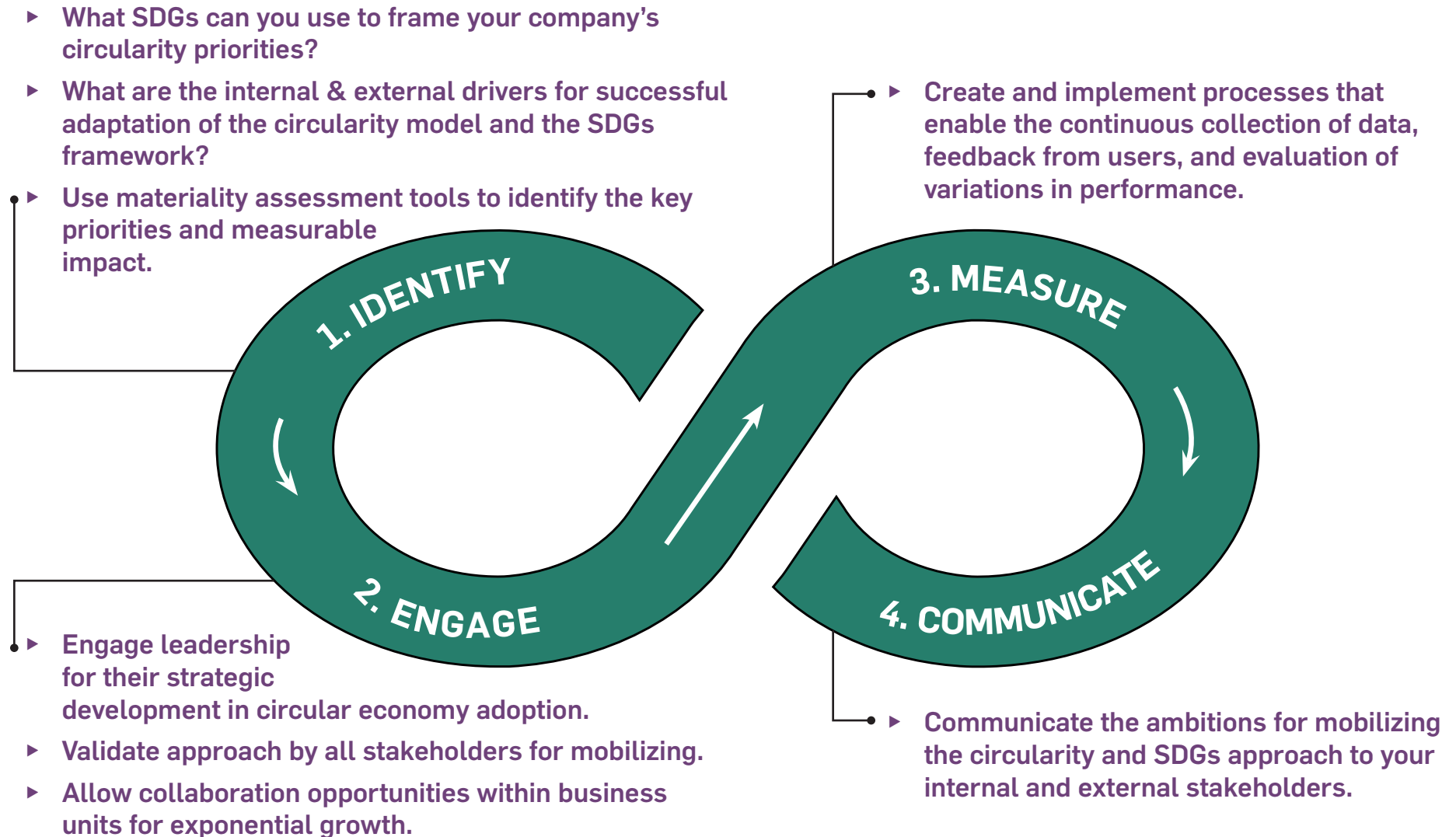
Recommendations for How to Align Circular Economy and SDGs Within Your Business

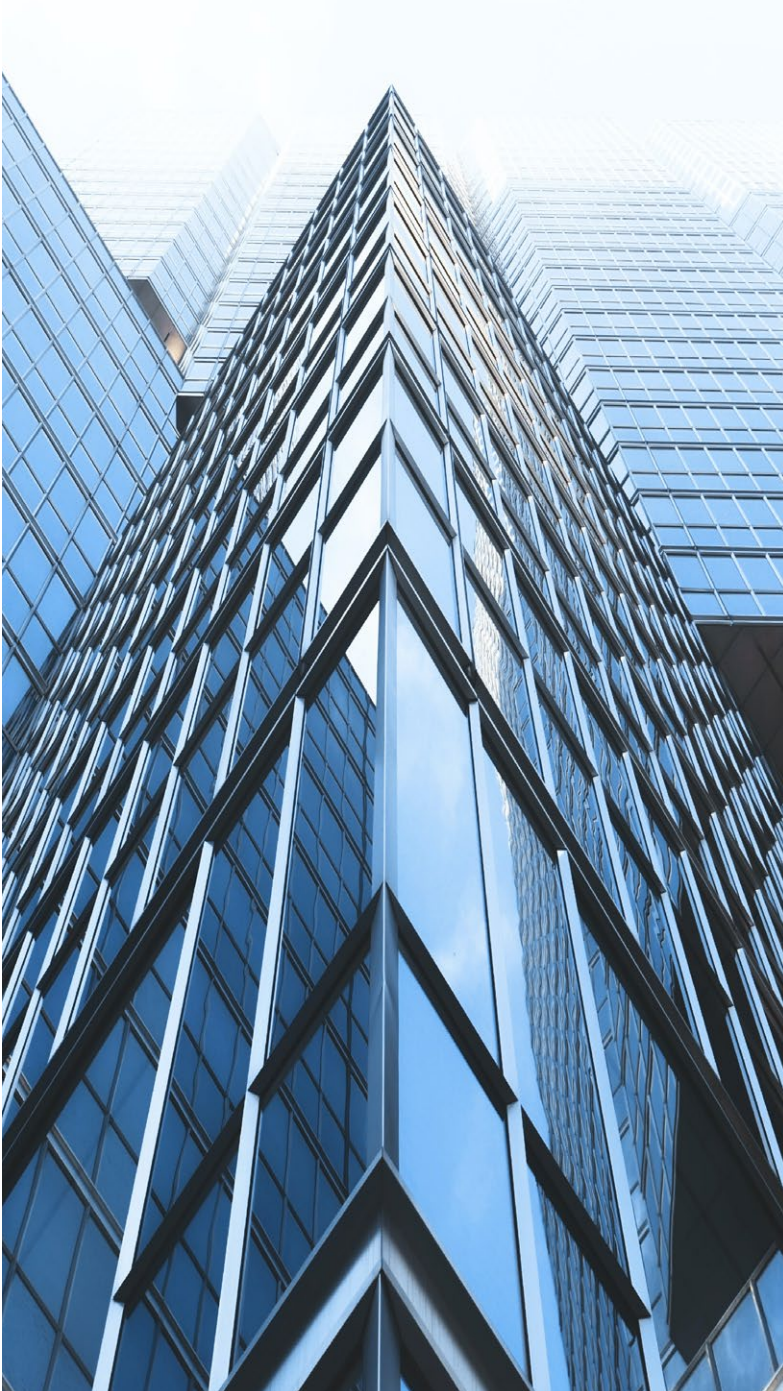
- ▶ Identifying the internal and external motivation drivers is essential to the successful adaptation of the circularity model and the SDGs framework. A materiality assessment is an important step in this process and helps to identify the key priorities that matter to your organization, and where you can have real, measurable impact. Recommended resources for this step include:
 - [The Material Circularity Indicator \(MCI\)](#) is an assessment tool for companies to improve product design and material procurement.
 - [A Practical Guide for integrating SDGs into corporate reporting](#) guides businesses to conduct a principled prioritization through materiality assessment of relevant SDGs and targets for their business.
 - Use the [ETCH Sourcing open-source database](#) to draw inspiration and undertake sustainable procurement initiatives that align with SDGs.
 - Use [the mapping exercise](#) in the guide to determine where the circular economy model application would be most suited to align with the priority SDGs.
- ▶ Shifting towards a circular economy requires planning and buy-in from top management. It is important to engage leadership for their strategic development in circular economy adoption. Identifying and streamlining the connection between circular economy and the company's core values and ethics should be a key consideration for strategic development and governance model set-up. The ["Circular Business Model Design Guide"](#) is a recommended resource for this step.
- ▶ Profiling circularity is an important step to get the buy-in from internal stakeholders. The SDGs are a great way of framing that buy-in in a tangible way because they are specific, yet easily digestible, and can be utilized when talking to stakeholders, who aren't as informed, to better align with a circular strategy moving forward.
- ▶ Create and implement processes that enable the continuous collection of data, feedback from users, and evaluation of variations in performance. Recommended resources for this step:
 - [Circulytics](#) is the most comprehensive tool for measuring the circular economy performance of companies, informing their decision making and guiding their circular economy strategies.
 - [SDG Action Manager](#) gives companies the opportunity to set clear goals on the SDGs and benchmark progress against industry standards.
- ▶ Once the alignment is established, it is important to communicate the ambitions for mobilizing this approach to your internal stakeholders. When everyone in the organization understands the purpose and rationale, the contribution becomes exponential and not only from a technical point of view.
- ▶ It is also important to start engaging business partners, suppliers and customers with regards to the ambitions and actions through reporting. The wider an organization sets the scope of this approach, the more successful it will be as both the circular economy model and the SDGs are broad frameworks with untapped potential for businesses.



Aligning Circular Economy with the SDGs: 4 Steps Business Can Take

Pin this page as a quick reference guide for implementing circular economy in your organization.





Opportunities for Collaboration

To fast-track the SDGs by leveraging the circular economy framework, governments, civil society, scientists, academia and the private sector will need to come together, mobilizing both existing and additional resources. Multi-stakeholder partnerships will be crucial to leverage the inter-linkages between the SDGs and the circular economy model to enhance their effectiveness as well as to accelerate progress in making meaningful impact.

This guide contains many circular examples from various Canadian market segments that are closely linked with the SDGs. In all these segments, technology is an important theme, but other challenges lie in the realm of social innovation, design and coalition-building. To address these challenges, the government of Canada has created several opportunities for collaboration through funded projects and resource sharing. If your organization would like to learn more about the latest funding opportunities with the Government of Canada, please visit [here](#). For more inspiration and to take a deeper dive into Canada's circular economy initiatives, click [here](#).

Engage with the UN Global Compact Network Canada

[UN Global Compact Network Canada](#) endeavors itself to implement and execute the UN Global Compact vision into the Canadian business sphere and is committed to continuous engagement with the private sector in support of a sustainable economy.

The Canadian Local Network offers an array of programmes, [educational and informational webinars](#), interactive programmes, networking opportunities, and events that can help businesses contribute to the local sustainability agenda and generate outputs such as this document. Visit the Canadian Local Network [website](#) for more information on how to engage locally.



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