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Abstract

To increase our understanding of corporate responsibility (CSR/CR) in the forest sector in the context of an emerging economy, we analyze how CR managers in Brazilian forest companies perceive ISO 26000, which is an international standard to implement CSR. We also enhance the understanding of how corporate responsibility managers perceive the future contribution of the forest sector to the United Nations (UN) agenda 2030 and the implementation of Sustainable Development Goals (SDGs). Our findings indicate that forest sector management in Brazil is focused on environmental issues when implementing their sustainability agenda, but social issues are increasingly being included, especially in the agendas of smaller companies. Large-sized companies play a particularly important role in influencing the value chain, and ISO 26000, among other initiatives could be one way of reaching this goal. The managers interviewed identify combatting climate change impacts (SDG number 13) as potentially contributing the most towards sustainable development.

Keywords: Brazilian forest sector, forest industry, pulp and paper industry, corporate responsibility, sustainable development goals, qualitative interviews

1.0 Introduction

In 2015, as part of Agenda 2030, the UN launched 17 Sustainable Development Goals (SDGs) that are largely concerned with climate- and poverty reduction-related topics. The set of goals can be divided into five themes: people, planet, prosperity, peace, and partnerships, and these will guide national policies and international cooperation activities over the next 15 years. According to the President of the World Business Council for Sustainable Development (WBCSD), Peter Bakker, "...the SDGs will not be realized without business. With an annual \$5 trillion to \$7 trillion needed to finance the goals, business has a critical role to play as a source of investments and as a driver of technological development and innovation, not

to mention as an engine for economic growth and employment" (WBCSD 2016). According to *Better Business, Better World* (BSDC 2017), sustainable and inclusive business models may represent economic opportunities worth at least US\$12 trillion a year by 2030 and generate up to 380 million jobs, mostly in developing countries, in four different areas, i.e. Food and Agriculture (e.g. forests ecosystem services, technology in smallholder and large-scale farms, restoring degraded land, reducing food and packaging waste), Energy and Materials (e.g. renewable energy, carbon capture and storage, and energy grid interconnection), Cities (e.g. use of timber in tall buildings) and Health and Well-being (e.g. the use of advanced genomics).

The implementation of corporate (social) responsibility (CSR/CR) as a firm- and industry-level strategic issue has become increasingly relevant within natural resource-dependent sectors. The forest industry has always been an environmentally sensitive sector, due to its heavy reliance on natural resources and the profound impact it can have on vital ecosystems, and this has not changed (Toppinen et al. 2016). A structural change is

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occurring in the forest products trade and investment sector due to saturation of the traditional main markets in North America and Europe, while the emerging economies of Brazil, India, and China have opened up with much higher demand growth prospects (Hetemäki et al. 2016). The internationalization of large-scale forest industry firms has led to the expansion of plantation area and pulp production in the global south, which has raised concerns regarding the threat of forest resource overuse and inherent sustainability challenges (Malkamäki et al. 2016, Toppinen et al. 2010).

The adoption of internationally recognized standards is a growing phenomenon through which businesses might be able to increase their transparency and improve their legitimacy in the face of stakeholders. Among these, certifiable International Organization for Standardization (ISO) environmental management standards have become highly common tools for legitimation across businesses, and the adoption of sustainability reporting standards, such as the Global Reporting Initiative, have also recently begun gaining ground, particularly in Europe and North America (Toppinen et al. 2015a). ISO 26000 is a recently launched standard, which aims at providing information on understanding the role of sustainability in various organization types and sizes, helping to find practices for integrating the standards throughout the organization, and promoting communication on sustainability issues, thereby independently improving organizational practices related to CR.

The literature base on CR in the forest sector is fairly abundant (see, e.g. Panwar and Hansen 2007, Hansen et al. 2013, Li et al. 2014, or, for recent reviews, Li and Toppinen 2011, Ranängen and Zobel 2014), but has been strongly focused on analyzing companies from developed countries. To increase understanding on the meaning and future of CR in the forest sector from an emerging producer country perspective, our study intends to explore the meaning of corporate responsibility for managers in forest companies in Brazil regarding the emerging sustainability guideline ISO 26000.

Our analysis is based on managerial interview data and company documents from selected Brazilian forest companies. Our paper will analyze CR implementation, especially through ISO 26000 and the potential to contribute to SDGs, across selected case companies. We begin by introducing the contextual background, data, and our empirical approach. Next, we aim at discussing

the practical challenges that organizations face in promoting a standardized view of their social responsibility and overall contribution to sustainable development. We end with conclusions and recommendations for practical sustainability management in the forest industry, along with providing insights for future research.

2.0 Contextual and Conceptual Background

Over the last 50 years, Corporate Social Responsibility (CSR), the concept and its practice, has flourished. It has expanded from its focus on a few stakeholders to be more far reaching and inclusive, and more global in scope. Today, CSR in many companies is becoming fully integrated with strategic management and corporate governance.

Recognition of a company's stakeholders is an important element of ISO 26000, as are the short- and long-term objectives in terms of pursuing corporate responsibility (Hahn 2013). The list of seven core subjects of ISO 26000 (i.e. organizational governance, environment, human rights, fair operating practices, labor practices, consumer issues, and community involvement and development) presents the most essential areas of CR that an organization should consider to maximize its contribution to sustainable development (ISO 2012). According to Hahn (2013), ISO 26000 is useful in being holistic and providing a starting point for implementing organizational sustainability strategies. It can also be helpful in conducting internal and external analyses. Thus, it is plausible that when combined with an existing sustainability assessment system (such as the Global Reporting Initiative), the core topics of ISO 26000 can support benchmarking the key topics in companies' sustainability processes (Sethi et al. 2017).¹ It is also worth noting that the ISO 26000 guideline encompasses all the SDGs issues, and thus, may be considered a potential tool to support and facilitate the achievement of such goals for the organizations interested in contributing to it (ISO 2016).

¹ The ISO 26000 content covers a very similar range of topics to that of the Global Reporting Initiative (GRI) Reporting Guidelines and its guidance provides a structure for companies to organize their activities, which can then be measured and presented in the company's report. Besides, the GRI actively participated as a stakeholder in the international multi-stakeholder ISO 26000 development process from the start (GRI 2010).

Regarding criticism towards ISO 26000, Hemphill (2013) considered the guideline to be too broad in scope, resulting in an inability to capture the important environmental contexts of industries and sectors. When implementing CR, the ISO 26000 scheme mainly indicates ‘what’ to achieve instead of ‘how’ to achieve it. According to Sethi et al. (2017), ISO 26000 provides a structural approach to help companies in the preparation of their CSR reports, but specific measures to assess either the quality of companies’ sustainability disclosures or assurance as to the accuracy of the information provided are lacking. Therefore, the actual implications for social and environmental improvement or company strategic management practices via the ISO 26000 guidance standard remain largely unknown.

The focus of our study on Brazilian forest companies is merited by the strong expansion of pulp production in South America, especially in Brazil, Uruguay, and Chile. A number of new pulp mills have been built over the past decade due to domestic and foreign investment, and consequently, the region’s share in global pulp production has steadily risen. In 2015, these three countries accounted for 14 percent of global pulp production and 74 percent of export volume (FAO 2016). Brazil by itself additionally ranks fourth among the world’s largest pulp producers, ninth among the largest paper producers, and eighth among the largest wood panel and laminated flooring producers (IBÁ 2016). Brazil is an interesting emerging country also from the sustainability point of view. According to a country-wise CR ranking study by Halkos and Skouloudis (2016), engagement with civil society, regulatory effectiveness, and competitive conditions are the most significant factors influencing the merger of CR with macroeconomic conditions, while industrial self-regulation plays a less significant role in the spreading of CR at the national level. In their cross-country comparison, Brazil ranks as a leader in the South and Central American region, and the first among emerging countries, while globally holding the 22nd position.

Previous literature on the Brazilian forest sector has emphasized critical case studies of conflicts around international pulp investments, especially focusing on the question of local land tenure arrangements and associated community impacts. For example, Myllylä and Takala (2011) analyzed indigenous community perceptions in joint venture pulp investment in the Bahia region in a case where an international company faced substantial

challenges in gaining societal legitimacy. Focusing on a Veracel pulp mill investment, Kröger and Nylund (2012) applied an ethical analysis in the assessment of conflict dynamics, and found the conflict was marked by politics of power. From the corporate responsibility management view, Vidal et al. (2010) studied how information concerning CR practices is diffused in the forest sectors of Brazil, Canada, and the United States, and found that context plays a key role. Companies operating in Brazil, where the socio-political context is less stable than in North America, were driven to adopt CR practices, at least in part, to improve the conditions of their own operations. This resulted in mutually beneficial outcomes for both the companies and the communities within which they operate. In a comparative setting, a managerial interview-based study on North American and European forest companies (Toppinen et al. 2015a) found that in terms of ISO 26000 elements, companies tend to focus on environmental issues and organizational governance when implementing CR, while consumer issues and human rights receive very little attention.² However, a gap exists in the literature on understanding the scope and state of CR strategies and implementation of standards and international guidelines, especially from the emerging country perspective, to which this paper aims to provide some new insights on.

3.0 Material and Methods

The interview guide designed for this study consisted of a set of nine questions (see Appendix), which were designed after conducting the literature review and were largely based on a previous study of European and North American managers (Toppinen et al. 2015a). Interview questions focused on themes that were formed from ISO 26000 guidelines as (A) Recognizing and implementing social responsibility (questions 1–3), (B) Decision-making and integration of social responsibility throughout the organization (questions 4–6), and (C) Social responsibility guidelines and core subjects (questions 7–8). Finally, we inquired about respondent familiarity with the UN’s Agenda 2030 and the SDGs, and his/her perception on the

² Using the ISO 26000 framework and data for the TOP 100 pulp and paper companies, Toppinen et al. (2015b) also found that the emphasis on environmental sustainability appears to dominate in both CEO letter-based communication and social media communication over other sustainability-related issues.

contribution of the forest sector to the implementation of this sustainability agenda for the next 15 years.

The selection of companies in Brazil was intended to include the leading players in the field, concurrently providing differences in terms of production portfolios. Five Brazilian companies from the forest sector participated in our study in 2016. Although this is a small number, these companies represent 58% of the pulp production and 29% of the paper production in the country (Paper 360o 2016).

All interviews were conducted in 2016 in Portuguese by a native speaker. Six corporate responsibility experts from these companies were interviewed in person, over Skype, or by telephone (two representatives of company BR3 participated in the same interview). The interviews lasted between 30 and 75 minutes. Interviews were recorded, recordings were transcribed and translated into English, and a detailed summary was composed. In addition, a compilation of secondary data (i.e., company- and sector-level documents and publicly available information such as websites, annual reports, and research reports) were screened. Company profiles and respondent background are provided in Table 1 and the acronyms from BR1 to BR5 will be used throughout the text for the respective companies.

Based on Table 1, four out of six interviewed experts have worked at their current company for less than 10 years, while the remaining two have worked in their

respective companies for approximately 20 years. Their professional role and responsibility areas varied from company to company. For example, the main role of respondent BR1 was to “align and combine sustainability into the business strategy with focus on strategy and daily sustainability, internal and external education, and communication to generate value through integrated report by business,” while expert BR2 focused on “transparency and accountability, and sustainability projects development.” Yet, the roles of the two experts in company BR3 were mainly related to “supporting the definition of parameters and establishing a foundation for the sustainability area in the company, in a formal way.” They also highlighted that “the first cycle of a continuous improvement process has just begun.” Respondent BR4 was responsible for forest operational area and sustainability, all socio-environmental portfolios, and all social and environmental programs. Last, interviewee BR5 was in charge of controlling, maintaining, updating, and improving all management systems implementation, and from the sustainability perspective, the expert is responsible for ISO 26000 guideline project implementation within the company. The covered professional expertise can be judged to be sufficient for our research purposes from the viewpoint of internal data validity.

We used qualitative interviewing, as the aim of this primarily qualitative analysis was to explore underlying CSR perceptions (Rubin and Rubin 2005). The content

Table 1. Background information on the case companies and interviewed managers/experts.

ID	Main Product Segments	Company size (employees, averaged to thousands)	Primary market areas	Respondent Position	Respondent working experience (years)
BR1	Forestry, Fiberboard, MDP and MDF wood panels, wood and vinyl flooring, sanitary ware and metals, valves, and electric showers and faucets	12 000 (direct)	Brazil	Sustainability and Communication Manager	22
BR2	Forestry, eucalyptus pulp (hardwood pulp)	17 000 (direct and indirect)	North America, Europe, and Asia	Sustainability advisor	12
BR3	Forestry, hardwood pulp, softwood pulp, fluffy pulp, paperboard, Kraft paper and recycled paper, corrugated cardboard, and industrial bags	17 000 (direct and indirect)	Brazil	Sustainability Analyst Senior and Analyst (Sustainability and Communication Management Dept.)	10 and 7
BR4	Forestry, Pulp and Paper	18 000 (direct and indirect)	North America, Europe, and Asia	Executive Manager for Sustainability and Certifications	26
BR5	Decorative papers line of products (special paper), cartonboard, and industrial papers	700 (direct and indirect)	Brazil	Management Systems Manager (ISO 26000)	28

analysis of the interview material focused on latent content, and therefore, not just words and single terms were investigated but potential interpretations were considered as well. Essentially, our analysis used data thematization; the observed sub-categories of CR practices were grouped into seven core theoretical categories related to ISO 26000 and UN SDGs. Both authors read the transcribed data independently and formed preliminary ideas of the core materials, and the ultimate consensus over key content was reached iteratively through their mutual discussions. To further improve the reliability of our analysis, authentic quotes from the interviews are also provided in the text.

Despite our data being fairly limited in the number of companies and experts interviewed, the solid and rich expertise of the interviewees and their willingness to openly share their insights on company-level implementation and the future development areas of CR increases the internal validity of our data and analysis. In addition, during the analysis phase, it was possible to conclude that the collected interview data was saturated in terms of the key concepts, especially on the core content of ISO 26000 among companies. Naturally, any larger generalization of results beyond the case companies should be avoided.

4.0 Results and Discussion

4.1 Meaning of Corporate Responsibility

When the interviewees were asked about their perspective on the meaning of a (socially) responsible company, the most common expressions or concepts included “taking into account the aspects of all stakeholders,” “stakeholder legitimacy,” “[engagement with] internal and external stakeholders,” “improving [stakeholder] relationships to gain a social license to operate,” “integrating social responsibility and the environment,” “leaving a positive legacy,” “creating shared value,” “diversity,” “gender,” “communities,” “ethics,” “employees,” “private social investments,” “supporting the development of public policies for common benefits,” “transparent communication,” and “recognition of human rights.” Yet, it is interesting that the interviewee in BR5, the only small to medium-sized company (SME), emphasized that “[sustainability] is initially complying with regulation and preserving the working conditions and health of our employees is another point.”

When analyzing this information together with the sustainability-related projects mentioned by the interviewees as being sources of pride in their companies, it appears that the most important issues for all companies were related to internal (such as employees) or external stakeholders (such as community), or the promotion of local and territorial development. Developing stakeholder relationships and engagement, or the promotion and participation of dialogues were also brought up. Experts from BR2 and BR4 mentioned that their long-term goal is for the “community projects to become self-sustainable or autonomous,” i.e. that after the initial investment cycle the company could leave without need for another company to replace them or even for the government to support local development. It appears that words such as “sustainability” or “self-sustainable” are a key goal on both sides of the value chain, i.e. not only is it important that communities should be self-sustainable, but their suppliers should be as well. This was also mentioned as the reason why company BR1 has actively promoted the development of their suppliers, so as not to be fully dependent on them. Interestingly, it is worthwhile to note the similarity of our results and the findings by Vidal et al. (2010), which showed that seven focal areas, as per the top 25 Brazilian firms, create value for stakeholders. These seven focal areas include: better stakeholder relationships, better work environment, environmental preservation, increased customer base, local development, reputation, and stakeholder dialogue. Yet, our results also further show that some level of synergy exists between what CR actually appears to mean for Brazilian forest companies and all seven ISO 26000 core elements. This points out the relevance of the ISO 26000 elements for the sectoral sustainability agenda, even if all actors would not formally recognize the standard. Respondents were also asked about the specific sustainability standards their companies were using (for a summary, see Table 2).

According to the background documents, all five companies utilized forest certification. However, only four out of the five interviewees mentioned the Forest Stewardship Council (FSC) and/or Cerflor/Pan-European Forest Certification (PEFC) among their “key sustainability standards.” Some even highlighted the importance of these certifications for sector development over the years, and how the certifications increasingly began encompassing aspects of the Triple Bottom Line (Elkington

Table 2. Summary of sustainability standards in use by the companies.

Respondents' perception on specific sustainability standards their companies are using at the moment	
BR1	Índice de Sustentabilidade Empresarial - ISE-BM&FBovespa, Dow Jones Sustainability Indexes – DJSI (voluntary) and ISO 26000
BR2	Company's Sustainability policy 2015, PEFC/Cerflor and FSC, Accountability and transparency - GRI, DJSI, ISE – BM&FBovespa*
BR3	No specific sustainability standard ISE-BM&F Bovespa, DJSI, CDP, ISO 9000, ISO 14018, GRI, FSC, WWF Environmental Paper Company Index 2015 among others.
BR4	FSC and Cerflor/PEFC, SA8000
BR5	FSC (CoC), implementing ISO 26000 and FSSC 2200

* ISE Corporate Sustainability Index (ISE).

1994). Furthermore, the interviewed representatives stated that stock market sustainability indexes, more precisely DJSI and ISE, are motivating companies in terms of improving their sustainability performance. GRI was also mentioned by two interviewees, despite it being applied by four out of the five companies in our study, with the exception of BR5, the SME company.

4.2 Perspectives on the Role of ISO 26000 Standard

Although the interviewees from all five companies voiced that they implement some kind of internal sustainability guideline, e.g. either as a code of conduct, ethical guideline, or health and safety guideline, only one company explicitly mentioned their company's sustainability policy as a kind of internal sustainability standard. This was based on the company's governance system to sustainability and its Materiality assessment, reflecting the organization's economic, environmental and social impacts vis-à-vis perceptions of its stakeholders (GRI 2013).

Interestingly, the ISO 26000 standard was not considered at all by the bigger actors in the Brazilian pulp and paper sector (BR2, BR3, and BR4), despite all of them concurrently recognizing that their businesses are largely in-line with the recommended practices of ISO 26000, as it encompasses similar practices required by other standards, certification schemes, and indexes considered by these companies. Indeed, our results indicate that only the interviewee from BR5, the SME company, recognized the explicit benefits of using the ISO 26000 social responsibility guideline, and the company has even decided to implement it. As an example, the expert from BR4 stated: *"none of our policies, documents or management guidelines refer to ISO 26000. We only refer*

to SA8000." According to the representative from BR1, a company which uses ISO 26000 as a reference in their internal social responsibility policy, *"ISO 26000 is more an inspiration than anything else, ...it is a guideline, as it is not certificated. If you take our social responsibility policy you will find ISO 26000 in the references."* On the other hand, their motivation to implement ISO 26000 was driven by market demand as one of the BR5 company representatives expressed: *"our main clients have specific requirements concerning social responsibility issues, so we have made a project using ISO 26000, which is an international standard that covers all these clients' demands, as a baseline."* The representative from BR5 also stated that the company has initially focused on only 20% of ISO 26000 issues. However, he said that they plan to cover 80% of the clients demand for sustainability with these topics, while concurrently the improved system will help the company organize its activities under the umbrella of social responsibility issues in a more structured way.

Also observed in previous literature, the practical benefits of adopting ISO 26000 as sustainability front-runners have been rather vague, and the advantages of the standard may lie more with SMEs, often lacking resources for developing environmental management systems and auditing services (Toppinen et al. 2015a). Yet, this may also reflect that managers do not necessarily fully comprehend the role of ISO 26000 in practice. However, potentially differing levels of familiarity of ISO 26000 guidelines by each of the interviewees was not directly measured in our study. As per our study results, one can foresee the value of incorporating (any) ISO 26000 elements in the sustainability policies and requirements of Brazilian companies. By including sustainability requirements, in this case through ISO 26000 guidelines/elements, large companies will help to create

a market demand. Suppliers, in part SMEs, will have to comply with the requirements and follow or implement the guideline, otherwise they could be excluded from supply chains of the larger companies. In other words, only the SMEs that are in line with ISO 26000 guideline would be acceptable suppliers of big companies, thus there will be more SMEs interested in implementing and following ISO 26000. This will cause a domino effect on the value chain, leveraging the implementation of better organized social responsibility practices through standards and guidelines such as ISO 26000.

Our respondents were further asked to elaborate their perspectives concerning the most important areas of the seven core elements of ISO 26000, and to discuss underlying reasons for their prioritization. Experts from two out of the five companies (BR2 and BR3) stated that they could not prioritize or define the most important issues. However, according to them, all of these issues are part of their Materiality analysis, thus all are relevant for their company and to its' stakeholders. More explicitly, the interviewee from BR2 stated: *"...all issues, except one, i.e. consumer issues, are in the company's Material Aspects. This might be because of the company's position in the value chain,"* and the interviewed expert also mentioned an example of FSC certification to emphasize the growing importance of consumer issues and their influence as a driver to the company business development. Interviewee BR4 also considered all seven subjects to be important, but highlighted three of them considering the company's perspective: labor issues, environment issues, and community involvement/relationships. In contrast, interviewees from companies BR1 and BR5 highlighted fair operating practices, consumer issues, and human rights. Some diversity thus exists when examining which ISO 26000 themes are prioritized by Brazilian managers.

When these answers are analyzed in combination with other parts of our interview data, such as question two on the meaning of CR and question three on implemented social responsibility programs, the results clearly emphasize community involvement, environment, labor practices and stakeholder engagement as the most important issues. With a very similar point of view, interviewees from BR2 and BR3 revealed the importance of all core elements for company operations, and the relation of these elements with their Materiality analysis, which is complemented with information from the stakeholder panel. Interviewee BR2 in particular

stated, *"...some issues are more generic, such as stakeholder engagement, others more specific, such as community involvement, but in one way or another each are included in the company's Materiality assessment, which points out, according to [both] the company and its stakeholders, what is most important for the company."* Following the same logic, interviewee BR3 voiced, *"...we cannot say which elements are the most important ones. They are all part of already established processes, so through stakeholder engagement you work on labor practices, environmental issues, human rights, etc. All these themes are present in the materiality assessment of the company."*

These results are of interest when comparing them with earlier research on international pulp investments in Chile and Uruguay, in which Ehrnström-Fuentes and Kröger (2017) found that corporate-community relations tend to be dynamic and contentious, and certain stakeholder voices tend to become marginalized. To reach a wide-level social license to operate, it is clearly important to understand how local people engage with their various livelihood alternatives in communities impacted by large-scale pulp investments (see also Malkamäki et al. 2016 on the related case of Uruguay). In BR4, for example, the interviewed manager pointed out that *"the company is still creating tools to deal with its social issues, because they are different from environmental ones. The environmental issues have a lot of procedures, resolutions, norms, etc. and are well defined while the social part varies from region to region, and the company has still a lot to improve. We have been trying to improve the [stakeholder] relationships to be able to get the social license."* This example illustrates that although CSR in the Brazilian forest sector has improved a lot over the years, work is still ongoing. Along with these commonalities, it is worth mentioning some differences related to the core elements of ISO 26000 collected from our interviews, and some examples from these are shown in Table 3.

For example, all interviewed experts first and foremost recognized environmental issues as a relevant element for the company, even if confirmed only implicitly as a Material Aspect for the company, as per the statement from the BR2 expert, who stated, *"Hard to say what is the most important [element], because all, except one, are part of the company's Materiality assessment. Consumer practices is the only exception."* Instead, only two experts (BR1 and BR5) mentioned consumer issues as relevant. Interestingly, these two companies have differing product portfolios compared to the others, which

Table 3. Examples of quotes concerning company experts' perceptions of the role of ISO 26000 core elements.

ISO 26000	Examples of perceptions of ISO 26000 core elements
Stakeholder Engagement	BR1 – "...stakeholder engagement is being included in the agenda."
Human Rights	BR2 – "...among the themes mentioned, one unique bad practice can affect the business of the company. For example...human rights. Violating human rights inside any value chain will generate huge attention...and will generate great scrutiny, and will affect the reputation of any company involved in that value chain, and through this logic...it is a question of who we hire."
Labor practices	BR1 – "Labor practices are in the vein of the company." BR4 – "...the company has invested a lot in labor issues in all aspects, also in terms of quality of life."
Environmental issues	BR1 – "This is very important within the company, also because of the nature of this industry." BR4 – "Environment issues also are highlighted, because they are important for the whole sector...this includes large responsibility and the companies know it."
Fair operating practices	BR1 – "Fair operating practices are at the top, there is nothing more important. The company is concerned about loyal competition practices, etc." BR5 – "The company is working on the issue of anti-corruption practices."
Consumer issues	BR1 – "We are looking more and more at product innovation considering the eco-design point of view, which is not only to bring sustainable solutions in terms of environmental issues, but also considering social aspects."
Community involvement and development	BR4 – "Now, if you go to our sustainability area, this relationship with communities is at its peak, because we see how important it is... to have actively participating communities."

may directly affect their business strategies and the relevance of each ISO 26000 core element. In addition, only companies BR1 and BR5 have introduced ISO 26000 in their business as an important guideline for structuring social responsibility in the company, while none of the other interviewed managers officially recognized ISO 26000 as a key reference to their sustainability work.

Another interesting viewpoint among the interviewed experts, but arising from the social dimension, is their perception of the role of human rights. The issue is clearly part of all company agendas, even if implied by their company policies, compliance with regulation, adoption of standards or support to initiatives such as the UN Global Compact. Yet, only the SME company highlighted human rights as one of the four ISO 26000 elements that they chose to work with through their ISO 26000 implementation project. This finding indicates that human rights are not only an issue for large players, but are also becoming part of the agenda of smaller businesses, most of which associate with market demand.

Previous literature on the implementation of ISO 26000 in the forestry context is scarce, but to an extent we can draw reference to an earlier study on guideline implementation in North American and European companies (Toppinen et al. 2015a). Both studies suggest that the benefits for systematizing CSR activities through the ISO 26000 guidance standard are typically minor for the big players. However, in terms of ISO 26000 elements

that are of the highest priority to the companies, our findings are fairly similar in that forest companies are more strongly focused on environmental CR issues. Yet, in Brazil, the boundaries of environmental issues and social ones are so closely related that they are treated, most of the time, as socio-environmental issues and as an integrated concept. In terms of the less relevant issue, consumer issues receive little attention in comparison to the other ISO 26000 elements in both studies due to the pulp and paper industry's orientation in the value chain. In the case of North American and European companies, Toppinen et al. (2015a) concluded that the ISO 26000 standard is unlikely to bring much added value to sustainability frontrunners already implementing GRI reporting practices, and our findings from Brazil are in line with theirs. Also in our study, the SME which does not report according to GRI, was the only one visibly implementing the ISO 26000 standard.

4.3 Perceptions on the Forest Sector Contribution to the UN Sustainable Development Goals

The third section of our analyses (based mainly on question number nine in the questionnaire), was related to respondent perceptions on how the forest sector contributes to the implementation of the sustainability agenda, based on UN Agenda 2030 and the 17 SDGs. Interpretation of the full set of SDGs and Agenda 2030

may naturally differ among the experts, which may affect the results. Once again, the interviewees rather optimistically emphasized the potential contribution of the forest sector holistically in terms of all the goals. The interviewee from BR1 stated, *“...we are now mapping what we have and what we will have that make sense in terms of SDGs.”* In addition, the interviewee from BR5 mentioned, *“Many of these systems [ISO standards etc. that the companies currently implement] have dealt directly with these [SDGs] issues.”* From the data, we noted that few Brazilian companies have recognized the need for internal analysis for aligning their strategies and goals to the UN SDGs, and express their expectations for maximizing their potential contribution to sustainable development and the longevity of their businesses.

Based on the interview results, climate action, i.e. SDG number 13, was observed as the most potential contribution area of the forest industry in four of our study companies. This may be due to the nature of the industry, in which the raw material base is renewable, recyclable, and biodegradable, and which emphasizes superior environmental friendliness over other materials in line with the trend of a “greening economy.” The interviewee from BR3 emphasized this aspect in the following way, *“...climate change could be highlighted due to its role in carbon sequestration of the sector, and perhaps the sector could speak with more knowledge and lead this issue.”* In addition, the interviewee from BR4 stated, *“We are working directly with climate change, eucalyptus plantations are huge carbon sequesters... and the pulp and paper industry in the country is by itself very innovative.”*

Other SDGs commonly emphasized in our study included SDG number 17, which is related to creating partnerships for meeting the sustainability goals. The interviewee from BR1 stated, *“we have been increasingly discussed this internally, e.g. partnerships with universities, partnerships with start-ups, partnerships with the world! Nowadays you cannot do everything by yourself!”* According to the interviewee from BR2, *“These 17 challenges that the SDGs pose on us are only solvable if various global sectors work together... at a certain point, over time and difficulties, the [forest] sector has created a commitment and a routine, which have worked [well], evidenced by initiatives such as The Forest Dialogue (TFD), and certain WBCSD platforms that point to a sector more capable of searching for solutions in an integrated way.”* Instead, SDG number 14, related to life below water, was one of the

SDGs that respondents considered least relevant to the Brazilian forest sector and in which the sector would least contribute to. For example, the interviewee from BR4 expressed, *“...aquatic life suffers less interference from us.”* The interviewee from BR1 also bluntly stated, *“I don’t see a link with the oceans.”* Overall, insights on SDGs were fairly unanimous, though the Agenda 2030 is clearly shaping up in the practical business world.

The Brazilian Coalition on Climate, Forests and Agriculture initiative, motivated by COP21 negotiations during 2015, is a good sector-specific example that combines both SDGs “climate action” and “partnership for the goals,” and shows their trend and relevance in the Brazilian forest sector context. This movement was formed by business associations, companies, the civil society, organizations, and individuals interested in contributing to the advancement and cooperation of Brazil’s agenda related to the protection, conservation, and sustainable use of forests, sustainable agriculture, and the agenda of mitigation and adaptation to climate change in Brazil and worldwide. Both short-term, focusing on COP21 in Paris, and medium/long-term agendas, focusing on sustainable development and low-carbon economies, were defined for the period from 2015 to 2030 for the specific sectors (Brazilian Coalition on Climate, Forests and Agriculture 2015).

5.0 Conclusions and Future Research

Our findings indicate that case company management in Brazil is focused on environmental issues when implementing their sustainability agenda, but social issues are increasingly being included, especially in the agenda of smaller companies. Translating sustainability principles into best practices and effective actions in the forestry context is fairly applicable when looking at ISO 26000 in the context of SME company sustainability management systems, but less potential is available for large-sized companies. Nonetheless, large-sized companies do play an important role in influencing their value chain, and ISO 26000, among other tools, could be one way to reach this end, by demanding or including ISO 26000 elements in their sustainability policies and requirements. Yet, large companies could also promote the implementation of ISO 26000 guidelines by SMEs within their business environment by organizing trainings for SMEs that are part of their value chains and this type of partnership is something that could be explored more in-depth.

As pointed out by Rasche (2010), responsibility standards alone can never be a complete solution to the plethora of social and environmental problems experienced today or to the challenges we will face in the future. In any case, further research on SMEs is suggested in terms of CSR agendas and practices along with the impact of ISO 26000 implementation for their businesses. In future research, stakeholder views on the implementation of ISO 26000 should also be investigated from a global setting, and not restricted to a single sector. According to our case company interviewees, the forest sector appears to have great potential in contributing to climate action (SDG number 13), at least in Brazil. It would be interesting to study in more detail how the sector will contribute to this goal, along with tracking its steps and following the activities taken towards the goal. From this aspect, individual industry actions/cases could be studied in comparative geographic settings. This can also be extended to partnership-related SDG 17, to better understand the relevance of SDGs for individual industry actions/cases, to explore the potential synergies of work under various SDGs, and to follow the path of forest and other industries for achieving these synergies.

Although the forest sector may contribute to all SDGs in some manner, our study findings from Brazil indicated that this sector has recognized its potential contribution to climate action due to its carbon sequestration potential, as well as to renewable energy production or in terms of stewarding sustainable forest management. In addition, the forest sector may also have a role in contributing to the implementation of SDGs related to building partnerships, as this is something the sector has already done for a long time, as a part of corporate community engagement, and is aware of its importance. In the case of Brazil, stakeholder engagement and community development emphasized by forest companies, as a means of obtaining a social license may still be a challenge, as indicated by Myllylä and Takala (2011) as well as Kröger and Nylund (2012).

As a limitation, our study addressed managerial perceptions – not actual CSR practices or performance – in the case of a single, but a very large country, Brazil. It is therefore possible that the experts willing to participate in the interviews were more familiar with a certain sustainability theme or may represent companies with comparatively higher corporate social and environmental performance compared to the industry average.

Therefore, any generalization of our results beyond the case companies should be avoided. In addition, it is important to note that the interpretation and perception of the SDGs by each single respondent may have varied or a lack of awareness may even occur in some cases, and therefore these findings are to be considered as very tentative evidence, but pointing towards a need for conducting larger-scale future research.

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Appendix

Interview Guide with questions primarily focused on in our paper marked in bold.

1. **How long have you been working for the company, and in what kind of role?**
2. **From your company's perspective, what does it mean to be a socially responsible company?**
3. **Regarding social responsibility in your company, what steps or programs are you proud of?**
Please provide 2–3 practical examples that describe the best practices of operation and their implementation.
4. Based on your experience, is there something unique your company does regarding social responsibility that other companies do not do?
5. Please describe which level of the company are decisions related to social responsibility made at, and how the decision-making process works?
6. How does your company ensure that decisions and actions regarding social responsibility are integrated throughout the entire organization?
7. **What kind of specific sustainability standards does your company currently implement?** Based on your experience, please describe the strengths and weaknesses of each of the implemented social responsibility standard?
8. **Stakeholder engagement, human rights, labor practices, environmental issues, fair operating practices, consumer issues, and community involvement are among the core elements of ISO 26000. Which ones are the most important elements from your company's perspective, and why?**
9. **Are you familiar with UN Agenda 2030 and Sustainable Development Goals? How do you perceive the contribution of the forest sector to the implementation of this sustainability agenda in the next 15 years?**