

# Paper Round Corporate Social Responsibility Report 2009



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## DIRECTORS' STATEMENT



We are pleased to introduce Paper Round's corporate social responsibility report for 2009. As a provider of waste services we have to comply with strict environmental legislation. We at Paper Round pride ourselves of going beyond legislative requirements by ensuring that everything we collect is processed in a socially responsible and environmentally sound manner. This includes but is not limited to the following:

- All waste and recycling we collect is processed within the UK and Europe
- We practice a "Zero to Landfill" waste strategy
- We continually measure, monitor and report our carbon emissions
- Energy efficiency measures: lighting, heating, cooling, IT management, office equipment usage
- Fleet environmental impact reduction (transport and cars) – driver education, policy development



Paper Round was founded by Friends of the Earth in 1988, specifically to provide high quality environmental services to offices in London. We have kept this focus on meeting the highest environmental standards as we have grown to offer a complete spectrum of services: from waste recycling to sustainability advisory services.

Over the past year we have worked hard to meet our goals of improved performance. Despite the recession we achieved improved customer service and continue reducing our operation's environmental impact. Our growing customer base, high customer satisfaction rate and increased operating efficiency are welcome rewards for our effort.

As a service provider we recognise that our employees are our most valued asset. We believe that a motivated and satisfied workforce leads to higher customer satisfaction and better financial performance. Paper Round has always put our employees first.

We have taken positive actions to engage staff by improving our staff communication, training and support on green issues. As a result we have maintained our employees' satisfaction in their workplace.

We also maintain positive engagement with the communities around us. Paper Round continues to improve external communications. In 2009 our effort and commitment to sustainability was recognized by prestigious awards such as the Sustainable City Awards, Thames Gateway Business Awards and Archant Environmental Awards.

Our carbon footprint has increased, but this is a reflection of our business growth. We will continue to actively manage our impacts, seek opportunities for improvement, behave as a responsible business and look forward to the challenges of 2010.

Bill Swan and Alison Roe

Directors



## INTRODUCTION

Sustainability principles are at the heart of our business and drive our underlying strategy as well as our day to day decisions. Our Environmental Management System (EMS) feeds into every aspect of our operation, serving as guidance to the best management practice.

This annual report allows us and our stakeholders to monitor our progress year on year and will enable us to improve our environmental and social performance. We believe that transparency and honesty fosters trust and continuous dialogue with our many stakeholders. The following report covers 2009 and examines Paper Round's social and environmental impact in relation to our stakeholders: employees, customers, our local community and society at large.

## ABOUT US

Paper Round was founded by Friends of the Earth in 1988. Now a completely standalone organisation, we are helping over 4,200 organisations recycle in their offices. Our solutions are practical, cost effective and tailored to our customers' needs. We provide a complete recycling service based on reliable collections and underpinned by our strong ethical principles.

As an ethical service provider, Paper Round reduces the impact of its clients' supply chains. We aim to deliver our service in the most sustainable way possible and provide full transparency of where our recycling goes. Our extensive resources and expertise ensure that we maximize a client's recycling and minimize their waste volumes and disposal costs. We operate to the highest environmental standards and help our clients to do the same.



**Friends of  
the Earth**

We strive to provide the highest level of service and be a truly green supplier:

- We achieved ISO14001:2004 accreditation for all our operating units.
- Our service is fully compliant with all relevant legislation.
- We ensure that 100% of the recycling we collect is processed in Western Europe.
- We maintain complete transparency and clear auditability of our operations at all times to ensure that our clients know how and where their waste is treated.
- We take great efforts to reduce our environmental impact and maintain our EMS so that we can encourage our clients to do the same.



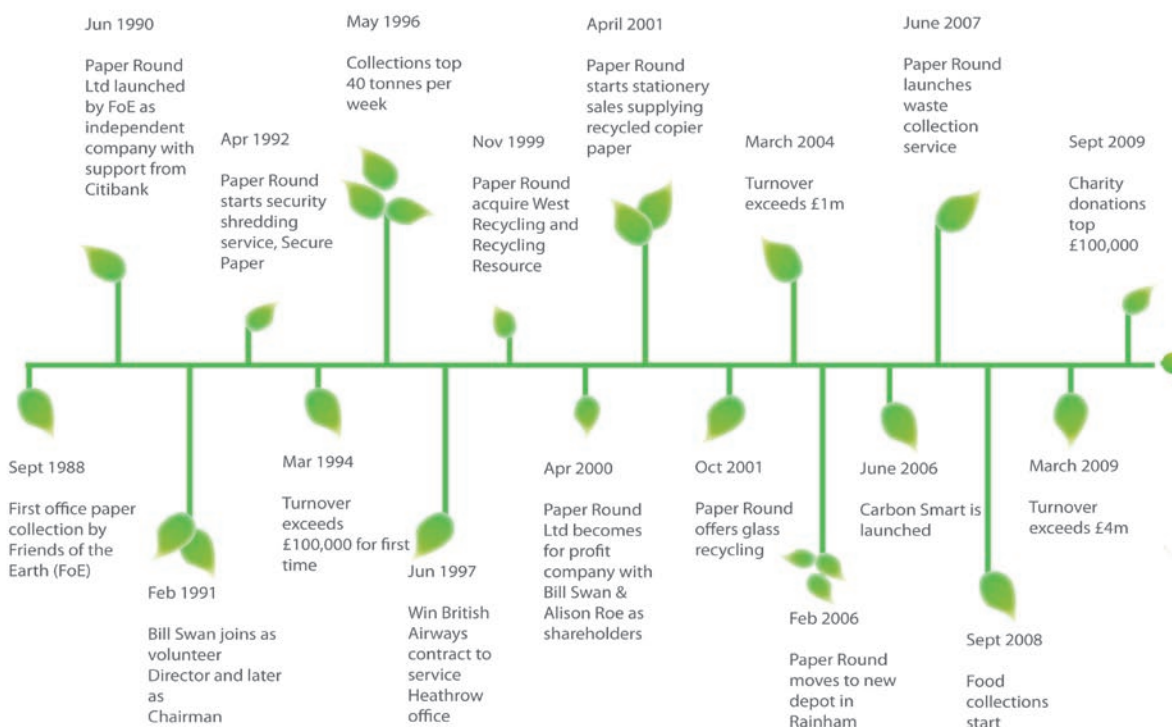
Paper Round

Our fleet consists of five different vehicle types

Our team is 75 people strong

Each week we make 2,000 collections

## OUR STORY



Paper Round was founded by Friends of the Earth in 1988 and became a standalone organization in 2000. We help over 3,500 organisations recycle in their offices. Over the years Paper Round has developed from a small niche recycling project into a comprehensive waste management company. We now also provide food recycling, recycled stationery, confidential document shredding and WEEE recycling.



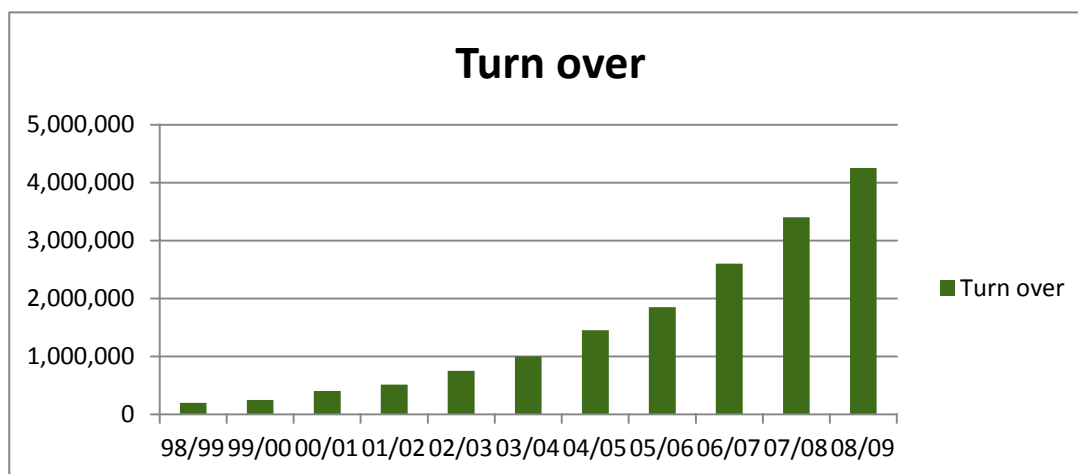
## CARBON SMART



In 2006 we launched Carbon Smart in response to the increasing importance of carbon reduction among small and medium size businesses. Today Carbon Smart is a fast-growing, successful consultancy with a growing customer base and its own accreditation scheme, the Carbon Smart certification programme.

## SURVIVING THE RECESSION

Paper Round's turnover has grown steadily at an average of 25% a year in the past 10 years. We believe that our business success is directly linked to our commitment to responsible environmental management. When the price of recycled materials crashed in autumn 2008, we did not suffer the same problems as many waste companies, who were unable to sell on their unsorted recycling. Because we collect our recycling pre-sorted, our recycling was of a higher value and so we were able to sell it on more easily and avoid loss of revenue. As a result we have emerged from the downturn a stronger, more efficient and more profitable company.



## AHEAD OF THE CROWD

Being an explicitly ethical company has helped us to be more competitive as more companies want to work with green suppliers. Our diligence, transparency and expertise, as demonstrated in our EMS, put us ahead of the competition in tender applications and recently helped us to win a number of key contracts.

Our EMS is firmly embedded in our operations to ensure that we remain an example of best practice, so that we can encourage our clients to do the same. The high number of offices we service puts us in a perfect position to reduce the impact of London businesses, helping to make the city a better place to live and work.



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## SETTING AN EXAMPLE

We set out to create and maintain an exemplary EMS, not just because we believe that it is the right thing to do but because we want to demonstrate to our clients and other small and medium enterprises (SMEs) that operating sustainably makes sense both environmentally and commercially. Quarterly newsletters to all our customers detail what we are doing, how they can likewise improve their environmental performance, and provides them with key information about relevant legislation.

Our efforts to create and maintain a best practice EMS have been thorough, turning our attention to each part of our operations. As a result, our processes are transparent and we are happy to demonstrate how we achieved the EMS. Though our business is specific to recycling, our operations are similar to many SMEs - we produce waste, require office supplies and have a carbon footprint. We not only believe that others can follow suit and achieve similar results but we are also happy to provide them with the support to do so.

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## OUR GOALS FOR 2010

1. To increase the number of customers and increase their recycling rates.
2. To monitor and evaluate the social and environmental impact of our operations.
3. To decrease the carbon footprint of both our head office and our yard operations.
4. To continually improve our resource management by increasing our resource efficiency and decreasing waste arising from our operations.

## OUR STAKEHOLDERS

We have identified our stakeholders as being those groups that are directly affected by the activities of Paper Round as we pursue our business strategy. This report addresses the issues that we believe are most relevant to each of them. Our primary stakeholder groups are:



## CUSTOMERS

The number of sites we collect from rose dramatically from 3,500 in 2008 to 4,200 in 2009. Our business and environmental objective is to increase the number of businesses recycling with us and continually improve their recycling rates. By doing that we so far manage to divert 337,000 kg of waste every week from landfill and help preserve our planet's natural resources.

We maintain ongoing dialogue with our customers through face to face meetings, seminars, newsletter updates, customer satisfaction surveys and our director's Bill Swan personal blog.



Figure 1: Our annual customer award

Our website also enables our clients to view up-to-date reports on their environmental performance. This is becoming more and more valuable to clients as environmental auditing becomes commonplace. Our data is easy to interpret and can help guide them through tasks set by auditors. Clients also have online access to personalised action plans, which clearly sets out how they can improve their recycling scheme.

We believe that celebrating and rewarding our client's progress towards better environmental management is the best way to maintain their effort and encourage them to do more. Each client receives an annual certificate detailing how much they recycled and the relating number of trees and amount of carbon they saved. Many clients then display this on notice boards or reception areas to encourage their colleagues to do more.



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## STAFF

Paper Round runs regular employee surveys in order to evaluate our employees' overall satisfaction and to identify any areas for further improvement. The surveys are also designed to determine our employees' attitudes towards company's EMS and Quality Management System (QMS). This feeds into the ongoing process of Paper Round's quality control and environmental management.

All of our employees are aware of the company's environmental objectives and play a key role in reducing Paper Round's environmental impact. They receive training and regular updates on our EMS. Our internal staff newsletter has regular features on sustainable lifestyle and the latest environmental news. Our enthusiastic Sustainability Team holds regular lunch time workshops promoting different ways of cutting down on waste, carbon emission and water consumption at home and in the workplace.

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## LOCAL COMMUNITY

Paper Round's business activities directly affect the environment of Greater London. By managing the waste of our customers we divert increasing amount of waste from landfill and help to create local jobs.

We are active members of London Community Resource Network (LCRN) and Carbon Smart collaborates with LCRN by providing its members with environmental and carbon audits.



We also support several local charities including Trees for Cities. In 2009 we donated £8,800 and planted 733 trees on behalf of our clients. In September 2009 Paper Round sponsored Trees for Cities' Tree-athlon in Battersea, an annual event aiming to raise funds for

our charity partner. Paper Round provided a free recycling service for the one day event, further maximising the positive environmental impact of the campaign.

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## LOCAL AUTHORITIES

Paper Round works closely with local authorities on our common goals of improving the recycling rate among SMEs in London, and reducing London business' environmental impact. Our Directors Bill Swan and Alison Roe are active advocates of Real Recycling and Zero to Landfill policies. Their expertise in best practice recycling is recognized and sought after by local governmental bodies. Paper Round has also assisted WRAP in their research and policy making.



## IDENTIFYING AND DEFINING MATERIAL ISSUES

In order to collect recycling from our customers we need to operate a fleet of specialist trucks, which is very fuel intensive and therefore represents our most significant impact on the environment. As an ISO 14001 accredited business we have identified a list of those environmental aspects most significant to our business operations. Following the GRI guidelines on connected reporting format we have incorporated the current report into the framework of our EMS and QMS.

Carbon Smart conducted an evaluation of all tPaper Round’s activities that have a material and measurable impact on environmental performance. They identified 4 different types of impact, 3 of which could be measured and therefore form the primary focus of this report:

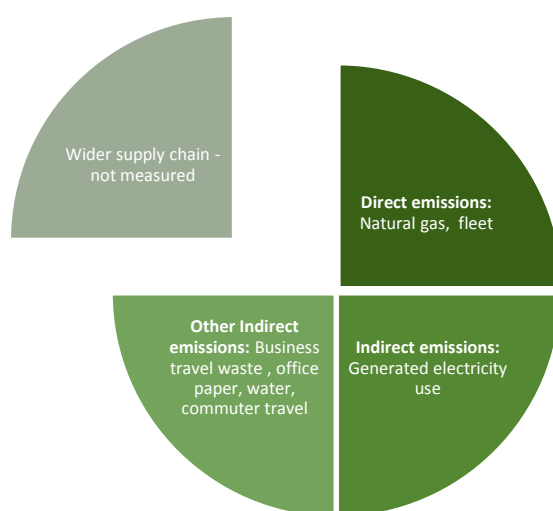


Figure 2 Identified material issues

## THE ENVIRONMENT

Our responsibility to our customers and to the environment is at the heart of everything we do. It is critical that we meet our customers’ growing needs for environmentally-friendly products and services, whilst simultaneously decreasing the environmental impacts of our own activity.



## COMMITMENT FROM OUR DIRECTORS

Both our directors Bill Swan and Alison Roe are keen environmentalists. They have been with the company since it was part of Friends of the Earth and they have both worked hard to maintain the ethical foundations on which Paper Round was founded.

Both directors take on active role in determining company's environmental strategy and help to manage our EMS through regular management reviews and sustainability team meetings.

## A MOTIVATED SUSTAINABILITY TEAM

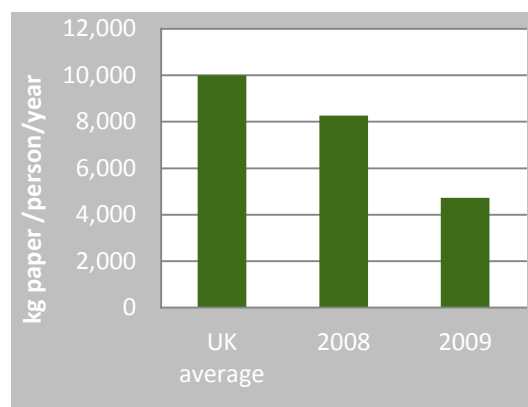
The project of improving our EMS was initiated by Bill Swan, who worked with our Sustainability Team to ensure its success. The team meets monthly and ensures that actions set out by our NQA and Carbon Smart consultants are carried out and that we achieve our ambitious reduction targets.

The team is also responsible for arranging staff briefings, training and the sustainability content of the staff newsletter. It also organises regular briefings to inform staff on latest EMS achievements or of developments in the environmental sector that may affect the way we operate.

## OUR PAPER CONSUMPTION

Paper is one of the biggest streams of office waste which can be easily recycled, saving trees, energy, water and carbon emissions. All of our paper and cardboard is recycled, as one would naturally expect from a recycling company.

However we continually strive to improve our environmental performance and resource efficiency. Our paper consumption has been always well below UK average office consumption of 10 tonnes per person. But Paper Round managed to decrease paper consumption from 8.1 tonnes in 2008 to 4.3 tonnes per person in 2009, despite the increase in our operations and number of clients.



## OUR CARBON FOOTPRINT

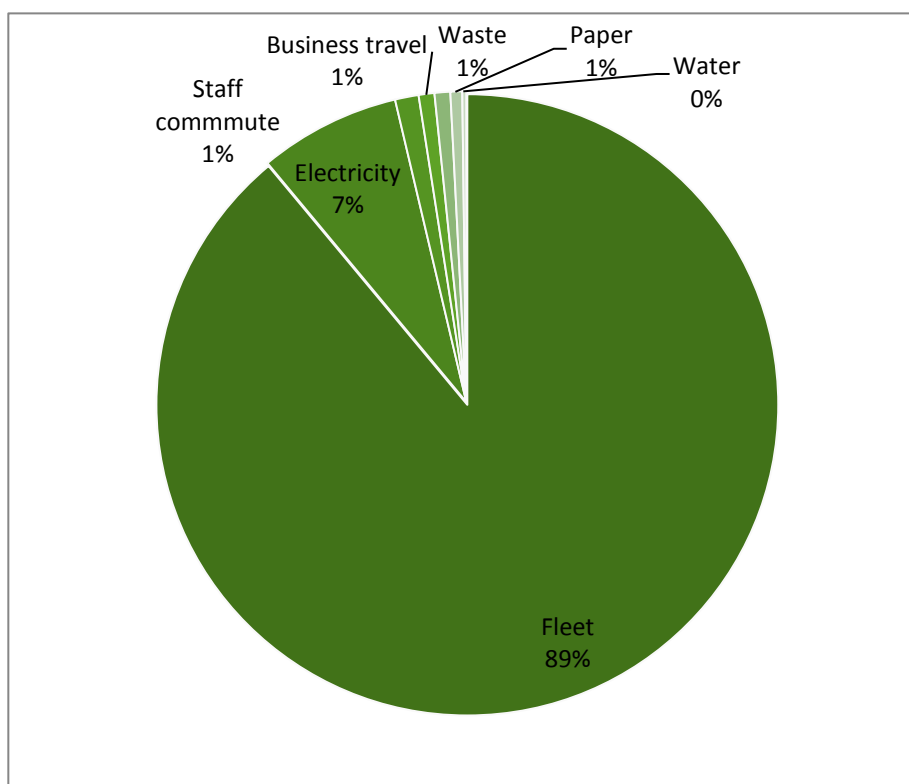
We have monitored our carbon footprint for the past two years. Our carbon footprint increased by **4.9%** in 2009, from **465 tonnes CO<sub>2</sub>e (2008)** to **489 tonnes CO<sub>2</sub>e** mainly due to an increase in fuel consumption by the fleet. The main reason for this increase is the growth of our customer base, as a result of which the number of sites we have to serve has increased by 20% between 2008 and 2009. Even though extreme care is taken in our route planning, the length of the journeys made by our trucks grew inevitably, and the carbon footprint associated with our fleet grew by 7.2%.



Emission Type	Tonnes CO <sub>2</sub> e	%
Fleet	435	89%
Electricity	36	7%
Staff commmute	6	1%
Business travel	4	1%
Waste	4	1%
Paper	3	1%
Water	1	0%
Total	489	

The emissions from employee commuting were also included in the calculation of our carbon footprint for the first time in 2009. However excluding the fleet, our office operations became more efficient, and the carbon footprint per employee fell from 0.9 to 0.7tCO<sub>2</sub>e per person, a saving of 14%. This has reduced the level of our absolute increase.

Figure 3 Paper Round's Carbon Footprint 2009





## OUR ENVIRONMENTAL ACHIEVEMENTS 2009

- Our fleet is equipped with telematics that achieved a 3% reduction in fuel usage and reduced number of accidents by 10%.
- Central IT system that turns all PC's off automatically at night and of weekends helped us achieve an 18% reduction in electricity usage.
- Timers and boiler adjustments helped achieve a 30% electricity reduction at our depot.
- 92% recycling rate in our office, covering food, batteries, paper, glass, cans, plastic, and WEEE.
- 100% diversion from landfill – all non-recyclable waste sent to an Energy-from-Waste facility.
- Reduced office paper by 59% and adhere to a strict procurement policy compliant with BSI Sustainable Procurement Standard.
- Our carbon footprint was 486 CO<sub>2</sub>e tonnes. We offset this to help fulfil client expectations - when surveyed 90% of clients thought it important that we offset our operations.
- Our active sustainability team engaged staff and improved communication throughout departments.
- Staff commute: 28% cycle or walk to the office. 61% use public

## CARBON FRIENDLY BUSINESS GROWTH

We work continually to reduce the carbon intensity of our operations. Where carbon reduction is not possible, we purchased high quality carbon offsets, certified to leading international standards (VCS, Gold Standard, UK Government quality standard). As a rapidly growing business we consciously try not to lose sight of our EMS targets. The number of sites we collect from rose from 3,500 in 2008 to 4,200 in 2009 and represented the main



cause of the increase of our overall carbon footprint. However, we managed to achieve higher efficiency in the fuel consumption of our fleet and to decrease our emissions by 9% per collection site. Our experts in carbon reduction from Carbon Smart identified further measures to improve our energy efficiency, which were implemented in 2009.

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### ELECTRIC VEHICLE TRIAL

Our fleet of trucks is essential to our operations yet it makes up 87% of our carbon footprint, so it is critical to try to minimise its overall impact. We are the first London waste company to trial electric vehicles.

Electric trucks are emission-free, run without noise or vibration, and actually reclaim electric energy during stop-start urban operations. They cost nearly three times more than a diesel truck but we are prepared to invest to achieve the ambitious carbon saving targets set out in our Carbon Smart® action plan.



Figure 4 A driver trials an electric van

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### VEHICLE TELEMATICS

We fitted telematics in our trucks to monitor harsh braking and over acceleration of each driver. By analysing engine diagnostics, real MPG, odometer readings and emissions compliance status we can improve the efficiency of the fleet.

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### STAFF COMMUTE



We relocated our head office three years ago, choosing a site that is within 10 minutes walk from 3 underground stations and within 3 minutes walk from 6 major bus routes. We also provide cycle storage facilities and showers. As a result, 25% of staff walk or cycle to work. The remaining staff use public transport – no car parking is provided on site. Client meetings are attended via public transport and our travel policy limits air and business class travel to an absolute minimum.



## OUR ENVIRONMENTAL AWARDS

Best Green Business Winner, Thames Gateway Awards 2009

Best Green Business Highly Commended, Archant Environmental Awards 2009

Best Environmental Business Highly Commended Green Business Awards 2008

Environmental Business of the Year Winner, Thames Gateway Awards 2007

Best Newcomer – Winner, Mayor of London Green Procurement Code - 2007



## FURTHER INITIATIVES PLANNED FOR 2010

Reduce our electricity consumption per staff member

Improve our customer engagement

Grow our Sustainability team and increase staff training

Increase our number of charity partnerships and donations



## OUR PEOPLE

### GOVERNANCE

Paper Round is led by a board of directors and non-executive directors to provide guidance and oversight. A significant proportion of executive remuneration is linked to the business' performance. The board produces an annual assessment of the company's position and maintains a sound system of internal control. The business is subject to regular, thorough and independent auditing.

### STAFF ENGAGEMENT

A formal procedure exists for staff briefing, engagement and feedback. Staff suggestions are frequently implemented to the benefit of the business and staff engagement is essential for ensuring smooth operation of the business and maintaining opportunities for growth. We have improved our staff induction so that new staff are familiar with our environmental objectives and their role in the EMS. We provide regular staff training and subscribe to a number of industry publications that are circulated amongst staff and help them keep abreast of the environmental sector. Having well-informed staff means that we can provide expert advice to our clients and help them to manage their own EMS's to the best possible level.

### STAFF DEVELOPMENT

Paper Round has a long established framework of ethical, equal opportunities and sustainability policies. We have an ongoing programme of initiatives including:

- All staff benefit from regular personal and professional development
- We have a diverse workforce; staff who need help with English are provided with regular lessons.
- We regularly review the conditions of employment of all our staff and promote a high level of staff engagement in the management of our business.
- We have an active intern program for young people looking to enter the sustainability profession.
- We have developed links to local academic institutions including London Southbank University and the University of Hertford.

### WORKSHOPS AND SEMINARS

We train members of our staff to manage workshops and to give presentations. This has enabled us to set up a programme of free workshops and seminars for our clients, covering recycling, staff engagement and carbon reduction. These events are a great opportunity to meet our customers face-to-face and to talk to them about how we can help them improve their environmental impact.



## SOCIETY

### CHARITY DONATIONS

Paper Round also runs a substantial annual program of donations to environmental charities, including Friends of the Earth, Trees for Cities, Rainforest Concern and the Orangutan Foundation. As we have grown, so have our charity donations. This year we increased them by 25% to £25,000. We have donated over £100,000 to date.

We plant a tree for each new member that joins us through our charity partner Tree for Cities. We also sponsored their Tree-athlon event in Battersea Park.



Figure 5: We plant a tree for each new member

### COMMUNICATION

The trend towards more sustainable development is gaining momentum and we realise that for these important positive changes to be lasting, we need to involve society as a whole. While the concept of recycling has come a long way since the day Friends of the Earth first launched Paper Round, there is still a constant need to promote our work to a wider audience. We consider it one of our duties to promote recycling and responsible environmental management in local communities and in society at large.

Paper Round's directors are industry experts and have played active roles in organisations such as Friends of the Earth and London Community Recycling Network. Their opinions have been sought by various newspapers and B2B publications. Bill Swan is a regular contributor to the magazine Materials Recycling Week. He also keeps a blog [www.greenbillofhealth.co.uk](http://www.greenbillofhealth.co.uk) in which he discusses and comments on current developments in the environmental sector. His aim is to help shed light on some of the more complex debates surrounding recycling and sustainability.