

“planting for our future...”





...minimising impact”



Stora Enso is a global paper, packaging and wood products company producing newsprint and book paper, magazine paper, fine paper, consumer board, industrial packaging and wood products.

The Group has some 27 000 employees and 88 production facilities in more than 35 countries worldwide, and is a publicly traded company listed in Helsinki and Stockholm. Our customers include publishers, printing houses and paper merchants, as well as the packaging, joinery and construction industries.

Our annual production capacity is 12.7 million tonnes of paper and board, 1.5 billion square metres of corrugated packaging and 6.9 million cubic metres of sawn wood products, including 3.1 million cubic metres of value-added products. Our sales in 2009 were EUR 8.9 billion, with an operating profit excluding non-recurring items and fair valuations of EUR 320.5 million.

## our planet and people

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“We need to be even more transparent, more sharing, and more prepared to learn.”

Jouko Karvinen | CEO of Stora Enso

The year 2009 was another year of challenges. The grim realities of the global economy and the ongoing need for structural changes in the forest products industry have meant that every one of us at Stora Enso has had to face our share of these challenges.

In the aftermath of the Copenhagen summit, readers of this sustainability report will rightly expect a focus on critical climate change issues within our wider corporate responsibility work. Water scarcity and responsible water use are also becoming real global concerns, for instance. Before looking at these important matters in this report, I would also like to highlight another challenge – our social responsibility – both at home and in the new growth markets.

The impacts of our operations in Latin America and China on local communities are quite different than in our traditional home base, as the social, economic and cultural contexts are so different. To be successful in these societies in the long term as a company and as individual people, we need to be even more transparent, more sharing, and more prepared to learn. These attitudes must become a cornerstone of our strategy, our management thinking, and what we are as a company.

Among the hardest of our actions in the last two years have been our mill closures in Finland. We have done quite a lot to help the people affected, but we have also learned a crucial lesson. Together with the local and national authorities we need

to start looking for new alternatives a lot earlier – well before closures are planned or any decisions have been made. These decisions do not only affect the people made redundant, but also entire communities. In Finland we have already started working with the Ministry of Employment and Economy to seek alternatives for localities with no immediate closure plans. Being prepared early is fine, but being too late is not.

Like most other corporations we stress that we favour open dialogue with all stakeholders. Let me be honest – this is easy to say, but not always so easy to realise. But I would like to share with you our very positive experiences concerning the resolution in November 2009 of a long-running dispute about old-growth forests in Finnish Forest Lapland. This agreement was reached thanks to an open dialogue involving Greenpeace, the Finnish state forestry enterprise Metsähallitus and local stakeholders. I subsequently had the pleasure of visiting Peurakaira – one of the formerly disputed areas – together with local reindeer herders and representatives from Greenpeace and Metsähallitus. The importance of learning from each other really struck me as I walked in these ancient forests with people from very different backgrounds, who were still able to reach a constructive agreement. We, and the world for that matter, need more of this kind of thinking.

Listening and learning is something we all need to do every day. I regularly visit our operations in new areas to see and hear for myself what is going on. Last July, when I visited our plantations





Stora Enso CEO Jouko Karvinen (right) and Greenpeace forest campaigner Sini Harkki discussing sustainable forestry in Peurakaira, Finland.

in Guangxi province, Southern China, I met people who work for Stora Enso and our local contractors, as well as villagers from the surrounding areas. This experience was quite an eye opener. Most of the plantation employees are migrant workers – living hundreds of kilometres away from their home villages. It was very instructive to learn how the main aim of these hard working people is to save their earnings and return home to offer their children a better future.

Another reality in China is that land use rights can be a complex issue. During 2009, four well publicised violent land disputes occurred in or close to the areas where we operate. We have since improved our conflict resolution processes. I will also personally get direct reports from the field concerning ongoing or potential disputes. We also now have a very clear understanding with the local government that we do not want to use land that is under dispute. The situation is still far from perfect, but we feel we have made yet another step on our journey towards building a better tomorrow also in Guangxi.

Land ownership is also a critical issue in Brazil, where the Landless Workers' Movement (MST) regularly protests about plantation programmes including our own. Our dialogue with the central MST organization in Sao Paulo was unfortunately not fruitful in 2009. We have however maintained continuous dialogue, facilitated by the local authorities, with MST in Bahia to look for potential areas for co-operation. And that is where we need to be, in the local community, not just talking but

actually doing things to help people to help themselves. And this is the path we will continue on.

In December, I had the honour to sign the UN Global Compact's CEO Water Mandate, to show Stora Enso's strong commitment as a company to make sustainable water use a real priority. Stora Enso has been a member of the UN Global Compact since its launch in 2000, and we continue to follow all of its ten principles ranging from respecting human rights to working against corruption.

When I look back at the year 2009, I am proud to see improvements in occupational health and safety: we had no fatal accidents among our own employees. The most notable improvements in health and safety were thanks to concrete training provided for our personnel in Finland, where we have previously not performed as well as in other countries.

I truly believe that at Stora Enso we have a good opportunity to make tomorrow better for our own people and our business partners. We make great products using renewable and recyclable raw materials – products that can make a real difference for our customers, for their customers, for consumers and for the planet. How we make it all happen, how we compete, how we learn every day – that is what our corporate responsibility is all about. This is part of the DNA and spirit of Stora Enso, shared by all of us.



The focuses of our sustainability work vary according to local conditions and priorities. This map gives an overview of our main sustainability issues in different geographical locations.

#### Europe

- Supporting people and communities affected by redundancies (pages 32–33, 34–35)
- Improving health and safety at our mills, with a special focus on this issue in Finland (pages 30–31)
- Reducing the CO<sub>2</sub> emissions of our mills (pages 24–27)
- Promoting forest certification for small-scale forest owners (page 13)
- Increasing the use of recovered paper in paper and board production (page 17)
- Conducting a water footprint study at Skoghall Mill in Sweden to find ways to improve water use (pages 18–20)

#### Brazil

- Protecting and restoring Atlantic rainforest around plantations (pages 13–14)
- Partnering with local farmers in wood production, bee-keeping and cattle grazing (pages 14–15)
- Working to resolve and prevent land use disputes and to build dialogues with critical stakeholders (page 15)
- Maintaining good relations with local indigenous communities (page 14)
- Improving interaction and dialogue with local communities (pages 14–15)

#### Uruguay

- Engaging with local communities and establishing stakeholder dialogues (pages 15–17)
- Partnering with local farmers in wood production, cattle grazing and bee-keeping (pages 15–17)

**Russia**

- Ensuring the legality and acceptability of wood delivered to our mills (page 13)
- Improving health and safety practices (page 30)



**China**

- Improving the working and living conditions of contractor labourers (page 29)
- Working to prevent and resolve land use disputes (page 17)
- Training contractors to follow Stora Enso's environmental and social requirements (page 29)
- Helping to develop forest certification standards in China (page 13)

Our sustainability targets ensure effective sustainability management. We report annually on our sustainability performance against these specific targets.

All Stora Enso's sustainability targets for 2009 are listed in the table below, with notes on the status of each target and references to the sections of this report where progress towards them is described in more detail.

This report follows the Global Reporting Initiative's (GRI) G3 guidelines. A table covering GRI content can be found on page 40. An extended version of the GRI table, including detailed descriptions of the scope of the report and data measurement techniques, can be found at

[www.storaenso.com/sustainabilityreport](http://www.storaenso.com/sustainabilityreport).

## Targets and performance 2009

Target	Performance	Read more
<b>Wood sourcing</b>		
All wood supply units and units receiving purchased pulp to have third-party verified traceability systems in place by the end of 2009	99%	pages 12–13
<b>Supply chain</b>		
Improve suppliers' compliance with Stora Enso's sustainability standards	Compliance monitoring is being developed	pages 8–9
<b>Mills and environment</b>		
Reduce SO <sub>2</sub> emissions by 30% by 2013 from the baseline year 2007	- 30%	pages 18–23
Reduce Chemical Oxygen Demand (COD) by 10% by 2013 from the baseline year 2007	- 1%	pages 18–23
Reduce process water discharge by 10% by 2010 from the baseline year 2005	- 3%	pages 18–23
Reduce waste to landfill by 5% by 2013 from the baseline year 2007	+ 39%	pages 18–23
<b>Climate change</b>		
Reduce Group-level CO <sub>2</sub> intensity from pulp, paper and board mills by 20% by 2020 from the baseline year 2006	- 18%	pages 24–27
<ul style="list-style-type: none"> <li>Increasing trend in the power-to-heat ratio of internal energy production</li> <li>Conduct energy efficiency reviews at each pulp, paper and board mill at least once in a two-year cycle</li> </ul>	Remained stable at 22% 16 reviews conducted during 2008–2009	pages 24–27 pages 24–27
<b>Code of Conduct</b>		
All of our employees to complete the Code of Conduct training by the end of 2009	80%	pages 28–29
<b>Occupational Health and Safety</b>		
Zero lost-time accidents	Lost-time accident rate dropped by 21%	pages 30–31
Attendance rate above 97%	96.1%	pages 30–31
<b>Diversity</b>		
Increase the share of women in management and executive positions and strengthen gender work by expanding the Women in Stora Enso (WISE) network	Temporarily put on hold	pages 32–33



## Targets for 2010

We continuously review our sustainability targets and proactively set new targets where necessary. The targets for 2010 are:

### Wood sourcing

- To increase the share of certified fibre in our wood supply to 69%

### Supply chain

- To conduct five spot check supplier audits

### Mills and environment

- Reduce SO<sub>2</sub> emissions by 30% by 2013 from 2007 levels
- Reduce Chemical Oxygen Demand (COD) by 10% by 2013 from 2007 levels
- Reduce waste to landfill by 5% by 2013 from 2007 levels

### Climate change

- Reduce Group-level CO<sub>2</sub> intensity from pulp, paper and board mills by 20% by 2020 from 2006 levels
- Increasing trend in the power-to-heat ratio of internal energy production
- Reduce energy consumption at pulp, paper and board mills by between 1% and 2% (depending on the unit concerned) from 2009 levels

### Water

- To conduct an in-depth water balance assessment during 2010
- Reduce process water discharge by 10% by 2010 from 2005 levels

### Code of Conduct

- All of our employees to complete the Code of Conduct training by mid 2010
- To develop a compliance measurement for Code of Conduct

### Occupational Health and Safety

- Zero lost-time accidents
- Attendance rate above 97%

## Recognition from stakeholders

### Dow Jones Sustainability Index

In 2009, Stora Enso achieved a listing in the Dow Jones STOXX Sustainability Index for the ninth year running. Stora Enso was ranked the best sustainability performer among European forestry and paper companies. We received top industry scores for climate strategy and environmental reporting and management, as well as the eco-efficiency of the company's operations. The DJSI assesses the economic, environmental and social aspects of some of the world's largest companies.

### SAM's Sustainability Yearbook 2010

Stora Enso was included as a sector mover in the SAM Sustainability Yearbook 2010. SAM is an investment group focused on sustainability investing.

### FTSE4Good Index

Stora Enso continues to be included in the FTSE4Good Index Series, where we have been listed since 2001. The FTSE4Good Index Series has been designed to measure the performance of companies that meet globally recognised corporate responsibility standards, and to help investors identify such companies. The index focuses on environmental management,

human and labour rights, supply chain labour standards and efforts to counter bribery.

### Storebrand Best in Class

Storebrand awarded Stora Enso its Best in Class recognition again in 2009, which means that Stora Enso ranks in the top 30% in the forest products industry in terms of environmental and social responsibility.

### Global 100

In 2009, Stora Enso was considered by the Global 100 to be among the "best in class" in the forest products industry with regard to the management of environmental, social and governance risks and opportunities. The Global 100 Most Sustainable Corporations in the World ratings were initiated by Corporate Knights Inc. and Innovest Strategic Value Advisors Inc. in 2005. The 100 top sustainability performers are chosen from the MSCI World Index of some 1 800 publicly-traded companies.

### Ethibel Excellence and Ethibel Sustainability Index

Stora Enso continued to be included in both the Ethibel Excellence Investment Register and the Ethibel Sustainability Index in 2009. These indices give a comprehensive perspective of the financial performance of the world's leading companies in terms of sustainability, and are used as the basis for Socially Responsible Investment (SRI) products for a growing number of European banks, fund managers and institutional investors. Forum Ethibel reviews companies worldwide on their economic, social and environmental performance.

### World's Most Ethical Companies

Stora Enso was again named as one of the Ethisphere Institute's World's Most Ethical Companies for 2009. The World's Most Ethical Companies are selected by the Ethisphere Institute, which is dedicated to the research, creation and sharing of best practices in ethics, compliance, and corporate governance.

### Staples' CSR Supplier Award 2009

Stora Enso and our office paper MultiCopy were granted Staples' CSR Supplier Award in 2009. With \$23 billion in global sales, Staples is the world's largest office products company. Staples is strongly committed to corporate responsibility, and seeks to work with suppliers who recognise their workers' rights, promote health and safety, and protect the environment. Staples' CSR award is based on criteria including environmentally-preferable offerings, community involvement, product development with environmental benefits, and initiatives to encourage a company-wide green culture. MultiCopy also bears the Nordic Swan and EU Flower ecolabels.

### Pulp and Paper International Award

Stora Enso received the Environmental Strategy of the Year award in the Pulp & Paper International (PPI) Awards 2009. Judging of the awards was undertaken by a panel of expert judges from the industry. Pulp & Paper International (PPI) is a magazine for pulp, paper, and paperboard manufacturers around the world.



“When visiting Stora Enso’s operations in Guangxi, China, we were encouraged to speak openly to contractors, local government officials, staff and affected villagers. This level of transparency has added to our understanding of this project, which is so significant for development and land reform in this region.”

Mark Line | Executive Chairman, Two Tomorrows, Assurance provider

Our sustainability governance and management ensure that environmental and social responsibility forms the backbone of our operations. We take care of issues related to sustainability in our day-to-day business using a wide range of tools, including:

- governance practices for sustainability
- policies and principles
- management systems
- corporate targets
- supply chain management
- sustainability impact and risk assessment for investment decisions
- third party assurance of sustainability reporting

### Sustainability governance

The Stora Enso Group Executive Team (GET) is responsible for all policy issues relating to sustainability. The sustainability management team and its task forces handle day-to-day management and preparation of the proposals for the sustainability policies. The sustainability management team and task forces include representatives from the Group functions, Stora Enso’s four business areas, the Wood Supply service unit and the regional organisations in Latin America and China. The task forces are established as necessary to meet specific needs. Our business areas are responsible for the operational management of sustainability. The Group Sustainability function’s role is to develop, support and follow-up Stora Enso’s sustainability strategy, and ensure that policies, agreed targets and priorities are duly realised.

### Policies and principles

Stora Enso’s sustainability policy forms the cornerstone for the Group’s social and environmental work, and is the basis for our sustainability management. The policy encompasses the three pillars of sustainability: economic, environmental and social responsibility. This sustainability policy is reproduced in full on page 44.

To support our sustainability policy, Stora Enso has also established a set of related principles to guide our employees in their everyday work:

- Principles for Social Responsibility
- Principles for Occupational Health and Safety
- Principles for Sustainable Wood and Fibre Procurement and Land Management
- Principles for the Development of Forest Certification
- Principles for the Implementation of Environmental Management Systems
- Transport Environmental Principle
- Stora Enso Timber’s Environmental Principles
- Principle on Genetically Modified Organisms (GMOs)

We have also established a Code of Conduct which summarises the key elements of our policies, principles and guidelines (see page 28).

Stora Enso has clearly defined its position on vital issues such as climate change, forest certification and illegal logging. In



Mark Line, assurance provider for Two Tomorrows (left), discussing working conditions with Stora Enso staff and a local contractor in Guangxi, China.

2009, Stora Enso updated its position paper on climate change. All the principles listed above and the position papers can be found at [www.storaenso.com/sustainabilitypolicies](http://www.storaenso.com/sustainabilitypolicies).

### Management systems

Stora Enso's policies and principles are translated into practice through management systems that help units to recognise sustainability issues that need to be addressed. These systems are used to set targets and schedules, to assign responsibilities, and to follow up on performance related to environmental impacts, occupational health and safety, product safety and hygiene, as well as forest and plantation operations.

Most of these management systems are third-party-certified. This means that an external party has verified that the management systems are in line with a relevant nationally or internationally recognised standard. More details of these systems are included in the respective sections of this report.

### Supply chain management

Suppliers are organisations who provide materials, products or services to Stora Enso, including wood suppliers, chemical and other raw material suppliers, and contractors. Our wood suppliers and the whole wood supply chain are covered by regular controls and audits. A detailed description is given in the wood and fibre sourcing section of this report (pages 12–17).

The full Assurance Statement for this report can be found on page 43.

For other suppliers and contractors Stora Enso has set sustainability requirements covering environmental issues, human rights, labour rights, health and safety issues, and business practices. These requirements are included in purchasing agreements, and we are working to develop a related monitoring procedure. We also aim to conduct five spot check supplier audits during 2010 to assess how these requirements are met.

### Incorporating sustainability into investment decisions

Stora Enso strives to identify risks related to sustainability in good time, in order to guide decision-making in our investment processes. Tools such as sustainability due diligence and Environmental and Social Impact Assessments (ESIA) help us to ensure that no unsustainable projects are initiated, and that we fully understand all the related risks and opportunities, and can therefore duly adapt project plans to local circumstances. For more details, see pages 34–35.

### Third party assurance of sustainability reporting

We use third party assurance to add transparency to our sustainability reporting. We have been using external verification since 1998. The full Assurance Statement for this report can be found on page 43.



Stora Enso's operations affect many different stakeholders, ranging from our customers, employees, investors and suppliers, to governments and non-governmental organisations, as well as communities and local people wherever we operate.

We strive to engage openly with all stakeholder groups with the aim of finding solutions together. Possible risks arise when the Group's actions do not fully meet the expectations of stakeholders.

#### **Our key stakeholders**

**Customers:** All current and potential companies and individuals that choose Stora Enso to provide goods or services.

**Employees:** All employees of the Group and employees in operations controlled by the Group.

**Investors:** All current and potential owners of the company's equity and debt.

**Partners:** Suppliers, co-investors and those who join Stora Enso in mutually beneficial activities, including trade and business associations of which Stora Enso is a member.

**Civil society:** Individual citizens in neighbouring communities and public organisations engaged in civic and charitable work, as well as non-governmental organisations.

**Governmental bodies and authorities:** Local and national governmental bodies, authorities, politicians and elected officials, as well as transnational bodies such as the UN.

Our engagement with stakeholders is driven and developed independently at each unit according to unit-specific and local needs.

#### **Defining material issues**

In 2009 Stora Enso undertook a materiality review, following up on an earlier review conducted in 2006, to find out which sustainability issues are most important to our stakeholders.

A total of 70 stakeholders were invited to participate in the materiality survey. These stakeholders were representative of the geographical and business scope of Stora Enso's operations, and included customers, suppliers, representatives of civil society, investors and employees. We received 38 responses, of which 11 were followed up with telephone interviews.

Based on the issues considered material by these external stakeholders, Stora Enso also conducted an internal exercise analysing the impacts of these issues within the Group. This report strives to focus on issues that are of high importance to our stakeholders, and to us as a company.

The materiality review confirmed that our current focus areas in managing and reporting on sustainability are in line with our stakeholders' priorities, and especially support our intensified efforts in the area of sustainable water management. The exercise also confirmed that sustainable forest and plantation management, including forest certification and the origin of wood, remain a top priority for our stakeholders. It is also clear that mills' environmental performance, their socio-economic impacts in local communities, climate change, and local peoples' rights in growth markets will all continue to be major concerns for our stakeholders. Emerging concerns seem to include the need to ensure sustainability along the supply chain, and water scarcity.

## Major stakeholder disputes involving Stora Enso

- *Critique in Finnish media on our operations in Brazil*  
Helsingin Sanomat, Finland's main daily newspaper published a series of articles during autumn 2009 criticising Stora Enso's operations in Brazil, including accusations that Veracel had been involved in bribery and money laundering, and caused increased poverty and insecurity in the region. Stora Enso's CEO responded to these accusations through an open letter published in the same newspaper. For more information on our operations in Brazil, see pages 14–15.
- *Long-lasting land dispute in Finnish Forest Lapland resolved (see page 14)*
- *Criticism from Swedish environmental organisation on harvesting practices (see page 13)*
- *Four violent cases in relation to land disputes in Guangxi, China (see page 17)*

## Memberships in associations

- *World Business Council for Sustainable Development*  
WBCSD is a coalition of international companies united by a shared commitment to sustainable development. Stora Enso has several representatives in various WBCSD working groups.
- *The Confederation of European Paper Industries (CEPI)*  
CEPI represents the interests of the European pulp and paper industry in dealings with European institutions. Stora Enso has employees participating in CEPI's environmental working groups as well as representatives on CEPI's Board.

- *National industry federations*

Stora Enso has representatives in committees and working groups dealing with environmental issues, climate policy and emissions trading in the Finnish Forest Industry Federation, Swedish Forest Industry Federation, German Paper Industry Association, Federation of German Industries (BDI) and Confederation of Finnish Industries (EK).

- *UN Global Compact Nordic Network*

Stora Enso is a member of this network which enhances and promotes the implementation of the UN Global Compact principles by sharing information among Nordic UN Global Compact companies.

- *The Forest Dialogue (TFD)*

TFD is a group of various stakeholders from different regions who are committed to the conservation and sustainable use of forests. Stora Enso actively participates in TFD and has a representative on its steering committee.

- *Water Footprint Network (WFN)*

WFN promotes the transition towards the sustainable, fair and efficient use of fresh water resources worldwide. Stora Enso became a member in 2009.

- *ISO 26000 Working Group*

Stora Enso is currently chairing the Finnish ISO working group and actively participating in the development of this new standard.

## Engagement with key stakeholders

Stakeholder	Examples of engagement methods	Specific projects during 2009
Customers	Customer satisfaction surveys, interviews and feedback	Materiality review for this sustainability report (page 10)
Employees	Employee satisfaction surveys Training and induction programs Internal communications channels Supporting performance development	Materiality review for this sustainability report (page 10) Code of Conduct roll-out (page 28) "Our Promise" training programme (page 32) Change management training programs (page 32)
Investors	Annual General Meeting Road shows and one-to-one meetings Annual Capital Markets Day Quarterly telephone and web conferences Providing information in questionnaires	Materiality review for this sustainability report (page 10)
Partners	Supplier evaluation and auditing Partnership projects Participation in industry organisations	Materiality review for this sustainability report (page 10)
Civil society	Public hearings and local information lines Issue-specific dialogues and co-operation with NGOs Public reporting Open House days at production units	Materiality review for this sustainability report (page 10) Dialogue with Brazilian landless workers' movement (page 15) Dialogue with Greenpeace (page 14) Issue-specific collaboration with WWF (pages 13 and 20) The Forest Dialogue (page 11)
Governmental bodies and authorities	Co-operation with intergovernmental organisations Issue-specific dialogues with authorities Public reporting	Materiality review for this sustainability report (page 10) Collaboration with UNDP and IFC in China continued (pages 17, 29 and 35) Collaboration with Finland's Ministry of Employment and the Economy on managing restructuring (page 34)

We use fibre from sustainable sources, including increasing quantities of recovered paper, as well as wood from responsibly managed forests and plantations.

Wood is Stora Enso's most important raw material. We procure most of our wood from private forest owners, state forests and companies in Finland, Sweden, the Baltic Countries, Continental Europe and Russia. Some 7% (6% in 2008) of our wood is sourced from tree plantations in the Southern Hemisphere, including pulp produced by Veracel in Brazil. In 2009, the total amount of wood (round wood, chips and sawdust) delivered to our mills totalled 30.0 million (38.2 million) m<sup>3</sup> of wood (solid under bark). For reasons related to quality and logistics, we purchased 8% (7%) of our chemical pulp from external suppliers in 2009. Recovered fibre accounted for 25% of the total fibre used for paper and board production.

Although currently only 7% of the wood we use comes from tree plantations, these plantation sources have an increasingly important role for Stora Enso. In 2009 we continued expanding our plantations in Brazil, Uruguay and China, and also maintained small trial plantations in Thailand and Laos.

Our global wood procurement and land management principles, robust traceability systems and active promotion of forest certification are all important tools for ensuring that no wood from unacceptable sources enters our supply chain.

#### **Environmentally, economically and socially responsible forestry**

Sustainable forest and plantation management practices are the foundation for our operations. Our economic concerns

primarily focus on ensuring that our business operations remain viable. Our social concerns include respect for human and labour rights, health and safety issues, the equitable sharing of economic benefits, the multiple uses of forests, and the protection of sites of historical, social or cultural importance. Key environmental concerns include the conservation and sustainable use of forests, biodiversity issues, soil protection, and the quality and quantity of water resources. The right balance between these concerns varies from region to region.

#### **Promoting forest certification**

Forest certification processes involve an independent, external body providing assurance that the management of a forest meets certain environmental and social standards. We work with both the Programme for the Endorsement of Forest Certification schemes (PEFC) and the Forest Stewardship Council (FSC), as we see the need for more than one forest certification scheme. Less than 10% of the world's forests are certified, and our goal to increase the share of certified wood is a challenging one. So far we have managed to increase the share of certified wood in our wood supply from 49% in 2005 to 67% in 2009. Our target for 2010 is to further increase this share to 69%.

In 2009 the demand for FSC-certified products increased. To meet this customer demand we will continue working to increase the amounts of FSC-certified fibre we use. The greatest challenge is the lack of a widely accepted FSC forest management standard in Finland, where currently only 9 706

**In 2009, Stora Enso procured and delivered to its mills 10.4 million m<sup>3</sup> of wood in Sweden, 10.0 in Finland, 1.8 in Russia, 1.6 in the Baltic Countries, 5.8 in Continental Europe, 0.3 in Brazil and 0.2 in other countries.**



ha (less than 0.05% of all forests) are FSC certified. Stora Enso has initiated and is actively taking part in the revision of the Finnish FSC standard as a member of FSC Finland. Stora Enso has also been participating in the revision of the Finnish PEFC forest certification standard which will be implemented once PEFC has endorsed the standard.

In Sweden, we worked within FSC Sweden together with WWF and other stakeholders to review the national FSC standard, which is due to be approved by FSC International during spring 2010. In 2009 Stora Enso also continued to participate in the development of forest management certification standards in China through the FSC National Initiative and the Chinese National Forest Certification System (NFCS). Stora Enso's plantations have served as a pilot site for the NFCS.

**In Sweden, Stora Enso has started to use Lightlogg C, an entirely new type of forest machine specially designed for harvesting on sensitive soils. Similar machines are also used in Finland to help preserve forest soils.**

### **Working with small-scale forest owners**

There are some 16 million forest owners in Europe, most of whom own small forest properties. In Europe, more forests are currently PEFC-certified than FSC-certified. In order to make FSC easier to achieve for small-scale forest owners, we have in recent years established FSC-certification groups in Estonia and Sweden to minimise the related costs. In Sweden we have also worked to develop a new FSC standard for small and medium-sized forest owners as part of the Small and Low Intensity Managed Forests (SLIMF) concept.

In the Baltics, we have collaborated since 2008 with FSC, WWF and Nature, Ecology and People Consult (NEPCo) on a pilot project designed to provide improved access to FSC certification for small private forest owners. The idea is to offer these forest owners FSC group certifications, and to use only contractors certified according to the SmartLogging programme, established by the Rainforest Alliance for logging operations. This makes it easier and less costly to comply with FSC requirements. In Estonia this project has now enabled a group of small family-owned forests, managed by Stora Enso, to gain FSC group certification. Stora Enso Estonia has also become the first forestry services company in Europe to receive SmartLogging certification, as a guarantee of responsible logging practices. Stora Enso is considering developing the same concept in Latvia and Lithuania during 2010.

In Brazil, Stora Enso's joint venture Veracel intends to source wood from independent tree farmers, in addition to its own eucalyptus plantations. Veracel has therefore started preparations for the FSC certification and CERFLOR (Brazilian Program for Forest Certification) of some 20 000 hectares of tree farmers' plantations, the first of which are expected to be certified in 2010. Wood sourced from these plantations will amount to around 20% of the wood used by Veracel.

### **Being sure of the origin of our wood**

Whether the wood we use comes from certified forests or not, we want our stakeholders to be able to trust that it originates from sustainable sources. We use our own traceability systems to check that all wood has been harvested in compliance with national legislation and according to our Wood Procurement Principles. To ensure that everything happens according to

Stora Enso's requirements, internal and external audits are regularly conducted.

To increase the credibility of our own traceability systems, which cover all of our roundwood, chips, sawdust and externally purchased pulp, we also use third party certification. This means that the traceability systems are verified by an external party and certified. Our target for 2009 was for all wood supply units and units receiving purchased pulp to have their traceability systems third-party-certified by the end of the year. In 2009 99% (98%) of the purchased wood and pulp was covered by third-party-certified traceability systems such as chain-of-custody, Controlled Wood and/or ISO 14001. As in 2008, the only unit not covered is Arapoti Mill in Brazil, which is expected to achieve chain-of-custody certification during 2010. In 2009 we changed the way we report on pulp procurement. Pulp procurement is covered by each receiving mill's traceability system, and is therefore counted as covered by their third party traceability systems, accounting for the 1% increase since 2008. For more information about certification labels, see page 37.

### **Conserving biodiversity**

Our forest and plantation management planning involves the use of tools such as ecological landscape planning and biodiversity assessments to identify valuable habitats and guide forestry operations.

Stora Enso's employees and forestry contractors regularly receive in-work training on nature management. In Sweden, Stora Enso has launched a programme to train forestry professionals, including own employees and contractors, on how to protect water courses and sensitive aquatic ecosystems during harvesting operations, by building temporary bridges over small streams, for instance. In 2009 around 500 employees and contractors took part in such training.

Some environmental organisations in Sweden have been criticising Stora Enso and other forest companies for not respecting key biotopes in harvesting operations. Stora Enso has made every effort not to harm such valuable habitats. In unclear cases the Swedish Forest Agency is always consulted to get an independent assessment before logging may commence.

Tree plantations have been criticised for endangering biodiversity. However the impacts of plantations on the environment depend on what they replace and how they are managed. We only establish plantations on lands with low biodiversity value, such as pasture lands, and we never convert natural forests or protected areas into plantations. We also work to identify and protect any ecologically important areas under our management. Our operations and their impacts on biodiversity are monitored to make sure that we do not harm soil and water resources, and that we safeguard ecosystem functions.

Well-designed and well-managed plantations can contribute to the conservation of biodiversity. In Brazil, for instance, Stora Enso's joint venture Veracel is committed to a unique plantation setup where half of the land is used for eucalyptus plantations, and half is set aside for conservation. Every year Veracel

**Traceability systems are one of the most effective ways to combat illegal logging.**



replants some 400 ha with native tree species. At the end of 2009 Veracel had restored a total of more than 3 500 ha of Atlantic rainforest. Veracel also protects all existing remnants of natural forest, and aims to connect these remaining patches with forest corridors, to help preserve their biodiversity.

**Dispute in Finnish Forest Lapland resolved**

In 2009 the long-lasting land use dispute in Finnish Forest Lapland was resolved as a result of a multi-stakeholder process involving municipalities, industry, the Finnish state enterprise Metsähallitus, the Regional Council of Lapland, Lapland Regional Environment Centre, the Sámi Parliament, and Greenpeace. Finnish environmental organisations had for some time been calling for further forest protection in parts of Forest Lapland where Metsähallitus has been logging. Stora Enso has been among the recipients of this wood, and has therefore also been criticized.

During Stora Enso’s Annual General Meeting in spring 2009 Greenpeace brought up the issue again, and proposed that Stora Enso should no longer procure any wood originating from the disputed areas. Our stance is that we do not buy wood from forests that have been defined as old-growth in a national stakeholder process, and that the disputed areas had not been designated in this way. As a counter proposal, Stora Enso encouraged all relevant stakeholders, including environmental organisations, to participate in a dialogue to resolve the issue through Metsähallitus’s Natural Resource Planning process, which started in the autumn.

A steering group involving representatives from a wide range of stakeholder groups was set up as part of this process. The steering group agreed on the details of a widely accepted solution, and Metsähallitus has now promised to set aside 35 000 ha of forestland in the disputed areas for protection, while 9 300 ha will remain completely or partly in commercial use.

**Focus on community relations at Veracel**

Veracel pulp mill and plantations is a joint venture between Stora Enso and Fibria in southern Bahia, Brazil. Veracel actively promotes income generation in local communities, for example by supporting local farmers growing cassava for flour and starch production, as well as local bee-keeping businesses, through the provision of training, materials and access to land. Veracel has also been continuing agroforestry trials initiated in 2008. Veracel maintains good relationships with the area’s 17 indigenous communities, and supports educational schemes and other initiatives designed to strengthen the cultural identity of the Pataxó and Tupinambás communities.

In 2009, land invasions by organisations such as Brazil’s Landless Workers’ Movement (MST), The Fight for Land Movement (MLT) and the Federation of Agricultural Workers of Bahia (FETAG), became more frequent, with ten separate occupations of Veracel land. Veracel always makes every possible effort to deal with such invasions in peaceful ways. All cases have so far been resolved peacefully.

**Stora Enso is promoting FSC and PEFC certification across Europe to ensure that forests are sustainably managed.**

**Veracel’s properties were occupied by protesters several times during 2009.**





In 2009, a judge from the State of Bahia, who has chosen to investigate certain claims made by the public prosecutor of the City of Eunápolis against Veracel and the Government of the State of Bahia, decreed that during his investigations Veracel would not be allowed to establish new plantations in the municipality of Eunápolis. The public prosecutor's claims were based on information that Veracel had exceeded its permit limits. In fact, Veracel's plantations in Eunápolis only make up 17% of the municipality's total area, which is below the permissible limit of 20%. This legal process does not affect Veracel's present operations, as existing plantations are not affected.

#### **Plantation project in southern Brazil**

Our plantation project in Rio Grande do Sul, in southern Brazil, was first launched in 2005. In 2009, Stora Enso received approval from the Brazilian government for the registration of land holdings as required by law when a Brazilian company with foreign capital acquires land in the border zone. We have continued to integrate our plantation activities with other rural activities in the area, allowing neighbouring farmers to graze their cattle in Stora Enso lands, for instance. We have also continued to establish dialogues with local stakeholders, with the aim of informing local communities about our activities and proactively identifying potential concerns and conflicts.

Some non-governmental organisations have continued to criticise Stora Enso for jeopardising land reform in Brazil. Our

principles for land acquisition prevent us from purchasing land set aside for land reform. In 2009, representatives from both Stora Enso and Brazil's Landless Workers' Movement (MST) met in São Paulo and Bahia to exchange their views on Stora Enso's operations in Rio Grande do Sul and Veracel's operations in Bahia. These discussions have continued in Bahia between Veracel, MST, and governmental stakeholders, in the hope of finding common ground for better dialogue and cooperation.

#### **Joint venture in Uruguay**

At the end of 2009, the joint venture Montes del Plata was formed by Stora Enso and the Chilean-based company Arauco in Uruguay. Montes del Plata involves lands and plantations previously owned by Stora Enso and Arauco, and also encompasses the Uruguayan assets acquired by Stora Enso and Arauco from the Spanish company Ence.

In 2009 the environmental and health and safety management systems of Stora Enso's operations in Uruguay achieved ISO 14001 and ISO 18001 certification. Stora Enso also initiated a new good neighbour programme to promote stakeholder engagement and open dialogue. We continued to build on work done with local communities based on WWF's Landscape Outcome Assessment Methodology (LOAM), by organising workshops where local community members discussed their social and environmental concerns relating to changes in local landscapes and the environment.



## Forests, plantations and lands owned by Stora Enso

As of 31 December 2009

Unit*	Hectares	Certification	Broader landscape and protected areas
Montes del Plata plantations and lands, Uruguay (joint venture with Arauco)	237 599 ha, of which 115 986 ha planted	FSC on 123 917 ha	The landscape consists mainly of pasture and agricultural fields. Remnants of native ecosystems, such as grasslands and riparian forests, have been protected within the company's lands.
Veracel plantations and lands, Bahia, Brazil (joint venture with Fibria)	211 676, of which 90 599 planted	CERFLOR (PEFC), FSC	The landscape is dominated by pasture converted from the Atlantic rainforest between the 1950s and 1980s. 104 000 ha of Veracel's areas are protected, including 6 000 ha Private Natural Heritage Reserve. The protected areas mostly consist of native forest remnants at different stages of regeneration (see pages 13–14).
Plantations and lands, Rio Grande do Sul, Brazil	45 161, of which 20 850 planted		The landscape resembles that in Uruguay. 14 000 ha of the total area is protected including native grasslands, riparian forests and other habitats.
Wood Supply Baltic, Latvia	1 371 of which 1 120 forests		7 ha of nature reserves, protecting marshland and areas around water courses.
Trial plantations, Thailand	1 350, of which 1 280 planted		The plantations are located within an agricultural landscape with no protected areas in or near the plantations.
Wood Supply Baltic, Lithuania	453	FSC	70 ha of nature reserves, e.g. buffer zones, and part of a national park.
Wood Supply Baltic, Estonia	92 of which 85 forests		No protected areas within this area.

\*Including units where Stora Enso's shareholding is at least 50%.

## Forests and plantations leased and managed by Stora Enso

As of 31 December 2009

Unit	Hectares	Certification	Broader landscape and protected areas
Olonetsles, Russia	222 500	FSC	In Russia protected areas are generally excluded from lease agreements. Areas amounting to 2 362 ha are protected as natural monuments (mainly marshlands).
Ladenso, Russia	153 900	FSC	409 ha protected as natural monuments, including genetic pine reserves and water courses.
Ruskiy Les, Russia*	133 200		
Plantations and lands, Guangxi, China	93 430, of which 72 504 planted with eucalyptus and 13 951 ha with other species		The landscape consists of a mosaic of agricultural crops, forest plantations and settlements. Native ecosystems are not found in the leased lands. Areas totalling around 800 ha are protected, consisting of steep slopes, buffer zones and other important areas for watershed protection.
Terminal, Russia*	42 800		
Wood Supply Continental Europe, Czech Republic	21 700	PEFC	7 084 ha within a landscape protection area, including 1 895 ha of a bird protection area under the Natura 2000 programme. Other small-scale nature reserves totalling 892 ha.
Montes del Plata plantations and lands, Uruguay (joint venture with Arauco)	15 642 ha, of which 6 044 ha planted	FSC on 6 214 ha, of which 4 961 ha planted	The landscape consists mainly of pasture and agricultural fields. Protected and sensitive areas are excluded from lease agreements.
Trial plantations, Laos	1 200, of which 275 planted		The plantations are located within a mosaic of intensive shifting cultivation areas and traditionally protected remnants of native forests. One plantation area is located close to a National Biodiversity Conservation Area.

\*Operations discontinued.

In Uruguay, local farmers can lease our land for cattle grazing, both in pasture areas and plantations.

In 2009 Stora Enso continued to integrate tree plantation activities with other rural activities by partnering with local farmers in cattle grazing, bee-keeping and wood production. In total 43 000 hectares of company lands are leased for cattle grazing for local producers, involving more than 100 farmers. As part of the integration programme, four partnerships were initiated with small-scale producers, including sheep and honey production cooperatives, and associations of dairy and beef producers. These partnerships involve Stora Enso giving access to the company's land and providing materials and training. Stora Enso also has external wood production schemes that involve land rental and partnership forms for local landowners.

### Guangxi plantations in China

In the south of Guangxi province, China, where Stora Enso first started establishing plantations in 2002, we have continued to lease land and existing plantations from state forest farms and local communities. During 2009 a detailed land use plan was completed to define which areas are suitable for eucalyptus plantations from an environmental, social and productivity perspective; and which will be used for other purposes like biodiversity conservation, buffer zones or planting with other tree species. We have also initiated the development of integrated quality, environmental and occupational health and safety management systems, and continued working with the United Nations Development Program (UNDP) on biodiversity conservation. Our contractor training in Guangxi also continued in 2009 (see page 29).

### Assisting investigations into violent incidents

Due to historic reasons and unclear documentation, land disputes still persist in the area where Stora Enso operates in Guangxi. This situation has led to confrontations between interest groups, which in four cases regrettably resulted in violent incidents.

We are the third largest user of recovered paper in Europe.

In 2005 an incident related to a land ownership conflict between a state-owned forest farm and villagers from HuaSuijian resulted in serious injuries to 5 people, which in one case proved fatal. No Stora Enso employees or contractors were involved in this incident. Stora Enso has specifically refused to lease the land involved in this dispute. In 2008 a land ownership dispute between villagers from Qiaotou and officials from the town of Shiwan led to an incident in which 11 people were injured. In 2009 the disputed land was offered to Stora Enso, but we declined to lease it. In 2009 a local lawyer was violently attacked while representing 5 different villages in the Shiwan region in a land ownership dispute with a state forest farm. No Stora Enso employees or contractors were involved in this incident. In 2009, a confrontation between villagers and workers contracted by Stora Enso led to the death of a villager. This incident did not directly involve Stora Enso's own staff or operations, and we have withdrawn from the area under dispute until the case is investigated and peaceful solutions found.

To avoid any future conflicts, Stora Enso has initiated a comprehensive social and legal screening process for land lease contracts in China, and facilitated the conflict resolution

processes. Stora Enso does not accept violence from its own employees or from contractors in any circumstances. No violence can be tolerated on any lands where Stora Enso procures wood. Any form of violent behaviour will always lead to the termination of employment or business contracts.

### Trial plantations in Laos and Thailand

Stora Enso runs small trial plantations in Laos and Thailand. In 2009, an environmental impact assessment for our plantations in Laos was finalised, indicating that there are no major adverse environmental impacts. As a result the operations received an environmental certificate – the first of its kind for a tree plantation in Laos. In both Laos and Thailand, Stora Enso is exploring agroforestry, which involves growing agricultural crops together with trees.

### Selling and purchasing pulp

Stora Enso's pulp production is mainly integrated into the paper and board business. However, for reasons related to quality and logistics some 8% (7% in 2008) of Stora Enso's chemical pulp was purchased from external suppliers. Consequently, some of our own surplus chemical pulp was sold on external markets. Mechanical pulp was produced internally in sufficient volumes. Pulp deliveries from Veracel to Stora Enso totalled 0.5 million tonnes in 2009, and were mainly shipped to Oulu, Uetersen and Suzhou mills.

Purchased pulp has to meet the same sustainability requirements as purchased wood. Pulp is included in Stora Enso's traceability system, meaning that the origin of all the fibre used in purchased pulp must be known and documented. Stora Enso also encourages all pulp suppliers to establish chain-of-custody certification for their environmental management systems. In 2009 all of Stora Enso's pulp suppliers had environmental management systems in place.

### Increasing the use of recovered fibre

Recovered fibre is an increasingly important raw material for Stora Enso. In 2009, recovered fibre accounted for 25% of our total fibre use. This amounts to nearly 2.5 million tonnes of recovered paper, making Stora Enso one of Europe's leading users of recovered fibre. We are looking to continue increasing our use of recovered fibre, while also striving to further increase the European collection rate of 67% in collaboration with the Confederation of European Paper Industries (CEPI).

In 2009, Stora Enso opened a new sorting plant at Sachsen Mill in Germany, with a capacity of 180 000 tonnes per year of recovered paper. Stora Enso also seeks to cooperate with municipalities in the vicinity of mills, to make paper recycling beneficial for both parties. The mills that consume the largest quantities of recovered fibre are located in densely populated areas, close to major sources of recovered paper and board. Langerbrugge Mill in Belgium, which produces 100% recycled newsprint and magazine paper, has 80 million people living within a radius of 300 kilometres. This results in lower transportation costs and reduced environmental impacts. Recovered fibre is most suitable for products with a short life cycle, such as newsprint, magazine paper and certain types of board.

We work to minimise our mills' emissions to air, water and soils, by using advanced technologies and looking for new ways to reuse and recycle wastes.

Reducing the environmental impacts of our mills is a top priority for Stora Enso. Our mills strive to use raw materials, energy, water and other resources as efficiently as possible.

We have Group-level environmental performance targets for air emissions, process water discharges, and waste to landfill. Our environmental targets are all normalised for production and apply to our pulp, paper and board facilities. Progress towards all of these targets is carefully monitored on a quarterly basis. We also continuously review other key indicators to ensure that we can proactively set new targets where necessary.

In the beginning of 2009 new more ambitious targets were set for Chemical Oxygen Demand (COD), emissions of sulphur dioxide (SO<sub>2</sub>) and waste to landfill, to be reached by the end of 2013. The previous targets for these parameters had already been reached. We also have specific targets for process water discharges and fossil CO<sub>2</sub> emissions (see page 26 for details of our CO<sub>2</sub> target).

All of our pulp, paper and board production units have management systems certified according to ISO 14001 in place, with the exception of Arapoti Mill in Brazil, which is working towards certification. Our policy is to ensure that all newly acquired companies and units gain ISO 14001 certification.

As part of a Group-level decision to consolidate management system certifications such as ISO 14001 from the unit level to

the business area level, Stora Enso decided to withdraw from the European Union's Eco Management and Audit Scheme (EMAS) by the end of 2009.

#### **Committed to the responsible use of water**

Water scarcity is becoming a worldwide issue that calls for global action, especially from business and industry. In response to this global concern, Stora Enso has particularly focused on water issues in 2009, and this work will continue in 2010. In 2009 Stora Enso's CEO signed the UN Global Compact's CEO Water Mandate as the first paper and packaging company. This initiative encourages businesses and industry to create and realise sustainable water strategies. Water is an essential element in our production processes. The structure of paper is dependent on the hydrogen bonds that form between water molecules and wood fibres. Water is also used for transportation, for cooling, for cleaning, and for energy in the form of steam.

#### **Water withdrawal and sources**

We take approximately 98% of the water we use at our mills from lakes and rivers, 1% from groundwater, and 1% from municipal sources, which is mostly used for sanitation and catering. In 2009, our mills withdrew a total of 295 million m<sup>3</sup> of process water and an estimated 309 million m<sup>3</sup> of cooling water.

In 2009 Stora Enso initiated an in-depth study of water use, covering all of our pulp, paper and board mills. The study includes both direct water use at mills, and indirect water use

**Stora Enso was the first paper and packaging company to sign the UN Global Compact's CEO Water Mandate.**





including water in fibre and chemicals used. The study is looking at water outputs, including water loss as steam, the water contents of our products, and water in all kinds of waste discharges. Preliminary results show that most water inputs consist of process and cooling water, and as expected a minor contribution comes from different raw materials. After the study is completed, its findings will be analysed in detail and next steps will be initiated, including further improvements in measurement and reporting, and more detailed analysis of our water balance.

In 2009 Stora Enso also started a pilot project at Skoghall Mill in Sweden to test the water accounting methodology developed by the Water Footprint Network (WFN), in collaboration with WFN, WWF, and the Alliance for Beverage Carton and Environment (ACE). The objective is to gain a better understanding of the concept of water footprint, the impacts of our products on water scarcity, and the potential risks associated with water use. The results of the study, which will be completed during 2010, will help us to find ways to improve our water efficiency, define the water footprints of our products, and manage water-related impacts along our supply chain.

### Water discharges

Efficient water treatment systems within our mills enable us to recycle water within mills many times over, reducing the total volumes we use. Water is always carefully treated before being released back into the natural environment. Our waste water treatment plants are designed to ensure that the quality of water we release back into the environment meets all regulatory requirements.

Almost all of this treated waste water (99%) is discharged into surface waters such as lakes, rivers or the sea. However, some mills also discharge waste water into external municipal or private treatment plants.

During 2009 we made limited progress towards our target to reduce process water discharges by 10% by the year 2010 from 2005 levels, after good progress in 2008. Our normalised process water discharges are currently 3% lower than in the baseline year 2005.

We also only made poor progress towards our target to reduce the organic content of water releases in terms of Chemical Oxygen Demand (COD) by 10% by the end of 2013 from 2007 levels. Our normalised COD discharges are currently only 1% lower than the baseline year 2007.

These results are explained by the many production curtailments during 2009. Having many starts and stops at mills makes it difficult to run waste water treatment facilities efficiently. Even if the overall results are poor, some mills have been making considerable improvements. For instance, Barcelona Mill in Spain has reduced its water discharges by 56% over the past five years, and is aiming for zero discharges.

In 2009 we continued to reduce our normalised discharges of Adsorbable Organic Halogen Compounds (AOX), which is a collective term for the amounts of chlorine or other halogens bound to organic matter in waste water. Over the last five years our discharges of AOX have fluctuated within a range of good performance. This is due to the fact that Stora Enso has not used elemental chlorine in bleaching processes for over 20 years. Most Stora Enso pulp mills use Elemental Chlorine-Free (ECF) processes, which have been recognised as a Best Available Technology by the European Commission. Nymölla Mill in Sweden uses Totally Chlorine-Free (TCF) processes. In 2009 our normalised AOX discharges were 3% below levels in 2005.

During 2009 our normalised discharges of nitrogen increased, while phosphorus discharges decreased. Compounds of both nitrogen and phosphorus are used to provide nutrient sources for the micro-organisms in our biological waste water treatment processes. Excessive amounts of nitrogen and phosphorus in water bodies can lead to increased biological activity through eutrophication. Over the period 2005–2009, our normalised discharges of both nitrogen and phosphorus have declined, by 16% for nitrogen and 36% for phosphorus.

### Air emissions

The majority of our air emissions result from the combustion of fuels to produce energy for making paper. Burning fuels releases carbon dioxide (CO<sub>2</sub>), sulphur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>). SO<sub>2</sub> and NO<sub>x</sub> can contribute to the acidification of soil and water, and affect local air quality. We have reduced our air emissions by striving to maximise our use of renewable energy, by improving the efficiency of our energy use and production processes, and by using more advanced emission control technologies, such as scrubbers and boiler process control systems. For more information about our achievements in reducing fossil CO<sub>2</sub> emissions, see pages 24–27.

In 2009 we continued to make good progress in reducing our SO<sub>2</sub> emissions. Our target has been to reduce SO<sub>2</sub> emissions by 30% from 2007 levels by the end of 2013. This target was already reached during 2009, as our normalised SO<sub>2</sub> emissions have declined by 30% since 2007, but the target will remain in place to ensure that emissions remain low in the longer term. Over the five year period 2005–2009 we have considerably reduced our normalised emissions for both SO<sub>2</sub> and nitrogen oxides (NO<sub>x</sub>), by 44% and 7%, respectively.

### Waste to landfill

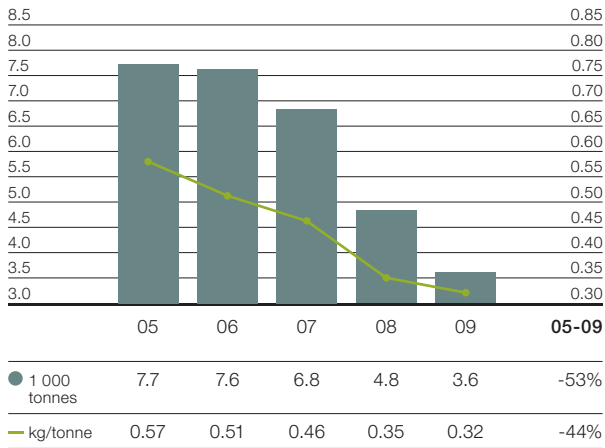
The largest sources of waste created during our production processes are ash from energy production, lime solids from pulping processes, and waste water treatment sludge. Our mills are constantly looking for new and innovative ways to reuse waste. Certain wastes can for instance be used in pulp manufacturing, for bio-energy generation, and in brick manufacturing. We have achieved a waste use rate of 96% (97% in 2008) across the Group.

In 2009 our total waste to landfill increased to 17 kg/tonne of pulp, board and paper produced (13 kg/tonne in 2008), due to

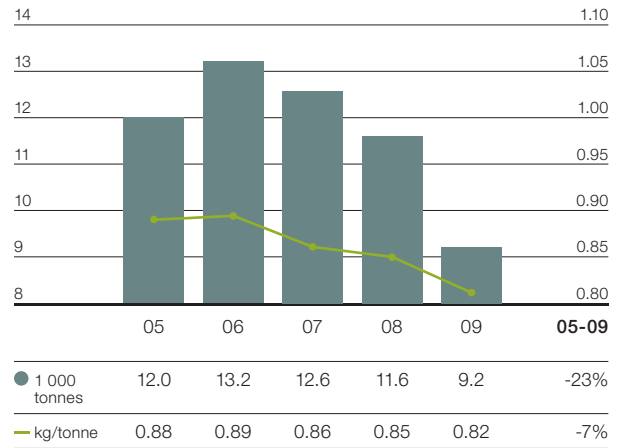
**Stora Enso is working on a water footprint study to be completed in 2010 assessing our impacts on water courses.**

**The amounts of waste sent to landfill during 2009 increased by almost 40%, mainly due to the excess sludge resulting from increased production stoppages at our mills.**

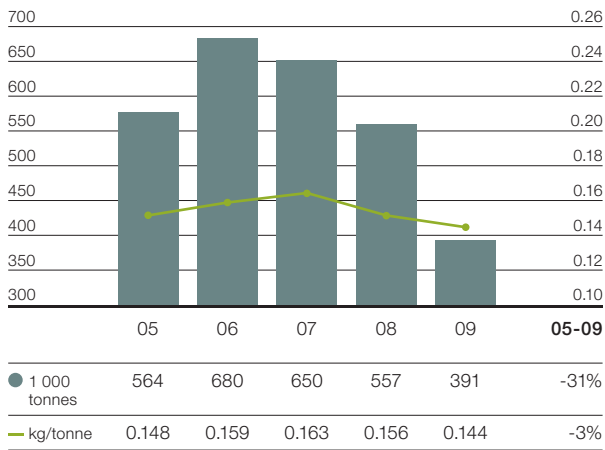
### Total sulphur as SO<sub>2</sub><sup>1)</sup>



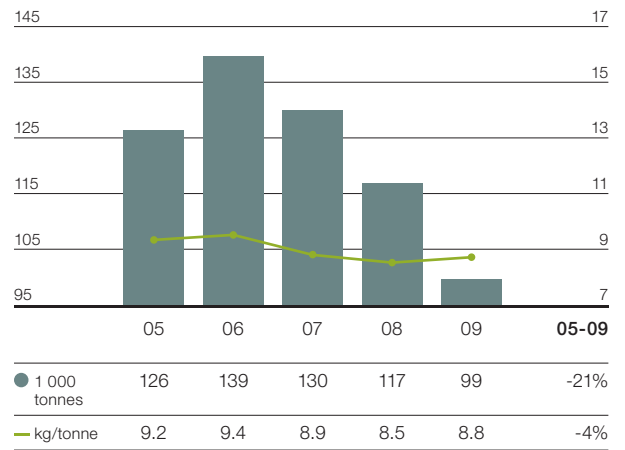
### NO<sub>x</sub><sup>1)</sup>



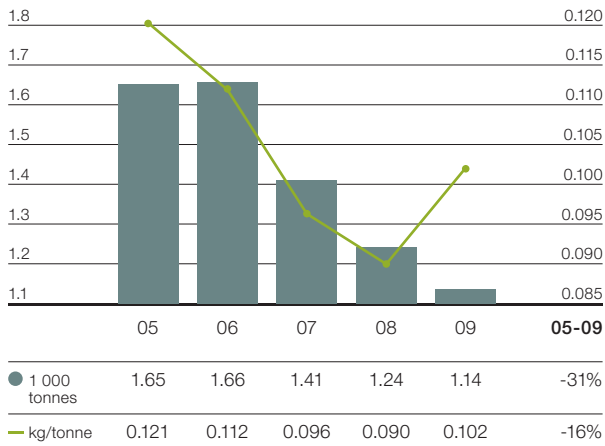
### AOX<sup>1,2)</sup>



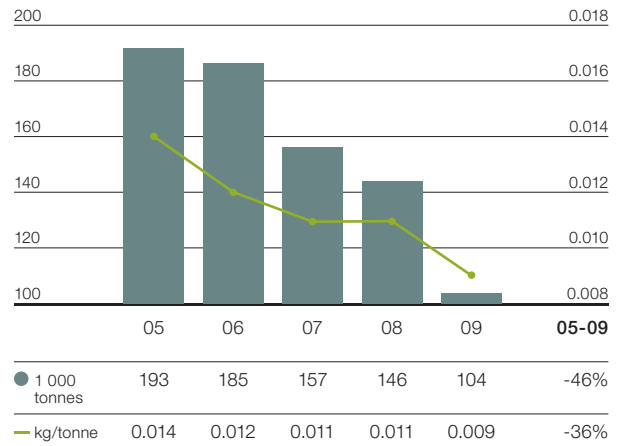
### COD<sup>1)</sup>



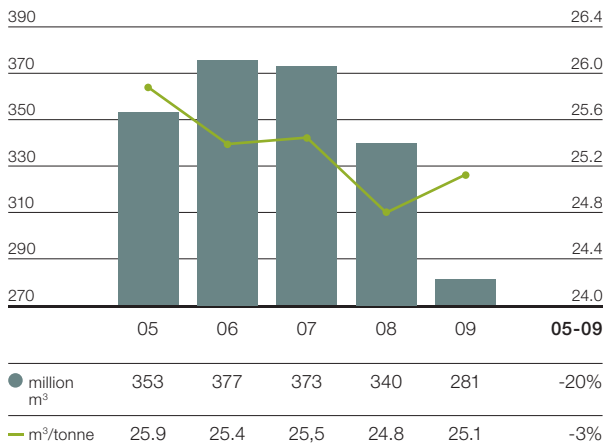
### Nitrogen<sup>1)</sup>



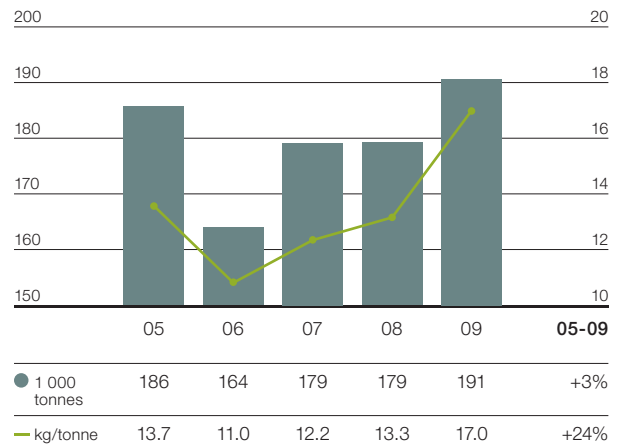
### Phosphorus<sup>1)</sup>



### Process water discharge<sup>1)</sup>



### Waste to landfill<sup>1)</sup>



1) From pulp, paper and board production facilities. Normalised figures are reported per unit sales production.

2) From bleached chemical pulp facilities only. Normalised figures are reported per unit bleached chemical pulp production.



the many production stoppages at our pulp, paper and board mills. Consequently no progress was made towards our target to reduce normalised waste to landfill by 5% by the end of 2013 from 2007 levels. In 2009, 39% more waste to landfill was generated (kg/tonne) than in our target base line year 2007. The main reason for this drastic increase was the great number of production curtailments in 2009. Starts and stops generate considerable quantities of excess sludge. Other reasons include the increased use of biomass fuels, which generate more ash than other fuels, and reduced demand for ash for beneficial uses. The dismantling of boiler facilities at Corbehem Mill in France also contributed to the increase in waste to landfill.

Stora Enso's pulp, paper and board production units created 2 955 tonnes of hazardous waste in 2009, down from 3 714 tonnes in 2008. Hazardous wastes from our production generally include used oils, solvents, paints, laboratory chemicals and batteries. We dispose of hazardous wastes by either burning them for energy recovery, or ensuring that they are safely processed at licensed hazardous waste facilities or incinerators. We report hazardous wastes using the definitions of respective national regulations. No significant spills, releases or leakages of hazardous wastes occurred in 2009.

#### Raw material efficiency

We constantly strive to improve the efficiency of our use of raw materials. This reduces both environmental impacts and costs. Wood is Stora Enso's most important raw material. We ensure that all harvested trees are used efficiently. Other important materials used in pulp and paper production include fillers, starches, pigments, and recovered fibre. The table on page 23 provides an overview of the material flows involved in our production processes. For more details about the life-cycle and environmental performance of our products, see pages 36–37.

#### Environmental impacts of mill closures

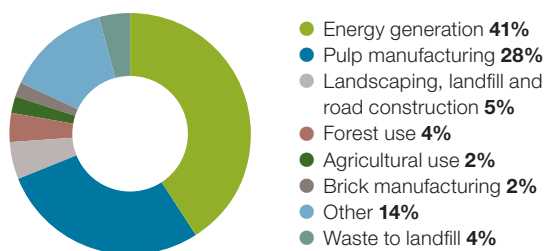
When closing down a mill, Stora Enso ensures that the mill site and soils in surrounding areas are properly cleaned and restored. The environmental aspects of mill closures are handled in accordance with legislative procedures in each country.

Stora Enso submitted an environmental permit application in relation to the closure of Kemijärvi Mill in 2008. While awaiting an official decision on the matter from the authorities, we have already started to decontaminate the area, based on a soil and groundwater assessment conducted in 2008 and approved by the environmental authorities.

#### Environmental investments

In 2009, Stora Enso's environmental investments amounted to EUR 21 million (EUR 40 million in 2008). These investments were mainly directed to improve the quality of air and water, enhance resource efficiency, and minimise the risk of accidental spills. Significant environmental investments during 2009 included the installation of a new recycling facility at Barcelona Mill in Spain, and the replacement of a gas turbine at Sachsen Mill in Germany.

#### Beneficial use of residuals and waste to landfill



Stora Enso's environmental costs in 2009 excluding interest and depreciation totalled EUR 147 million (EUR 184 million). These costs include taxes, fees, refunds, permit-related costs, and repair and maintenance costs, as well as chemicals and materials. Estimates indicate that a total of EUR 145 (EUR 135.3) million will be needed to cover future environmental liabilities, such as removing mercury and other contaminants from Stora Enso mill sites. There are currently no active or pending legal claims concerning environmental issues which could have material adverse effect on Stora Enso's financial position.

When closing down a mill, Stora Enso ensures that the mill site and soils in surrounding areas are properly cleaned and restored.

#### Complying with environmental permits

Each of our mills is regulated by environmental permits based on the national, regional and local legislation applicable to each location. Our mills continuously monitor their own compliance with these permits, as do the appropriate environmental authorities. All of the environmental incidents at Stora Enso mills in 2009 that resulted in major permit violations, claims, compensations or significant media coverage are detailed in the table on page 23.

## Environmental incidents

Unit	Incidents	Status/corrective actions
Hylte Mill, Sweden	A leakage of some 8 tonnes of SO <sub>2</sub> gas into the air.	Pending. The leakage was stopped, and the cause of the incident is being investigated so that preventive actions can be taken.
Kvarnsveden Mill, Sweden	Emissions of NO <sub>x</sub> to air exceeded limit of the 50 Megawatt Directive (Swedish regulation, NFS 2004:26).	Pending. The cause of the incident is being investigated so that preventive actions can be taken.
	Phosphorus guideline value exceeded due to process disturbances in the biological waste water treatment plant.	Resolved. Corrective actions have been taken.
Skoghall Mill, Sweden	One of the mill's hydrogen peroxide tanks exploded in July, after chemicals were unloaded into the wrong tank.	Resolved. The incident was reported to authorities and preventive actions have been taken.
	One of the waste liquor tanks had to be shut down during a maintenance stop in November, due to a deformation of the tank.	Resolved. The tank was taken out of operation without any uncontrolled discharges into the environment.
Wood Supply Baltic	Accidental felling of forest outside an agreed logging area in Estonia, resulting in a fine.	Resolved. The fine has been paid and corrective measures have been taken.
Wood Supply Finland	Two fines imposed due to inadequacies in forest harvesting declarations submitted to the authorities.	Resolved. The cases were reported to the authorities, and preventive measures have been taken. Electronic harvesting declarations have been developed and taken into use.

## Material flows in 2009

Materials	Products
Wood: solid under bark: 30.7 million m <sup>3</sup>	Paper and board: 10.1 million tonnes
Recovered paper and board: 2.5 million tonnes	Wood products: 5.4 million m <sup>3</sup>
Purchased pulp: 0.3 million tonnes	Converted products: 0.8 million tonnes
Pigments and fillers: 1.9 million tonnes	Market pulp: 0.67 million tonnes
Starch: 0.15 million tonnes	Residuals and by-products: 2.3 million tonnes
External biomass fuels: 12.9 PJ	Sold electricity: 0.49 TWh
Fossil fuels: 41.5 PJ	Sold heat and steam: 0.54 PJ
Water use: 604 million m <sup>3</sup>	

## We act to mitigate climate change by using renewable raw materials, improving our energy efficiency and ensuring that forestry is sustainable.

The forest products industry has good opportunities to curb climate change, and we are striving to eliminate and reduce emissions of carbon dioxide (CO<sub>2</sub>) all along our value chain. We promote the sustainable management of forests and tree plantations, and the reforestation of previously degraded areas. We also use our expertise in the many uses of wood to develop new climate-friendly products and solutions based on renewable materials. And last but not least, in our own production processes we are actively working to reduce greenhouse gas emissions wherever possible.

### A sustainable carbon cycle

Our main raw material – wood – is a renewable resource. Sustainably managed, growing forests act as carbon sinks, sequestering CO<sub>2</sub> from the atmosphere and storing it as carbon. The carbon that accumulates in the biomass of trees is ultimately stored in our wood, paper and board products. Such products are recyclable many times over, and they have a lower carbon footprint than products made from non-renewable materials. At the end of their life cycle, they can ultimately be burned to produce bioenergy.

### Growing forests absorb carbon

Sustainable forest and plantation management plays a vital role in mitigating climate change. We promote third party forest and chain-of-custody certification to guarantee that our wood originates from sustainably managed forests and tree plantations. We actively combat illegal logging, which is a major

cause of global deforestation. Our tree plantations sequester more carbon than the previous land uses, since they have been almost entirely planted on formerly unused grasslands or areas used for grazing cattle. We restore and conserve Atlantic rainforest in and around the tree plantations we own through our joint venture Veracel in Brazil, thus also creating a significant carbon sink. For more details see page 13–16.

### Developing climate friendly products

Through our R&D work we have developed recyclable products such as wood-based ovenable materials to replace aluminium in food trays, fibre-based DVD covers to replace plastic cases, and prefabricated cross-laminated timber (CLT) elements for walls, ceilings and roofing. In 2009, Stora Enso and Neste Oil jointly inaugurated a test plant making second generation wood-based biodiesel, where opportunities for the commercial production of transport biofuels will be explored. We are also one of Europe's leading producers of wood pellets – a useful biofuel that can be made from sawdust and wood shavings from sawmills, and from harvesting residues. In Sweden, Stora Enso Bioenergi is the biggest supplier of harvesting residues and other biomass fuels. We also make product-specific carbon footprint information available to our customers so that they can make well-informed choices to reduce their climate impacts (see page 37).

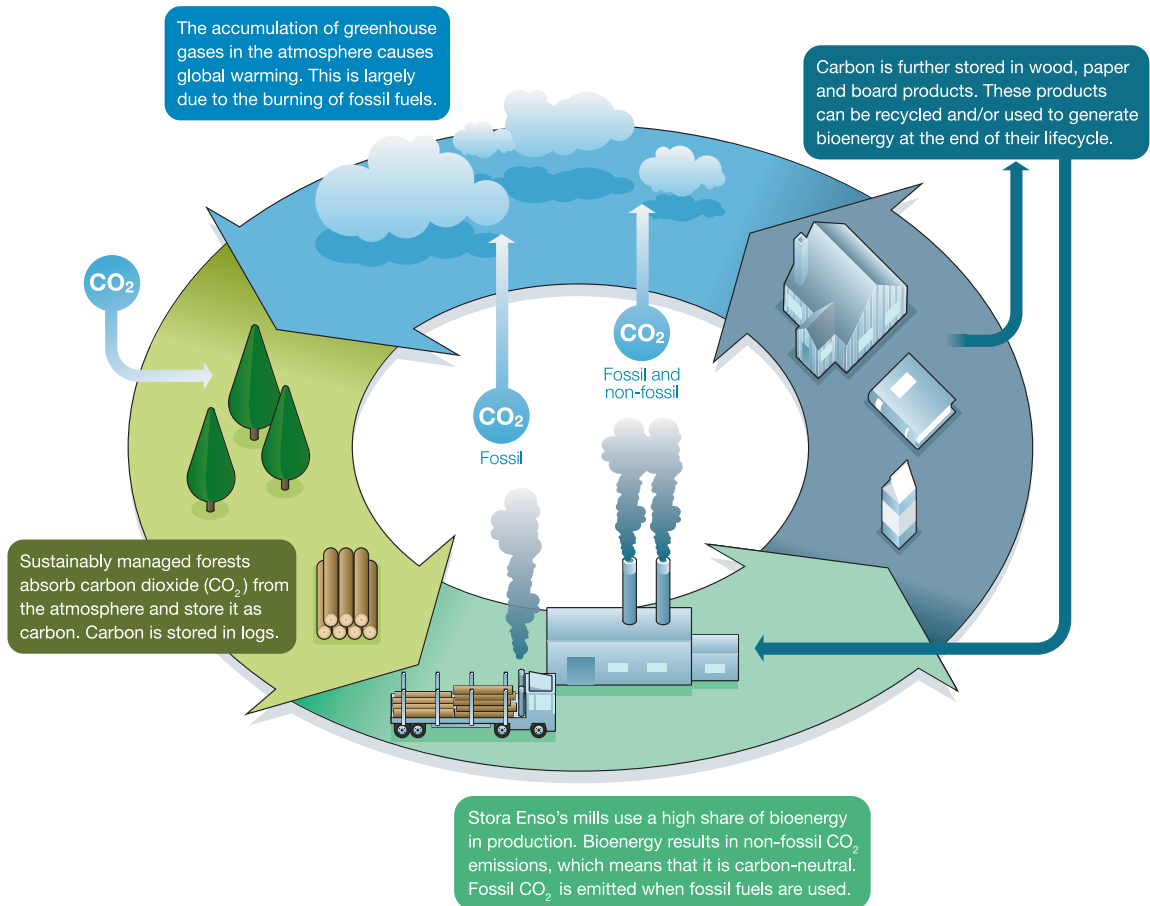
### Following our carbon footprint

Most of our greenhouse gas emissions come from the energy

Stora Enso is exploring new technology for the commercial production of wood-based transport fuel together with Neste Oil.

The carbon footprint of a recyclable paperboard DVD case corresponds to just 10% of the footprint of a conventional plastic case.

# Carbon cycle of the forest products industry



we purchase and produce to operate our mills and manufacturing processes. We estimated our Group-wide carbon footprint with the aim of identifying the main sources of CO<sub>2</sub> emissions across our operations for the first time in 2007.

We base our carbon footprint accounting and calculations on guidelines provided by the Greenhouse Gas Protocol of the World Resource Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). In our accounting we concentrate on CO<sub>2</sub> emissions which is the dominant greenhouse gas in our carbon footprint, but emissions of other greenhouse gases are also included where data exists.

We report on three areas:

- Scope 1: Emissions from sources we directly own or control, including on-site energy generation and processes, power boilers, lime kilns, paper-drying processes, vehicles, engines and harvesting equipment.
- Scope 2: Emissions from purchased electricity and heat consumed in our operations.
- Scope 3: Emissions from other indirect sources including the harvesting and transportation of wood raw materials and finished products, and emissions generated by raw material and fuel suppliers. Figures have been calculated based on estimates of CO<sub>2</sub> per unit production in 2008.

We have been working to build up our understanding of the Scope 3 emissions, but this work is not complete and certain

assumptions are still required in calculating elements of the footprint which lie outside of our direct control. Our estimate for Scope 3 in 2009 is more complete and accurate than in previous years, however, and now includes emissions generated by our raw material and fuel suppliers. Due to improvements in our methodology we have recalculated our Scope 3 emissions estimates for 2006, 2007 and 2008, which have consequently increased by approximately 50%. Based upon the scope selected, we estimate that Scope 3 emissions make up roughly 40% of our total carbon footprint.

Our total estimated carbon footprint (including scopes 1, 2 and 3) has reduced by 19% from 11.0 million tonnes of CO<sub>2</sub> equivalent in 2008 to 9.0 million tonnes in 2009. This was largely due to production curtailments and increased purchases of electricity generated from low carbon supply mixes.

## Our carbon footprint 2009

8.95 million tonnes of fossil CO<sub>2</sub> equivalents



- Scope 1: Direct emissions from production **33%**
- Scope 2: Indirect emissions related to production (purchased electricity and heat) **26%**
- Scope 3: Indirect emissions from outsourced activities **41%**



## Group-level carbon footprint 2009<sup>1)</sup>

Emission source	Scope	Fossil CO <sub>2</sub> equivalent**			
		2009	2008	2007	2006
Stationary and mobile combustion sources (direct)	Scope 1	2.93	3.61*	3.96*	4.40*
Purchased electricity and heat (indirect)	Scope 2	2.34	2.91*	3.50*	3.91*
Other sources (indirect)*	Scope 3	3.68	4.49*	4.79*	4.87*
<b>Total</b>		<b>8.95</b>	<b>11.01</b>	<b>12.25</b>	<b>13.18</b>

1) Covers all Stora Enso's production units

\*Figures recalculated due to changes in baseline and reporting errors.

\*\*million tonnes

### CO<sub>2</sub> reduction target

We are actively working to reduce greenhouse gas emissions from our production, and we have set a target to reduce fossil CO<sub>2</sub> emissions per saleable tonne of pulp, paper and board by 20% from 2006 levels by the end of 2020. This target covers both emissions generated directly by our own facilities (Scope 1), and indirect emissions produced in the generation of the electricity and heat we purchase (Scope 2).

This target will be achieved by reducing energy consumption through improved productivity, the use of more efficient equipment and streamlined processes, reduced use of fossil fuels, and improved efficiency in power and heat generation.

In 2009 we reduced our CO<sub>2</sub> emissions per tonne of product from our pulp, paper and board mills by 18% from our target baseline year 2006.

While some mills were able to reduce their CO<sub>2</sub> emissions per tonne of product significantly, the performance at other mills suffered from production curtailments which impacted negatively on the energy efficiency. Another significant reason to the CO<sub>2</sub> reductions achieved during 2009 was increased purchases of electricity generated from low carbon supply mixes.

### Direct and indirect CO<sub>2</sub> emissions

We continued to reduce our direct fossil CO<sub>2</sub> emissions during 2009 both in absolute terms and per unit of sales production. Since 2006 we have reduced our direct CO<sub>2</sub> emissions from stationary combustion sources at our pulp, paper and board mills by 12% per unit of sales production.

Our indirect CO<sub>2</sub> emissions are significantly influenced by the energy mix in the countries where we operate. During 2009 our fossil CO<sub>2</sub> emissions from energy purchased for electricity and heat decreased to a level 23% below their level in 2006.

### Energy use

We purchase fuel, electricity and heat from external suppliers, and generate steam and electricity internally for use at our production facilities. Our energy procurement and energy generation strategies focus on our long-term needs. We generated 33% of our electricity needs from our own power plants in 2009. Existing contracts and internal electricity generation will cover approximately 86% of our electricity needs for the next 5 years.

## Improving our energy self-sufficiency

Stora Enso is increasingly focusing on enhancing our energy self-sufficiency and access to cleaner energy by investing in renewable energy production at mill sites, and through partnerships with external energy suppliers. At Skutskär Mill in Sweden, for instance, five wind turbines built by the company VindIn AB, of which Stora Enso owns about 15%, are expected to generate almost 30 000 MWh annually. Industrikraft i Sverige AB, of which Stora Enso owns 20%, and Vattenfall have signed a letter of intent on joint future energy production, aiming to secure a cost-efficient supply of low carbon electricity.

## High share of biomass in internal energy production

Pulp and paper production creates by-products that we use to produce large amounts of bioenergy. The most important of these by-products are black liquor from chemical pulp production, bark, de-inking sludge and bio-sludge. Harvesting residues and recovered wood are also important bioenergy sources used to replace fossil fuels. In 2009 we maintained our use of biomass for internal energy production on a high level, 71% compared to 72% in 2008.

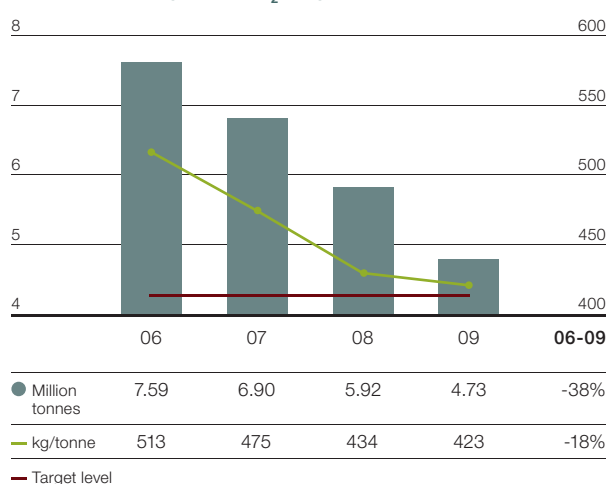
Stora Enso is also increasingly looking into multifuel solutions that can replace purchased energy generated using fossil fuels. Multifuel processes generate energy using mixtures of different types of fuels in the same boiler, including biomass such as forest residues, bark and recovered wood, as well as various sorted wastes, coal and gas. Increasing the use of biomass-based multifuels in our internal energy generation helps us to reduce both fossil CO<sub>2</sub> emissions and our energy costs.

In 2010 two new power plants will start to utilise multifuels, at Langerbrugge Mill in Belgium and Maxau Mill in Germany. This will result in CO<sub>2</sub> emission reductions of about 105 000 tonnes per year. A new power plant at Ostrołęka Mill in Poland, scheduled for completion in 2010, will also use a mixture of coal, biomass and recycling rejects. This plant will significantly improve our overall energy efficiency and self-sufficiency, and also reduce our carbon footprint by an estimated 100 000 tonnes of CO<sub>2</sub> annually.

Stora Enso has reduced its fossil CO<sub>2</sub> emissions from pulp, paper and board mills by 18% per tonne of product from 2006 levels.

Biomass accounts for 71% of our internal energy production.

## Performance against CO<sub>2</sub> target<sup>1)</sup>



1) Covering direct and indirect fossil CO<sub>2</sub> emissions (Scope 1 and Scope 2) from pulp, paper and board production facilities. Normalised figures are reported per unit sales production.

## Improving energy efficiency and costs

By using energy more efficiently we can rein in our energy costs and work towards our environmental goals. In 2009, the Group's overall energy (electricity) efficiency improved by 3.0% (1.7% in 2008). To further improve work in this area, we have set different targets for 2010 for our business areas: Fine Paper and Packaging should save 2% in specific energy consumption, while Publication Paper should reduce specific electricity consumption by 1%. The baseline year for these targets is 2009.

Better use of the combined heat and power (CHP) potential of our mills increases the power-to-heat ratio of our internal energy production. In 2009 the power-to-heat ratio of our energy production remained stable. The power-to-heat ratio across the Group in 2009 was 22% (22%).

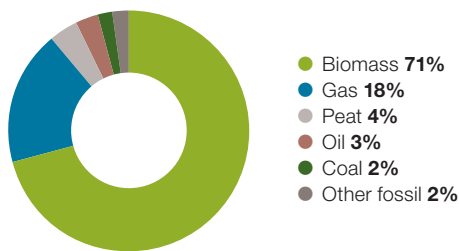
In keeping with our energy efficiency target to conduct energy efficiency reviews at our pulp, paper and board mills at least once every two years, 16 energy efficiency reviews were conducted during 2008–2009. As our main focus has been shifted towards implementing efficiency improvements, we have decided to stop reporting on this target. The reviews will nevertheless continue as a support tool in the mills.

Highlights of our energy efficiency work during 2009 have included the deployment of a team of energy efficiency experts to identify the potential for energy savings at Kvarnsveden, Imatra, Oulu, Skoghall, Fors and Heinola Mills. The team will continue this work throughout 2010. Mills' energy consumption rates and opportunities to save energy are examined by the team together with the mill personnel, focusing on reducing energy demand, increasing energy recovery, and simplifying processes.

Our centralised energy efficiency investment fund, set up in 2008 to support mills' energy efficiency projects, has supported a total of 28 projects, which during 2009 generated savings of 320 GWh heat and 32 GWh electricity. Significant savings were particularly realized thanks to the conversion from atmospheric to pressurized refining at Kvarnsveden Mill in Sweden and the modification of the steam and condensate system at Ingerois Mill in Finland.

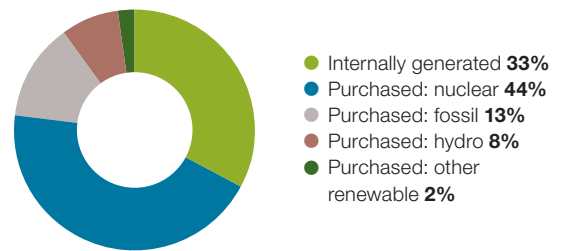
## Energy consumption

### Fuels



Our total annual fuel consumption was 136 021 (169 512) terajoules (TJ) in 2009. 1 TJ = 10<sup>12</sup> joules

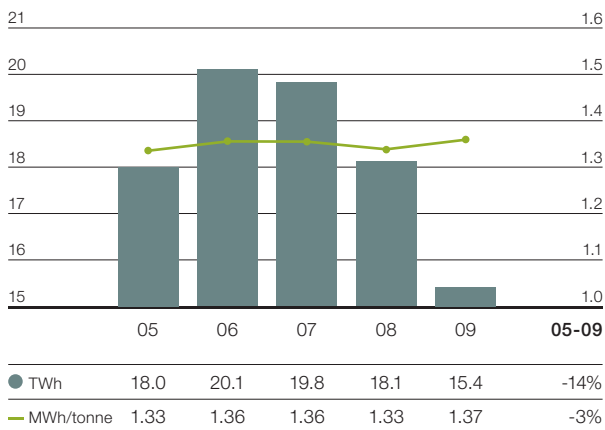
### Electricity



Our mills consumed 15.4 (18.1) terawatt hours (TWh) of electricity in 2009. TWh (terawatt hour) = 10<sup>9</sup> kilowatt hours

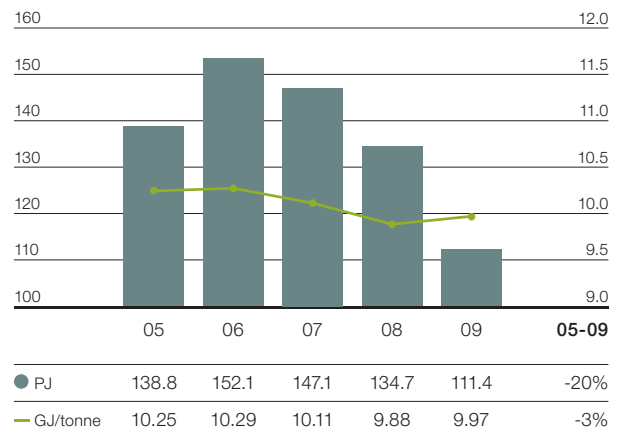
## Energy efficiency

### Electricity consumption <sup>1)</sup>



TWh (terawatt hour) = 10<sup>9</sup> kilowatt hours  
MWh (megawatt hour) = 10<sup>3</sup> kilowatt hours

### Heat consumption <sup>1, 2)</sup>



PJ (petajoule) = 10<sup>15</sup> joules  
GJ (gigajoule) = 10<sup>9</sup> joules

1) From pulp, paper and board production facilities. Normalised figures are reported per unit sales production.  
2) Excluding heat for electricity generation.

We have wide-ranging social responsibilities towards our employees, our business partners, and local communities everywhere we operate around the world.

Social responsibility forms part of Stora Enso's overall concept of sustainability, together with environmental and economic issues. Our Social Responsibility Principles emphasise that Stora Enso's business practices are responsible, that our communications are transparent and based on dialogue, that we respect human rights wherever we operate, and that we are a respected member of the communities where we work. We also stress our full commitment to the Universal Declaration of Human Rights and our compliance with the International Labour Organisation's Core Conventions defining labour rights.

In 2009 the main priorities in our social responsibility work concerned: Code of Conduct training and ethical business practices, managing human and labour rights risks in Latin America and China, improving occupational health and safety (OHS) performance, and responsible workforce reductions.

### **Training employees to comply with our Code of Conduct**

Stora Enso's Code of Conduct was launched in October 2008 to summarise the essence of our policies, principles and guidelines relating to human and labour rights and ethical business practices. The Code of Conduct aims to ensure that every one of our employees has an equal right to a workplace that is safe, healthy and free of discrimination; and that as a global organisation we always take responsibility for our actions in different countries, and comply with local laws and regulations. The Code of Conduct applies equally to every

single Stora Enso employee, and sets out how employees are expected to behave while working.

The target set for our Code of Conduct training was to ensure that every Stora Enso employee received training through either our established e-learning tool or face-to-face training by the end of 2009. By the end of the year 80% of employees had undergone training, including 87% of our management and 79% of the remainder of employees. One reason why the target was not reached was the company's ongoing restructuring process. Also it was not possible to roll-out the Code of Conduct training for our German employees until the end of November when the German Works Council had approved the scheme. We aim to continue implementing this scheme and ensure that all of our employees are trained by mid 2010.

In 2009, Stora Enso's SVP, Internal Audit, received several complaints through the Code of Conduct grievance channel, to which employees can report on concerns anonymously and in confidentiality. All cases are duly handled and reported to Stora Enso's Financial and Audit Committee. Serious cases are thoroughly investigated.

During 2010 we will develop a compliance measurement for the Code of Conduct to ensure that employees have read and understood our Code of Conduct, and fully comply with it. This will also enable us to identify any needs for further training on specific issues.

**Ethical business practices, ensuring human and labour rights, and managing workforce reductions responsibly are all important parts of Stora Enso's social responsibility work.**

**80% of Stora Enso's employees have now received training on our Code of Conduct practices.**

### **Political contributions**

Stora Enso has not paid any political contributions since 2006. In 2007 we established new rules forbidding the payment of any political contributions without the express approval of the CEO, and we have no plans to make any such payments in the future.

### **Competition law compliance**

In the context of coated magazine paper sales in the USA in 2002 and 2003, Stora Enso remains the subject of pending class action lawsuits filed in the USA. No provisions have been made in Stora Enso's accounts for the outcome of these lawsuits.

After conducting an investigation into wood purchases in Finland, the Finnish Competition Authority proposed in 2006 to the Finnish Market Court that a fine of EUR 30 million should be imposed on Stora Enso for violating competition laws during the period 1997–2004. Stora Enso has denied these allegations. In a verdict passed on 3 December 2009 the Finnish Market Court ordered Stora Enso to pay a EUR 30 million fine for collaboration and exchanging information with other forest products companies concerning prices for purchasing roundwood in Finland from 1997 to 2004. Stora Enso has decided not to appeal against this ruling, and the fine has been paid, affecting the fourth quarter of 2009.

Following these cases, Stora Enso's Competition Law Compliance Programme, launched in 2002 and based on previous Enso and Stora policies, has been revitalised and made more hands-on. The policy is continuously kept up to date, and the current version dates from December 2008. This programme clearly states Stora Enso's support for free and fair competition, and our commitment to comply with competition laws. This commitment is an integral part of our Code of Conduct and Principles of Business Practice. Stora Enso will continue to take action to emphasise our commitment to compliance, through corporate policies and training.

### **Identifying human and labour rights risks**

According to our global review conducted in 2008 potential human and labour rights risk areas in our operations are related to our supply chain in China and include health and safety at work, civil rights, child labour, forced labour and remuneration issues. Ongoing land use rights disputes in China and Brazil also represent risk areas (see pages 14–17). For information on how the right to exercise freedom of association and collective bargaining is addressed in our operations in China, see pages 32–33.

In our plantation operations in Guangxi province, in southern China, we face challenging conditions. Currently around 2 000 contract labourers are working in our field operations. Challenges include the fact that the contractors' levels of knowledge concerning business ethics, social responsibility, environmental issues, and health and safety concerns are poor.

Stora Enso has continued the programme together with the International Finance Corporation (IFC) to train our contractors in labour laws, technical skills, business management, and environmental and health and safety management. One

important aim of this training is to ensure that contractors follow Stora Enso's sustainability requirements for suppliers and contractors, including requirements prohibiting the use of any form of involuntary labour or child labour.

This programme helps to develop a sustainable contractor base for our operations in Guangxi by identifying potential long-term contractors whose operations meet Stora Enso's environmental and social standards. During the first phase of the programme ten pilot contractors were trained, and these contractors have been assessed in 2009 to identify further training needs and improvements for the next phase of the programme, when more contractors will be trained. Our objective is to have all contractors trained by the end of 2010 through either IFC's training programme or our own training programmes. See page 17 for more information about our plantation operations in China.

We have also continued to improve the working conditions of our contract labourers in Guangxi, for example by distributing safety equipment. In order to improve housing conditions in the field, we provided tents to house 2 000 contract labourers who had previously been expected to build their own temporary huts.



# Our occupational health and safety performance has improved significantly, especially in Finland. But we still need to improve the safety record of our contractors.

## New targets for health and safety

The year 2009 began with the approval of the Group's new OHS principles and new corporate OHS targets, including targets for zero lost-time accidents and an overall attendance rate above 97%. Several workshops and training sessions were organised during the year to promote the new principles and targets, and to gather feedback from our key staff.

We are currently developing new indicators for health and safety to be launched in the beginning of 2010. These new lead indicators focus on measuring OHS performance and on the effectiveness of preventive actions. Important activities include the reporting and investigation of accidents, near-misses and safety observations, and sharing good practices across the organisation.

We continued to use our intranet to highlight the best and the worst performing units each quarter, and to share best practices across the company. Safety performance results are published quarterly throughout the Group, with benchmarking between countries and business areas.

## Health and safety management

By the end of 2009, a total of 45 OHS management certificates had been achieved in line with OHSAS 18001 or equivalent national standards. These certificates cover 75 production units and 78% of employees. The new units achieving OHSAS 18001 certification in 2009 included two Russian sawmills. In 2009, 90% of Stora Enso's employees were represented in formal joint management-worker health and safety committees. These safety committees act at unit-level to plan and monitor OHS actions and performance. They also serve as co-ordination bodies between management and employees.

## Fatal accident with contractor

No fatal accidents occurred in Stora Enso's own operations in 2009. Unfortunately one fatal accident involving a contractor took place in Guangxi, China. On 9 July a driver for a transportation contractor working for Stora Enso's plantation was killed in a traffic accident while delivering fertilisers from the warehouse to the planting operations. The root causes of the accident were analysed, and actions were taken to prevent such incidents in the future.

## Accident rates down

Our average lost-time accident rate dropped by 21% from 16.5 accidents per million hours worked in 2008 to 13.1 in 2009, mainly due to special efforts made in Finland. There are still significant differences between countries and units, and Finland still has a significantly higher lost-time accident rate (23.1)

compared to Sweden (7.8) or Germany (16.3). Even though there are marked differences between country performances, the most significant differences are between units. Units with strong top management commitment and active employee participation in safety work have achieved excellent results.

## Attendance rates stable

In 2009 the Group-wide attendance rate (total theoretical working time minus all absenteeism related to sickness and accidents) remained at fairly stable at 96.1% (95.7% in 2008). But as with accident rates, there are significant differences between countries, with Finland at 93.9% still clearly below the corporate average rate of 96.1% and Sweden slightly above the average at 96.6%. The best performing countries with the highest attendance rates were China and Brazil, mainly due to differences between legislation and local practices related to absenteeism.

## Top OHS performers in 2009

The best performing units in safety, when measured in lost-time accident rates, were Arapoti Mill in Brazil, Kitee sawmill in Finland, Arzamas Mill in Russia, Riga Mill in Latvia and Wood Supply Baltic. All reached the target of zero accidents in 2009. Arapoti Mill has now reached a total of 1 500 000 working hours without any lost-time accidents, since the last lost-time accident at Arapoti Mill at the end of year 2007. Arapoti Mill's success in OHS is due to a very strong top management dedication to everyday safety issues, and a robust dialogue between management and employees on enhancing the mill's safety culture. Wood Supply Baltic has achieved a total of 300 928 working hours without accidents, and Riga Mill reached a level of 256 449 accident-free working hours.

The best unit in terms of near-miss reporting was Oulu Mill in Finland, with a total of 992 reported cases, which is 1.4 reported near-misses per employee. Oulu Mill also achieved a lost-time accident rate of 15.2. The other top performers in reported near-misses were Kitee sawmill and Hylte Mill in Sweden, reaching levels of 0.95 and 1.1 near-miss reports per employee and lost-time accident rates of 0.0 and 9.2, respectively.

In terms of attendance rates, the best units in 2009 were Corenso Hualun, Wood Supply Guangxi and Dawang Mill, all in China. This is partly due to differences in national legislation and health services, which result in differing levels of absenteeism due to sickness or accidents.

## Initiatives at our units

During 2009 our Finnish units were targeted with a special safety programme due to their comparatively poor performance.

No fatal accidents occurred in Stora Enso's own operations in 2009.

Arapoti Mill in Brazil has an exceptional safety record, with no lost-time accidents since 2007.

Five Stora Enso units reached the target of zero lost-time accidents in 2009.

Specific requirements concerning participation in safety work were assigned to unit managers, such as participation in all lost-time accident investigations and certain numbers of safety rounds. Key safety instructions were harmonised, and all units established safety bonuses and participated in a safety competition. A decision was made in late 2009 to also define obligations for all line-managers, including participation in safety rounds and the organisation of monthly safety briefings for their staff.

within 6 months. The implementation of the management system continued in 2008 and 2009, with intensive training provided for employees and a strong management focus.

Stora Enso's safety competition continued in 2009, involving the recently formed industrial production line maintenance company Efora, the various Stora Enso units served by Efora, and the major Finnish engineering company Metso. The most successful participant was Efora's Heinola branch, and the most successful company overall was Efora. The participants competed against each other on a selection of indicators measuring safety performance and the implementation of preventive measures.

**The lost-time accident rate fell in Finland by 18% thanks to action taken by top managers in each unit on safety issues.**

The lost-time accident rate for Stora Enso's units in Finland dropped from 28.3 accidents per million hours worked in 2008 to 23.1 in 2009 (a decrease of 18%). The main reasons for this progress were strong management involvement and the spotlighting of safety issues at all organisational levels within units. These results are promising but not yet sufficient, so extra efforts still need to continue during 2010.

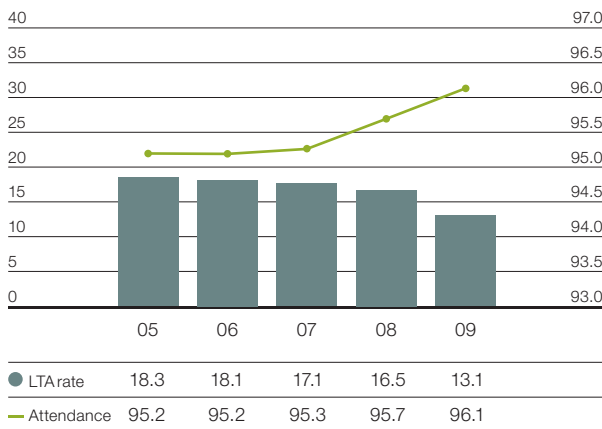
### Health and safety actions planned for 2010

Our main OHS focus in 2010 will be on rolling out our new lead indicators for safety, and enhancing communications and the sharing of best practices between units and countries. Work is still needed to build further on the promising trends achieved in 2009. Another theme for our work in 2010 will be health and work ability. Special efforts will be made to improve attendance rates and collaboration with partners such as health service providers and insurance companies, aiming to prevent work-related disability and ensure early preventive action in case of lowered work ability.

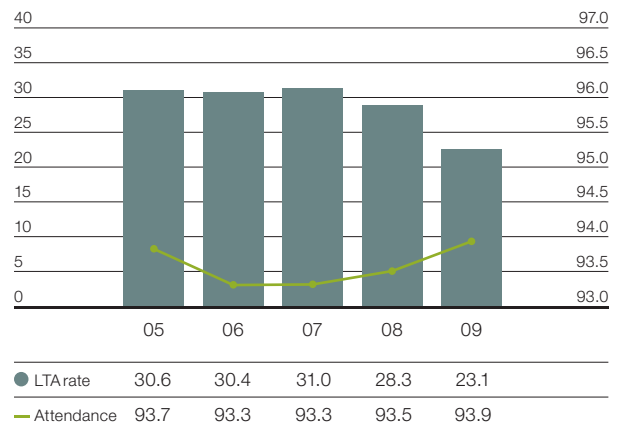
Stora Enso's Wood Supply Western Europe Unit, which covers wood procurement in six countries, reached the zero-accident target in 2009, compared to 3.8 in 2008, thanks to focused efforts to develop a systematic approach to safety management, with a strong emphasis on training. The unit began the task of developing an integrated environment and OHS management system in 2007. The management system obtained both ISO 14001 and OHSAS 18001 certificates for the whole operation

### Lost-time accident rate and attendance <sup>1,2)</sup>

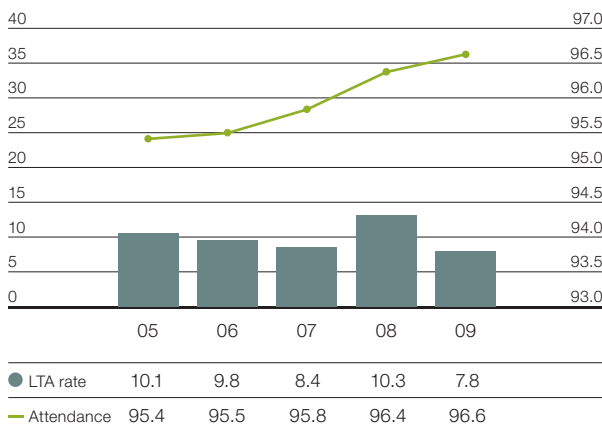
#### Group



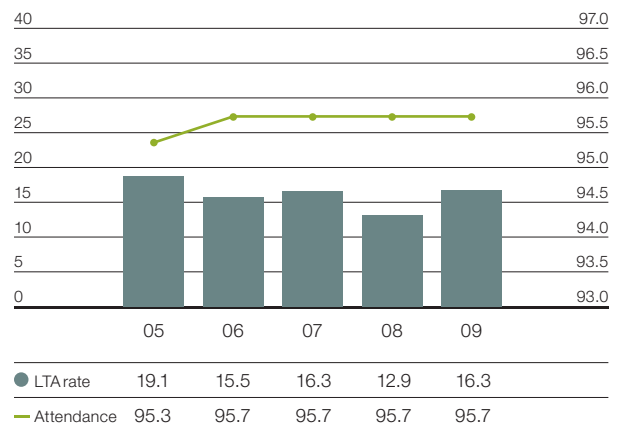
#### Finland



#### Sweden



#### Germany



1) Lost-time accident rate (LTA) as number of accidents per one million hours worked.  
2) Attendance, in % of theoretical working hours.

# For a company going through radical changes, managing human resources must involve both training our employees, and providing support to anyone made redundant.

By the end of 2009 Stora Enso had 27 390 employees. In 2009 the restructuring of the company continued, significantly reducing the numbers of employees in various locations. The average number of employees decreased by 15%. This was mainly due to mill and production line closures and efficiency improvements. Our employees are still largely concentrated in Finland, Sweden and Germany, where 61% of all Stora Enso employees work (64% in 2008). In other regions our workforce levels remained stable. Due to our strong focus on new growth markets, we expect future growth in Latin America and Asia.

Our personnel turnover in 2009 was 3.7%, significantly down from 6.3% in 2008. Marked differences in turnover exist between regions and units, with the highest turnover among employees in Russia, at 12.5%.

## Personnel turnover %

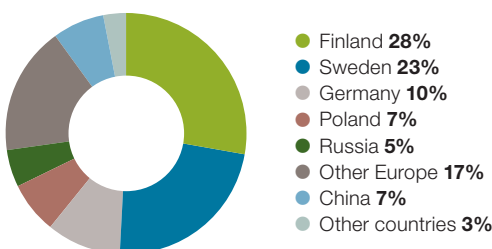
Region	Europe	South America	Asia
	3.2%	3.1%	10.8%
Gender	Female	Male	
	4.1%	3.6%	

## Diversity in the workplace

In most of the countries where we operate, our workforce is ageing. In 2009, 27% of our employees were over 51 years old. Employee age structures vary significantly between different countries, with the ageing workforce concentrated in Finland, Sweden and Germany, and operations in new growth markets characterised by lower average ages.

Women account for 20% of our workforce, with no change from 2008. The share of women recruited for permanent positions was 19%. The Women in Stora Enso programme (WISE) has for the time being been put on hold due to lack of resources, with the exception of some individual coaching and mentoring activities. The numbers of women on the Board and the Group Executive Team remained the same as in 2008.

## Employee distribution by country



## Training and developing leadership skills

Employees spent an average of 2.6 days in training, down from 3.1 days in 2008. A total of 49 employees of 12 different nationalities participated in the global Stora Enso Management Programme during 2009, with women making up 36.7% of all participants (27.4%).

Special efforts to train all managers and supervisors in all of our Finnish units were initiated in 2009, and will continue over the coming years. The coaching programme "Our Promise" will train all managers and supervisors in leadership and interpersonal skills, and the implementation of these skills into everyday work will be monitored through weekly status updates. The aim is to significantly develop the leadership skills of all line managers in Stora Enso's Finnish units through a series of workshops and change agent coaching sessions. The first general workshops took place late in 2009, and unit-specific workshops will follow in 2010.

## Employee representation and labour organisation

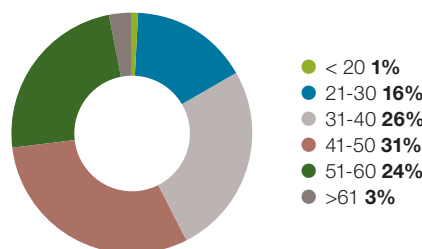
The percentage of employees covered by collective bargaining agreements is the most direct way to demonstrate an organisation's practices in relation to freedom of association. In the units that report this figure 82% were covered by collective bargaining agreements, mainly through nationally negotiated collective agreements and union membership. We do not collect or report figures on union membership due to differences in national legislations.

Stora Enso has employee representation committees at Group, business area and unit level. Employee relations are managed on a national level, as well as on a legal entity level. Our annual European Works Council meeting was held in June, with 29 employee representatives present, delegated from the 10 European countries where Stora Enso has operations that qualify for representation. The meeting's agenda covered the company's current business situation, the market outlook, current restructuring programmes, Stora Enso's new Values,

In 2009 our total workforce decreased by 4 277 employees, mainly due to lay-offs in Europe.

All managers and supervisors in Finland began a coaching programme to help them manage and cope with ongoing changes.

## Age distribution





Mission and Vision statements, and developments in health and safety issues.

In China, the right to freedom of association and collective bargaining is expressly stipulated by law, and the practical enforcement of such rights is ongoing. In accordance with the relevant laws and regulations, most of our Chinese operations have formed unions. Worker councils are also organised to serve as channels for direct feedback and dialogues between employees and management.

### Support for people affected by redundancies

In 2009 we reduced our total staff by 4 277 employees, due to efficiency improvements, company restructuring and changing market conditions. Support has been offered to those affected, through internal and external initiatives offering solutions such as redeployment, retirement planning, outplacement, supported moves to other locations, retraining or additional payment upon termination.

In March we announced the finalisation of the divestment of most of the premises of Summa Mill to the Google Group of Companies.

In April we renewed our business area structure and announced plans to reduce our overall headcount by 2 000 people by creating a leaner management structure and more effective administration.

In April we announced plans to reduce capacity at Kitee and Varkaus sawmills and in Puumerkki's operations in Finland and Latvia. During the second quarter of 2009, plans for long-term production curtailments were also announced for Świętajno sawmill in Poland, and for one sawing line at Ybbs sawmill in Austria. These actions are expected to affect about 170 employees.

In August 2009 we announced plans to permanently close the Sunila pulp mill during the second quarter of 2010, and to close one paper machine at Imatra Mills. The divestment of our Kotka Mill was also restarted, and conditional plans to permanently close Varkaus Mills by the end of 2010 were announced. These measures would affect a total of between 400 and 1 050 employees. The decision to close down Sunila pulp mill was subsequently postponed in November.

On 9 October, co-determination negotiations at Tolkinen Sawmill in Finland culminated in a decision to permanently close down the mill by the end of 2009. This closure affected 41 employees.

For more information about the measures we are taking to ease the regional impacts of company restructuring, see pages 34–35.

### Key human resources indicators

	2009	2008	2007
Average number of employees	28 696	33 815	36 137
Number of employees at year-end	27 390	31 667	34 906
Sales/employee at year-end, EUR	326 583	364 992	398 545
Personnel turnover %	3.7	6.3	5.1
Training days/employee	2.6	3.1	3.4
Share of women among all employees %	20	20	21
Women in the Group Executive Team	1 out of 8	1 out of 11	1 out of 10
Women in the Board of Directors	2 out of 9	2 out of 9	2 out of 9

# Being a responsible member of a community requires transparency, and the ability to listen and learn.

Stora Enso's operations have wide-ranging impacts on many different stakeholders locally, regionally and globally. We aim to create positive impacts in local communities wherever we operate, and minimise any adverse impacts our operations might have. As part of the ongoing restructuring of the forest products industry, we have had to make decisions that have negative impacts on local communities, including mill closures. We strive to do our best to help people in the affected communities to adapt to new local conditions.

## Economic impacts

Stora Enso's operations contribute to local, regional and national economies on a large scale. Our sales and purchases boost our customers' businesses and provide a reliable source of income for our contractors and suppliers. Our employees, our shareholders and local and national governments gain income through the salaries, dividends and taxes we pay. The related direct monetary flows indicate the extent of Stora Enso's economic impacts on different stakeholders in 2009.

**Customers:** Stora Enso's total sales amounted to EUR 8 945.1 (EUR 11 028.8 in 2008) million.

**Suppliers:** Stora Enso purchased materials and services valued at EUR 5 668.1 (EUR 6 905.0) million.

**Employees:** Wages and benefits to employees totalled EUR 1 349.6 million (EUR 1 669.1 million).

**Shareholders and loan providers:** At the end of 2009, Stora Enso had approximately 75 100 shareholders. The total sum of capital distributed to shareholders was EUR 157.7 (EUR 354.9) million. Payments to loan providers amounted to EUR 359.1 (EUR 694.9) million.

**Government bodies:** Net taxes paid by Stora Enso to governments around the world totalled EUR 3.0 million (in 2008 we received a net tax refund of EUR 25.5 million).

Many Stora Enso units have long traditions of cooperation with their surrounding communities, supporting local schools, sports

associations, and cultural events. In 2009, Stora Enso's charitable donations amounted to 240 118 EUR.

## Impacts on local communities

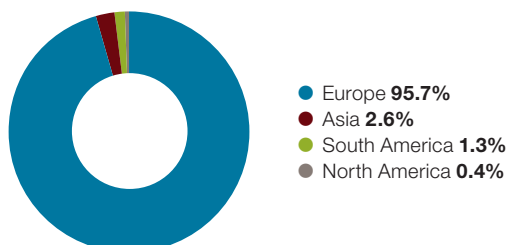
Stora Enso represents an industry that plays a significant role in its home countries' economic development. Stora Enso's mills are often located in communities where they are major employers, tax-payers and business partners for local enterprises. To remain competitive in a rapidly globalising economy, however, Stora Enso is currently undergoing profound restructuring. This means that some communities in our traditional areas of operation have suffered as our activities have been discontinued or entire production units closed. On the other hand, new investments are taking place in new growth markets such as China and Latin America, where our new operations are helping to promote economic and social development.

## Coping with structural change in Finland

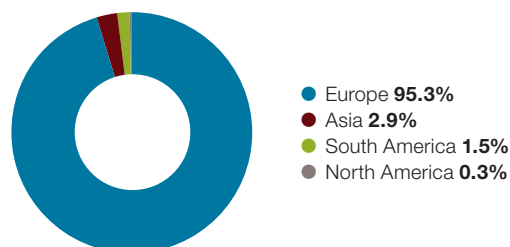
Discontinuing operations and closing mills creates problems not only for our employees, but also for the affected communities as a whole. Therefore we proactively help such communities to deal with regional structural changes and find new alternatives for people affected by the restructuring of the forest products industry.

In 2009 Stora Enso and Finland's Ministry of Employment and the Economy jointly initiated a project that aims to anticipate

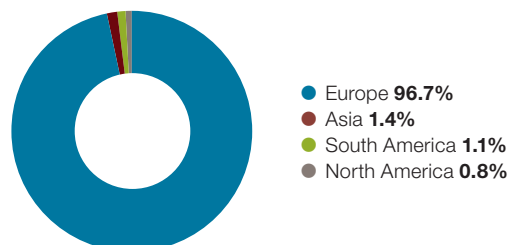
## Sales by region



## Purchases by region



## Personnel expenses by region





**Stora Enso is working with the local and national authorities to identify new business opportunities for the communities around Varkaus and Sunila in Finland.**

such structural changes and find new business opportunities for the communities around Varkaus and Sunila Mills. These measures are anticipatory, as no final decision has been made to discontinue production at either mill.

This project involves a large number of stakeholders including the Finnish Forest Industries Federation, the local Employment and Economic Development Centres, the cities of Varkaus and Kotka, the management of the Stora Enso Varkaus and Sunila Mills, as well as external consultants with expertise in foreseeing structural changes. The project is mapping out opportunities for each area and assessing existing infrastructure and skills levels, to find ways to improve competitiveness and exploit new business opportunities. Another aim of the project is to develop a new operational model that Finnish public authorities and companies can apply in response to sudden structural changes occurring in other areas and other industries.

In addition to these measures, Stora Enso assists affected employees by providing support packages and other forms of compensation (see page 33). Stora Enso also works to minimise the environmental impacts of mill closures (see page 22).

#### **Establishing operations in new settings**

We conduct Environmental and Social Impact Assessments (ESIA) for all new projects that could cause significant adverse impacts or changes in local conditions. Such projects include all green-field pulp, paper or board mills, large green-field

sawmills, industrial-scale plantation projects, and any large-scale expansions of existing facilities.

Stora Enso has developed common guidelines for conducting ESIA as an integral part of the Group's Investment Guidelines. These guidelines are based on international and national guidelines, including those drawn up by the International Association of Impact Assessment (IAIA). A vital element of any ESIA involves establishing dialogues with local residents, members of local organisations, expert researchers and other stakeholders through interviews, meetings, workshops and public hearings.

ESIA gives Stora Enso valuable information on how local communities will be affected by changes in their socio-economic structure, impacts on cultural heritage, and developments in community health, safety and security. This information can be used as a basis for short and long-term sustainability agendas for planned projects. Based on the recommendations of the ESIA conducted for our plantation project in Uruguay, for instance, Stora Enso has taken action to improve local dialogue and ensure that Stora Enso's operations benefit local communities (see pages 15–17).

Stora Enso has recently signed an agreement with United Nations Development Programme (UNDP) China to conduct an environmental and social impact assessment for a possible combined mill and plantation site in Guangxi, China.



We assess our products' impacts throughout their life cycles, and ensure that any products that come into contact with foods or other sensitive materials are absolutely safe to use.

#### **Products and safety**

In 2009 Stora Enso's Packaging business area produced about 1.6 million tonnes of packaging materials which will come into direct contact with food or pharmaceutical products, or which will be used for other hygiene-sensitive purposes. The hygiene and safety criteria for these products are mainly dictated by EU directives and regulations, country-specific laws and customer demands.

#### **Responsible use of chemicals**

Ensuring the safety of products starts with the purchasing of chemicals. In the production of food contact materials, only chemicals approved for such purposes are used. Stora Enso is also working with suppliers to ensure that all of the chemicals we use are registered in accordance with the European Union (EU) REACH legislation, which aims to improve the protection of human health and the environment through better and earlier identification of chemical substances' safety properties.

#### **Safety and hygiene systems**

To guarantee that consumer and food safety demands and regulations are met, all Stora Enso units producing food contact materials and other sensitive packaging materials follow Good Manufacturing Practice (GMP). This set of internationally recognised guidelines, which is also incorporated into EU regulations, aims to ensure safety and product quality in foods and pharmaceutical products. GMP covers the whole manufacturing process from the procurement of raw materials, through production processes, to the delivery of the end products.

Stora Enso provides customers with information on products' hygiene and safety aspects through compliance declarations, and has effective processes in place for testing product safety, dealing with complaints, and organising product recalls if necessary.

All Stora Enso mills producing significant amounts of sensitive packaging materials are certified according to the hygiene management standards ISO 22000 or BRC/IoP (British Retail Consortium and The Institute of Packaging). These certifications show that mills have analysed and eliminated any possible safety risks, to ensure the maximum safety of their products.

#### **Products and the environment**

To understand and minimise the environmental impacts of our paper and board products, we conduct product life cycle analyses (LCA). LCAs usually cover the various life cycle stages of the product from raw materials, energy and transportation to the generation of emissions and waste, and impacts on water. LCAs serve as the basis for environmental labels and declarations, carbon footprint information, responses to customer's inquiries, and product marketing.

#### **Paper Profiles**

At Stora Enso we provide product-specific information on the environmental performance of our paper products through Paper Profiles, a voluntary environmental product declaration scheme developed by leading paper producers. Paper Profiles enable paper buyers to make well-informed product choices, by presenting



**Third-party-certified hygiene and product safety systems are a useful way to ensure consumer and food safety.**

environmental figures in a standardised way. Paper Profiles cover the environmental impacts of pulp and paper production, including product composition and emissions, wood procurement and environmental management. Paper Profiles are available on request for all of Stora Enso's paper and graphical packaging products.

#### Eco-labels

Several of Stora Enso's paper products are covered by recognised eco-labels, such as the EU Flower, the Nordic Swan and the Blue Angel (Blauer Engel). The criteria used by these labelling schemes typically cover the whole life cycle of a product.

Many Stora Enso products made at chain-of-custody certified mills are covered by forest certification labels. This shows that they have been produced using wood from certified forests and controlled sources. The two most common forest certification systems are FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification schemes). A forest certification label on the final product means that the journey of the wood from a certified forest all the way to the store shelf has been documented and verified by an external party. For more details, see pages 12–13.

#### Carbon and water footprints

In response to climate change and global water scarcity concerns, consumers are increasingly demanding information on the carbon and water footprints of products, to help them determine their own environmental impacts.

All of Stora Enso's business areas have calculated the carbon footprints for their main products or product groups, and we willingly make this information available to our customers. Stora Enso is also in the process of defining water footprints for its products. This involves evaluating the volumes of water used in production and the impacts of water use. Stora Enso actively participates in the development of methodologies for both carbon and water footprint calculations through membership in branch organisations, representation in standardisation bodies, and collaboration with research institutes and environmental organisations such as WWF. For more details about environmental management and carbon footprint, see pages 18–27.

#### Recyclability of products

All of Stora Enso's paper and board products are safely recyclable and recoverable. Stora Enso is one of Europe's largest users of recovered fibre. For more information, see page 17.

We are also working to enhance and promote the recyclability of our products in various ways. Stora Enso's Barcelona Mill, for instance, has invested in an advanced beverage carton recycling process that enables the recycling of the cartons' plastics and aluminium content, as well as their constituent fibres. Langerbrugge Mill in Belgium, which produces 100% recycled newsprint and magazine paper, asks all mill visitors to bring 2–3 kg of used paper with them, to spotlight the importance of everyday recycling.

**Information on the environmental performance of products helps end-users to make informed purchasing choices.**

Unit	Number of employees <sup>a)</sup>	Products	Production <sup>b)</sup>	Recovered fibre <sup>c)</sup>	Management systems							Landfill <sup>*</sup>	Hazardous waste <sup>d)</sup> *	
					ISO 14001	ISO 9001	OHSAS 18001	ISO 22000	BRC/IoP/FDA	FSC CoC	PEFC CoC			
<b>Belgium</b>														
Langerbrugge Mill	396	①	474 301	x	x	x					x	x	8 110	50
<b>Brazil</b>														
Arapoti Mill	345	①	144 168			x	x					x	3 300	15
<b>China</b>														
Dawang Mill	234	①	94 082	x	x	x	x				x		115	2
Suzhou Mill	555	②	202 081		x	x	x				x	x	0	9
<b>Estonia</b>														
Tallinn Mill	35	⑤	7 591			x							13	
<b>Finland</b>														
Anjalankoski Mill	389	① ③	451 174		x	x	x	x			x	x	17 458	80
Enocell Mill	131	④	161 167		x	x	x				x	x	525	26
Heinola Fluting Mill	200	③	223 400	x	x	x	x	x				x	4 167	39
Heinola Mill	154	⑤	39 652		x	x	x	x					26	6
Imatra Mills	1 386	② ③ ④	1 059 298		x	x	x	x	x		x	x	12 875	172
Kotka Mill	184	① ③ ⑤	221 797		x	x	x				x	x	1 575	44
Lahti Mill	260	⑤	29 350		x	x	x	x					34	137
Oulu Mill	686	② ④	1 063 399		x	x	x				x	x	21 992	126
Ruovesi Mill	89	⑤	5 430		x	x	x	x					13	10
Sunila Mill <sup>h)</sup>	244	④	80 863		x	x	x				x	x	3 720	116
Tiukka Mill	56	⑤	6 795		x	x	x	x					8	0
Varkaus Mill	554 <sup>i)</sup>	① ② ③	471 738		x	x	x				x	x	6 308	505
Veitsiluoto Mill	815	① ② ④	663 871		x	x	x				x	x	2 506	37
<b>France</b>														
Corbehem Mill	359	①	253 583		x	x						x	2 233	434
<b>Germany</b>														
Kabel Mill	680	①	340 213		x	x	x				x	x		76
Maxau Mill	318	①	492 997	x	x	x	x				x	x	0	416
Sachsen Mill	318	① ④	295 620	x	x	x	x				x		1	58
Uetersen Mill	454	② ③	245 716		x	x					x	x		35
<b>Hungary</b>														
Páty Mill	156	⑤	8 831		x	x							19	48
<b>Latvia</b>														
Riga Mill	115	⑤	31 341			x							40	
<b>Lithuania</b>														
Kaunas Mill	49	⑤	6 248			x	x						11	
<b>Malaysia</b>														
Pasir Gudang Mill	41	⑤	6 900		x	x	x						10	0
<b>Poland</b>														
Łódź Mill	248	⑤	52 877		x	x	x						105	8
Mosina Mill	78	⑤	5 293		x	x	x						35	12
Ostrołęka Mill	1 087	③ ⑤	309 757	x	x	x	x						4 536	8
Tychy Mill	187	⑤	45 604		x	x	x						29	4
<b>Russia</b>														
Arzamas Mill	219	⑤	44 250			x							158	0
Balabanovo Mill	373	⑤	58 171			x							321	0
Lukhovitsy Mill	114	⑤	17 320			x							164	0
<b>Spain</b>														
Barcelona Mill	257	③	161 331	x	x	x	x						23 092	39
<b>Sweden</b>														
Falu Rödfärg <sup>j)</sup>		⑦	655		x	x							0	11
Fors Mill	683	③	334 400		x	x	x	x			x	x	161	70
Hylte Mill	792	①	785 577	x	x	x	x				x	x	56 299	95
Jönköping Mill	238	⑤	26 854		x	x							9	12
Kvarnsveden Mill	861	①	806 397		x	x					x	x	20	200
Nymölla Mill	790	② ④	458 286		x	x	x				x	x	142	59
Skene Mill	193	⑤	30 669		x	x							25	1
Skoghall Mill	919	③	707 749		x	x	x				x	x	2 804	203
Skoghall Mill Forshaga	123	⑤	96 552		x	x	x				x		4	7
Skutskär Mill	420	④	515 415		x	x					x	x	12 405	30
Vikingsstad Mill	63	⑤	17 888		x	x							9	6
<b>Corenso</b>														
Corenso, core factories	826	⑤	174 086		k)	k)	k)	k)	k)				322	39
Corenso Pori Coreboard Mill	101	③	87 652	x	x	x	x						234	4
Corenso Soustre Coreboard Mill	89	③	74 905	x	x	x	x						2 657	7
Wisconsin Rapids Coreboard Mill	65	⑤	55 420	x	x	x	x						3 695	
<b>Stora Enso Timber</b>														
Sawmills	4 374	⑥	5 386 084		k)	k)	k)				k)	k)	6 585	428
<b>Total pulp, paper, board and converted products, tonnes</b>			11 948 059										192 285	3 256
<b>Total wood products, m<sup>3</sup></b>			5 386 084										6 585	428
<b>Grand Total</b>													198 870	3 684

\* tonnes \*\* 1000m<sup>3</sup>

**Footnotes a)**= Year average. Source: financial accounting database. **b)**=Sales production. Sawm timber is reported in m<sup>3</sup>, other products in metric tonnes. **c)**=Mills using recovered fibre as raw material (fully or partly). **d)**=Reported on the basis of country-specific definitions applied in national regulations. **e)**=Total sulphur is reported as SO<sub>2</sub> (sulphur dioxide) and includes all sulphurous compounds. **f)**=All CO<sub>2</sub> figures are calculated using the WRI/WBCSD greenhouse gas protocol. Direct emissions from internal transport are excluded. **g)**=Indirect emissions from purchased heat and electricity. **h)**=Acquired in 2009. Data reflects the whole year of 2009. **i)**=Does not have personnel but buys this as a service from Stora Enso Ab. **j)**=Includes service company personnel (Varenso Oy) **k)**=See www.storaenso.com/certificates.



SO <sub>2</sub> g)*	NO <sub>x</sub> as NO <sub>2</sub> *	Direct CO <sub>2</sub> fossil f)*	Direct CO <sub>2</sub> biomass f)*	Indirect CO <sub>2</sub> g)*	COD *	AOX *	Phosphorus *	Nitrogen *	Process water discharge **
5	117	19 181	164 023	311 829	904	1	5.2	20.1	5 758
0	56	7	161 926	93 744	460				2 775
133	294	153 799		110 079	130	18.4	0.6	1.3	1 121
				71 136	79		0.2	2.3	1 561
				4 500					5
4	292	321 651	39 996	29 205	2 533		2.4	107.6	9 674
90	271	52 873	522 023		3 461	29.8	1.3	54	11 456
435	339	157 651	191 964	6 831	1 014		1.8	11.9	3 954
29	14	5 037		652					106
306	1 740	169 656	2 536 168	57 890	20 299	162	13.4	219.7	64 827
58	290	218 472	202 518		1 053		4.9	41.1	7 689
				2 375					17
343	939	261 215	1 188 780	32 981	6 601	51	7.5	48.1	17 054
	1	585		186					2
18	149	7 248	221 932	2 455	2 658	21.7	3.8	17.9	5 973
		122		63					1
312	790	85 242	654 160	81 401	4 996	12	5.8	81	12 767
741	1 118	324 300	993 392	31 721	9 932	28.5	10.2	94.4	12 728
0	26	48 304		42 186	605	0.6	4.1		5 811
	13	16 072		339 113	870	0.2	3.1	24.3	5 690
4	154	139 742	96 371	256 106	1 878	0.6	3.4	15.2	6 296
1	210	140 560	57 581	44 097	623	0.5	1.1	8	3 471
0	28	77 846		55 446	36	0.1	0	0.1	1 029
		877		2 542					1
		2		0					12
				1 435					2
0	0	843			0				
0	3	77 365		4 451					15
		312		1 281					2
130	47	12 568	137 113	448 715	1 142		2.7	26	5 064
		2 553		3 420					11
1	3	3 219		13 976					32
1	3	4 945		20 405					45
0	3	2 947		8 609					13
	117	189 018		0	158				819
0		516							
2	101	1 525	317 095	4 217	2 236	0.9	1.4	27.4	4 174
2	179	24 649	305 237	12 380	1 815	0.1	3	32	7 320
0		229		480					
61	142	37 621	277 772	26 680	3 541	1.7	3.1	75.8	12 820
380	566	-8 340	737 725	3 963	12 993	0	6.1	59.8	26 906
0		3		48					
201	502	72 457	793 119	7 378	8 091	15	6.3	73.7	21 218
		26		197					
404	748	13 140	1 552 718	343	8 803	71	12	97.1	21 710
2		1 231		3					
0	0	3 889	0	11 756	0	0	0	0	60
1	1	590		30 754	403		0.1	5.0	554
		17 754		1 208	63				471
0		0		36 005	1 420				801
37	619	6 990	302 782	124 875	289		3.8		308
3 664	9 256	2 659 502	11 151 613	2 214 242	98 797	415	103.5	1 144	281 815
37	619	6 990	302 782	124 875	289		3.8		308
3 701	9 875	2 666 492	11 454 395	2 339 117	99 086	415	107.3	1 144	282 123

Products: ① newsprint and magazine paper ② fine paper ③ board and packaging paper ④ market pulp  
⑤ converted products (e.g. cores, impregnated laminating paper, corrugated board)  
⑥ wood products ⑦ red paint pigment

This report follows the Global Reporting Initiative's (GRI) G3 guidelines and meets the GRI B+ level standard. The table below shows how and where the GRI indicators are addressed. An extended version of the GRI table can be found at [www.storaenso.com/sustainabilityreport](http://www.storaenso.com/sustainabilityreport).



SP = Sustainability Performance 2009

SE = Stora Enso 2009

FP = Financial Performance 2009

● Fully reported

○ Partially reported

	Location	Level
<b>PROFILE</b>		
<b>1. STRATEGY AND ANALYSIS</b>		
1.1 Statement from the CEO	SP pages 2–3	●
1.2 Description of key impacts, risks and opportunities	SP pages 2–7	●
<b>2. ORGANISATIONAL PROFILE</b>		
2.1 Name of the organisation	SP page 1	●
2.2 Primary brands, products and/or services	SP page 1, SE pages 2–3	●
2.3 Operational structure of the organisation	SE pages 2–3	●
2.4 Location of headquarters	SP back cover	●
2.5 Countries in which the organisation's operations are located	SP page 1, SE pages 2–5	●
2.6 Nature of ownership and legal form	SP page 1, FP inside front cover	●
2.7 Markets served	SP page 1, SE pages 2–3	●
2.8 Scale of the reporting organisation	SP page 1, SE pages 2–4, 44	●
2.9 Significant changes during the reporting period	SE pages 2–13	●
2.10 Awards received during the reporting period	SP pages 6–7	●
<b>3. REPORT PARAMETERS</b>		
<b>Report profile</b>		
3.1 Reporting period	SP pages 6–7	●
3.2 Date of most recent previous report	25 February 2009	●
3.3 Reporting cycle	SP pages 6–7	●
3.4 Contact point for questions	SP back cover	●
<b>Report scope and boundary</b>		
3.5 Process for defining report content	SP pages 10–11	●
3.6 Boundary of the report	Extended GRI table	●
3.7 Specific limitations on the scope or boundary	Extended GRI table	●
3.8 Basis for reporting on joint ventures, subsidiaries etc	Extended GRI table	●
3.9 Data measurement techniques	Extended GRI table	●
3.10 Explanation of the effect of any re-statements of information	Extended GRI table	●
3.11 Significant changes in the scope, boundary, or measurement methods applied	Extended GRI table	●
<b>Assurance</b>		
3.13 Policy and practice with regard to external assurance	SP pages 8–9, 43	●
<b>4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT</b>		
<b>Governance</b>		
4.1 Governance structure	FP pages 8–15	●
4.2 Position of the chair of the board of directors	FP pages 8–15	●
4.3 Independent, non-executive directors on the board of directors	FP pages 8–15	●

	Location	Level
4.4 Mechanisms for shareholders and employees to provide recommendations to the board of directors	FP pages 8–15, Extended GRI table	●
4.5 Executive compensation	FP pages 8–15, 61–63, 92–93, Extended GRI table	●
4.6 Avoiding conflicts of interest	FP pages 8–15	●
4.7 Determining the qualifications and expertise board members need for guiding strategy on sustainability	Extended GRI table	●
4.8 Mission or values statements, codes of conduct, sustainability principles	SP pages 8–9, 28–29, 44	●
4.9 Board-level procedures overseeing sustainability performance	SP pages 8–9, FP pages 8–15, Extended GRI table	●
4.10 Evaluating board performance with respect to sustainability performance	FP pages 8–15, Extended GRI table	●
<b>Commitments to external initiatives</b>		
4.11 Addressing the precautionary approach or principle	SP pages 8–9, 34–35	●
4.12 External charters, principles or initiatives endorsed	SP pages 10–11	●
4.13 Memberships in associations	SP pages 10–11	●
<b>Stakeholder engagement</b>		
4.14 List of stakeholder groups engaged	SP pages 10–11	●
4.15 Identification and selection of stakeholders	SP pages 10–11	●
4.16 Approaches to stakeholder engagement	SP pages 10–11	●
4.17 Responding to key topics resulting from stakeholder engagements	SP pages 10–11	●
<b>5. PERFORMANCE INDICATORS</b>		
<b>ECONOMIC INDICATORS</b>		
<b>Economic performance</b>		
EC1 Direct economic value generated and distributed	SP pages 34–35, FP pages 33, 35, 60, 66–67, Extended GRI table	●
EC2 Risks and opportunities due to climate change	SP pages 2–5, 24–27	○
EC3 Coverage of defined benefit plan obligations	FP pages 87–91	○
EC4 Significant financial assistance from government	FP page 58	○
<b>ENVIRONMENTAL INDICATORS</b>		
<b>Materials</b>		
EN1 Materials used by weight or volume	SP pages 18–23	●
EN2 Recycled materials used	SP pages 12–17	●
<b>Energy</b>		
EN3 Direct energy consumption	SP pages 24–27	●
EN4 Indirect energy consumption	SP pages 24–27	●
EN5 Energy saved through conservation and efficiency improvements	SP pages 24–27	●
EN6 Initiatives to provide energy-efficient or renewable energy based products	SP pages 24–27	●
EN7 Initiatives to reduce indirect energy consumption	SP pages 24–27	○
<b>Water</b>		
EN8 Total water withdrawal	SP pages 18–23	●
EN10 Total recycling and reuse of water	SP pages 18–23	○
<b>Biodiversity</b>		
EN11 Location and size of land holdings in biodiversity-rich habitats	SP pages 12–17	●
EN13 Habitats protected or restored	SP pages 12–17	○
EN14 Managing impacts on biodiversity	SP pages 12–17	○
<b>Emissions, effluents and waste</b>		
EN16 Total direct and indirect greenhouse gas emissions	SP pages 24–27	●
EN18 Initiatives to reduce greenhouse gas emissions	SP pages 24–27	●
EN20 NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions	SP pages 18–23	○
EN21 Total water discharge	SP pages 18–23, 38–39	●
EN22 Total amount of waste	SP pages 18–23	○
EN23 Significant spills	SP pages 18–23	●
EN24 Transported, imported, exported or treated hazardous waste	SP pages 18–23	○
<b>Products and services</b>		
EN26 Mitigating environmental impacts of products and services	SP pages 36–37	○
<b>Compliance</b>		
EN28 Fines and sanctions for non-compliance with environmental regulations	SP pages 18–23	●
<b>Transport</b>		
EN29 Environmental impacts of transportation	SP pages 24–27	○

	Location	Level
<b>Overall</b>		
EN30 Environmental expenditures	SP pages 18–23	○
<b>SOCIAL INDICATORS</b>		
<b>Labour practices and decent work</b>		
Employment		
LA1 Breakdown of workforce	SP pages 32–33	○
LA2 Breakdown of employee turnover	SP pages 32–33	○
LA3 Employee benefits	SP pages 34–35, FP pages 60, 87–93	○
<b>Labour/management relations</b>		
LA4 Coverage of collective bargaining agreements	SP pages 32–33	○
<b>Occupational health and safety</b>		
LA6 Workforce representation in joint health and safety committees	SP pages 30–31	●
LA7 Injuries, lost days, absentee rates and fatalities	SP pages 30–31, Extended GRI table	●
<b>Training and education</b>		
LA10 Average hours of training per year per employee	SP pages 32–33	○
LA11 Programmes for skills management and lifelong learning to support continued employability and manage career endings	SP pages 32–33	○
<b>Diversity and equal opportunity</b>		
LA13 Composition of governance bodies and employee breakdown	SP pages 32–33, SE pages 38–39, Extended GRI table	●
<b>HUMAN RIGHTS</b>		
<b>Investment and procurement practices</b>		
HR1 Human rights screening or clauses included in significant investment agreements	SP pages 8–9, 34–35	○
HR3 Employee training on human rights	SP pages 28–29, Extended GRI table	●
<b>Freedom of association and collective bargaining</b>		
HR5 Supporting right to freedom of association and collective bargaining in risk areas	SP pages 32–33	●
<b>Child labour</b>		
HR6 Measures taken to eliminate child labour in risk areas	SP pages 28–29	●
<b>Forced and compulsory labour</b>		
HR7 Measures taken to eliminate forced and compulsory labour in risk areas	SP pages 28–29	●
<b>Indigenous rights</b>		
HR9 Violations of indigenous people's rights and actions taken	Extended GRI table	●
<b>SOCIETY</b>		
<b>Community</b>		
SO1 Management of impacts on communities in areas affected by activities	SP pages 34–35	●
<b>Corruption</b>		
SO3 Anti-corruption training	SP pages 28–29	●
<b>Public policy</b>		
SO6 Contributions to political parties, politicians and institutions	SP pages 28–29	●
<b>Anti-competitive behaviour</b>		
SO7 Anti-trust and monopoly court cases	SP pages 28–29	●
<b>Compliance</b>		
SO8 Fines and sanctions for non-compliance with laws and regulations	SP pages 28–29	●
<b>PRODUCT RESPONSIBILITY</b>		
<b>Customer health and safety</b>		
PR1 Assessment of health and safety impacts of products	SP pages 36–37	●
<b>Product and service labelling</b>		
PR3 Product information required by procedures	SP pages 36–37	●



# Assurance Statement

## Scope and objectives

Two Tomorrows (Europe) Limited has undertaken independent assurance of the Stora Enso Sustainability Performance Report 2009.

The assurance process was conducted in accordance with AA1000AS (2008). We were engaged to provide Type 2 assurance, which covers

- evaluation of adherence to the AA1000APS (2008) principles of inclusivity, materiality and responsiveness (the Principles) and
- the reliability of specified sustainability performance information.

## The performance information included in scope was:

- All data and key claims within the Sustainability Performance 2009 Report, unless specifically excluded;
- Human Resources data and claims for the following indicators: training days per employee; number of women in management, employee numbers and turnover by region, age and gender; lost-time accident rate, absenteeism;
- Environmental data systems, data and claims except greenhouse gas emissions for carbon trading and environmental costs, liabilities and investments.
- The table comparing the report with GRI (Global Reporting Initiative) requirements.

The performance information excluded from scope was:

- Data and claims for employee numbers;
- Economic performance and competition law information;

We used the Global Reporting Initiative (GRI) Quality of Information Principles as Criteria for evaluating performance information.

## Responsibilities of the directors of Stora Enso and of the assurance providers

The directors of Stora Enso have sole responsibility for the preparation of the Report. We were not involved in the preparation of any part of the Report. We have no other contract with Stora Enso and this is the seventh year that we have provided assurance.

Our statement represents our independent opinion and is intended to inform all of Stora Enso's stakeholders including management. We adopt a balanced approach towards all Stora Enso's stakeholders.

Our team comprised Mark Line, Judith Murphy, Sini Forssell and Katy Anderson. Further information, including individual competencies relating to the team can be found at: [www.twotomorrow.com](http://www.twotomorrow.com)

## Basis of our opinion

Our work was designed to gather evidence with the objective of providing moderate assurance as defined in AA1000AS (2008). We undertook the following activities:

- Review of the current sustainability issues that could affect Stora Enso and are of interest to stakeholders
- Interviews with eight selected directors and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose managers for interview.
- Review of Stora Enso's approach to stakeholder engagement and recent outputs. We also undertook a stakeholder survey in which 70 stakeholders were invited to participate, and follow-up interviews with 11 respondents. This was to understand which issues were most important to stakeholders, and their view of Stora Enso's performance.
- Review of information provided to us by Stora Enso on its reporting and management processes relating to the Principles
- Site visits to Maxau Mill in Germany and the plantation operations in Guangxi, China to review process and systems for preparing site level sustainability data and implementation of sustainability strategy. We were free to choose sites to visit.
- Review of supporting evidence for key claims in the report
- Review of the processes for gathering and consolidating data and, for a sample, checking the data consolidation
- An independent assessment of Stora Enso's Reporting against the B+ Application Level for the Global Reporting Initiative (GRI) G3 Guidelines

## Findings

We reviewed and provided feedback on drafts of the Report and where necessary changes were made. On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe Stora Enso's adherence to the Principles or its performance.

## Observations

Without affecting our assurance opinion we also provide the following observations.

Inclusivity concerns the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

- Stora Enso has significantly developed its corporate stakeholder engagement this year. Achievements that we discussed with Stora Enso, arising from these developments, include: the resolution of the long-running dispute about old-growth forests in Finnish Forest Lapland and establishing a dialogue with the local landless movement (MST) community in Bahia, Brazil. In particular we noted the personal involvement of the CEO in stakeholder dialogue, demonstrating commitment at the highest level. Maintaining effective stakeholder engagement processes will continue to be important as the business evolves in the different regions where it operates.

Material issues are those which are necessary for stakeholders to make informed judgments concerning Stora Enso and its impacts.

- The report presents a coherent overview of the differing material issues Stora Enso faces in the various locations where it operates, summarised in the sustainability map. We note the continuing shift in focus of the sustainability programme from environmental issues in the Northern hemisphere to social issues in the Southern hemisphere, as the business changes. Stora Enso is responding well to this challenge as demonstrated through, for example, cross cultural dialogue in Finland, Brazil and China and capacity building among contractors in China.
- Our visit to SEGX (Guangxi) enabled us to form a detailed view of the sustainability challenges and to witness Stora Enso's responses, at first hand. The efforts being undertaken to respond to sensitive issues, particularly with respect to land use and land ownership are exemplary and we look forward to seeing how these arrangements develop.
- We anticipate increasing debate over the overall environmental impact of paper versus on-line media for delivering information. These arguments are complex and have not attracted significant commentary by the paper industry until recently, although there are early signs of a more serious industry response in Europe. We encourage Stora Enso to reflect on the issues that underpin this debate and discuss its position in future reports.
- Efforts to demonstrate compliance with Stora Enso's sustainability requirements in the supply chain, beyond wood supply, remain relatively limited. We note the target for 2010 to undertake spot check audits which will help to start establishing this programme.
- Health & Safety performance among employees has improved notably this year. In developing its approach, one area of greater focus should be on managing and reporting on contractor health and safety. Stora Enso's approach on these issues needs further clarification, particularly for contractors involved in Stora Enso business, but not working on site (e.g. transporting materials).

Responsiveness concerns the extent to which an organisation responds to stakeholder issues

- The findings from the stakeholder survey and interviews undertaken this year helped clarify Stora Enso's view of material issues. This year Stora Enso has been actively involved in establishing forest certification standards and has included a section on product responsibility in this report, responding to issues raised in the stakeholder research.
- Stora Enso, like many businesses, is operating in a challenging trading environment and is responding to this through radical reorganisation and reductions in staff. The company should reflect further upon the sufficiency of resources in the sustainability team.
- The stakeholder research provided evidence that customers are largely satisfied with the access to quality information on sustainability from Stora Enso. The company should consider how it can continue to meet this requirement.

## Performance Information

- In terms of data accuracy, with the exceptions below, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions utilised were inappropriate.
  - We identified some minor errors in the manual consolidation of some HR datasets, Code of Conduct training data and in the coverage of health and safety management systems.

These were corrected in the final version of the report. We are not aware of any other errors that would materially affect the Group data.

- In order to ensure the continued accuracy of reported data the sustainability team has documented data protocols and data collection processes for most of the key data sets, with the exception of some HR data and the collation of data on OHS and wood supply certificates. These protocols and processes should be reviewed annually to ensure they remain up to date and any changes communicated to individuals involved in data collection at site and Group level.
- We have checked the claims in the GRI extended table and agree with Stora Enso's self declared application level of B+.

Two Tomorrows (Europe) Limited  
London, February 2010

  
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Director

  
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Consultant

  
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Two Tomorrows (Europe) Limited trading as Two Tomorrows was formed from the merger of Csrnetwork and Sd3 in January 2009. Two Tomorrows is an international consultancy that helps companies to perform better and create value by doing business in a sustainable way. [www.twotomorrow.com](http://www.twotomorrow.com)

# Stora Enso's Sustainability Policy

Stora Enso is committed to managing and developing its business in a sustainable manner. Balancing our economic, environmental and social responsibilities is necessary for sustainable business and beneficial to our stakeholders.

We strive to continually improve our sustainability performance. We are transparent in our communication and engage our stakeholders in active and constructive dialogue. We measure and publicly report our sustainability performance.

As a global company we operate according to our values, policies and principles everywhere; we respect different cultures, customs and values of the societies where we operate. We comply with and when necessary go beyond the requirements of national legislation and regulations.

We address sustainability throughout our value chain, and we expect our suppliers and partners to comply with Stora Enso's policies and principles related to sustainability.

## **Economic responsibility**

We must be a profitable business and an attractive and trustworthy investment, employer, supplier and business partner. We strive to contribute to the economic well-being of the societies in which we operate.

## **Environmental responsibility**

To minimise our impact on the environment, we consider a life cycle approach and use applicable control technologies. We use raw materials, energy and other resources efficiently. Our products are mainly produced from renewable raw materials, are recyclable and safe to use. We verify the origin of wood and fibre, only procure them from legal and acceptable sources and promote sustainable forestry.

## **Social responsibility**

We adhere to ethical business practices in all our activities. We honour and support globally accepted human and labour rights, and we create a healthy and safe workplace for all of our employees. We are a responsible neighbour, and we do our part in supporting social development.

## **Management**

Sustainability is part of Stora Enso's corporate governance, and responsibilities are assigned throughout the organisation. We expect all of our employees to observe these commitments and responsibilities in their every day work.

# Hard talk about Global Responsibility



## Using paper = cutting down rainforests. True or False?

This and other interesting topics discussed at our new interactive website available online in April 2010. Take a look at how we see our role as a globally responsible company, learn to build a tree plantation and test your habits as a sustainable consumer.

[www.storaenso.com/globalresponsibility](http://www.storaenso.com/globalresponsibility)

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### **Stora Enso 2009**

Focuses on Stora Enso and its financial performance, and provides an overview of developments relating to the company's business areas and increased presence in the new growth markets of Brazil, Uruguay and China.

### **Financial Performance 2009**

Contains in-depth information about Stora Enso's financial performance, corporate governance and capital markets, including consolidated financial statements and notes, and the report of the Board of Directors.

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