

METSÄ BOARD

SUSTAINABILITY
2016



MetsäBoard

OUR SUSTAINABILITY THEMES

WE OFFER SUSTAINABLE CHOICES



PRODUCTS AND SERVICES

- Sustainable, safe and recyclable products from renewable wood
- Customer-focused services and solutions
- Innovations and renewal

WE BRING THE FOREST TO YOU



RAW MATERIALS AND SUPPLY CHAIN

- Sustainable forest management, certification and diversity of forest nature
- Sustainability in the value chain
- Traceability

WOOD

Maintain the share of certified wood:

Target
>80%

Performance 2016

81%

LOGISTICS

Ensure sustainability of main logistics flows 2016–2017:

Target
100%

Status 2016

Evaluation of service providers will be finalised in 2017.

→ Read more: Metsä Group's Sustainability Report 2016



The United Nations Sustainable Development Goals (SDGs) represent a large-scale global commitment. The SDGs transformed the wide sustainability agenda into concrete targets. Metsä Group's activities support reaching the SDGs. Metsä Group is also committed to the UN Global Compact.



WE WORK FOR A BETTER CLIMATE AND ENVIRONMENT

RESOURCE EFFICIENCY AND EMISSIONS

- Efficient use of raw materials, energy and water
- Value of side streams
- Share of bioenergy
- Emissions to water and air

6 CLEAN WATER AND SANITATION



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



WE CREATE WELL-BEING

STAKEHOLDER ENGAGEMENT

- Ethical business practices
- Safety at work
- Responsible management
- Local livelihoods and society

2 ZERO HUNGER



6 CLEAN WATER AND SANITATION



13 CLIMATE ACTION



15 LIFE ON LAND



CLIMATE

Fossil CO₂ emissions per product tonne 2009–2020:

Target

-30%

Performance 2016

-45%

ETHICAL BUSINESS

Coverage of code of conduct training:

Target

100%

Performance 2016

81%

ENERGY

Energy efficiency improvement 2009–2020:

Target

12%

Performance 2016

7.8%

SAFETY AT WORK

Lost-time accidents frequency annually (LTA1: 9):

Target

-10%

Performance 2016

-18.9%

RESOURCE EFFICIENCY

Process water use per product tonne 2010–2020:

Target

-17%

Performance 2016

-14%

WELL-BEING

Sickness absenteeism:

Target

<3%

Performance 2016

4.1%



SUSTAINABLY INTO THE FUTURE

Metsä Board's products are made from renewable fresh fibres. The company reduces its carbon footprint and improves its resource efficiency on a continuous basis. As a demonstration of its productive work, Metsä Board received several noteworthy recognitions in 2016, including from CDP.

The environmental and social responsibility of its business operations is important to Metsä Board and its customers. Due to Metsä Board's systematic development of its operations, the energy efficiency has improved, and the company has reduced its CO₂ emissions and water consumption to a significant degree. These measures also enhance production and improve cost-effectiveness. Metsä Board's commitment to sustainable business is widely recognised.

METSÄ BOARD ON CDP'S A LISTS

The company has been recognised by CDP, to which it has been reporting since 2010. Metsä Board was included on the A List in CDP's Climate and Water programmes. In addition, Metsä Board received Leadership status in CDP's Forest programme.

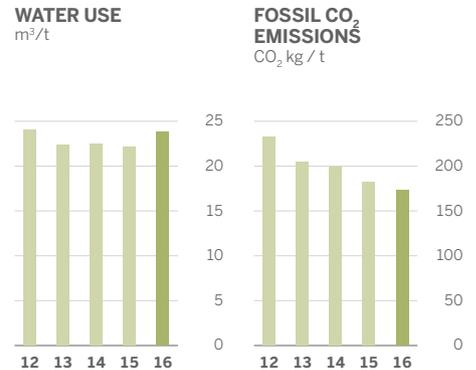
Inclusion on the Climate A List from among the thousands of companies reporting to CDP has required the commitment of the company's management, the establishment of clear goals and the monitoring of those goals. In 2009–2016 Metsä Board has reduced its fossil CO₂ emissions by 45 per cent. The consumption of biobased fuels of the total fuel use was 83 per cent in 2016.

For the second time, Metsä Board was also the only forest industry company to be included on the A List for Water. Only 4 per cent of the 607 companies reporting to the Water programme were included on the A List. This is a considerable recognition of Metsä Board's responsible use of water and water-related risk management. The efficiency measures relating to the use of energy and water support one another.

Metsä Board's mills use only surface water in their processes. The production is located in Finland and Sweden, both of which have ample reserves of fresh water and no need to compete over water resources with agriculture. In these countries, forests are growing faster than they are felled, in addition to which they play an important role in the hydrological cycle. In Forest reporting, Metsä Board also made it onto the Forest Leadership list. Some 81 per cent of the wood raw material the company uses originates from certified forests.

Together with its customers, Metsä Board is also involved in CDP's Supply Chain programme.

CDP is an international, not-for-profit organisation that offers companies and municipal authorities a worldwide system for measuring, publishing, managing and distributing information about their environmental impact.



ENERGY AND WATER CONSERVATION AT SIMPELE MILL

Numerous development projects aiming to reduce the mill's water and energy consumption were started at Metsä Board's Simpele mill in 2016.

Among other things, the heat recovery of the mill's paperboard machine was improved, which allows for a reduction in the use of steam. At Simpele, Metsä Board has also invested in the water management process to enhance the removal of water in the press section, which reduces the volume of steam needed for the drying of the paperboard line. A rise of one percentage point in the dry solids after the press section reduces the need for steam for drying by approximately four percentage points.

The volume of waste water from the mill can also be reduced in comparison to current levels by renewing automation and the pumping technology. Simpele is also planning a frequency reserve function that will enable the adjustment of pulp grinder loads, helping to level out peak loads in the electricity grid.

BARILLA TRUSTS METSÄ BOARD

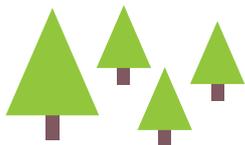
Made from fresh fibre, Metsä Board's clean and strong paperboards are particularly well suited for food packaging.

An essential part of Italian pasta maker Barilla's sustainability principles is to use recyclable packages for its products, as well as packaging materials that use raw material from sustainably managed forests.

Metsä Board's lightweight fresh fibre paperboards support Barilla's sustainability principles thanks to the improved Life Cycle profile of its lighter paperboards.

THE CIRCULAR ECONOMY OF A DURABLE AND SAFE PACKAGE

Fresh fibre is a pure and safe, renewable raw material.



We use only carefully selected and safe raw materials in our products.



We follow good manufacturing practices (GMP) and our production process is hygienic and safe.

All of our paperboards are recyclable and biodegradable, and they can also be used for energy production.



Our pure paperboard helps to store the packaged product safely all the way to the end user.



All of our products meet the requirements of relevant international legislation. The tests concerning their suitability for food contact is always conducted by an external party.

A package made from our durable paperboard retains its shape throughout transportation and protects the packaged product effectively.



A carefully selected transportation package protects our paperboard from being damaged during the delivery chain.

	2016	2015
EMISSIONS INTO AIR, t		
Fossil-fuel carbon dioxide (CO ₂)	278,725	317,441
Sulphur dioxide (as SO ₂)	477	671
Nitrogen oxides (as NO ₂)	1,792	1,649
Particles	139	110

	2016	2015
RAW MATERIALS		
Metsä Board's wood purchases, 1,000 m ³	4,572	4,939
Chemical and high-yield pulp used by Metsä Board, 1,000 t	1,236	1,388
OTHER RAW MATERIALS, 1,000 t		
Pigments	340	340
Adhesives	68	75
WATER INTAKE, 1,000 m³		
Process water	70,357	68,943
Cooling water	53,446	54,141

	2016	2015
PRODUCTION, 1,000 t		
Paperboard	1,731 ¹⁾	1,911
Chemical and high-yield pulp	1,236	1,206

¹⁾ Includes paper production that was ended during 2016

	2016	2015
DISCHARGES INTO WATER, t		
Waste water, 1,000 m ³	69,533	68,702
Chemical oxygen demand (COD)	11,557	10,673
Biological oxygen demand (BOD)	534 ²⁾	568 ²⁾
Total suspended solids	1,925	2,082
WASTE, t		
Recycled waste	134,553	159,953
Recycled waste, %	98	98
Landfill waste	2,164	2,718
Hazardous waste	662	736

²⁾ Not measured at Husum mill

Make the most of Metsä Board



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