

From pilots to a systematic approach

Implementation of the Group's CSR Principles gained momentum during the year. New units entered the pilot programme, and product areas and divisions started to prepare their own implementation plans.

In 2003 Stora Enso set objectives for the implementation of the CSR Principles by individual units. The objectives state that each unit must identify the significant social aspects of its operations, and develop related action plans and define key performance indicators by the end of 2006. This implementation work at unit level will create a suitable basis for continuous improvements throughout the Group's operations in the future, and for the integration of CSR into existing management tools such as Excellence 2005.

As a first step, this implementation work has been started at production units. During 2005 more emphasis will be put on implementation in support function units.

Unit-level implementation is being supported by the following tools:

- product area and division-specific targets and plans on how to proceed with unit-level implementation;
- practical examples from CSR pilots showing how different units have started CSR implementation;
- training for unit implementation co-ordinators;
- an Intranet toolkit with information on CSR and unit-level implementation;
- Excellence 2005, Stora Enso's Total Quality Management system, which can be utilised to drive continuous improvements in CSR;
- CSR audits
 - internal CSR audits will be started in the future to identify strengths and opportunities for improvement in individual units
 - the external verifiers of the Group Sustainability Report will annually audit selected sites.



Employees of Wood Supply Russia were asked in November to rank a wide range of CSR issues by importance, and their answers will form the basis for the unit's forthcoming CSR action plan.

Product area and divisional plans

During 2004 all product areas decided how they will proceed with their unit implementation plans. The Paper product area, the Packaging Boards product area and the Wood Supply Europe division all prepared formal implementation plans. The Asia Pacific division, the Latin America division and the Timber division are in the process of preparing their plans.

The aim is that each product area or division should define the relevant responsibilities, time schedules and the necessary corporate support for their CSR implementation work.

CSR pilots

The CSR pilot programme was started in spring 2003 in order to gain experiences of unit-level CSR implementation, and to support progress towards the corporate unit implementation objective.

All the pilot units have gone through an exercise to define what CSR means in their operations, and created an action plan for further integrating the Group's CSR Principles into their work. The main steps in this systematic implementation work include:

- identifying and prioritising CSR issues, taking into consideration;

- the Group CSR Principles
- the local operational environment
- stakeholders' views (the current corporate stakeholder engagement project will support the systematic identification of stakeholder views at the unit level as well). For more information see pages 10–11.
- assessing the current state of the identified issues;
- setting objectives;
- creating and implementing an action plan including objectives, actions, indicators, responsibilities and schedules;
- measuring and communicating performance;
- aiming for continuous improvements.

During 2004 Kabel Mill, Suzhou Mill, Wood Supply Finland and Wood Supply Russia entered the pilot programme.

The results from the pilot units have shown that many of the same topics come up regardless of location. The differences are in prioritisation and focus. In China, issues such as responsible business practices, employee well-being,

CSR issues in the supply chain and the responsible use of community's natural resources came up as top priorities. At Wood Supply Finland, priority issues were responsibility towards employees, stakeholder engagement, implementing CSR throughout the wood supply chain, customer support on sustainability questions and diversity. In Germany, open communication and relationships with the local community, occupational health and safety, and implementing CSR throughout the supply chain were the top issues.

Building up a CSR co-ordinator network

Training of CSR unit implementation co-ordinators started in autumn 2004. The first training session was arranged for co-ordinators in units in Finland. The next training sessions have been lined up for units in Sweden, Central and Southern Europe and North America. The first training session concentrated on increasing participants' knowledge of Stora Enso's CSR management approach, and giving the co-ordinators tools to start CSR implementation in their respective units. CSR co-ordinators oversee the CSR implementation process at unit level and are members of the Group-wide CSR Expert Network.

A toolkit full of best practices

An intranet-based CSR toolkit was launched to support unit implementation. The toolkit contains information on implementation objectives and the ambitions Stora Enso has related to CSR issues. The toolkit also provides assistance on how to identify and prioritise CSR aspects and prepare action plans for units. Experiences and materials from all the pilot units are available in the toolkit, as well as training materials and information on existing CSR indicators. ●