

Sustainable forest management and mitigating climate change

EVP Forest division
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Forest growth is the starting point for our strategic growth

We always grow more forest than we harvest

- Forest is the “engine” to sequester CO₂
- Base for products that can substitute fossil-based products
- We exceed certification requirements



100%
of our wood comes from sustainable sources

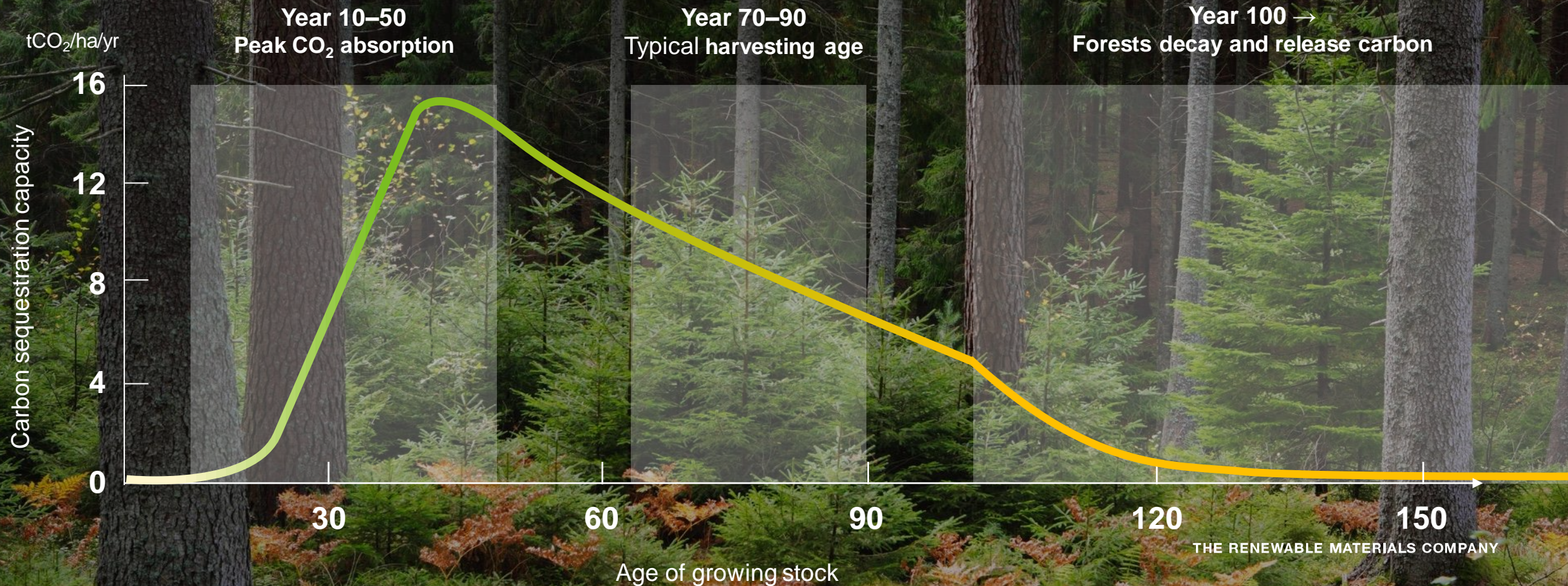
99%
of own and land managed by us are covered by certification

77%
of our wood is certified

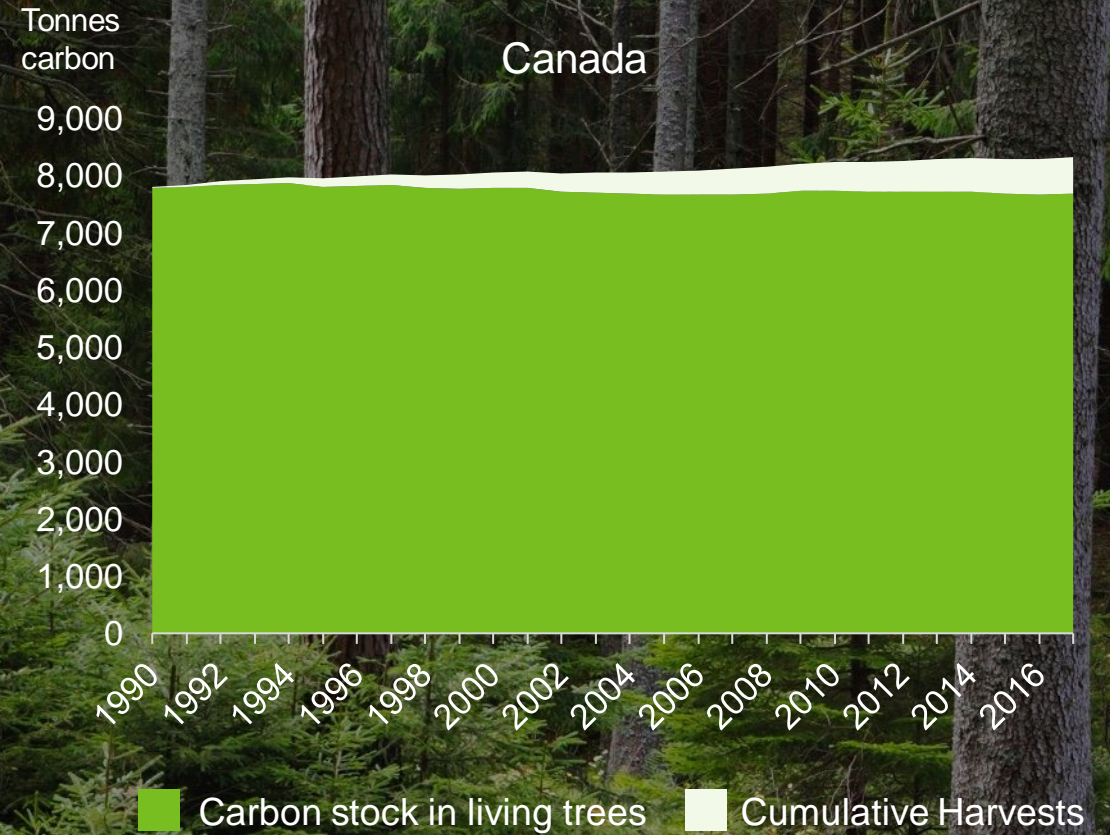
Only growing forests remove CO₂



Carbon sequestration capacity of growing stock



Carbon stock in living trees have increased in Sweden due to active forest management



Sustainable forest management is an enabler of positive climate impact

Optimal climate performance is delivered by:

Sustainably managed forests provide

- High forest growth = high CO₂ capture
- Higher resilience
- Enhanced biodiversity

An increasing volume of wood-based products

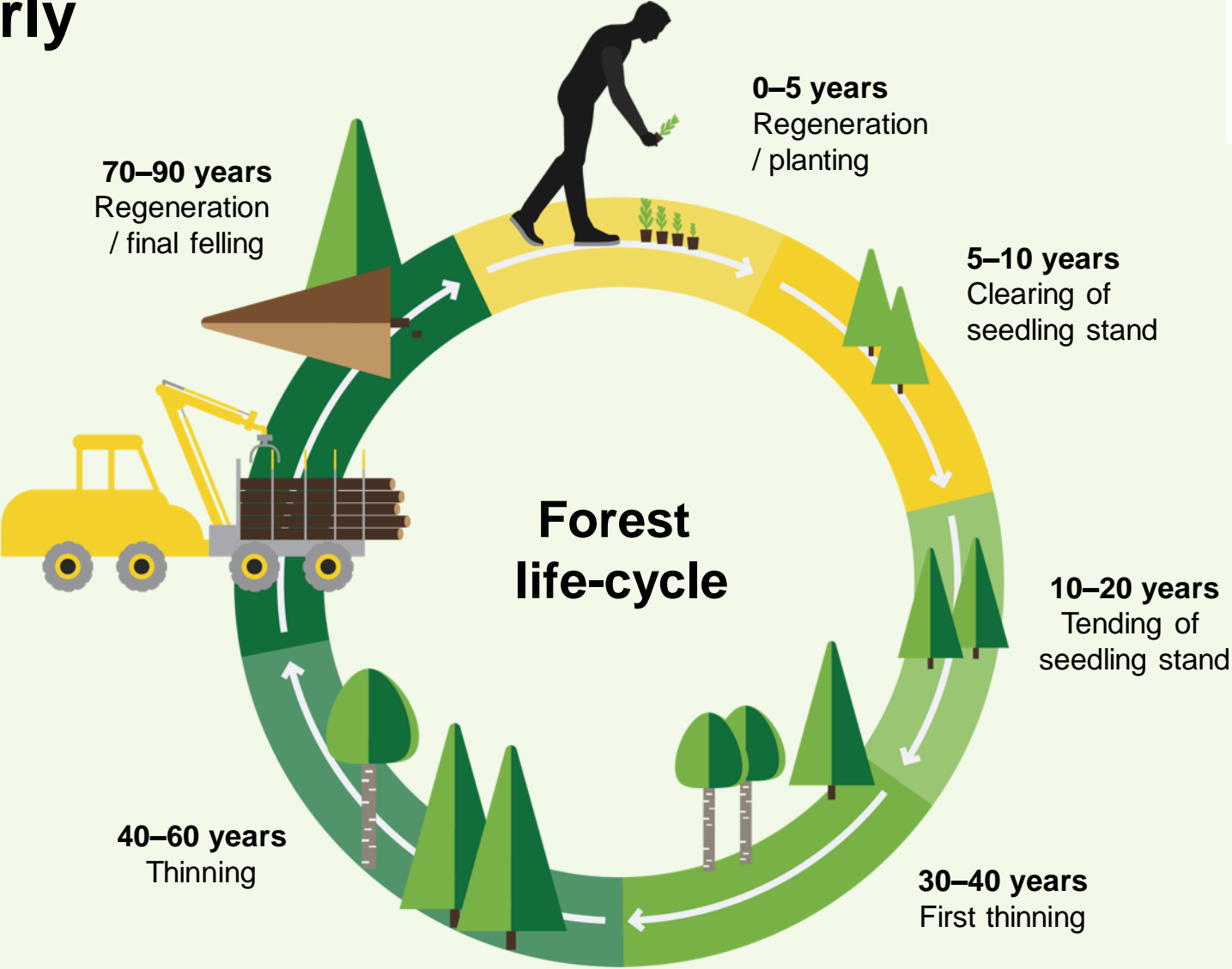
- Store more CO₂
- Substitute fossil-based products



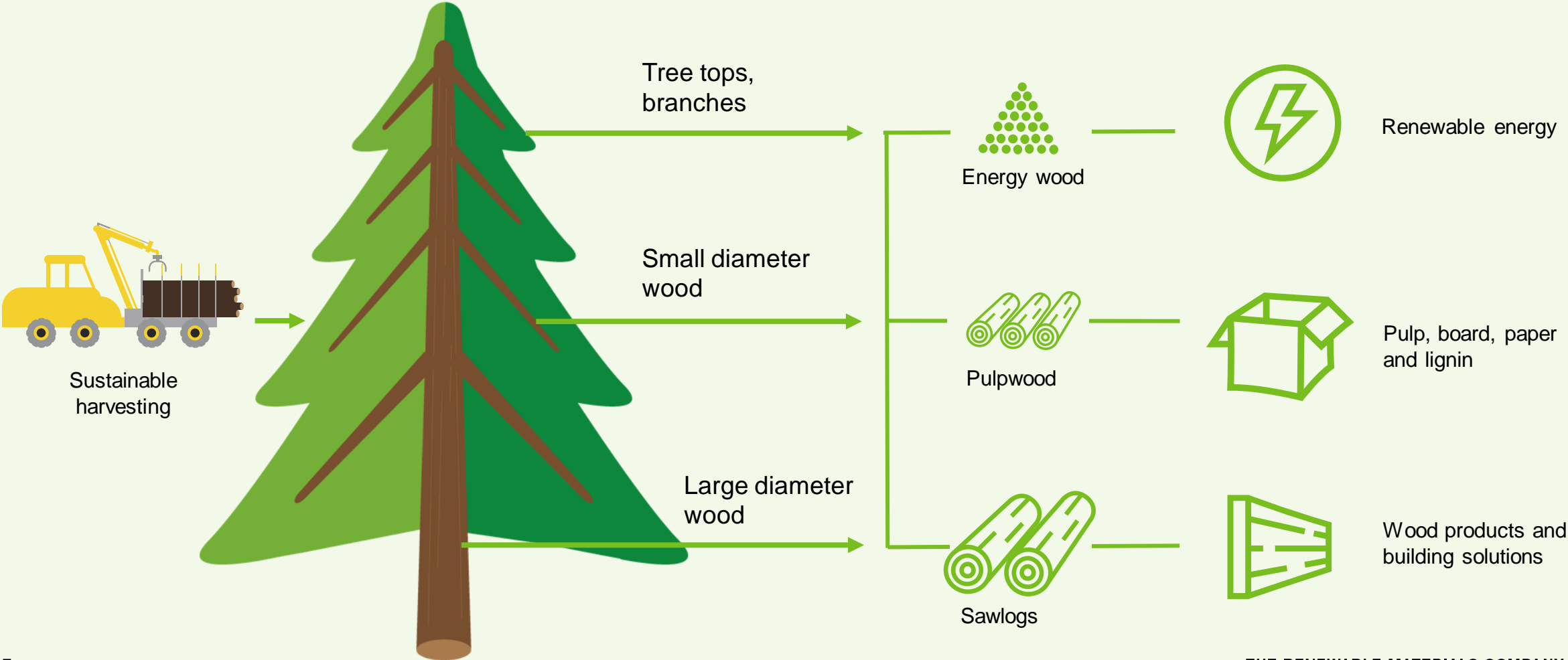
Our forests and plantations absorb 1.5 Mt CO₂ annually



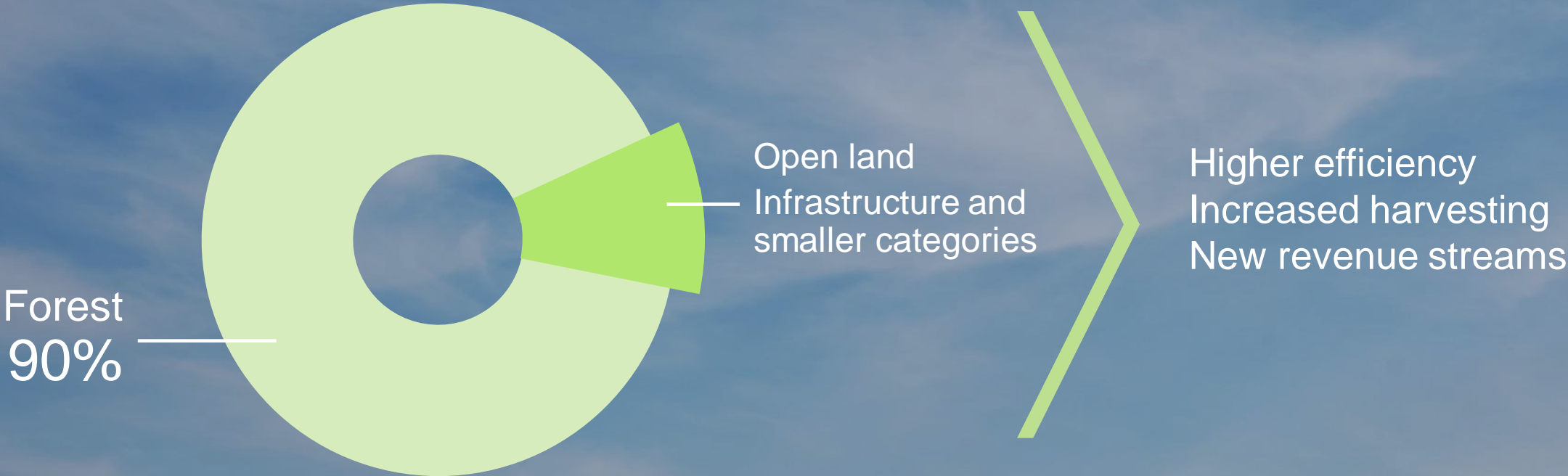
Silviculture is a nearly 100-year circular project in the Nordics



We use all parts of each harvested tree ensuring optimal use



Optimising land utilisation for higher efficiency and developing new revenue streams



We are increasing sustainable harvesting without compromising biodiversity



Up to

+15%

harvesting potential
in our Swedish forests



Active land management provides new revenue streams



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Active landowner

Selected land sales
Land swaps to optimise the land holdings

Wind power

Land leasing
Current capacity 300 MWh
Expansion potential

Other revenue streams

Hunting licences and fishing rights
Gravel sales

Future potential

Carbon credits
Solar power

Biodiversity actions for 2030 – own forests as a development platform



New biodiversity programme
for our own forests

Modelling, research
and knowledge sharing



Science-based indicators
to track progress

Attractive services
for forest owners



Precision forestry
for granular data

Online reporting
during 2022

Our ambition for 2050

Net positive impact
on biodiversity within
our own forests and
plantations through
active biodiversity
management



**New biodiversity programme – making a difference
in our own forests in Sweden**

**Active
biodiversity
management**

Water

**Broad
leaved
trees**

**Habitats
and species**

**Dead
wood**



Tree breeding improves growth and increases the value of forest assets

- Optimised value and volume of wood production per hectare
- Improved wood quality
- Increased vitality and resilience of trees



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Birch breeding

– positive impact on climate, biodiversity, and growth

- New opportunity for Stora Enso
- Fast growth and early flowering lead to five times faster breeding speed compared to pine and spruce
- Planted birch from breeding programmes
 - gives two harvests versus one spruce harvest
 - captures more CO₂ per hectare than spruce
- Mixed stands reduce risks related to pest attacks, fires and storms and enhance biodiversity



Precision forestry enables a more and efficient forest management



Moving from manual and reactive methods towards digitalised, data-driven precision forestry



Creating a precise digital twin of the forest opens new possibilities

- Accurate forest management
- Adaptation to climate change
- Safer forest work
- Increased forest value
- Improved biodiversity data

Source: SLU



Sustainable forest management is a climate act – only growing forests remove CO₂



**Positive
climate
impact**

**Efficient
use of
raw material**

**More
resilient
forests**

**Improved
biodiversity**

Disclaimer



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