



# ANNUAL REVIEW

Valmet's operations and  
sustainability in 2014



Valmet Corporation is a leading global developer and supplier of services and technologies for the pulp, paper and energy industries. Our professionals around the world work close to our customers and are committed to moving our customers' performance forward – every day.

Valmet's net sales in 2014 were approximately EUR 2.5 billion and the company employed about 10,500 people. Valmet's head office is in Espoo, Finland and its shares are listed on the NASDAQ OMX Helsinki Ltd.



## Valmet reports 2014



### Annual Review 2014 (AR)

The report describes Valmet's operations and market environment in 2014 and introduces our sustainability focus areas.



### GRI Supplement 2014 (GR)

The report defines Valmet's sustainability reporting scope and principles and alignment with the Global Reporting Initiative (GRI).



### Financial Statements 2014 (FS)

The report includes Valmet's Financial Statements for 2014 and information about its share, shareholders and management.

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# Valmet in brief

Valmet is a leading global services and technology developer and supplier for the pulp, paper and energy industries.

## Serving over 2,000 customer mills and plants

Valmet develops and provides services and technologies to the pulp, paper and energy industries and to certain other process industries.

Valmet serves over 2,000 mills and plants globally. Our offering is based on customers' needs to promote reliability, cost efficiency and quality in their operations. It is designed to meet the increasing energy, water and raw material efficiency needs.

## Innovative technologies and services

Valmet's offering is based on leading technology and a continuous drive to develop new, innovative solutions for improving the customers' performance in terms of both competitiveness and sustainability. The services range from spare and wear parts to full maintenance and outsourcing. Valmet also provides plant improvements, upgrades, technical modifications and expert services to improve plant efficiency and operational effectiveness.

Valmet has reached a leading position in its key market segments. We have delivered thousands of technology solutions to our customers. For pulp production our offering includes entire pulping lines, from wood handling to pulp drying, including recovery and evaporation systems. For paper producers we offer paper, board and tissue production lines and equipment.

In heat and power generation our focus is on bio and multifuel based solutions. Our key competence is in fluidized bed boilers, biomass and waste gasification and environmental protection systems. The biotechnology solutions include prehydrolysis systems, pyrolysis technology and lignin separation technology.

## Global presence

Valmet's vision is to become the global champion in serving its customers. We have established a presence close to our customers all over the world with over 100 sales offices, service centers,





technology centers and production units. Many of our service centers are located at our customers' sites. We also work closely with our global supplier network to complement our own manufacturing operations.

In 2014 Valmet was organized around three business lines and five geographical areas. The business lines, Services, Pulp and Energy, and Paper are responsible for product and service development and global customer projects. The geographical areas, North America, South America, EMEA (Europe, Middle East and Africa), China, and Asia-Pacific are responsible for sales, customer service and support for project deliveries in their respective regions.

### Growth opportunities in all areas

Our global presence is adjusted to meet local industry needs and market situation. North America has a long tradition in our industry and has a large installed base of pulp, paper and energy plants and mills to be served. In addition to ample service needs there are continuously new or rebuild investments in machinery.

The strong growth of the chemical pulping industry has created an excellent platform for Valmet's operations in South America. Our operations focus on pulp, tissue and biotechnologies. There is also good potential for growth in service operations for Valmet.

Europe is the traditional home market for Valmet. The EMEA area has a large installed base to be served. The outsourcing trend offers us growth opportunities in the service market. There are also new investments made in pulp, tissue and

bioenergy, though these depend on the market and regulatory environment.

Valmet delivered its first paper machine to China in the 1930s. Today we have a strong presence in China ranging from production sites to service centers and sales offices. China is a good service market and still offers new project opportunities in board and tissue production investments.

In Asia-Pacific, our focus is on pulp mills, tissue and board production lines, and power boilers. There is also a growing service market with growth potential for Valmet.

### Over 200 years of industrial history

Valmet's industrial history goes all the way back to the late 18th century. The company has grown from local industrial workshops to a globally leading technology and service provider for the pulp, paper and energy industries. Its history includes mergers and acquisitions, which have led to a comprehensive offering for the industries served.

In 1999 Valmet, which was already a global paper technology company, merged with another Finnish company called Rauma, which specialized in pulp technology. The name of the new company was changed to Metso. Over the following 14 years Metso strengthened its position in pulp and paper, acquired more power generation expertise and also widened its operations in the oil, gas and mining sectors. The new Valmet was born on December 31, 2013, when Metso's Pulp, Paper and Power businesses were demerged from Metso. Read more about our history at [www.valmet.com/history](http://www.valmet.com/history).

# Key figures<sup>1</sup>

EUR million	2014	2013 Carve-out	Change
Orders received	<b>3,071</b>	2,182	41%
Order backlog <sup>2</sup>	<b>1,998</b>	1,398	43%
Net sales	<b>2,473</b>	2,613	-5%
Earnings before interest, taxes and amortization (EBITA) and non-recurring items	<b>106</b>	54	94%
% of net sales	<b>4.3%</b>	2.1%	
Earnings before interest, taxes and amortization (EBITA)	<b>94</b>	-32	
Operating profit (EBIT)	<b>72</b>	-59	
Earnings per share, EUR	<b>0.31</b>	-0.42 <sup>3</sup>	
Dividend per share, EUR	<b>0.25<sup>4</sup></b>	0.15	67%
Return on capital employed (ROCE) before taxes	<b>9%</b>	-4%	
Gearing <sup>2</sup>	<b>-21%</b>	0%	
Cash flow provided by operating activities	<b>236</b>	-43	
Cash flow after investments	<b>194</b>	-97	
Research and development expenses, net	<b>-42</b>	-60	
% of net sales	<b>-1.7%</b>	-2.3%	
Personnel <sup>2</sup>	<b>10,464</b>	11,765	-11%
Lost time incident frequency (LTIF) <sup>5</sup>	<b>5.5</b>	6.5	-15%
Support for non-profit organizations	<b>0.5</b>	0.6	-13%
Carbon dioxide emissions, 1,000 t	<b>84</b>	100	-16%
Energy consumption, TJ	<b>1,253</b>	1,374	-9%
Water consumption, 1,000 m <sup>3</sup>	<b>3,302</b>	3,824	-14%

<sup>1</sup>Group figures: the formulas for calculation of indicators are presented in the Financial Statements 2014.

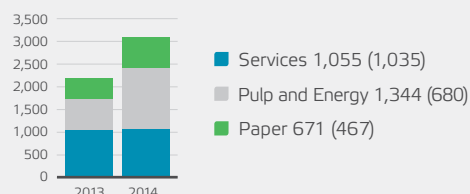
<sup>2</sup>At the end of period.

<sup>3</sup>The earnings per share information was computed as if the shares issued in conjunction with the Demerger had been outstanding for the entire comparison period.

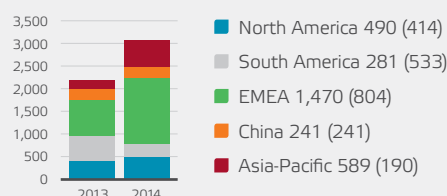
<sup>4</sup>Board of Directors' proposal.

<sup>5</sup>Valmet employees per million hours worked

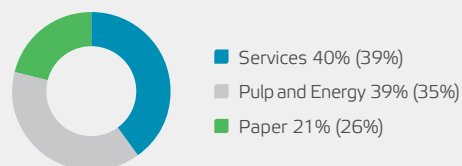
## Orders received by business line, EUR million



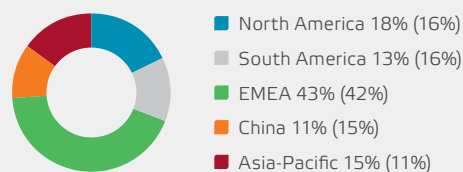
## Orders received by area, EUR million



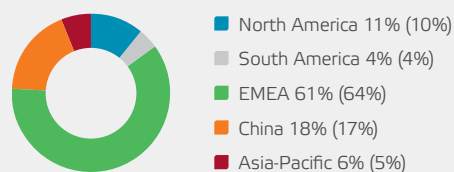
## Net sales by business line, %



## Net sales by area, %



## Personnel by area, %





Valmet is a future-oriented company with a strong customer promise: Forward.



# CEO's review

In 2014 Valmet made good progress on many fronts. The strong level of trust in Valmet demonstrated by customers and the commitment of our employees to enhancing the company's competitiveness contributed to a good and very active first year as an independent company. Valmet also improved its position among the world's sustainability leaders and among the respected corporate brands. In early 2015, Valmet took a natural strategic step forward and agreed to acquire Process Automation Systems business\* from Metso.

## Exceptionally active customer market

The customer market in 2014 was very active and our order intake was exceptionally good, at EUR 3,071 million. The figure was 41 per cent higher than in the previous year.

It was delightful to see orders coming in from all our customer segments and all parts of the globe. The financial situation of many of our customers showed signs of improvement, which was reflected in positive investment decisions.

The order highlights during the year included contracts to supply key pulp mill technology to OKI Pulp and Paper Mills in Indonesia, two pulp drying lines to Klabin in Brazil, pulp mill rebuild to Södra Cell in Sweden, and chemi-mechanical pulp (BCTMP) and a board production line to Stora Enso in China. Furthermore, Metsä Board selected Valmet for their extensive folding boxboard machine investment in Sweden and Stora Enso for their paper machine rebuild in Finland. We also received first US orders for our OptiConcept M board machine and the Advantage NTT tissue machine technology, both of which are examples of our latest innovations.

The investment activity of energy customers was high especially during the first half of the year. Valmet agreed among others on a large-scale boiler plant delivery to Turun Seudun Energiantuotanto Oy in Finland, a biomass based power plant delivery to Skövde Värmeverk AB in Sweden, and a boiler plant delivery to ArcelorMittal Energy Ostrava in the Czech Republic. Our multifuel boiler concept has been well-received by the industry. We also received many orders for our flue gas cleaning system, which helps in reaching EU's new emission targets and improves energy recovery.

Our Services Business line continued its stable performance during the year. We made a number of smaller investments to further enhance our presence close to customers and the renewal

of our services offering continued at a good speed. Valmet introduced several new services solutions and products to markets including new eServices.

During the year we had successful start-ups such as a number of board production lines in China, several boiler projects in Europe and the USA, and Advantage tissue machines in Mexico and China.

## R&D responds to global changes and customer needs

Global changes taking place, such as climate change and developments in the bio-economy, growth in living standards and the need for renewable solutions, are all having an impact on Valmet and our customers. To meet the need for more sustainable solutions, we continuously strive to develop technologies and services that enable the conversion of renewable resources into sustainable products and enhance water, energy and raw material efficiency.

Our customers' needs are strongly driven by sustainability. Increasing production efficiency and occupational safety, widening the raw material base, enhancing the quality and sustainability of end-products and developing totally new innovations are all areas where we and our customers join forces.

Valmet's own research and technology centers are unique in the industry and appreciated by our customers. In 2014, we started up a new BioTrac pilot plant for hydrolysis of biomass in Sweden.

Customer experience is in focus when designing new technologies. The design of our industry-leading OptiConcept M paper and board production line received recognition in the Fennia Prize 2014 design competition.

## Stable development towards financial targets

During our first year as an independent company, we were able to improve our profitability in each quarter towards

\*It is estimated that the acquisition will be completed by April 1, 2015. The completion of the transaction is subject to approval by the competition authorities.



## Highlights 2014



the targeted level. Valmet's net sales were EUR 2,473 million (EUR 2,613 million) and EBITA margin 4.3% (2.1%) in 2014.

Our EUR 100 million savings program was finalized during the third quarter of 2014. The work towards our financial targets continues, and we still have further profitability improvement potential, for example through savings in procurement and quality costs, by actions to improve project and service margin, and by improving product cost competitiveness.

### Good progress in strategy

Valmet's way forward is based on its mission, strategy, must-wins and vision. Our mission is to convert renewable resources into sustainable results. Our strategy focuses on delivering competitive technology and services to pulp, paper and energy industries, and on moving our customers' performance forward. The four Must-Wins remain the same in the coming year: 'Customer excellence', 'Leader in Technology and Innovation', 'Excellence in Processes' and 'Winning Team'.

In 2014 we progressed in the strategy and Must-Wins as planned. First, we systematically strengthened our presence close to our customers globally through our area organizations. Second, we proceeded in the development and commercialization of new biotechnologies such as lignin separation, pyrolysis

and gasification of biomass. Our work to enhance our cost competitiveness and quality also showed good results.

In addition, we took a big step forward in creating a winning team and strengthening our performance oriented culture by defining Valmet's values, which we did during the first half of the year. Over 6,000 employees took part in identifying the values that form the basis of our cooperation with each other, with customers and with other stakeholders.

In January 2015, we agreed to acquire Process Automation Systems business\* from Metso Corporation. The acquisition has a perfect fit with our strategy and is a natural step towards our vision: To become the global champion in serving our customers.

### Acknowledged sustainability work

Valmet takes a responsible approach in everything it does and sustainability is strongly embedded in our mission and strategy. In spring 2014 we defined our sustainability agenda. The agenda focuses on five core areas, which are the most material to Valmet, its customers and other stakeholders. For each of the five areas we have defined specific roadmaps to take our sustainability performance forward.

Valmet's inclusion in the Dow Jones World Sustainability Index among 300 most sustainable companies in the world in 2014 shows that we are already on the right track. This is a great

\*It is estimated that the acquisition will be completed by April 1, 2015. The completion of the transaction is subject to approval by the competition authorities.





## We have created a unique offering for our customers.

recognition for our sustainability efforts and gives our stakeholders an excellent means to assess our achievements in this respect.

Another important milestone was Valmet's inclusion in the Nordic Climate Disclosure Leadership Index (CDLI) among the best Nordic companies that have comprehensively and transparently reported on their actions on climate change mitigation. With a score of 98/100 Valmet was ranked among the top 10% of the organizations that constitute the index.

Valmet was also approved as a member of the UN Global Compact initiative early in the year. We are committed to complying with the ten universally accepted principles in the areas of human rights, labor, environment and anticorruption described in the Global Compact.

### Strong reputation

Our brand – the perception and experiences of our customers and other stakeholders regarding Valmet – is important to our success. By choosing the name Valmet we wanted to sustain and build on the excellent reputation and attributes such as reliability and quality that were embodied in the name and its heritage. But at the same time we created a totally new, future-oriented Valmet with a strong customer promise: Forward.

The feedback and trust from our customers indicate that we have succeeded in this. We have received additional confirmation from independent surveys conducted by several research agencies during the year. Valmet's reputation is strong and positive. We work hard every day to be worthy of the trust shown in us and to ensure the best customer experience.

### Towards an inspiring future

Valmet has 200 years of industrial history behind it. Today, Valmet is a unique combination of technologies and services offered globally. Together with our top-professionals around the world we are strongly committed to moving our customers' performance and the whole industry forward.

I warmly thank all our customers and partners for an excellent year of cooperation, and the entire Valmet team for their committed work and inspiring achievements during the year.

Let's create the future together!

*Pasi Laine*  
President and CEO



MUST-WIN: LEADER IN TECHNOLOGY AND INNOVATION

## Full-range offering with high efficiency

Once completed in 2015, the new world-class pulp line of CMPC Celulose Riograndense pulp mill that is being installed in Guaiba, Brazil, will produce 1.3 million tonnes of bleached eucalyptus pulp per year. The new pulp line will be one of the biggest in the world.

Valmet is delivering the key technology of the pulp line from cooking to baling and chemical recovery. The chosen technologies enable low consumption of chemicals, water, and steam while boosting the electrical power generation.

“This project demonstrates the customers' confidence in Valmet's capabilities as a full-range supplier of competitive technologies and solutions for pulp production. Our solutions are designed for maximum efficiency with a very high level of safety and compliance with the highest environmental standards,” says Celso Tacla, Area President, South America, Valmet.

Another major-size pulp mill supplied by Valmet for Suzano Papel e Celulose was successfully started up in Brazil at the end of 2013. The mill is the first complete pulp mill supplied by Valmet in South America.

# Business environment

The demand for Valmet's technology and services offering is directly linked to the consumption of pulp, board, paper and tissue in the global markets. Demand for energy is also driven by regulation and competitiveness of different energy sources.

The demand for pulp, board, paper, tissue and energy is affected by global megatrends, such as increasing standard of living, the bioeconomy and climate change, and the need for renewable solutions. These affect not only the volume of the demand but also the preferences of consumers and customers of the products or technologies.

## **New investments in pulp mills**

The increasing global consumption of paper, board and tissue drives the demand for pulp, and thus impacts pulp production volumes and investments in pulp production. The long-term market growth for pulp is approximately 1–2% per year, corresponding to 1.5 large pulp mills annually.

Major new pulp mills are being built mainly in South America and Asia, but there are also opportunities in the Nordic countries. Upgrades, rebuilds and conversions of the installed base will continue in North America and Europe.

## **Market interest in bioenergy and biotechnology**

Energy consumption is growing globally. At the same time the interest in sustainable energy is increasing. After a period of very few investments in bioenergy in 2013, lots of investments were made in 2014. The long-term market growth for bioenergy is estimated to be approximately 1% yearly.

In North America, shale gas-based energy production has decreased the market interest for bioenergy investments.



## Global megatrends

### Increasing standard of living

Global GDP growth, urbanisation and a growing middle class are driving customer demand, which is in turn increasing the demand for energy, packaging and hygiene papers all of which can be based on renewable raw materials.

# 5%

annual growth in GDP per capita globally in 2005–2013.

### Climate change and bioeconomy

Increasing the production of CO<sub>2</sub>-neutral bioenergy is seen as one of the solutions to mitigate climate change. Consumers' environmental awareness and international emissions reduction initiatives are creating demand for energy-efficient and sustainable technologies and solutions based on biomass, which form the base for bioeconomy.

# 2050

aims for net zero CO<sub>2</sub> emissions if confirmed by Paris Climate Change Conference in 2015.

### Need for renewable resources

Resource scarcity creates demand for renewable raw materials, products and energy. Products and energy based on biomass are both renewable and CO<sub>2</sub>-neutral and can replace non-renewable raw materials and fossil fuels. The use of biomass in totally new applications is increasing.

# 80%

of global energy consumption is based on fossil fuels\*.

\*World Bank

In Europe, advanced environmental regulations have fuelled the biomass-based energy market, but the recession and competitiveness of different energy sources have weakened the market. An unpredictable regulatory environment regarding CO<sub>2</sub> emissions also creates some uncertainty. In emerging markets, bioenergy production is mostly based on low-cost solutions for agro-fuels. There are, however, increasing opportunities in the Asia-Pacific area.

There is market interest in technologies for the conversion of biomass to fuels, chemicals or materials, and this is driven by, for example, the regulations targeting a reduction in CO<sub>2</sub> emissions.

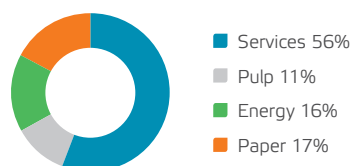
Commercial-scale investments in second-generation bioethanol plants are being made in all market areas. At the moment, future potential is seen especially in Brazil and the USA. In terms of pulp investments, there is growing interest in technologies for lignin separation and the further refining of it in South America, North America and Europe.

### Clear growth potential for packaging board

The demand for packaging is being driven by megatrends such as the increasing standard of living, the growing share of e-commerce, and greater environmental awareness. This in turn is increasing

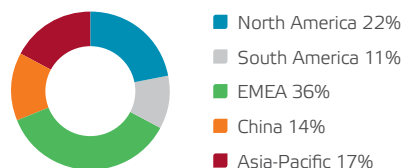
### Market size by business

(Total target market size\* ~ EUR 12 billion)



### Market size by area

(Total target market size\* ~ EUR 12 billion)



\* Market size is defined as Valmet's target market, meaning those geographical markets, product segments and customer industries where Valmet is currently competing or aiming to compete.



the demand for renewable packaging board. Investments in high-performance, medium-sized packaging board machines and even grade conversions are continuing. The long-term demand for packaging board is estimated to grow steadily at approximately 3% per year.

Although the vast majority of the demand growth for packaging board comes from emerging markets, demand is also growing in the developed markets, driven by some of the same megatrends, such as increasing e-commerce.

### Declining paper market

The growing role of digital media is decreasing the demand for newsprint and for printing and writing grades. Globally, demand growth for graphic paper has come to a standstill: there is still some growth in emerging markets, but the demand is decreasing even faster in developed markets. As a whole, the long-term demand for paper is expected to decrease by approximately 1% per year, and only a few new investments will be carried out.

### Tissue going strong in all markets

Increases in the standard of living, especially in emerging markets, will continue driving the demand for tissue in the longer term. However, in China there is currently some over-capacity, and this will affect the demand for new tissue machines in the short term. The demand for tissue is also growing in developed markets, driven by new products and consumption models developed to meet the changing needs of customers. The long-term demand for tissue is estimated to grow steadily at approximately 3% per year.

### Stable market for services

The demand for services related to pulp, paper and energy production is driven by the installed base, production volumes, the need to decrease the use of energy and raw materials, and the increasing outsourcing of non-core operations by our customers. There is a steady demand for process improvements and maintenance services. The market growth for services is estimated to be approximately 2% per year.

Over half of the current installed base is in developed markets. In North America and Europe, the services market is stable despite the slight decrease in customers' production volumes. This is due to the trend of buying services and increasing the outsourcing of non-core operations. Upgrades, rebuilds and conversions of existing machines will also continue in these areas. The largest growth potential, however, is in the emerging markets of China, Asia-Pacific and South America, where the installed base is increasing, machines are ageing and customers are still doing services mostly in-house.



MUST-WIN: LEADER IN TECHNOLOGY AND INNOVATION

## From fossil to renewable fuels

Hamburger Hungaria Power in Dunaújváros, Hungary, will replace its existing gas-fired boiler plant with Valmet's multifuel CYMIC boiler, which is an advanced circulating fluidized bed (CFB) boiler. It enables superb fuel flexibility and combines high-efficiency combustion of various solid fuels with low emissions.

The new power plant will serve Hamburger Hungaria's containerboard mill that operates two paper machines. Due to its state-of-the-art design the plant will generate both heat and electricity, thus ensuring the mill's energy self-sufficiency. The new co-generation power plant will use a wide range of solid fuels; biomass and coal, as well as containerboard rejects and sludge that were earlier deposited at landfill.

When completed, the power plant will generate energy with an outstanding energy efficiency rate of 75% which, together with the beneficial fuel combination, will decrease the plant's CO<sub>2</sub> emissions by 35%. In order to minimize the power plant's environmental impact, it will also be equipped with state-of-the-art flue gas cleaning equipment.

The startup of the new plant is planned for December 2015.



## Valmet's market environment in 2014


	Pulp	Energy	Board and Paper	Tissue	Services
Global market drivers	<p>Global paper, board and tissue consumption</p> <p>Increasing recycling rate</p> <p>Efficiency and increased size of pulp lines and mills</p> <p>Environmentally sound processes</p>	<p>Energy consumption</p> <p>Demand for sustainable energy</p> <p>Refurbishment of aging plants</p> <p>CO<sub>2</sub> reduction incentives and regulation</p> <p>Demand for fuel flexibility and multifuel solutions</p> <p>Demand for combined heat and power solutions</p>	<p>GDP growth, world trade, industrial manufacturing, retail sales and e-commerce drive demand for packaging and boards</p> <p>Increasing role of digital media decreases demand for printing and writing papers</p>	<p>Consumption growth driven by purchasing power and increasing living standards</p> <p>New products and consumption models based on tissue</p>	<p>Increase of global pulp, paper and energy installed base</p> <p>Capacity utilization rates</p> <p>Customers outsourcing non-core operations</p> <p>Steady demand for process improvements, spares and wears, outage &amp; maintenance services</p>
Market growth	<p>Long-term growth ~1-2% p.a.</p> <p>Cyclical market</p>	<p>Long-term growth ~1% p.a.</p> <p>Cyclical market</p>	<p>Board long-term growth ~3% p.a., stable demand growth</p> <p>Paper long term growth -1% p.a., little new investments</p>	<p>Long-term growth ~3% p.a.</p> <p>Stable global tissue demand growth</p>	<p>Long term growth ~2% p.a.</p> <p>Stable demand</p>
Valmet's position	<p>#1-2</p> <p>2,000 systems delivered for pulp mills</p>	<p>#1-2</p> <p>400 power boilers delivered</p>	<p>#1-2</p> <p>700 board machines and 900 paper machines delivered</p>	<p>#1</p> <p>200 tissue machines delivered</p>	<p>#1-2</p> <p>Services for over 50% of the world's pulp and paper mills</p> <p>Strong (niche) position in energy services for own technology</p>
Markets by geographical areas	<p>New mega mill investments mostly in South America and Asia but opportunities also in Nordics</p> <p>Upgrades, rebuilds and grade conversions continue in North America and Europe</p> <p>LignoBoost investments in North America and Europe</p>	<p>Biomass based energy market is active in Europe where environmental regulation is most advanced</p> <p>In North America, bioenergy has challenges due to shale gas</p> <p>Emerging markets have mostly low cost solutions for agro fuel, but there are increasing opportunities for multifuel solutions in Asia-Pacific</p>	<p>75% of world board demand growth is in emerging markets driven by economic growth, industrial manufacturing, retail sales and e-commerce. Some growth also in printing and writing</p> <p>Board demand grows also in developed markets driven by industrial and retail trade. Printing and writing paper demand declining</p>	<p>75% of world tissue demand growth is in emerging markets driven by economic growth, urbanization and increased living standards</p> <p>Tissue demand grows also in developed markets driven by new products and consumption models based on tissue</p>	<p>Over half of current installed base is in developed markets and customers are advanced in buying services</p> <p>Largest growth potential in emerging markets, driven by installed base growth, young but ageing machinery and customers doing still lots of services in-house</p>

# Strategy

Valmet’s strategy has guided us in the right direction, and the successful implementation of our Must-Wins has already brought good results. We have also taken a step forward with sustainability.

Valmet’s mission is to convert renewable resources into sustainable results. This means that our technologies and services make it possible for our customers to manufacture sustainable products from renewable resources. Valmet’s strategy demonstrates its commitment to contribute to customers’ success. Our commitment is realized by developing and supplying competitive technology and services that meet the changing needs in the market.

Valmet’s strategy and financial targets were initially announced in September 2013 and were reconfirmed by its Board of Directors in July 2014. During the year we continued the successful implementation of our Must-Wins.

 Read more about our Must-Wins in practice in the cases.

## Valmet’s way forward



## Our values



### Customers

We move our customers' performance forward.



### Renewal

We promote new ideas to create the future.



### Excellence

We improve every day to deliver results.



### People

We work together to make a difference.

### Closer to the customers

In 2014, our main focus in building 'Customer excellence' was on strengthening key account management and driving services growth through long-term agreements. We continued to implement our key account management model globally and appointed corporate and mill level account managers. We can now serve our customers even better by providing a single point of access to Valmet's entire offering. This way of working has led to closer relationships with customers at different organizational levels, which has helped to ensure strategic alignment and quick response.

To respond effectively to the growing demand for services, we continued to develop services agreement concepts and our business model to provide a sharper focus on customer value, to standardize delivery processes, and to improve our competencies close to customers. During the year we successfully developed our services business based on long-term customer agreements.

### Focus on product cost competitiveness and new biotechnologies

In the 'Leader in technology and innovation' Must-Win we continued to develop our product cost competitiveness through, for example, modularization, product design, and technology transfer. This has enabled us to achieve good results in decreased engineering, manufacturing, and installation costs for certain products.

We also continued to work on new biotechnologies. Clear market interest is seen especially for LignoBoost lignin separation and pre-hydrolysis technology which serves as a pretreatment solution for converting renewable biomass into energy

## Must-Wins

## Strategic goals

Customer excellence		Valmet has strong, capable, and committed teams close to customers and advanced sales and service concepts to provide customers with the best possible business case.
Leader in technology and innovation		Valmet provides advanced technology, cost competitive product and services offering, and innovative new solutions. Focus on developing and commercialization biotechnologies continues.
Excellence in processes		Valmet operates with efficient processes and increasingly light asset base providing cost competitiveness and flexibility. Quality and health and safety are improved.
Winning team		Valmet has engaged and performance driven teams living Valmet's shared values. Competences are globally balanced and close to customers.

## Financial targets

### Growth

Net sales growth to  
exceed market growth

### Profitability

EBITA<sup>1</sup> before non-recurring  
items: 6–9%

### ROCE

Return on capital employed  
(pre-tax), ROCE<sup>2</sup>: minimum of 15%

### Dividend policy

Dividend payout at least  
40% of net profit

<sup>1</sup>EBITA (earnings before interest, taxes and amortization) before non-recurring items = operating profit + amortization + non-recurring items

<sup>2</sup>ROCE (pre-tax) = (profit before taxes + interests and other financial expenses) / (balance sheet total - non-interest-bearing liabilities (average for period))

and platform chemicals. Our aim is to further develop new solutions in active cooperation with customers and commercialize new biotechnologies.

### Good progress in process development

In the 'Excellence in processes' Must-Win, we progressed successfully in many ongoing initiatives. The cost competitiveness program aiming for savings of 100 million euros has now been fully implemented.

In procurement, we continued to implement Global Category Management, with pooling for cost-efficient sourcing, increased sourcing from lower cost countries and increased the use of subcontracting.

Efforts to reduce the costs of substandard quality continued with increased management focus. We implemented additional common tools and processes and systematic reporting and follow-up of key performance indicators (KPIs) and action plans

in order to enhance quality. A special focus has been placed on root cause analysis and corrective actions. We also continued our systematic work to improve our health and safety performance.

### Setting the basis for high performance

According to the target of the 'Winning team' Must-Win, we continued to strengthen our high performance culture and to ensure that we have the right competencies in place globally. Special focus was placed on rewarding practices and on completing development tasks related to the annual performance and development review as well as talent review processes. We also conducted a global employee engagement survey in the second half of the year. In 2014 we involved our whole organization as we defined our shared values, which form the foundation for all our work at Valmet.

### Sustainability Agenda

Sustainability is at the core of Valmet's business strategy and operations. Our values, Code of Conduct and related policies, and selected globally acknowledged initiatives and principles create the foundation for sustainable performance at Valmet.

In the first half of 2014, we defined a Sustainability Agenda as part of the implementation of Valmet's business strategy. The Sustainability Agenda identifies the sustainability focus areas that create added value for Valmet and its stakeholders. For each sustainability focus area we have defined concrete targets and action plans for 2014–2016, which are described in this report. We evaluate and develop our performance and report on our achievements on an annual basis.

### Defining the agenda

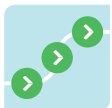




The Sustainability Agenda is the result of a thorough process involving Valmet's stakeholders, in which we defined all the topics that are relevant to Valmet and its stakeholders and could have a significant economic, environmental or social impact on our business or which are of concern to our stakeholders.

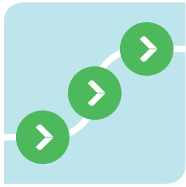
The process included a stakeholder survey sent to 9,000 stakeholders, including customers, Valmet employees and institutional investors and owners. Interviews were also conducted with customers, a benchmark study carried out and internal workshops held with core experts and management. The current business environment and the most important market drivers affecting the industries in which Valmet and its customers operate were also reviewed as part of the process to build a comprehensive understanding of all potential sustainability aspects. As a result of the process we defined five sustainability focus areas covering the most significant sustainability issues for Valmet.

The Sustainability Agenda has been approved by Valmet's Executive Team and will be reviewed annually against any changes in business targets, the business environment and stakeholder expectations.



## Key sustainability targets and achievements

Focus area	Key targets	Highlights 2014
<b>Sustainable supply chain</b>		
 <p>We enhance our supply chain management and the transparency of our value chain</p>	<p>100% of Valmet's procurement contracts to include Sustainable Supply Chain Policy</p> <p>80% of Valmet's active and 100% of new suppliers monitored through the sustainability risk assessment concept by 2016</p> <p>Training of Valmet's entire procurement organization by the end of 2015</p>	<p>Launch of Sustainable Supply Chain Policy</p> <p>Implementation of global supplier sustainability risk assessments started</p> <p>Training of sustainable procurement practices for all procurement personnel in China</p>
<b>Responsible operations (HSE)</b>		
 <p>We provide a safe working environment and minimize the environmental impact of own operations</p>	<p>Our ultimate goal is zero harm</p> <p>Lost-time incident rate (LTIF) 4 by the end of 2015</p> <p>Energy and CO<sub>2</sub> emissions reduction 20% by 2020</p> <p>Water consumption reduction 15% by 2020</p>	<p>No fatalities, no significant environmental incidents</p> <p>LTIF decreased by 15%</p> <p>Launch of additional minimum safety standards</p> <p>CO<sub>2</sub> emissions down by 16%</p> <p>Water consumption down by 14%</p>
<b>People and performance</b>		
 <p>We develop an engaged and performance driven community</p>	<p>Values part of company culture and way of working</p> <p>Define strategic competencies for each Business Line and Area</p> <p>Leadership fundamentals concept in place locally</p> <p>Positive trend in engagement and performance levels as measured in regular engagement surveys</p>	<p>New Valmet values launched globally</p> <p>Engagement survey completed with global response rate of 68%</p> <p>Development of global training portfolio: four global training programs starting in early 2015</p>
<b>Cost-effective sustainable solutions</b>		
 <p>We develop and provide solutions that support sustainable development</p>	<p>Positive trend in the energy consumption of Valmet's offering</p> <p>Focus on R&amp;D for new bio technology solutions</p>	<p>First orders from the USA for new paper and tissue machine concepts</p> <p>Major pulp mill orders</p> <p>New biotechnology projects</p> <p>Perception of Valmet's sustainable solutions improved among customers.</p>
<b>Corporate citizenship</b>		
 <p>We are a trusted partner to our stakeholders and a respected corporate citizen</p>	<p>Demonstrate leadership in third party sustainability ratings</p> <p>Enhanced dialogue with stakeholders</p>	<p>Membership in UN Global Compact</p> <p>Inclusion in Dow Jones Sustainability World and Europe Indices (DJSI)</p> <p>Inclusion in CDP's Nordic Climate Disclosure Leadership Index (CDLI)</p> <p>Launch of new online tool for continuous stakeholder dialogue</p>



# Sustainable supply chain

Valmet collaborates with a truly global supplier network. We work systematically to ensure responsible business practices throughout our supply chain and to improve the transparency of our value chain.

Valmet has an extensive supply chain including around 8,500 active suppliers in over 50 countries. However, over half of our purchases come from Finland and Sweden when measured by supplier spend. Our purchases mainly comprise metals-based products and electronic components and services from suppliers in the pulp, paper and energy industries.

## Increased focus on supply chain management

In 2014, Valmet created a comprehensive approach for achieving a more sustainable system of supply chain management

in order to improve its procurement processes and enhance transparency in its supply chain. We will incorporate sustainability criteria into our entire value chain and improve risk management by integrating new proactive tools and processes into the procurement practices. The new processes, which include implementation of the Sustainable Supply Chain Policy, supplier sustainability risk assessment, procurement personnel training, and supplier self-assessment and auditing practices, were piloted in China in 2014. The global roll-out of these new processes will continue in 2015.



# Sustainable supply chain roadmap 2014–2016

We enhance our supply chain management and the transparency of our value chain

Actions	How do we measure progress?	Highlights 2014
<p><b>1. Sustainable Supply Chain Policy:</b> We expect our suppliers to comply with our Sustainable Supply Chain Policy and we will incorporate it in all new contracts and purchase orders.</p> <p><b>2. Supplier risk assessment:</b> We integrate supplier sustainability risk assessment into procurement processes.</p> <p><b>3. Training:</b> We increase the awareness and competences of sustainable procurement practices in the procurement organization.</p> <p><b>4. Sustainability audits and supplier self-assessments:</b> We request supplier self-assessments and make audits.</p> <p><b>5. Conflict-free minerals and compliance with chemical legislation:</b> We strive to ensure that the materials and components we use do not include legally restricted chemicals or minerals from conflict areas.</p>	<ul style="list-style-type: none"> <li>• Coverage of global processes</li> </ul>	<ul style="list-style-type: none"> <li>• Launch of Sustainable Supply Chain Policy</li> <li>• Implementation of global supplier sustainability risk assessment concept started</li> <li>• Training of sustainable procurement practices for all procurement personnel in China</li> </ul>

## Incorporating sustainability criteria in the supply chain

In 2014, we launched a Sustainable Supply Chain Policy, which applies to all suppliers globally. The policy was approved by Valmet's Executive Team in June. The policy will be incorporated into new contracts and purchase orders, and communicated to all active suppliers.

The policy addresses Valmet's requirements for its suppliers regarding business ethics, compliance, human rights and labor rights, occupational health and safety, environmental management and sustainability in products and services. We expect all our suppliers to comply with the principles defined in the policy; it is the starting point for all business relationships with Valmet. If the requirements of Valmet's Sustainable Supply Chain Policy are not followed, Valmet reserves the right to terminate the contract with the supplier. The policy acts as a basis for supplier evaluations, self-assessments and sustainability audits.

## Enhanced risk management

In its global supplier selection process, Valmet assesses a wide range of topics ranging from management practices, financial and operative performance to ethical business practices, human and labor rights, occupational health and safety, environmental management and product safety.

During 2014, we created a supplier sustainability risk assessment concept to integrate sustainability criteria more strongly into our global supplier selection process. The new concept enables the assessment of suppliers by country of purchase, and by the purchasing category. The aim is to assess the potential negative indirect impacts and risks related to human rights, labor practices, ethical business practices, environmental performance and health and safety.

Based on the supplier sustainability risk assessment we may request our suppliers to self-assess their sustainability performance and management. The self-assessment may lead to a supplier audit by Valmet. With the self-assessments and audits we aim to enhance risk management and ensure compliance with the policy.

## Human rights assessment

In the industries from which Valmet makes most of its purchases, the potential human rights risks relate to freedom of association, possible use of forced labor, and occupational health and safety. Valmet has also acknowledged that countries such as China, India and Thailand, where it has both its own operations and makes purchases, are commonly identified as risk countries in terms of human rights impacts. Valmet has identified the

**8,500**  
suppliers in over  
50 countries

**74%**  
of purchases  
from low risk  
countries

potential negative indirect human rights impacts that local suppliers in such industries and countries may pose to the company, and has taken action to mitigate the risks.

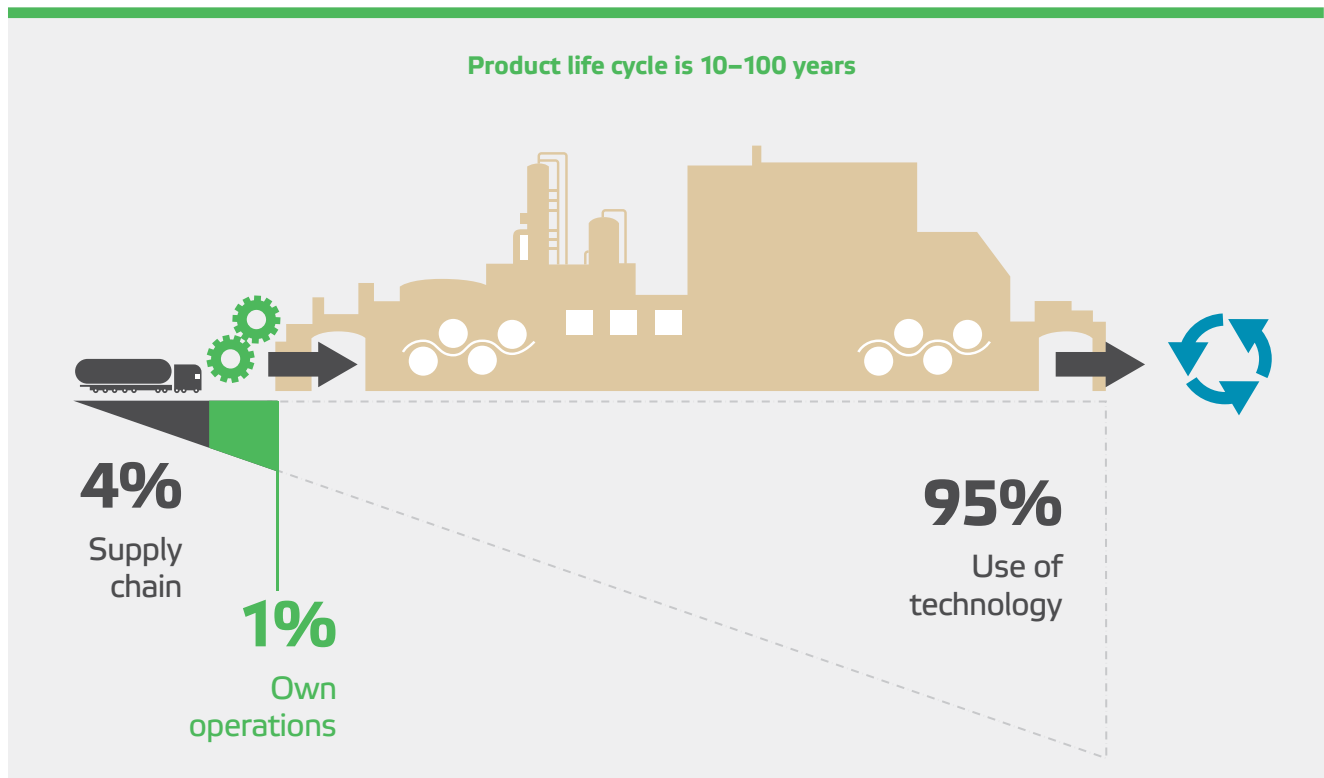
During 2015–2016, Valmet will conduct a human rights impact assessment of the supply chain and its own operations.

**Environmental impacts of value chain**

Valmet strives to develop the transparency and traceability of its entire value chain from sourcing of raw materials to recycling of our products. Based on Life Cycle Analysis (LCA) of two product families we have estimated that around 4% of the environmental impacts of Valmet’s entire value chain are emitted through our supply chain, including procurement activities, transportations and logistics. Valmet’s indirect emissions (scope 3\*) rise mainly from purchased goods and services. Other significant categories with regard to indirect emissions are business travel, upstream transportations and employee commuting.

\*Scope 3 emissions include indirect greenhouse gas emissions from sources not owned or directly controlled by Valmet but related to its activities, such as procurement, transportation and distribution, business travel, and employee commuting.

**Environmental impacts of Valmet’s value chain**





## Purchases

(10 largest countries)

EUR million	2014	2013
Finland	639	641
Sweden	222	236
USA	130	134
China	119	94
Germany	59	64
Brazil	54	133
Poland	37	35
India	29	7
Japan	26	26
Italy	20	12

Valmet's transportation activities consist of transportation by land, sea and air. Valmet strives to reduce the environmental impact rising from logistics by sourcing from suppliers close to its operations, and by consolidating shipments and using cargo hubs. We also use specific transportation modes such as intermodal solutions and railway transport whenever possible. Valmet's Sustainable Supply Chain Policy also requires our suppliers to commit to reducing their environmental impacts.

### Chemical management

As safety is an integral part of Valmet's operations, solutions and services, we strive to ensure that the materials and components we use do not include legally restricted chemicals. Valmet is committed to the goals of European Union Regulations such as the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the Restriction of Hazardous Substances (RoHS). Valmet's General Purchase Conditions and Sustainable Supply Policy also require its suppliers and sub-contractors to comply with all applicable regulatory requirements regarding restricted materials.

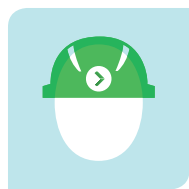


MUST-WIN: EXCELLENCE IN PROCESSES

## Innovation, re-design and quality

In 2014, suppliers and employees from all over the world participated in Valmet's first global Supplier Day. The aim of the event was to present Valmet's new role as an independent company, to identify areas for development to achieve mutual benefits, and to remind suppliers of the importance of sustainability at Valmet.

"The central message of the day can be summarized in three words: innovation, re-design and quality. We encourage our suppliers to take a more active role in the cooperation and re-design work and to challenge us. The traditional way of thinking needs to be re-tuned towards authentic business partnerships involving a shared effort and fruitful results for both parties," says Juha Lappalainen, Head of Procurement at Valmet.



# Responsible operations

Valmet is committed to improving the health, safety and environmental performance of its operations and of the industries it serves. We want to provide a safe working environment and minimize the environmental impact of our operations.

Valmet has established a strategic plan for safety improvement, focusing on safety culture development and global standards and procedures. We also have a dedicated environmental efficiency program. Our goal is zero harm, and we work proactively towards the long-term targets for reducing our environmental impacts and preventing workplace injuries.

## Building safety excellence

To continuously improve our safety performance, we focus on building a strong safety culture. While Valmet is committed to providing the tools and processes needed to ensure the health

and safety of its employees, all Valmet people are aware of their personal ownership for safety and the value of caring for safety in our teams.

To ensure continuous dedication to safety throughout the organization, we completed the process of establishing HSE as a standard agenda item in all management meetings and continued to implement the routine practice of management safety walks during 2014. With the aim of securing competent and aware personnel in all operations and activities our units also focused on defining HSE training requirements during the year as the basis for annual planning going forward.



### Global standards and procedures

In 2014, we continued to develop our global HSE management structure by harmonizing critical global HSE procedures, such as severe incident investigation routines, our global HSE auditing process and accountability guidelines.

Valmet's local organizations are required to report and analyze all HSE incidents (injuries, near misses) and observations (hazardous conditions, unsafe behavior) in Valmet's global incident management system to ensure systematic learning from previous cases. In 2014, Valmet focused on methodical investigation of severe or high-potential incidents by a core team of investigators to ensure preventive actions are defined and taken globally. In 2014, there were no fatalities in Valmet's operations (own and supervised employees as well as independent contractors), and the lost time incident frequency rate (LTIF) of our own personnel decreased 15% to 5.5.

According to Valmet's HSE policy, compliance with applicable laws and regulations is only a minimum requirement. In addition to this, Valmet has defined minimum requirements for safety at work for high-risk activities to ensure a common safety platform across all its operations. In 2014, we extended the minimum safety standards to cover five additional critical activities: safeguarding of machines, hazardous manual handling, hot work, driving safety and emergency action planning. Since the introduction of the standards in 2012, serious incidents leading to absences of one or more days have decreased by 34%.

### Valmet's environmental efficiency program

#### Targets

Indicators (rolling 12 months)	Target 2015	Target 2020
Energy consumption and CO <sub>2</sub> emissions reduction (% reduction in yearly consumption compared to net sales, baseline reference yearly average 2005–2009)	15%	20%
Municipal water consumption reduction (% reduction in yearly consumption compared to net sales, baseline reference yearly average 2011–2012)		15%
Total waste amount reduction (% reduction in yearly amounts compared to net sales, baseline reference yearly average 2011–2012)		15%
Waste utilisation rate (%) (% increase in waste utilisation (recycled waste + incineration / total waste), baseline reference yearly average 2011–2012)		10%

#### Health and safety targets

	2015
Lost time incident rate (LTIF) (Lost time incidents per 1.000.000 working hours)	4
Total recordable incident rate (TRIF) (LTIF + medical treatment and restricted work cases)	8
Near miss and risk observations	1 /employee /year
HSE training	8h /employee /year
Number of documented safety inspections per million whrs	150

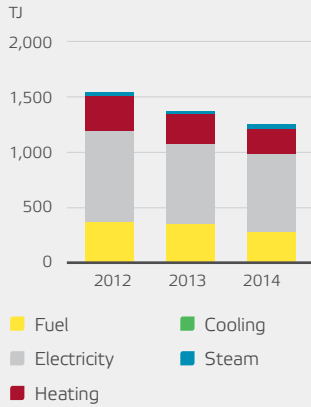
## Responsible operations roadmap 2014–2016

We provide a healthy and safe working environment and minimize the environmental impact of our own operations

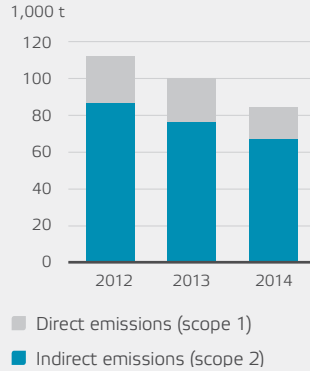
Actions	How do we measure progress?	Highlights 2014
<p><b>1. Safety culture:</b> We systematically address health and safety in all daily activities, and enhance training and communication.</p> <p><b>2. Corporate health, safety and environmental standards and procedures:</b> We strengthen existing and launch new minimum safety standards for high risk activities and focus on harmonizing our global processes.</p> <p><b>3. Environmental management of own operations:</b> We follow the Valmet Environmental Efficiency Program and continue to develop Valmet's Scope 3* calculations.</p> <p><small>*Scope 3 emissions include indirect greenhouse gas emissions from sources not owned or directly controlled by Valmet but related to its activities, such as procurement, transportation and distribution, business travel, and employee commuting.</small></p>	<ul style="list-style-type: none"> <li>• Lost time incident frequency (LTIF)</li> <li>• Total recordable incident frequency (TRIF)</li> <li>• Near miss and risk observations</li> <li>• HSE training per year per employee</li> <li>• Safety committee coverage (%)</li> <li>• Energy and CO<sub>2</sub> reduction</li> <li>• Reduction in waste and water consumption</li> </ul>	<ul style="list-style-type: none"> <li>• No fatalities, no significant environmental accidents</li> <li>• LTIF decreased by 15%</li> <li>• TRIF decreased by 13%</li> <li>• Launch of additional minimum safety standards</li> <li>• CO<sub>2</sub> emissions down by 16%</li> <li>• Water consumption down by 14%</li> </ul>

# Health, safety and environmental data

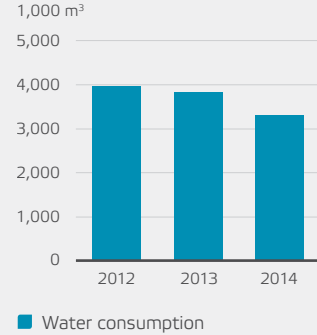
## Energy



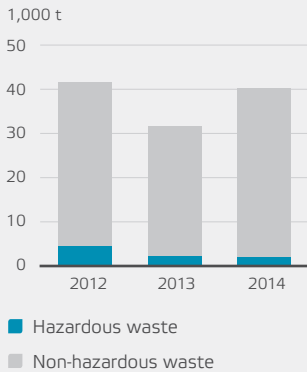
## CO<sub>2</sub> emissions



## Water consumption



## Waste

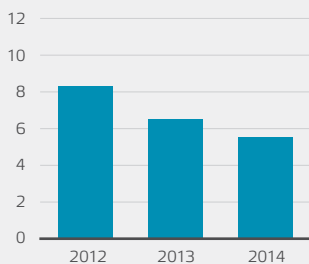


## Management systems (% of headcount)

Share of certified operations*	2014
ISO 9001 Quality Management System	92%
ISO 14001 Environmental Management System	82%
OHSAS 18001 Occupational Health and Safety Management System	70%

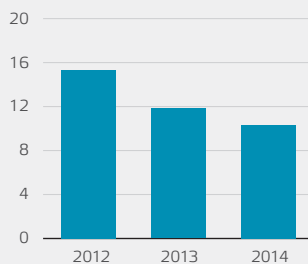
\* Including offices

## Lost time incident frequency (LTIF)\*, own employees



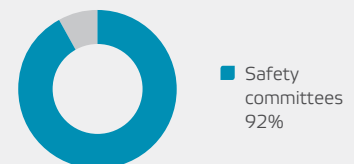
\*LTIF reflects the number of injuries resulting in an absence of at least one workday per million hours worked

## Total recordable incident frequency (TRIF)\*, own employees



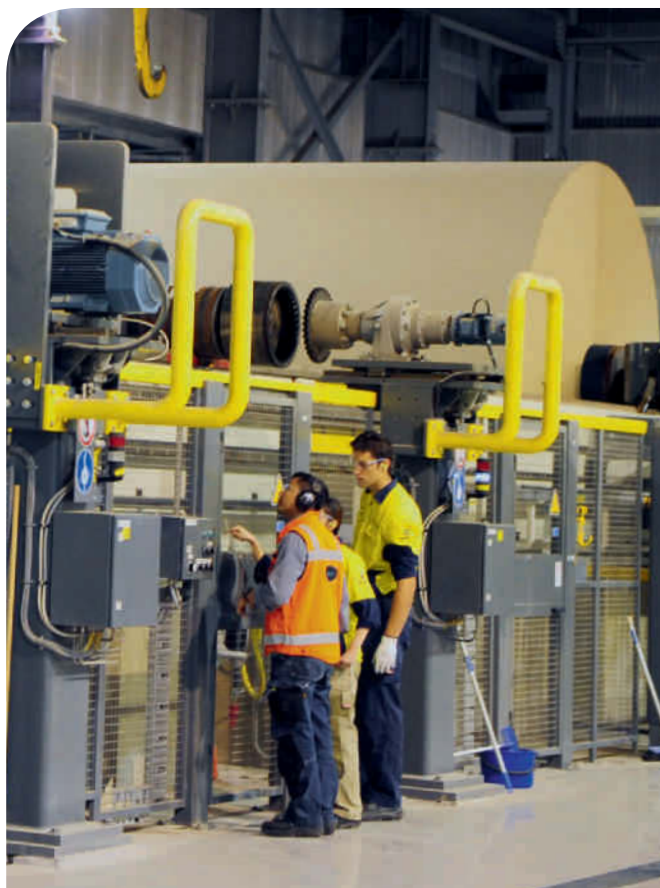
\*LTIF+medical treatment and restricted work cases

## Coverage of safety committees\*, % of workforce



\*Percentage of workforce represented in formal joint management-worker health and safety committees





MUST-WIN: EXCELLENCE IN PROCESSES

## It's all about teamwork

Valmet has been in charge of maintenance of the Orora-B9 paper machine in Matraville, Australia, since its installation in 2012. We have cooperated closely with Orora in implementing a proactive site-specific safety system, aiming for continuous improvement and a strong engagement in safety. As an example, stretch and strengthening exercises were integrated into daily routines in 2014, resulting in fewer strain injuries.

“Safety is our one non-negotiable and goes far beyond the legal requirements. We see safety as something that requires the hearts and minds of people. After all, even the most modern and sophisticated paper machine has no brain of its own. The safety leadership of the Valmet team on site and the good collaboration across companies has allowed us to build a strong behavioral safety culture on site from the first day onwards,” says Karl Achleitner, General Manager Operations, Orora Paper.

In 2014, we also finalized our common HSE toolbox for mill maintenance operations. This extensive handbook adds a selection of global best practices in HSE maintenance to the common Valmet standards and procedures and is to be used as a toolkit when establishing new maintenance operations in customer mills and a benchmark for the development of existing operations.

Certified management systems according to the OHSAS 18001 and ISO 14001 standards are the basis for the systematic management of HSE aspects, risks and sustainable improvements in Valmet's activities. We work consistently to implement these standards and to increase the scope of operational coverage. Our local safety committees cover 92% of our employees.

### Safety throughout the value chain

We expect our suppliers, contractors and other partners to implement the same safety standards and guidelines as those implemented by Valmet. In 2014, we continued to develop our processes and tools to align safety practices in customer deliveries. In South America, for example, Valmet already systematically monitors important key performance indicators (KPIs) for safety for independent contractors in all engineering, procurement

and construction (EPC) deliveries, and this is a practice we are now developing in the other regions too. In 2014, the LTIF for independent contractors in South America decreased to 0.8.

### Environmental management

Valmet's operations with the greatest environmental impact are our foundries and technology centers, as well as our assembly, manufacturing and service workshops. Our environmental efficiency program promotes practical actions at all locations to ensure continuous improvement regarding our most significant impacts, which relate to the use of energy and water as well as waste management. Environmental permits are maintained for all operations. A key improvement contributing to lower CO<sub>2</sub> emissions in 2014 was the replacement of coal boilers with a natural gas heating system in our Xian workshop in China. Coal is no longer used as a fuel in any Valmet location. The total volume of non-hazardous landfill waste increased in 2014 due to the reporting of full year data from a foundry in Sweden acquired during mid-2013.

Valmet constantly develops its environmental reporting to ensure it can accurately monitor its performance. We also annually calculate the entire value chain's greenhouse gas (GHG) emissions.



# People and performance

Our employees are at the heart of our business – they live our values, strive for our strategy and move our customers' performance forward. In 2014, our focus was on creating a solid foundation for an engaged and performance driven community.

The 'People and performance' sustainability focus area at Valmet is guided by our people strategy, which also forms the foundation for our 'Winning team' Must-Win. The strategy is rooted in three elements: nurturing shared values, driving performance, and continuing the globalization of our capabilities.

## **Nurture shared values**





As we settled in as Valmet, we began the process of defining our shared values. Values not only form the foundation for

everything we do but also energize and inspire us. More than half of our employees contributed to the process of defining the values, which involved a survey for all staff, a values panel with representatives from all areas of the business, and face-to-face workshops with senior management.

Valmet's values were introduced to the Valmet community with a three step approach that connected our values with our strategy and our daily work. In step one the values were introduced in connection with strategy townhall events held for all Valmet locations.



## Our values

-  **Customers**  
We move our customers' performance forward.
-  **Renewal**  
We promote new ideas to create the future.
-  **Excellence**  
We improve every day to deliver results.
-  **People**  
We work together to make a difference.

Step two focused on team discussions intended to deepen people's understanding of our values and identify concrete examples of how we live them every day. The third step took the form of Values Cafés that were set up in our locations around the world. Their purpose was to strengthen employees' engagement with our shared values through open communication and personal interaction.

We will continue to emphasize values-based behavior on the individual level in the annual performance and development review process to ensure our values are embedded into our daily work.

### Letting OurVoice be heard

In August Valmet conducted its first engagement survey, called OurVoice, in which all Valmet employees were invited to participate. The survey measures engagement and performance excellence levels, which are important for growing as a company and for building a strong Valmet community. The response rate for the survey was a solid 68%.

The OurVoice results serve as an important baseline measurement for future surveys, as well as valuable input for 2015 action planning. Overall, we saw positive changes in the areas that we've focused on, like customer orientation, quality and performance drive. It shows we are heading in the right direction, but also that we need to be sure to communicate the progress we're making and make it visible to the whole organization to make sure our whole community is engaged.

### Driving performance

We are constantly looking for ways to boost performance. In 2014 we continued to develop tools and practices for our managers to effectively drive the performance of their teams. Some of the measures introduced include a new rewarding practice that gives managers more opportunities to reward on the spot for top performance, a simplified annual performance and development review process that brings performance and development together into the same discussion,

## People and performance roadmap 2014–2016

We develop an engaged and performance driven community

Actions	How do we measure progress?	Highlights 2014
<p><b>1. Nurture shared values:</b> We encourage our people to live our shared values by connecting them to our way forward as a company.</p> <p><b>2. Drive performance:</b> We look for ways to improve the performance of our people. We develop processes that recognize and reward top performance, improve our leadership skills, and encourage individuals to take an active role in driving their own performance.</p> <p><b>3. Continue globalization of our capabilities:</b> In addition to developing our knowledge base we strive to ensure that we have the right competence in the right place at the right time.</p>	<ul style="list-style-type: none"> <li>• Employee engagement survey</li> <li>• Annual performance reviews</li> <li>• Global and local training offering</li> </ul>	<ul style="list-style-type: none"> <li>• Launch of Valmet values globally</li> <li>• Engagement survey completed with global response rate of 68%</li> <li>• Implementation of new rewarding practice to reward on the spot for top performance</li> <li>• Development of global training portfolio: four global training programs starting in early 2015</li> <li>• Mind the Gap competence assessment started</li> <li>• Review of approximately 700 management resources, successors and HIPOs (high potentials) as part of new talent review process</li> </ul>

# 68%

## of Valmet employees responded to OurVoice engagement survey

and more targeted guidance for performance management, specifically for high and low performers.

Moving forward, we will look to feedback as a core mechanism to drive performance. We are also introducing a renewed annual performance and development review tool, which will enable us to streamline the overall Annual Review process by improving and simplifying documentation and leaving more time for face-to-face manager-employee discussion. The individual's role in driving and managing their own performance will also be emphasized, a topic which is strongly supported by our values.

### A practical approach to leadership

We have consistently emphasized the importance of strong leadership as a springboard for top performance. In 2014 we continued to strengthen our leadership capability through existing programs as well as by finalizing the leadership essentials program. The 360° feedback process combined with some personal coaching were utilized globally to give managers a well-rounded view on their performance. A strong emphasis was also placed on management team development to create a solid foundation for high performance.

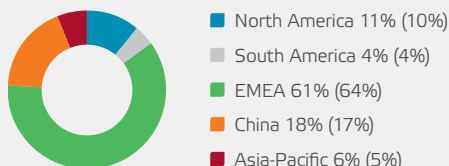
In the second half of the year after we had our values in place, we redefined the manager's role to focus managerial attention on driving performance and nurturing our values. The result was a renewed definition and new fuel for leadership development. In 2015 we will introduce a new model for leadership development that takes a more practical and personal approach. The approach will allow managers to deepen their understanding of topics that are best suited for them as individuals and create tangible, practical tools to drive performance, enhance feedback and boost engagement.

### Continue globalization of our capabilities

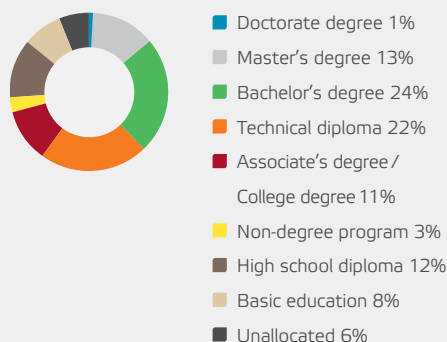
Valmet has deep experience and extensive competence in its chosen sectors. We recognize that our business climate is evolving and developing all the time and that we need to adapt to stay competitive. It is no longer enough to have the right competence but that competence also needs to be in the right place – close to customers.

## Personnel data

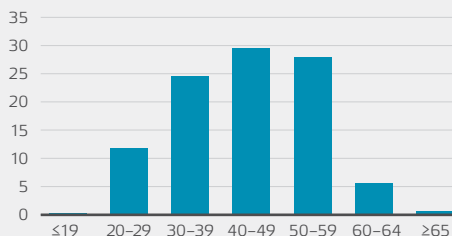
Personnel by area, %



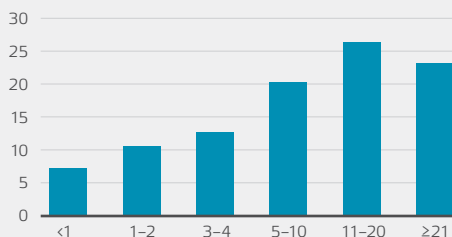
Education structure, %



Age structure, %



Service years, %





# 700+

## Valmet employees reviewed in the talent review process

To ensure we are one step ahead in this area, we initiated a targeted Mind the Gap project to assess and develop critical business competencies in all job families. The project is set to conclude in 2015.

### A new view on talent

In 2014 we launched a new talent review process designed to provide a clear view to our talent pipeline within the company. The process enables us to understand and develop our talent pipeline in a structured and effective manner with a tool that allows us to assess potential, record development plans and monitor progress for key positions and top talent. The tool is already in use across the business. In 2015 we will focus on developing the talent and readiness within the target groups, namely management resources, successors and high potentials.

### Global training portfolio

Valmet's training in 2014 was driven locally with a wide range of programs organized to meet local needs. On the global level, we focused on building an internal global training portfolio that would inspire new thinking, bring minds together, and ultimately, support growth and drive our strategic initiatives and Must-Wins.

#### Phase one global programs

- Forward Strategy – setting strategic direction and leading change
- Fast Forward – accelerating the speed of execution
- Champions in Services – understanding the dynamics of the services business
- Networking in Procurement – integrating procurement operations

As we move to phase two, we will see new programs emerge for Lean, project management and sales.

In addition to the global training portfolio and other talent development activities provided internally, Valmet supports study leaves and participation in external trainings as necessary.



MUST-WIN: WINNING TEAM

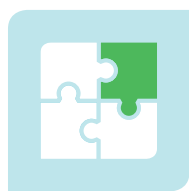
## Our values take us forward

Valmet's eServices project is a good example of what can be achieved through values-based behaviors like teamwork, renewal and customer-focused solutions. eServices is a new industry-leading 24/7 online service for spare and wear parts, which was created by a cross-functional project team within an ambitious schedule.

“Key to the project's success were good collaboration and an innovative approach. In just four months, we managed to build and launch a comprehensive eServices tool, which already includes more than a million items. A huge effort was put into matching our data to customer data, which makes the service a transparent and efficient way to manage spare parts. This would not have been possible without exceptional teamwork. We worked seamlessly within the team, taking full advantage of the time difference: North America often picked up where Finland left off and together we were able to build on each other's work in an exponential manner,” says Michael D Nelson, Director Spare Parts, Valmet North America.



Read more at [eservices.valmet.com](http://eservices.valmet.com)



# Cost-effective sustainable solutions

Valmet’s technologies and services help to convert renewable raw materials into recyclable products and renewable energy. At the same time they create more with less.

Valmet’s mission is to convert renewable resources into sustainable results. This means that our technology and services make it possible for our customers to manufacture sustainable products from renewable resources. Our solutions are designed for the highest efficiency and minimum environmental impact to meet customer needs.

Valmet has a long track record in providing solutions that convert biomass into renewable energy and recyclable products such as

pulp, paper, board and tissue. We have also developed and commercialized new biomass conversion technologies for producing new bio-based end products such as biogas, biofuels and biomaterials.

At Valmet, biomass refers to non-food biomass which includes woody biomass, recycled paper, and agricultural residues such as straw and bagasse, and purpose grown energy crops. Combustible sorted waste is an increasingly important feedstock in our assortment.

## Valmet’s technology and services offering

<p>End-products</p>	<table border="1"> <tr> <td>Biogas</td> <td>Biofuels</td> <td>Biochemicals</td> <td>Biomaterials</td> <td>New paper grades</td> </tr> <tr> <td>Heat</td> <td>Electricity</td> <td>Diss pulp</td> <td>Chem pulp</td> <td>Mech pulp</td> <td>Paper</td> <td>Board</td> <td>Tissue</td> </tr> </table>	Biogas	Biofuels	Biochemicals	Biomaterials	New paper grades	Heat	Electricity	Diss pulp	Chem pulp	Mech pulp	Paper	Board	Tissue
Biogas	Biofuels	Biochemicals	Biomaterials	New paper grades										
Heat	Electricity	Diss pulp	Chem pulp	Mech pulp	Paper	Board	Tissue							
<p>Valmet technologies and services</p>	<table border="1"> <tr> <td>Energy</td> <td>Pulp</td> <td>Paper</td> </tr> </table>	Energy	Pulp	Paper										
Energy	Pulp	Paper												
<p>Raw materials</p>	<table border="1"> <tr> <td>Waste</td> <td>Agro</td> <td>Wood</td> <td>Recycled paper</td> </tr> </table>	Waste	Agro	Wood	Recycled paper									
Waste	Agro	Wood	Recycled paper											
<p>Customer industries</p>	<table border="1"> <tr> <td>Energyproduction</td> <td>Biofuel refining</td> <td>Pulp</td> <td>Paper</td> </tr> </table>	Energyproduction	Biofuel refining	Pulp	Paper									
Energyproduction	Biofuel refining	Pulp	Paper											

### Environmental impacts of solutions

Based on Life Cycle Analysis (LCA) of two product families we have estimated that around 95% of the environmental impacts of Valmet's entire value chain are emitted when Valmet's solutions are being used for production at the customer sites. Since Valmet's solutions are targeted at industrial processes such as pulp, paper and energy production, environmental improvements can to a great extent be achieved by optimizing the efficiency of processes, by utilizing air pollution control technologies, and by replacing fossil fuels and materials with renewable alternatives.

Valmet has a wide range of solutions that require less energy, water and raw materials compared to conventional technologies, and which enable flexibility in fuel source and raw material selection. Our comprehensive services offering helps to maximize the environmental efficiency of the technologies and ensures operational safety and reliability over the entire lifetime of the plant.

### Improved efficiency through process innovations

In pulp and paper production, process improvements normally result in improved material efficiency and lower waste amounts as well as reduced energy and water consumption, which typically have a favorable impact on production costs. It is estimated

**70**  
new products  
launched every  
year

**1,500**  
protected  
innovations

## Cost-effective sustainable solutions roadmap 2014–2016

We develop and provide solutions that support sustainable development

Actions	How do we measure progress?	Highlights 2014
<p><b>1. Energy efficiency in our solutions:</b> We continuously improve the energy efficiency of our solutions.</p> <p><b>2. Product innovations:</b> We develop and commercialize new products to meet the sustainability needs of our customers.</p> <p><b>3. Intellectual property rights (IPRs):</b> We actively protect our own product rights and respect those of others.</p> <p><b>4. Product and service communications:</b> We emphasize sustainability aspects in our customer communications and surveys.</p>	<ul style="list-style-type: none"> <li>• Product-specific energy consumption</li> <li>• Orders received for products launched less than 5 years ago</li> <li>• R&amp;D investments for new bio solutions</li> <li>• IPR development</li> </ul>	<ul style="list-style-type: none"> <li>• 4th Advantage NTT tissue machine sold, first order from USA</li> <li>• First OptiConcept M order from USA</li> <li>• Major pulp mill start-up in Brazil</li> <li>• Major pulp mill rebuild in Sweden</li> <li>• World's largest recovered fuel fired boiler to CHP plant started up in Sweden</li> <li>• Several multifuel solution orders in Europe</li> <li>• Joint development of waste gasification continued in Finland</li> <li>• Prehydrolysis pilot system delivery to the Netherlands</li> <li>• Collaboration agreement in bio coal commercialization in USA</li> <li>• Valmet's pilot plant for hydrolysis of biomass started up in Sweden</li> <li>• Joint bio-oil project started in Finland</li> <li>• Several flue gas heat recovery orders in Finland</li> <li>• Many service agreements</li> <li>• Perception of Valmet's sustainable solutions improved among customers</li> </ul>



MUST-WIN: LEADER IN TECHNOLOGY AND INNOVATION

## New opportunities through lignin extraction

Valmet's LignoBoost technology makes it possible to extract lignin from the black liquor in pulp mills and to increase the liquor burning capacity of chemical recovery boilers. This gives pulp mills new potential to increase production, reduce costs and create new sources of income.

The extracted lignin is a very efficient fuel that can replace the oil in lime kilns or the oil and coal used in power boilers.

Lignin is also a high-quality bio-based alternative to fossil fuel based materials. It can be further processed into valuable chemicals or materials.

The first Valmet-supplied LignoBoost plant started up in the USA in 2013, and the next plant is planned to start up in Finland in 2015.

that energy, raw materials, chemicals and water account for 90% of the operational costs of a typical paper mill. Paper and board companies can also improve their materials efficiency through light-weighting and by using lower quality raw materials in the manufacturing of high quality end products.

In pulp production, new technologies utilizing side streams offer means to improve a mill's financial performance by producing high value renewable materials and possibly also boost the mill's capacity. Valmet's LignoBoost technology is an example of new technology that recovers useful components such as lignin from a secondary flow of an existing process. The extracted lignin can be used as a renewable fuel in the mill, making it virtually fossil fuel free, or be converted into valuable end product to create a new revenue stream.

### From fossil fuels to bio-based fuel sources

Valmet's energy offering includes technologies for biomass to energy, waste to energy and multifuel to energy. Our new technologies such as gasification, pyrolysis and steam explosion offer additional means to improve cost-effectiveness and sustainability in energy production. The technology offering enables our customers to utilize a variety of affordable, local fuels in order to meet their business targets in a sustainable manner.

## Customers' sustainability needs

- Improved environmental image
- Increased fuel flexibility
- Increased recycling
- Lower energy consumption
- Improved process efficiency
- Compliance with regulations
- Lower fresh water consumption
- Reduced raw material consumption
- Utilization of renewable energy
- Emissions reduction
- Less chemicals
- Safe processes and solutions



Our offering also includes odor and air pollution control systems for pulp mills and heat and power plants.

### Services ensure lifecycle efficiency

Valmet's services business helps its customers to optimize their production processes, increase operational reliability and reduce costs. The common target is to achieve more sustainable results. For example, with Valmet's Refiner Segment concept for pulp, paper, board and fiber board production (ServoNavitas) energy consumption, fiber quality and segment lifetime can be tuned to new levels. In the refining process energy savings can be as much as 30–40% and the segment lifetime can be extended by up to 50%.

### Product safety

Safety is an integral part of Valmet's technologies, processes and services. Safety requirements of all Valmet's solutions are carefully reviewed and assessed in the solution innovation process and must be fulfilled in each solution creation phase. Valmet solutions are required to be safe to use, and they are designed to meet or exceed all applicable safety standards and regulations. To ensure safe operations, customer training is included in all project deliveries. Moreover, the majority of Valmet's operations are certified to quality, health and safety and environmental management standards, and processes that ensure product safety are followed.

### Research and development

We actively engage and cooperate with our customers, research institutions and universities to collect information on customers' sustainability needs and to develop new solutions for the market. Valmet has 13 technology centers and pilot facilities which are used for demonstration trials and for specific projects with customers as well as for proprietary development work.

Our research and development work is currently focused on improving the performance and cost efficiency of existing product portfolio by modularization and standardization. We also develop new biomass conversion technologies, which are expected to offer new business opportunities to both Valmet and its customers. The aim is to convert biomass to a form that enables it to replace fossil fuels or be refined further to more valuable products.

During the last few years, Valmet has introduced several new technologies to the market, including LignoBoost for lignin separation, a pyrolysis solution for bio-oil production, and a gasifier for solid biomass and waste. We have also been able to apply existing technology to second-generation ethanol production.



MUST-WIN: LEADER IN TECHNOLOGY AND INNOVATION

## OptiConcept M – one concept for many needs

OptiConcept M is a modular paper or board machine concept. The concept combines the advantages of standardization with modular tailoring, which enables the optimization of production capacity for specific needs.

The operating profitability of OptiConcept M derives from its high overall efficiency. The concept represents significant savings in energy, water and raw material use compared to conventional technologies, with an energy efficiency improvement of even 30%. The modular and compact size enables short delivery times and quick start-ups, and requires less production space.

The machine's simplified design also brings improvements to the machine operation through increased safety and accessibility.



# Corporate citizenship

Valmet strives to operate in a socially responsible and globally aligned manner. Our collaboration with stakeholders aims for mutual benefits and the creation of added value.

Valmet is a truly global company with operations in around 30 countries. We collaborate with a significant number of stakeholders in a highly multicultural environment every day. Our growing presence in emerging markets emphasizes our responsibility to local communities around the world.

We aim to be seen as a trusted local partner and to build mutual relations with our stakeholders. With global operations we provide employment and business opportunities to a wide range of stakeholders and indirectly build wealth in local societies. By delivering sustainable and cost-competitive solutions and services we can generate added value for our shareholders and support the global efforts to combat climate change.

We promote transparency in our communications with our stakeholders and strive to ensure that all our operations are

carried out in a socially responsible and globally aligned manner. Our daily operations are guided by Valmet's general operating principles, which comprise of Valmet's Code of Conduct and related policies. These create the foundation for sustainable business practices. They define how we deal with human rights, labor practices, environmental issues, compliance with laws and regulations, fair competition, occupational well-being and safety, and ethical standards through the entire value chain.

## General operating principles

Valmet's Code of Conduct creates a uniform foundation for all business transactions and work assignments covering sustainable business operations, people and society, and environment. The Code of Conduct is based on globally acknowledged



guidelines and principles and is translated into 11 languages. In order to reinforce the Code across the company, we will execute a comprehensive process in 2015 including the enforcement of redefined processes related to the Code, management training and a global e-learning program for all employees.

Alongside the Code of Conduct, Valmet also has policies and guidelines supporting sustainable business practices. These include its Anti-Corruption Policy and Competition Compliance Guidelines. The Anti-Corruption Policy defines in detail Valmet’s zero tolerance approach to bribery and corruption and sets out guidance for daily operations. The Competition Compliance Guidelines provide practical instructions for compliance with competition and anti-trust laws.

Training for these topics is organized on a regular basis. The most recent training for the Competition Compliance Guidelines was launched in the second half of 2014, and the next Anti-Corruption e-learning will be launched in the first quarter of 2015. The training will be given first to top management and other senior management and employees from sales and procurement. The previous Anti-Corruption training was completed during 2014.

Valmet has in place a specific Health, Safety and Environment (HSE) Policy, which defines our common principles and shows our commitment to responsible management of health safety and environmental issues globally within Valmet. It guides our approach to HSE in own operations, stakeholder collaboration and Valmet’ solutions. The policy is promoted actively in all Valmet’s activities as an element in our local management

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## Corporate citizenship roadmap 2014–2016

We are a trusted partner to our stakeholders and a respected corporate citizen

Actions	How do we measure progress?	Highlights 2014
<p><b>1. Globally aligned principles:</b> We are in compliance with laws and regulations and respect globally acknowledged ethical values, principles and human rights. Our operations are guided by our Code of Conduct and related policies.</p> <p><b>2. Communication and reporting:</b> We promote active stakeholder dialogue and transparently report on our sustainability performance on an annual basis.</p> <p><b>3. Local programs:</b> We participate in community programs to support local economies and communities based on our Principles for Sponsorships and Donations.</p>	<ul style="list-style-type: none"> <li>• Third party sustainability ratings</li> <li>• Depth of stakeholder dialogue</li> <li>• Local evaluation of community programs</li> </ul>	<ul style="list-style-type: none"> <li>• Membership in UN Global Compact</li> <li>• Inclusion in Dow Jones Sustainability World and Europe Indices (DJSI)</li> <li>• Inclusion in CDP’s Nordic Climate Disclosure Leadership Index (CDLI)</li> <li>• Launch of new online tool for continuous stakeholder dialogue</li> <li>• Update of Principles for Sponsorships and Donations</li> <li>• Reporting based on GRI G4 guidelines</li> </ul>

# Distribution of economic value added to our stakeholder groups

## Generation of economic value added



### Revenues

EUR 2,507 million (EUR 2,635 million)



## Distribution of economic value added\*

### Suppliers

#### Operating costs

**EUR 1,818 million**  
(EUR 1,989 million)

Valmet purchases components, products, materials and services from approximately 8,500 suppliers in more than 50 countries.

### Employees

#### Wages and benefits

**EUR 609 million**  
(EUR 697 million)

Valmet pays wages and salaries to almost 10,500 employees in 30 countries.

### Public sector

#### Payments to government

**EUR 19 million**  
(EUR 27 million)

Valmet pays taxes in 30 countries.

### Shareholders and creditors

#### Payments to providers of capital

**EUR 34 million**  
(EUR 12 million)

Valmet pays interest payments to its creditors and dividends to almost 50,000 shareholders globally.

### Communities

#### Community investments

**EUR 1 million**  
(EUR 1 million)

Valmet operates in 30 countries around the world through over 100 offices, workshops and service centers.

Retained in business EUR 26 million (EUR -91 million)

\*2013 figures revised to meet GRI G4 guidelines



systems, as a part of contracts with suppliers, and it is communicated continuously as part of HSE trainings.

At Valmet, the requirements for complying with ethical standards go beyond own operations, covering the supply chain and with the aim of integrating sustainable business practices throughout the entire value chain. In 2014, we defined our requirements for suppliers in a Sustainable Supply Chain Policy, for which global roll-out was initiated in the second half of 2014.

All the most relevant policies and guidelines are reviewed and approved by the Board of Directors and or the Executive Team on a regular basis.

### Certified operations

Our operations are certified according to the ISO 9001 quality management system standard, the ISO 14001 environmental management system standard, and the OHSAS 18001 health and safety management system specification.

### International principles and guidelines

Valmet is a signatory of the UN Global Compact as of January 13, 2014, and the company's operating principles and sustainability work are founded on the ten principles of the initiative. We also operate according to and promote the principles described in the OECD Guidelines for Multinational Enterprises, the International Labor Organization's (ILO) Declaration of Fundamental Principles and Rights at Work.

### Active and transparent communication

We strive for globally consistent and transparent management and reporting practices so that all our stakeholders can reliably assess the company's sustainability performance and development. We also actively engage with our stakeholders to learn about their expectations.

Valmet reports to several third party sustainability ratings to help its stakeholders assess its sustainability performance. We also actively communicate about our recent developments in different stakeholder channels such as our customer magazine and company reports and brochures, events, face-to-face meetings and online channels. Questions related to sustainability are also integrated into internal and external stakeholder surveys.

In research and development, we collaborate closely with our customers, industry organizations and research institutes to share and discuss topics regarding our solutions.

In 2014, Valmet was included in the Dow Jones Sustainability World (DJSI World) and Europe (DJSI Europe) indices and ranked among the leaders in CDP's Nordic Climate Disclosure Leadership Index (CDLI) with a score of 98/100.

### New channel for stakeholder dialogue

In order to enable continuous stakeholder dialogue, we launched a comprehensive web-based brainstorming tool for collecting

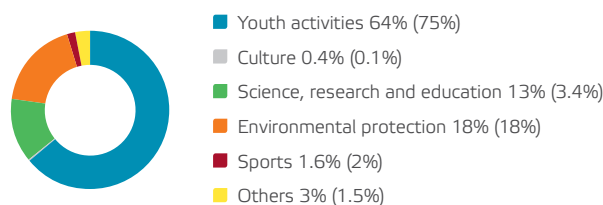
## Income taxes

(10 largest countries)

EUR million	2014	2013
Sweden	5.6	6.4
USA	4.0	3.4
China	3.0	5.4
Italy	2.4	0.7
Canada	1.8	2.7
Germany	1.0	0.6
Portugal	0.7	0.8
Thailand	0.6	0.2
Australia	0.5	0.2
Chile	0.4	0.1

### Support for non-profit organizations\*, %

EUR 548,030 in total



\*2013 figures revised

Join the discussion on Valmet's sustainability performance!



[www.valmet.com/stakeholdersurvey](http://www.valmet.com/stakeholdersurvey)

and analyzing stakeholder opinions in 2014. The process allows our stakeholders to express their views on Valmet's sustainability performance and propose ideas for further development. The web-based tool is open for all stakeholders and utilized in annual and one-off meetings with our stakeholders to gather feedback from all stakeholder groups.

The brainstorming results are reviewed on a regular basis. All information received is gathered together and analyzed for the annual strategy review process to assess and evaluate potential new topics of concern.

We believe that increased integration into the local communities results in mutual benefits.

### Local community programs

Valmet strives to be a responsible corporate citizen by understanding the needs and expectations of local communities. We believe that increased integration into the local communities results in mutual benefits.

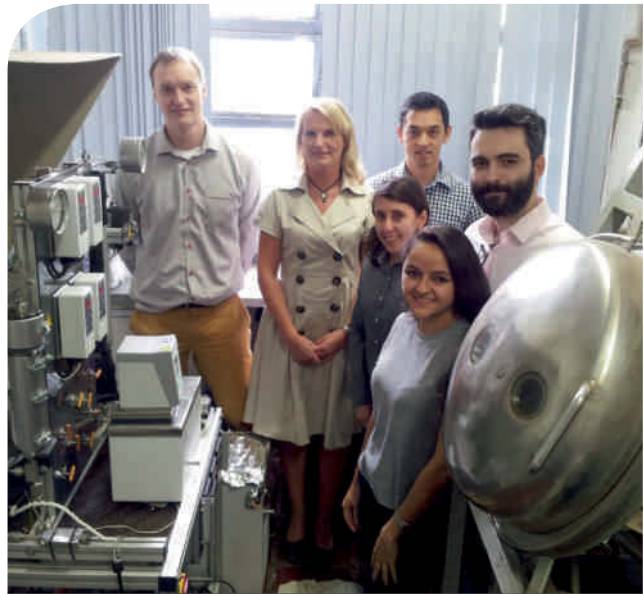
As Valmet aims to strengthen its presence especially in the emerging markets, its local presence creates not only wealth and job opportunities but also business and other partnerships that are important and beneficial for both Valmet and the local communities.

In 2014, Valmet crystallized its Principles for Sponsorships and Donations to reinforce common guidelines across the company. Valmet's sponsorships and donations focus on science, research, education, environmental protection, nature conservation and youth activities. As we operate globally and in various cultures, we only sponsor projects that are universally accepted and respected.

In the state of Maranhão in Brazil, Valmet participates in social and environmental programs through two local non-profit organizations, Instituto Ayrton Senna and Instituto Ecofuturo. One of the main targets of the programs is to support the development of local schools and libraries as well as social services in the field of basic education. In 2014 about 11,000 students from 400 classes took part in the project. The community programs also promote environmental conservation through forest reserve projects that are targeted for environmental education, restoration, research, forest stewardship and community engagement.



ecofuturo



MUST-WIN: CUSTOMER EXCELLENCE

## Meeting local needs through local university cooperation

In R&D, Valmet collaborates closely with its customers, industry organizations, research institutes and universities to discuss and share information on the needs and interests of the industries it serves. The aim is to further develop existing technologies and processes, and to create innovations for new business opportunities.

Valmet's technology development is mainly based in Finland and Sweden, but we have constantly widened our cooperation network to bring it closer to our customers elsewhere and therefore strengthen our ability to meet local needs. Increasing local presence provides us access to new knowledge and enables us to engage more closely with our customers in projects aiming at commercialization.

In the Americas, we have focused strongly on pulp and paper process development in collaboration with the University of Toronto in Canada and the Federal University of Viçosa in Brazil. We have also recently started new activities with the Indian Institute of Technology Madras (IITM). In the Nordics, Valmet has long-term partnerships with universities in Finland and Sweden.

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### Concept, design and production

Milton Oy

### Paper

MultiArt Silk 300 g

MultiArt Silk 130 g

### Printing

Erweko

The paper, and the pulp used in making the paper, was produced with machines and equipment manufactured by Valmet. The report is printed on MultiArt Silk, which is PEFC-certified and meets the environmental criteria for the Swan ecolabel. PEFC certification confirms that the forests are being sustainably managed. The printing inks and chemicals used in printing comply with the requirements for the Swan ecolabel. The printing ink is plant oil-based, and the other materials used are recyclable and ecofriendly. The operations of the Erweko printing house are ISO 9001 and ISO 14001 certified.



Printed matter  
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PEFC  
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# Converting renewable resources into sustainable results



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