



PRESS RELEASE

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Stora Enso partners with H&M group and Inter IKEA group to industrialize TreeToTextile

TreeToTextile AB is a joint venture between H&M group, Inter IKEA group and innovator Lars Stigsson since 2014, with the aim of developing new textile fibers in a sustainable way at attractive cost levels. Today TreeToTextile announces that Stora Enso will join this partnership, and also support the industrialization of TreeToTextile's production process by setting up a demonstration plant at one of its Nordic facilities.

"We are excited to welcome our new partner, Stora Enso, and to share more of the innovative work that we are doing at TreeToTextile. With the help of our new partner, we will be entering an industrialization phase. The new fiber that we have developed is both sustainable and produced at a lower cost," says Annica Karlsson, chairman of the board, TreeToTextile AB.

The four partners have an equally big stake in TreeToTextile and share the belief of a strong market for a fiber with good sustainability performance at attractive cost levels.

TreeToTextile's process takes renewable forest raw material and regenerates the cellulose into a textile fiber. This production process uses less energy and chemicals, allowing for a much more sustainable and cost-efficient process compared to conventional technologies and fibers.

The technology has been tested in a pilot line in Sweden and is now to be scaled up with the construction of a demonstration plant at one of Stora Enso's Nordic facilities. Inter IKEA group and H&M group plan to use the fiber in their products, but the aim is that the entire industry should benefit from this sustainable fiber since it can be used in conventional supply chains.

"We're very happy to join this partnership and contribute to a more sustainable textile production. Stora Enso produces dissolving pulp for textiles based on renewable and fully traceable wood from sustainably managed forests. It will be exciting to participate in the industrialization of this technology at one of our facilities to meet growing demand," says Markus Mannström, EVP of the Stora Enso Biomaterials division.

"We welcome Stora Enso to this partnership. For us, TreeToTextile is a long-term investment as we strongly believe it will contribute to offering our customers even more sustainably produced products at affordable prices," says Erik Karlsson, Investment Manager for Sustainable Fashion at H&M Group's investment arm CO:LAB.

"With Stora Enso as a partner we now add industrial knowledge and deep competence within the cellulose field. This together with existing consumer and textile knowledge as

IKEA is one brand and many companies. Around the globe, a large number of companies operate under the IKEA trademarks.

IKEA Range & Supply, consisting of IKEA of Sweden in Älmhult and IKEA Supply AG in Pratteln, Switzerland, have the responsibility to develop, design, produce and supply IKEA stores and sales channels around the world with home furnishing solutions available to the many people. Each year IKEA Range & Supply introduces 2,000 new products. The total range is almost 10,000 products.

well as an entrepreneurial spirit brings us one step closer to our goal of introducing a new sustainable low-cost fibre for the many people," says Lena Julle, Category Area Manager Textiles at IKEA of Sweden.

"It's fantastic to see how the idea of utilizing forest resources for a more sustainable textile has developed from lab stage to a commercially viable product in just a few years," says inventor and entrepreneur Lars Stigsson.

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