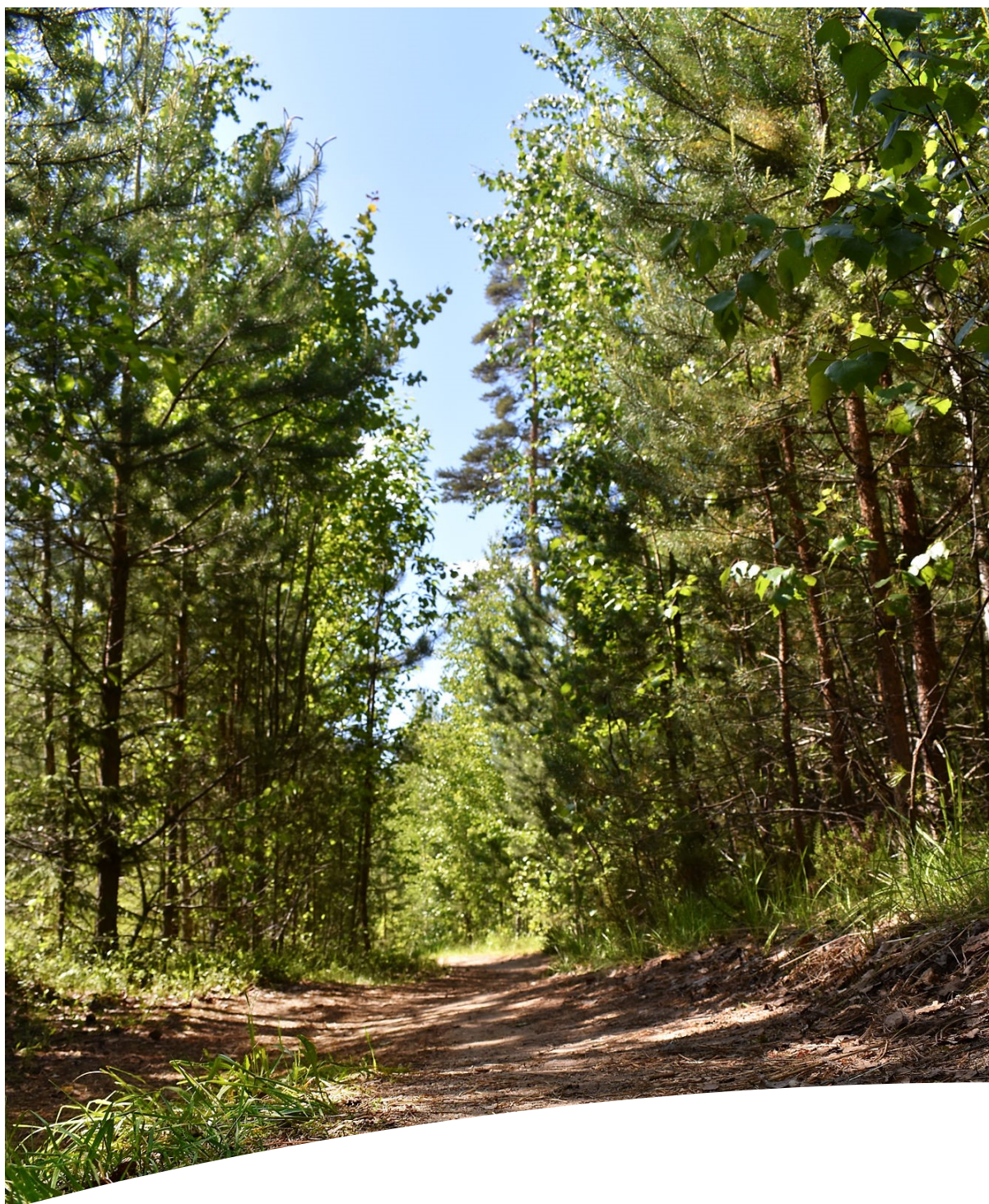




Slavery and Human Trafficking Statement 2024



This annual Slavery and Human Trafficking Statement describes the steps Stora Enso is taking to prevent modern slavery in its operations and supply chains, in accordance with the United Kingdom's Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018. This statement covers the global operations and supply chains of Stora Enso Oyj and its principal subsidiaries during the financial year ended on 31 December 2024. It does not cover the Group's two 50%-owned joint operations in Latin America. This statement also provides information relevant to the requirements of the Norwegian Transparency Act (Åpenhetsloven).

Our business and supply chains

Part of the global bioeconomy, Stora Enso is a leading provider of renewable products in packaging, biomaterials, and wooden construction, and one of the largest private forest owners in the world. We believe that everything that is made from fossil-based materials today can be made from a tree tomorrow. Stora Enso has approximately 19,000 employees and our sales in 2024 were EUR 9 billion. Our customers include publishers, retailers, brand owners, print and board producers, printing houses, merchants, converters, joineries, and construction companies. Our head office is in Helsinki, Finland, with head office functions also in Stockholm, Sweden.

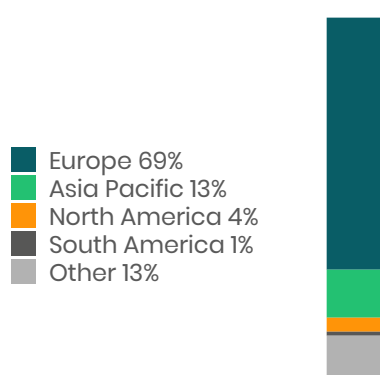
Stora Enso shares are listed on Nasdaq Helsinki Oy (STEAV, STERV) and Nasdaq Stockholm AB (STE A, STE R). In addition, the shares are traded in OTC Markets (OTCQX) in the USA as ADRs and ordinary shares (SEOAY, SEOFF, SEOJF). More information about our financial performance, governance, operations, and sustainability can be found on our [website](#) and in the [Annual Report 2024](#).

In addition to our principal subsidiaries, Stora Enso also has 50% ownership of two joint operations in Latin America. These operations, located in Uruguay and Brazil, each include a pulp mill and eucalyptus tree plantations. They are excluded from the scope of this report.

Stora Enso's main raw material is wood. We source raw materials, products, and services from over 20,000 suppliers and contractors, and approximately 21,000 forest owners globally. In 2024, 93% of the total resource inflows were based on biological materials, including wood, purchased pulp, paper and board, and starch. Chemicals, pigments, and fillers comprise approximately 4% of the Group's total material use. Our production units and forestry operations are primarily in the Nordic countries, Central Europe, and China, all of which are mainly supported by local supply chains. Certain commodities of a global nature are sourced from regions outside our core areas of operation.

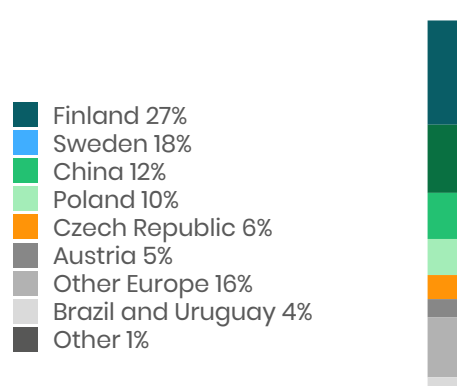
In the United Kingdom, Stora Enso's operations consist of the sales of various paper products, packaging materials, packaging converters, and wood products.¹ Our operations in Australia consist of the sales of various wood products.² We also buy various services, fiber-based raw materials, as well as chemicals, spare parts, and other products for our local and global operations from British and Australian companies. We consulted the relevant companies we own or control in the development of this statement.

Sales by destination



(Sales in the UK constitute approximately 5% of our total sales in Europe. Sales in Australia is reported under Other countries.)

Employees by country



¹ Lumipaper Ltd., Stora Enso Holdings UK Ltd., Stora Enso Paper UK Ltd., Stora Enso Pension Trust Ltd., Stora Enso UK Ltd., De Jong Packaging Ltd., and eCorrugated Ltd.

² Stora Enso Australia Pty Ltd. Company number ACN 099 948 491.

Identifying risks of modern slavery

Stora Enso strives to prevent all forms of modern-day slavery, including forced labour and human trafficking. Respect for human rights is integrated into our sustainability approach and is required to be taken into account throughout our operations, including investment decisions related to mergers, acquisitions, and divestments.⁴

While we recognise that risks related to modern slavery may exist in our own operations, we have determined that the greatest risk is in our complex and extensive supply chains that include supplier categories and geographies which we have identified as having high human rights risks. For this reason, we have taken a risk-based approach to addressing modern slavery by focusing our efforts on our supply chains.

Following a 2023 pilot project on sustainability risk identification, Stora Enso has refined its approach to assessing sustainability risks from a country-specific perspective. This includes utilising data support from a third-party provider. Internally, efforts are underway to effectively leverage this data to enhance the screening of suppliers' sustainability risks by country. The action aims to improve decision-making regarding which countries and regions require heightened focus and to enhance the selection process for conducting additional assessments on suppliers.

Geographically, our biggest potential impact on these rights is in countries where we employ large groups of people. These countries include, for example, Finland, Sweden, China, and Poland. In addition, we have identified high-risk sourcing categories, where our salient human rights issues may be impacted through our supply chains. These categories include recycling services, land and sea transportation services, and wood supply functions.

⁴ Our investment guidelines stipulate that environmental and social risks and impacts, including those related to human rights, must be duly identified, assessed, and addressed prior to any investments in projects with business-critical risks. Additionally, we evaluate business ethics risks and ensure specific investments comply with our Code of Conduct and Business Practice Policy.

Actions to assess and address modern slavery risks

While we respect and consider all human rights to be important, the following most salient human rights topics remain the primary focus of our work:

- a. Health and safety
- b. Fair labour
 - Fair employment conditions
 - Freedom from forced labour
 - Freedom of association
 - Non-discrimination and non-harassment
- c. Land and natural resource rights acquisition and management
- d. Grievance mechanisms
- e. Children's rights (relevant to the forest sector)

We continuously identify and assesses potential and actual adverse impacts related to human rights and define preventive and mitigating actions accordingly. Risk identification is integrated into due diligence processes and informs our Enterprise Risk Management process. Stora Enso is committed to remedying situations where its activities have caused or contributed to adverse human rights impacts. Remediation measures are determined on a case-by-case basis and according to the local context. Our remediation process includes implementing corrective actions and ensuring knowledge sharing to prevent similar cases from arising in the future. We continue to develop our due diligence processes in line with the upcoming Corporate Sustainability Due Diligence Directive and the implementation of our human rights due diligence programme.

Through our membership in the World Business Council for Sustainable Development (WBCSD) and other networks dedicated to advancing sustainable business practices and human rights compliance, we continue to learn from peers and experts as the journey to better embed human rights into operations and due diligence continues.

Implementing international standards

Stora Enso's pledge to combat modern slavery is publicly expressed in the Human Rights Policy and the Stora Enso Code. In addition, as a UN Global Compact signatory, we adhere to Principle 4: "Business should uphold the elimination of all forms of forced and compulsory labour." Zero tolerance for forced labour is also one of our most salient human rights.

Our policies and requirements that cover human and labour rights include:

1. Human Rights Policy sets out our commitment to ensuring respect for human rights throughout our operations and business relationships, in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). The Policy was updated in 2024.
2. Human Rights Guidelines provide a comprehensive overview of the objectives defined in the Human Rights Policy. The guidelines also provide more details on our highest priority human rights and describe how human rights are integrated into our sustainability approach.
3. Stora Enso Code is a single set of values defined for all our employees to provide guidance on our approach to ethical business practices, environmental values, and human and labour rights. These values are applied wherever we operate. The Code explicitly prohibits the use of child labour and forced labour.
4. Supplier Code of Conduct (SCoC) is a legally binding document that imposes mandatory sustainability requirements for suppliers regarding human and labour rights, occupational health and safety, environmental protection, and responsible business practices. The SCoC covers forced labour and working conditions and applies to all our sourcing categories globally. The SCoC was updated in 2021 with new requirements on involuntary labour and ethical recruitment practices, including not charging recruitment fees.
5. Stora Enso's Minimum Human Resource Requirements for labour conditions are applicable to all employees directly employed by Stora Enso in units where Stora Enso is the majority owner. The Minimum Human Resource Requirements prohibit all forms of forced labour, including prison labour, indentured labour, bonded labour, and overtime work involving threats of punishment. They also state that all employees have the right to enter into and terminate their employment freely; that foreign/migrant employees must not be treated less favourably than local employees; and that all employees must have relevant and valid work and residence permits. The Minimum HR Requirements were updated in 2024 and are available only internally.

Grievance and remediation mechanisms

Stora Enso is committed to remedy any situation where our activities have caused or contributed to adverse human rights impacts. In circumstances where human rights violations are committed by third parties directly linked to Stora Enso through our operations, products, or services, we strive to use our influence together with relevant stakeholders to ensure that those impacts are remedied.

Access to grievance mechanisms is one of Stora Enso's most salient human rights. Our formal grievance mechanism is open to all stakeholders globally. The channel enables any stakeholder to report instances where their rights may have been infringed, or where they have observed potential violations of the Stora Enso Code, including those related to human and labour rights. This service is independently administered by an external service provider. We also have long-standing local grievance channels, in local languages, for communities and other external stakeholders associated with our plantations and mill in Guangxi, China.

Supplier Code of Conduct obliges our suppliers to report any non-compliance with the Code to Stora Enso, as well as to establish a grievance mechanism to enable their employees to report non-compliances.

Continued efforts in 2024

Developments in our supply chains

The monitoring of supplier compliance begins before we enter a business relationship. Any supplier in any location who wishes to do business with Stora Enso must first pre-qualify during tendering, or at the latest before a contract is drafted. To pre-qualify, suppliers must submit confirmation of their compliance with our Supplier Code of Conduct, and complete our safety management online training. At the end of 2024, 95% of our supplier spend was covered by Supplier Code of Conduct.

To address the risk of non-compliance by suppliers and other business partners, and to pinpoint the right preventive measures, Stora Enso took the following steps during the reporting year.

1. In our forest operations in Sweden, activities such as the clearing and planting of trees are carried out by silviculture contractors, who predominantly employ migrant workers. A human rights impact assessment conducted in 2022 revealed negative impacts on working conditions and human rights risks among silviculture contractors. These included limited workers' rights, overtime issues, unclear payment practices, safety concerns, and lack of transparency in housing and recruitment fees. To mitigate similar potential impacts and related risks, Stora Enso is dedicated to continuously addressing these issues and further improving its processes. This includes implementing capacity building initiatives, engaging in frequent dialogues with contractors, and enhancing on-site assessments to focus on labour and human rights. Additionally, translators are involved in the assessments to address the needs and feedback of migrant workers.
2. During 2024, Stora Enso conducted a desktop assessment to evaluate the social and environmental impact and potential risks of a tier 1 supplier in Brazil involved in kaolin processing and mining. Kaolin is a soft white clay used in some of the Group's packaging products. The assessment focused on reviewing the supplier's operations and their impact on local communities, land rights, and environmental incidents in the past. The assessment took a collaborative approach and involved online dialogue with the supplier. The key concerns identified in the assessment mainly relate to the accuracy and availability of public information, particularly regarding the review of the supplier's operations and their impact on local communities, land rights, and past environmental incidents. As a result, Stora Enso has developed a follow-up plan accordingly.
3. In 2024, Stora Enso launched a project to establish a risk-based and data-driven management system to ensure compliance with the forthcoming Corporate Sustainability Due Diligence Directive (CSDDD). The project will provide updates to Company policies, develop tools for due diligence in supply chain and other high-risk areas, provide training and advice to stakeholders, establish a related governance model, and set impact targets and KPIs for performance measurement.

Additionally, we conduct on-site visits and commission audits by third-party auditors to monitor and improve supplier sustainability performance. Focused audits are done based on risk assessments or concerns raised by our stakeholders.

Global initiatives to protect labour rights

Stora Enso signed a global framework agreement with labour unions IndustriAll, UniGlobal, and BWI in 2018. Under the agreement, Stora Enso commits to respect human rights, and strives to eliminate forced labour throughout its operations and subsidiaries worldwide. We continued to address these topics in 2024.

Stora Enso is a member of Sedex, one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains. In 2024, nine Sedex Member Ethical Data Audits (SMETA) were conducted. As of June 2017, with the introduction of SMETA 6.0, modern slavery has been a specific component of the SMETA audit procedure. No findings of forced labour or human trafficking were discovered.

Stora Enso is also a member of the ethical supplier rating system Ecovadis. The Ecovadis assessment includes questions regarding corporate policies and actions for respecting human and labour rights in both a company's own operations and its supply chains, with particular focus on forced labour and child labour. In 2024, Stora Enso was awarded the highest 'Platinum' level by EcoVadis for the eighth consecutive year.

Fair compensation

In 2024, all Stora Enso's own employees are paid an adequate wage, when reviewed in accordance with the WageIndicator benchmark. This is a set of tools and data provided by the WageIndicator Foundation, aimed at comparing and analysing wages globally.

The global non-profit organisation BSR has supported us in defining and calculating living wages in relevant locations. In 2023, the study was carried out in 13 countries, representing as many as 91% of the Group's employees. Within these countries, the largest operational sites and offices were included, reaching a total of 34 locations globally. In all of the locations, Stora Enso's minimum compensation was above the living wage defined by BSR when accounted for lowest wage with bonuses.

Training and capacity building

We continue to raise awareness of modern slavery within Stora Enso. Human rights is a core element in several training modules for Stora Enso employees, for example in Stora Enso's Code training for all employees. All managers in key positions are required to make a personal commitment to the Stora Enso Code. Employees who face elevated ethics and compliance risks due to the nature of their work are required to complete mandatory, in-depth compliance training, named COMPLY, and to annually sign off on updates. Stora Enso arranges also other training and awareness building activities tailored to specific needs.

Assessment of effectiveness in preventing modern slavery

We understand that modern slavery risks are not static, and that our due diligence approach to addressing them must be periodically assessed to ensure that it continues to be effective. We do this by, for example, monitoring compliance with our policies and requirements and by evaluating the quality and quantity of reports received through our grievance channels.

All employees and stakeholders are actively encouraged to report any instances of suspected misconduct they identify. Stora Enso is subject to legal requirements under the national law transpose the EU Whistleblowing Directive. The measures to protect whistleblowers, their rights, privacy, and confidentiality include secure and anonymous reporting channels and policies against non-retaliation. All potential non-compliance cases involving a Stora Enso employee or a contracted third-party are duly, promptly, and objectively investigated by a dedicated team that is independent from the chain of management involved in the matter. All cases, upon completion, are reported to the Board of Directors' Sustainability and Ethics Committee.

By the end of 2024, Stora Enso had not become aware of any severe cases of human rights incidents related to the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers. The Group is informed of incidents of non-respect through internal audits, grievance mechanisms, and third-party supplier audits, which include aspects such as occupational safety and labour rights.

We carry out assessments and audits with our own units as well as suppliers to ensure compliance with our policies and requirements. For instance, in 2024, 33 sites had received a renewed Forest Stewardship Council (FSC) chain-of-custody certifications, with audits covering requirements on core labour rights. Third-party forest management certification for our own forestry operations and suppliers, such as FSC and PEFC, also include community considerations as a prerequisite (including indigenous people's rights).

In 2024, we conducted 21 Supplier Code of Conduct audits, primarily in China, focusing on contracted manufacturing and labor agencies. The audits revealed non-conformities, related in particular to working hours, basic worker's rights, and emergency preparedness. Stora Enso formulated corrective action plans for all cases with necessary follow-up. This follow-up process is crucial to our sustainable sourcing efforts, with a focus on continuous improvement. Terminating a business relationship due to non-conformities is considered a last resort. No instances of forced labor or human trafficking were found during audits or site visits in 2024.

The work to prevent modern slavery throughout our activities continues, and we will continue to learn and integrate those insights into our broader human rights due diligence programme.

This statement is made in accordance with section 54(1) of the UK Modern Slavery Act 2015 and section 16 of the Australia Modern Slavery Act 2018. It constitutes the Group's Slavery and Human Trafficking Statement for the 2024 financial year. It has been approved by the Stora Enso Group Board of Directors.

Hans Sohlström
President and CEO

