



storaenso

Driving growth in wood products

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THE RENEWABLE MATERIALS COMPANY

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Material substitution underpins our growth opportunity



Building materials
account for

11%

of global CO₂ emissions

If this projected growth was built
exclusively in wood, we would store

500 million

tonnes CO₂ annually

The expected annual growth
of the global building stock is

2 billion

m²

Climate change can be mitigated with wood construction



CO₂ savings for every m³ built with wood

-1 tonne CO₂

vs. concrete

-2.5 tonnes CO₂

vs. steel

We can significantly cut emissions in the construction sector by using renewable materials



Climate change with a proven solution: more than 15,000 building projects already delivered



Our two strategic pillars enable financial stability and resilience



Sales mix



■ Traditional wood products
■ Building Solutions

Traditional wood products



3-4% annual market growth rate long-term
Market size: >€100 billion

Building Solutions



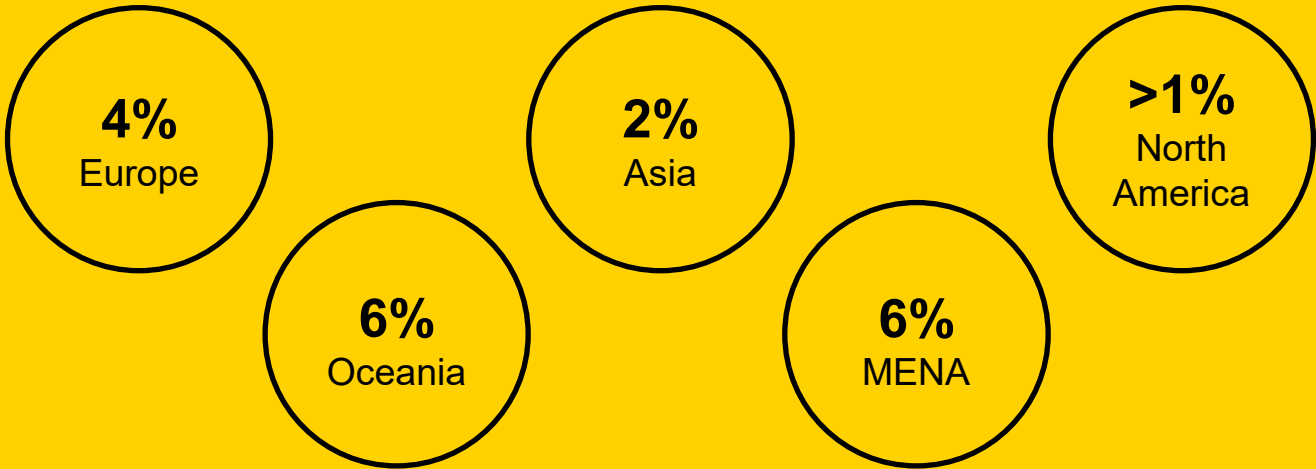
>10% annual market growth rate long-term
Market size: >€1 billion for wooden multi-storey buildings

Our market position and sustainability megatrends support our profitable growth ambitions



Traditional wood products markets

Stora Enso's market share (%)



Stora Enso's global CLT market share 2021



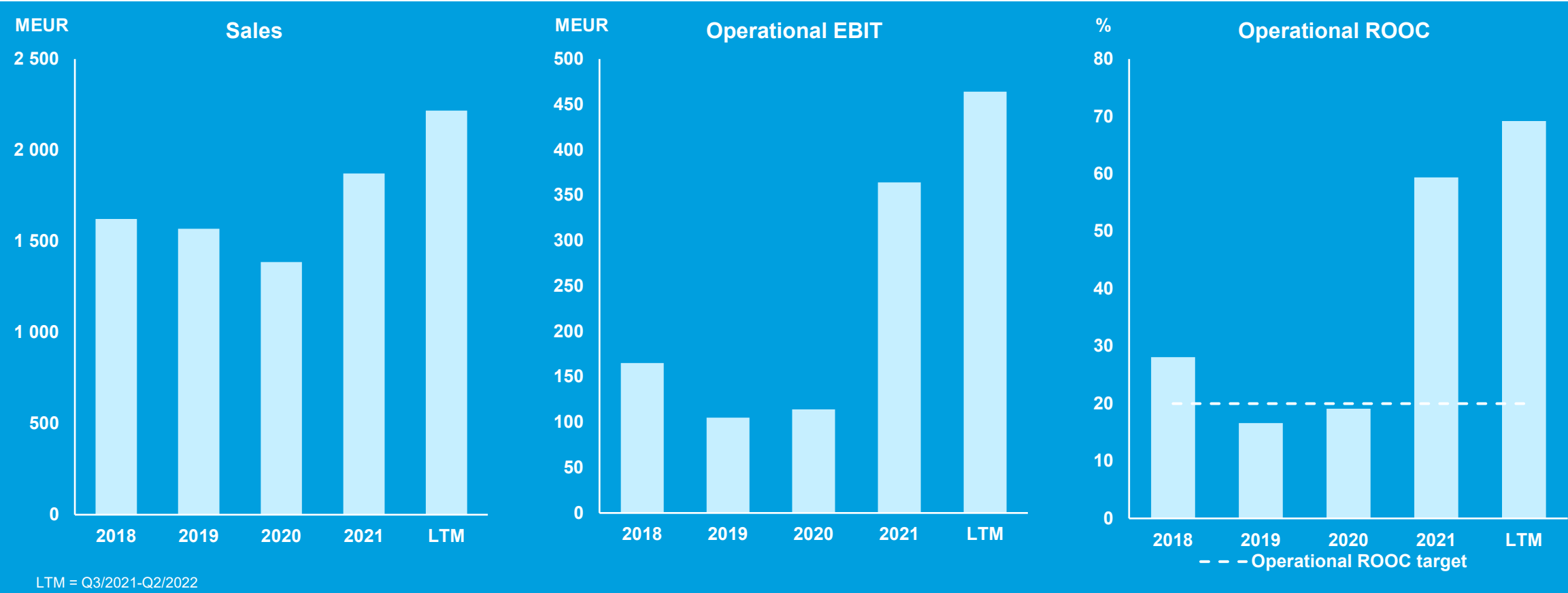
Traditional wood products

- Largest supplier of sawn wood in Europe
- Global reach with >40% sales in overseas markets

Building Solutions

- The world's largest CLT producer
- One of the leaders in LVL in the European market

Our financial performance confirms our strategic direction

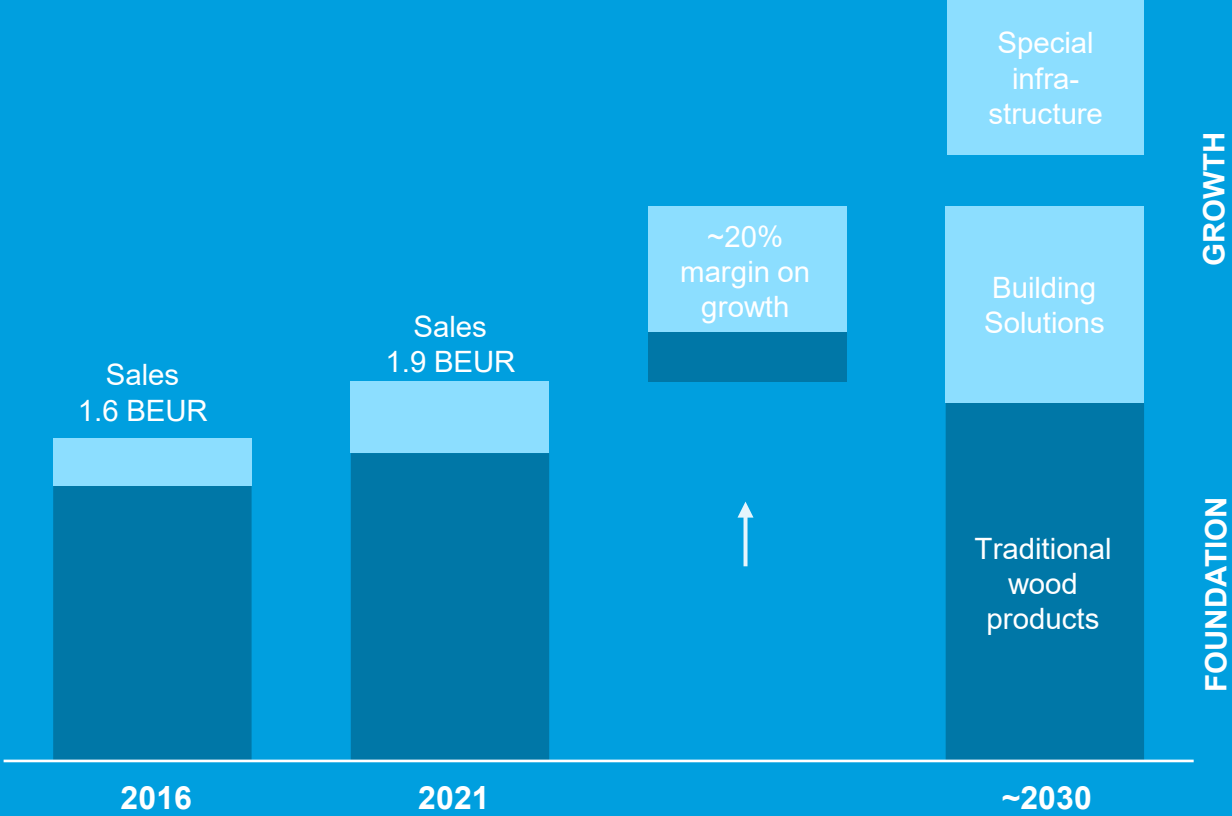


We will triple sales in Building Solutions



Sales mix

- Traditional wood products
- Building Solutions



New growth opportunity with wooden wind turbine towers
>20% margin on growth

Traditional wood products: we have improved our profitability and competitiveness for profitable growth

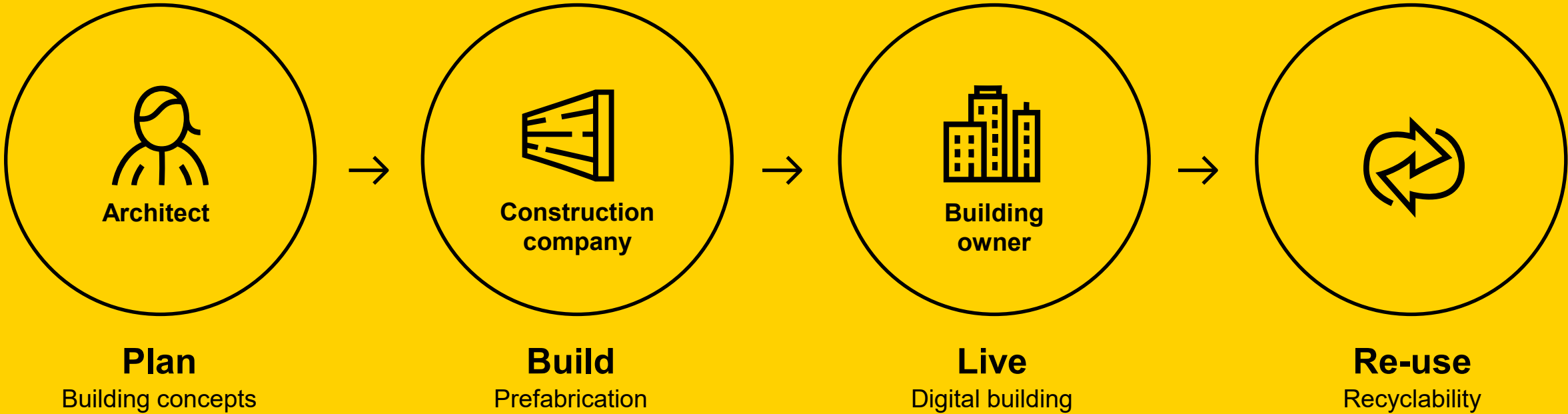


1. Demand growth: megatrend for wooden buildings continues
2. Wood supply: competitive sourcing in Nordics and Central Europe
3. Efficiency: largest operational process efficiency programme completed with main improvements in safety, productivity and raw material efficiency
4. Integration benefits: fiber supply for building solutions and packaging materials

Opportunity for profitable growth: capacity increase



Building Solutions: accelerated profitable growth with solutions across the building lifecycle



Prefabrication example: Fully-finished building elements to reduce manual, costly workload on the construction site



———— **Commodity, off-the-self** ————— **Bespoke, delivered just in time** —————>

Opportunity to double the construction industry's profit pool from 5% to 10%



- Digital tools can reduce **design, planning and maintenance costs**
- Prefabrication can reduce construction costs with up to **70% faster building erections, improved (industrial) quality** and up to **80% less truck deliveries** on site
- Increased people's **productivity of up to 8%** in wooden office buildings can increase property prices
- **Carbon emissions reduced by up to 70%** using wood



Special infrastructure: Growth opportunities with wind turbine towers made from laminated wood



The tallest
wooden wind
turbine towers
in the world
Hannover
Timbertower

- First-mover advantage
- Partnering for development
- Proven technology
- Additional opportunities



Wooden
building
components
produced by
Modvion

Leading provider of wood-based building solutions



CLT production start H2/2022, capacity 120,000 m³ in Ždírec, Czech Republic

- Close to strategic European markets
- Industrial infrastructure
- Local supply of raw material

Total Building Solutions capacity 490,000 m³

- CLT capacity 410,000 m³
- LVL capacity 80,000 m³

- Traditional sawing
- CLT production
- LVL production



Wood Products ~2030 ambition



>40% sales increase*

40% share of Building Solutions

50% scope 3 carbon footprint reduction

+75% operational EBITDA over the cycle*

~25 wind turbine towers delivered

Efficient asset footprint



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