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PRESS RELEASE

TreeToTextile builds demonstration plant for upscaling new sustainable textile fiber

TreeToTextile, owned by H&M Group, Inter IKEA Group, Stora Enso, and LSCS Invest, now invests €35 million in constructing a demonstration plant in Sweden. It is a critical next step towards commercializing a new sustainable textile fiber, with scalable technology and low manufacturing cost. The aim is to make sustainable textile fibers available to all.

All over the world, sustainable textile fibers are in growing demand. TreeToTextile is committed to enabling brands, companies, and others with a progressive agenda, to have access to sustainable textile fibers. TreeToTextile offers a new technology to produce biobased textile fibers with a low environmental footprint at an attractive cost level. The new fiber is a regenerated cellulosic fiber, produced from renewable and sustainably sourced raw materials from the forest.

TreeToTextile's strong sustainability performance is confirmed by a third party verified Life-Cycle-Assessment study¹. Looking at the sustainability targets, the new technology would mean less use of energy, chemicals and water when benchmarked to the production of conventional fibers. The novel process is deliberately designed to have low energy demand and low chemical need. It is engineered to suit large scale production and includes a recovery system for reusing chemicals.

Our technology has the potential to reduce the environmental footprint of the textile industry significantly. With our owners' support, innovative agendas, know-how, and size, we assess that TreeToTextile can play an important contributing part globally, in enabling the textile industry to become sustainable and circular, says TreeToTextile's CEO Sigrid Barnekow.

TreeToTextile is now investing to construct a demonstration plant for upscaling the process technology. The cost is €35 million, which is funded with an investment of €27,4 million from the owners, H&M Group, Inter IKEA Group, Stora Enso, and LSCS Invest, and a grant of €7,6 million from the Swedish Energy Agency. The plant will be established at Stora Enso's Nymölla mill in southern Sweden, and the construction will start in spring 2021. The production capacity will be 1 500 tons fiber per year.

The key to creating real change is cooperation. We are a young organization and at the beginning of our operations, but by investing in a demonstration plant, we are finally on the go. With it we are turning years of R&D into reality to increase the biobased share on the textile market to support climate action. That is why this is an important point in time, not only for TreeToTextile, says Roxana Barbieru, Chairwoman of TreeToTextile / Vice President, Emerging Businesses and Alliances Management, Biomaterials at Stora Enso.

Contact:

Sigrid Barnekow, CEO TreeToTextile
sigrid.barnekow@treetotextile.com
+46 727216060

Maria Starck, Media Officer, Futerra
Maria.starck@futerra.se
+46 760 278294

TreeToTextile - Sustainable textile fibers are in growing demand, and the world is in need for new and better fibers. TreeToTextile offers a new technology to enable a new sustainable man-made cellulosic textile fiber. Its committed owners: H&M Group, Inter IKEA Group, Stora Enso and entrepreneur Lars Stigsson, are united in the aim to make sustainable textile fibers available to all.

¹ Hildenbrand & Roos, 2020. 3rd party verified by Quantis Jan 2021