



Global Framework Agreement

between

Stora Enso Oyj,

**IndustriALL Global Union, UNI Global Union and
the Building and Wood Workers' International**

I – PREAMBLE

The purpose of this Global Framework Agreement (GFA) is to promote cooperation between Stora Enso and IndustriALL, BWI and UNI, by establishing a global framework concerning labour conditions. Promoting labour conditions includes key principles concerning workers' rights and employment conditions.

Stora Enso is committed to fully respect human rights throughout its operations. Stora Enso's commitment entails recognition of human rights as defined in the International Bill of Human Rights and other universally accepted international and regional human rights instruments, including the Core Conventions of the International Labor Organization (ILO), Convention Nos. 87, 98, 29, 105, 138, 182, 100, 111, and ILO Convention No. 169 on the rights of indigenous peoples. The civil, political, economic, social and cultural rights of all individuals are inalienable and of equal importance.

Stora Enso recognizes that states have the primary duty to promote and protect human rights, in accordance with the legal obligations they have taken by ratifying human rights treaties and other instruments, but we affirm that companies have a clear responsibility to respect human rights. We also acknowledge the duty set forth in the preamble of the Universal Declaration for Human Rights for each and every organ of society, including companies and individuals, to strive to promote respect for human rights and freedoms.

Stora Enso welcomes the work of the United Nations (UN) in the area of business and human rights. We particularly wish to commit ourselves to the UN's Protect, Respect and Remedy framework and the related Guiding Principles on Business and Human Rights. We also support the work of the UN Working Group on Business and Human Rights.

Stora Enso further commits to observe the principles of the UN Global Compact, the Children's Rights and Business Principles defined by the UN and Save the Children, and the OECD's Guidelines for Multinational Enterprises. Stora Enso also encourages the development of similar initiatives and tools designed to provide guidance for businesses striving to improve their human rights performance.

Stora Enso's human rights responsibilities entail ensuring the respect of human rights in all relationships involving Stora Enso. Stora Enso expects all its partners to constantly improve their performance in this area. Stora Enso also expects its suppliers to respect human rights and act in full accordance with the Stora Enso's policies and guidelines concerning social responsibility, labour standards and human rights. Stora Enso monitors its suppliers' performance on a regular basis, and where necessary may help them to comply with standards.

Finally, Stora Enso remains resolved to constantly improve its own understanding of human rights and related performance. The Group will continue to provide and intensify human rights training for our own personnel, conducting assessments of its human rights impacts.

In any cases where our activities adversely affect anyone's human rights, in spite of all our efforts to avoid any such infringements, we will do our utmost to remedy the situation and provide fair compensation for any harm suffered.

It is upon this foundation that Stora Enso, IndustriALL Global Union, UNI Global Union and Building and Wood Workers' International and the co-signatories aims at cooperation in a spirit of social

responsibility through the principles of this framework agreement. It is in the interest of all parties that Stora Enso remains competitive, innovative and economically successful over short, medium and long-term and this is achieved in conformity with social responsibility. The undersigned parties want to preserve the basis for this.

This GFA is based on the signatories' joint commitment to respect basic human and trade union rights, acknowledging the fundamental principles of human rights as defined in the Universal Declaration of Human Rights; the ILO Declaration on Fundamental Principles and Rights at Work as well as relevant ILO Conventions and the OECD guidelines on Multinational Companies. The signatories also commit themselves to achieving continuous improvements within the areas of working conditions, health and safety standards at the workplace and positive industrial relations and fair collective bargaining procedures with representative trade unions.

II - SCOPE OF APPLICATION

The principles of this GFA apply to all activities of the company and of its subsidiaries worldwide. Stora Enso always follows local laws in countries where it operates.

III – FUNDAMENTAL PRINCIPLES ON HUMAN AND WORKERS' RIGHTS

1. Human Rights and non-discrimination

Stora Enso is committed to respecting human rights. In particular, Stora Enso strives at effective elimination of forced labor and child labor, and continues to require all its suppliers to comply with its Supplier Code of Conduct when doing business with Stora Enso in addition to observing all laws and regulations governing their activities.

Stora Enso strives towards full-scale non-discrimination. Discrimination against any employee in respect of their racial or ethnic background, age, gender, disabilities, sexual orientation, religious beliefs, political opinions, family status, social origins or other such characteristics is prohibited. It is the policy of the company to treat all current or potential employees fairly and without prejudice.

Stora Enso accepts the commitment to run its business in accordance with the valid legislation in each of the places it operates and commits to respect international labour standards.

2. Freedom of association

The company shall demonstrate good faith and mutual respect in dealing with its employees and their representatives in the workplace. The company recognizes the fundamental right of each and every employee to join a trade union of his/her own free choice and the right to engage in collective bargaining. The company also recognizes and respects fundamental trade union rights.

In order to enable Stora Enso employees to meaningfully exercise their freedom of association, upon request of a union, Stora Enso undertakes to post a notice for the employees to know that a given union wishes to hold a meeting or to provide them with information about their rights.

In locations where employees begin the process to be represented by a union, Stora Enso shall not undertake any activity that could prevent, undermine or slow down this process. However, this shall not limit in any way Stora Enso's capacity to provide factual un-biased information.

Employees and their representatives of trade unions are not subject to any form of discrimination or retribution. The company shall remain neutral concerning employee's free choice to join, remain with, transfer, or abandon their relationship with a trade union of their choice.

3. Health, safety and working conditions

Stora Enso's goal is to be one of the top performers in Occupational Health and Safety within the industry worldwide. Stora Enso strives to provide all its employees a workplace that is safe, healthy and fair, in line with internationally recognised human and labour rights. No employee may be subject to any physical, psychological or sexual harassment, punishment or abuse.

Benchmarking and the spreading of best practices across Stora Enso's global operations are among the tools actively used to promote health and safety. The company also promotes health and safety culture towards its suppliers, contractors and joint ventures.

Health and safety committees can be established at workplaces and workers shall have the right to elect Health and Safety Representatives by agreement with the unions, among the legal representatives chosen by the workers and in accordance with each country's legislation.

4. Migrant and posted workers

Neither Stora Enso nor its subsidiaries or units shall deduct recruitment, training or tuition fees from the workers' wages. However, for post-graduate degrees, alternative arrangements such as retention schemes and payback agreements are allowed. Loans or salary advancements to workers are based on fair terms that are clearly explained to the worker.

Stora Enso's internal processes and routines shall not lead to foreign/migrant workers being treated less favourable than local workers. The company shall ensure that all workers employed in the unit have relevant and valid work and residence permits. Stora Enso will not confiscate or withhold personal documents including work permits and passports of its employee.

5. Prohibition of forced labour and child labour

Stora Enso does not accept any form of forced labour, including prison labour, indentured labour, bonded labour and other forms of forced labour. Overtime in connection with threats of punishment is considered forced labour.

Throughout its operations, Stora Enso will follow the guidelines under Convention number 138 of the International Labour Organisation, regarding minimum working age.

In view of their age, children under the age of 18 shall not perform work, which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

6. Reasonable remuneration

The right of all employees to reasonable remuneration is recognized. The company is committed to pay competitive wages and benefits according to relevant local standards wherever it operates.

7. Working time

Working hours shall comply with appropriate national legislation, national collective bargaining agreements where applicable. If no collective bargain agreement is in place, all workers shall be entitled to at least 24 consecutive hours of rest in every seven-day period.

8. Gender equality

The signatories to this GFA express their commitment to ensure equality between women and men at work. Workplace gender equality applies to recruitment, career development, training and equal pay for equal work. The criteria used for measuring equality in salaries between women and men are based on performance, skills, professional experience and qualifications.

9. Suppliers and Contractors

Stora Enso will take necessary actions to aim that all its suppliers and contractors operate within the principles of this Global Framework agreement regardless of the countries where they have businesses. To achieve this, Stora Enso shall continue to require that its suppliers and contractors adhere to and comply with the company's Supplier Code of Conduct, covering among other things requirements regarding human rights, workers' rights, wages and working hours and occupational health and safety. The Company shall also strive to promote that the principles of this agreement will be respected by the joint ventures in which Stora Enso does not have sole control.

IV – IMPLEMENTATION AND REVIEW

Stora Enso shall act to ensure that the principles of this framework agreement are made available to employees and their representatives as well as management in countries where the Company operates. Stora Enso ensures that this framework agreement shall be translated at least into six (6) most spoken languages in the Group globally.

Stora Enso, IndustriALL Global Union, UNI Global Union and Building and Wood Workers' International shall meet once a two-year period to review practices in the area of the principles agreed in this Global Framework Agreement. In addition, the parties are committed to maintaining an ongoing dialogue and an extra meeting can be agreed upon when jointly considered necessary.

The Committee shall be attended by management of Stora Enso Group and representatives of IndustriALL, UNI and BWI as well as representatives from the European Works Council of Stora Enso, Finnish and Swedish Paper Workers' Unions and Swedish Forestry, Wood and Graphical Workers' Union.

The costs of union representatives' transport and accommodation are covered by the respective union. Other costs (meeting venue, meals and interpretation costs if necessary) are covered by Stora Enso.

The purpose of the meeting shall be to:

- Examine application of this agreement
- Identify good practices and propose actions for promoting them
- Present, more widely, the company's results and strategic orientations.

V- DISPUTE RESOLUTION

It is a primary principle of this Agreement that local issues will be handled at local level, whenever possible.

If any party holds that this Agreement is not being enforced, then the following procedure shall apply:

For local issues, every attempt shall be made to resolve the matter at the workplace between the union and management.

If an issue pertaining to adherence to principles of this agreement cannot be resolved locally, it should, if any of the party wishes, be referred to the national level between the appropriate union and management. If the issue remains unresolved, it may be referred to the global level – to the Committee - but not before four weeks since initial referral to the national level.

In the event that parties are unable to resolve a dispute concerning the application of this Agreement after having discussed it at meeting of the Committee, it may be submitted by mutual consent to a mediator for guidance. Parties shall choose the mediator jointly. Neither party may refuse a request for mediation without just cause. Specific problems of employees and other local disputes concerning collective bargaining shall be handled and settled in accordance with local dispute settlement procedures. Recourse to higher level or mediation may only be justified if the question or issue relates to a right or a standard established within the context of this Agreement.

The undersigned parties herewith agree that any and all differences emanating from the interpretation and implementation of this Global Framework Agreement shall be jointly reviewed with the aim of resolving such. These discussions shall take place before any external communication regarding the dispute by any of the Parties.

VI – CLOSING PROVISIONS

This Global Framework Agreement is applicable for an indefinite duration until it is terminated by one of the Parties by notifying the other party thereof in writing subject to a six calendar month period of notice prior to the end of a month. No individual or third party claims may be based on this Global Framework Agreement.

Signed in Geneva, Switzerland on 19 January 2018



Karl Henrik Sundström
CEO, Stora Enso Oyj

Malin Bendz
EVP HR, Stora Enso Oyj



Valter Sanches
General Secretary
IndustriALL Global Union



Philip Jennings
General Secretary
UNI Global Union



Ambet Yuson
General Secretary
Building and Wood Workers'
International

Witnessed by:



Matts Jutterström
President
Swedish Paper Workers' Union Pappers



Per Olof Sjö
President
Swedish Forestry, Wood and Graphical Workers'
Union



Petri Vanhala
President
Finnish Paper Workers' Union