

EXPANDFIBRE

Accelerating the development of sustainable bioproducts

What is ExpandFibre?



ExpandFibre (2020-2024) is a 50 M€ R&D collaboration and an Ecosystem launched by Fortum and Metsä Group and co-funded by Business Finland. It focuses on upgrading pulp fibre, hemicellulose and lignin from renewable and sustainable sources of straw and northern wood into new bioproducts. Its ambition is to meet the growing demands for sustainable textile fibres and other added value biomaterials.

The **research and development in ExpandFibre**, aiming at producing new ground-breaking technologies and smart business concepts, is divided into **seven research themes**:



Textiles



Biocomposites



Packaging



Lignin products



Hemicellulose
products



Sourcing &
fractionation



Other fibre &
wood products



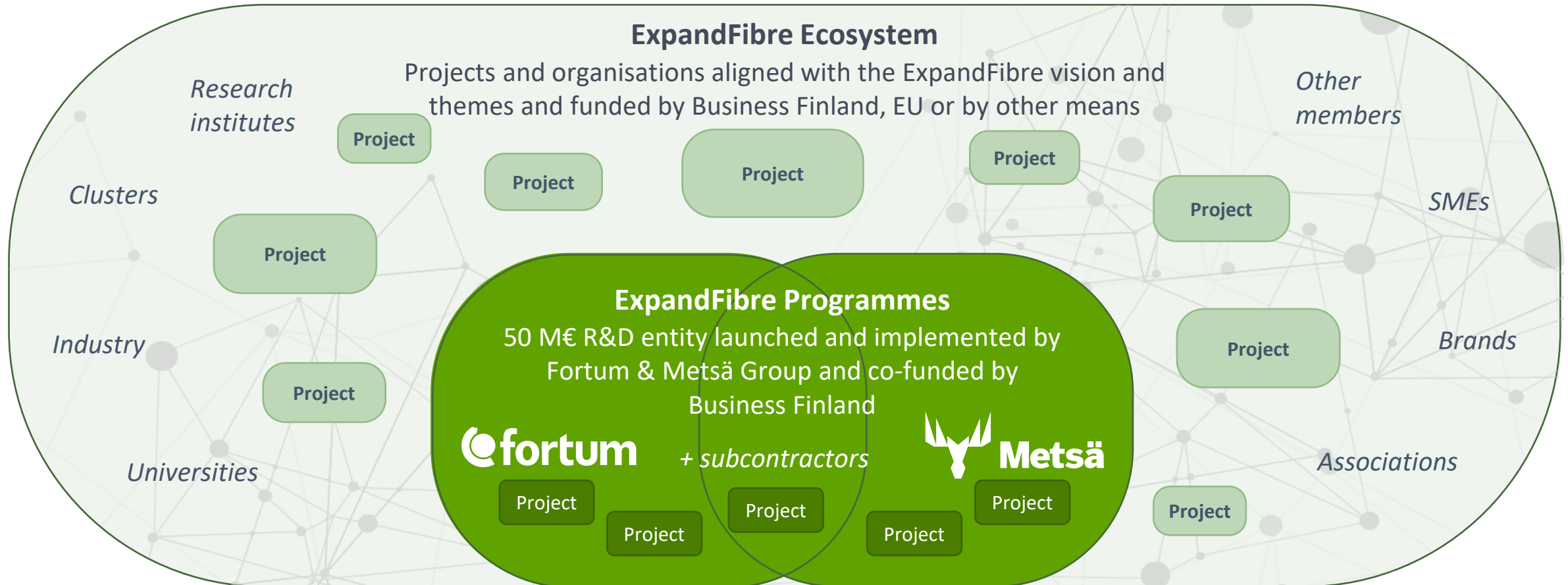
ExpandFibre invites actors in these value chains to join in building a world-leading innovation ecosystem to eventually commercialize new bioproducts and green businesses

ExpandFibre Programmes & Ecosystem

Ecosystem Steering Group



BUSINESS
FINLAND



EXPANDFIBRE



Metsä

ExpandFibre Ecosystem aims at developing novel bioproducts with a reduced environmental impact

Vision

New bioproducts based on sustainable biomass contribute significantly to the reduction of the negative environmental impact of our everyday lives

Mission

ExpandFibre Ecosystem strives to meet the growing demand for sustainable bioproducts by developing ground-breaking materials and technologies and smart business concepts

Short term objectives (2020-2024)

- Build knowledge-based **competitive advantage** among the ecosystem members
- Create/strengthen **test-beds for piloting** and proof-of-concept validations in the theme areas
- **Identify and fill in gaps** in the R&D landscape within ExpandFibre themes
- Create a thriving **business-driven innovation ecosystem for new biomass-based textile fibres**

Long-term objectives (2030 and beyond)

- Provide markets with new bioproducts that have **less than 20% of the carbon footprint** of the current products
- **Bring new revenue to ecosystem partners** through the increasing production and sale of new value-added bioproducts and technologies.
- Significantly **increase investments** into biomass-based value chains

Metsä Group

Purpose

Advancing bio-economy and circular economy by efficiently processing northern wood into first-class products

Vision

The preferred partner in developing sustainable business



Metsä Group

Sales* EUR 6.0 billion | Personnel 9,500 | Renewable energy** 27.7 TWh

Metsäliitto Cooperative | The Group's parent company | Owned by nearly 100,000 Finnish forest owners



METSÄ FOREST
**Wood Supply
 and Forest
 Services**

Sales:
EUR 2.0 billion
 Personnel:
850



METSÄ WOOD
Wood products

Sales:
EUR 0.6 billion
 Personnel:
1,700



METSÄ FIBRE
**Pulp and
 sawn timber**

Sales:
EUR 2.6 billion
 Personnel:
1,400



METSÄ BOARD***
Paperboard

Sales:
EUR 2.1 billion
 Personnel:
2,400



METSÄ TISSUE
**Tissue and
 greaseproof
 papers**

Sales:
EUR 0.9 billion
 Personnel:
2,500

METSÄ SPRING | Innovation company

Participating in ExpandFibre

Fortum Group is a major European clean power and gas company

Power and heat



Nuclear



E-mobility charging solutions



Electricity and fuel trading services



Electricity retail sales



Engineering services for customers

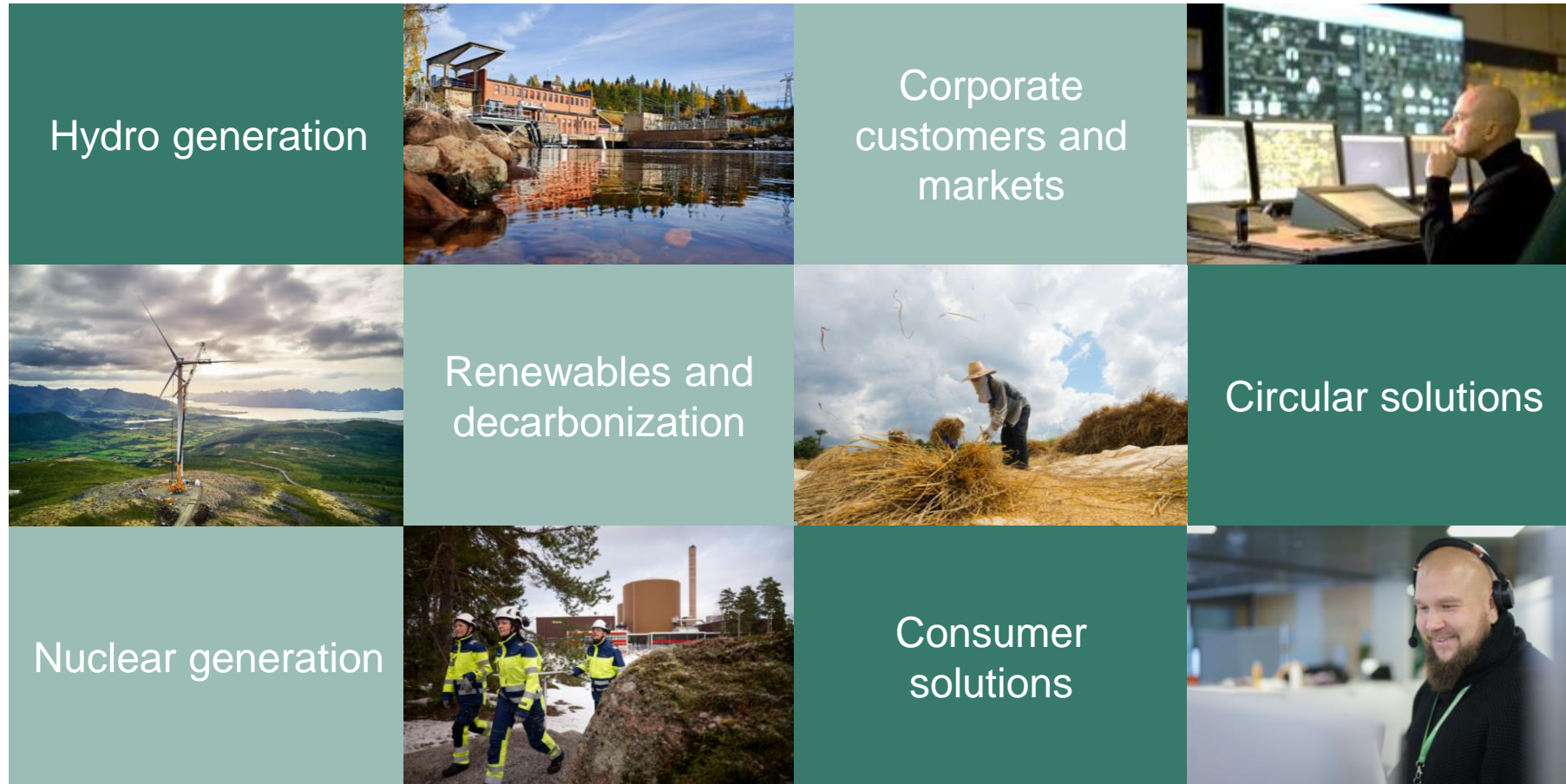


District heating and cooling

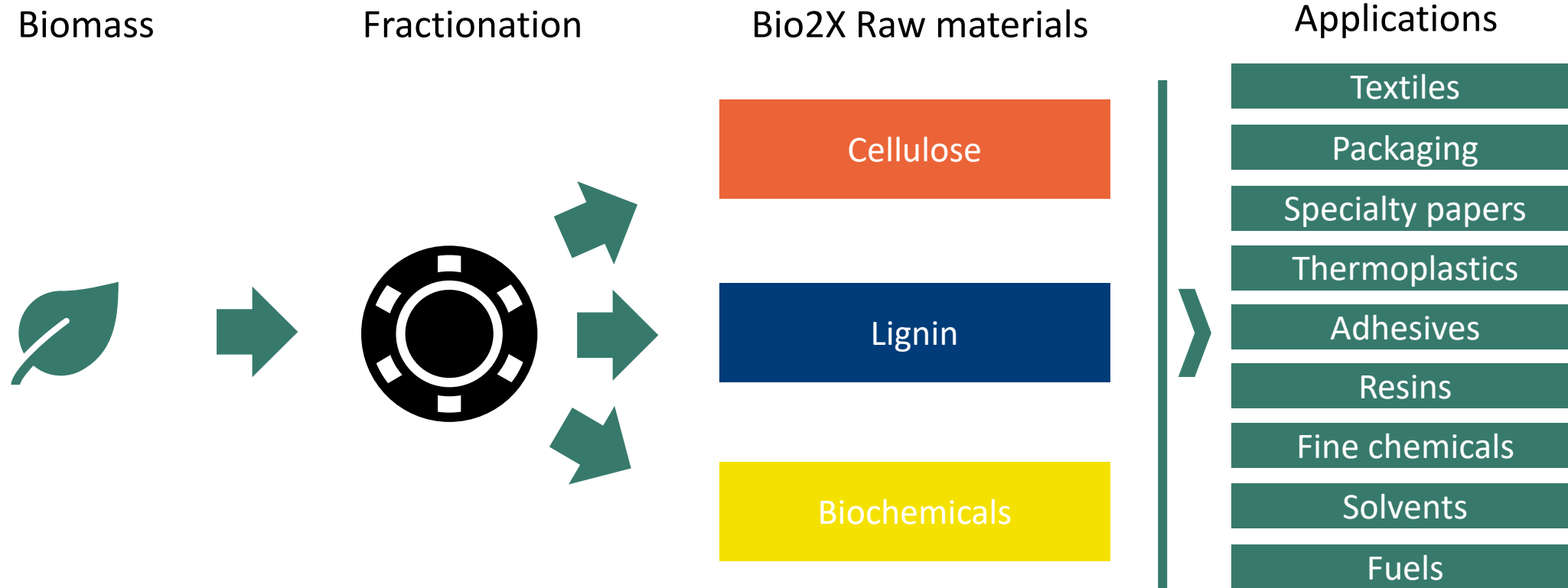


Environmental management and material efficiency services incl. plastic recycling and refining, metals recycling, and ash treatment

Fortum Group is a major European clean power and gas company



Fortum Bio2X: Provider of bio-based materials



Our biorefineries turn biomass into novel, **high-value raw materials** for a wide range of industries.

Fortum and Metsä Group aim to inspire a larger ecosystem to join the mission

ExpandFibre is built upon a strong partnership

- Both Fortum and Metsä Group have strategic targets to build new and sustainable biobased businesses of considerable scale.
- Focus is on different raw materials (straw for Fortum, wood for Metsä Group) but both companies have multiple complementing capabilities and solutions.

ExpandFibre Ecosystem complements the partnership

- The ExpandFibre Ecosystem, consisting of a multitude of bioeconomy players, has a central role in co-creating new technologies and concepts that complement the R&D efforts of Fortum and Metsä Group.
- All projects in the Ecosystem are on the same mission.

ExpandFibre connects to multiple R&D initiatives by Fortum and Metsä Group

Collaboration with Chempolis and construction of the biorefinery in India (Fortum)



Demonstration of sustainable straw-based textiles (Fortum)



Development of novel materials utilising recycled plastics (Fortum)



Development of a new 3D fibre-based packaging product to replace plastics (Metsä)



Sourcing & fractionation

Lignin

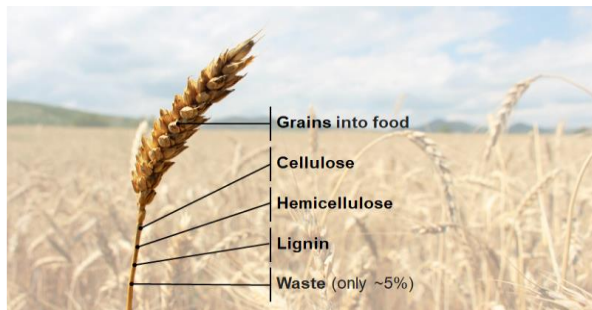
Hemicellulose

Textiles

Biocomposites

Packaging

Other fibre & wood products



High material efficiency through fractionation (Fortum)



Converting hemicellulose and lignin into value-added products (Fortum)



Development of sustainable textile fibre from paper-grade pulp (Metsä)










Establishment of Paperboard and Packaging Excellence Centre in Äänekoski (Metsä)

EXPANDFIBRE



Metsä

ExpandFibre Ecosystem R&D&I focus points on the road towards the Vision 2030

Straw and wood as raw materials						
 Textiles	 Biocomposites	 Packaging	 Lignin products	 Hemicellulose products	 Sourcing & fractionation	 Other fibre and wood products
<ul style="list-style-type: none">• New, sustainable textile fibres for wearable textiles and nonwovens• Staple fibre analytics and performance testing• New staple fibre applications and post-treatment technologies• Recycling and traceability• Business models to speed up global market entries	<ul style="list-style-type: none">• Raw material processing and converting• Material properties• Recycling and end-of-life• Biocomposites containing fibres and lignin• All-cellulose composites & natural fibre polymer composites• Additive chemistry	<ul style="list-style-type: none">• New pulp-based plastic-replacing packaging solutions• Tools and processes for designing sustainable packaging• Barriers and binders based on natural polymers	<ul style="list-style-type: none">• Lignin fractionation for material applications• Lignin as functional ingredient for thermosetting resins as well as for thermoplastics and bio-composites• Lignin dispersants• Novel methods for lignin functionalization	<ul style="list-style-type: none">• Hemicellulosic sugar refining and separation• Xylose, pentoses and furfural as industrial ingredients and platform chemicals• Polymeric hemicellulose as industrial ingredients and platform chemicals	<ul style="list-style-type: none">• Sustainable, low emission agricultural residue supply chains and networks• New fractionation technologies for processing of agro-residual and woody raw materials• Process side-stream utilization	<ul style="list-style-type: none">• New materials based on pulp fibres and wood for high-volume applications• Novel chemistry for pulp fibre and wood modification• Functional structures including hybrid materials• Advanced 3D and 4D processing methods• Fibre and specialty cellulose products from pulp, including MFC, MCC and chemically modified cellulose
<div><div>Cross-cutting topics<ul style="list-style-type: none">• Replacing plastics and fossil-based materials• Digitalisation & measuring</div><div><ul style="list-style-type: none">• Emerging technologies• Sustainability assessment</div><div><ul style="list-style-type: none">• Design for circularity• Piloting and test-beds for new applications• Following regulatory environment</div></div>						

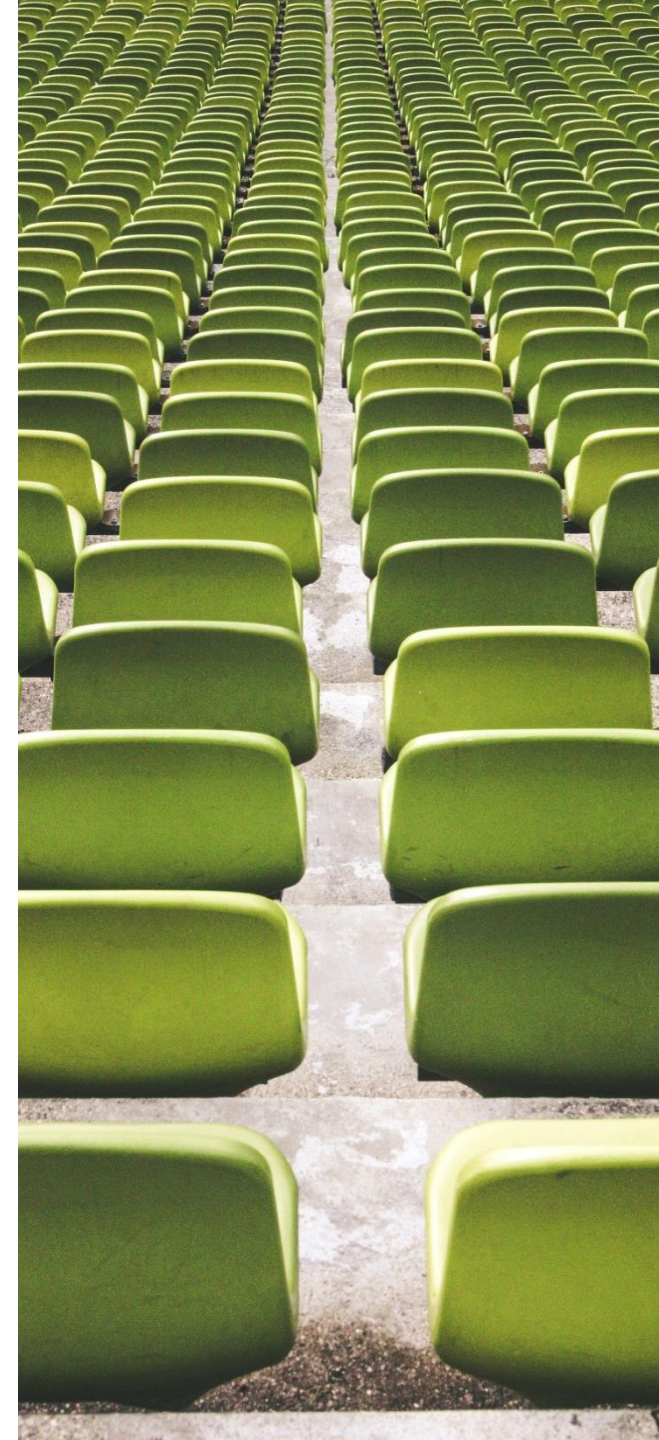
Vision for 2030

- **Investments** in commercial production of new bioproducts (textile fibres, biocomposites, other bioproducts, etc.)
- New bioproducts available to the markets with significantly **lower carbon footprint**
- Sales and/or out-licensing of **new technologies** related to new bioproducts
- **Professionals** trained for new bioproduct businesses
- **Sustainability awareness** increased throughout the value chains



Overview of the Ecosystem*

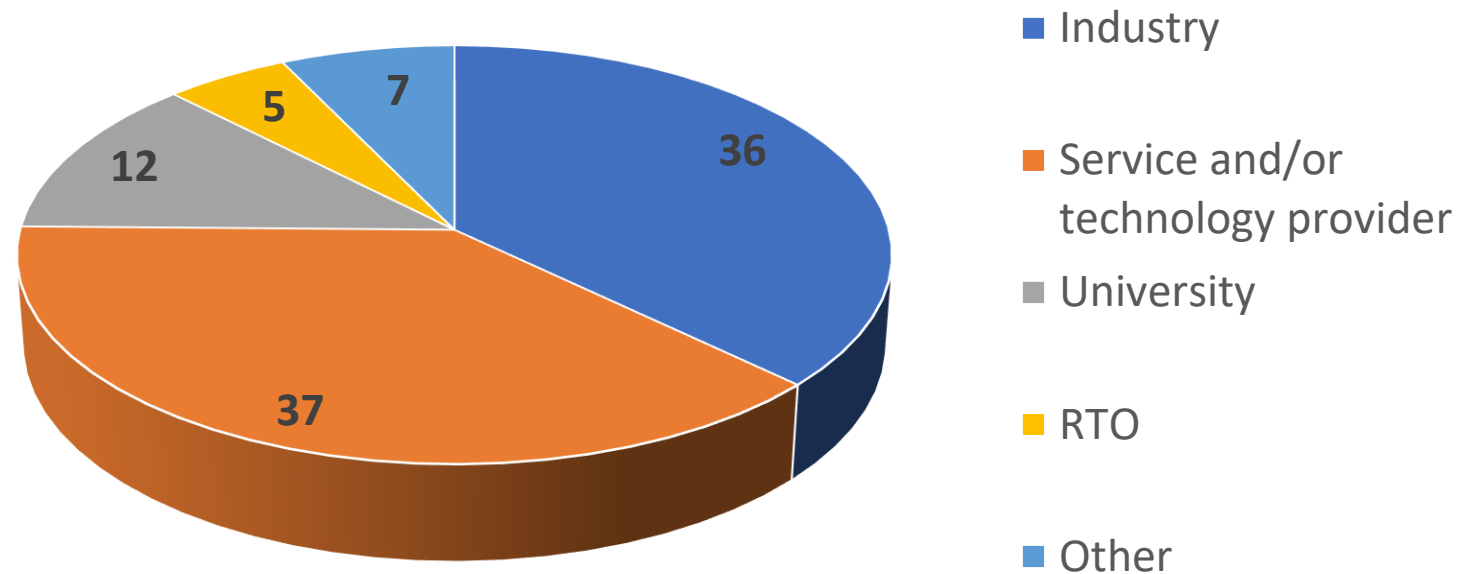
- **97 Ecosystem member organizations** in addition to Ecosystem hosts Fortum and Metsä Group
- Member organisation nationality:
 - **81 Finnish members** (83 %) and **16 international members** (17 %)
- Organisation types:
 - Industry: **36 members** (37 %)
 - *Large: 12 members*
 - *SME: 24 members*
 - Service and/or technology provider: **37 members** (38 %)
 - *Large: 5 members*
 - *SME: 32 members*
 - Total company members in the Ecosystem: **72** (75 %)
 - Large: $12 + 5 = 17$ (24 % of company members)
 - SME: $23 + 32 = 55$ (76 % of company members)
 - University: **12 members** (13 %)
 - RTO: **5 members** (5 %)
 - Others: **7 members** (7 %)



Overview of the Ecosystem*

- **97 Ecosystem member organizations** in addition to Ecosystem hosts Fortum and Metsä Group
- Member organisation nationality:
 - **81 Finnish members** (83 %)
 - **16 international members** (17 %)
- Total company members in the Ecosystem: **70**
 - Large: **17** (24 %)
 - SME: **53** (76 %)

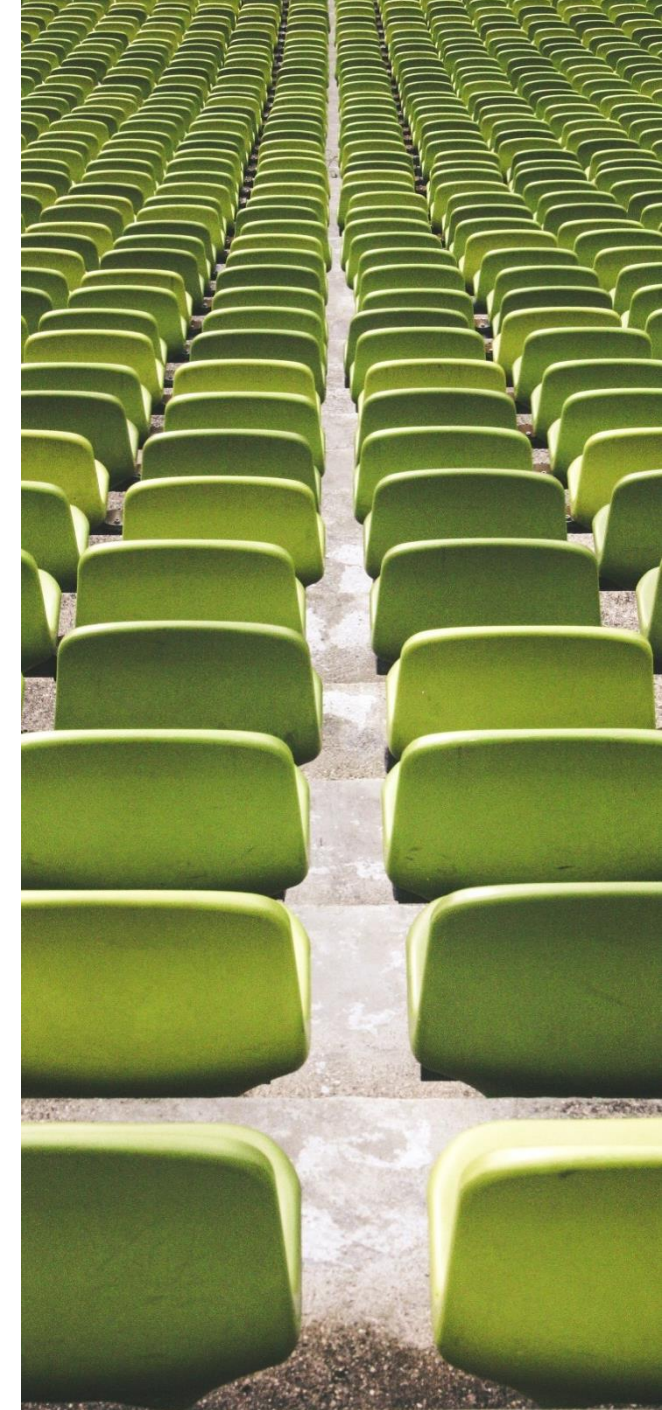
Member organizations by type:



23 Ecosystem projects*




*Situation as of Nov 2023



Ecosystem projects (1/5)*

Project name	Theme(s)	Duration	Funding scheme	Partners
FinnFiberColor – From cellulose to new Finnish man-made cellulose fibers and sustainably colored textiles	Textiles	02/2021 – 01/2023	BF Research	Aalto , Fortum, Metsä Spring, Andritz, UPM, Kemira, Stora Enso, Orneule, Jokipiin Pellava, Tam-Silk, Sidoste
LigninReSurf – Novel Fiber Surfaces Functionalized by Lignins	Lignin & packaging	01/2021 – 12/2023	BF Research	Åbo Akademi University (ÅAU) , BOKU, IEM, CH Bioforce, St1, MetGen, Mirka, Kemira, 3D Tech
ValCel – Value for Cellulosics	Textiles & other fibre products	01/2021 – 12/2022	BF Co-innovation	VTT , Univ. of Helsinki, Univ. of Oulu, Kemira, Metsä Fibre, Metsä Spring, Brightplus, Liutot Group, Pixact, TopAnalytica
SynBioPro – Synthetic biology as enabler for scalable production of renewable chemicals and fuels	Textiles, lignin, hemicellulose	01/2021 – 12/2022	BF Research	VTT , Tampere University, Fortum, Neste, Kemira, Mirka, Olfactomics
SynBio powerhouse ecosystem	All	08/2018 →	BF Growth Engine	VTT , Growing synthetic biology ecosystem of current 1500 connections
ECOLABNET – Network of service providers for eco-innovation (ended)	Biocomposites & cross-cutting	01/2019 – 12/2021	Interreg Baltic Sea Region	Centria , VAMK, Kaunas Univ. of Technology, Univ. of Tartu, Czestochowa Univ. of Technology, VIA Univ. College, Vilnius Univ., Lithuanian Business Confederation, Labsamera MB, Estrotech Ltd

Ecosystem projects (2/5)*

Project name	Theme(s)	Duration	Funding scheme	Partners
FoN – Future of Nonwovens	Textiles & Biocomposites	05/2021 – 10/2023	BF Co-innovation	VTT , Anpap, CH-Polymers, Fortum, Infinited Fiber Company, Metsä Spring, UPM Kymmene, Suominen, Valmet
Carbon neutrality empowered by handprint	Cross-cutting	09/2021 – 09/2023	BF Research	VTT , LUT University, Borealis Polymers Oy, Fortum Power and Heat Oy, Oy Hartwall Ab, HyXo Oy, Höyrytys Oy, Konecranes Oy, Martela Oyj, Neste Oyj, Urbaser Oy
NUMOBIO – Advanced NUmical MOdelling for rapid development of BIOcomposite applications	Biocomposites & cross-cutting	09/2021 – 09/2023	BF Research	VTT , Tampereen yliopisto, Metsä Fibre Oy, Huawei Technologies Oy (Finland) Co Ltd, Primo Oy, Parlok Oy, Profcomp Oy, Block Solutions Oy, Nature Line Cutlery Oy, Elastopoli Oy, Muoviteollisuus ry
HydBondCell – Control of hydrogen bond formation in cellulose structures - one application area a biomaterial-based filter membrane	Textiles, other fibre products & cross-cutting	09/2021 – 02/2023	BF Research	Tampere University , Mirka Oy, Fortum Power and Heat Oy, Teho Filter Oy, Filterpak Oy Ab Ltd, Eagle Filters Oy, Nanoksi Finland Oy, Valmet Technologies Oy
SUSBINCO – Sustainable Binders & Coatings <div> Project preparation facilitated & coordinated by CLIC Innovation  </div>	Biocomposites, Packaging & Hemicellulose products	09/2021 – 11/2023	BF Co-innovation	Åbo Akademi University (ÅAU) , Lappeenranta-Lahti University of Technology (LUT), Natural Resources Institute of Finland (Luke), Tampere University (TAU), University of Eastern Finland (UEF), University of Oulu (UO), VTT Technical Research Center of Finland (VTT), CH-Polymers, Metsä Board, Mirka, Montinutra, Teknos, and UPM-Kymmene, Brightplus, CH-Bioforce, Kiilto, MetGen, and Valmet Technologies.

Ecosystem projects (3/5)*

Project name	Theme(s)	Duration	Funding scheme	Partners
4everPack – Circular business from reusable packaging for fast moving consumer goods	Packaging	08/2021 – 07/2023	BF Research	VTT , University of Vaasa, Brightplus, MetsäBoard, Borealis, Berner, Kiilto, Kotipizza, S-group, Kesko, HUS, City of Helsinki, Kamupak, NordicID, UpCode, Tomra
Telavalue – Value Chains for Sustainable Production, Use and Cycles of Textiles	Textiles, Other fibre products & Cross-cutting topics	02/2022 – 01/2024	BF Co-innovation	VTT , LAB UAS, Turku UAS, Kemira Oyj, Pure Waste Textiles Oy, Touchpoint Oy, Rester Oy, Image Wear Oy, Fiare Solutions Oy, Reima Oy, Fortum Power and Heat, Metsä Spring Oy, Valmet Technologies Oy, Mirka Oy, Freudenberg Home and Cleaning Solutions Oy, Lounais-Suomen Jätehuolto Oy (LSJH), Helsingin seudun ympäristöpalvelut -kuntayhtymä (HSY), Saimas Spinnery Oy, Coveross Oy, Finnish Textile & Fashion
BioProt – Development of bio-based and antimicrobial nonwoven materials and use as protective equipment	Textiles & Other fibre products	01/2022 – 12/2023	BF Co-innovation	Research institutes: LUT , VTT, JYU, Luke, LAB, University of Helsinki Companies: Lifa-Air, Premix, Teknikum, Teknos In-Kind partners: HUS, Mehiläinen, Berner, Optitune, Spinnova
FOLD - Novel folding technology for light-weight design structures and protective packaging	Packaging, Other fibre products, Cross-cutting topics	01/2022 – 12/2023	BF Co-Innovation	VTT , Aalto, Metsä Board, Anpapak, Elomatic, Lumene, Mirka, Orfer, Soften, Stora Enso

Ecosystem projects (4/5)*

Project name	Theme(s)	Duration	Funding scheme	Partners
HiPer – High Performance Cellulose-based Composites	Biocomposites, Other fibre products	05/2022 – 04/2024	BF Co-innovation	VTT , Valmet Technologies Oy, Sulzer Pumps Finland Oy, Paptic Oy, NMC Cellfoam Oy, Isku Interior Oy, Metsä Fibre Oy, Volar Plastic Oy, Koskisen Oy & CH-polymers Oy
FurBio – Furfural-derived Resins and Biocomposites	Biocomposites, Hemicellulose products & Cross-cutting topics	09/2022 – 08/2025	BF Research	University of Oulu , Brightplus, Fortum, Inhan tehtaas, Metsä Spring, Valve Ventures, Woodio
SmartRecovery	Lignin products	01/2023 – 12/2024	BF Research	VTT , Fortum, Metsä Fibre, Andritz, LignEasy, ProSolve, PrefereResins
SUSTAFIT - Sustainable fit-for-purpose nonwovens	Cross-cutting topics, Textiles & Other fibre products	10/2022 – 09/2024	BF Research	Tampere University of Applied Sciences , VTT Technical Research Centre of Finland, Aalto University, Fortum Power and Heat Oy, Valmet Automation Oy, Kemira Oyj, Sulzer Pumps Finland Oy, UPM-Kymmene Oyj, Lounais-Suomen Jätehuolto Oy, SharpCell Oy, Nordic bioproducts group Oy, Lixea Sweden Ab, Fiber-X Finland Oy, Anpap Oy, Spinnova Oyj, Paptic Oy, Nordic Biotech Group, SJT Investment group Oy, Rester Oy, Mirka Oy
BioCarbonValue - High value biocarbons from agricultural sidestreams	Cross-cutting topics, Sourcing & fractionation of straw, Lignin products, Biocomposites	01/2023 – 12/2024	BF Research	VTT , Fortum, Neova Group, Sumitomo SHI FW, City of Heinola, Premix, Carbofex, CarboCulture, PUHI, FifthInnovation

Ecosystem projects (5/5)*

Project name	Theme(s)	Duration	Funding scheme	Partners
F3 – Films for Future	Packaging	09/2022 – 08/2025	European Regional Development Fund (ERDF)	VTT , LUT, Ahlstrom , Berndorf Band GmbH, CMPC Ventures SpA, Colombier Finland Oy, Domtar, DS Smith Paper Limited (GBCE), Fiber-x Finland Oy, Fortum Power and Heat Oy, General Mills Inc., Graphic Packaging International LLC, Henkel AG & Co. KGaA, Joutsen paino Oy, Kelheim Fibres GmbH, Kemira Oyj, KLABIN SA, Leipa Group GmbH, LIST Technology AG, Mega Cellulose Oy, Metsä Board Oyj, MM Kotkamills Boards Oy, Neenah Gessner GmbH, Nordic Bioproducts group Oy, Paroprint Oy, Philip Morris Products SA, Pixact Oy, Solenis LLC, Sulzer Pumps Finland Oy, Suominen Oyj, Suzano SA, Sylvamo Corporation, Yangi, Unilever, UPM-Kymmene Oyj, Valmet Technologies Oy
CERAFIM – Cellular Agriculture for Sustainable Food and Materials	Hemicellulose products	05/2022 – 04/2024	BF Co-innovation	VTT , Brightplus, enifer, Fazer, Fortum Bio2X, HighMetal, Kemira, onego Bio, Spinnova, UPM, Valio
GRAM - Green adaptable method for refining lignocellulosic materials to high-value components	Lignin products	05/2023 – 04/2025	BF Research	University of Oulu , Åbo Akademi, Fortum, UPM, Nordfuel, Sherwin-Williams

Why should you join the ecosystem?

The ExpandFibre Ecosystem is an opportunity to:

Finding innovation and collaboration partners – incl. access to exclusive member events and the ExpandFibre Ecosystem platform

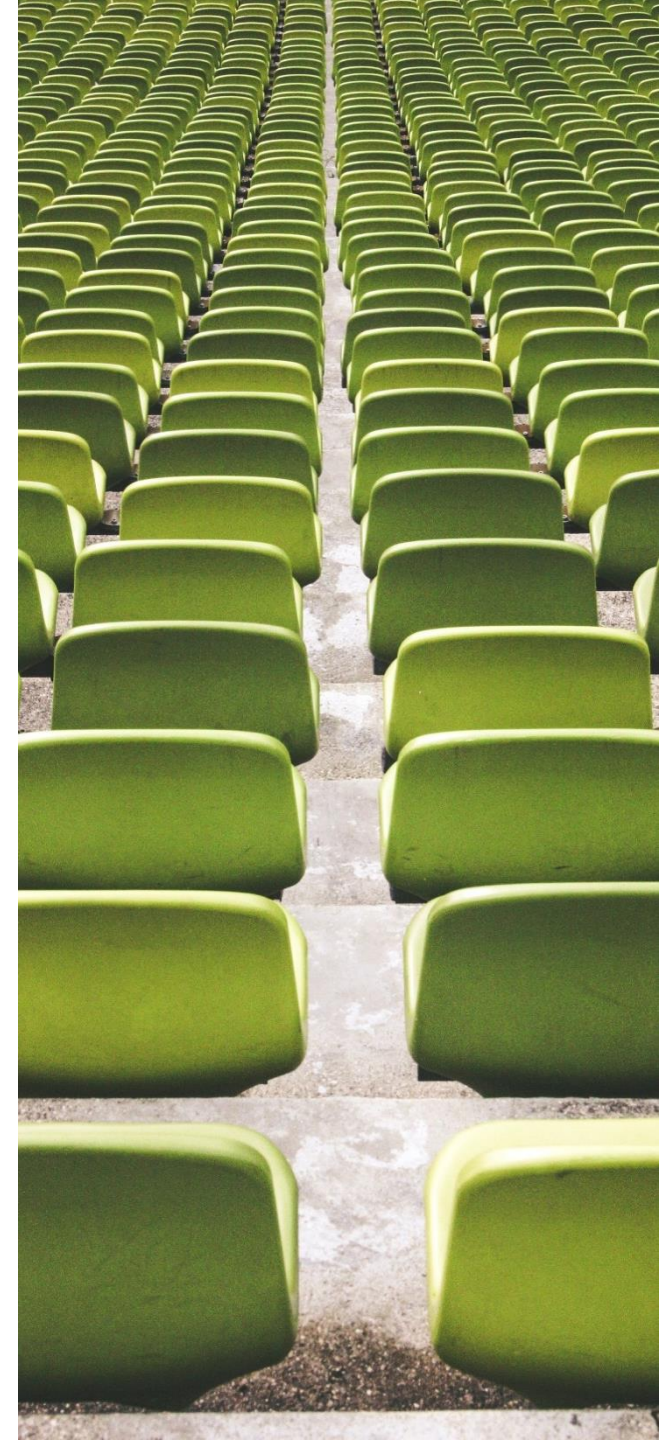
Finding new business opportunities

Cross-discipline and end-to-end value chain cooperation

Sharing thoughts and ideas with those who share the same vision for a sustainable future

Connection to the Business Finland Veturi ecosystem funding scheme

Being a part of a large-scale go-to-market vehicle



Why join? The ExpandFibre value proposition to non-Finnish members

The ExpandFibre Ecosystem is an opportunity to:

Networking and collaborating with the Finnish innovation value chains

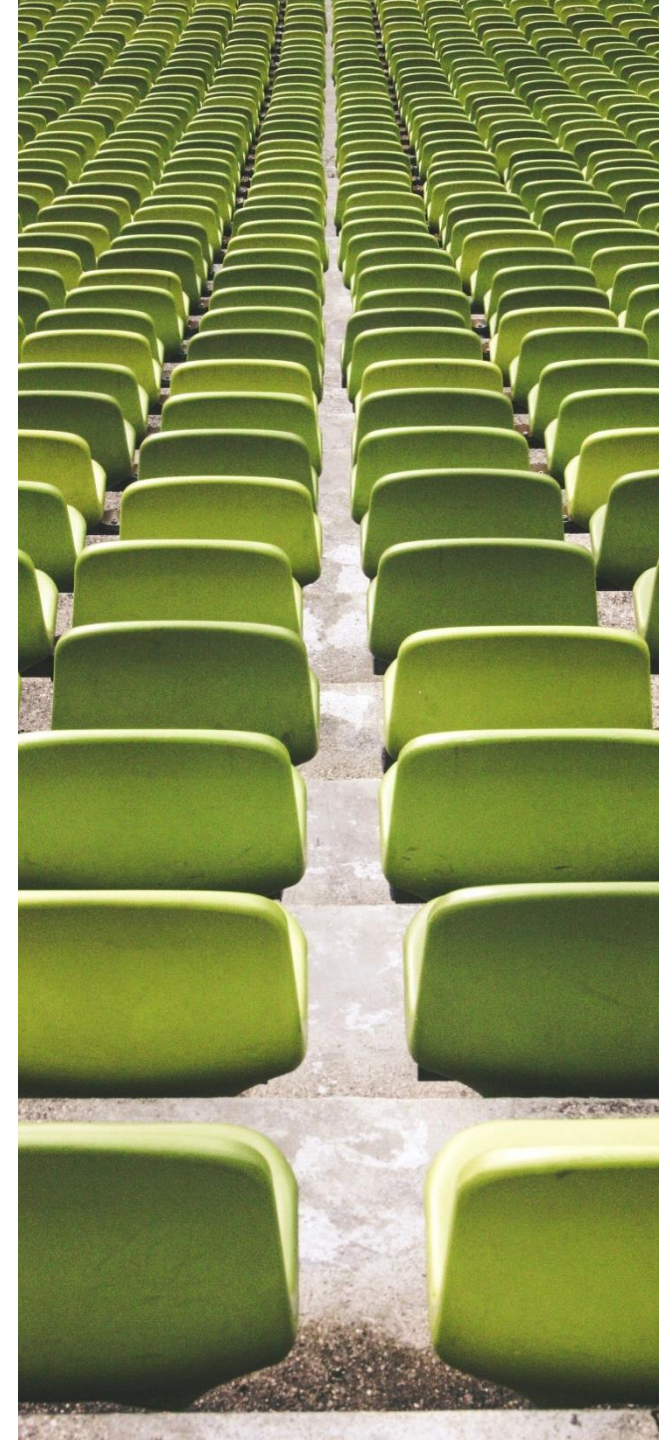
Gaining overall visibility of and to the Finnish R&D landscape

Cross-discipline and end-to-end value chain cooperation

Better insights and connections to existing and upcoming project preparations between companies, and between companies and research institutes

Sharing thoughts and ideas with those who share the same vision for a sustainable future

Being a part of a large-scale go-to-market vehicle



Why join? The ExpandFibre value proposition to projects

The ExpandFibre Ecosystem is an opportunity to:

Increase the visibility of the project and its results via dissemination

Validate project results through dedicated workshops

Find partners to take project results to the market to speed up commercialisation

Identify and create next projects and find partners for them

Expand the project scope and find new materials/technologies/other solutions to test

Exchange ideas with those who share the same vision for a sustainable future, and engage in cross-sectional collaboration



Membership of ExpandFibre Ecosystem

- As a principle, ExpandFibre Ecosystem welcomes organisations as well as existing projects and project applications as a part of the Ecosystem, if their **vision is in line with ExpandFibre vision** and if they work in the ExpandFibre Theme areas.
- By joining the Ecosystem, you join a mailing list and give permission to use your organization's / project's name and logo on the ExpandFibre website and other similar communications materials.
- ExpandFibre will send a questionnaire to each member annually, asking for **certain public KPI's** to track the progress of the ecosystem.

ExpandFibre Programme Managers

(=ExpandFibre Management Group) manage all membership issues:

- **Fortum**

Gerardo Gómez Millán

Technology Expert

Fortum Bio2X, Biobased Solutions

gerardo.gomez.millan@fortum.com

+ 358 50 4076257

- **Metsä Group**

Katariina Kemppainen

SVP, Group R&D, Metsä Spring

katariina.kemppainen@metsagroup.com

+ 358 50 3752212

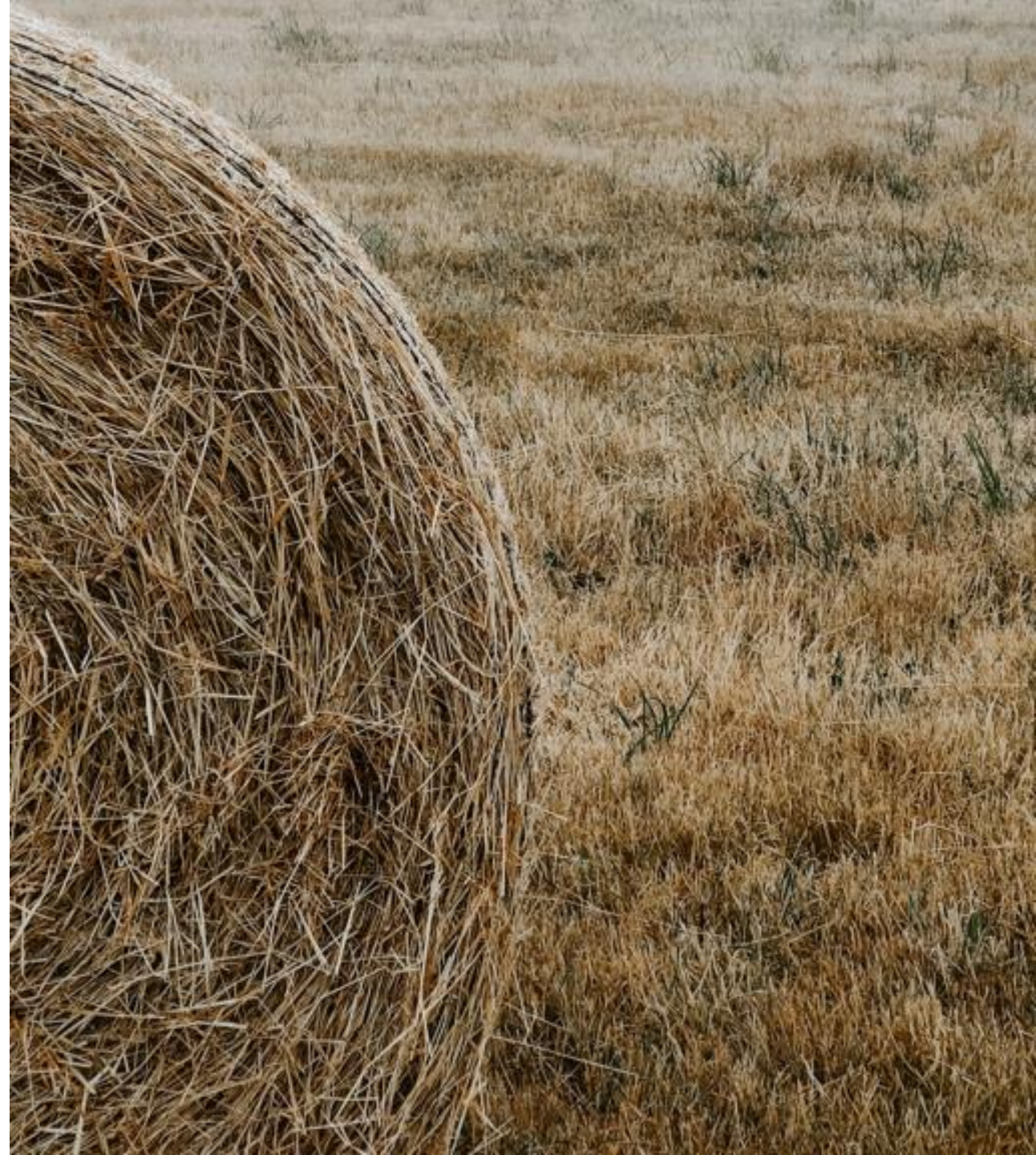
Process to join the Ecosystem

1. **Contact ExpandFibre Programme Managers** (by email or through the website contact form) to discuss and align common interests. See <https://www.expandfibre.com/join> for more information
2. If interests are aligned, you will receive a link to an **online form** to provide information about your organisation or project.
3. ExpandFibre management decides on the approval and informs the member / project of the decision, and upon a positive decision collects their logo and adds them to the Ecosystem mailing list



Ecosystem events & communication

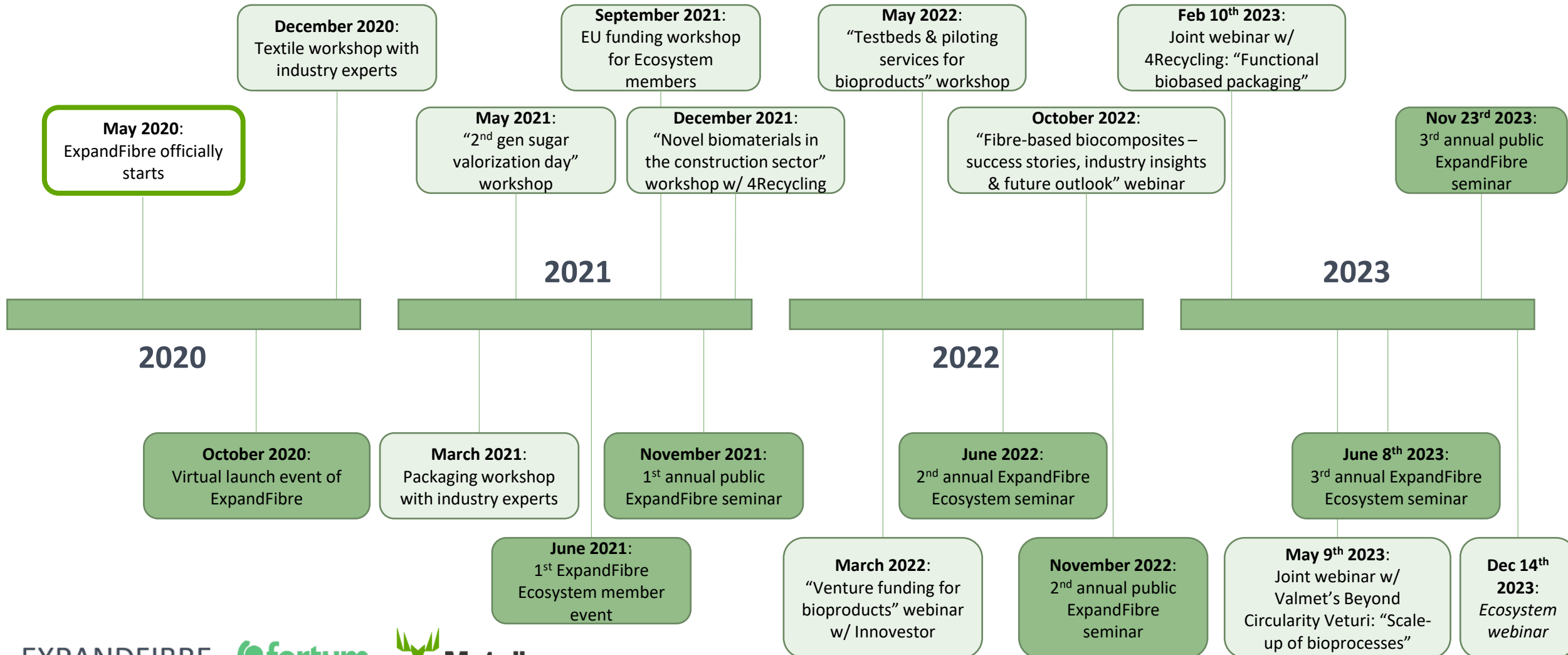
- ExpandFibre targets to create awareness, facilitate match-making, identify gaps and initiate the preparation of new R&D projects through:
 - Actively meeting with ecosystem members and creating new links between them, with the help of the ExpandFibre Ecosystem platform tool
 - Arranging theme related workshops, ecosystem events and a public annual seminar
 - Co-operating and coordinating initiatives with other ecosystems
 - e.g. CLIC Innovation and its ecosystems (4Recycling), FinnCERES Materials Cluster & other Business Finland Veturi ecosystems



ExpandFibre event summary

Seminars

Workshops & webinars



EXPANDFIBRE

fortum

Metsä

**Join us to meet the growing demand for
sustainable bioproducts – we need players
from every part of the value-chain**