



May 29, 2025

UPM joint annual report

Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)

UPM joint annual report: Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada)

This joint annual report has been issued by UPM-Kymmene, Inc., UPM Raflatac, Inc., and UPM Pulp, Inc. (“UPM entities”) pursuant to Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c. 9, Canada). The joint annual report has been adopted by the Board of Directors of each of the UPM entities on May 28, 2025, and signed by one of the directors respectively.

1. Structure, activities, and supply chains

The UPM entities are all located in the United States, in more detail as follows:

- **UPM-Kymmene, Inc.**, located in Naperville, IL, USA.
- **UPM Pulp, Inc.**, located in Naperville, IL, USA.
- **UPM Raflatac, Inc.**, headquartered in Mills River, NC, USA.

The UPM entities are owned by UPM-Kymmene Investment, Inc. which in turn is owned by UPM-Kymmene Corporation, ultimate parent company of the UPM group of companies, headquartered in Helsinki, Finland. At the end of 2024 UPM group employed approximately 15,800 people worldwide. For more information on UPM group please visit: [UPM.com](https://upm.com) | [UPM](#)

The UPM entities employed at the end of 2024 approximately 500 employees.

UPM-Kymmene, Inc. sells paper products manufactured by paper mills belonging to UPM group in the US and Europe. UPM paper mills utilize recycled paper and wood raw material from sustainably managed forests in several countries as their primary raw materials. The chemicals needed for papermaking are purchased from several countries.

UPM Pulp, Inc. sells eucalyptus, birch, and softwood pulp produced at UPM group mills in Finland and Uruguay.

UPM Raflatac, Inc. manufactures pressure-sensitive labelstocks in US facilities in Mills River, NC, Fletcher, NC, and Dixon, IL. UPM Raflatac, Inc. utilizes globally sourced raw materials, including paper, plastic film, and adhesives.

Canadian customers purchase and import products manufactured and sold by the UPM entities. UPM Raflatac, Inc. also provides pressure-sensitive labelstock to UPM Raflatac Canada Holdings, Inc., owned by UPM-Kymmene Corporation, which operates a warehouse and slitting terminal in Ajax, ON, Canada.



The policies and procedures described in this joint annual report to prevent and reduce the risk of forced labour or child labour are implemented at the UPM group level and apply to the operations of the UPM entities.

2. Policies and due diligence processes

Policies. UPM group, including UPM entities, is committed to respecting human rights in line with the United Nations Guiding Principles on Business and Human Rights. UPM respects the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. UPM also promotes the human-rights-related principles of the UN Global Compact. The UPM Code of Conduct, the UPM Sustainability Policy Statement, and the UPM Supplier and Third-Party Code are aligned with these internationally recognized standards.

The UPM Code of Conduct expresses the Company's respect for people and human rights, the environment, and ethical business practices. The Code is complemented by UPM's Sustainability Policy Statement, which addresses the topic and related processes in more detail. The UPM Supplier and Third-Party Code sets out minimum requirements for the value chain.

For more information:

- [Code of Conduct | A material solutions company](#)
- [UPM Supplier and Third-Party Code | A material solutions company](#)
- [UPM Sustainability Policy Statement | A material solutions company](#)
- [UPM Annual Report 2024, Sustainability Statement](#) (p. 211, 225, 237)

Due diligence. UPM has ongoing due diligence processes to identify, prevent, mitigate and account for how UPM addresses its adverse impacts on people or the environment. In terms of human rights and environmental due diligence in its supply chain, UPM uses a risk-based approach that consists of various elements applied before and during the onboarding of new suppliers and monitoring of business partners. These elements include counterparty screening, enhanced due diligence and Know Your Supplier screenings, forest and other certification systems, third-party sustainability assessments by EcoVadis, and the high sustainability risk supplier framework and model. UPM also conducts regular supplier audits and contractor reviews. In 2024, UPM carried out 97 (95) supplier audits and reviews globally.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 225)



3. Forced labour and child labour risks

UPM has identified forced labor as a salient human rights risk in some of UPM's contracted services and global supply chains and recognizes migrants as a particularly vulnerable group of workers. UPM does not use or tolerate the use of forced labor in any form in its own operations or in its supply chains.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 225)

4. Remediation measures

UPM monitors and works to remedy adverse impacts on human rights of which it is aware, and which its activities have caused or contributed to. In the event of a violation of a human rights or environmental obligation, UPM determines the necessary and appropriate measures on a case-by-case basis. Remediation is determined case by case, based on verified impacts.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 211)

5. Remediation of loss of income

In 2024, no incidents of serious human rights violations occurred in UPM's own operations or value chain where UPM's activities would have caused or contributed to the harm. In 2024, no severe human rights incidents related to affected communities have been reported.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 227, 231)

6. Training

UPM's Code of Conduct training is mandatory for all UPM employees, and participation is measured and reported annually. The training covers the protection of human rights and the environment and the identification of human rights and environmental risks. In addition, there is a separate e-learning course on the requirements of the UPM Supplier and Third-Party Code for UPM's employees who deal with suppliers. The link between human rights violations and corruption is also covered in UPM's anti-corruption training, which is mandatory for all salaried employees. UPM's Sourcing function organizes additional training for its employees on responsibility principles and supplier requirements.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 211)



7. Assessing effectiveness

UPM reviews the effectiveness of its risk management procedures quarterly through its Compliance system.

- [UPM Annual Report 2024, Sustainability Statement](#) (p. 227)

8. Approval and attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of a member of the Board of Directors, attest that I have reviewed the information contained in the report on behalf of the governing body of the entity that I represent as defined below. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

I have the authority to bind UPM-Kymmene, Inc.

Jennifer Mizera
Country Manager, Record-to-Close
Member of the Board of Directors, UPM-Kymmene, Inc.
May 29, 2025

I have the authority to bind UPM-Kymmene, Inc.

Laura Cummings
Legal and Compliance Counsel, North America
Assistant Secretary, UPM-Kymmene, Inc.
May 29, 2025



I have the authority to bind UPM Raflatac, Inc.

A handwritten signature in black ink that reads "Jennifer Mizera".

Jennifer Mizera
Country Manager, Record-to-Close
Member of the Board of Directors, UPM Raflatac, Inc.
May 29, 2025

I have the authority to bind UPM Raflatac, Inc.

A handwritten signature in black ink that reads "Laura Cummings".

Laura Cummings
Legal and Compliance Counsel, North America
Assistant Secretary, UPM Raflatac, Inc.
May 29, 2025

I have the authority to bind UPM Pulp, Inc.

A handwritten signature in black ink that reads "Jennifer Mizera".

Jennifer Mizera
Country Manager Record-to-Close
Member of the Board of Directors, UPM Pulp, Inc.
May 29, 2025

I have the authority to bind UPM Pulp, Inc.

A handwritten signature in black ink that reads "Laura Cummings".

Laura Cummings
Legal and Compliance Counsel, North America
Assistant Secretary, UPM Pulp, Inc.
May 29, 2025