



Metsä

Metsä Board

Investor presentation

January–September 2024



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Investment highlights



Premium fresh fibre paperboards

- Recyclable and lightweight paperboards from renewable raw materials
- Packaging materials providing an alternative to plastics



A leading position in a growing market

- Metsä Board is #1 producer in folding boxboard and white kraftliners in Europe, and
- #1 in coated white kraftliners globally



Strong focus on sustainability

- Fossil free production and products by the end of 2030
- Resource efficiency and reduced carbon footprint of packaging



Investing in sustainable and profitable growth

- Recently completed large-scale growth investments
- Planned investments to improve competitiveness and sustainability, and develop new products

Metsä Board is part of Metsä Group

parta structure ensures high availability of Nordic fibres and pulps

Metsä Board is part of Metsä Group

Metsä Group's interest is to increase the value of the forest of owner-members by processing wood into valuable and sustainable end-products

Figures based on FY2023

METSÄ GROUP

FY2023: Sales EUR 6.1 billion | ROCE 7.2% | Personnel 9,500

Parent company: METSÄLIITTO COOPERATIVE

owned by over 90,000 Finnish forest-owners

METSÄ FOREST

WOOD SUPPLY AND
FOREST SERVICES

Sales EUR 2.2 bn
Personnel 700

Holding:
Metsäliitto Cooperative 100%

METSÄ WOOD

WOOD PRODUCTS

Sales EUR 0.6 bn
Personnel 1,700

Holding:
Metsäliitto Cooperative 100%

METSÄ FIBRE

PULP AND
SAWN TIMBER

Sales EUR 2.5 bn
Personnel 1,600

Holding:
Metsäliitto Cooperative 50.1%
Itochu Corporation 25.0%
Metsä Board 24.9%

METSÄ BOARD

PAPERBOARD

Sales EUR 1.9 bn
Personnel 2,250

Holding:
Listed in Nasdaq Helsinki
Metsäliitto Cooperative 52%

METSÄ TISSUE

TISSUE AND
GREASEPROOF PAPERS

Sales EUR 1.3 bn
Personnel 2,500

Holding:
Metsäliitto Cooperative 100%

METSÄ SPRING INNOVATION COMPANY

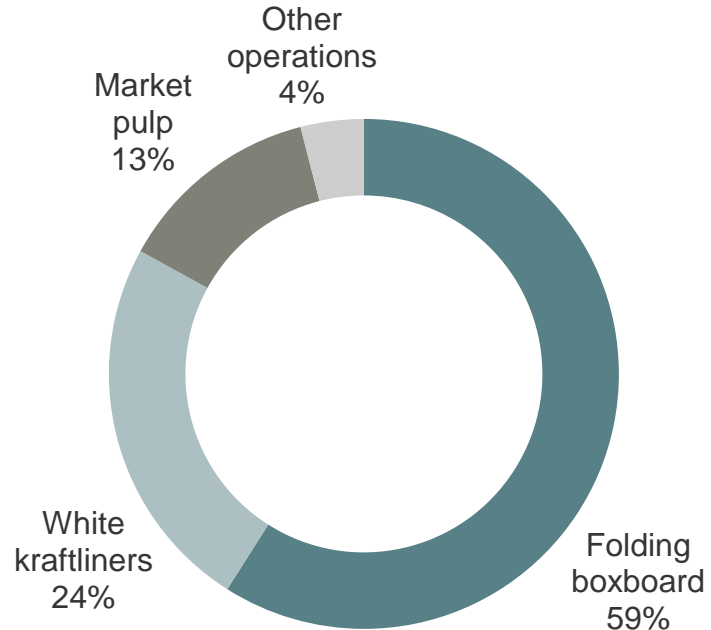
Metsä Spring's role is to

- invest worldwide in start-ups and implement Metsä Group's own selected pilot/demo projects
- lead Metsä Group's R&D with the aim of supporting the development of Group's current businesses

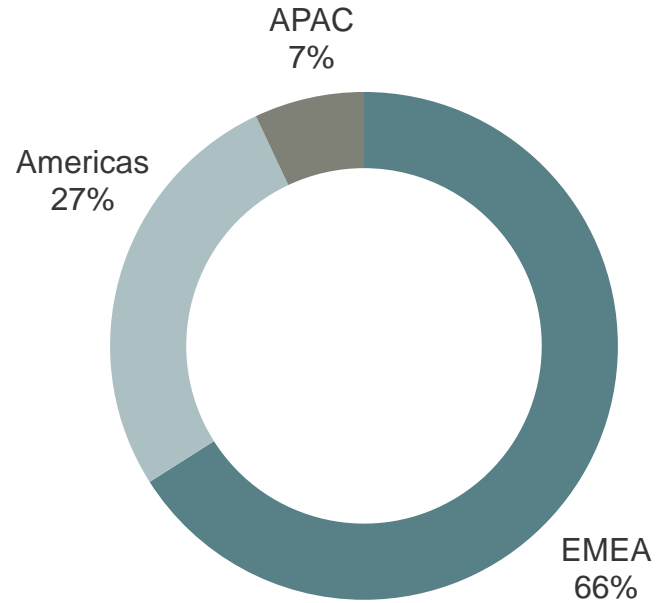


Company in figures

Split by product

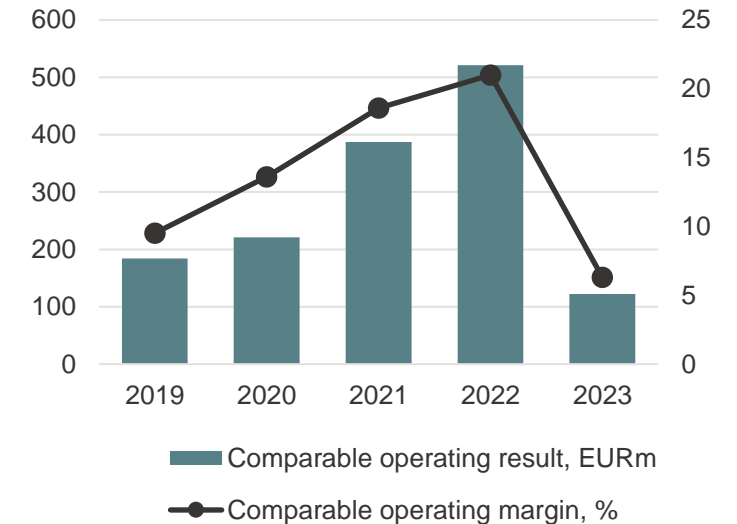


Split by region



Comparable operating result

FY2023: EUR 122 million or 6.3% of sales



Long-term customerships

Diversified customer base in 100 countries including brand owners, converters, manufacturers of corrugated products and merchants

Paperboard capacity

2.3 million

tonnes/year

Pulp and BCTMP capacity

1.7 million

tonnes/year

Ownership in Metsä Fibre*

24.9%

secures self-sufficiency in pulp

In 2023 paperboard capacity increased by 240,000 tonnes due to the capacity expansions in Husum and Kemi. Additional capacity is expected to be fully in the market in 2026.



Focus on premium and recyclable fresh fibre paperboards, end-uses mainly in consumer products

Metsä Board's annual capacity in FBB in 1.6 mt

Metsä Board's annual capacity in WKL in 0.7 mt
- of which 2/3 is coated WKL



Our main markets are Europe and North America

Total paperboard deliveries in 2023 were 1.4 million tonnes
(2022: 1.8mt)

Regional focus on key demand drivers

Further strengthening our leading market position in EUROPE

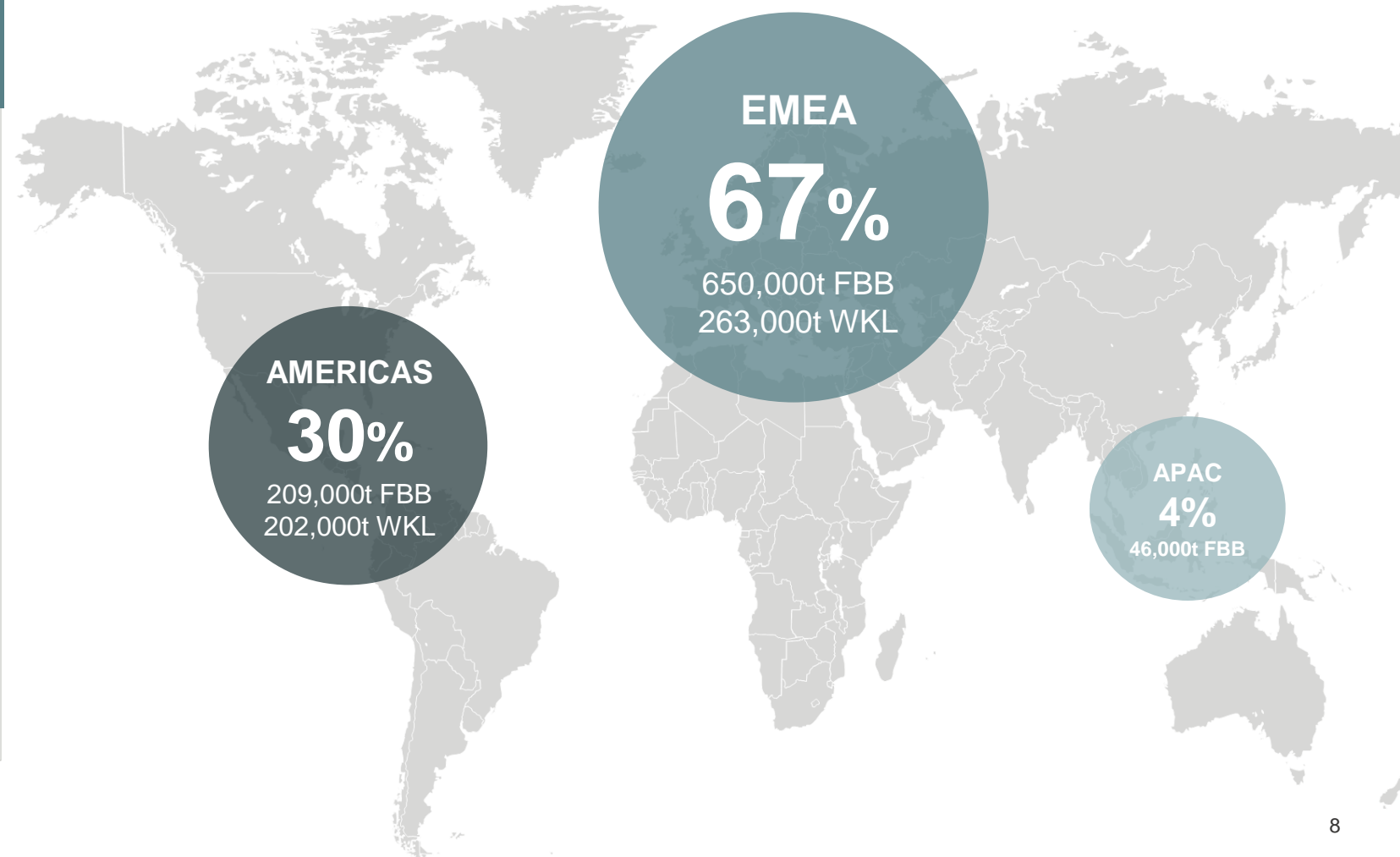
- Environmental awareness and regulatory requirements support recyclable packaging materials
- Trend towards material reduction and lightweighting favours folding boxboard
- Food safety requirements favour pure fresh fibre paperboards
- Weakened availability of high-quality recycled paper

Continuing growth in NORTH AMERICA

- Limited local availability of high-quality lightweight paperboards
- Growth in sustainable packaging for food and food service
- Product brand promotion and personalization in growing e-commerce

Focus on high-quality packaging in selected end use segments in APAC

- Middle class growth increases purchasing power and demand for packaged consumer goods

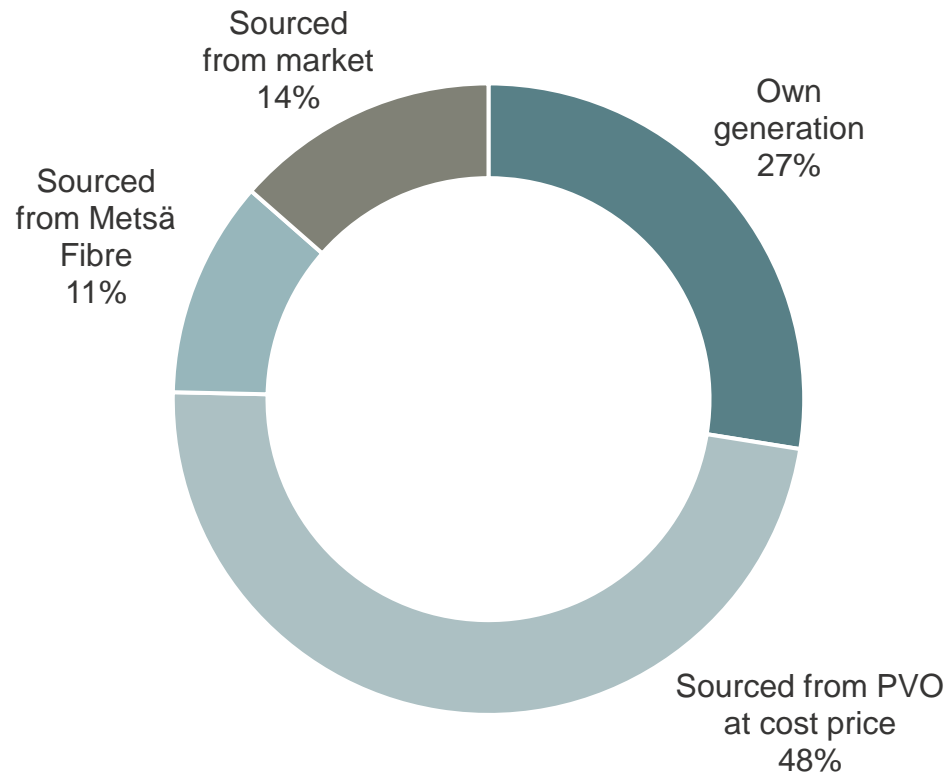


Self-sufficiency in energy is 90%

Energy consumption by sourcing method

Electricity

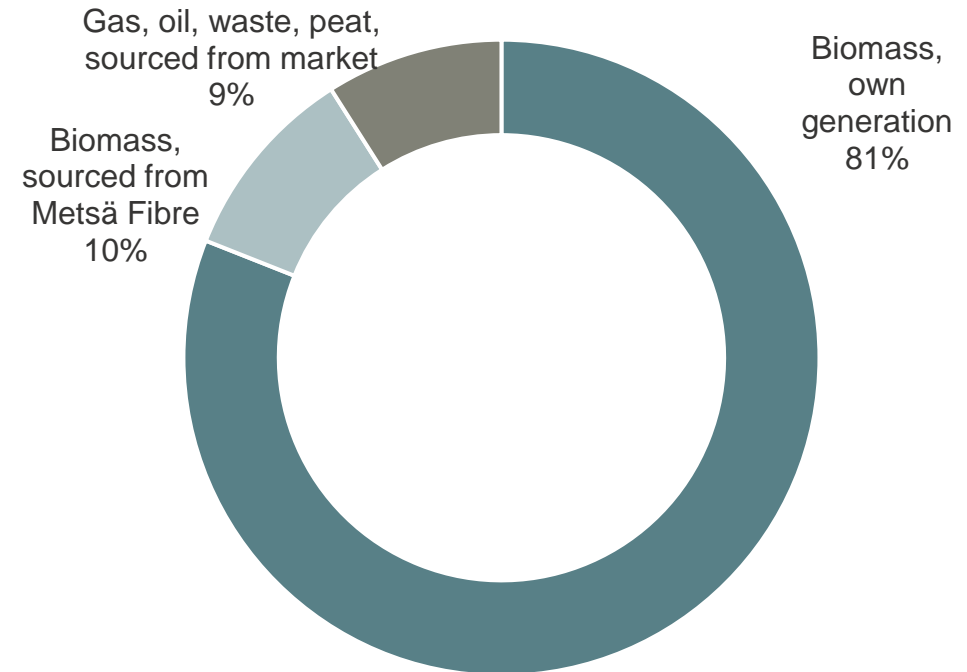
Total 1.9 TWh



Based on GRI calculation

Fuels (Heat)

Total 6.0 TWh



Based on primary energy calculation

Self-sufficiency in pulp is secured through ownership of Metsä Fibre

Metsä Fibre is globally #1 producer in softwood market pulp (NBSK)

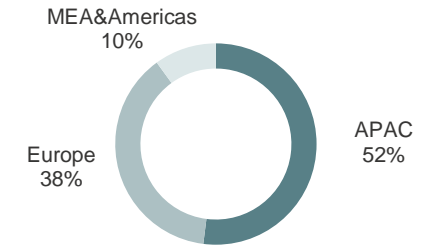
- Capacity ~4 million tonnes/year chemical pulp (80% SW, 20% HW)
- 2.1 million m³/year sawn timber (40% spruce, 60% pine)
- Self-sufficiency in electricity over 200% (total annual production capacity ~5 TWh)

Metsä Board owns 24.9% of Metsä Fibre

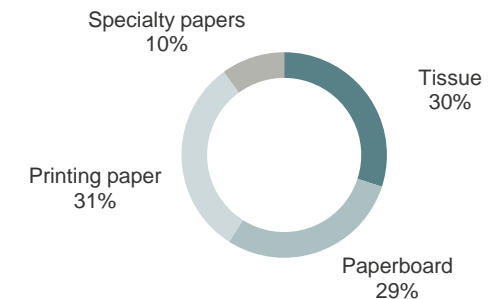
- Other owners Metsäliitto Cooperative 50.1% and Itochu Corporation 25.0%
- Metsä Board consolidates 24.9% of Metsä Fibre's net result into its EBITDA. The annual dividend by Metsä Fibre is typically paid at the end of Q1
- Taking into account the ownership in Metsä Fibre, +/- 10% change in market pulp price has an +/- EUR 50 million impact on Metsä Board's annual operating result



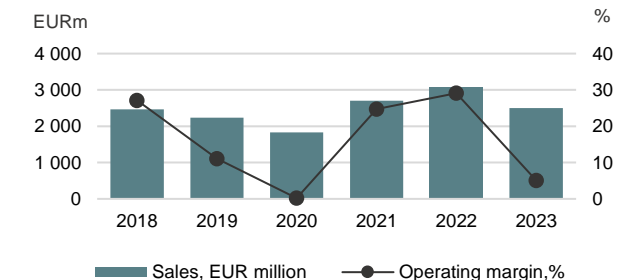
Metsä Fibre's pulp sales split by region 2023



Metsä Fibre's pulp sales split by end-use 2023



Metsä Fibre's sales (EUR million) and operating margin (%)



Metsä Board's production is close to the main raw material – northern wood

Total paperboard capacity:
 Folding boxboard (FBB): 1,560,000 t/a
 White kraftliner (WKL): 715,000 t/a

Total pulp / BCTMP capacity:
 BCTMP: 750,000 t/a
 Chemical pulp: 910,000 t/a
 24.9% ownership in Metsä Fibre, total pulp capacity ~4Mt

Production units and annual capacities

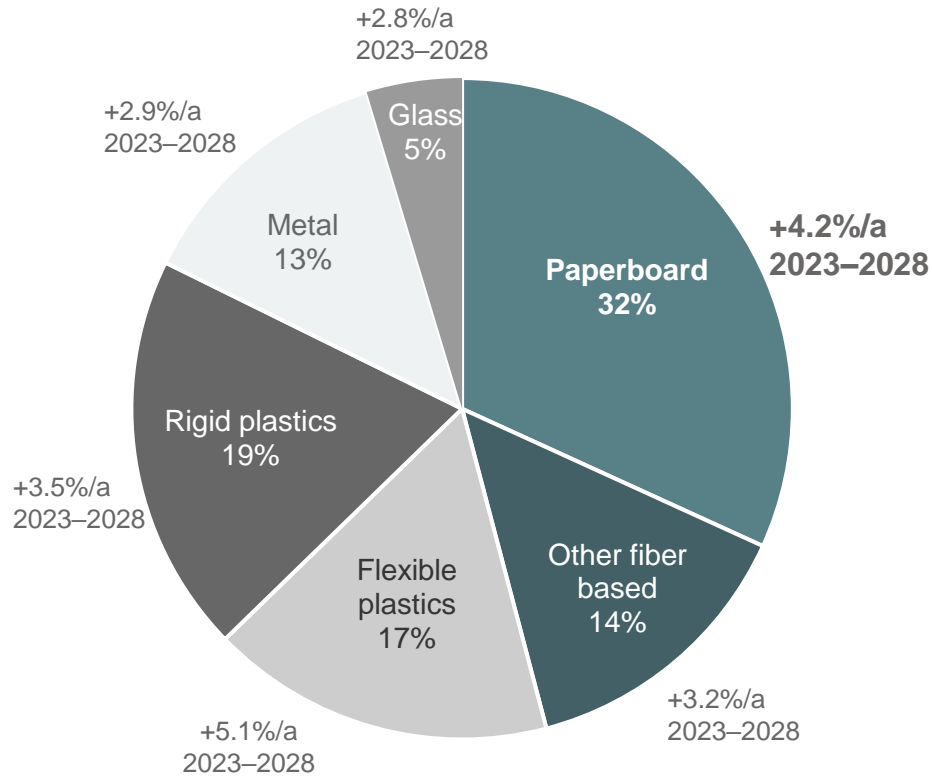


¹⁾ Metsä Fibre's mill
²⁾ Metsä Board 180,000 t/a and Metsä Fibre 1,320,000 t/a

Global need for packaging is growing

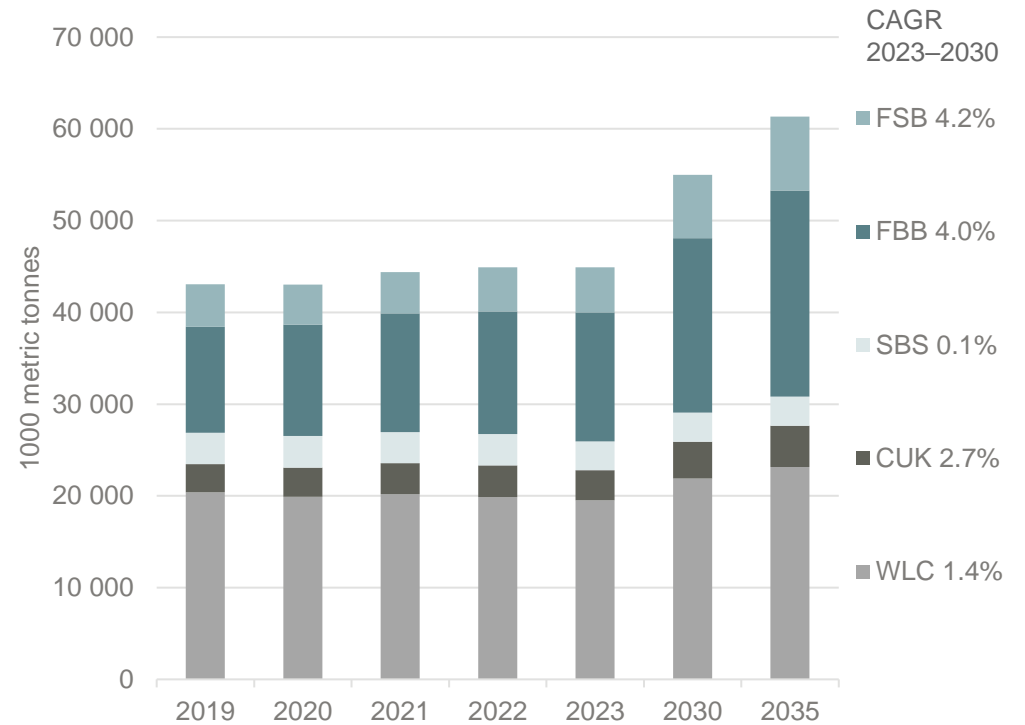
Global packaging market value is USD 1.175 billion and it is growing by 3.9% per year

Paperboard is growing faster than all packaging materials on average



Source: Smithers Information Ltd

Folding boxboard and foodservice board have fastest growth rates of all cartonboards



Source: AFRY

Demand drivers for fresh fibre paperboards



Population growth, urbanisation and rising living standards drive packaging



Regulation and consumer preferences favour fossil-free packaging materials



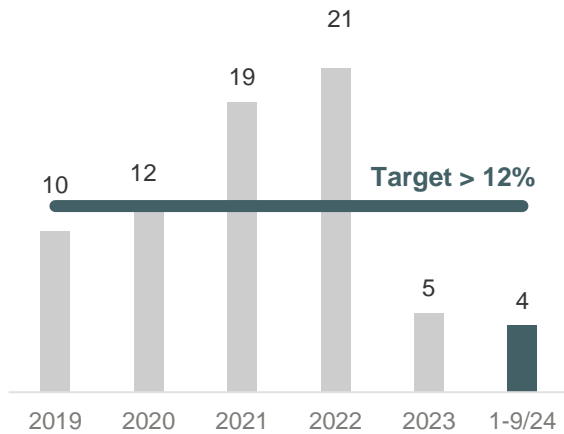
Availability and quality of recycled fibre is declining



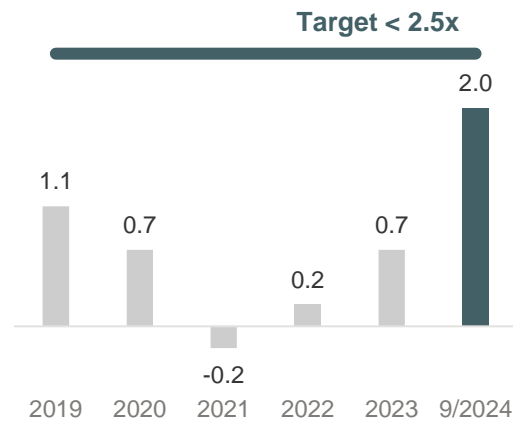
Global e-commerce continues to grow

Financial targets and dividend policy

Comparable ROCE, %:

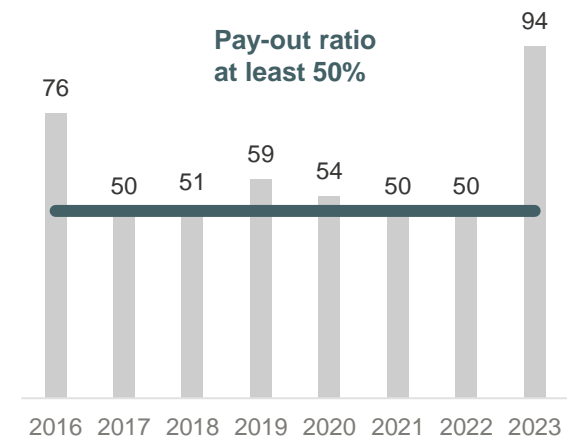


IB Net debt / comparable EBITDA



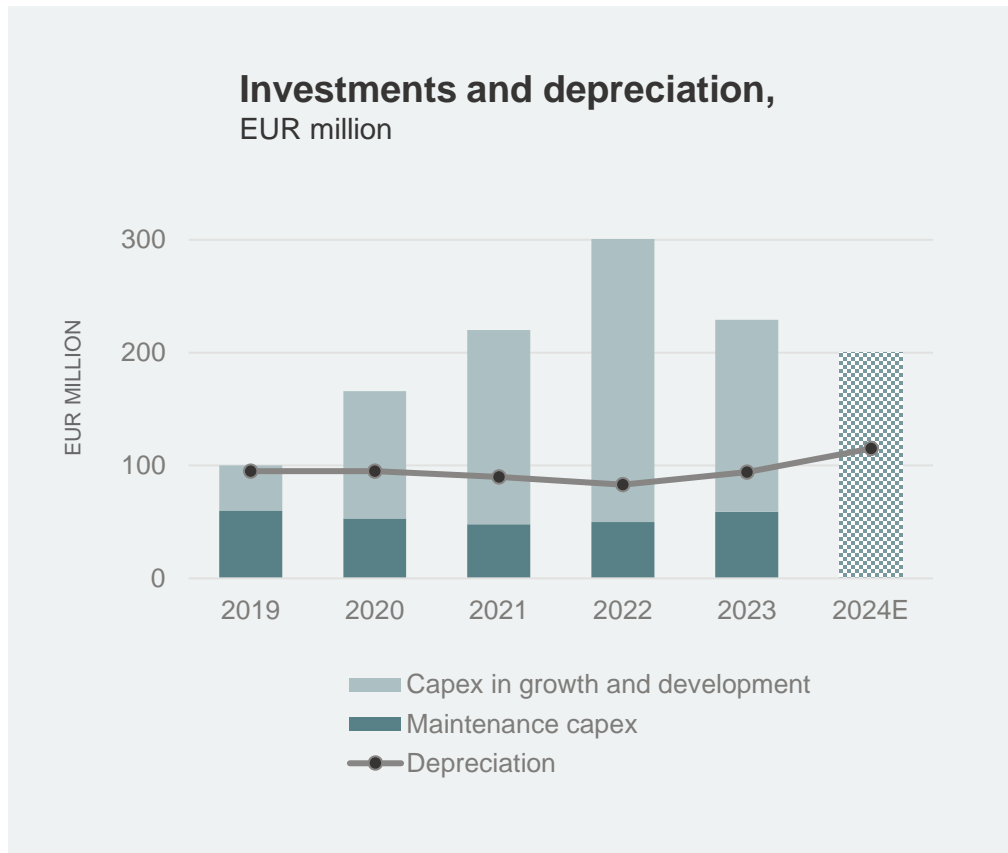
Dividend policy

Dividend / net result, %



Investments

Investments and depreciation



January–September 2024

- Total investments in Q1–Q3/2024 were EUR 120 million, and depreciation* EUR 85 million

Year 2024, estimated

- Total investments in 2024 are expected to be EUR 175-200m
- 2024 includes investments carried over from 2023

Investments in Husum and Kemi completed



Husum folding boxboard capacity expansion and port investments

- Increase of 200,000 t/y folding boxboard
- Total capacity 600,000 t/y, fully available on the market in 2026
- Investment value EUR 230 million

Ongoing

- Increase in port warehouse capacity, EUR 20 million, est. completion in 2024



Kemi mill development programme

- Increase of 40,000 t/y white kraftliner
- Total capacity 465,000 t/y, fully available on the market in 2025
- Decreased water and energy use
- Included a purchase of modernised pulp production line from Metsä Fibre
- Investment value EUR 110 million

Renewal of Simpele paperboard machine

- Investment decision made in April 2024
- Renewal will improve the quality of FBB, increase the annual production capacity and enable fossil free production
- Estimated completion in H2 2025
- Investment value EUR ~60 million, divided between 2024 and 2026

Simpele board mill

- After the investment, annual capacity will be 310,000 tonnes of premium lightweight folding boxboard
- Main end uses in food and pharma packaging
- Future investments in the mill include renewals in the finishing area of paperboard and in mechanical pulp production, as well as a new power plant



Ongoing and planned investments

Investments aim to improve the competitiveness of our mills and products and accelerate the move towards fossil-free production



Simpele board mill

- Renewal of paperboard machine (investment decision made in Q2/24)
- Renewals in paperboard finishing area and mechanical pulp production, a new power plant



Kyro board mill

- Improving the performance of barrier boards and expanding end use areas



Husum pulp mill

- New pulp drying machine



Husum board mill

- New products on the existing BM 2 white kraftliner production line

Metsä Fibre's bioproduct mill in Kemi

Kemi bioproduct mill

- Annual pulp capacity: 1,020kt SW, 300kt HW and 180kt* unbleached pulp
- Full production capacity to be reached by end of 2024
- Annual pulpwood consumption 7.6 m³
- Self-sufficiency in electricity 250%, annual maximum capacity 2,000GWh
- Investment value EUR 2.02 billion
 - Metsä Board has not invested equity to finance the project
- Started up in Q3 2023, replaced the old Kemi pulp mill (capacity 610,000 t/a)
- Gas explosion at the mill on 21 March 2024
 - Repair works completed on 20 June 2024, after which production returned to its ramp-up curve
 - Damaged units will be replaced with new units in summer 2025 (estimated 2 months shutdown)



* Owned by Metsä Board, pulp entirely used in Metsä Board's kraftliner production in Kemi



Cost structure and profit drivers

Cost structure

Q1–Q3 2024 (vs Q1–Q3 2023)

- Total cost deflation, excluding pulp, 3%
- Decreased chemical and energy costs, increased wood costs. Fixed costs flat

FY 2023 (vs FY 2022)

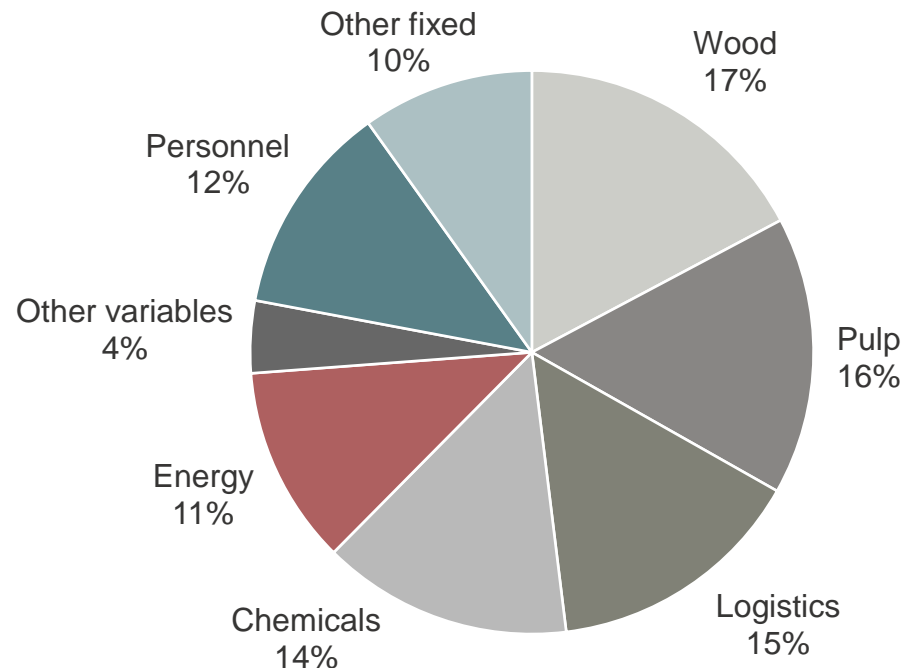
- Cost inflation, excluding pulp costs, 4%
- Main increase in wood costs: higher stumpage prices in Finland and Sweden^{*)}

^{*)} price development on slide 28



Metsä Board's cost structure in 2023

Total costs EUR 1.7 billion (2.1)



^{*)} **Pulp:** Metsä Board purchases all external pulp from its associated company Metsä Fibre, of which Metsä Board owns 24.9%.
Metsä Fibre's pulp cost structure in 2023: Wood 56%, Chemicals 13%, Logistics 9%, Personnel 6%, Other 16%.

Main profit drivers and sensitivities

Component	Unit	Change	Impact on EBIT, approximately
Folding boxboard	Price / tonne	+/- 10%	>EUR 120 million
White kraftliners	Price / tonne	+/- 10%	>EUR 50 million
FX	USD/EUR	+/- 10%	EUR 80 million
	SEK/EUR	+/- 10%	EUR -55 million
Pulp	PIX price of SW/HW per tonne	+/- 10%	EUR 50 million
Wood	Cost, delivered to Finnish mills	+/- 10%	EUR 40 million
	Cost, delivered to Husum	+/- 10%	EUR 20 million

sensitivities take into account Metsä Board's 24.9% stake in Metsä Fibre

Wood is Metsä Board's main raw material

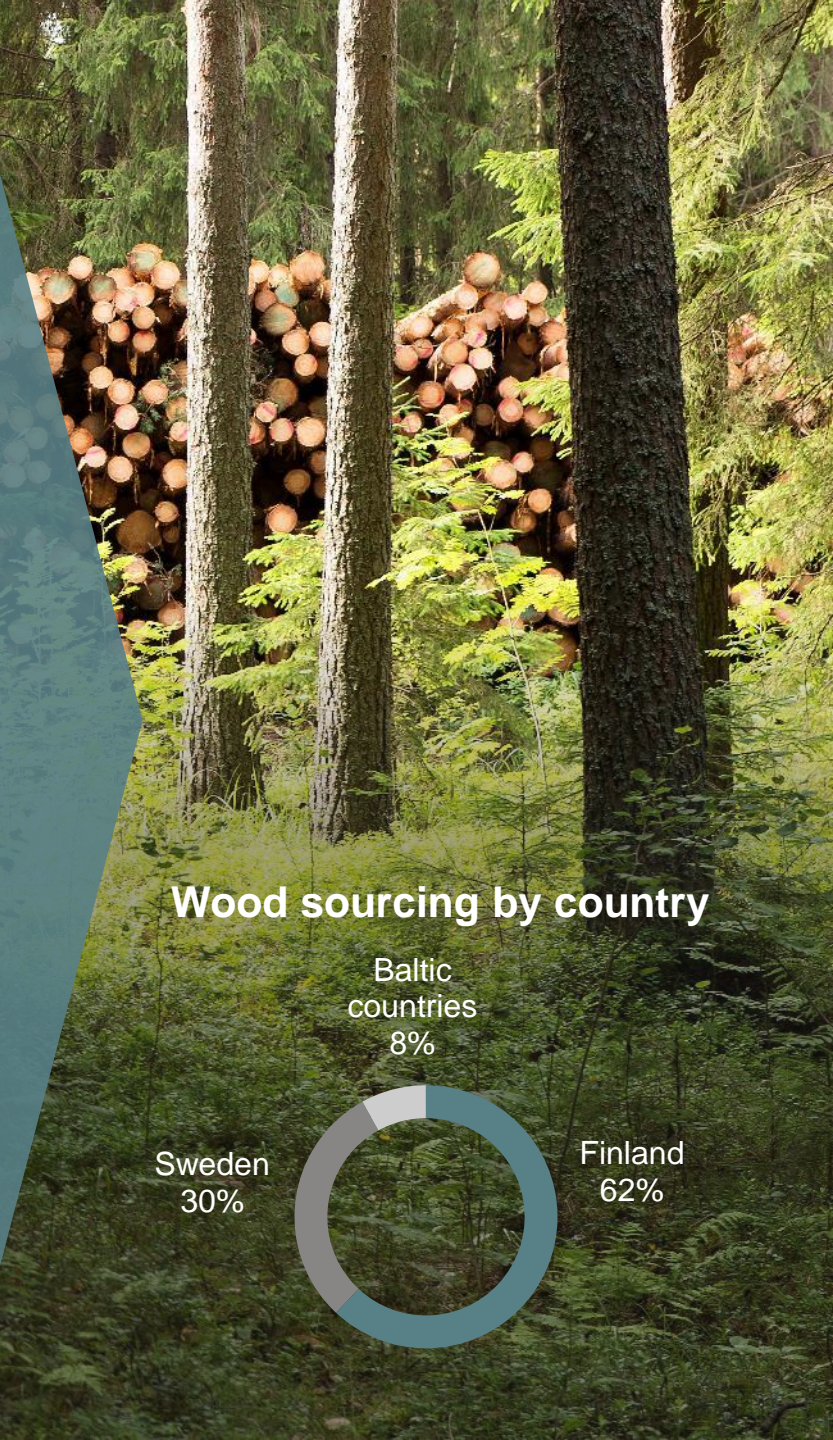
Wood usage

- Wood represents 25% of Metsä Board's total costs¹⁾
- In 2023, Metsä Board used 6.3 million m³ wood for its products, of which 91% was certified (PEFC, FSC®)

Wood supply

- Metsä Group is responsible for Metsä Board's wood sourcing
- Metsä Group's total annual wood sourcing is ~30 million m³
- Majority of wood sourced in Finland comes from the owner members of Metsäliitto Cooperative, roughly 90,000 private forest owners
- In Sweden Metsä Board has a long-term wood supply agreement with Norra Skog, a co-owner with a 30% stake in the Husum pulp mill

1) includes the wood used in pulp that Metsä Board buys from Metsä Fibre



Wood sourcing by country



Impacts of FX

- Impact including hedges, actual
 - Q3 2024 vs Q3 2023: EUR -8 million
 - Q1–Q3 2024 vs Q1–Q3 2023: EUR +4 million
- Estimated impacts, including hedges
 - Q4 2024 vs Q3 2024: slightly negative
 - Q4 2024 vs Q4 2023: slightly negative

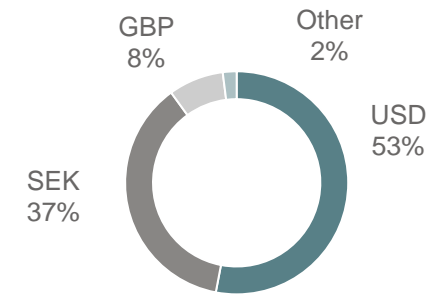
Hedging policy:

In addition to the balance sheet position of trade receivables and trade payables, 50% of the projected annual net foreign currency exposure at the normal level is hedged.

At the end of the review period, an average of 8.5 months of the net foreign currency exposure was hedged.



Annual FX transaction exposure total EUR 1.5 billion



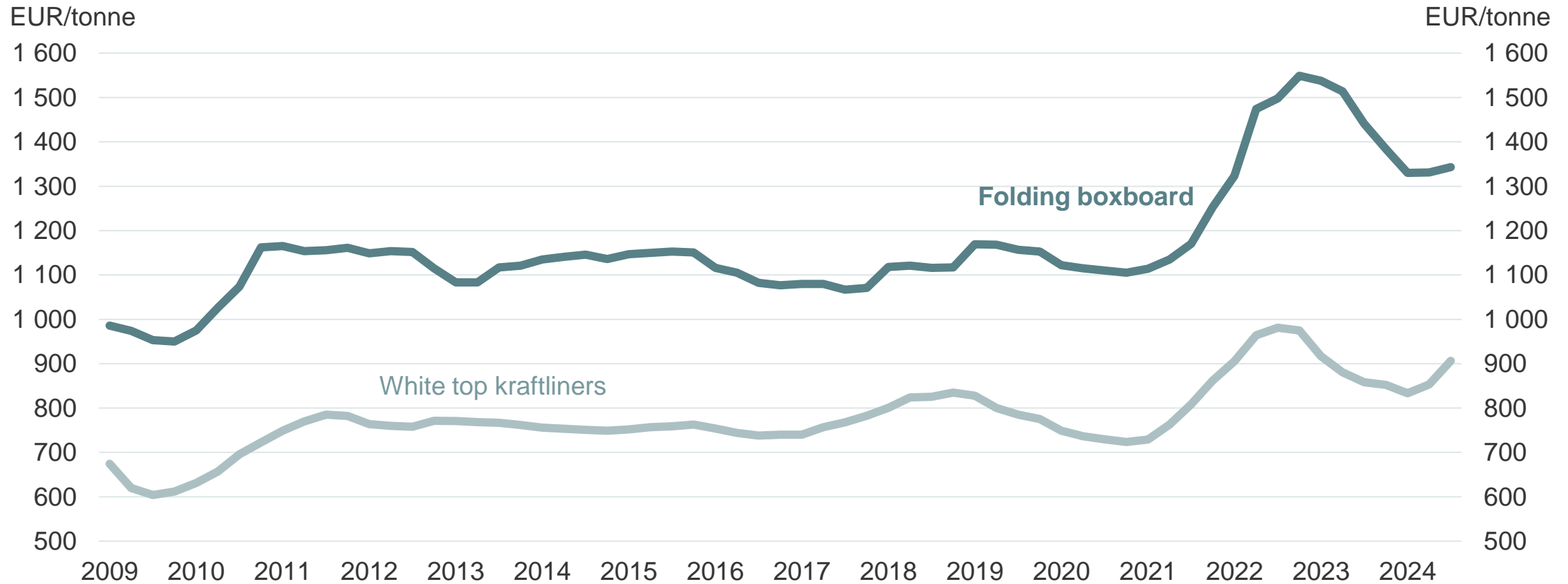
The foreign currency transaction exposure consists of foreign currency denominated sales and costs.

FX sensitivities, excluding hedges

A 10% strengthening of foreign currency vs EUR would have an impact on Metsä Board's EBIT in

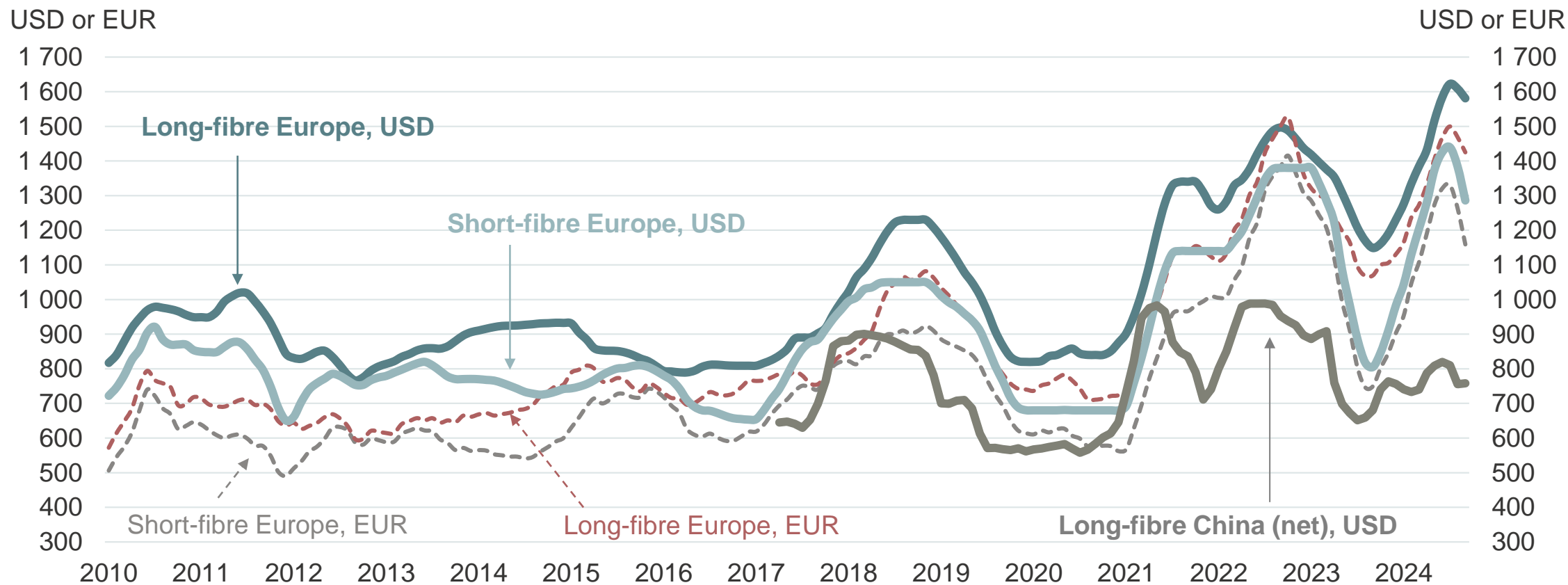
Currency	Next 12 months
USD, \$	EUR +80 million
SEK, kr	EUR -55 million
GBP, £	EUR +15 million

Price development of folding boxboard and white kraftliners in Europe



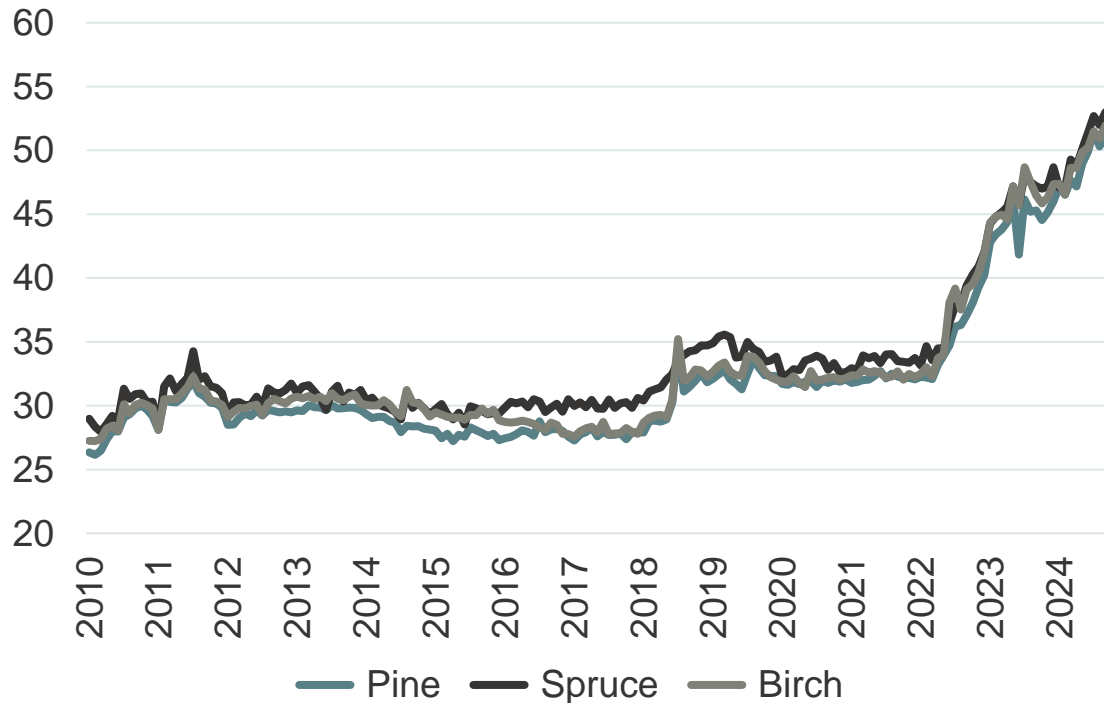
Price development of pulp (PIX)

Long-fibre (SW) and short-fibre (HW) pulp

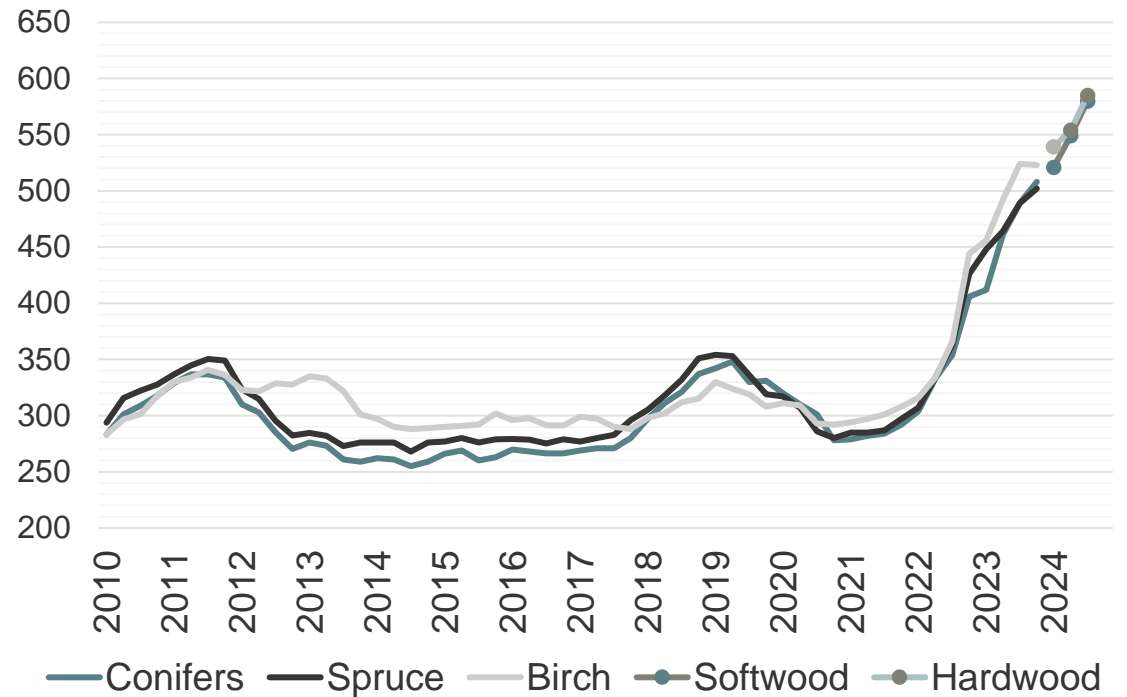


Price development of pulpwood in Finland and Sweden

Price (delivery at roadside, on bark) of pulpwood in Finland, EUR/m³



Price (delivery at roadside, under bark) of pulpwood in Sweden, SEK/m³



*New reporting categories for pulpwood starting from quarter 1 2024, conifer pulpwood and spruce pulpwood are reported as softwood pulpwood and, birch pulpwood is reported as hardwood pulpwood



Sources:

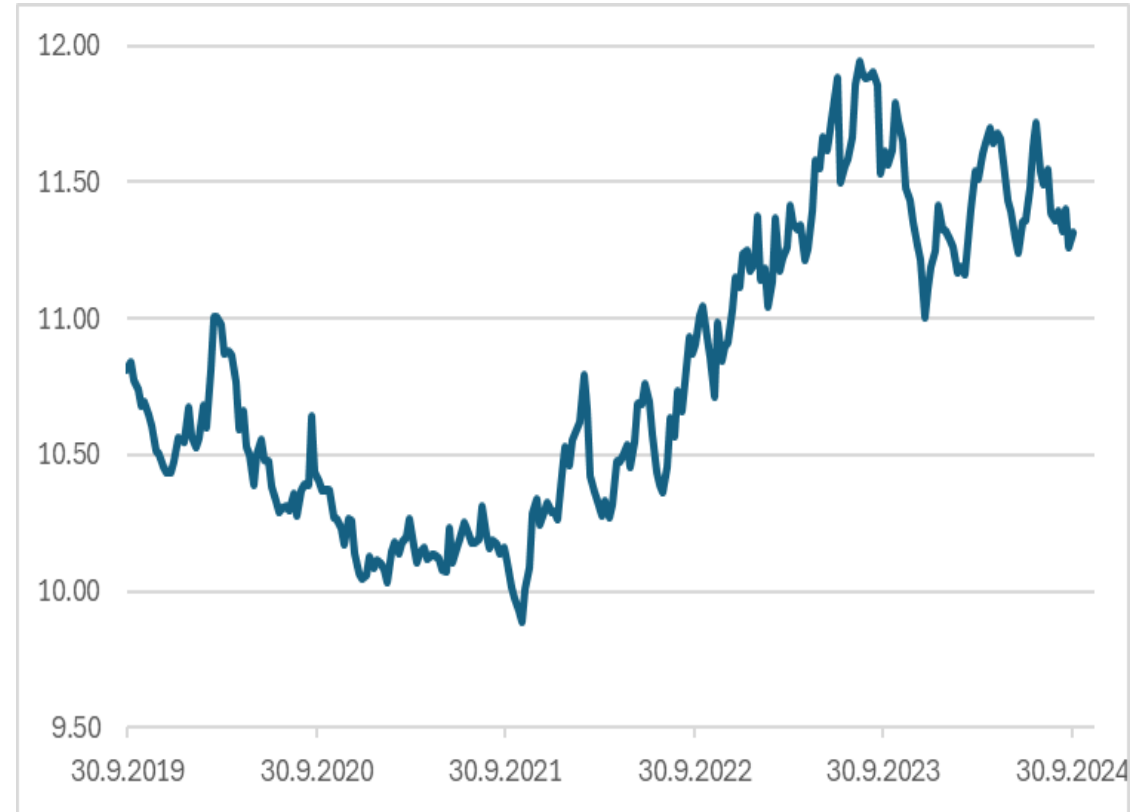
Finland – Luke (Natural Resources Institute Finland): Average delivery prices at roadside (EUR per solid cubic metre with bark, excl. VAT)
Sweden – Skogsstyrelsen (The Swedish Forest Agency): Average delivery prices at roadside (SEK per cubic metre under bark)

FX rates development: EUR/USD and EUR/SEK

EUR/USD



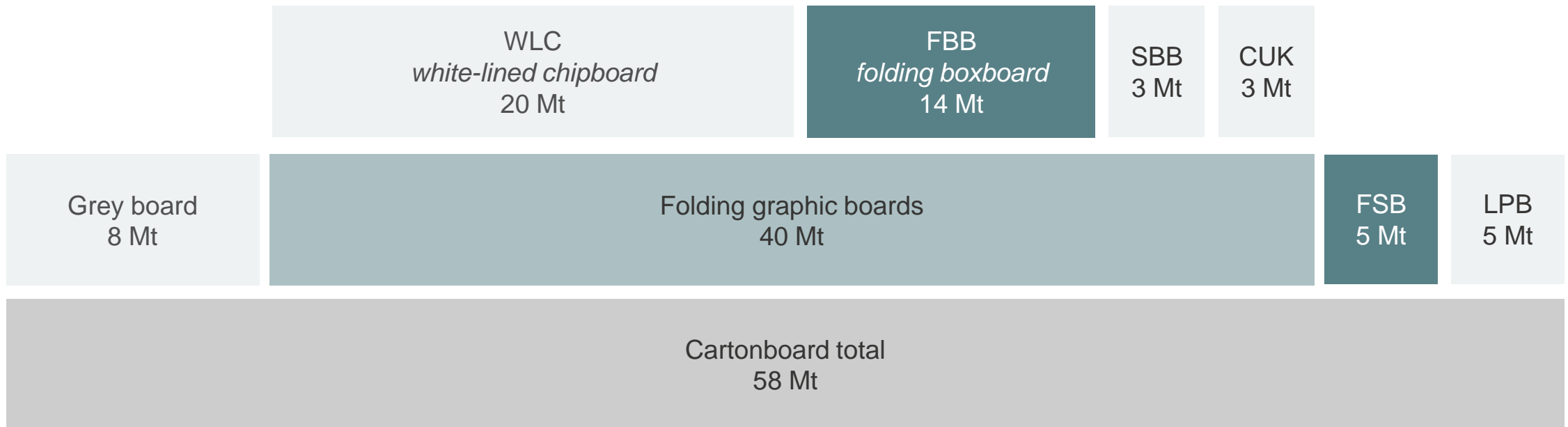
EUR/SEK



A photograph of two young women sitting outdoors, smiling and eating together. The woman on the left is holding a small white bowl and using a wooden stick to eat from it. The woman on the right is also smiling and looking at the food. They are both wearing casual clothing. The background is a blurred outdoor setting with other people and structures, suggesting a public space like a market or festival. The lighting is bright and natural, indicating it's daytime.

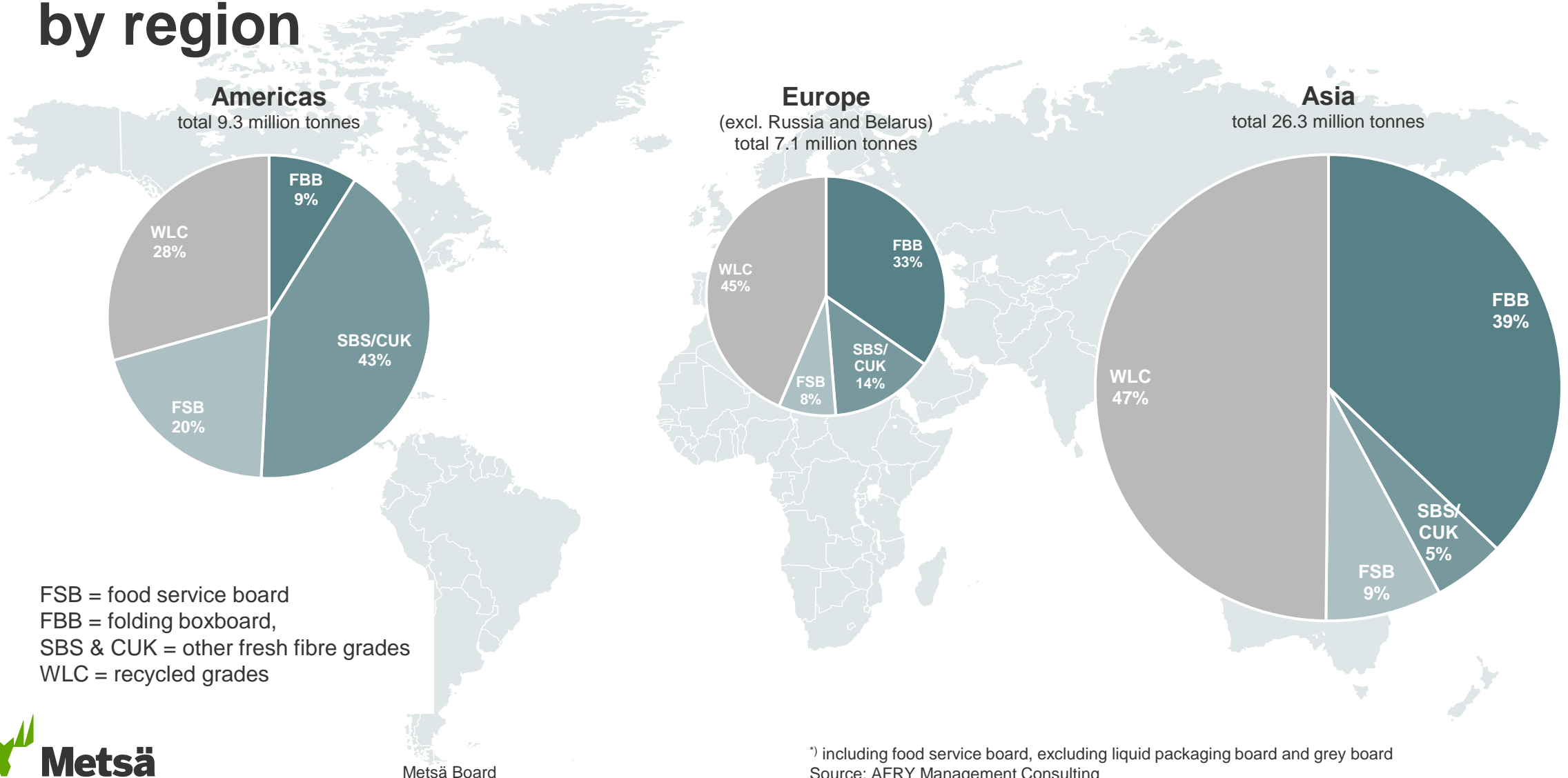
Operating environment and current regulation

Global annual demand for cartonboards



*SBB = solid bleached board
CUK = coated unbleached kraftboard
FSB = foodservice board
LPB = liquid packaging board*

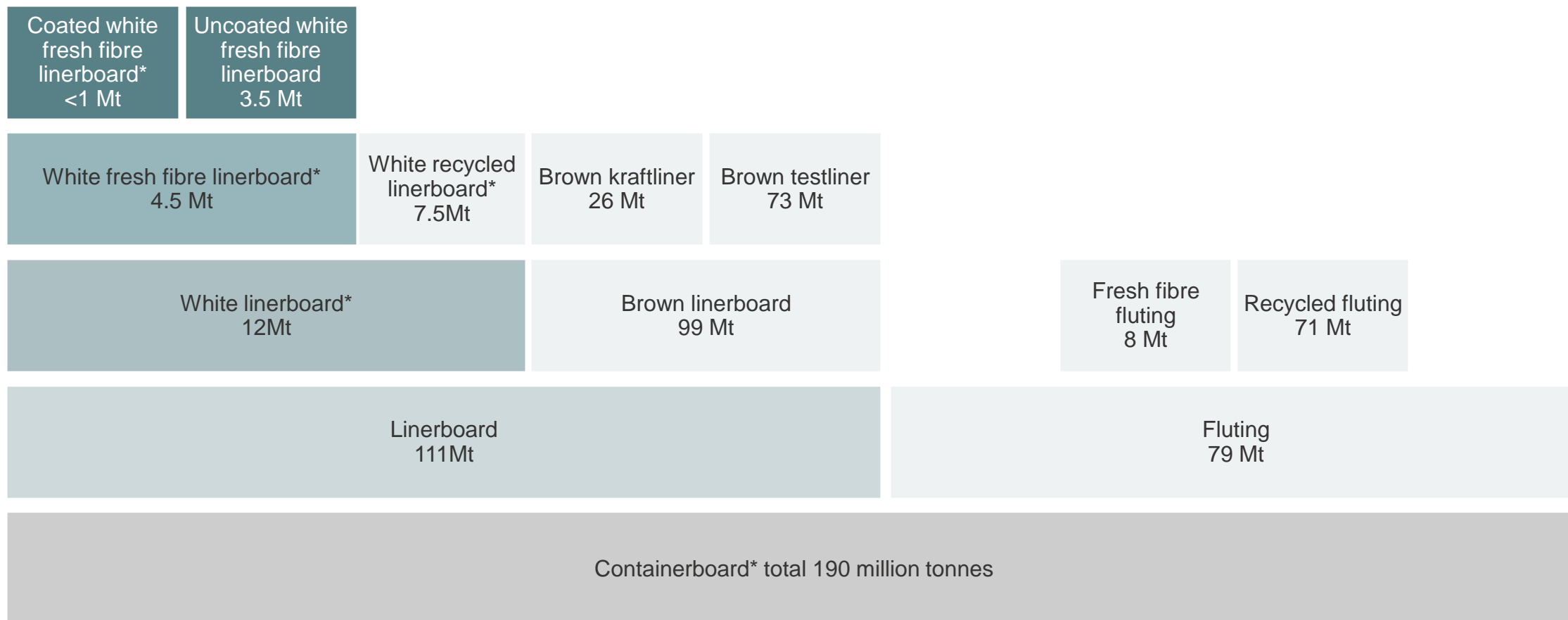
Global annual demand for folding cartonboard* by region



*) including food service board, excluding liquid packaging board and grey board
 Source: AFRY Management Consulting

Global annual demand for containerboards

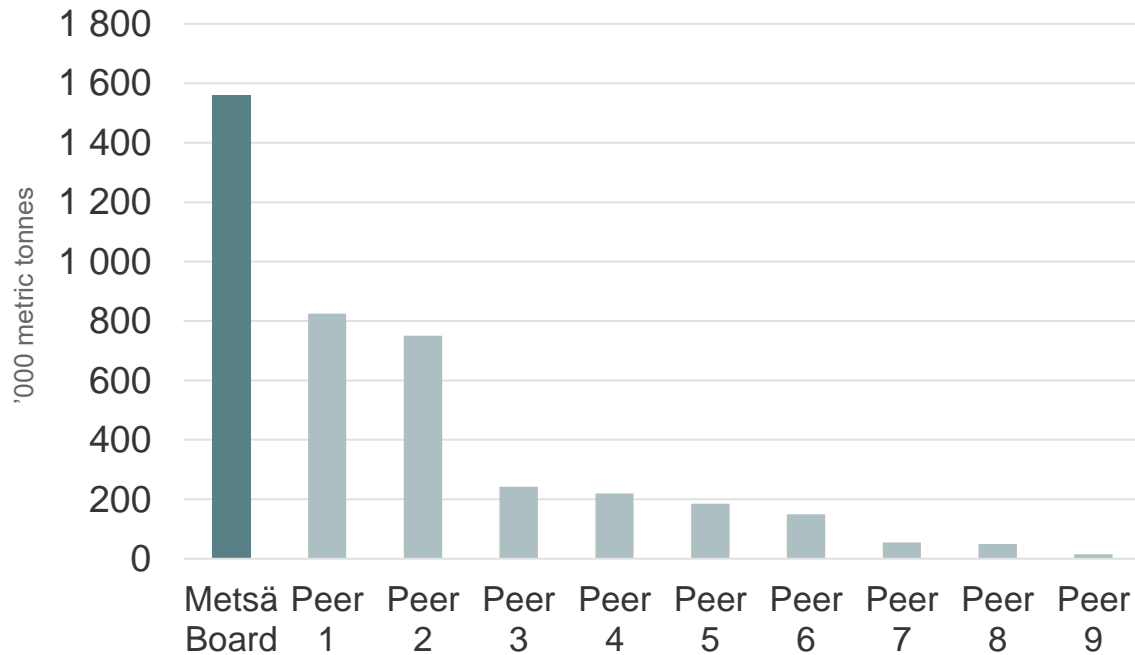
Metsä Board's linerboards are at the top of the quality pyramid – in a very niche market



Folding boxboard and white kraftliner capacity in Europe (excluding Russian and Belarusian producers)

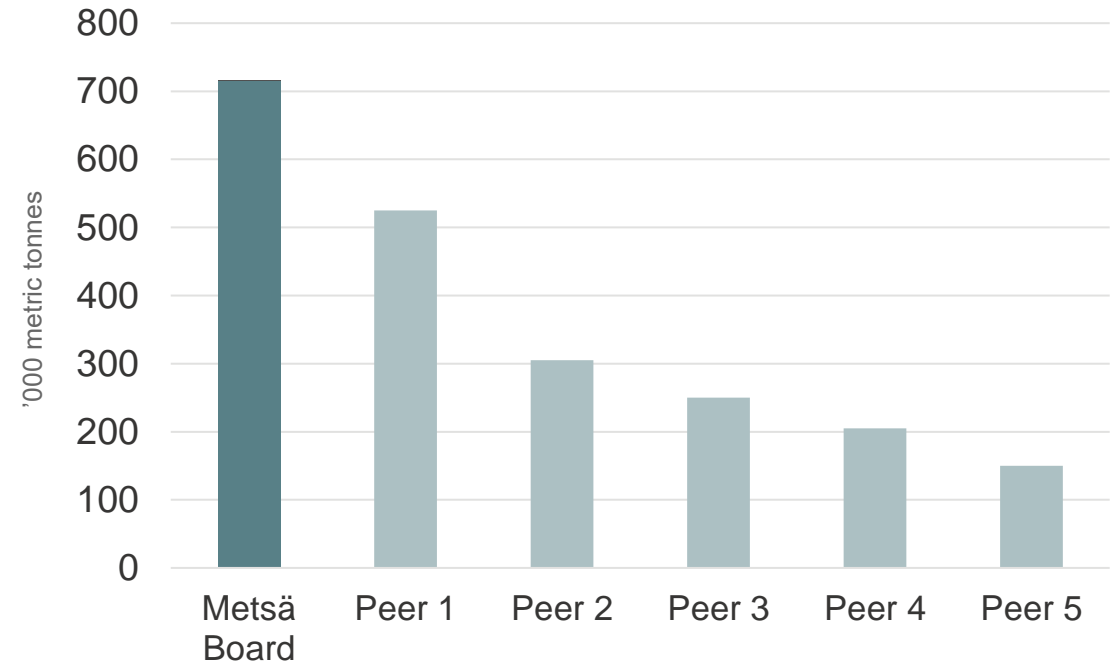
FBB producers in Europe

Total capacity 4 million tonnes



WKL producers in Europe

Total capacity 2.2 million tonnes



Source: Metsä Board estimates based on several sources

Regulation on Deforestation-free products (EUDR)

Main objectives and status

- Aims to combat deforestation and forest degradation globally
- Ensures that commodities* placed on or exported from EU market do not cause deforestation or forest degradation
- Creates a reporting obligation to operators to ensure that they comply with the requirements
- Entered into force in 2023. Large companies must comply with the Regulation and its reporting obligations as from 30 of December 2024 – still waiting for the European Commission to publish important guidelines and FAQ all operators need

Metsä Board's / Metsä Group's approach

- Metsä Group fully supports the objectives of the EUDR
- Company is developing a reporting system and preparing an internal due diligence system to be ready when the reporting obligations start to apply



^{*)} selected commodities and their production: cocoa, coffee, oil palm, rubber, soya, cattle and wood



Packaging and packaging waste regulation (PPWR)

Main objectives and status

- Aims to reduce the amount of packaging waste generated in the EU, and promote reusable and recyclable packaging solutions. All packaging has to be recyclable by 2030
- Political agreement was found in 2024. Final adoption is pending but entry into force is expected end of 2024. Becomes applicable law in Member States 18 months after
- Some ambiguities and definitions that still need to be clarified by the European Commission

Metsä Board's / Metsä Group's approach

- The PPWR recognises climate and environmental benefits of highly recyclable fibre-based packaging, and treats recyclable single-use packing more fairly than the European Commission's original proposal



Nature Restoration Regulation

Main objectives and status

- Aims to ensure recovery of biodiverse and resilient nature across EU
- Introduces indicators for forest ecosystems to support nature restoration objectives
- Regulation entered into force on 18 August 2024
- Member States must prepare national restoration plans. Finland's draft plan expected to be ready by 08/2026
- The Commission reviews the draft plans and can give further guidance. Member States should have the final restoration plans in place in 08/2027 at the latest

Metsä Board's / Metsä Group's approach

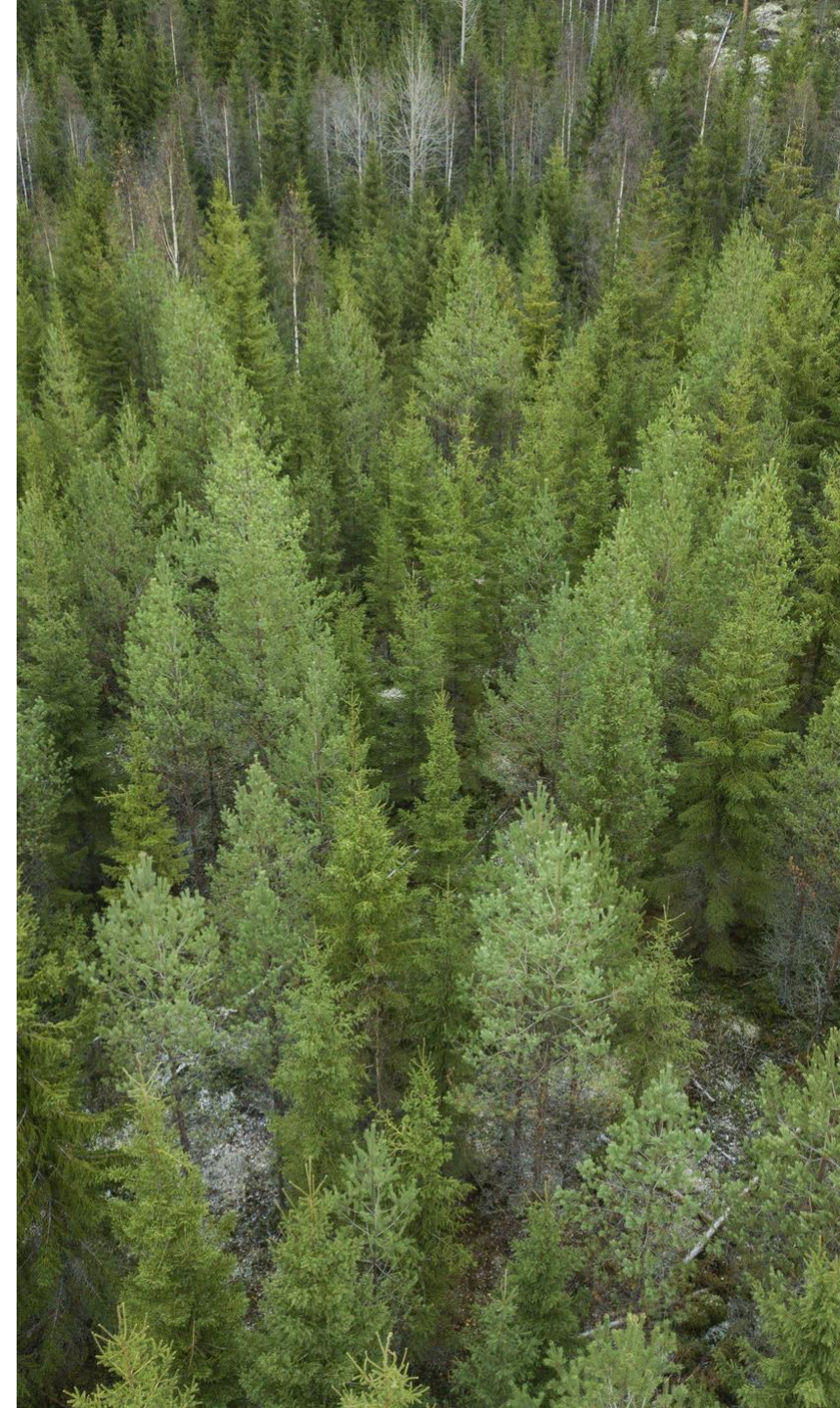
- Fully support the goals of the Nature Restoration Regulation
- Metsä Group's principles of regenerative land use aim to improve the state of nature
- *Metsä Group Plus* -management model for owner-members focus especially on forest biodiversity



More information:

<https://www.metsagroup.com/regenerativeforestry>

<https://www.metsagroup.com/metsaforest/sustainability/regenerative-forestry/metsa-group-plus/>



Results for January–September 2024



Key financials

		Q3/24	Q3/23	Change Q3/24 vs Q3/23	Q1–Q3/24	Q1–Q3/23	Change Q1–Q3/24 vs Q1–Q3/23	FY 2023
Sales	EUR, m	499	479	4%	1,493	1,519	-2%	1,942
EBITDA*	EUR, m	66	24	182%	150	190	-21%	216
Operating result*	EUR, m	42	5	664%	73	121	-40%	122
<i>% of sales*</i>	%	8.4	1.1		4.9	8.0		6.3
Metsä Fibre's share of operating result*	EUR, m	11	-2		-8	33		28
Earnings per share	EUR	0.08	0.01	505%	0.09	0.26	-65%	0.27
<i>ROCE*</i>	%	7.3	1.3		4.3	6.7		5.1
Total investments	EUR, m	67	49	36%	120	157	-23%	229
Cash flow from operations	EUR, m	5	77	-94%	-12	219	-105%	343
IB Net debt at end of period	EUR, m	348	220		348	220		144



Metsä

*comparable

Q3 2024 in brief

- Slightly increased paperboard volumes with stable sales prices compared to Q2
- High production volumes despite extensive maintenance works
- Decreased market pulp deliveries, especially to China
- Operating result includes EUR 23 million insurance compensation related to the gas explosion in Metsä Fibre's Kemi bioproduct mill
- Renewed dividend policy



Sales

499

EUR million

Q2 2024: EUR 510m
Q3 2023: EUR 479m



Comparable operating result

42

EUR million

Q2 2024: EUR -1m
Q3 2023: EUR 5m

Paperboard deliveries

388,000

tonnes

Q2 2024: 377,000t
Q3 2023: 340,000t

Paperboard production

414,000

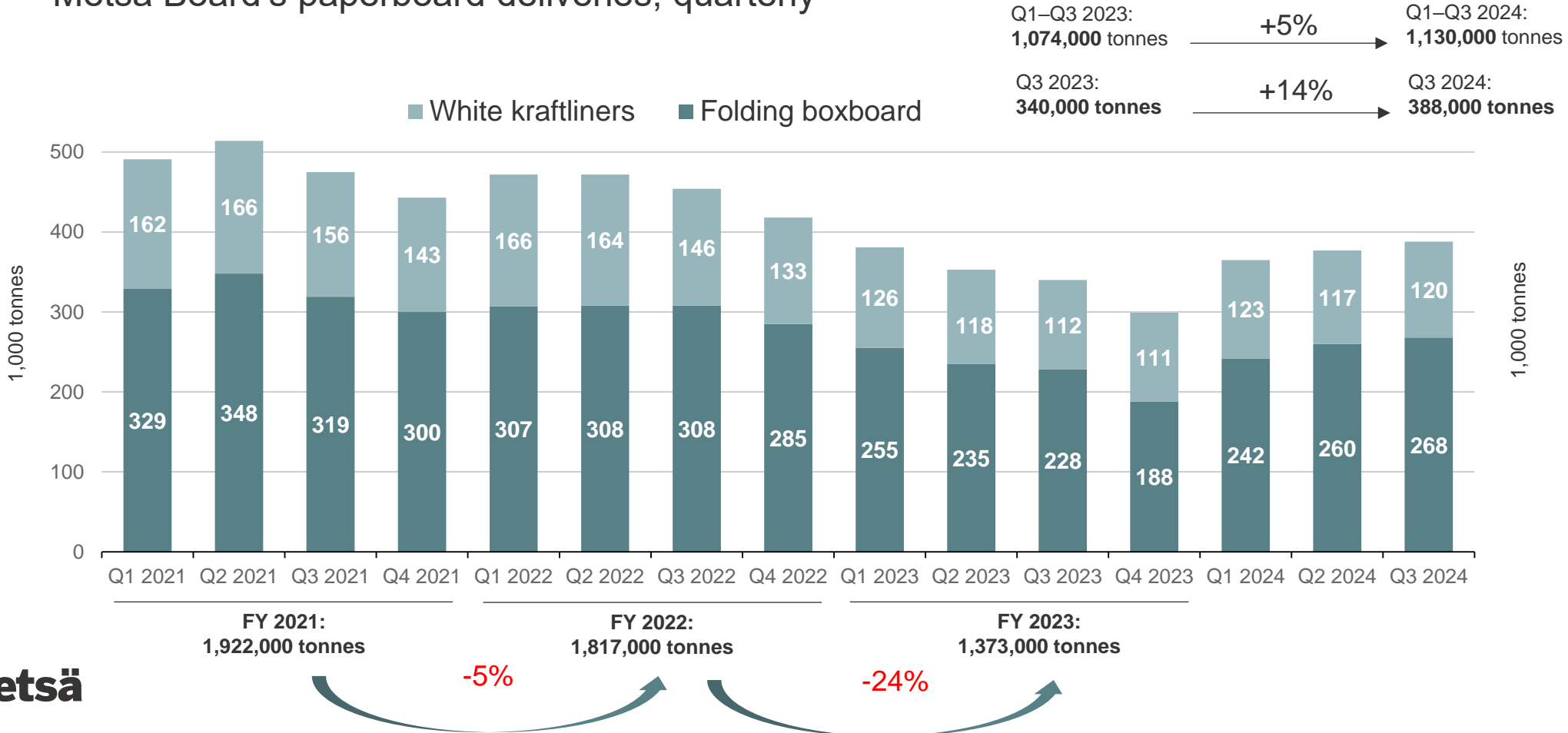
tonnes

Q2 2024: 357,000t
Q3 2023: 310,000t



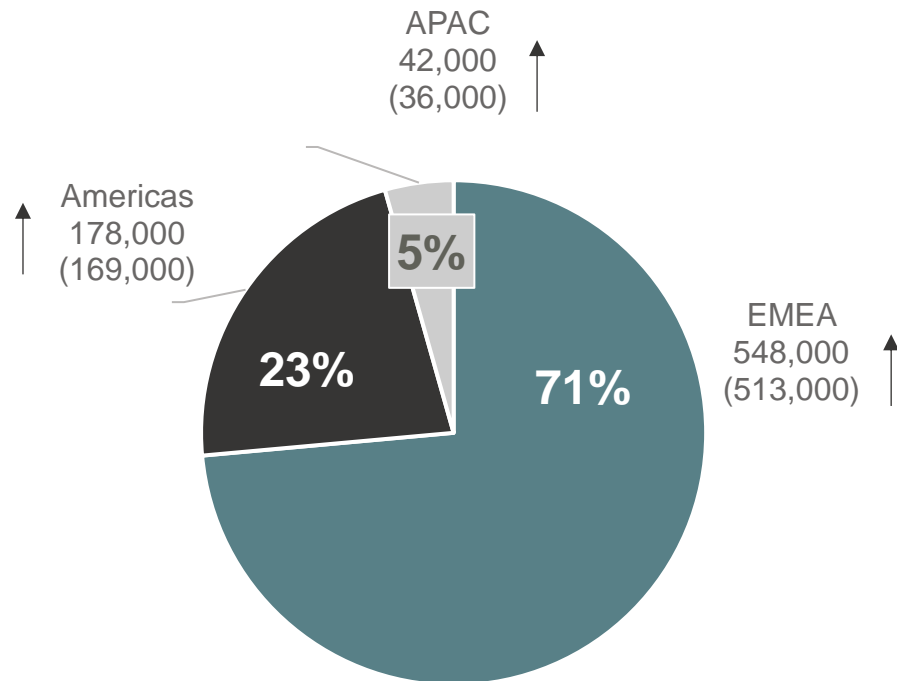
Moderate growth in paperboard volumes continued

Metsä Board's paperboard deliveries, quarterly

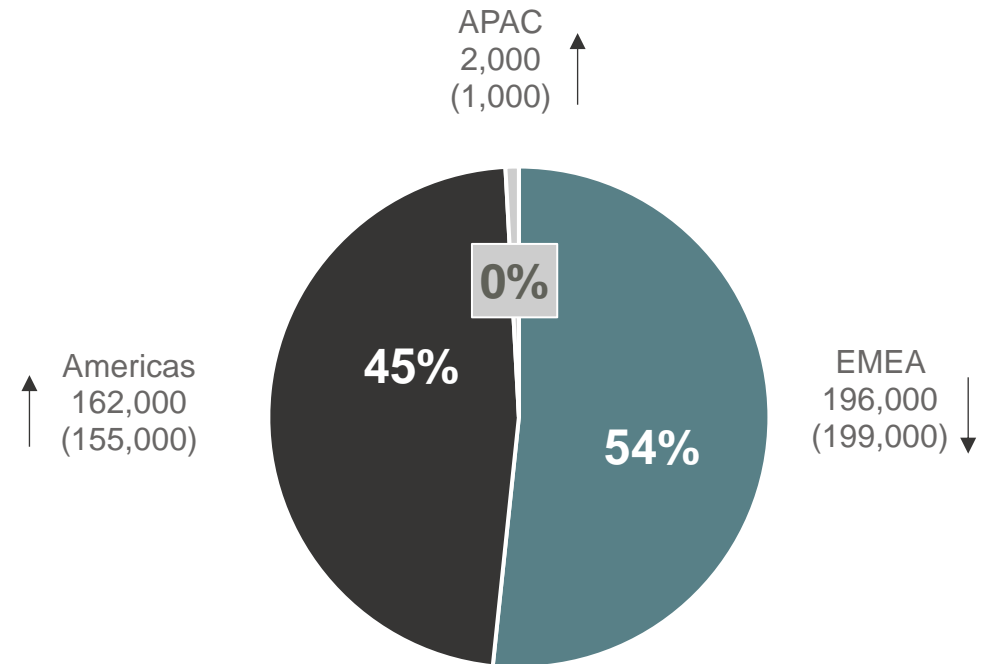


Paperboard deliveries by region

FBB deliveries YTD 2024 (Q1–Q3/2023)
total 770,000 tonnes (718,000)



WKL deliveries YTD 2024 (Q1–Q3/2023)
total 360,000 tonnes (356,000)



FBB = Folding boxboard

WKL = White kraftliners, coated and uncoated

Result comparison

Comparable operating result and % of sales

Q3/24: EUR 42 million, 8.4%

Q3/23: EUR 5.5 million, 1.1%

Positives:

- ↗ Increased paperboard volumes
- ↗ Higher pulp prices
- ↗ Lower energy and chemical costs
- ↗ Result share from Metsä Fibre EUR 11m (EUR -2m)
- ↗ *Insurance compensation, total EUR 23m**

Negatives:

- ↘ Lower paperboard (FBB) prices
- ↘ FX after hedges, impact EUR -8m
- ↘ More maintenance and increased employee costs
- ↘ Higher depreciation

Comparable operating result and % of sales

Q1–Q3/24: EUR 73 million, 4.9%

Q1–Q3/23: EUR 121 million, 8.0%

Positives:

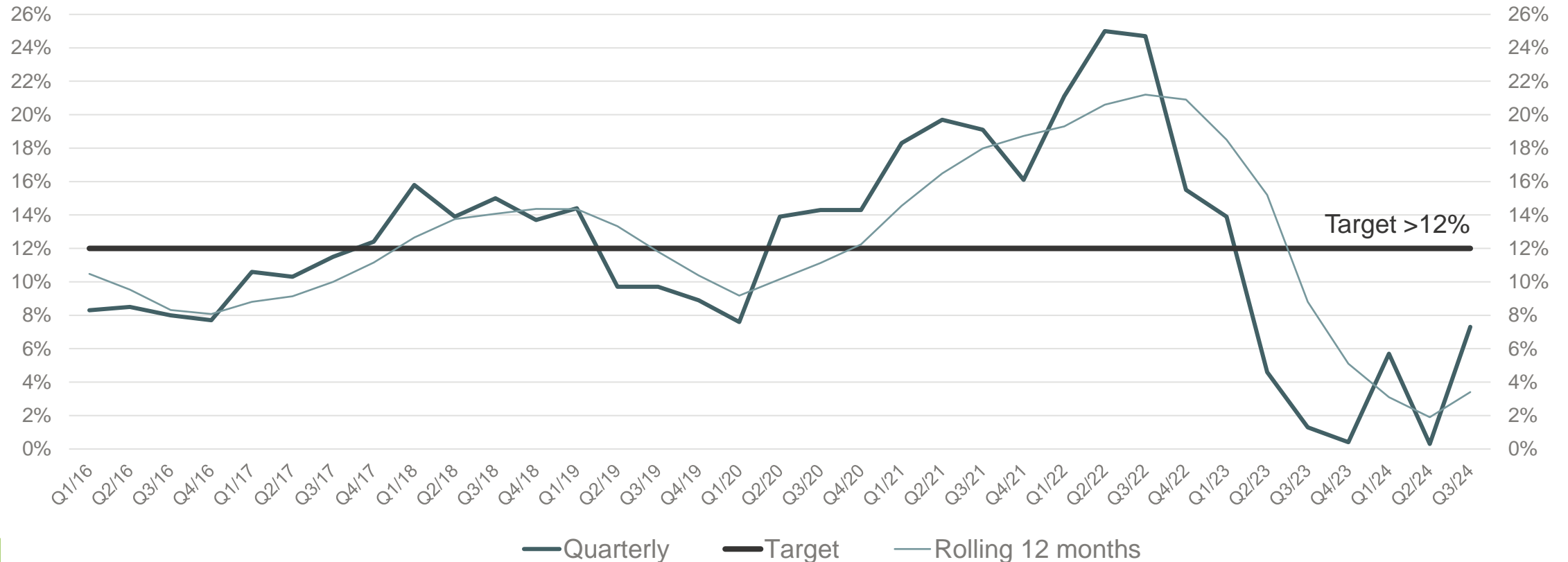
- ↗ Increased paperboard and market pulp volumes
- ↗ Higher pulp prices
- ↗ Lower energy and chemical costs
- ↗ *Insurance compensation, total EUR 23m**

Negatives:

- ↘ Lower paperboard (FBB) prices
- ↘ Increased wood costs and more maintenance
- ↘ Higher depreciation
- ↘ Lower sale of unused emission allowances
- ↘ Result share from Metsä Fibre EUR -8m (EUR 33m)
- ↘ *Explosion in Kemi mill, estimated impact EUR -40m**
- ↘ *Political strikes, estimated impact EUR -25m**

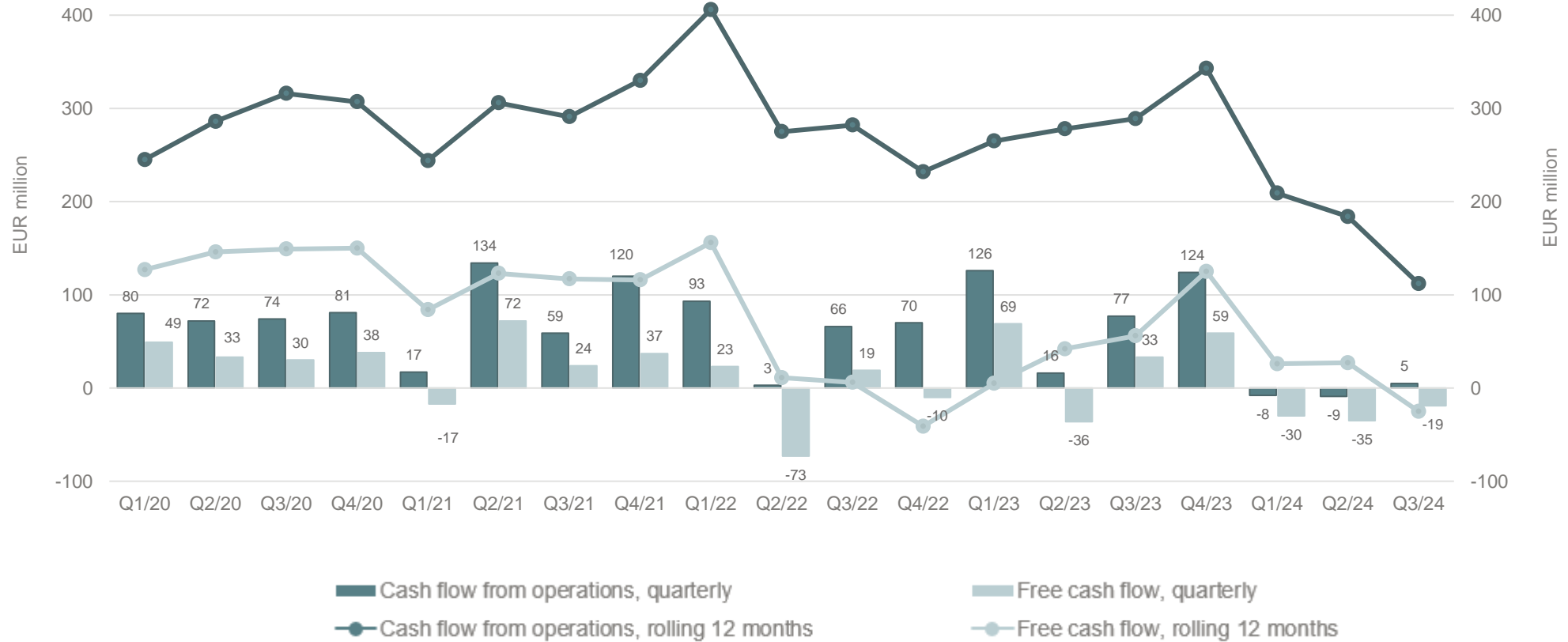
Year-to-date comparable ROCE 4.3%

Comparable return on capital employed, %
Quarterly and rolling 12 months



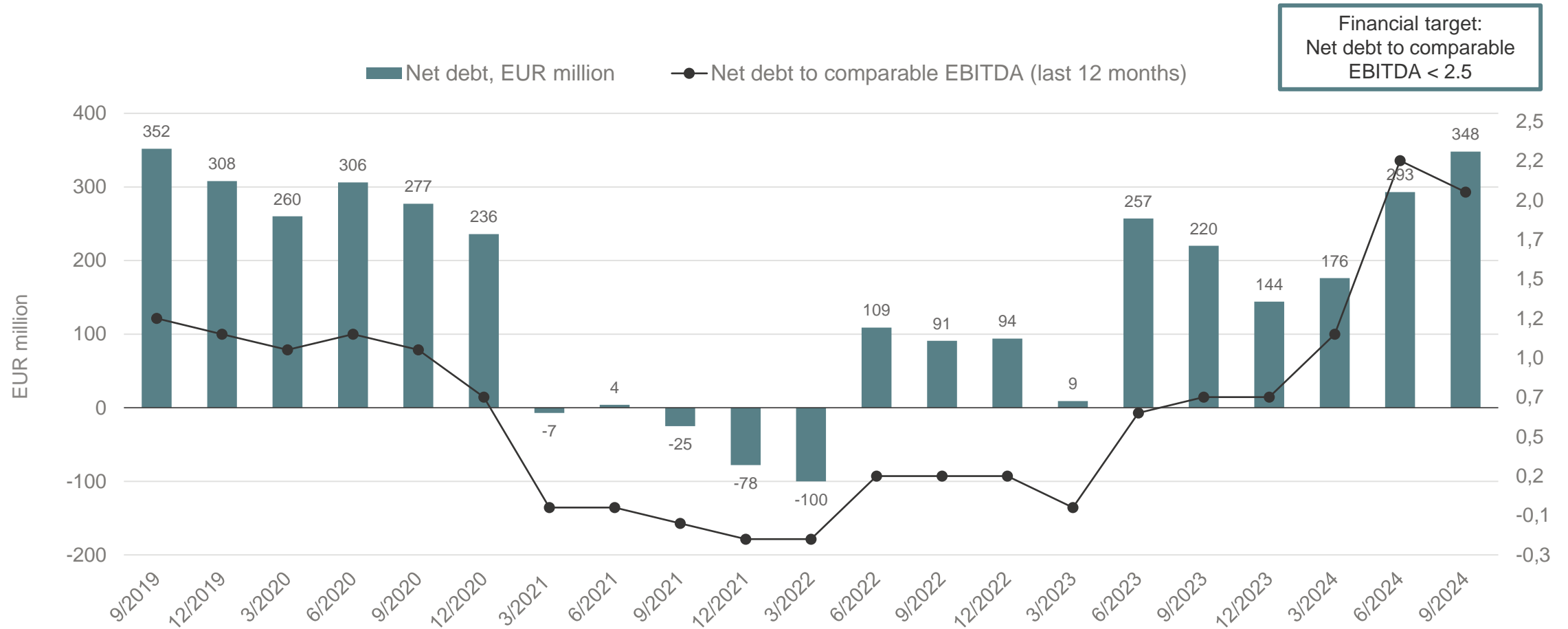
Increased activity reflected in working capital

2024 cash flow includes a dividend from Metsä Fibre of EUR 10 million (2023: EUR 83 million)



Free cash flow = cash flow from operations – investments in intangible and tangible assets

Net debt and leverage



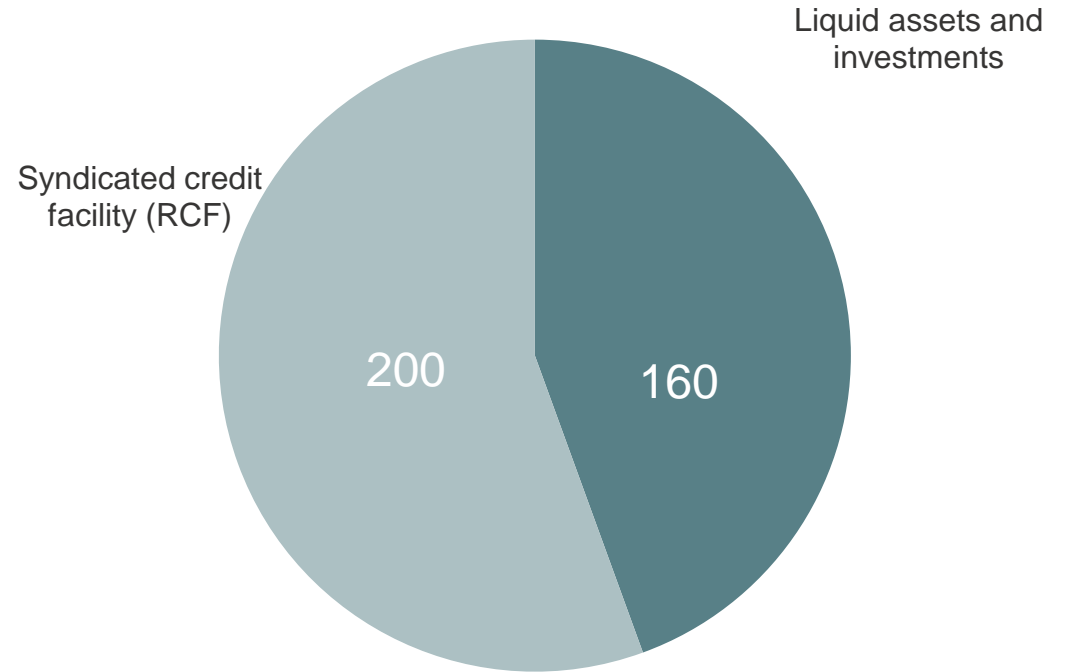
Interest-bearing debt and liquidity

30 September 2024

Interest-bearing debt EUR 508 million



Liquidity EUR 360 million



Liquidity is complemented by:

- Commercial paper programme of **EUR 200 million** (EUR 30 million outstanding)
- Metsä Group's internal undrawn short-term credit facility of **EUR 150 million**

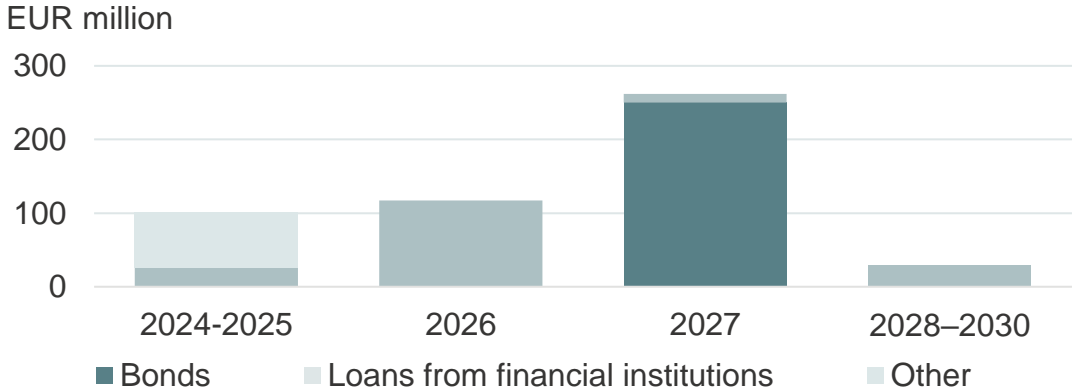
Debt maturity and credit ratings

30 September 2024

- Total interest-bearing debt was EUR 508 million, and net debt was EUR 348 million
- The average interest rate on loans at the end of the review period was 2.8%, and the average maturity of long-term loans was 2.4 years
- Net financial costs, including foreign exchange differences, were:
 - Q1–Q3 2024: EUR 6.9 million
 - FY 2023: EUR -0.1 million

Maturity of interest-bearing debt

Total EUR 508 million



Metsä Board’s credit ratings are *investment grade*

Rating agency	Rating and outlook	Last update on rating
S&P Global	BBB-/stable	02/2018
Moody’s Investor Services	Baa2/stable	12/2022



Near-term outlook

October–December 2024

- Paperboard delivery volumes are expected to slightly decrease due to seasonality, average sales prices to remain stable
- Total costs, excluding pulp, are expected to increase. Less maintenance shutdowns compared to Q3
- Average sales prices for market pulp decreased in October
- The claim settlement process regarding the explosion at Metsä Fibre's Kemi bioproduct mill continues



ESG



Metsä Board's sustainability targets



Environment

We safeguard biodiversity.
 We mitigate climate change and reduce emissions.
 We use natural resources efficiently and reduce waste.



Social

We do the right thing.
 And promote safety and wellbeing at work.



Governance

We know the origin of our raw materials.
 We favour responsible suppliers in our procurement.



Metrics, targets and actuals related to 2030 sustainability targets are disclosed in Sustainability statement in 2023 Report of the BoD, page 28

Forest management plan as part of Metsä Group's regenerative forestry

Forest management plan for typical forest stands

1

More diverse tree species composition

- Increasing the proportion of broadleaved trees
- Mixed forests
- 80 % of tree species outside purchase

2

Increased dead wood volumes

- Retention trees and tree groups
- Buffer zones
- Biodiversity stumps

3

More diverse forest structure

- Continuous cover harvesting
- Retention tree groups
- Valuable habitats
- Protective thickets

4

Protected valuable habitats e.g.

- Brooks
- Springs
- Fertile bogs
- Cliffs
- Flood habitats

5

Habitat restoration at threatened species hot spots

- Herb-rich forests
- Esker sunny slopes
- Fire habitats

Metsä Board's 1.5°C aligned Science Based target

ZERO FOSSIL CO₂ EMISSIONS

Fossil-free production* and products by the end of 2030

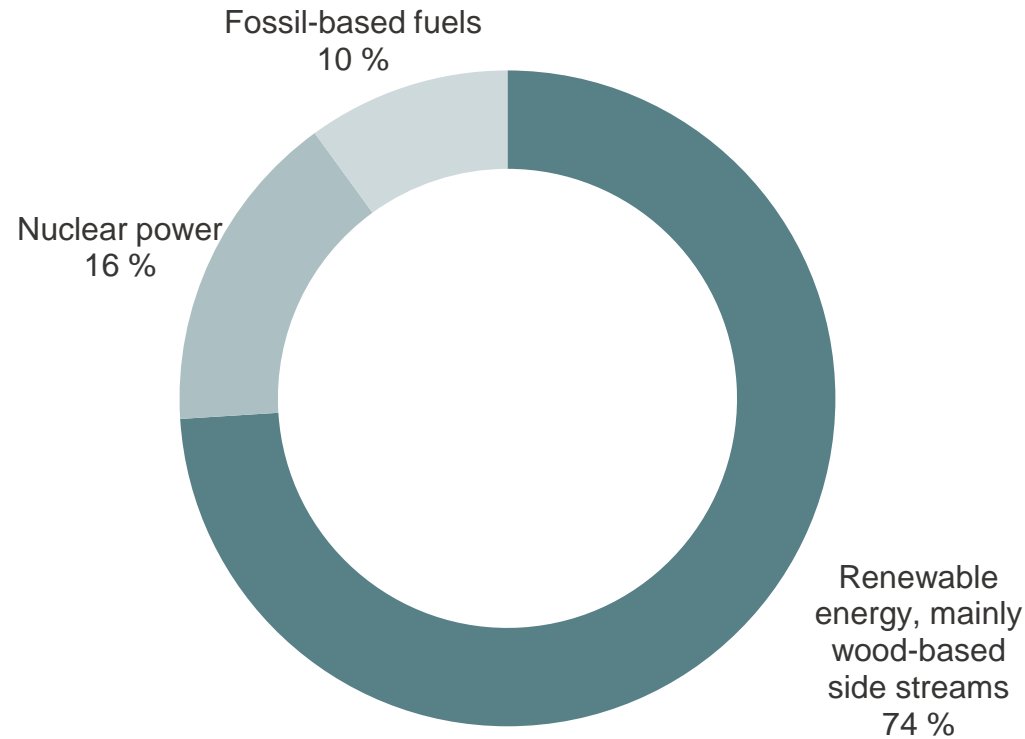


*including Scope 1 and Scope 2



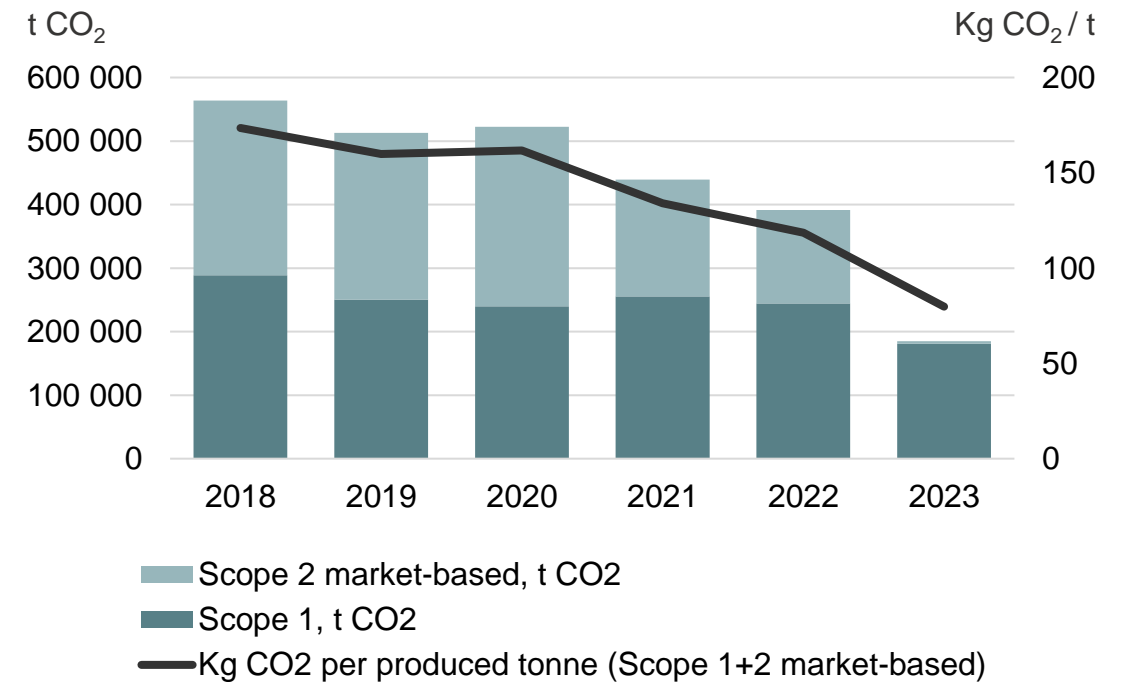
90% of our total energy use is fossil free

Total energy consumed in 2023 7.6 TWh

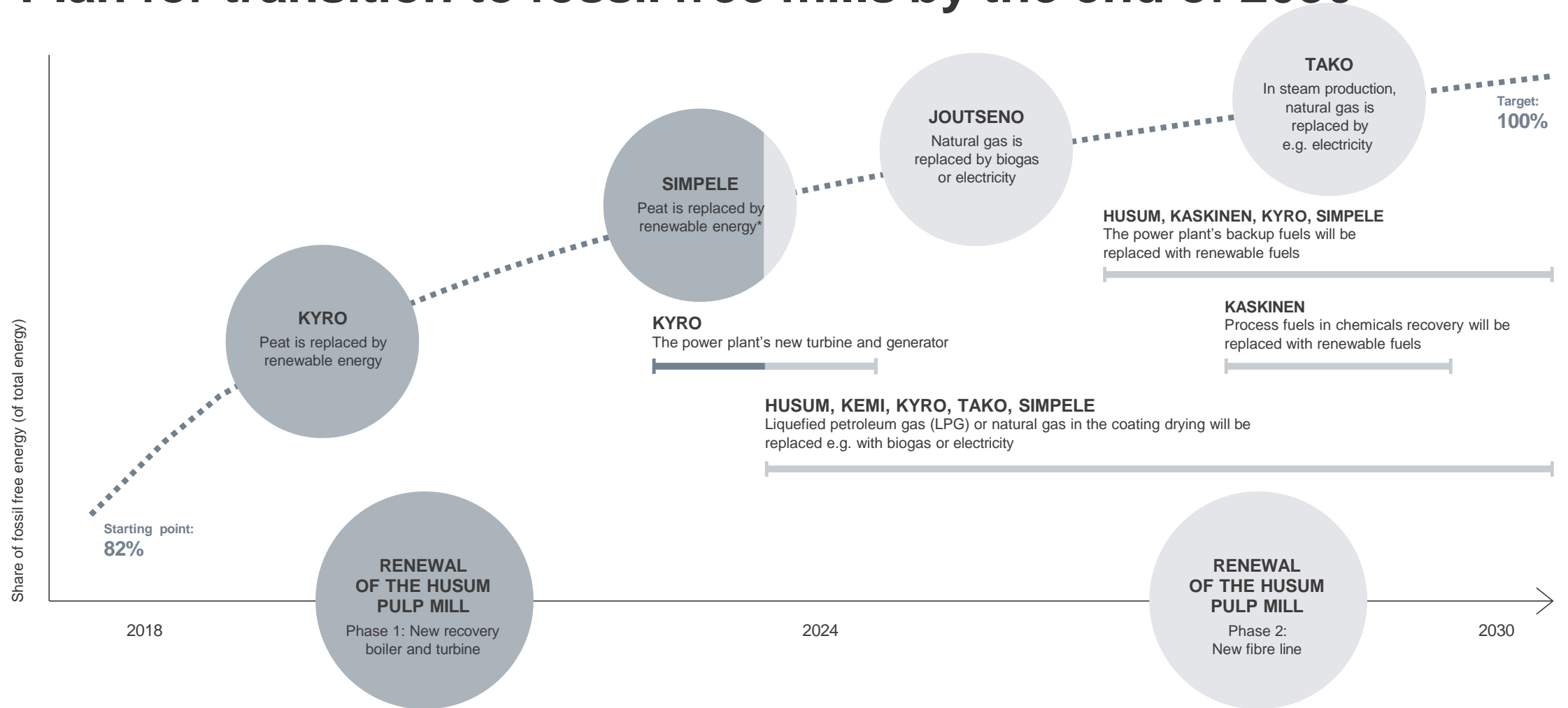


Fossil-based CO₂ emissions, Scope 1+2

We have reduced our fossil-based CO₂ emissions per tonne by 54% since 2018



Plan for transition to fossil free mills by the end of 2030



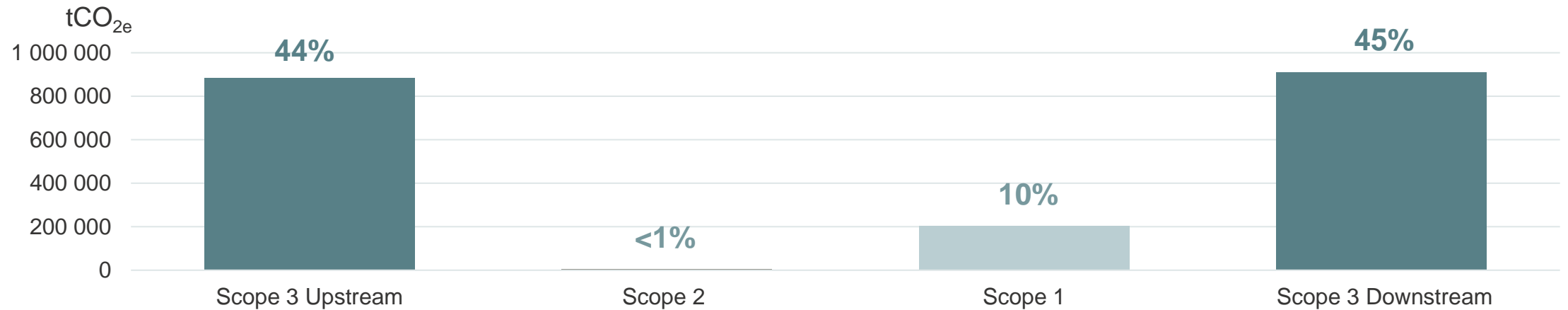
..... Share of fossil free energy of total energy. When the share is 100%, Metsä Board's fossil-based CO₂ emissions (Scopes 1 and 2) are zero. *Simpele power plant discontinued the use of peat in 2023, but some peat is being used in 2024 due to lower availability of wood chips.

— Estimated time frame of the project

● A darker shade indicates measures already taken

Value chain emissions are addressed with SBT and joint targets with suppliers

Total greenhouse gas emissions (Scope 1, 2, and 3) ca. 2.0 million tonnes CO_{2e}



In 2023:							
	tCO _{2e}		tCO _{2e}		tCO _{2e}		tCO _{2e}
Purchased goods and services	479 875	Market-based indirect GHG emissions from purchased electricity and heat	5,108	Direct GHG emissions from own processes and power plants	201,984	Downstream transportation and distribution	4 732
Capital goods	57 651					Processing of sold products	268 042
Fuel and energy-related activities	57 772					Use of sold products	890
Upstream transportation and distribution	282 264					End-of-life treatment of sold products	582 863
Waste generated in operations	2 919					Investments	52 294
Business travel	813						
Employee commuting	1 889						
	883,184		5,108		201,984		908,822

The carbon footprint (CO₂) of packaging material depends on:

1

Energy used in production

Metsä Board uses 90 per cent **fossil-free energy** in its production

2

Material and resource efficiency

Lightweighting reduces the use of fibre, energy and water

Metsä Board's folding boxboard have a lower carbon footprint* compared to several corresponding grades



Example case: Paperboard provides an alternative to plastics

PET

- Made of fossil oil-based materials with fossil-based energy
- Recycling rate of PET is low
- In the EU, recycling rate is 38% for plastic packaging and 82% for paper packaging

(Eurostat, 2020)



MetsäBoard Prime FBB EB

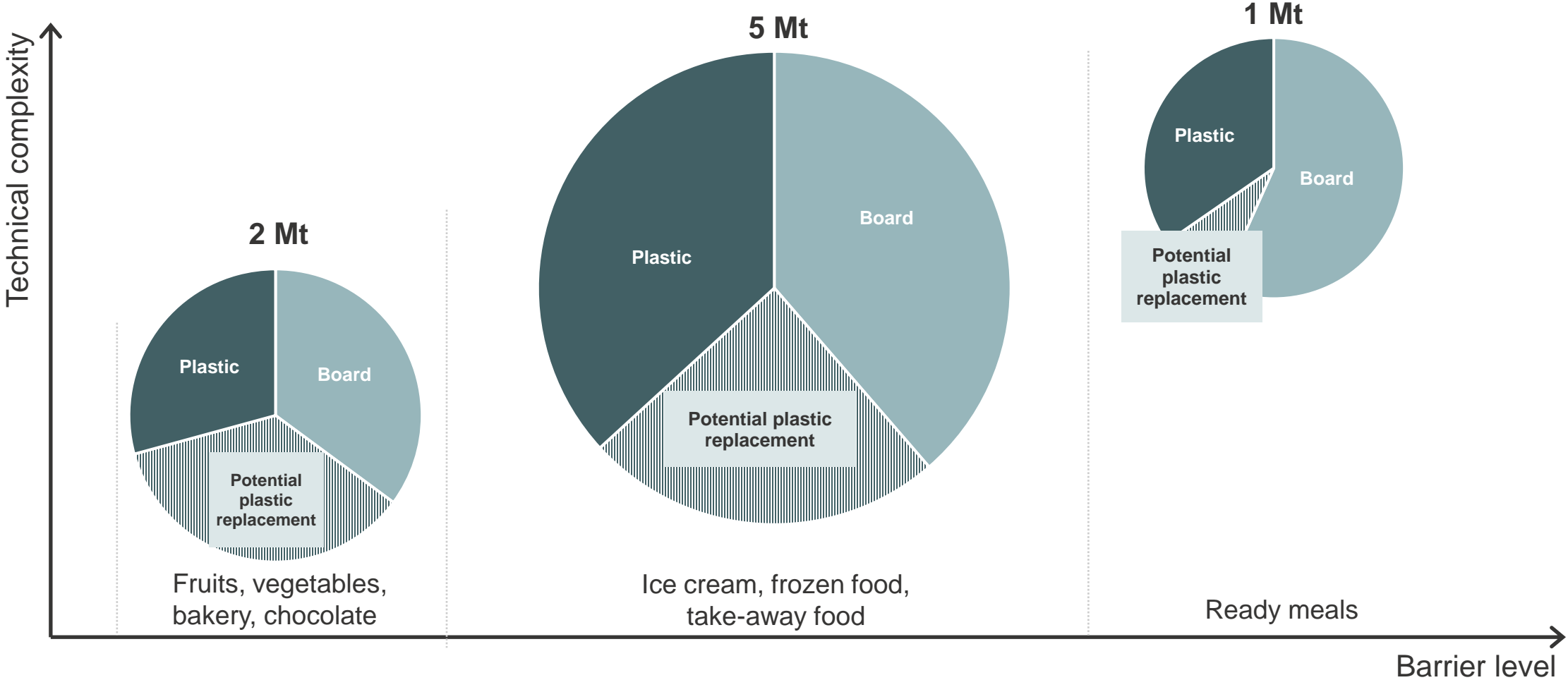
- Made from renewable fresh wood fibre with a high share of fossil free energy
- Easy to recycle, biodegradable and compostable
- The climate impact of a paperboard box for cherry tomatoes is ca. 80% smaller than that of a box made from recycled PET

(Natural Resources Institute Finland, 2019)



Plastic replacement potential is roughly 2 million tonnes

Cartonboard and rigid plastic packaging market size in selected food categories, excluding cupstock and liquid packaging



Source: Metsä Board estimates based on Euromonitor International Limited and Smithers Information Ltd

(increasing moisture/grease resistance)

Fresh and recycled fibres are equally good in terms of the circular economy

82%

of paper and paperboard packaging is recycled

100%

recovery of wood fibres **is not possible** because part of the fibre is lost during a cycle, or is contaminated

Fresh fibre is needed in the recycling loop to maintain quality and strength, and to keep the loop ongoing

External assessments and own commitments



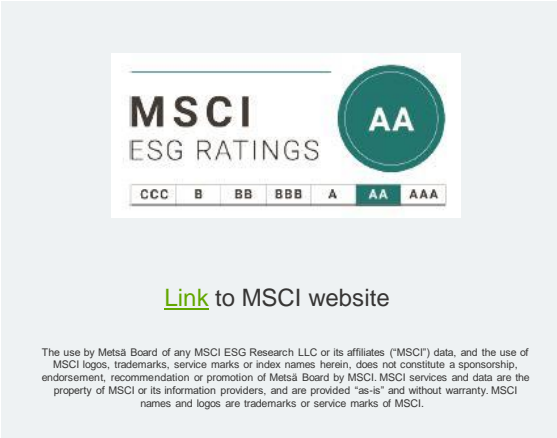
Metsä Board has an “A” score in the Climate and Water rating and an “A-” in the Forest rating.



Total score 91/100. Metsä Board has achieved the highest rating level every year since 2017.



[Link to ISS website](#)



[Link to MSCI website](#)

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Metsä Board’s GHG emissions reduction targets are approved by the Science Based Targets initiative.



As part of Metsä Group, Metsä Board is committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption. Metsä Board also supports the UN’s Sustainable Development Goals, the SDGs.

Innovation and R&D



Our R&D work aims to resource efficiency and reduce carbon footprint of packaging material



1

Light and resource efficient paperboards



2

Developing barrier boards as an alternative to plastics

High-yield pulp makes the difference between folding boxboard and other grades

Benefits of lightweighting:



Lightweight yet strong and stiff

=

paperboard for cost-efficient, sustainable and sturdy packaging



Improved yield

=

more cartons per tonne



Improved sustainability

=

less natural resources used, lower carbon footprint

Resource efficiency in production

Wood consumption depends on right fibre-mix.
Less wood needed in the production of high-yield pulp



Reduced water use through a closed water circulation and reduction of process water

New technology, development of energy recovery and AI improve energy efficiency



Resource and operational efficiency in production results into lightweight paperboards with less waste



As part of Metsä Group, we are looking for new growth opportunities

Metsä Spring* invests expertise and financial resources into initiatives with the ambition to reshape the forest-based bioeconomy



Wood-based 3D products



Wood-based textile fibres



Wood composite products



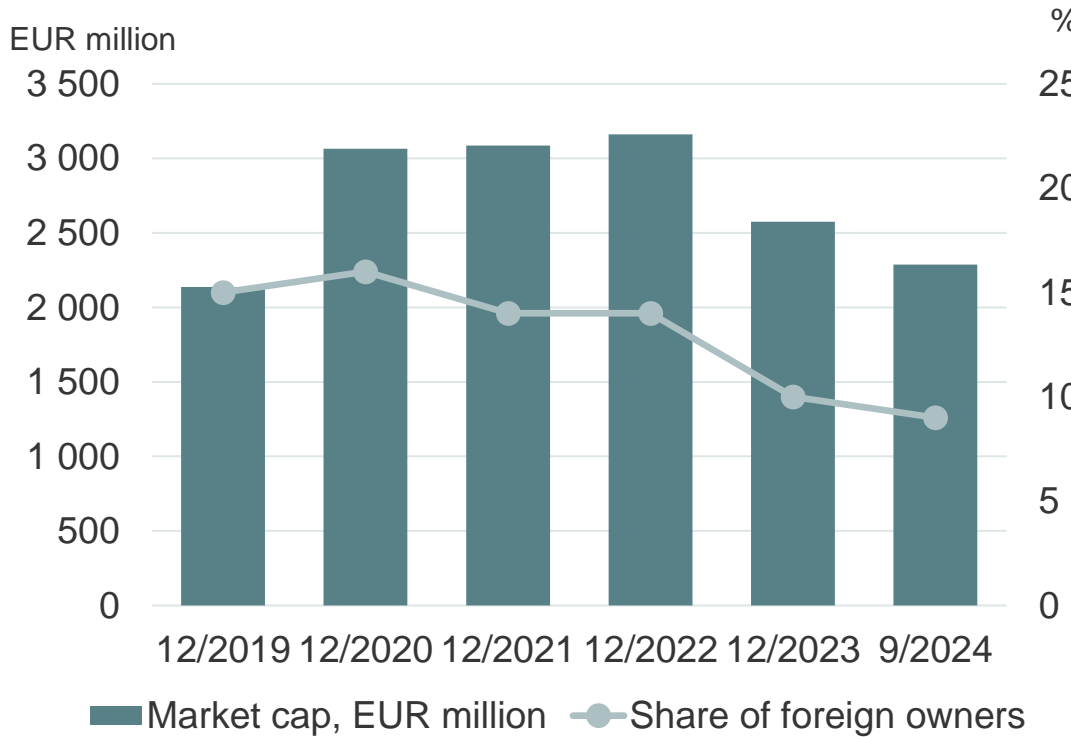
Bioactive products from birch bark

Owners and management

Market cap and ownership distribution

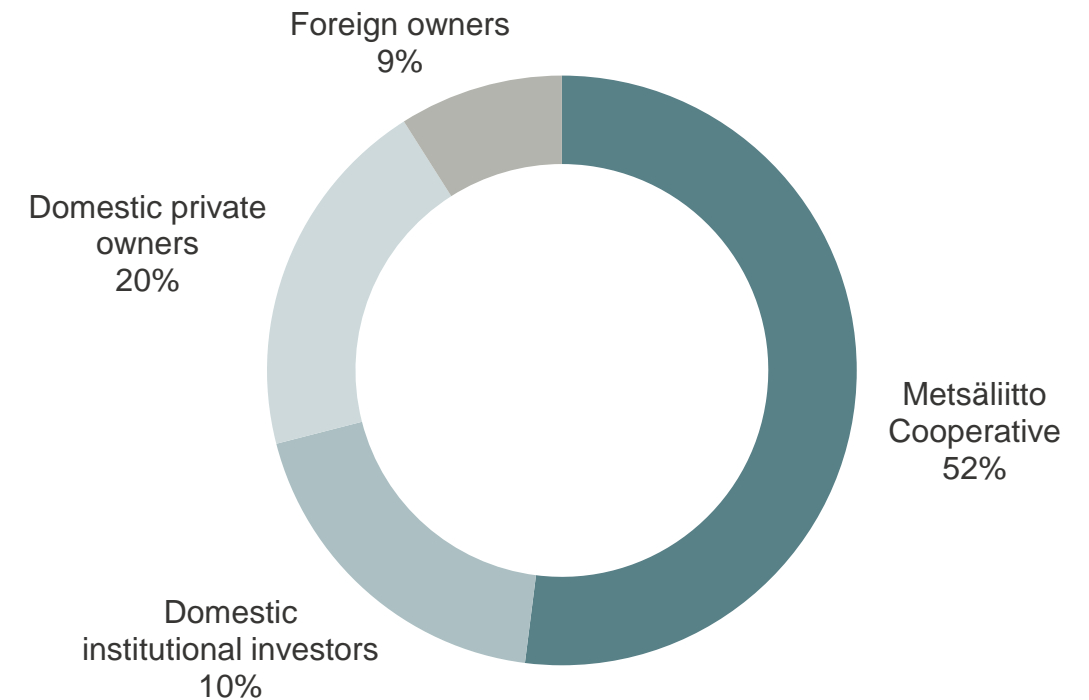
Metsä Board has two share series, A and B shares

Market cap and foreign owners



Ownership distribution

30 September 2024



Metsä Board Corporate Management Team



Mika Joukio
CEO
Chair of CMT since 2014
At Metsä Group since 1990
Shares: 377,846



Henri Sederholm
CFO
Member of CMT since 2021
At Metsä Group since 2003
Shares: 60,000



Markku Leskelä
SVP, Development
Member of CMT since
October 2021
At Metsä Group since 1993
Shares: 29,615



Jussi Noponen
SVP, Sales
and Supply Chain
Member of CMT since 2016
At Metsä Group since 2000
Shares: 93,806



Harri Pihlajaniemi
SVP, Production and
Technology
Member of CMT since 2017
At Metsä Group in 2001–2004
and since 2017
Shares: 45,487



Camilla Wikström
SVP, HR
Member of CMT since 2019
At Metsä Group since 2001
Shares: 28,293



Metsä

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