

## Metsä Board Annual Review 2025





A hand in a white sleeve reaches into a brown suitcase. Inside the suitcase, there is a white box labeled 'Multi vitamin' with '230 g/m² 15.2 pt' and 'NATURAL & EASY RUNNABILITY' printed on it. Next to it is a blue and white box labeled 'STEARNS' with 'Pro RGB Bright - NEW' and '245 g/m² 16.3 pt' printed on it. A clear plastic bag with a blue zipper is in the foreground, containing a yellow bottle, a white tube, and a pink tube. A wooden comb and a yellow object are also visible. The suitcase is lined with brown fabric and has grey straps.

Our lightweight and recyclable paperboards are almost entirely made with fossil-free energy. We develop solutions to replace fossil-based packaging in partnership with our stakeholders and support our customers' sustainability goals.



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**Metsä Board Sustainability Review 2025** presents Metsä Board's key sustainability objectives and achievements in 2025. The review will be available in March 2026.



**Metsä Group Annual Review 2025**

# This is Metsä Board

## Premium lightweight fresh fibre paperboards

We focus on premium, lightweight paperboards made from renewable wood fibre. Fully recyclable, these paperboards are primarily used in consumer and retail packaging solutions. Good availability of northern wood fibre, combined with our high self-sufficiency in pulp and energy, ensures stability and operational reliability for our paperboard business.

## Solutions for reducing the carbon footprint

Our products help customers reduce their use of plastics and promote the circular economy while supporting their own sustainability goals. Case studies<sup>1)</sup> based on life-cycle assessments show that lightweight paperboards produced resource-efficiently and primarily with fossil-free energy reduce the carbon footprint of packaging. In addition, they comply with increasingly stringent regulatory requirements.

<sup>1)</sup> The technical background reports and verification statements of the assessments are available on Metsä Board's website [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard)

## Strong market position with growth opportunities

We are Europe's largest producer of folding boxboard and white kraftliners. Our market leadership offers a strong platform to benefit from the growing global demand for paperboards. Our business development is based on decades of experience and long-term customer relationships, which also help us identify new growth opportunities.

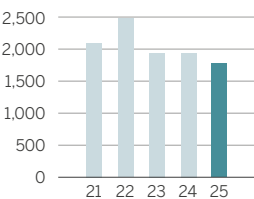
## We are part of Metsä Group

Metsä Group is Finland's largest purchaser of wood and manages Metsä Board's wood supply. In 2025, Metsä Group bought around 30 million cubic metres of wood. As part of Metsä Group, we are committed to the principles of regenerative forestry. Our self-sufficiency in pulp is based on our 24.9% ownership in Metsä Fibre, the world's leading producer of softwood market pulp with an annual production capacity of approximately 4 million tonnes.

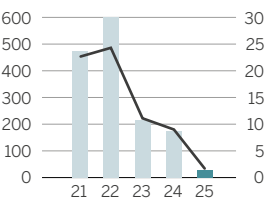
<div><div><div>METSÄ GROUP</div><div>The parent company Metsäliitto Cooperative is composed of around <b>90,000</b> Finnish forest owners.</div></div><div><div>Sales</div><div>EUR <b>5.8</b> billion</div></div><div><div>Personnel</div><div><b>8,800</b></div></div></div>				
<div><div>Pulp and sawn timber</div><div>METSÄ FIBRE</div><div>OWNERSHIP</div><div>Metsäliitto Cooperative 50.1%</div><div>Metsä Board <b>24.9%</b></div><div>Itchu Corporation 19.9%</div><div>SALES</div><div>EUR 2.6 billion</div><div>PERSONNEL</div><div>1,400</div></div>	<div><div>Paperboard</div><div>METSÄ BOARD</div><div>Metsäliitto Cooperative 52% (69% of votes)</div><div>The company is listed on Nasdaq Helsinki</div><div>EUR 1.8 billion</div><div>1,900</div></div>	<div><div>Tissue and greaseproof papers</div><div>METSÄ TISSUE</div><div>Metsäliitto Cooperative 100%</div><div>EUR 1.1 billion</div><div>2,400</div></div>	<div><div>Wood Products</div><div>METSÄ WOOD</div><div>Metsäliitto Cooperative 100%</div><div>EUR 0.5 billion</div><div>1,600</div></div>	<div><div>Wood Supply and Forest Services</div><div>Metsäliitto Cooperative 100%</div><div>EUR 2.5 billion</div><div>600</div></div>
<div>METSÄ SPRING Innovation company</div>				

# Financial development

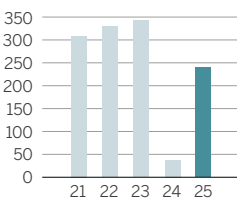
**SALES**  
EUR million



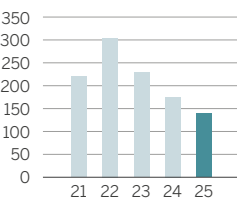
**COMPARABLE EBITDA**  
EUR million, % of sales



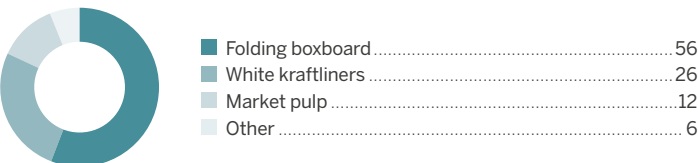
**CASH FLOW FROM OPERATIONS**  
EUR million



**TOTAL INVESTMENTS**  
EUR million



**SALES SPLIT BY PRODUCT**  
% of sales



**SALES SPLIT BY REGION**  
% of sales



We have  
**1,900**  
employees in  
**16**  
countries

We have  
**7**  
production units  
in Finland and Sweden

Our customers include  
international brand owners,  
packaging converters,  
manufacturers of corrugated  
products and merchants

Paperboard capacity  
**2.1** million tonnes/year

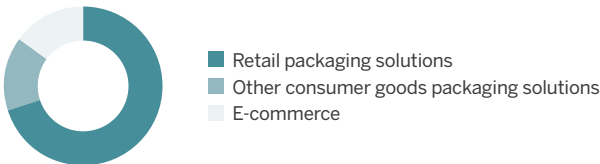
Pulp and BCTMP capacity  
**1.7** million tonnes/year

Energy self-sufficiency  
**90**%

**END USE OF FOLDING BOXBOARD**



**END USE OF WHITE KRAFTLINERS**



Source: Metsä Board



# Key events in 2025



## Enhancing competitiveness through operational efficiency and investments

**In January**, Metsä Board announced plans to close the Tako board mill and streamline operations at the Kyro board mill. The Tako mill (annual capacity 210,000 tonnes of folding boxboard) was closed in June, and the mill's production was successfully transferred to the Kyro mill. These actions are expected to improve Metsä Board's annual EBITDA by approximately EUR 30 million.

**In October**, a modernisation project of around EUR 60 million was completed at the Simpele paperboard mill, raising the quality and performance of folding boxboard to a new level. At the same time, the share of fossil-free energy in the Simpele mill's production increased to 98%.

## Improving profitability and cash flow – initial focus on cash flow

**In July**, Metsä Board launched an extensive transformation programme that aims to increase annual EBITDA by EUR 200 million by the end of 2027 and free up at least EUR 150 million of working capital by the end of 2025. The programme focuses on cost savings, commercial excellence, and streamlining operations. Initially, the focus is on strengthening cash flow.

**In October**, the company announced that it would not proceed with three significant investment projects that were in a pre-engineering phase due to their insufficient profitability in the current market situation.





## Securing financial strength with sustainable financing solutions

During the year, Metsä Board strengthened its financial position with significant green financing arrangements that support the company's long-term sustainability goals.

**In May**, the company issued a EUR 200 million green unsecured bond with a maturity of six years and an annual interest rate of 3.875%. The net proceeds were used to refinance the Husum pulp mill renewal investment in accordance with *Metsä Group's green finance framework*.

**In October**, Metsä Board signed a new EUR 250 million revolving credit facility, replacing the previous undrawn EUR 200 million facility. The margin of the new credit facility is linked to the company's long-term climate and energy efficiency targets.

These arrangements strengthened Metsä Board's financial stability and flexibility, enabling possible investments in the future.

## New leadership team emphasises customer centricity and holistic business development

**In April**, Metsä Board's long-serving CEO Mika Joukio stepped down from his position, and the Board of Directors appointed Esa Kaikkonen as the new CEO. Kaikkonen has 27 years of experience in several roles within Metsä Group.

**In July**, Erja Hyrsky joined the leadership team as SVP, Commercial Operations; Minna Björkman as SVP, Containerboard; Jussi Noponen as SVP, Production and Supply Chain (previously SVP, Sales and Supply Chain and a member of the Corporate Leadership Team); and Laura Remes as SVP, Business Transformation.

Anssi Tammilehto was appointed as Chief Financial Officer in **October**. During 2025, Markku Leskelä, Harri Pihlajaniemi and Henri Sederholm left the Corporate Leadership Team.

The composition of Metsä Board's Board of Directors also changed. Ilkka Härmälä, Chair and President and CEO of Metsä Group, announced that he would be stepping down from his position on the Board at the beginning of **July**. The Board elected Jussi Vanhanen as the new Chair. In addition, Erja Hyrsky resigned from the Board of Directors immediately upon becoming the company's SVP, Commercial Operations.

## With a strong focus on sustainability, Metsä Board supports its customers' goals and strengthens their competitiveness

**In July**, Metsä Board achieved the highest level, Platinum, in Ecovadis's sustainability assessment for 2025.

**In December**, the environmental non-profit organisation CDP awarded Metsä Board the highest triple A score for its annual climate change, forests and water security disclosure.

Metsä Board's extensive systematic efforts to improve sustainability support its customers' sustainability goals and meet increasingly strict regulatory requirements. The company's ambitious targets for 2030 and its climate transition plan help customers reduce the carbon footprint of their packaging, while ensuring transparency and competitiveness in a changing operating environment.



# Towards a profitable and sustainable future

**A challenging operating environment calls for a clear direction and the ability to renew. Our transformation programme aims to create a leaner and more competitive cost structure and to strengthen commercial excellence, while streamlining operations across the organisation. We operate in a market with strong long-term growth potential, driven in particular by the replacement of plastics and tightening regulation. The renewed strategy sharpens our direction towards profitable and sustainable growth.**

## **Cash flow at the core in an uncertain operating environment**

The year 2025 was marked by uncertainty and shifts in market conditions. Weak consumer demand and import tariffs imposed by the United States affected the demand for paperboard. Market dynamics were also shaped by the growing imports of paperboard from China, and increasing capacity in Europe. In addition, high wood raw material costs particularly weakened the competitiveness of Nordic operators. The pulp market also faced challenges.

It must be acknowledged that the company structure of Metsä Board and the focus areas of its business did not provide sufficient protection under these circumstances. Paperboard deliveries were clearly lower than in the previous year, especially folding boxboard, and production was significantly adjusted across all mills. We also decided to permanently close the Tako board mill. At the production unit level, the greatest challenges were faced in the Husum integrated mill, whose overall result remained clearly negative and was the key contributor to the loss for the financial year.

In 2025, our sales totalled EUR 1,780 million (2024: 1,940), and our comparable operating result was clearly negative at EUR –80 million (2024: 69). The loss was also influenced by the decline in market pulp prices, the negative result of our associated company Metsä Fibre, and the decline in emission allowance sales income. Due to weak profitability, we did not reach our long-term financial targets.

In an uncertain environment, we shifted to cash-flow-based operational management, which delivered results: cash flow from operations improved significantly from the previous year and amounted to EUR 240 million (2024: 38). This was supported by working capital management measures – we succeeded in releasing EUR 300 million of working capital in the second half of the year. We enter 2026 with a continued strong focus on cash flow, and working capital management will remain a key tool for securing it.

## **Towards improved profitability and customer value**

Our foundation is strong: we have committed and skilled personnel, long-term customer relationships, and a unique value chain that extends from Northern wood fibre to high-quality end products. Sustainability lies at the core of our business as we develop solutions to replace fossil-based packaging in close cooperation with customers.

The changing market environment requires renewal and sharpening our competitiveness to ensure long-term growth and restore profitability to our targeted level.

In summer, we launched a comprehensive transformation programme aimed at improving annual EBITDA by EUR 200 million by the end of 2027. The programme includes cost savings, a refocus of sales, streamlining of the supply chain, and improved efficiency. As part of the transformation programme, we conducted extensive change negotiations, which resulted in approximately 310 positions being terminated at Metsä Board.

We are already leveraging our renewed commercial strategy, which focuses on increasing customer value to a new level while sharpening our regional focus and prioritising segments with the greatest growth and profitability potential. We have defined a clear direction and will publish our renewed strategy in early 2026. At the core are strengthening customer value, improving operational efficiency and bold renewal, which together build a sustainable foundation for competitiveness. Our way of working will become clearer, more agile, and built on strong collaboration.





” We are already leveraging our renewed commercial strategy, which focuses on increasing customer value to a new level while sharpening our regional focus and prioritising segments with the greatest growth and profitability potential.

### Leveraging investments and growth drivers

In recent years, we have invested heavily in expanding production capacity, modernising mills, and improving product quality and carbon footprint. We now concentrate on ensuring that these investments are fully utilised.

Key drivers of growth and renewal include increasing sustainability requirements and regulation. As environmental requirements tighten and consumer expectations evolve, sustainable, renewable packaging solutions are becoming increasingly important. Metsä Board's paperboards are used globally in consumer packaging that demands the highest standards of quality, safety and environmental performance.

Our targets for efficient use of fossil-free energy and renewable resources are now more important than ever. We continuously develop our products and services to meet the expectations of customers and society. At the same time, we strengthen our role in advancing sustainability and build long-term trust among stakeholders.

### A strong financial base secures the future

A healthy balance sheet, strong cash flow, and moderate indebtedness give us the flexibility to build the future even in challenging times. High self-sufficiency in pulp and energy strengthens the stability of our business.

As the result for 2025 was clearly negative, the Board of Directors proposes that no dividend be distributed for the financial year. Naturally, this is a disappointment for our shareholders, but the decision is necessary to secure cash flow and build long-term shareholder value.

I would like to thank our personnel for their strong commitment in 2025, as well as our customers, shareholders, and partners for their trust and cooperation. Together, we continue our journey towards an even stronger Metsä Board.

**Esa Kaikkonen**  
CEO

# We create value and wellbeing for several stakeholders

We actively seek opportunities to grow profitably and sustainably, and to create value and wellbeing for our stakeholders. We ensure sustainable, traceable sourcing and promote transparency and ethical practices across the value chain.

## Resources

### People and partnerships

- Around 1,900 employees in 16 countries
- Around 250 summer employees, thesis workers and trainees
- Active cooperation with local communities and educational institutions

### Production and supply chain

- Approximately 3,000 suppliers
- 7 production units in Finland and Sweden
- Deliveries to around 90 countries

### Environmental inputs

- 6.0 million m<sup>3</sup> of sourced wood of which 92% is certified
- Total energy consumption 7.0 TWh of which 93% is fossil-free
- Water withdrawals 85 million m<sup>3</sup>
- 293,000 tonnes of purchased pigments, binders, other raw materials and packaging materials

### Intangible assets

- R&D expenditure EUR 6.3 million
- An Excellence Centre in Äänekoski, Finland, and a satellite centre in Norwalk, the United States
- Recognition for premium quality paperboards

### Financial capital

- Capital invested EUR 2.3 billion
- Approximately 65,000 shareholders in B series and 11,000 in A series

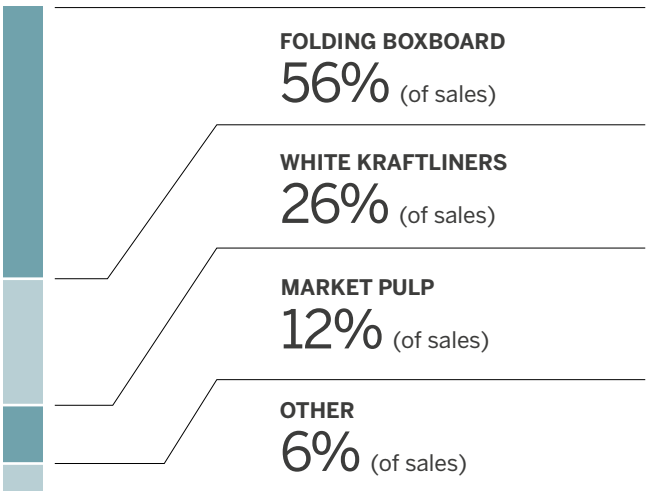
## Business model

We produce lightweight and high quality fresh fibre paperboards made from renewable wood fibre, supporting the circular economy and offering a sustainable alternative to fossil based packaging materials. We are part of Metsä Group, whose parent company, Metsäliitto Cooperative, is owned by around 90,000 Finnish forest owners. The wood raw material is sourced centrally through Metsä Group from forests where biodiversity is taken into account. Metsä Board does not own forests itself.

Our production is located in Finland and Sweden, and we have sales around the world. Our main market areas are Europe and North America. We have a high degree of energy self sufficiency, and our ownership in our associated company, Metsä Fibre, ensures our high pulp self-sufficiency.

Our customers include international brand owners, converters and merchants. Our fresh fibre paperboards help customers improve recyclability and material efficiency, and reduce the carbon footprint of packaging. Our long term customer relationships are built on trust and collaboration, supported by our broad range of services.

OUR SALES IN 2025  
EUR **1,776** million





We help our customers achieve their own sustainability goals with our resource-efficient paperboards and expert services that support circular economy.



## Outputs

### Products and services

- 1.3 million tonnes of premium fresh fibre paperboards
- 950 million tonnes of pulp and BCTMP
- 17,000 tonnes of other bioproducts, such as tall oil and turpentine
- 5 service entities that generate benefits throughout the packaging value chain (360 Services)
- Common stock service improves availability and enables fast delivery to the customer

### Emissions and waste

- 141,805 tonnes of greenhouse gas emissions from our own operations and purchased energy (Scope 1, Scope 2 market-based)
- 1,587,316 tonnes of greenhouse gas emissions from the value chain (Scope 3)
- 95% of the used water is returned to the waterbodies. All process water is treated carefully
- 58,100 tonnes of recovered by-products and 100,200 tonnes of waste, of which more than 99% is used as materials or energy

<sup>1)</sup> based on third-party critically reviewed packaging case studies, in which the carbon footprint of packaging made from Metsä Board paperboard was compared with packaging whose carbon footprints represented comparable paperboard grades sold in Europe or PET plastics.

→ Read more on Metsä Board's website [www.metsagroup.com/metsaboard](http://www.metsagroup.com/metsaboard)

→ <sup>2)</sup> Read more on reducing emissions **p. 46**

→ Read more on taxes on **p. 180**

## Impacts

### Customers

- Recyclable products with low carbon footprint <sup>1)</sup>
- Innovative and material-efficient packaging solutions that help reduce the use of plastic
- Customer satisfaction NPS (Net Promoter Score) 45

### Suppliers

- EUR 1.5 billion purchases from suppliers
- 99.5% of suppliers are committed to the Supplier Code of Conduct

### Personnel

- EUR 214 million paid to employees as wages and benefits
- 96% of the personnel have completed the Code of Conduct training

### Shareholders

- No dividend for the 2025 financial year. Over the past 10 years, the average dividend payout ratio has been more than 50%
- Sustainability at a high level, with excellent scores in independent ESG assessments

### Common value creation

- Taxes paid EUR 68 million
- Total investments EUR 140 million, of which around 42% for maintenance
- The target is to use fossil-free energy in production. The Paris Agreement aligned 1.5°C emissions reduction level for 2030 has already been achieved <sup>2)</sup>

# We are committed to sustainability and safety at work

Metsä Board’s lightweight fresh fibre paperboards and resource-efficient packaging solutions promote the circular economy while helping our customers achieve their sustainability goals and meet increasingly strict regulatory requirements.


Safety and wellbeing	Environmental impacts of products	Forests and biodiversity	Climate change
We aim for an accident-free work environment. We invest in our employees’ wellbeing, their professional competences, and equal opportunities for everyone to succeed in their careers.	Our use of raw materials, water, and energy is efficient. Metsä Board 360 Services, such as our sustainability and packaging design services, help our customers achieve their sustainability goals.	The wood we use has full traceability and is always either certified or of controlled origin. Our wood procurement does not cause deforestation. We are committed to developing regenerative forestry that promotes biodiversity.	93% of our energy production is fossil-free. Our paperboards are lightweight and recyclable, and their carbon footprint continues to decrease as we phase out the use of fossil energy in our production. Production at our Äänekoski paperboard mill already runs entirely on fossil-free energy.

## Commitments and recognitions

We are committed to the UN Global Compact corporate responsibility initiative since 2003 and to supporting the UN Sustainable Development Goals in our operations. Our targets for reducing greenhouse gas emissions have been approved by the Science Based Targets initiative. In 2025, we again achieved EcoVadis’ highest level, Platinum, and a triple A score in CDP’s assessment for the climate change, forests, and water security categories.

With a 79% reduction in fossil-based Scope 1 and 2 CO<sub>2</sub> emissions from 2018 to 2025, we are already below the 1.5 °C Paris-aligned 2030 emissions reduction level.

Read more on p. 46.



Key goals for Metsä Board

5

Gender equality

6

Clean water and sanitation

7

Affordable and clean energy

8

Decent work and economic growth

9

Industry, innovation and infrastructure

12


Responsible consumption

13


Climate action



15

Life on land



WE SUPPORT







## Renewal of Simpele mill supports our climate goals

The EUR 60 million investment in the **Simpele board mill** was completed at the end of 2025. The introduction of new technology improves printing quality and brand visibility, and strengthens competitiveness in food and healthcare product packaging. The share of fossil-free energy in production of the mill rose from 89% to 98%, supporting customers' climate goals and Metsä Board's goal of using fossil-free energy by 2030.



## Case studies reveal climate benefits of paperboard packaging

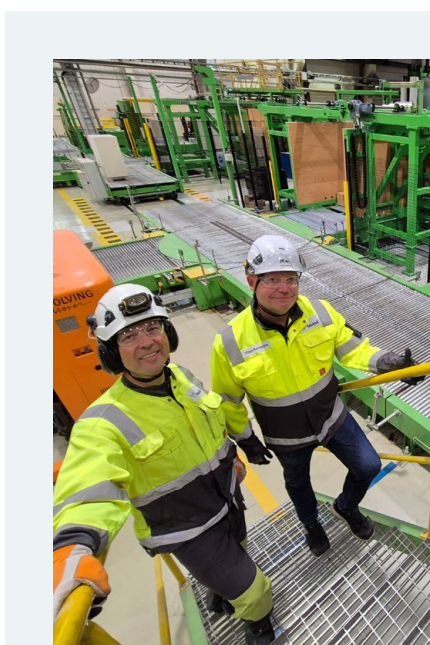
Metsä Board's case studies, comprising **life-cycle assessments\* of berry and take-away food packaging**, show that packaging made from Metsä Board's paperboard has a significantly smaller carbon footprint than plastic packaging. The results have been verified by two independent experts from the Swedish research institute RISE and SimaPro UK.

\* The technical background reports and verification statements for the assessments are available on Metsä Board's website.

## We help customers navigate the changing regulatory environment

Metsä Board has introduced a comprehensive **circular economy statement** that presents key material information and guidance on the recyclability and end-of-life treatment of its packaging materials. The statement helps customers comply with key international legislation and standards on packaging and packaging waste, and addresses extended producer responsibility (EPR) in the UK and recyclability claims in the US.

**The statement is available to customers in Metsä Board Online portal.**



## Actions for a safe working environment

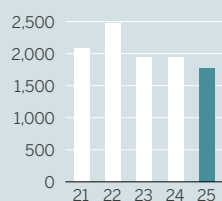
**Safety** is a top priority in our daily work. Promoting safety and wellbeing at work is based on proactive measures, and our long-term goal is an accident-free working environment. In 2025, our priorities were a Metsä Group-wide safety management training programme, a "Fair & Just" safety culture, and the safety of service providers.

**Read more on p. 71.**

# Key figures

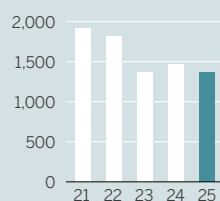
## SALES

EUR million



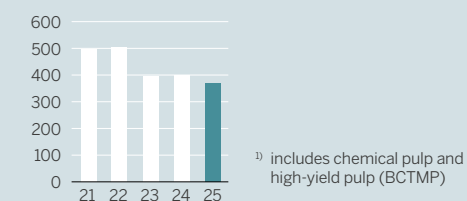
## PAPERBOARD DELIVERIES

1,000 tonnes



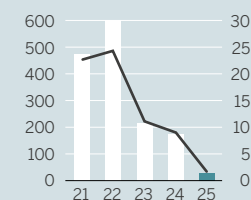
## METSÄ BOARD'S MARKET PULP DELIVERIES <sup>1)</sup>

1,000 tonnes



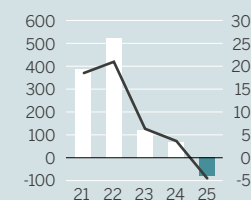
## COMPARABLE EBITDA

EUR million,  
% of sales



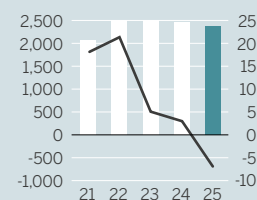
## COMPARABLE OPERATING RESULT

EUR million,  
% of sales



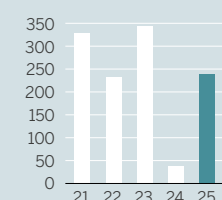
## CAPITAL EMPLOYED, EUR million

RETURN ON CAPITAL EMPLOYED, %



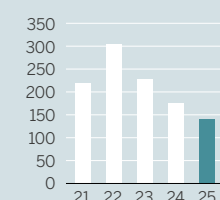
## CASH FLOW FROM OPERATIONS

EUR million



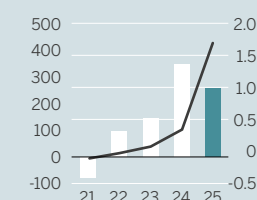
## TOTAL INVESTMENTS

EUR million



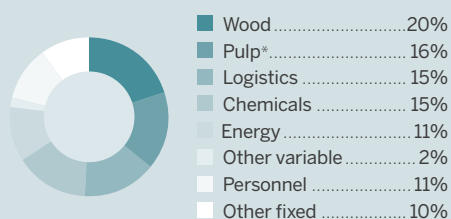
## INTEREST-BEARING NET DEBT, EUR million

INTEREST-BEARING NET DEBT / EBITDA,  
COMPARABLE

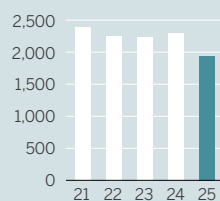


## TOTAL COSTS 2025

EUR 1.8 billion

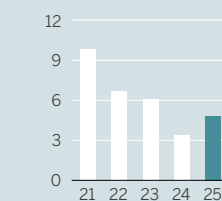


## PERSONNEL AT THE END OF PERIOD



## TOTAL RECORDABLE INJURY FREQUENCY (TRIF)

per million hours worked



\*) 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 2025: wood 57%, chemicals 11%, logistics 9%, energy 5%, personnel and other fixed 17%.

Figures per share are presented on page 178



# Report of the Board of the Directors and financial statements

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\* part of the Report of the Board of Directors

# Report of the Board of Directors 2025

## Metsä Board's business

Metsä Board focuses on recyclable premium fresh fibre paperboard and is Europe's largest producer of folding boxboard and white kraftliners. Folding boxboard is mainly used in food and pharmaceutical packaging, while kraftliner is used in retail packaging.

In addition, the company produces chemical pulp and bleached high-yield pulp (BCTMP) for its own production and to be sold as market pulp. Metsä Board owns 24.9% of Metsä Fibre, the global leader in the production of long-fibre market pulp.

Metsä Board's production is located in Finland and Sweden, near the source of high-quality northern wood fibre. The company's main market areas are Europe and North America.

In 2025, Metsä Board's total paperboard capacity was around 2 million tonnes, and its pulp and BCTMP capacity was around 1.6 million tonnes.

Metsä Board's energy self-sufficiency is high. The company covers its energy consumption mostly with its own production and supplements it with purchases from the market. Most of the electricity consumption is covered by the company's own production and electricity purchased from Pohjolan Voima and Metsä Fibre. Metsä Board owns 2.8% of Pohjolan Voima, which sells electricity to Metsä Board at cost price.

Metsä Board promotes the bioeconomy and circular economy by processing northern wood sustainably and efficiently into first-class products, creating value for its customers worldwide. The company's operations focus on mitigating and adapting to climate change, the efficient use of resources, safeguarding biodiversity, and the development and wellbeing of its personnel. The company's impact is widespread through its value chain, and operations are developed based on stakeholder feedback. Further information can be found in the Sustainability statement and in note 4.1. to the financial statements (intangible assets in the balance sheet).

## Strategy and financial targets

Metsä Board's strategy has been to strengthen its position in fibre-based packaging materials and renew its industrial operations. In recent years, the company has made significant investments in increasing production capacity, renewing its mills, improving product quality and reducing its carbon footprint.

Metsä Board's long-term competitiveness is built on strong cooperation with customers, principles of sustainability and a broad service offering. The company develops fossil-free packaging solutions and invests in technologies that improve material efficiency and reduce environmental impact.

In utilising its investments, Metsä Board focuses on customers that value high-performance products and packaging solutions that promote the circular economy and replace plastics.

Metsä Board will announce its revised strategy and update its financial targets in the first quarter of 2026.

### Financial targets and actuals in 2025

Metsä Board has two long-term financial targets:

- Comparable return on capital employed (ROCE%) of at least 12%  
In 2025, the outcome was -3.1% (2024: 3.2%)
- Maximum ratio of interest bearing net debt to comparable EBITDA (rolling 12 months) 2.5.  
In 2025, the outcome was 8.6 (2024: 2.0).

In addition, the transformation programme launched in the summer of 2025 aims for an annual improvement of the EBITDA by approximately EUR 200 million (run-rate) by the end of 2027. The estimated annual improvement in earnings resulting from the measures implemented in 2025 totals approximately EUR 52 million (run-rate).

### Dividend policy

The aim of Metsä Board's dividend policy is to distribute a dividend of at least half the result for the financial period over time, taking future investment and development needs into account. The Board of Directors proposes that, due to the loss incurred for the financial year 2025, no dividend be distributed (2024: EUR 0.07 per share, 98% of the result)



# Key figures

	2025	2024	2022
Sales, EUR million	1,775.7	1,938.6	1,941.9
EBITDA, EUR million	-3.9	175.9	214.6
comparable, EUR million	29.6	175.0	216.0
EBITDA, % of sales	-0.2	9.1	11.1
comparable, % of sales	1.7	9.0	11.1
Operating result, EUR million	-169.5	62.3	120.8
comparable, EUR million	-80.2	69.0	122.2
Operating result, % of sales	-9.5	3.2	6.2
comparable, % of sales	-4.5	3.6	6.3
Result before taxes, EUR million	-186.9	51.4	120.9
comparable, EUR million	-97.5	58.2	122.6
Result for the period, EUR million	-164.6	39.4	101.6
comparable, EUR million	-92.2	44.6	103.8
Earnings per share, EUR	-0.44	0.07	0.27
comparable, EUR	-0.24	0.09	0.27
Return on equity, %	-9.0	2.0	4.7
comparable, %	-5.0	2.3	4.8
Return on capital employed, %	-6.9	2.9	5.0
comparable, %	-3.1	3.2	5.1
Equity ratio <sup>1)</sup> , %	60	64	67
Net gearing <sup>1)</sup> , %	15	18	7
Interest-bearing net liabilities/comparable EBITDA	8.6	2.0	0.7
Shareholders' equity per share <sup>1)</sup> , EUR	4.48	4.91	5.35
Interest-bearing net liabilities <sup>1)</sup> , EUR million	254.8	344.9	144.0
Total investment, EUR million	139.5	175.4	228.7
Net cash flow from operations, EUR million	239.6	37.8	342.8
Personnel <sup>1)</sup>	1,939	2,290	2,240

<sup>1)</sup> at the end of the period

# Delivery and production volumes

1,000 tonnes	2025	2024	2022
Delivery volumes			
Folding boxboard	890	992	906
White kraftliner	474	480	467
Metsä Board's market pulp <sup>1)</sup>	368	400	394
Metsä Fibre's market pulp <sup>2)</sup>	720	618	684
Production volumes			
Folding boxboard	856	1,044	859
White kraftliner	464	484	450
Metsä Board's pulp <sup>1)</sup>	948	1,123	996
Metsä Fibre's pulp <sup>2)</sup>	694	652	685

<sup>1)</sup> Includes chemical pulp and high-yield pulp (BCTMP).

<sup>2)</sup> Equal to Metsä Board's 24.9% holding in Metsä Fibre.

# Business environment

## Paperboards

Population growth, urbanisation, rising living standards, and the reduction of plastic waste are global trends that support the long-term growth in demand for fibre-based packaging materials. Consumers want packaging solutions that reduce the use of plastics, and many international brand owners have committed to ambitious packaging and climate goals. Premium fresh fibre paperboards are safe in food contact, lightweight and fully recyclable, making them compliant with strict EU regulations. The carbon footprint of material-efficient fresh fibre paperboards mainly produced with fossil-free energy is also much smaller than that of many other packaging materials.

In 2025, the market situation for paperboard was challenging, which kept utilisation rates relatively low. Demand was weakened by cautious consumer purchasing behaviour and US import tariffs on products manufactured in Europe. In Europe, the market balance was disrupted by increased paperboard imports from China to the EMEA region and increased capacity in Europe. In addition, the competitiveness of European producers was impacted by the high price of wood fibre, which nevertheless turned into a clear decline after the summer.

In 2025, the deliveries of European white kraftliners decreased significantly from the previous year. Similarly, the deliveries of folding boxboard to Europe decreased from the previous year. The market prices of white kraftliners increased considerably, while those of folding boxboard declined from the previous year.

Metsä Board accounted for 32% (34) of the total global deliveries of European folding boxboard producers, excluding cupstock board.

At the end of 2025, Metsä Board accounted for 32% (38) of folding boxboard production capacity and for 32% (33) of white kraftliner production capacity in Europe.

(Sources: Fastmarkets FOEX, Fastmarkets RISI, Pro Carton, Cepi Containerboard, websites of benchmark companies)

## Market pulp

Metsä Board and its associated company Metsä Fibre sell mainly long-fibre market pulp to Europe and Asia.

Low operating rates in paper and board production have reduced demand for long fibre pulp in both Europe and China. Production at Metsä Fibre's Joutseno mill was suspended for almost six months due to market uncertainty and low order books in China.

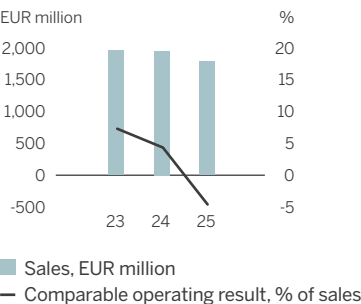
In addition, the competitiveness of European pulp producers was weakened by the continued high pulpwood price and the depreciation of the US dollar against the euro.

In Europe, the market price of long fibre pulp (PIX, USD) increased slightly, while in China it decreased compared to the previous year. Market prices for short fibre pulp declined sharply in both China and Europe.

# Sales and result

Metsä Board's sales were EUR 1,775.7 million (1,938.6). Folding boxboard accounted for 56% (57) of sales, while 26% (25) of sales came from white kraftliner, 12% (14) from market pulp, and 6% (4) from other operations. By market area, 60% (58) of sales came from Europe, 25% (27%) from the Americas, and 15% (15) from Emerging markets.

## SALES AND COMPARABLE OPERATING RESULT, %



The comparable operating result was EUR -80.2 million (69.0), and the operating result was EUR -169.5 million (62.3). Items affecting comparability totalled EUR -89.4 million in the review period. These consisted of EUR -27.3 million related to the impairment of the Tako mill, EUR -21.0 million related to the cost savings and performance improvement programme, a EUR -35.0 million impairment related to the renewal project of the enterprise resource planning (ERP) system, EUR -4.4 million related to the business of the associated company Metsä Fibre, and other items amounting to EUR -1.7 million.

Total paperboard deliveries in January–September were 1,364,000 tonnes (1,472,000), of which 57% (55) was delivered to Europe, 29% (31) to the Americas, and 14% (14) to developing markets. Market pulp deliveries were 368,000 tonnes (400,000), of which 66% (72) was delivered to Europe, and 34% (28) to developing markets.

The comparable operating result for the review period was weakened by the lower average prices of market pulp, Metsä Fibre's reduced share of the result, the lower delivery volumes of folding boxboard, and market-based production curtailments.

Exchange rate fluctuations, including hedges, had a positive impact of around EUR 6 million on the operating result compared with the previous year.

Chemicals costs decreased, while wood and logistics costs increased. Mill maintenance costs were higher than in the previous year, while other fixed costs decreased.

Unused emissions allowances were sold for approximately EUR 10 million (35).

Depreciation increased by approximately EUR 4 million from the previous year.

The comparable operating result includes about EUR 14 million (FY'24: EUR 30.5 million) of insurance compensation related to



the gas explosion and the repair shutdown of the recovery boiler at Metsä Fibre's bioproduct mill in Kemi. The sum includes the impact of Metsä Fibre's share of the result.

The associated company Metsä Fibre's share of Metsä Board's comparable result in January–December was EUR -33.0 million (-10.2). Metsä Fibre's comparable operating result was particularly affected by the decline in market pulp prices in China. Wood costs were also higher than in the previous year. The weaker result was partly offset by increased pulp deliveries, lower chemical and energy costs, and the improved profitability of the sawmill business.

Financial income and expenses totalled EUR -17.3 million (-10.8), including foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging instruments EUR -1.2 million (-2.8).

The result before taxes was EUR -186.9 million (51.4). The comparable result before taxes was EUR -97.5 million (58.2). Income taxes amounted to EUR 22.3 million (-12.0).

Earnings per share were EUR -0.44 (0.07), and comparable earnings per share were EUR -0.24 (0.09). Return on equity was -9.0% (2.0), and the comparable return on equity -5.0% (2.3). Return on capital employed was -6.9% (2.9), and the comparable return on capital employed -3.1% (3.2).

## Transformation programme and release of working capital

### Transformation programme (cost saving and profit improvement programme)

On 31 July 2025, Metsä Board launched a transformation programme aimed at improving annual EBITDA by EUR 200 million (run rate) by the end of 2027. The programme focuses on cost savings, strengthening commercial capabilities, and simplifying and streamlining operations.

By the end of 2025, the estimated annual cost savings from the measures implemented under the transformation programme total EUR 52 million (run-rate). Most of the measures were implemented in October–December 2025, and the impacts will gradually begin to show in the result from the first quarter of 2026 onwards. The cost savings will mainly result from change negotiations, which will lead to a reduction of 310 jobs in the company. In addition, cost savings that improved results were achieved through efficiency improvement measures in production and procurement.

The average costs for the period H2/2024–H1/2025 are used as the annual benchmark for cost savings. The improvement in profitability is measured on an annual basis using adjusted EBITDA, which is based on actual figures for the second and third quarters of 2025.

### Release of working capital

On 31 July 2025, the company set a target to release at least EUR 150 million of working capital by the end of 2025.

Between June and December, approximately EUR 300 million of working capital was released, which was well above the target. This was achieved mainly by limiting production and through financing arrangements related to the payment terms for wood purchases.

## Development of business operations

### Consumerboard (folding boxboard)

In 2025, folding boxboard deliveries amounted to 890,000 tonnes (992,000), of which 59% (56) was delivered to Europe, 22% (24) to the Americas, and 19% (20) to developing markets.

In Metsä Board's most important growth market in Europe, demand for paperboard was sluggish in 2025 due to cautious consumer purchasing behaviour. Market balance was weakened by increased paperboard imports from China and capacity growth in Europe. Metsä Board's folding boxboard deliveries to Europe decreased by 6% from the previous year.

The 15% tariffs imposed by the United States significantly weakened Metsä Board's sales of paperboard in the region. Folding boxboard deliveries to the United States fell by 17% from the previous year. The impact of tariffs has only been partly passed on to prices, as substitute products have been available on the market. However, the company aims to maintain its strong market position and customer relationships in the United States, where the performance of Metsä Board's paperboard and the company's service offering are highly valued.

Average sales prices of folding boxboard in euros remained roughly at the previous year's level.

The total production volume of folding boxboard was 856,000 tonnes (1,044,000).

Weak demand environment and measures to free up working capital led to significant production curtailments, resulting in utilisation rates being well below normal for the whole year. In addition to market-driven curtailments, the production volumes of folding boxboard were reduced by the investment shutdown in Simpele.

### Containerboard (white kraftliner)

In 2025, total white kraftliner deliveries were 474,000 tonnes (480,000), of which 54% (52) was delivered to Europe, 43% (45) to the Americas, and 3% (3) to developing markets.

In Europe, demand for containerboard remained weak but relatively stable during the year. Metsä Board's deliveries of white kraftliner to Europe grew by 4% from the previous year.

In the United States, the transfer of import tariffs to the final price of coated white kraftliner has been fairly successful because of the limited availability of substitute products. Metsä Board's deliveries of white kraftliner to the United States decreased by 7% from the previous year.

Average sales prices of white kraftliner in euros remained roughly at the previous year's level.

The total production volume of white kraftliner was 464,000 tonnes (484,000).

### Market pulp and BCTMP

Metsä Board's market pulp deliveries (including BCTMP) were 368,000 tonnes (400,000) in January–December. Europe's share of the deliveries was 67% (72), and developing markets accounted for 33% (28).

The associated company Metsä Fibre's total pulp deliveries amounted to 2,893,000 tonnes (2,484,000).

Low utilisation rates in paper and paperboard production in Europe and China weakened the market pulp demand in general. Production at Metsä Fibre's Joutseno mill was suspended for approximately six months due to market uncertainty and low order books in Asia. The competitiveness of European pulp producers was weakened by the continued high pulpwood price level and the depreciation of the US dollar against the euro.

Metsä Board's pulp and chemical fibre production volumes totalled 948,000 tonnes (1,123,000).

## Cash flow

Net cash flow from operations in January–December 2025 was EUR 239.6 million (1–12/2024: 37.8). Working capital decreased by EUR 231.3 million (increase of 96.3).

Cash flow from operations strengthened significantly compared with the previous year thanks to working capital management measures. In the second half of the year, approximately EUR 300 million of working capital was released, compared with the original target of EUR 150 million. This was achieved by limiting production and utilising financing arrangements connected with the payment terms of wood purchases. Effective management of working capital will remain a key focus in the near future.

In 2025, dividends from the associated company Metsä Fibre were EUR 0 million (2024: 9.8).

## Balance sheet and financing

Metsä Board's equity ratio at the end of the financial period on 31 December 2025 was 60% (31 December 2024: 64), and the net gearing ratio was 15% (18). The ratio of interest-bearing net liabilities to comparable EBITDA in the previous 12 months was 8.6 (2.0).

At the end of the financial period, interest-bearing liabilities totalled EUR 564.5 million (31 December 2024: 527.4). Floating loans are 29.9% of interest-bearing debts; the rest are fixed-rate loans. The average interest rate on liabilities was 2.9% (2.7), and the average maturity of non-current liabilities was 3.1 years (2.2). The interest rate maturity of loans was 18.3 months (19.8).

Interest-bearing net liabilities totalled EUR 254.8 million (31 December 2024: 344.9).

Metsä Board issued a EUR 200 million green bond in May 2025. The bond will mature in 2031 and has an annual coupon rate of 3.875%.

The available liquidity was EUR 559.3 million (31 December 2024: 382.6), consisting of liquid assets and investments of EUR 309.3 million, and a syndicated credit facility (revolving credit facility) of EUR 250.0 million. The new EUR 250 million revolving credit facility, signed in October 2025, replaced the previous undrawn EUR 200 million facility.

Of the liquid assets, EUR 307.5 million consisted of short-term deposits with Metsä Group Treasury, and EUR 1.8 million consisted of cash funds and investments. In addition to items reported as liquidity, the liquidity reserve is complemented by Metsä Group's internal short-term credit facility of EUR 150 million and a EUR 200 million commercial paper programme. At the end of the period, there were no commercial papers.

The fair value of other non-current investments was EUR 185.5 million (31 December 2024: 219.7). The change in value was related to the decline in the fair value of Pohjolan Voima Oyj's shares.

An average of 7.0 months of the net foreign currency exposure was hedged, including the hedging of the balance sheet position of trade receivables and trade payables.

Metsä Board has investment grade credit ratings from S&P Global and Moody's Investor Service. S&P Global's rating for the company is BBB– with a negative outlook. Moody's rating is Baa3 with a negative outlook; the outlook was revised from stable to negative in November.

## Investments

In January–December 2025, investments totalled EUR 139.5 million (1–12/2024: 175.4), with growth and development investments accounting for some 58%, and maintenance investments for some 42%. Of total investments, the company's own property, plant and equipment amounted to EUR 136.5 million (163.8), and leased property, plant and equipment to EUR 3.1 million (11.6).

In 2025, an investment in the renewal of the folding boxboard machine in Simpele was completed, significantly improving the quality and performance of the board. At the same time, the mill's annual production capacity grew by 10,000 tonnes. The introduction of the new technology increased the share of fossil free energy used in production at the Simpele mill to 98%. The total investment value of around EUR 60 million is divided across 2024–2025.

As part of the transformation programme launched in July and measures to improve cash flow, Metsä Board decided to postpone planned investment projects for the time being due to their insufficient profitability in the current market situation. The company suspended pre-engineering on the renewal of the drying machine at the Husum pulp mill and the development of barrier boards at the Kyro mill. Nor will the planned change in the production direction of the Husum BM2 board machine, together with Metsä Tissue, be advanced at this stage.

Metsä Group's ERP system renewal investment, which also involves Metsä Board, has been suspended for the time being. In connection with the project, Metsä Board is recording a EUR 35 million impairment in its operating result for October–December 2025 as an item affecting comparability. The project's continuation, scope and method of implementation will be reassessed later.



## R&D activities

In the circular economy for fibre-based packaging material, Metsä Board's role is to provide markets with premium fresh fibre paperboards as resource-efficiently as possible, replace fossil-based packaging materials and reduce the carbon footprint of packaging.

Reducing the weight of paperboard is one of the focuses of Metsä Board's product development. In addition to the use of fossil-free energy, the light weight of paperboard has a significant impact on the carbon footprint of packaging. The company aims to reduce wood, energy and water consumption per tonne of paperboard produced from current levels.

Another priority is the development of barrier solutions, particularly for food packaging. The aim is to offer customers paperboard-based alternatives that reduce plastic use and meet the EU's regulatory requirements (PPWR, EPR). Metsä Board was involved in developing Starbucks' iconic takeaway cup for hot drinks, which is now home-compostable and widely recyclable.

Studies based on life cycle assessments conducted in 2025 showed that Metsä Board's paperboard packaging had a negative carbon footprint, as paperboard binds more carbon than is released during its production. The first study compared berry packaging made of dispersion-coated paperboard with PET plastic packaging, and another compared takeaway food packaging made of PE-coated paperboard with fossil-based PP plastic packaging. Technical reports on the studies and third-party assessments are available on Metsä Board's website.

The renewal of the Simpele paperboard mill, completed at the end of the year, significantly improved the performance of Simpele folding boxboard, enabling sharper and more vivid print results for demanding packaging applications. The introduction of new technology increased the share of fossil-free energy of the total electricity consumption to 98%.

The Excellence Centre in Äänekoski offers an active collaboration environment for the research, innovation and testing of packaging materials and solutions. In 2025, the Excellence Centre hosted 41 development workshops, organised jointly with customers, focusing on reducing the environmental impacts of packaging, for example. Some of the workshops were organised virtually.

In 2025, Metsä Board's research and development expenses totalled EUR 6.3 million (7.4), or 0.4% (0.4) of sales. The costs include direct expenses, excluding depreciation and operational investments.

## Most significant risks and uncertainties

Metsä Board's risk management is systematic and proactive, and it aims to identify, assess and manage business-related risks, threats and opportunities. The company's Board of Directors is responsible for risk management and approves the risk management policy. Metsä Board regularly assesses strategic, operational and financial risks, which are taken into account in planning processes and prepared for through administrative measures. The Corporate Leadership Team reviews the most significant risks as part of its work.

Risks that exceed the company's risk-bearing capacity have been transferred with insurance, derivatives and other contracts to insurance companies, banks and other counterparties. Significant liability risks are covered with the Group's property, interruption, liability, transport damage and credit insurance policies.

The identified risks and their management are reported to the Board of Directors and the Audit Committee at least twice a year. The following risks and uncertainties with a potential impact on Metsä Board's business and profitability were identified in the risk assessments conducted in 2025.

### Strategic risks

#### Development of the world economy

Global economic development continues to be uncertain, and despite the recovery, economic growth in the euro area remains subdued. Weak consumer confidence and cautious purchasing behaviour are affecting demand for consumer products. If prolonged, the situation may reduce the demand for Metsä Board's products and weaken profitability.

#### Geopolitical risks

Changes in the industrial and trade policies of leading industrialised countries, the materialisation of geopolitical risks, or an escalation of crises may lead to more extensive trade restrictions or international sanctions. Such measures could slow down the recovery and growth of the global economy, and even reduce global trade flows. New trade restrictions and sanctions may affect demand for Metsä Board's products and weaken the company's profitability.

Russia's continued military aggression in Ukraine has maintained global geopolitical tension and has had a negative impact on the economy. The impact of sanctions on Russia and countersanctions, as well as the risks caused by the crisis, affect the costs and availability of production inputs, the energy infrastructure and cybersecurity, among other things.

Tensions in the Middle East may cause uncertainty in the global operating environment, weaken world trade, disrupt supply chains, and push up raw material prices.

### **Changes in the competitive and operating environment**

Metsä Board operates in an industry where the balance between supply and demand has a direct effect on the demand for and prices of end products. An increase in competitors' capacity or the expansion of product ranges could reduce the price level and negatively affect Metsä Board's profitability.

The growth in Chinese paperboard imports to the EMEA region and the increase in European capacity have created overcapacity, which is destabilising the market in Europe. If supply increases faster than demand, this could also cause an imbalance in the company's other market areas, affecting the prices of end products and the company's profitability.

The 15% import tariffs imposed by the United States have weakened the competitiveness of Metsä Board's products in the US. Any additional tariffs and changes in the administration's policies may increase economic uncertainty, weaken global trade and increase the volatility of financial markets. In 2025, around 20% of Metsä Board's sales came from the US.

Any significant changes in exchange rates have the potential to influence products' market balance and companies' competitiveness.

If the wood certification criteria required by customers are not met – for example, preference for FSC certification over PEFC – this could weaken the competitiveness of the company's products and limit sales. Regulatory changes such as the EU's climate and environmental policy and new requirements to limit carbon dioxide, sulfur or other emissions may weaken Metsä Board's profitability or hamper business continuity. The acceptability of single-use food and food service packaging also involves regulatory risks.

### **Specialised product portfolio**

Metsä Board's product portfolio focuses on premium fresh fibre-based paperboard products. The limited product portfolio exposes the business to fluctuations in demand and market changes, which may have a negative impact on sales and profitability.

### **Pulp price risk**

Metsä Board is more than self-sufficient in pulp through its 24.9% holding in Metsä Fibre. A 10% increase (or decrease) in the market price of pulp affects Metsä Board's operating result by approximately EUR +40 million (or EUR -40 million), including the impact of Metsä Fibre's ownership share. In the global pulp market, structural changes in customers' pulp use, increasing competition and new production capacity may weaken the demand for and price trend of market pulp.

### **Impact of the Chinese economy**

China is a key market area especially for Metsä Fibre. The country's economic growth is being slowed down by problems in the real estate market, strict regulations, and weak domestic demand, and economic stimulus has not reversed the trend. The prolonged weakness of China's economic growth and developments in its own pulp production could affect demand for Metsä Fibre's products,

especially in China. Demographic challenges and geopolitical tensions, particularly between China and the United States, are weakening the outlook. A deterioration in EU-China relations or a continued decline in demand could reduce demand for pulp and paperboard. In addition, industrial problems can exacerbate challenges in the supply chain and increase costs.

### **Risk related to balance sheet values and cash flow expectations**

The company regularly assesses the carrying amounts of its non-current assets based on expected future cash flow. Should market conditions change significantly or for a prolonged period, this may affect the valuation of balance sheet items and lead to a need for impairment.

## **Operational risks**

### **Cost and availability risks of raw materials**

Significant or unforeseen changes in the prices of raw materials – such as wood, energy and chemicals – and problems with their availability could reduce profitability, threaten business continuity and place the implementation of planned development investments at risk.

The end of Russian wood supply and increased energy use of pulpwood have tightened the wood market in recent years and raised price levels. Although raw wood prices began to decline in the summer of 2025, the cost level remains high. An increase in demand for wood or a decline in its availability could push prices up again, which would reduce profitability and jeopardise the continuity of production. The escalation of the Middle East conflict could cause oil and natural gas prices to rise. Fluctuations in the prices of electricity, natural gas, and chemicals, or problems with availability, could reduce profitability.

Risks related to the availability of transport capacity, unstable conditions on key transit routes, and significant increases in market prices have the potential to hamper the product transport operations of Metsä Board and its associated company Metsä Fibre, thereby weakening profitability.

Changes in exchange rates may affect the costs of some production inputs. These risks are mainly managed by making long-term supply agreements and related derivatives contracts.

### **Concentration of operations in a limited geographical area**

Metsä Board's production units are mainly located in Finland, with one in Sweden. Labour disputes in the forest industry and the distribution chain in these countries may disrupt production and customer deliveries, weakening the company's competitiveness and profitability.

### **Continuity risks**

Production continuity can be affected by serious disruptions such as fires, explosions, significant machine breakdowns, extreme



weather events, environmental damage, labour disputes, cyber-attacks, infectious diseases, problems with the availability of raw materials and energy, and disruptions in the supply chain.

Long-term interruptions can cause significant financial losses and permanent customer losses. The company has continuity plans and insurance policies to protect its assets and business operations, but there may be uncertainties involved with the availability and pricing of insurance, and the acceptance of insurance claims.

### **Business development**

Business development and growth requires strategic choices that involve risks. Uncertainties are related to the selection and timing of growth investments, the development of sales and the customer portfolio, and the commercialisation of new products. Increasing sales on a global scale also involves cost and exchange rate risks.

The business is also developed by modernising the production technology, efficiency programmes and product development, and harmonising business processes. Delays in development projects, significant cost overruns, or a failure to meet production and commercial targets could weaken the company's profitability.

Metsä Board is implementing a significant cost savings and profitability improvement programme to adjust its cost structure, improve operational efficiency, and strengthen the conditions for sustainable growth. Achieving the programme's targets involves certain risks.

### **Corporate and security risks**

Risks to corporate security include shortcomings in personal safety and security, safety at work, and the management of financial misconduct, any negative information manipulation, cyber threats, risks affecting the supply chains, and an inadequacy of internal control. A cyberattack on information systems could lead to a leak of sensitive information and damage the company's reputation. Operating processes, guidelines, training and internal control related to corporate security are developed continuously, and exercises on the management of crises are organised regularly.

### **Personnel availability and retention**

A decline in the availability and retention of skilled personnel could jeopardise the continuity of the company's business and the achievement of its strategic objectives. Metsä Board manages risk through development programmes, succession planning and the strengthening of its employer image, and prepares for retirements through promoting multiple skills, work ability and job rotation.

### **Liability risks**

Metsä Board's business involves liability risks such as contractual, environmental and product liability risks. These are managed through effective processes, contract training, management practices, quality management and operational transparency. Some of the risks are covered by insurance policies.

### **Sustainability and business ethics**

Risks related to sustainability and business ethics, as well as their impact on the company's operations, are discussed in more detail in the Sustainability Statement in the Board of Directors' report.

### **Financing risks**

Financing risks are managed in line with the financial policy approved by Metsä Board's Board of Directors, which aims to secure the company's financial profitability and stability, ensure cost-effective financing, and effectively hedge against financing risks.

Changes in the company's business performance, economic forecasts or credit ratings could affect the availability and cost of financing. In addition, as a result of any financial market disturbance, the operation of credit and bond markets may become more difficult, which could affect the company's ability to acquire long-term debt financing at a competitive price.

### **Exchange rate risks**

Metsä Board sells its products in several countries and is therefore susceptible to fluctuations in exchange rates. Changes in exchange rates can have a significant impact on the company's operating result. A 10% appreciation of the US dollar against the euro would increase annual operating profit by approximately EUR 50 million. A corresponding strengthening of the Swedish krona would weaken the result by approximately EUR 40 million, and a strengthening of the British pound would increase the result by approximately EUR 15 million. A weakening of exchange rates would have the opposite effect. Sensitivity analysis does not include the impact of hedging.

### **Credit risks**

The management of credit risks related to commercial operations is the responsibility of Metsä Board's executive management and Metsä Group's centralised credit control. The management determines the limits on credit extended to customers and the applicable terms of payment in cooperation with the centralised credit control. Credit insurance generally covers almost all credit risks, and customer credit risk was at a normal level in 2025. The main principles of credit control are defined in Metsä Group's centralised credit control guidelines.

Metsä Board's financial risks and their management are described in more detail in Note 5.6 (Management of financial risks) to the consolidated financial statements in the 2025 Annual Review.

## Shares and trading

Metsä Board has two series of shares. Each series A share entitles its holder to twenty (20) votes at a General Meeting of Shareholders, and each series B share entitles the holder to one (1) vote. All shares carry the same right to receive a dividend. Metsä Board's shares are listed on the Nasdaq Helsinki.

At the end of December 2025, the closing price of Metsä Board's B share on the Nasdaq Helsinki was EUR 3.11. The share's highest and lowest prices were EUR 4.83 and EUR 2.56 respectively. Correspondingly, the closing price of the A share was EUR 4.36; the share's highest and lowest prices were EUR 7.38 and EUR 4.10 respectively.

In January–December, the average daily trading volumes of the B and A shares on the Nasdaq Helsinki were around 510,500 shares and around 2,900 shares respectively. The total trading volume of the B share was EUR 428 million, and the total trading volume of the A share was EUR 4 million.

At the end of December 2025, the market value of all Metsä Board shares was EUR 1.1 billion, of which the market value of the B shares and A shares accounted for EUR 1.0 billion and EUR 0.1 billion respectively.

Metsä Board's major shareholder Metsäliitto Cooperative holds approximately 52% of Metsä Board's shares and approximately 69% of votes. As Metsä Board is an entity controlled by Metsäliitto Cooperative, Metsäliitto Cooperative's ownership also includes the 360,802 own shares held by Metsä Board.

International and nominee-registered investors held approximately 7% of all shares (source: Euroland).

## Governance

Metsä Board's statutory administrative bodies are the Annual General Meeting, the Board of Directors and the CEO. The Board of Directors has general authority and, accounting for the scope and quality of the company's operations, it is responsible for matters that are strategic, far-reaching or unusual in nature, and therefore not part of the company's day-to-day business. The CEO, supported by the Corporate Leadership Team, the members of which are not members of the Board of Directors, is responsible for the company's operational management. The tasks and responsibilities of the corporate bodies are determined in accordance with the Finnish Limited Liability Companies Act. The company publishes a separate Corporate Governance Statement as part of its annual review.

At the end of 2025, Metsä Board's Board of Directors had eight members, five of whom were men, and three were women. Two members resigned from the Board during the year. A majority of the members of the Board of Directors (5/8) are independent of both the company and its significant shareholders. Three members of the Board of Directors are not independent of Metsäliitto Cooperative. During the 2025 financial year, the Board of Directors convened 20 times, with a member attendance rate of 99% (96% in 2024).

## Changes in the Management Team and Board of Directors

The Board of Directors of Metsä Board appointed Esa Kaikkonen as the company's CEO as of 7 April 2025. Mika Joukio continued with the company until early October, supporting the transition. Joukio had served as CEO of Metsä Board since 2014.

The following appointments were made to Metsä Board's Management Team as of 1 August 2025: Erja Hyrsky was appointed SVP, Commercial Operations; Minna Björkman SVP, Container-board (effective from 5 January 2026); and Jussi Noponen SVP, Production and Supply Chain. Laura Remes, who was appointed SVP, Business Development in October 2024, was appointed SVP, Business Transformation and assumed her new role on 6 October 2025. Markku Leskelä and Harri Pihlajaniemi left the Corporate Leadership Team. In addition, the company announced on 24 October 2025 that Anssi Tammilehto had been appointed CFO and a member of the Corporate Leadership Team as of no later than 2 February 2026. At the same time, Henri Sederholm left the company, and Antti Kiljunen served as interim CFO and a member of the Corporate Leadership Team until Tammilehto took up his position. All the above report to CEO Esa Kaikkonen.

Ilkka Hämälä, Chair of the Board of Directors, announced, that he will resign from his board duties as of 1 July 2025. The Board of Directors elected from among themselves Jussi Vanhanen as the new Chair. Vanhanen also started as the President and CEO of Metsä Group on 1 July 2025. Erja Hyrsky resigned from the Board of Directors of Metsä Board on 31 July 2025, upon taking up the position of the company's SVP, Commercial Operations.

## Resolutions of Annual General Meeting and issue authorisations

The Annual General Meeting of Metsä Board Corporation held on 20 March 2025 supported all the proposals made by the Board of Directors to the Annual General Meeting and adopted the following resolutions.

The Annual General Meeting resolved that a dividend of EUR 0.07 per share would be distributed. The dividend was paid on 31 March 2025.

The Annual General Meeting resolved to keep the annual remuneration of the members of the Board of Directors unchanged: the Chair EUR 99,000, the Vice Chair EUR 85,000, and ordinary members EUR 67,000. Approximately half of the annual remuneration will be paid in cash and half in the company's METSB shares. The transfer of the shares is restricted for a period of two years following receipt. A TyEL pension insurance contribution is paid on the annual remuneration. The meeting fee was decided at EUR 1,000, and the monthly remuneration for the Chair of the Audit Committee at EUR 900.



The Annual General Meeting confirmed the number of members of the Board of Directors as ten (10) and elected the following persons as members of the Board of Directors: Leena Craelius, Raija-Leena Hankonen-Nybom, Erja Hyrsky, Ilkka Härmälä, Mari Kiviniemi, Jussi Linnaranta, Jukka Moisio, Mikko Mäkimattila, Jussi Vanhanen and Juha Vanhainen. The term of office of the members of the Board of Directors expires at the end of the next Annual General Meeting.

The Board of Directors elected Ilkka Härmälä as its Chair and Jussi Linnaranta as its Vice Chair. The Board of Directors decided on the composition of its committees as follows: Audit Committee Raija-Leena Hankonen-Nybom (Chair), Leena Craelius, Erja Hyrsky, Mari Kiviniemi and Juha Vanhainen; Nomination and HR Committee Ilkka Härmälä (Chair), Jussi Linnaranta, Jukka Moisio, Mikko Mäkimattila and Jussi Vanhanen.

The audit firm KPMG Oy Ab as the company's auditor and Sustainability Auditor. Kirsi Jantunen, Authorised Public Accountant and authorised sustainability auditor (KRT), will act as the auditor with principal responsibility.

The Annual General Meeting resolved to authorise the Board of Directors to decide on the issuance of shares, the transfer of treasury shares and the issuance of special rights. The authorisation applies to a maximum of 35,000,000 shares, corresponding to approximately 10% of all shares in the company.

The Annual General Meeting authorised the Board of Directors to decide to repurchase of a maximum of 1,000,000 of the company's own series B shares, corresponding to approximately 0.3% of all shares in the company.

Further information about the general meeting can be found on the company's website at <https://www.metsagroup.com/metsaboard/investors/>.

## Board of Directors' proposal for the distribution of profit

The distributable funds of the parent company on 31 December 2025 were EUR 393.5 million, of which the retained earnings are EUR 182.8 million.

The Board of Directors proposes to the Annual General Meeting to be held on 19 March 2026 that no dividend be paid for the 2025 financial period. Earnings per share were EUR -0,44 for the financial period.

## Near-term outlook

Consumers' cautious purchasing behavior continues to weigh on packaging demand, making sales development less predictable. In Europe, excess capacity intensifies competitive pressure, while in North America, import tariffs are impacting the demand for paperboard.

Global demand for market pulp continues to be constrained by low utilisation rates in the paper and paperboard industry. In Europe, market-based production curtailments may continue due to weak demand, and cost and currency pressures.

Metsä Board's operational steering remains cash-flow-based. Production adjustments based on the market situation will continue if demand does not improve. The adjustments are expected to focus particularly on the Husum integrated mill, reflecting the subdued demand for market pulp and paperboard in North America.

The declining trend in pulpwood prices in Finland and Sweden that started last summer will support Metsä Board's profitability from 2026 onwards.

Exchange rate fluctuations, including hedging, are expected to have a clearly negative impact on earnings compared to last year.

# Sustainability statement

## General disclosures

### Reporting principles

#### ■ Sustainability statement reporting principles

##### Basic information

Metsä Board Corporation and its subsidiaries form a forest industry group ("Metsä Board" or "group"). Metsä Board's business operations comprise folding boxboards, white kraftliners and market pulp. Reporting covers the entire group and all the companies in which the group directly or indirectly holds more than 50% of the votes unless otherwise stated in connection with the disclosed information. Metsä Board owns 24.9% of its associated company Metsä Fibre Oy ("Metsä Fibre"), and financial reporting includes the share of Metsä Fibre's net results and equity corresponding to this holding. The consolidation principles are discussed in greater detail in the consolidated financial statements under 7. *Group structure*. The extent of consolidation differs from financial reporting. In sustainability reporting, the share corresponding to this holding is not included in Metsä Board's sustainability information. Instead, Metsä Fibre is accounted for as part of the value chain. For example, Metsä Fibre's Scope 1 and Scope 2 emissions are accounted for in the emissions from Metsä Board's value chain (Scope 3). Metsä Board is part of Metsä Group, which publishes a Sustainability statement encompassing all of Metsä Group.

In Metsä Board's Sustainability statement, reporting mainly focuses on the Metsä Board group. As Metsä Board follows Metsä Group's policies and processes and uses Metsä Group's shared services, reference is made to Metsä Group in some cases. Key figures related to the environment and employees for each production unit are disclosed on page 98.

The Sustainability statement is published annually as part of the Report of the Board of Directors. The reporting period coincides with that of financial reporting – that is, the financial period runs from 1 January 2025 to 31 December 2025.

##### Basis for preparation

The Sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation. The progress made in Metsä Board's 2030 sustainability targets is also reported in this Sustainability statement.

The disclosed sustainability matters and key figures are based on a double materiality assessment updated in 2025. The reporting requirements of the European Sustainability Reporting Standards that are material to the company's operations, products and stakeholders are identified in the materiality assessment. Further information about the materiality assessment and its results is provided on pages 31–34.

The reporting principles for metrics related to each topic are described at the end of each section. Of the metrics, the greatest uncertainty concerns calculations involving the use of default coefficients such as

greenhouse gas emissions or carbon storage coefficients. Estimates have been used to calculate Scope 3 emissions. The reporting principles for Scope 3 emissions are discussed on page 53. Moreover, a breakdown of the specific costs for different areas, as some of the expenses are indirect and are incurred as part of other investments. In these cases, the total value of the investment is reported.

The Sustainability statement has been assured (limited assurance) by KPMG Oy Ab, an independent third party. Assurance was conducted in accordance with the international assurance standard ISAE 3000 (Revised).

All comparative metrics were not assured as part of the 2025 assurance. This applies to comparative data for 2018, 2022 and 2023. The data for 2024 has been assured as part of the limited assurance of the 2024 Sustainability statement.

The reported ESRS information, Metsä Board's own metrics and their location in the Sustainability statement are indicated in the content index. The index also presents the ESRS metrics identified as being non-material for Metsä Board.

On its website, Metsä Board has separately published content indices that comply with the requirements of the SASB Pulp & Paper Products industry standard and the TCFD and TNFD recommendations. TCFD and TNFD information is not included in the scope of assurance. With the exception of the share of grid electricity and the amount of energy sold, SASB data is based on Metsä Board's Sustainability statement, which has been verified by a third party (limited assurance).

#### ■ Risk management and internal controls of sustainability reporting

Metsä Board's sustainability reporting complies with Metsä Group's common principles and processes for statutory reporting, risk management and internal control.

In sustainability reporting, internal control is based on risk identification, analysis and a focus on the most material risks identified, as well as the best practices of internal control. Metsä Group's internal control unit and internal control processes, as well as its risk management process, comply with the principles of the COSO (ERM) framework. The sustainability reporting control environment emphasises the company's values, management's commitment to sustainable operations, a corporate culture emphasising ethics and sustainability, policies promoting sustainable operations, centralised business processes, professional employees, and transparent operations.

Metsä Board's Chief Financial Officer, supported by the sustainability unit, is in charge of the implementation of sustainability reporting. In its sustainability reporting, the company uses Metsä Group's Group Services, especially the Corporate Responsibility unit.

The risks identified in sustainability reporting include the accuracy of information and the timing of reporting. To ensure that the disclosed information is accurate and appropriately timed, Metsä Group has defined and adopted a governance model that specifies the roles and responsibilities in sustainability reporting. Metsä Group has included the expertise required to produce the disclosed information in the common business processes that Metsä Board and Metsä Group's other business areas and Group Services follow in their operations.

The owners of business processes ensure that the processes can transparently produce the required information for disclosure. The responsibility for the accuracy of content, as well as compliance with reporting schedules and the provision of material to Metsä Group's corporate sustainability unit, is assigned to the roles in Metsä Group's business areas and service functions specified in the governance model.

In addition, to ensure the accuracy and timeliness of disclosed information, internal controls have been adopted in Metsä Group as part of the common business processes. Their systematic monitoring is part of the internal control reporting.

The internal control unit reports on the efficiency of the sustainability reporting controls according to the specified schedule in compliance with the common governance model and process followed in internal control. The results of internal control are monitored, and control is supervised quarterly by Metsä Group's business and service operations and the management team for process development, and twice a year by the Group's Executive Management Team. Internal audit inspects sustainability reporting controls and internal control practices as part of its audit work.

## Sustainability governance and strategy

### ■ The role of, information provided to and sustainability matters addressed by the administrative, management and supervisory bodies

This Sustainability statement provides details about sustainability governance. Further information about the general duties, composition, diversity and experience of the administrative and supervisory bodies, as well as the processes of internal control, internal audit and risk management, is available in the *Corporate Governance Statement*.

#### Good governance

In its governance, Metsä Board complies with Finnish laws, especially the Limited Liability Companies Act, the company's Articles of Association,

and rules and regulations issued under the law, as well as the rules and recommendations of Nasdaq Helsinki as applicable to listed companies. As a Finnish listed company, Metsä Board complies with the Corporate Governance Code for Finnish listed companies, effective as of 1 January 2025, which was issued by the Securities Market Association and contains recommendations on good governance. The code is available at [www.cgfinland.fi/en/corporate-governance-code/](http://www.cgfinland.fi/en/corporate-governance-code/). Metsä Board did not depart from the recommendations of the code during the reporting year.

The Board of Directors and the CEO are in charge of Metsä Board's administration. At Metsä Board, good governance is ensured with clear management and leadership, internal control, and internal auditing. External auditing is handled by the company's auditor.

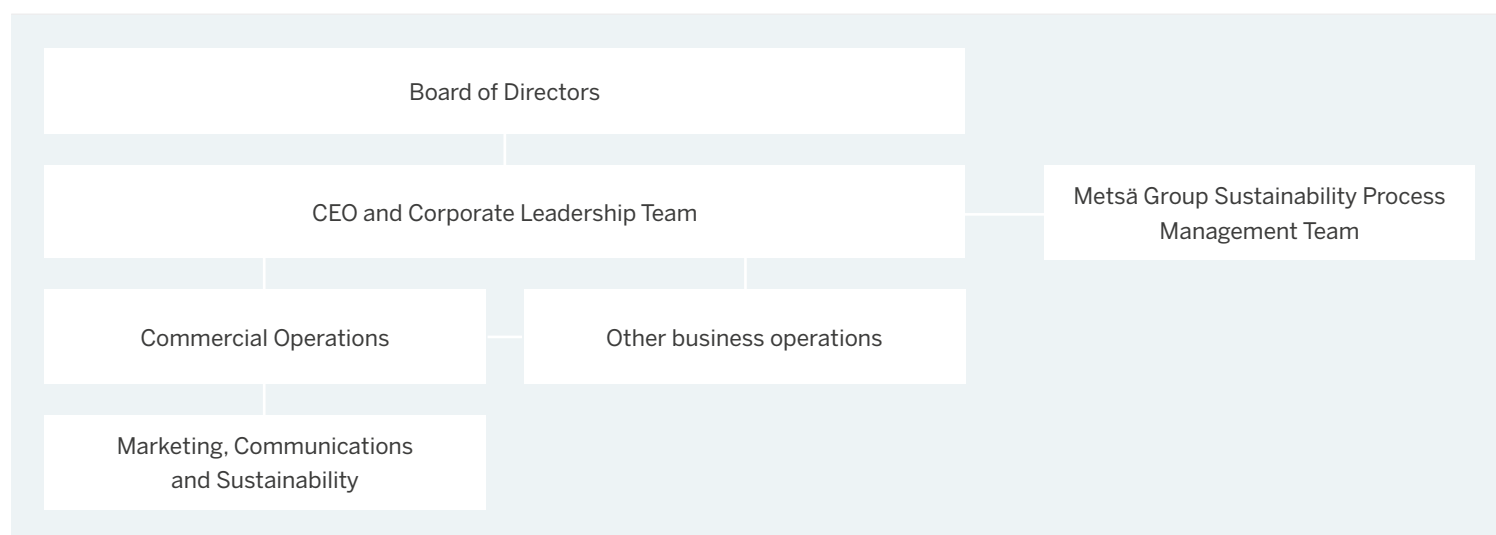
The goal of internal control is to ensure the achievement of the company's goals and targets; the economical, appropriate and efficient use of resources; the reliability and correctness of financial and other management information; compliance with external regulations and internal policies; sufficient security of operations, information and property; and adequate and appropriately arranged manual and IT systems to support operations.

Metsä Group's internal audit assists the Board in its supervisory role and supports Metsä Board and its management in achieving the company's targets by providing a systematic approach to assessing and improving the effectiveness of risk management, control, governance and management processes. The processes and tasks of Metsä Board's internal control and audit are described in greater detail in Metsä Board's *Corporate Governance Statement*.

The tasks of Metsä Board's Board of Directors include approving the key business policies and orders aimed at ensuring compliance with the law and the company's internal business principles.

All the Board members have gained significant experience of good governance from their previous duties in operative management and/or as Board members in a listed company or another large corporation. The Board members regularly complete training in the company's insider guidelines.

### Sustainability governance at Metsä Board





## Sustainability governance

Sustainable and ethical operations, as well as compliance with the law, are the foundation of Metsä Board's business operations. The Board of Directors, CEO and Corporate Leadership Team are responsible for sustainability matters. Metsä Board's operating methods are based on Metsä Group's Code of Conduct and policies adopted by Metsä Board's Board of Directors. The company's sustainability targets are based on Metsä Board's strategy, the materiality assessment of sustainability matters and Metsä Group's sustainability targets.

The eight themes guiding sustainability work, the 2030 sustainability targets, and the summary and process of the materiality assessment are described under *Material sustainability-related impacts, risks and opportunities*.

The impacts, risks and opportunities related to sustainability, as well as their management methods, are described in the Sustainability statement's sections on the environment, social responsibility and governance, and in the Report of the Board of Directors, under *Most significant risks and uncertainties*.

## Board of Directors and its committees

Metsä Board's Board of Directors is the company's highest body overseeing sustainability. The duties and responsibilities of the Board of Directors and the CEO are determined in accordance with the Limited Liability Companies Act and the company's rules. In addition, the Board of Directors has approved written Rules of Procedure which define the Board of Directors' duties in greater detail, including the assessment, supervision and decision-making concerning sustainability-related impacts, risks and opportunities. The Rules of Procedure of the Board of Directors and its committees are reviewed annually and updated as required.

In 2025, the Board had ten members at most, of whom 60% were men (6), and 40% women (4). On 31 December 2025, the Board of Directors had eight members, 63% men (5) and 38% women (3). Of the eight Board members, 88% (7) were independent of the company, and 63% (5) were independent of major shareholders of the company.

The Board as a whole has extensive experience of good corporate governance, international business and management, either in operational or fiduciary positions in various industries, including the forest industry, forestry, engineering, the steel industry, the food industry and auditing. In addition, a majority of the Board members have experience in pulp, board and/or paper products.

To ensure the efficient management of the Board's duties, the Board of Directors has appointed an Audit Committee and a Nomination and HR Committee from among its members. They prepare the decisions made by the Board and support the Board in the duties assigned to it.

The Board of Directors approves the Metsä Group Code of Conduct and policies, including the procurement, HR, antitrust, quality, risk management, contracts, legal, data protection, information security, taxation, communication, equality, environmental and corporate security policies, which guide the company's operations and internal control. Metsä Board's Board of Directors approves the company's sustainability targets as part of the company's strategy and supervises their achievement. The policies and targets are updated if any changes that must be addressed take place in the operating environment.

Sustainability is incorporated into Metsä Board's strategy, long-term business and investment plans, risk assessments, and annual action plans approved by the Board of Directors. The Board of Directors regularly reviews reports on various aspects of sustainability at its meetings. Metsä Board's executive management and Metsä Group's experts present the reviews. The reviews provide the Board members with information about the company's main sustainability-related impacts, risks and opportunities, and the progress made in the company's sustainability targets. The reviews also ensure that the Board of Directors has up-to-date insight and competence in sustainability matters. The Audit Committee plays a key role in sustainability matters, with a particular focus on assessing the accuracy and transparency of the Sustainability statement.

In the 2025 financial period, the Board of Directors convened 20 (15) times. In the 2025 financial period, the Board's Audit Committee convened five (5) times.

In the 2025 financial period, sustainability-related topics discussed at the meetings of the Board of Directors and its committees included:

- An environmental review
- A sustainability review
- An occupational safety review and a separate review of the development of occupational safety
- The climate transition plan
- Insider training
- The long-term development plan, incl. a risk assessment
- Legal affairs review
- Application of the Corporate Sustainability Due Diligence Directive
- The company's key sustainability figures, 2030 sustainability targets, and the most significant risks and uncertainties related to environmental, employee and social matters
- The annual plan for internal auditing and the audit report
- The Corporate Governance Statement
- A compliance review
- A cybersecurity and information security review
- The internal control monitoring report, including key sustainability controls and their results
- A risk management review
- Calculation of value chain emissions and related development work
- The sustainability reporting process and observations by the auditor

## The expertise and skills of Board members regarding sustainability

The sustainability-related expertise and skills of Metsä Board's Board members are ensured with regular sustainability, environmental and regulation reviews in accordance with the annual cycle, which provide the Board members with information about material impacts, risks and opportunities related to the company's sustainability, and the progress made in the company's sustainability targets. The reviews are mainly presented by the company's and Metsä Group's internal specialists in various fields. If required, the Board of Directors and its committees can also acquire third-party expertise in sustainability matters. Several Board members have many years of experience of sustainability-related impacts risks and opportunities concerning the company's branch of industry and its products, which they have acquired from operative duties or positions of trust.

## CEO and Corporate Leadership Team

Metsä Board's CEO is in charge of the implementation of sustainability actions in accordance with the Board's instructions. Once a year, the CEO reports to the Board on material impacts, risks and opportunities related to sustainability, and the processes related to their identification, assessment and management, including due diligence procedures, and on the progress made in sustainability targets by presenting a sustainability review and a separate environmental review to the Board, either alone or jointly with the company's sustainability specialists. The CEO reports to the Board without delay on all sustainability-related risks with a significant impact on the company.

On 31 December 2025, the Metsä Board's Corporate Leadership Team had six members, of whom 50% were men (3), and 50% women (3). In addition, a seventh member (a woman) was appointed to the Corporate Leadership Team on 31 July 2025, and she will take up her position in early 2026. The representation of employees in the company's management is organised so that the management team of each of the company's production units includes one employee representative.

The company's Corporate Leadership Team prepares sustainability-related matters before they are presented to the Board by the CEO. The Leadership Team regularly monitors the implementation of approved sustainability actions and the related impacts, risks and opportunities.

The person responsible for sustainability in the Leadership Team is the Senior Vice President for Commercial Operations, with her organisation, while the VP for Marketing, Communications and Sustainability is responsible for managing and implementing sustainability actions. The VP for Marketing, Communications and Sustainability leads Metsä Board's sustainability unit, which includes the Sustainability Director and sustainability specialists.

Metsä Board's and Metsä Group's sustainability directors present a review of sustainability matters to the Board of Directors and the Corporate Leadership Team at least once a year.

The VP for Marketing, Communications and Sustainability participates in the Metsä Group Sustainability Process Management Team and reports the results of sustainability actions to the process management team quarterly. The work of the management team of the sustainability process is supported by a working group of sustainability specialists from Metsä Group and its business areas, whose task is to promote practical sustainability projects.

The sustainability unit works closely with the commercial, production and supply chain organisations, as well as with wood supply, procurement and logistics, HR management, investor relations, finance, and legal affairs. Wood supply and Group purchasing are centrally handled in Metsä Group.

In turn, the company's CFO heads Metsä Board's Risk Committee, which handles sustainability risks as part of the company's general risk assessment.

The Corporate Leadership Team regularly discusses reviews related to occupational safety, the environment, information security, current regulation and compliance. In addition, the Corporate Leadership Team discusses the internal control monitoring report, including sustainability controls and their results, twice a year.

## ■ Integration of sustainability-related performance in incentive schemes

At Metsä Board, remuneration is based on the following principles:

- Ensuring sustainable and responsible business operations
- Ensuring performance and profitable growth
- Supporting competence development and renewal
- Consistency, competitiveness and transparency.

To ensure the sustainability and responsibility of its business, Metsä Board uses remuneration to support the achievement of its strategic, operational and sustainability targets. The company encourages activities in line with its values and interests – responsible profitability, reliability, renewal and cooperation. At least one sustainability target is included in the annual performance-based remuneration of every Metsä Board employee. The target-setting model will continue to encourage the continuous assessment and improvement of sustainability matters.

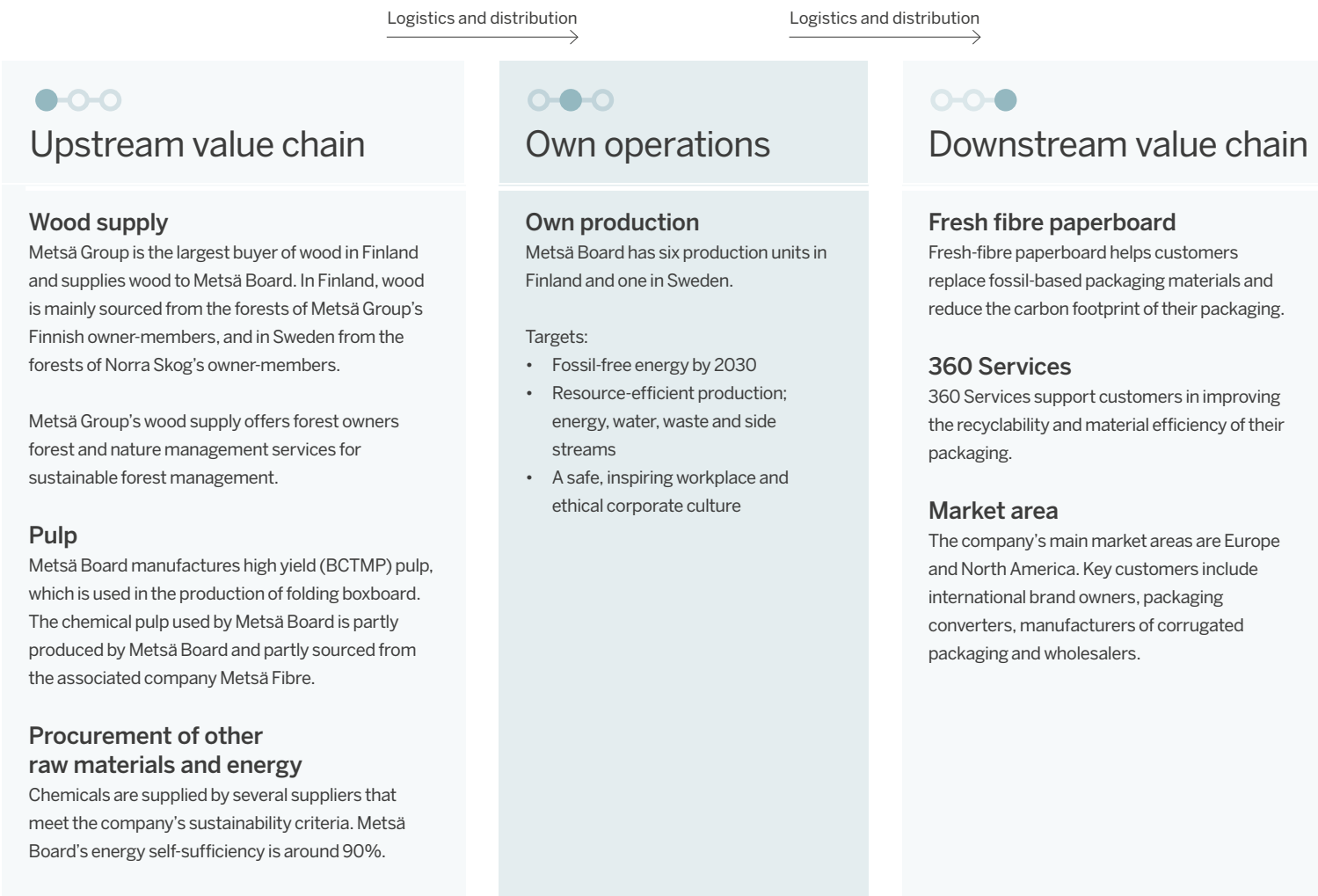
The principles of Metsä Board's remuneration and the overall remuneration of the administrative, management and supervisory bodies are described in greater detail in the *2025 Remuneration Report and Remuneration Policy*.

The Board of Directors approves the CEO's salary and remuneration, as well as the principles applied to the remuneration of other members of the Corporate Leadership Team. The Board of Directors also approves the structure, target group, principles and indicators of the company's remuneration schemes and the relevant target values for the indicators. The Board of Directors' Nomination and HR Committee assists the Board in handling matters related to the remuneration, terms of employment and rewarding of management and prepares the Board's decisions concerning management remuneration. The CEO decides on the compensation of other Corporate Leadership Team members in cooperation with the Chair of the Board of Directors and in accordance with the principles approved and guidelines issued by the Board. The remuneration of the Board of Directors is not linked to Metsä Board's performance.

Mika Joukio served as the company's CEO until 6 April 2025, and Esa Kaikkonen took over on 7 April 2025. In 2025, the maximum level of remuneration available in the CEO's short-term incentive system was, accounting for Metsä Group's EBIT multiplier, 75% of the fixed annual salary. The incentive is based on Metsä Board's operating result (40% weighting), Metsä Group's sustainability target (10% weighting) and the strategic targets defined by the Board of Directors (50% weighting), of which business-specific sustainability targets account for at least 10%, as well as the realisation of Metsä Group's EBIT multiplier. In 2025, Kaikkonen and Joukio's sustainability targets were related to occupational safety and Metsä Board's strategic projects. The total weighting of the sustainability targets was 22.5%, with occupational safety targets accounting for 10%, and sustainability targets related to strategic programmes for 12.5%, of the incentive targets. The average achievement of Kaikkonen's sustainability targets was 115% (on a scale of 0–200%). Joukio's achievement is not reported because his term as CEO ended in the middle of the year. All remuneration paid to the former CEO has been reported as part of the Remuneration Report. No performance bonus was paid for 2025 because the threshold metric for the short-term incentive system was below the threshold value.

In 2025, the maximum level of remuneration available in the short-term incentive system for other Corporate Leadership Team members was, accounting for Metsä Group's EBIT multiplier, at most 50% or 62.5% of the fixed annual salary. The incentive is based on Metsä Board's operating result (40% weighting), Metsä Group's sustainability target (10% weighting) and the targets for their own responsibility (50% weighting), of which business-specific sustainability targets account for at least 10%, as well as the realisation of Metsä Group's EBIT multiplier. In 2025, the sustainability targets for the rest of the Corporate Leadership Team were related to occupational safety, wellbeing, working life reform, sustainability reporting and strategic programmes whose goals include reducing fossil-based CO<sub>2</sub> emissions, promoting the use of fossil-free raw materials and reducing process water use in production. The weighting of sustainability targets was on average 11% for the other Corporate Leadership Team members, and their realisation was on average 86% (on a scale of 0–200%). No performance bonus was paid for 2025 because the threshold metric for the short-term incentive system was below the threshold value.

## Value chain



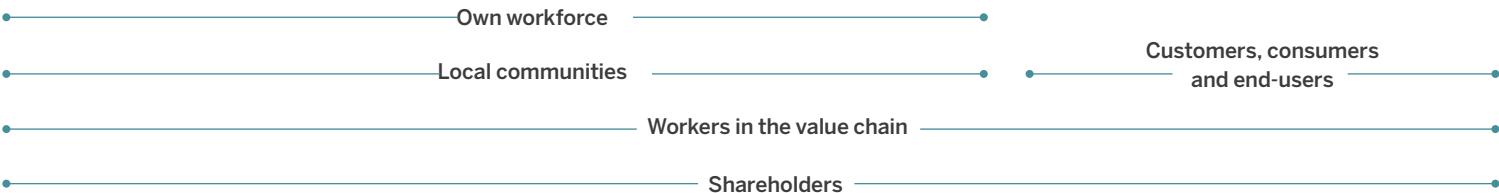
## Business model, value chain and strategy

### Business model and value chain

Metsä Board uses renewable raw materials to produce premium resource-efficient fresh fibre paperboards that support the principles of the circular economy and offer an alternative to fossil-based packaging materials. The company is Europe's leading producer of folding boxboard and white kraftliner, and the world's largest producer of coated white kraftliner. In 2025, folding boxboard accounted for 56% (57) of sales, while 26% (25) of sales came from white kraftliner, 12% (14) from market pulp, and 6% (4) from other operations.

Metsä Board employs approximately 2,100 (2,400) people in 16 (17) countries. The number of employees by country is presented under *S1 – Own workforce*. The company's seven production units are in Finland and Sweden, close to its main raw material, wood fibre from northern forests.

Metsä Board's folding boxboard is primarily used in consumer product packaging, such as food and pharmaceutical applications. The end uses





of white kraftliner are related mainly as a component in various packaging solutions in the retail sector. The company produces chemical pulp and bleached high-yield pulp (BCTMP), which are used in its own paperboard production, with some sold as market pulp.

Metsä Board sells paperboard and market pulp worldwide. The company's main market areas are Europe and North America. Key customer groups include international brand owners, paperboard converters, manufacturers of corrugated products and the retail sector. Metsä Board supports paperboard sales with a service portfolio that helps customers reduce the carbon footprint of packaging and plastic use, and improve production efficiency.

In addition to its own pulp production, a 24.9% (24.9) holding in its associated company Metsä Fibre secures the company's self-sufficiency in pulp, ensuring the high and consistent quality of its end products. The company covers its energy consumption with its own production, electricity purchased from its associated company Metsä Fibre and electricity purchased at cost price from Pohjolan Voima, in which Metsä Board has a 2.8% (2.6) holding. Metsä Board's energy self-sufficiency is around 90% (90).

The procurement of other raw materials and services is centrally handled by Metsä Group's procurement and logistics unit, which strives, through its procurement process, to ensure that partners operate sustainably. Relationships with goods and service suppliers are discussed under section *G1 – Business conduct*. The resources used by Metsä Board and the company's output are discussed under section *E5 – Resource use and circular economy* and in the Annual Review, under *Value creation*.

Metsä Board is part of Metsä Group, the parent company of which is Metsäliitto Cooperative, owned by approximately 90,000 Finnish forest owners. Metsä Board does not own forests. The procurement of wood raw material is handled centrally through Metsä Group from forests that are regenerated after felling, and where attention is paid to biodiversity. Further information about biodiversity is disclosed in section *E4 – Biodiversity and ecosystems*. In Finland, most of the wood is acquired from Metsäliitto Cooperative's owner-members, who together own 32% (32) of all Finnish forests. In Sweden, wood is mainly procured from Norra Skog's owner-members, who own around 10% (10) of all the productive forest land in Sweden. Norra Skog has a 30% (30) holding in Husum Pulp AB, Metsä Board's subsidiary, which owns the Husum pulp mill.

## Strategy

The strategy of Metsä Board has been to grow in fibre-based packaging materials and renew its industrial operations. The company has implemented its strategic programmes, including growth and development investments, to improve the mills' production and resource efficiency and reduce the carbon footprint of products. The Leader in Sustainability strategic programme focuses on phasing out the use of fossil energy in production by 2030. The goals of the Efficient Innovation programme include reducing the weight of paperboard and developing recyclable products. The company's resource efficient fresh fibre paperboards are already used to replace fossil-based materials and reduce the carbon footprint of packaging. Metsä Board's sustainability targets and the progress made in them are described in greater detail on page 35.

Metsä Board focuses on customers who value the high performance of products and circular economy driven packaging solutions that replace the use of plastic.

The company's long-term goal is to achieve at least a 12% comparable return on capital employed and keep the ratio of interest-bearing net liabilities and comparable EBITDA below 2.5. In 2025, the realised figures were –3.1% and 8.6.

In the summer of 2025, Metsä Board launched a transformation programme aimed at increasing its annual EBITDA by EUR 200 million (run rate) by the end of 2027. The programme focuses not only on cost savings but also on strengthening commercial capabilities, as well as simplifying and enhancing operational efficiency.

By the end of 2025, the annualised cost saving impact of the measures implemented under the transformation programme amounted to approximately EUR 52 million. The effects will gradually materialise in the results from 2026 onwards. The cost savings arise mainly from restructuring measures, complemented by efficiency improvements in production and procurement. In addition, the company set a target to release at least EUR 150 million in working capital by the end of 2025, which was clearly exceeded: approximately EUR 300 million was released through production curtailments and financing arrangements related to the payment terms of trade payables. The saving impact of the measures implemented under the transformation programme amounted to approximately EUR

The effects of the programme are discussed in more detail under sections *E1 – Climate change* and *S1 – Own workforce*.

## ■ Interests and views of stakeholders

Metsä Board interacts with its key stakeholders and develops its operations based on stakeholder feedback. Stakeholder interaction is carried out at different organisational levels. For example, regular dialogue is conducted with customers and investors to build trust and learn about their views and needs. Dialogue with local communities is often conducted at the mill level, while stakeholder cooperation with policymakers and NGOs is centrally handled in the Stakeholder Engagement unit of Metsä Group's head office functions. A stakeholder engagement plan is drawn up annually at Metsä Group level, identifying the key stakeholders. A meeting is held with the identified stakeholder groups at least once a year. Feedback is collected from stakeholders on Metsä Group's operations, including Metsä Board's operations, and it is analysed and reported in an annual summary to Metsä Board's Corporate Leadership Team, which is responsible for taking the results into account in the company's operations. The reports define actions for managing the weaknesses or negative impacts of Metsä Group's operations and for seizing opportunities. In addition, the status and effectiveness of previously adopted actions are assessed. Metsä Group's Stakeholder Engagement unit is responsible for coordinating and developing the process. Stakeholder feedback is used in risk management and as a basis for new cooperation projects, examples of which are included in section *S3 – Affected communities*. Stakeholder feedback is also used in the annual double materiality assessment and the 2030 target setting, which is based on the materiality assessment. The materiality assessment is discussed in greater detail under *Material sustainability-related impacts, risks and opportunities*.

## Interests and views of stakeholders

This table includes a summary of Metsä Board's key stakeholders, and how themes important to them are considered in the company's strategy and business model.

Stakeholder	Stakeholder engagement	Themes important to stakeholders	Impact on operations, business model and strategy
<b>Own workforce</b>	<ul style="list-style-type: none"> <li>Employee survey and Pulse survey</li> <li>Cooperation with employee representatives</li> <li>Safety and health at work and related observations</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Diversity, equality and inclusion (DEI)</li> <li>Competence development and good leadership</li> <li>Working conditions and other work-related rights</li> <li>Organisation's resilience</li> </ul>	<ul style="list-style-type: none"> <li>Certified safety management systems</li> <li>Metsä For All vision</li> <li>Anonymous recruitment</li> <li>Metsä Group's academies and other training</li> <li>Development of leadership and key capabilities</li> <li>Measures determined based on the employee survey</li> </ul>
<b>Customers, consumers and end-users</b>	<ul style="list-style-type: none"> <li>Continuous dialogue and cooperation</li> <li>Events and training</li> <li>Customer experience surveys</li> <li>Customer feedback forms</li> <li>Sustainability assessments</li> <li>Contact forms on web pages</li> </ul>	<ul style="list-style-type: none"> <li>Information about product performance and sustainability</li> <li>Product safety and quality</li> <li>Sustainable forest management and biodiversity</li> <li>Climate change mitigation across the value chain</li> <li>Climate change adaptation</li> </ul>	<ul style="list-style-type: none"> <li>Products replacing fossil-based materials and recyclable products</li> <li>Carbon footprint of products and the use and development of life cycle calculation</li> <li>Strategy of regenerative forestry</li> <li>Resource-efficient production</li> <li>Product safety and quality, and certified management systems</li> <li>Up-to-date product information</li> </ul>
<b>Shareholders, analysts and other capital market representatives</b>	<ul style="list-style-type: none"> <li>Continuous dialogue and cooperation</li> <li>Investor meetings and events coordinated by the company and/or brokerage firms, including mill visits</li> <li>Financial reporting and releases</li> <li>Annual General Meeting</li> <li>Cooperation with external assessors and credit rating agencies</li> </ul>	<ul style="list-style-type: none"> <li>Paperboard as a replacement for plastic</li> <li>Carbon footprint of packaging</li> <li>Impact of sustainability regulation on the demand for paperboard and availability of wood raw material</li> <li>Climate change mitigation across the value chain</li> <li>Climate change adaptation</li> <li>Biodiversity and availability of wood raw material</li> </ul>	<ul style="list-style-type: none"> <li>Investments in fossil-free energy, and the improvement of the mill's production and resource efficiency</li> <li>Forest certification and regenerative forestry</li> <li>Sustainability targets in management remuneration</li> <li>Definition and management of sustainability risks and assessment of financial impacts</li> </ul>
<b>Suppliers and workers in the supply chain</b>	<ul style="list-style-type: none"> <li>Supplier days</li> <li>Cooperation forums for occupational safety</li> <li>Cooperation survey for suppliers</li> <li>Sustainability working group activities with partner suppliers</li> <li>Continuous dialogue and cooperation</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Safety and health</li> <li>Working conditions and other work-related rights</li> <li>Climate change mitigation across the value chain</li> <li>Climate change adaptation</li> <li>Biodiversity</li> <li>Circular economy</li> </ul>	<ul style="list-style-type: none"> <li>Certified safety management systems</li> <li>Proactive model for combating the grey economy in construction projects</li> <li>Strategy of regenerative forestry</li> <li>Joint sustainability targets with partner suppliers</li> <li>Measures defined based on the cooperation survey for suppliers</li> <li>Assessment of suppliers' sustainability as part of the selection process and cooperation</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>Open house and other events at production units</li> <li>Consultation of local communities in investment projects</li> <li>Cooperation days</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Local impacts of mills such as noise, dust and odour nuisance</li> <li>Climate change mitigation and climate change adaptation</li> <li>Biodiversity</li> <li>Promotion of employment, livelihood and entrepreneurship; tax revenue</li> </ul>	<ul style="list-style-type: none"> <li>Inclusive cooperation and decision-making</li> <li>Resource-efficient production and fossil-free energy, waste-free production</li> <li>Best available techniques</li> <li>Regenerative land-use policies and biodiversity plans at mills</li> </ul>
<b>Indigenous peoples (the Sámi)</b>	<ul style="list-style-type: none"> <li>Bilateral meetings</li> <li>Cooperation days</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Rights of indigenous peoples</li> <li>Safeguarding traditional livelihoods</li> <li>Climate resilience of northern nature</li> <li>Free, prior and informed consent</li> <li>Intergenerational and experimental knowledge of indigenous peoples alongside scientific knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Inclusive cooperation and decision-making</li> <li>Engagement of suppliers knowledgeable about the rights of the Sámi</li> <li>When planning and implementing wood supply and forestry work, measures are taken to locally ensure that the reindeer herding of the Sámi is not jeopardised. The conditions for the reindeer herding of the Sámi are safeguarded with agreements and regular audits of the wood suppliers</li> </ul>
<b>Polymakers</b>	<ul style="list-style-type: none"> <li>Public hearings</li> <li>Bilateral meetings</li> <li>Events, seminars and panels</li> <li>Forest and mill visits</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Circular bioeconomy</li> <li>Climate change mitigation and climate change adaptation</li> <li>Biodiversity</li> <li>Logistics and public infrastructure</li> <li>New products and innovation</li> <li>Renewal, investments and jobs</li> <li>Solutions-oriented cooperation</li> </ul>	<ul style="list-style-type: none"> <li>New investments</li> <li>Resource-efficient and fossil-free production, waste-free production</li> <li>Products replacing fossil-based materials and recyclable products</li> <li>Strategy of regenerative forestry</li> <li>Regenerative land-use policies and biodiversity plans at mills</li> <li>Funding programme for nature projects</li> </ul>
<b>Lobbying and industrial associations</b>	<ul style="list-style-type: none"> <li>Bilateral meetings</li> <li>Events, seminars and panels</li> <li>Cooperation days</li> <li>Forest and mill visits</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable products</li> <li>Climate change mitigation and climate change adaptation</li> <li>Safeguarding biodiversity</li> <li>Advocacy cooperation</li> <li>Wellbeing of the industry, value chain and operators</li> </ul>	<ul style="list-style-type: none"> <li>Products replacing fossil-based materials and recyclable products</li> <li>Resource-efficient production and fossil-free energy</li> <li>Strategy of regenerative forestry</li> <li>Regenerative land-use policies and biodiversity plans at mills</li> <li>The wood processing industry's biodiversity roadmap and further measures</li> </ul>
<b>Researchers, educational institutions and students</b>	<ul style="list-style-type: none"> <li>Cooperation projects</li> <li>Cooperation events</li> <li>Forest and mill visits</li> <li>Recruitment events</li> <li>Thesis assignments and traineeships</li> <li>Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Research and development cooperation</li> <li>Education, training and competence</li> <li>Investments and jobs</li> <li>Learning, training and education</li> <li>Working life</li> <li>Diversity, equality and inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Joint research and development projects</li> <li>Regenerative forestry strategy</li> <li>Regenerative land-use policy and biodiversity plans at mills</li> <li>Funding programme for nature projects</li> <li>Educational cooperation and partnerships</li> <li>Jobs and traineeships</li> <li>Student guidance and induction</li> </ul>
<b>NGOs</b>	<ul style="list-style-type: none"> <li>Bilateral meetings</li> <li>Project cooperation</li> <li>Cooperation days</li> <li>Compliance and Ethics Channel</li> </ul>	<ul style="list-style-type: none"> <li>Biodiversity</li> <li>Climate change mitigation and climate change adaptation</li> <li>Forest protection and old-growth forests</li> <li>Forestry methods</li> <li>Forestry's impact on waterbodies</li> </ul>	<ul style="list-style-type: none"> <li>Strategy of regenerative forestry</li> <li>Regenerative land-use policies and biodiversity plans at mills</li> <li>Funding programme for nature projects</li> <li>Forest protection (incl. METSO programme)</li> <li>The wood processing industry's biodiversity roadmap and further measures</li> </ul>

# Material sustainability-related impacts, risks and opportunities

## ■ The identification and assessment of material impacts, risks and opportunities

### Process

Metsä Board identifies sustainability-related impacts, risks and opportunities, and assesses their materiality using the company's risk management process. The risk management process complies with the COSO Enterprise Risk Management methodology. The key goal is to identify and assess the sustainability-related risks, threats and opportunities potentially significant to the implementation of the company's values and strategy and to the achievement of long-term targets, as well as to identify and assess the company's impacts on society and the environment. In addition to the company's own operations, the identification and assessment of impacts, risks and opportunities encompass the upstream and downstream value

chain and any other parties that the company's operations affect. Metsä Board's risk management process and its responsibilities are described in greater detail in the *Corporate Governance Statement*.

The double materiality assessment is conducted annually and is linked to the annual risk management cycle. In this case, risk identification, assessment, prioritisation, and the definition of management measures are carried out as part of the annual planning process. The double materiality assessment is discussed and approved by Metsä Board's Corporate Leadership Team as part of the risk management review in the last quarter. Internal control monitors and reports on sustainability risks and the control environment to Metsä Board's Corporate Leadership Team and Audit Committee in accordance with Metsä Group's internal control governance model and the annual cycle. The control of sustainability risks is planned, described and implemented on a risk basis in business processes.

### Material sustainability topics

Theme	Topic	Sub-topic	Materiality	2030 target set
E - ENVIRONMENT				
1. Mitigating climate change and adapting to it in own operation and value chains	E1 Climate change	Climate change mitigation	●	✓
		Climate change adaptation	●	✓
		Energy	●	✓
2. Continuous improvement in resource-efficiency in production	E2 Pollution	Pollution of air, water and soil	●	
		Microplastics	●	
3. Enhancing the state of nature	E3 Water and marine resources	Water	●	✓
	E4 Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	●	✓
		Impacts on the state of species and on the extent and condition of ecosystems	●	✓
		Impacts and dependencies on ecosystem services	●	✓
	E5 Resource use and circular economy	Resources inflows, including resource use	●	✓
		Resource outflows related to products and services	●	
		Waste and by-products	●	✓
S - SOCIAL				
4. Accident-free work environment	S1 Own workforce	Equal treatment and opportunities for all	●	✓
		Health and safety	●	✓
5. Continuous improvement in engagement and well-being of employees		Other working conditions	●	✓
		Other work-related rights	●	
6. Promoting diversity, equality and inclusion (DEI)	S2 Value chain workers	Health and safety	●	✓
		Other working conditions	●	✓
		Other work-related rights	●	✓
	S3 Affected communities	Communities' economic, social and cultural rights	●	
		Rights of indigenous peoples	●	
	S4 Consumers and end-users	Personal safety of consumers and end-users	●	
G - GOVERNANCE				
7. Promoting ethical corporate culture	G1 Business conduct	Corporate culture	●	✓
		Corruption and bribery	●	
8. Promoting sustainable and ethical practices in our supply chain		Management of relationships with suppliers	●	✓
		Protection of whistleblowers	●	
		Political engagement and lobbying activities	●	

high (a value of 10–25) ●  
moderate (a value of 5–9) ●



## Methodology

The assessment identifies any potential impacts, risks and opportunities for each sub-topic and sub-sub-topic of the ESRS. If no material impacts, risks or opportunities are identified, the sub-topic or sub-sub-topic is assessed to be non-material. The assessment reviews the entire value chain.

Likelihood and financial risks and opportunities are assessed using a scale defined in Metsä Board's risk management process, which is the same for all business risks. The scale also includes impact assessment. The final assessment of an impact is based on how widespread it is, and its scale, duration and remediability. The assessment table is presented in this section. Remediability is assessed on the following scale: short-term (less than one year); medium-term (1–5 years); long-term (5–10 years); very long-term (10–30 years); and irremediable. The very long-term option was included to illustrate the nature of the forest sector more accurately.

The final magnitude of the impact, risk or opportunity is determined by multiplying its estimated likelihood by its estimated financial or external impact.

## Stakeholder engagement

Stakeholder feedback is collected and analysed across Metsä Group annually. The results of the analysis are used in the materiality assessment, in particular to ensure that all material impacts, risks and opportunities are identified. In addition, feedback supports the assessment of impacts, risks and opportunities that have already been identified internally. The themes important to stakeholders are in line with the identified impacts, risks and opportunities. Stakeholder engagement and how themes important to stakeholders are addressed in the company's strategy and business model are described under *Interests and views of stakeholders*.

## Impact, risk and opportunity assessment scale

Likelihood	Very likely	In the next year	5	5	10	15	20	25
	Likely	In the next 3 years	4	4	8	12	16	20
	Possible	In the next 6 years	3	3	6	9	12	15
	Unlikely	In the next 10 years	2	2	4	6	8	10
	Very unlikely	Unlikely in the next 10 years	1	1	2	3	4	5
				1	2	3	4	5
Financial impact				Low	Minor	Moderate	Major	Severe
Reputation				Local mention, quickly forgotten	Local reputational damage, impact on local activities	Short-term national concern, long term impact on reputation	National long-term concern, significant change in market share, major operations restricted	International long-term concern, game-changing change in market share
Impact on the well-being of society, nature and other stakeholders				Limited impact on individuals and/or local environment	Minor impact on group of individuals and/or regional environment	Moderate and short-term impact on society and/or environment	Major short-term impact on society and/or environment	Severe long-term impact on society and/or environment
				Impact				

## The identification and assessment of material impacts, risks and opportunities related to the sustainability

The double materiality analysis, which is based on the principles of the risk management process, utilises several subject-specific key information sources and methods to identify and assess material impacts, risks and opportunities. Topic-specific additional information on the identification and assessment process for material impacts, risks and opportunities is described in more detail below.

### E – Environment

Ensuring undisturbed and uninterrupted operations in all conditions is key in the risk assessment of production units. The assessment process of production units' environmental risks is guided by the ISO 14001 and ISO 50001 management systems. The key identified risks are included in the company-level risk management process. ISO 14001 also guides the assessment and identification of risks in wood supply.

The environmental impacts of production units are assessed in accordance with the risk management process in connection with the environmental impact assessments of investment projects, for example. The need for environmental impact assessments is determined by the local EIA authority. Risks related to climate change have been taken into account in the environmental impact assessments of the most recent investments. After an environmental impact assessment and environmental permit process, the production units operate in accordance with their environmental permit and the company's operational management system.

Local communities have a statutory right to participate in the production units' environmental permit processes by issuing reminders and opinions related to the permit application. Reminders and opinions are taken into account in the permit process. In addition to the feedback given as part of permit processes, production units receive feedback from local communities. Feedback is responded to and recorded in the HSEQ system, which is designed for recording and monitoring observations and corrective actions, among other things.

Some production units organise open house events and town hall-style meetings where the mill's environmental matters are discussed.

### E1 – Climate change

Metsä Board's climate risks were assessed in 2024 as part of Metsä Group's climate risk analysis, which covered the physical risks, transition risks and opportunities in the company's own activities and value chain. Metsä Group's internal climate risk workshops were attended by specialists and management members from Metsä Board and Metsä Group's other business areas and functions. Two IPCC (Intergovernmental Panel on Climate Change) climate scenarios (RCP 1.9 and RCP 8.5), reports of the Finnish Meteorological Institute and scientific articles were used in the analysis. In the RCP 1.9 scenario, the increase in the world's mean temperature is limited to 1.5 °C, and in the RCP 8.5 scenario, emissions continue to increase at the current pace, and the world's mean temperature increases on average by 4.3 °C by 2100. The analysis included a short-term (less than one year), medium-term (1–5 years) and long-term (more than 5 years) review. The time horizons have been considered in terms of the production units' operating lifetime. Production units are designed to operate for a long time, and their life cycle exceeds the time horizons employed. They are therefore not discussed in greater detail. Metsä Group's ongoing lobbying work and the related analysis of the operating environment played a key role in the assessment of transition risks.

The physical climate risks of Metsä Board's production units and key supply chains were analysed by an external partner. The analysis was carried out using geolocation-based modelling and various climate scenarios. In addition to the present day, the analysis covered 2030 and 2040. The results of the analysis did not highlight any significant risks related to Metsä Board's production units. Based on this, the location of Metsä Board's production units supports the company's competitiveness in the face of climate change. The results of the climate risk and scenario analysis are presented starting on page 43. The results of the climate risk analysis are included in the company's double materiality assessment. Climate risks are assessed annually as part of the risk management process.

Metsä Group's Wood Supply and Stakeholder Engagement units cooperate to identify, assess and manage regulatory risks related to forest use.

### E2 – Pollution

The material impacts, risks and opportunities related to pollution have been identified in a double materiality assessment based on the principles of the company's risk management process. Risk assessment of production units is described in sections *E – Environment* and *E3 – Water and marine resources*.

### E3 – Water and marine resources

The material impacts, risks and opportunities related to water and marine resources have been identified in a double materiality assessment based on the principles of the company's risk management process.

The production units' impacts on water resources are assessed in connection with the environmental impact assessments of investment projects and during the environmental permit processes, for example. The need for environmental impact assessments is determined by the local EIA authority. Matters considered include water withdrawal, the thermal stress caused by the water returned or the impact of wastewater on waterbodies. The impacts are also assessed in connection with process development and environmental risk mapping. Several production units have waterbody monitoring obligations and commitments. These are often regionally comprehensive long-term programmes for monitoring the long-term consequences of operations.

Metsä Board's operations are designed so they do not affect other parties' rights or opportunities to use water. Surface water accounted for nearly 100% of Metsä Board's water withdrawals. A small amount of groundwater is used mainly for hygiene and laboratory purposes. Production processes account for roughly half Metsä Board's water use, and cooling purposes for the rest. The cooling water circulates in a separate system and does not need to be treated. However, the cooling water returned to waterbodies has a local heating impact. Process water is carefully treated before it is returned into waterbodies.

All Metsä Board's production units are located in areas of low or low-medium water risk that have large surface water reserves. None of the production units withdraw water from an area of high water stress or high overall water risk (WRI Aqueduct Water Risk Atlas). Water stress indicates water demand in relation to water availability. Overall water risk indicates the risks related to water resources, taking the volume and quality of water resources and regulation in the area into account.

The physical climate risks of each Metsä Board production unit were assessed in a climate risk analysis conducted in 2024. According to the assessment, none of Metsä Board's production units have material climate risks related to drought or floods.

## E4 – Biodiversity and ecosystems

In the materiality assessment, nature impacts, risks and opportunities were assessed in terms of the company's own operations and the value chain. The key impacts and dependencies were found to be related to the wood raw material supply chain and the company's own production units. The assessment was conducted using the LEAP approach (locate, evaluate, assess and prepare). The assessment was based on data such as information about wood supply areas, certification statistics, valuable habitats in the vicinity of production units, and a list of biomes and ecosystems that Metsä Group affects, or on which its operations depend. Wood production is a key ecosystem service, or a benefit offered by nature, for Metsä Board, which is part of Metsä Group. Other benefits include pollinator services, picked products, clean water, recreational use and carbon sinks, all of which are important for business resilience. In the risk analysis, attention was paid to transition and systemic risks and physical risks. The impacts of climate change on ecosystem services is assessed under *E1 – Climate change*.

Areas valuable to biodiversity are found in the vicinity of Metsä Board's production units. These areas have been identified within a radius of 10 kilometres of each production unit. The potential impacts of pulp mills are not expected to reach farther than this. However, the potential environmental impacts of paperboard mills are limited to an area smaller than this. Areas valuable to biodiversity encompass Natura 2000 sites, state nature reserves, private nature reserves, areas included in nature conservation programmes and key biodiversity areas. For some production units, mild impacts on these areas have been identified, and they are listed in the table on page 61. Risk management as part of operational activities is described in more detail on page 60. The measures for managing and reducing impacts are discussed under *E2 – Pollution*.

## E5 – Resource use and circular economy

The material impacts, risks and opportunities related to resource use and the circular economy have been identified in a double materiality assessment based on the principles of the company's risk management process. The impacts, risks and opportunities related to Metsä Board's resource use and the circular economy have been assessed across the value chain. They are related to the procured materials, resource efficiency and side streams of the company's own production units, and product upgrading and end use. In the assessment, attention was paid to various raw materials, production units, side streams and product groups, and product packaging materials.

In addition to environmental permits and the company's operational management system, waste management at the mills is regulated by environmental permit regulations. Some mills have their own waste management area, subject to an environmental permit, whose environmental impacts are monitored and managed in accordance with the permit conditions. Risks related to waste management are assessed as part of regular risk assessments.

## S – Social responsibility

The material impacts on *S1 – Own workforce*, *S2 – Workers in the value chain*, *S3 – Affected communities* and *S4 – Consumers and end-users* were identified in a human rights impact assessment, the results of which were included in the company's double materiality assessment.

Metsä Board's human rights impact assessment was conducted by an external partner in 2024. The assessment utilised internal specialist

interviews, interviews with external stakeholders, Metsä Board's documentation and literature from public sources. External stakeholder interviews were conducted with raw material and goods suppliers, the trade union, and the Sámi Parliament.

Human rights impacts were assessed based on their likelihood, scope, remediability and scale. The assessment was conducted in compliance with the UN Guiding Principles on Business and Human Rights. The impacts were assessed using the same scale employed in the company's general risk assessment, and the identified impacts were included in the double materiality assessment.

The 2024 assessment identified and assessed direct and indirect impacts across the value chain and in the affected communities. In addition, groups that may be at greater risk of harm from the identified impacts were determined. The impacts were validated in internal workshops, and the results were presented to Metsä Board's Corporate Leadership Team. Based on the assessment, a human rights due diligence process and development measures for the coming years were determined. Since 2024, human rights impact assessment has been part of the company's annual risk identification and assessment process.

In addition to human rights impact assessment, key tools for identifying, analysing and managing social responsibility impacts, risks and opportunities include risk assessments in accordance with the ISO 45001 occupational health and safety management standard requirements for production facilities, the Know Your Business Partner process, supplier assessments and audits, industry-, country- and supplier-specific risk analyses, personnel surveys, and the Compliance and Ethics Channel. These are discussed in sections *S1 – Own workforce* and *G1 – Business conduct*.

## G – Governance

The material impacts, risks and opportunities related to governance and corporate culture have been identified in a double materiality assessment based on the principles of the company's risk management process. The Know Your Business Partner process, supplier assessments and audits, the company's ethics index, and the Compliance and Ethics Channel are key elements in their identification, analysis and management.

## 2025 results

The final results of the materiality analysis are presented alongside the materiality process description on page 31. Sub-topics classified as moderate (a value of 5–9) or high (a value of 10–25) were determined as material sub-topics. The table does not include sub-topics of low materiality.

In 2025, the ESRS sub-topics and sub-sub-topics were more closely aligned with the risks identified in the human rights impact assessment. This meant defining more precisely which identified human rights impacts were related to topics such as diversity and equality, and which to other work-related rights. As a result, the sub-topic "Equal treatment and equal opportunities for all" was assessed as non-material for workers in the value chain.

In addition, the probability of risks related to product information was reassessed. The risk of product information inaccuracies and the resulting negative impact on consumers and end-users was assessed as unlikely, and as a result, the sub-topic "Information-related impacts for consumers and end-users" was assessed as non-material.

The changes to the risks in other sub-topics resulting from the 2025 risk assessment round were minor and did not significantly affect the materiality assessment of the sub-topic.



# Metrics and targets

TARGET	2030 TARGET	ACTUAL 2025	PROGRESS 2025	UN SDG
<b>E – ENVIRONMENT</b>				
<b>1. Mitigating climate change and adapting to it in own operation and value chains</b>				
Improvement in energy efficiency from the 2018 level, %	+10	-7.2	●	7, 12, 13
Fossil-based carbon dioxide emissions (Scope 1 + Scope 2 market-based), t	0	121,252	●	12, 13
Greenhouse gas emissions from logistics purchased by Metsä Board from the 2022 level (Scope 3, category 4), %/tkm	-30	-5.8	●	13
MG: Amount of forest regeneration and young stand management from the 2018 level, %	+30	+14	●	13, 15
MG: Amount of forest fertilization from the 2018 level, %	+50	+126	●	13, 15
MG: Share of continuous cover forestry in peatland forest regeneration, %	30	18	●	13, 15
<b>2. Continuous improvement in resource-efficiency in production</b>				
Reduction in process water use per produced tonne from the 2018 level, %	-35	-6.4	●	6, 12
Process waste delivered to landfills, t	0	111	●	12
<b>3. Enhancing the state of forest nature</b>				
MG: Retention trees on regeneration felling sites, %	100	96	●	13, 15
MG: High biodiversity stumps on harvesting sites, %	100	100	●	13, 15
MG: Spruce as the only tree species after young stand management, %	0	25	●	13, 15
MG: Measures promoting biodiversity, number	10,000	10,616	●	13, 15
<b>S – SOCIAL</b>				
<b>4. Accident-free work environment</b>				
Total recordable incident frequency, own employees (TRIF)	0	4.8	●	8
Total recordable incident frequency, contractor employees (TRIF)	0	5.2	●	8
<b>5. Continuous improvement in engagement and well-being of employees</b>				
Employee engagement, index (scale 0–100)	AAA	A	●	5, 8
The implementation of the measures defined based on the employee survey, %	100	100	●	5, 8
<b>6. Promoting diversity, equality and inclusion (DEI)</b>				
Women in leadership roles, %	>35	25	●	5, 8
Employee experience on diversity, equality and inclusion (DEI) implementation, Metsä for all -index (scale 0–100)	100	72	●	5, 8
Anonymous recruitment for vacancies open to all, %	100	100	●	5, 8
<b>G – GOVERNANCE</b>				
<b>7. Promoting ethical corporate culture</b>				
Employee experience on ethical corporate culture implementation, ethics index (scale 0–100)	100	79	●	5, 8
<b>8. Promoting sustainable and ethical practices in our supply chain</b>				
Share of certified wood fibre, %	100	92	●	15
Traceability of raw materials, share of total purchases, %	100	95	●	9, 12
Suppliers' commitment to the Supplier Code of Conduct, share of total purchases, %	100	99.5	●	8, 12
Supplier assessments and audits of core suppliers, %	100	77	●	8, 12
MG: Joint sustainability target with partner suppliers, %	100	100	●	12, 13

MG: The target has been set at the level of Metsä Group. The targets for different topics are described in greater detail in the topic-specific sections of this Sustainability statement.

As of 2025, the target related to fossil-free raw materials and packaging materials is no longer be monitored in the overall target framework. Almost all (99%) of Metsä Group's raw materials and product packaging materials, including wood-based raw materials, are fossil-free. In the coming years, the main goal is to reduce the carbon footprint of products.

Progress in 2025 compared with the previous year:  
Exceeds target (significant progress) ●  
On target (progress as planned) ●  
Short of target (no progress or weaker progress) ●

# Due diligence process

The table presents the core elements of the due diligence process and specifies the paragraphs in the Sustainability statement where further are provided.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	<div>The role of the administrative, management and supervisory bodies in identifying and managing sustainability impacts, risks and opportunities</div> <div>Interests and views of stakeholders</div>
b) Engaging with affected stakeholders in all key steps of the due diligence	<div>Interests and views of stakeholders</div> <div>The identification and assessment of material impacts, risks and opportunities</div> <div>S1 Engaging with own workers and workers’ representatives about impacts;</div> <div>S2 Engaging with workers in the value chain about impacts;</div> <div>S3 Engaging with affected communities about impacts;</div> <div>S4 Processes to remediate negative impacts, and channels for consumer and end-users to raise concerns</div>
c) Identifying and assessing adverse impacts	<div>The identification and assessment of material impacts, risks and opportunities</div> <div>G1 Mechanisms for identifying, reporting and investigating concerns</div> <div>G1 Prevention and detection of corruption and bribery</div>
d) Taking actions to address those adverse impacts	<div>E1, E2, E3, E4, E5, S1, S2, S3, S4 Actions</div> <div>Actions control adverse impacts and risks, and promote opportunities</div> <div>G1 Management of relationships with suppliers</div> <div>G1 Prevention and detection of corruption and bribery</div>
e) Tracking the effectiveness of these efforts and communicating	<div>Metrics and targets</div> <div>The effectiveness of actions is measured and communicated using Metsä Board's 2030 sustainability targets</div> <div>The identification and assessment of material impacts, risks and opportunities (E1, E2, E3, E5)</div> <div>The environmental permit and the related monitoring programme set the minimum requirements for the observation of environmental impacts</div> <div>E4 Impact metrics related to changes in biodiversity and ecosystems</div> <div>S1, S2, S4 Actions</div> <div>S3 Engaging with affected communities about impacts</div> <div>G1 Management of relationships with suppliers</div>

# ESRS content index

The ESRS content index lists the disclosure requirements that Metsä Board has followed in preparing its Sustainability statement and where they can be found.

ESRS INDICATOR	LOCATION & COMMENT
<b>ESRS 2 – General disclosures</b>	
BP-1 – General basis for preparation of sustainability statements	<i>Reporting Principles</i>
BP-2 – Disclosures in relation to specific circumstances	<i>Reporting Principles</i>
GOV-1 – The role of the administrative, management and supervisory bodies	<i>The role of, information provided to and sustainability matters addressed by the administrative, management and supervisory bodies</i>
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	<i>The role of, information provided to and sustainability matters addressed by the administrative, management and supervisory bodies</i>
GOV-3 – Integration of sustainability-related performance in incentive schemes	<i>Integration of sustainability-related performance in incentive schemes</i>
GOV-4 – Statement on due diligence	<i>Due diligence process -table</i>
GOV-5 – Risk management and internal controls over sustainability reporting	<i>Risk management and internal controls over sustainability reporting</i>
SBM-1 – Strategy, business model and value chain	<i>Business model, value chain and strategy</i>
SBM-2 – Interests and views of stakeholders	<i>Interests and views of stakeholders</i>
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	<i>S1, S2, S3, S4 Material impacts, risks and opportunities -tables; The identification and assessment of material impacts, risks and opportunities</i>
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	<i>Risk management and internal controls over sustainability reporting; Material sustainability-related impacts, risks and opportunities; The identification and assessment of material impacts, risks and opportunities</i>
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	<i>Material sustainability-related impacts, risks and opportunities; ESRS content index; List of datapoints that derive from other EU legislation</i>
Policies MDR-P – Policies adopted to manage material sustainability matters	<i>E1, E2, E3, E4, E5, S1, S2, S3, S4, G1 Policies</i>
Actions MDR-A – Actions and resources in relation to material sustainability matters	<i>E1, E2, E3, E4, E5, S1, S2, S3, S4 Actions; G1 – Business conduct</i>
Metrics MDR-M – Metrics in relation to material sustainability matters	<i>E1, E2, E3, E4, E5, S1, S2, G1 metrics tables; E1, E2, E3, E4, E5, S1, S2, G1 Reporting principles for metrics</i>
Targets MDR-T – Tracking effectiveness of policies and actions through targets	<i>E1, E2, E3, E4, E5, S1, S2, S3, S4, G1 Metsä Board's 2030 sustainability targets</i>
<b>ESRS E1 – Climate change</b>	
E1-1 – Transition plan for climate change mitigation	<i>E1 Transition plan for climate change mitigation and adaptation</i>
E1-2 – Policies related to climate change mitigation and adaptation	<i>E1 Policies</i>
E1-3 – Actions and resources in relation to climate change policies	<i>E1 Transition plan for climate change mitigation and adaptation; E1 Actions</i>
E1-4 – Targets related to climate change mitigation and adaptation	<i>E1 Metsä Board's 2030 sustainability targets; E1 Transition plan for climate change mitigation and adaptation; E1 Reporting principles for metrics</i>
E1-5 – Energy consumption and mix	<i>E1 Energy consumption and combination of energy sources -table; E1 Energy production -table</i>
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	<i>E1 GHG emissions -table; E1 GHG intensity -table</i>
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	<b>Metsä Board does not have carbon capture or offsets.</b>
E1-8 – Internal carbon pricing	<i>E1 Financial effects</i>
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	<i>E1 Financial effects Anticipated financial effects reported partly as qualitative information.</i>
<b>ESRS E2 – Pollution</b>	
E2-1 – Policies related to pollution	<i>E2 Policies</i>
E2-2 – Actions and resources related to pollution	<i>E2 Actions</i>
E2-3 – Targets related to pollution	<i>E2 Targets</i>
E2-4 – Pollution of air, water and soil	<i>E2 Emissions to air -table; E2 Emissions to water -table; E2 Environmental permit deviations at Metsä Group's mills -table; E2 Reporting principles for metrics</i>
E2-5 – Substances of concern and substances of very high concern	<b>Metsä Board does not cause emissions of substances of concern or very high concern.</b>
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	<i>E2 Financial effects Anticipated financial effects reported partly as qualitative information.</i>



ESRS INDICATOR	LOCATION & COMMENT
<b>ESRS E3 – Water and marine resources</b>	
E3-1 – Policies related to water and marine resources	<i>E3 Policies</i> Metsä Board does not use marine resources.
E3-2 – Actions and resources related to water and marine resources	<i>E3 Actions</i>
E3-3 – Targets related to water and marine resources	<i>E3 Metsä Board's 2030 sustainability target;</i> <i>E3 Reporting principles for metrics</i>
E3-4 – Water consumption	<i>E3 Water withdrawals and consumption and wastewater discharges -table;</i> <i>E3 Reporting principles for metrics</i>
E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	<i>E3 Financial effects</i> Anticipated financial effects reported partly as qualitative information.
<b>ESRS E4 – Biodiversity and ecosystems</b>	
E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	<i>E4 Consideration of biodiversity and ecosystems in the strategy and business model</i>
E4-2 – Policies related to biodiversity and ecosystems	<i>E4 Policies</i>
E4-3 – Actions and resources related to biodiversity and ecosystems	<i>E4 Actions</i>
E4-4 – Targets related to biodiversity and ecosystems	<i>E4 Metsä Board's 2030 sustainability target;</i> <i>E4 Reporting principles for metrics</i>
E4-5 – Impact metrics related to biodiversity and ecosystems change	<i>E4 Areas valuable to biodiversity in the vicinity of Metsä Board's production units;</i> <i>E4 Impact metrics related to changes in biodiversity and ecosystems</i>
E4-6 – Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	<i>E4 Financial effects</i> Anticipated financial effects reported partly as qualitative information.
<b>ESRS E5 – Resource use and circular economy</b>	
E5-1 – Policies related to resource use and circular economy	<i>E5 Policies</i>
E5-2 – Actions and resources related to resource use and circular economy	<i>E5 Actions</i>
E5-3 – Targets related to resource use and circular economy	<i>E5 Metsä Board's 2030 sustainability target;</i> <i>E5 Reporting principles for metrics</i>
E5-4 – Resource inflows	<i>E5 Inflows of material and energy streams -table;</i> <i>E5 Reporting principles for metrics</i>
E5-5 – Resource outflows	<i>E5 Outflows of material and energy streams -table;</i> <i>E5 Reporting principles for metrics</i>
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	<i>E5 Financial effects</i> Anticipated financial effects reported partly as qualitative information.
<b>ESRS S1 – Own workforce</b>	
S1-1 – Policies related to own workforce	<i>S1 Policies</i>
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	<i>S1 Engaging with own workers and workers' representatives about impacts</i>
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	<i>S1 Processes to remediate negative impacts and channels for own workers to raise concerns;</i> <i>G1 Mechanisms for identifying, reporting and investigating concerns</i>
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	<i>S1 Actions</i>
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	<i>S1 Metsä Board's 2030 sustainability targets;</i> <i>S1 Reporting principles for metrics</i>
S1-6 – Characteristics of the undertaking's employees	<i>S1 Employee head count by gender -table;</i> <i>S1 Employee head count by country -table;</i> <i>S1 Employees by contract type, broken down by gender -table;</i> <i>S1 Employees by contract type, broken down by country -table;</i> <i>S1 Employee turnover and recruitment -table;</i> <i>S1 Reporting principles for metrics</i>
S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	<i>S1 Non-employee workers in own workforce -table;</i> <i>S1 Reporting principles for metrics</i>
S1-8 – Collective bargaining coverage and social dialogue	<i>S1 Policies;</i> <i>S1 Engaging with own workers and workers' representatives about impacts;</i> <i>S1 Collective bargaining coverage and advocacy -table</i>
S1-9 – Diversity metrics	<i>S1 Gender distribution at top management level -table;</i> <i>S1 Distribution of employees by age group -table;</i> <i>S1 Reporting principles for metrics</i>
S1-10 – Adequate wages	<i>S1 Policies</i>
S1-11 – Social protection	<i>S1 Social protection -table;</i> <i>S1 Reporting principles for metrics</i>
S1-12 – Persons with disabilities	Non-material. Most Metsä Board employees are production workers with specific limitations regarding disabilities. It was assessed that there is no need to discuss disabilities separately from other diversity matters in Metsä Board's case.
S1-13 – Training and skills development metrics	<i>S1 Training and skills development -table</i>

ESRS INDICATOR	LOCATION & COMMENT
S1-14 – Health and safety metrics	S1 Policies; S1 Actions; S1 Health and safety -table; S1 Reporting principles for metrics
S1-15 – Work-life balance metrics	S1 Policies; S1 Family-related leave -table; S1 Reporting principles for metrics
S1-16 – Compensation metrics (pay gap and total compensation)	S1 Total remuneration ratio of women and men -table; S1 Total remuneration -table; S1 Reporting principles for metrics
S1-17 – Incidents, complaints and severe human rights impacts	S1 Incidents, complaints and severe human rights impacts; S1 Incidents, complaints and severe human rights impacts -table; S1 Reporting principles for metrics
<b>ESRS S2 – Workers in the value chain</b>	
S2-1 – Policies related to value chain workers	S2 Policies
S2-2 – Processes for engaging with value chain workers about impacts	S2 Engaging with value chain workers about impacts
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	S2 Processes to remediate negative impacts and channels for value chain workers to raise concerns; G1 Mechanisms for identifying, reporting and investigating concerns
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	S2 Processes to remediate negative impacts and channels for value chain workers to raise concerns; S2 Actions
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	S2 Targets; S2 Reporting principles for metrics; G1 Metsä Board's 2030 sustainability targets; G1 Reporting principles for metrics
<b>ESRS S3 – Affected communities</b>	
S3-1 – Policies related to affected communities	S3 Policies
S3-2 – Processes for engaging with affected communities about impacts	S3 Engaging with affected communities about impacts
S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns	S3 Processes to remediate negative impacts and channels for affected communities to raise concerns; G1 Mechanisms for identifying, reporting and investigating concerns
S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	S3 Processes to remediate negative impacts and channels for affected communities to raise concerns; S3 Actions
S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	S3 Targets
<b>ESRS S4 – Consumers and end-users</b>	
S4-1 – Policies related to consumers and end-users	S4 Policies
S4-2 – Processes for engaging with consumers and end-users about impacts	S4 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	S4 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns; G1 Mechanisms for identifying, reporting and investigating concerns
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	S4 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns; S4 Actions
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	S4 Targets
<b>ESRS G1 – Business conduct</b>	
G1-1– Business conduct policies and corporate culture	G1 Policies; G1 Mechanisms for identifying, reporting and investigating concerns
G1-2 – Management of relationships with suppliers	G1 Management of relationships with suppliers;
G1-3 – Prevention and detection of corruption and bribery	G1 Mechanisms for identifying, reporting and investigating concerns; G1 Prevention and detection of corruption and bribery
G1-4 – Confirmed incidents of corruption or bribery	G1 Mechanisms for identifying, reporting and investigating concerns; G1 Incidents of non-compliance with good governance or ethical corporate culture -table
G1-5 – Political influence and lobbying activities	G1 Political influence and lobbying activities
G1-6 – Payment practices	Non-material

## E – Environment

### The EU Taxonomy

#### ■ General

The Taxonomy is a classification system for the financial market based on Regulation (EU) 2020/852, valid as of the beginning of 2022, listing economic activities sustainable in terms of climate and the environment. The goal of the Taxonomy is to channel money to sustainable investments so that the EU can achieve the ambitious emissions reduction targets it has set for itself.

The European Commission has adopted Delegated Regulation (EU) 2026/73, which simplifies EU Taxonomy reporting, for example by introducing a materiality concept and new reporting tables. Metsä Board applies the new Delegated Regulation in its 2025 Taxonomy reporting. Comparative figures have not been restated.

The Taxonomy does not currently include technical screening criteria for Metsä Board's main business operations, the paperboard and market pulp businesses.

#### ■ Taxonomy reporting

The Taxonomy defines six main environmental objectives against which the company's different economic activities are assessed. These environmental objectives are: (a) climate change mitigation; (b) climate change adaptation; (c) sustainable use and protection of water and marine resources; (d) transition to a circular economy; (e) pollution prevention and control; and (f) protection and restoration of biodiversity and ecosystems. Taxonomy-eligible activities have been assessed against the environmental objective to which each activity contributes most substantially. In addition, an assessment has been made to determine that the activities do no harm to any other environmental objectives. In the Taxonomy, business disclosures include the share of sales, capital expenditure and operating expenditure.

The taxonomy-aligned disclosures indicate how the economic activity supports the environmental objectives. An economic activity is considered taxonomy-aligned if it contributes substantially to one of the defined environmental objectives and causes no significant harm to the other environmental objectives. In addition, operations must meet minimum safeguards.

#### ■ Reporting principles

The IFRS-compliant accounting principles followed for the consolidated financial statements are also applied to calculate the key figure for Metsä Board's turnover. The overall turnover used to calculate the key figure corresponds to the turnover disclosed in the consolidated financial statements. The accounting principles used for turnover are discussed in Note 2.2 to the consolidated financial statements.

Capital expenditure includes additions to tangible and intangible fixed assets, including any additions to right-of-use assets recognised based on long-term lease agreements. Any increase in goodwill recognised for acquisitions is not included in the capital expenditure specified in the Taxonomy. These items are handled in accordance with IAS 38 Intangible Assets, IAS 16 Property, Plant and Equipment, and IFRS 16 Leases. Additions to intangible assets are presented in Note 4.1, and additions to property, plant and equipment in Note 4.2, to the consolidated financial statements.

The numerator for turnover and capital expenditure encompasses the items related to the assets or processes of Taxonomy activities. To avoid double counting, external turnover has been included in the Taxonomy operations only once. In addition, measures have been adopted to ensure that capital expenditure and operating expenses are kept separate for each operation.

Total operating expenses include research and development costs recognised as expenses, and the maintenance costs of production units and property, supplemented by the costs of waste management and short-term lease agreements. The reported expenses include both external service costs and the wages, including indirect employee costs, of the company's own employees responsible for the listed activities. In the group's income statement, the operating expenditure specified in the Taxonomy is included in materials and services, employee expenses and other operating expenses. Operating expenses are disclosed in Note 2.4 to the consolidated financial statements.

#### Changes compared with the previous year

The materiality of activities was reassessed in 2025 based on the materiality principle introduced by the new Delegated Regulation. Activities accounting for less than 10% of total turnover and capital expenditure were excluded from the Taxonomy reporting. No eligible turnover or capital expenditure was identified based on the materiality assessment. Activities in the following sectors were excluded from the assessment: construction and real estate activities and energy

Metsä Board has assessed its operating expenditures as immaterial for 2025, as the total operating expenditures falling under the scope of the Taxonomy do not reflect the company's core activities and do not cover a significant share of its overall operating expenditures. Total operating expenses for 2025 amounted to EUR 151 million.



Proportion of turnover and CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities - disclosure covering year 2025 (summary KPIs)

Financial year 2025

KPI	Breakdown by environmental objectives of Taxonomy aligned activities														
	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year (2024)	Proportion of Taxonomy aligned activities in previous financial year (2024)
	EUR m	%	EUR m	%	%	%	%	%	%	%	%	%	%	EUR m	%
Turnover	1,775.7	0%	0,0	0%							0%	0%	0%	2,7	0%
CapEx	139.5	0%	0,0	0%							0%	0%	0%	11,4	7%



















# E1 – Climate change

## Material impacts, risks and opportunities related to climate change mitigation and energy

Impacts		Value chain stage	Time horizon		Risks and opportunities for Metsä Board	Value chain stage	Time horizon	Analysis from the perspective of IPCC's 1.5 °C and 4.3 °C scenarios*
Greenhouse gas emissions in own operations								
↑	Metsä Board has a nationally significant role as a producer of renewable energy. Bio-based fuels from wood-based production side streams and logging residue.			↑	<b>Market opportunity:</b> Metsä Board's production and use of renewable energy can replace fossil sources; 75% (75) of the energy used in production (Scopes 1 and 2) is already renewable.			<ul style="list-style-type: none"><li>High share of renewable energy and resource efficiency enabling competitive carbon footprint for products and greater competitive advantage in the 1.5 °C scenario compared with the 4.3 °C scenario</li><li>Greater long-term opportunity to create a BECCU (Bio-Energy with Carbon Capture and Utilisation) business and increase fossil-replacing bio-based products in the market in the 1.5 °C scenario compared with the 4.3 °C scenario</li><li>Climate neutrality of biogenic carbon dioxide as a key driver of investment in the BECCU value chain, potential negative effects of the Taxonomy change on companies' willingness to invest, and increased difficulty in achieving the 1.5 °C scenario</li><li>Smaller regulatory impacts, as well as risks and opportunities, in the 4.3 °C scenario</li></ul>
↔	Classification of the company's wood-based carbon dioxide emissions as climate neutral			↑	<b>Regulatory opportunity:</b> Recognition in EU regulations of wood-based carbon dioxide capture and utilisation as a key technology to mitigate climate change. Creating market drivers and investment incentives			
↓	Climate-warming greenhouse gas emissions from Metsä Board's production (Scopes 1 and 2)			↓	<b>Regulatory risk:</b> Regulatory requirements for emission reductions, use of forest industry side streams as energy, and wood-based carbon dioxide emissions. Changes in energy and greenhouse gas emissions pricing, which may increase production and transport costs			
Greenhouse gas emissions in the upstream and downstream value chain								
↓	The climate-warming impact of Metsä Board's upstream and downstream value chain (Scope 3)			↑	<b>Market opportunity:</b> Metsä Board's main raw material, wood, which is mainly procured from Finnish and Swedish forests, keeps transport distances moderate.			<ul style="list-style-type: none"><li>Greater regulatory and market risks and opportunities in the 1.5 °C scenario than in the 4.3 °C scenario</li><li>The value chain's motivation to produce and share information about emissions is lower in the 4.3 °C scenario, which makes it more difficult to measure Scope 3 emissions and commit the value chain to emissions reductions than in the 1.5 °C scenario</li></ul>
				↓	<b>Regulatory and market risk:</b> Regulatory and customer requirements related to reducing greenhouse gas emissions in the value chain. Challenges in identifying, measuring and reducing the climate impacts of the value chain			
Carbon balance of forests								
↔	Provision of Metsä Group's forest management services for regenerative forestry to the parent company's owner-members, promotion of carbon storage in commercial forests, development of the verification of the carbon balance impacts of wood supply and forest management, and the procurement of wood mainly from the forests of owner-members, who own 32% of Finland's forests			↑	<b>Market opportunity:</b> Increased awareness of regenerative forestry. Increased trust in Metsä Board among customers, consumers and stakeholders. The importance of wood as the basis for the bioeconomy, circular economy and innovations based on renewable raw materials			<ul style="list-style-type: none"><li>Greater regulatory and market risks and opportunities in the 1.5 °C scenario than in the 4.3 °C scenario</li><li>In the 4.3 °C scenario, the information about forests' carbon balance and products' biogenic carbon storage is underutilised, weakening opportunities to optimise the climate benefits and market opportunities of wood-based value chains</li></ul>
				↔	<b>Market and regulatory opportunity and risk:</b> The development of voluntary carbon markets and EU regulation concerning the certification of carbon removals provide opportunities for improving forests' carbon storage and tree growth through active forest management. Risk of reduced availability of wood raw material resulting from market growth			
				↓	<b>Regulatory risk:</b> Regulation of forest use as carbon sinks and reservoirs, and the resulting restrictions on harvesting volumes. Fragmentation of legislation and failure to take local conditions and ecosystem services into account, which may lead to sub-optimisation of forest management from the perspective of ecosystem services.			
				↓	<b>Market risk:</b> Consumers' increasing criticism of forest use because they associate wood consumption with the decrease in the carbon sinks and reservoirs in forests. The size of this risk will be influenced by Metsä Group's success in its regenerative forestry targets and in mainstreaming regenerative forestry measures			

Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon	Analysis from the perspective of IPCC's 1.5 °C and 4.3 °C scenarios*
<b>Products</b>						
↑ Metsä Board's use of fossil-free raw materials and packaging materials	●—○	— — —	↑ <b>Regulatory opportunity:</b> Regulations that recognise the potential of forest industry products to replace materials made from fossil raw materials or materials that cause high emissions	●—○	— — —	<ul style="list-style-type: none"> <li>• Greater regulatory and market risks and opportunities in the 1.5 °C scenario than in the 4.3 °C scenario</li> <li>• In the 4.3 °C scenario, products' carbon footprints and the biogenic carbon stored in products do not guide customer choices, making it more difficult to bring new bio-based products to market than in the 1.5 °C scenario</li> </ul>
↑ Metsä Board's production of wood-based carbon-storing and recyclable fibre and other products that keep biogenic carbon in use	●—○	— — —	↑ <b>Market opportunity:</b> Metsä Board's long-term efforts to promote resource efficiency and fossil-free operations supports its customers' climate goals; climate benefits are verified through life cycle assessments. Consumers favour easily recyclable or reusable products made from a renewable fossil-free raw material. Wood-based carbon dioxide and its capture support the sustainable use of raw materials and the development of the hydrogen economy	●—○	— — —	
			↓ <b>Regulatory risk:</b> Regulation that does not identify the climate benefits of products based on renewable wood raw material but primarily focuses on promoting recycled raw material	○—●	— — —	

## Physical risks related to climate change adaptation

Risks for Metsä Board		Value chain stage	Time horizon	Analysis from the perspective of IPCC's 1.5 °C and 4.3 °C scenarios*	
Acute hazards					
↑	An analysis of the physical risks of production units conducted in 2024 indicated that the physical risks at Metsä Board's production units were clearly below average, which supports the company's competitiveness in a changing climate			Risks have considerably higher impacts in the 4.3 °C scenario than in the 1.5 °C scenario.	
↓	Disruptions in production caused by storms, droughts and floods, and problems with the transport of raw materials and products				
Chronic hazards					
↑	Metsä Board's mills are not located in or do not withdraw water from areas at high water risk, which supports the company's competitiveness in the face of climate change			Risks have considerably higher impacts in the 4.3 °C scenario than in the 1.5 °C scenario.	
↓	The increased frequency of droughts weakens the availability of the process and cooling water needed by mills, and causes production breaks				
↓	Harvesting conditions weaken due to a lack of snow and frost and because of increased precipitation.			Climate change results in temperatures rising at different rates in various parts of the world. In the 4.3 °C scenario, the long-term (2050) temperature rise in Finland is estimated to be 6–7 °C, making the impacts of the risks more likely and greater than in the short term	
↓	A significant rise in temperature during the life cycle of Finnish forests will increase emissions from peatland forests, cause changes in the prevalence of tree species and increase problems caused by invasive species in forests				
↑	Positive impact on the environment and society or on Metsä Board's business			 Upstream value chain	 Short-term (less than one year)
↓	Negative impact on the environment and society or on Metsä Board's business			 Own operations	 Medium-term (1–5 years)
↔	Neutral impact on the environment and society or on Metsä Board's business			 Downstream value chain	 Long-term (more than 5 years)

\* The 1.5 °C scenario corresponds to RCP 1.9, in which global warming resulting from climate change remains at or below 1.5 °C. The 4.3 °C scenario corresponds to RCP 8.2050, in which global warming resulting from climate change averages 4–5 °C (by 2050).



Metsä Board's 2030 sustainability targets

	2030 target	2025	2024	2023	2018
Improvement in energy efficiency from the 2018 level, %	+10%	-7.2	+0.9	-5.8	2.4 MWh/t
Fossil-based carbon dioxide emissions (Scope 1 + Scope 2 market-based), t	0 t	121,252	251,708	183,600	577,875
Greenhouse gas emissions from logistics purchased by Metsä Board from the 2022 level (Scope 3, category 4), %/tkm	-30%	-5.8	-	-	-
<b>Metsä Group's 2030 sustainability targets</b>					
MG: Amount of forest regeneration and young stand management from the 2018 level, %	+30%	+14	+18	+14	33,265 ha
MG: Amount of forest fertilization from the 2018 level, %	+50%	+126	-22	-26	9,115 ha
MG: Share of continuous cover forestry in peatland forest regeneration, %	30%	18	15	17	-

The production line for unbleached pulp in Kemi, which became the property of Metsä Board in 2024, has not yet been included in the calculations concerning water and energy efficiency targets.  
The actual figure for Scope 3 for the base year 2022 is 381,836 tCO<sub>2</sub>e. In 2025, the absolute reduction in emissions was 121,256 tCO<sub>2</sub>e. The target applies from 2025 onwards, so historical figures are not reported.  
MG: The target has been set at the level of Metsä Group.

Metsä Board’s 2030 sustainability targets, and their setting and monitoring, are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*.

The company’s targets for reducing greenhouse gas emissions (Scopes 1 and 2) have been approved by the Science Based Targets initiative (SBTi), and they meet the strictest requirements of the Paris Agreement, aimed at limiting global warming to 1.5 °C.

Regarding the value chain (Scope 3), the target year for the SBTi-approved target was 2024, and Metsä Board is assessing and updating its target. In addition, a target was set in 2025 to reduce greenhouse gas emissions from transport purchased by the company.

Progress in targets

- **Fossil-based carbon dioxide emissions (Scopes 1 and 2 market-based)** – The production curtailments caused by the market situation and investment shutdowns reduced fossil-based carbon dioxide emissions in 2025. Completed investments and energy efficiency measures also reduced emissions. The increase in the share of guarantees of origin in electricity procurement reduced fossil carbon dioxide emissions from purchased energy. Overall, fossil-based carbon dioxide emissions (Scopes 1 and 2, market-based) have decreased by 79% from 2018 to 2025.
- **Improvement in energy efficiency from the 2018 level** – In 2025, shutdowns at mills due to the market situation and investments weakened energy efficiency despite the development measures taken.

Resilience

Metsä Board’s identification of climate risks and scenario analysis are described in the *Material sustainability topics* section.

In 2024, the ability of Metsä Board’s strategy to respond to climate change was examined in a climate resilience analysis carried out in connection with Metsä Group’s resilience analysis. Metsä Group’s Executive Management Team participated in the climate resilience analysis. Metsä Board’s CEO is a member of Metsä Group’s Executive Management Team. The analysis was used in the preparation of the climate transition plan.

The resilience analysis covered Metsä Board and Metsä Group’s own operations and their value chain. The strategy’s resilience was assessed by comparing its adaptive change capability and transformative capability with the material climate risks identified in the risk assessment. Adaptive change capability means the gradual adaptation and mitigation actions

mainly in the company’s own operations. Transformative capability means actions promoting change that have a broader impact in value chains and communities, for example. The analysis indicated that investing in adaptive change capability and transformative capability strengthened Metsä Board’s climate resilience. The significance of transition risks and opportunities is highlighted, particularly in the scenario mirroring the Paris Agreement objectives. In turn, the high-emissions scenario emphasises physical risks. The analysis of material physical and transition risks is updated annually. The climate risk scenario analysis and its results are described on page 43. The materiality assessment is discussed on pages 31–34. Metsä Board’s risk management process and its responsibilities are described in greater detail in the Corporate Governance Statement.

The weak predictability of EU legislation is a key uncertainty factor related to the resilience analysis. Adding to uncertainty is the fact that many important details are laid down in provisions separate from the text of directives and regulations. Another significant uncertainty factor is the assessment of the ability of complex natural ecosystems such as forests to adapt to climate change.

Transition plan for climate change mitigation and adaptation

Link to business strategy

At Metsä Board, climate change mitigation and adaptation and regenerative forestry as part of sustainability work have been integrated into the company’s business and strategic targets. Many Metsä Board shareholders appreciate long-term climate work and continuous development. This is also important to the owner-members of Metsäliitto Cooperative, Metsä Board’s largest shareholder.

Metsä Group’s Stakeholder Engagement unit, steered by Metsä Group’s Sustainability Process Management Team, is responsible for drawing up and updating the climate transition plan for Metsä Group as a whole. The team consists of the directors in charge of sustainability for Metsä Group’s business areas and head office functions. In 2025, Metsä Board was represented by the SVP, Development. Metsä Board is responsible for the action plan covering its own operations, including action and investment plans. Metsä Board’s Corporate Leadership Team approved the extensive climate transition plan in 2024. The company’s Board of Directors was also informed about the plan. Metsä Board’s Corporate Leadership Team and Board of Directors discuss plans related to climate transition and approve

them in accordance with the company's decision-making practices. Metsä Board's Board of Directors is the company's highest body overseeing sustainability. Metsä Board's CEO is in charge of the implementation of sustainability actions in accordance with the Board's instructions. This topic is discussed in more detail in the *Sustainability governance and strategy* section.

## Climate targets

Metsä Board's climate targets and their compatibility with the Paris Agreement's 1.5 °C pathway are described in *Metsä Board's 2030 sustainability targets*.

Metsä Group has not yet set post-2030 emissions reduction targets, but planning of the 2050 1.5 °C net zero pathway in accordance with the Paris Agreement is underway, particularly regarding Scope 3 emissions. Concerning fossil-based Scope 1 and Scope 2 carbon dioxide emissions, the target is zero in 2030. No internationally recognised sector-specific decarbonisation development path is currently available for Metsä Group's industry, the forest industry. Key standards for calculating greenhouse gas emission reductions and setting targets, such as the SBTi guidelines and the GHG Protocol's guidance on land use in the forestry sector, are also being updated.

Thus far, Metsä Board has not used carbon units purchased outside the value chain to offset or balance emissions. Metsä Board follows the development of voluntary carbon markets, including the EU's regulation on carbon removal certification (CRCF). They will play a role in balancing Scope 3 residual emissions when working towards the 2050 net zero target.

Strengthening the state of forest nature plays an important role in climate change adaptation. Biodiversity-related sustainability targets and actions are presented in greater detail under *E4 – Biodiversity and ecosystems*.

## Key actions and progress made

Investments and R&D&I activities play a key role in the climate transition. The accompanying diagrams show the key actions planned to implement the climate transition and achieve the targets.

The progress made in the climate transition plan's implementation is described under *Progress in targets and Actions*.

To inspire the personnel to commit to sustainability actions, the annual targets for all personnel include at least one target related to sustainability, which is used as the basis for annual bonuses. All Metsä Board employees complete an e-learning course on the basics of sustainability. Climate themes are a central element of the course. An important part of the strategy's implementation is the development of core competence important to the company. Metsä Group's Academy concept has been developed for this purpose. In 2025, the concept encompassed Academies for sustainability, sales, procurement, leadership and finance. Climate-related topics are of key importance in the Sustainability Academy, and they are also discussed in other academies and leadership programmes.

The reductions in fixed costs achieved through the cost savings and profitability improvement programme launched in 2025 may affect the timing or scope of investments related to the environment and climate. Metsä Board has decided to suspend significant investment projects in the pre-engineering phase which do not offer adequate profitability in the current market situation.

Metsä Board's 2030 target covers fossil carbon dioxide emissions, which accounted for approximately 95% of the company's total Scope 1 and Scope 2 greenhouse gas emissions in the base year 2018. The emission reductions described are indicative. The category "Other" includes the closure of the Tako paperboard mill and the impact of energy efficiency measures. The calculation of the reduction level under the Paris Agreement is based on the reduction level estimated by the IPCC (global fossil carbon dioxide emissions will decrease by 48% between 2019 and 2030) and by extending the linear reduction to the years 2018–2030, the emission reduction is about 52%. In addition, Metsä Board's Scope 3 target is to reduce greenhouse gas emissions from its purchased transport by 30% per tonne-kilometre from 2022 levels by 2030. Metsä Board will assess and update its target.

## Financing and costs

Investments are financed with equity and external financing. Metsä Board, as part of Metsä Group, maintains adequate liquidity reserves in accordance with Metsä Group's Treasury Policy. Liquidity risk is managed by using various capital and financial markets to reduce dependence on a single source of financing and to optimise the cost of capital. The optimisation of loan maturity structure is also highlighted in financing decisions. This matter is discussed in more detail in the notes to the consolidated financial statements, section 5.6 Financial management. Any external financing for investments related to the transition plan is obtained in connection with the preparation of the investment decision.

The company aims to use green financing sources in the transition to use fossil-free energy in its production and in other financing plans for industrial operations. Metsä Board uses Metsä Group's Green Finance Framework to support the financing and refinancing of environmentally sustainable investments. The implementation of the finance framework is monitored by the Sustainable Funding Committee (SFC), which consists of members from Metsä Group's management, treasury, sustainability and investment management, and is chaired by Metsä Group's CFO.

In 2025, Metsä Board issued a EUR 200 million green unsecured bond maturing in 2031. The net proceeds from the bond were allocated to refinancing the renewal investment at the Husum pulp mill. The investment is in line with Metsä Group's Green Finance Framework and supports the achievement of the UN Sustainable Development Goals (SDGs) in the following areas: renewable or fossil-free energy; waste and side stream management; and emissions reduction. In addition, the company signed a EUR 250 million revolving credit facility with a margin tied to long-term climate and energy efficiency targets. The facility replaced the EUR 200 million revolving credit facility expiring in January 2027, which has not been drawn down. The new credit facility matures in 2030 and includes two one-year extension options, subject to the lenders' consent. The credit facility is intended for the company's general financing needs.

In recent years, the key investments for phasing out the use of fossil energy have been the renewal investment at the Husum pulp mill, which included the renewal of the recovery boiler and the turbine; the renewal of the turbine at the Kyro board mill; and the renewal of the folding boxboard machine in Simpele. The total value of these investments is approximately EUR 480 million. This item is not broken down in the financial statements. Phasing out the use of fossil energy requires investments in electrifying boilers and processes that currently use fossil fuels at mills, or switching from fossil fuels to fossil-free alternatives.

The Taxonomy’s criteria do not currently cover Metsä Board’s core business. The proportion of Taxonomy-eligible business activities is therefore small. Based on the materiality principle in accordance with the new Delegated Act, activities related to Metsä Board’s turnover, capital, and operating expenses have been excluded from the assessment. Metsä Board had no investments in coal, oil or gas.

Other considerations

After abandoning fossil fuels, only biogenic greenhouse gases are left, most of which is biogenic carbon dioxide, classified as climate neutral in

the EU criteria. In addition, wood-based energy generates small amounts of biogenic methane and nitrous oxide, which, according to the ESRS definition, are included in total Scope 1 and Scope 2 GHG emissions, along with fossil-based carbon dioxide emissions.

Key assets, greenhouse gas emissions lock-in, and related risks are described in the *Financial effects* section.

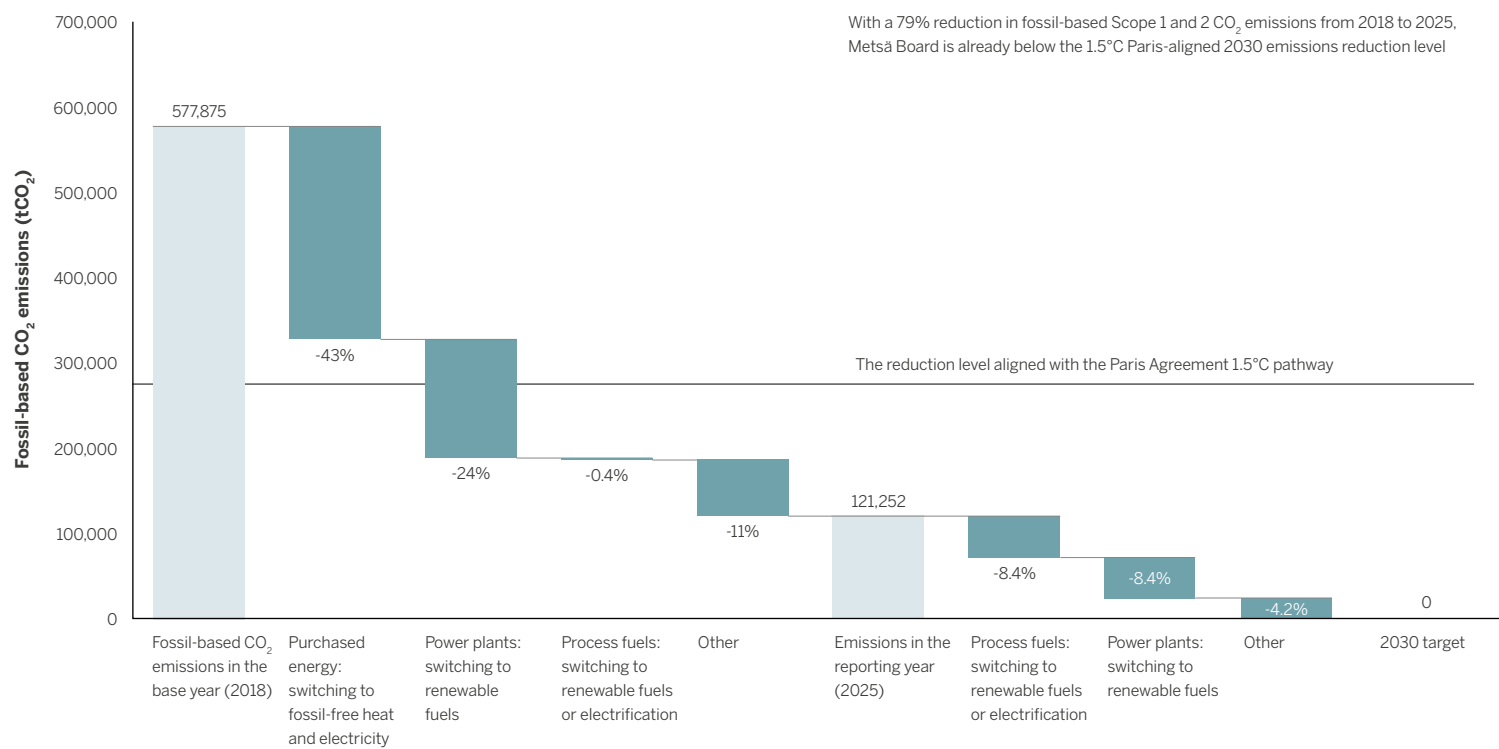
Metsä Board has not been excluded from the EU Paris-aligned benchmarks.

More information about the climate transition plan can be found on Metsä Board’s *website*.

Areas of action related to climate change mitigation and adaptation

Reducing greenhouse gas emissions	Increasing the substitution benefit of products	Further improving efficiency in the use of energy, water and materials
Renewable wood fibre from certified forest origins	Strengthening fibre recycling loops	Metsä Group: Investigation of technical capture of biogenic carbon dioxide
Metsä Group: Promotion of carbon sequestration and biodiversity in forests	Good governance Risk management	Strengthening personnel capabilities Cooperation and advocacy

Plan to phase out the use of fossil energy in production by 2030 (Scope 1 & 2, market-based)



Metsä Board’s 2030 target covers fossil carbon dioxide emissions, which accounted for approximately 95% of the company’s total Scope 1 and Scope 2 greenhouse gas emissions in the base year 2018. The emission reductions described are indicative. The category “Other” includes the closure of the Tako paperboard mill and the impact of energy efficiency measures. The calculation of the reduction level under the Paris Agreement is based on the reduction level estimated by the IPCC (global fossil carbon dioxide emissions will decrease by 48% between 2019 and 2030) and by extending the linear reduction to the years 2018–2030, the emission reduction is about 52%. In addition, Metsä Board’s Scope 3 target is to reduce greenhouse gas emissions from its purchased transport by 30% per tonne-kilometre by 2030, relative to a 2022 baseline. Metsä Board will assess and update its target.

## ■ Policies

Metsä Board's climate change work is guided by Metsä Group's Environmental Policy. Metsä Board is committed to transitioning to fossil-free fuels at its production units, replacing purchased electricity and heat with fossil-free alternatives, and improving its energy efficiency. Policy commitments and related actions are the key measures for managing the identified impacts, transition risks and opportunities. Commitments also encompass ways to manage physical climate risks through water efficiency and sustainable forestry, for example.

Environmental management and environmental performance are guided by the requirements of the production units' certified quality, environmental and energy efficiency systems. The production units systematically conduct internal and external audits in accordance with the ISO 14001 and ISO 50001 standards.

In the Leader in sustainability strategic programme, the climate focus is on reaching the strategic sustainability targets for reducing fossil-based carbon dioxide emissions, and water and energy efficiency.

Forest use is guided by Metsä Group's principles for forest use and management, in which Metsä Group commits to increasing the amount of carbon bound in forests and to promoting forest biodiversity, among other things. Certified quality and environmental management systems are in use in Metsä Group's wood supply.

Suppliers are required to commit to Metsä Group's Supplier Code of Conduct or to their own equivalent codes. Among other things, the Supplier Code of Conduct encourages the setting of reduction targets for greenhouse gas emissions in accordance with the principles of the Science Based Targets initiative, and the continuous improvement of environmental performance and efficient energy use. Suppliers are required to adopt a certified environmental management system where applicable. The Code of Conduct and policies are discussed in more detail under *G1 – Business conduct*.

## ■ Actions

### Greenhouse gas emissions and energy in the company's own operations

#### Continuous actions

To achieve its emissions reduction target, Metsä Board plans investments and measures to replace fossil fuels used by the company with renewable fuels or fossil-free electricity. The investments and actions apply to the fuels and backup fuels used at power plants and to the process fuels used at production units. The company will also transition to fully renewable or fossil-free alternatives in energy purchased for its production operations. In addition, the company will improve the efficiency of its energy, material and water use through continuous development and investment. These investments and measures are planned with a high level of automation and the best available technology in mind. The utilisation rate and production speed of mills have a significant impact on the efficiency of energy and water use. Reducing water use is a way of mitigating climate change, as process water use and wastewater treatment consume energy, causing greenhouse gas emissions. Measures related to water use are discussed under *E3 – Water and marine resources*.

### Actions taken during the reporting year

#### Scope 1 emissions

Metsä Board completed a EUR 60 million renewal project at its Simpele board mill. The renewed paperboard production line started up in October 2025. The investment improves both the quality of folding boxboard and production efficiency. In addition, a fossil fuel, liquefied petroleum gas, was replaced with electricity. The completion of the investment and the replacement of peat with renewable fuels at the Simpele power plant in 2024 increased the share of fossil-free energy of the energy used by the plant to 98%.

The closure of the Tako paperboard mill in the summer of 2025 significantly reduced Metsä Board's fossil carbon dioxide emissions, as the mill's main fuel was natural gas. Before the mill was closed, emissions were reduced by the partial replacement of natural gas with biogas at the Tako power plant.

Optimising the minimum load of the Husum pulp mill's recovery boiler reduces the amount of fossil heavy fuel oil used as backup fuel when the pulp mill is not operating at full capacity.

The measures under the Kemi paperboard mill's development programme to improve water and energy efficiency were completed in 2025. To achieve its 2030 target, Metsä Board has mill-specific plans for investments to improve energy efficiency. The investment decisions will be made over the coming years. Investment decisions and roadmap progress are reviewed as part of annual planning. Future investments that are significant for climate change are reported in more detail in the Sustainability statement once they have been approved.

#### Scope 2 emissions

Metsä Board obtained guarantees of origin for all the electricity it purchased, which significantly reduced its Scope 2 emissions for 2025.

#### Other actions

In 2025, Metsä Group continued its investigations into carbon dioxide capture and piloted carbon dioxide capture at the Rauma pulp mill of Metsä Fibre, an associated company of Metsä Board. Metsä Group is moving forward with its carbon dioxide capture project in stages. Profitable business requires large investments and the development of recovery technology and the market.



## Greenhouse gas emissions in the value chain

### Continuous actions

The value chain's greenhouse gas emissions are reduced through emissions reduction targets jointly set by Metsä Group and its suppliers. For example, the joint 2030 target of Metsä Group and VR, a logistics group, will halve emissions from the transports covered by the cooperation. The joint target with Royal Wagenborg, a Dutch maritime logistics company, is to reduce products' carbon dioxide emissions from marine transports by 30% (per tonne per mile) from the 2021 level by 2030.

Logistics emissions will be continuously reduced by planning efficient routes, minimising transport distances, optimising fill rates and favouring rail connections to road connections on selected routes. For example, in the transport of products from the Kemi paperboard mill to ports, the load size of transport units is maximised, and all fuels are fossil-free. The measures primarily impact affect local communities and the company's own workforce.

### Actions taken during the reporting year

In accordance with Metsä Group's Scope 3 target set in 2024, the preparation of emissions reduction plans began in 2025. In 2025, no significant capital or operating costs were associated with greenhouse gas reductions in the value chain.

## Carbon balance of forests

### Continuous actions

Metsä Group's principles of regenerative forestry aim for measures in wood supply and forest services with which the state of nature will begin to verifiably improve in Finland. Regenerative forestry actions will increase forests' carbon storage, biodiversity and ability to adapt to climate change. The calculation and reporting of the carbon balance of forests is being developed in cooperation with forest owners and partners. Forest certification demonstrates that the forest has been managed sustainably.

Key practical actions related to climate change mitigation include the following:

- Forests are swiftly renewed after regeneration felling. The faster and better a new forest is established, the sooner it begins to store carbon from the atmosphere. Cultured seeds and seedlings of local tree species are used in renewal whenever available. Domesticated trees grow better than naturally generated trees.
- Young stand management and thinning ensure that stands remain vital, and growth is focused on the best trees.
- Forest fertilisation improves tree growth, maintains the growth conditions of the soil and ensures the vitality of trees.
- Increasing the share of continuous cover forestry helps curb and adapt to climate change, as it minimises the GHG emissions from peatland forests. The goal of continuous cover forestry is to maintain a steady surface level of groundwater to prevent the carbon stored in peat from being released into the atmosphere and to minimise impacts on waterbodies.

Metsä Group's Wood Supply and Forest Services have strategic sustainability targets for these actions, and they are presented in the table on *page 44*. The actions particularly affect Metsä Group's owner-members.

## Products

### Continuous actions

The aspects most relevant in terms of the climate impact and carbon footprint of paperboard packaging are the use of renewable raw material, the energy used in production, and the light weight and recyclability of the paperboard itself. Further reducing the weight of paperboard is a priority in Metsä Board's R&D operations. As Metsä Board shifts to using fully fossil-free energy in its production, the carbon footprint of the company's products will continue to decrease. Metsä Board's paperboards also offer an alternative to packaging materials made of non-renewable raw materials such as plastic.

- According to case-specific life cycle assessments carried out by Metsä Board, the carbon footprint of healthcare packaging, perfume and tea packaging made from the company's fresh fibre paperboard can be more than 40–60% smaller than that of recycled fibre or solid bleached board packaging of equivalent stiffness representative of packaging used in Europe. The results of the assessments have been verified by the Swedish research institute IVL Svenska Miljöinstitutet.
- Metsä Board's case studies comprising life cycle assessments of berry and takeaway food packaging show that packaging made from Metsä Board's paperboard has a significantly smaller carbon footprint than plastic (PET, R-PET, PP) packaging, regardless of the product's end-of-life treatment. In a simplified scenario where all packaging was incinerated at the end of its life cycle, the carbon footprint of packaging made from Metsä Board's paperboard was 87–91% lower than that of plastic packaging. This scenario did not take the significantly higher recycling rates for cardboard, which further increase its climate benefits, into account. The study took both biogenic carbon storage and biogenic carbon emissions into account. The results of the assessments have been verified by an independent panel consisting of representatives from the Swedish research institute RISE and SimaPro UK.

The technical background reports and verification statements for the carbon footprint assessments are available on Metsä Board's website. Carbon footprint calculations are constantly being developed and updated.

### Actions taken during the reporting year

In 2025, Metsä Board reduced the use of fossil-based binders in paperboard at its Husum paperboard mill. The investment programme launched at the Simpele paperboard mill in 2024 will enable the use of bio-based binders for paperboard coating in the future. R&D work will continue for other production units. These actions primarily affect customers and consumers.

Development work on protective wrapping for products continued in 2025. Thinner wrapping films were tested in mill trials and introduced in production at some mills, reducing the use of fossil-based plastic. A separate development project specified the cost and technical impacts of fossil-free raw material alternatives.

As of 2025, the target related to fossil free raw materials and packaging materials is no longer be monitored as part of the overall target framework. Almost all (99%) Metsä Group's raw materials and product packaging materials, including wood-based raw materials, are fossil-free. In the coming years, the main goal is to reduce the carbon footprint of products.

Further information about the company's R&D operations is available under section *E5 – Resource use and circular economy* and in the Board of Directors' report under *R&D and innovation*.

## Climate change adaptation

### Continuous actions

Climate change adaptation calls for adaptation to both acute hazards such as extreme weather phenomena and chronic hazards, caused by the impacts of climate change on water availability, harvesting conditions, growth conditions of different tree species, or snow, storm, drought, forest fire, insect, and fungi damage in forests.

- Metsä Board continuously prepares for the threats arising from extreme weather phenomena at both the company and mill levels. Examples of actions include controlling water levels with dam arrangements and ensuring power distribution in exceptional situations. The supply chain is preparing for alternative transport routes or partners. The company's production units are not located in areas of high water risk, which supports the company's competitiveness in the face of climate change. Metsä Board's target of reducing process water use and increasing water recycling within the process also reduces the water risk. These actions particularly affect local communities.
- Metsä Group's wood supply always considers weather conditions and related changes in harvesting. Wood is harvested only in suitable conditions. If required, wood storage can be used to smooth out variation caused by harvesting conditions. Metsä Group's regenerative forestry principles and sustainable forest management services help forests adapt to climate change and promote forest biodiversity. Regenerative forestry is discussed in greater detail under *E4 – Biodiversity and ecosystems*.

In 2025, no significant costs were related to climate change adaptation measures, and no such costs are expected in the coming years.

## Financial effects

No material physical climate risks are associated with Metsä Board's production units. The identification and assessment of physical climate risks at production units and the climate scenarios used are discussed in the *Material sustainability-related impacts, risks and opportunities* section.

No such assets at Metsä Board's production units have been identified that could be subject to a material transition risk or might lose value due to regulation related to the green transition (stranded assets). Metsä Board's production still generates fossil-based carbon dioxide emissions, but the company aims to phase out the use of fossil energy in the production by 2030. After this, production will no longer be connected with fossil-based carbon dioxide emissions. However, a small amount of biogenic greenhouse gases that are included in the Scope 1 and Scope 2 framework will still be generated.

Metsä Board is not significantly involved in sectors posing a substantial transition risk, such as the coal, gas or oil industries. Metsä Board's main transition risks are related to regulation concerning forest use and wood-based energy, the potential impact of which could increase costs in the long term.

Metsä Board is in the scope of the EU Emissions Trading System (ETS). In internal carbon pricing, the EU emissions trading price forecast for a tonne of carbon dioxide is used in the income and expense entries for production units. The price of emission allowances is expected to rise in line with the purpose of the emissions trading system. All investment and energy efficiency calculations also take the price of carbon dioxide into account, thereby steering processes towards low-carbon solutions. No estimate has been made of the share of emissions to which shadow pricing is applied. The price is determined annually, and for investments in a specific year, the price for that year is used. The price remains the same across the investment period. The company does not disclose the carbon price or related assumptions, as it considers this to be critical and strategically sensitive information for its business.

In 2025, a total of 363,421 (385,197) tonnes of free emission allowances under the EU ETS was allocated to Metsä Board's mills. The amount does not include allocation for Kaskinen, which was unavailable at the time of reporting. Known or reasonably expected cost increases include the end of free emission allowances after 2025 for mills at which sustainable biomass incineration accounted for, on average, more than 95% of the mill's GHG emissions in 2019–2023. The EU Emissions Trading System is being updated, and based on current knowledge, free emission allowances will be phased out entirely after 2030. Emission allowances are discussed in more detail in the consolidated financial statements under *Intangible assets*.

Regarding the financial opportunities of low-carbon products, Metsä Board's existing fresh-fibre paperboard packaging is particularly suited to replace fossil-based alternatives. Potential future products will be targeted at the global packaging market. Major carbon capture opportunities can be found in pulp mills, as the carbon dioxide generated there can be used in the chemical industry and hydrogen economy.

## ■ Metrics

### Energy consumption

MWh	2025	2024
<b>FUELS</b>		
Oil	138,884	240,897
Gas	324,280	434,125
Coal	0	0
Waste	24,102	39,482
Peat	0	17,306
Wood	4,554,519	5,441,356

#### PURCHASED ENERGY

Purchased electricity and heat, renewable wood-based	604,523	595,710
Purchased electricity and heat, other renewable	69,703	67,832
Purchased electricity and heat, fossil	8,865	138,860
Purchased electricity and heat, nuclear	1,241,024	1,214,985

#### CONSUMPTION OF SELF-GENERATED NON-FUEL RENEWABLE ENERGY

Consumption of self-generated hydro power	19,641	30,010
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#### TOTAL ENERGY CONSUMPTION

Total energy consumption, renewable wood-based	5,159,042	6,037,066
Total energy consumption, other renewable	89,344	97,842
Total energy consumption, fossil	496,130	870,670
Total energy consumption, nuclear	1,241,024	1,214,985
<b>Total energy consumption</b>	<b>6,985,541</b>	<b>8,220,563</b>

#### ENERGY INTENSITY (MWh/EUR turnover)

Energy intensity	0.004	0.005
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The turnover used in energy intensity calculations can be found in the consolidated financial statements under *Consolidated statement of comprehensive income*.

### Energy consumption by energy source

%	2025	2024
Renewable wood-based	74	73
Other renewable energy	1.3	1.2
Nuclear energy	18	15
Fossil fuels	7.1	11

### Energy production

MWh	2025	2024
Self-generated energy, renewable	4,135,116	4,840,823
Self-generated energy, fossil	247,232	398,199

## GHG emissions

	Base year 2022	2025	2024	Change % (2025/2024)
<b>Scope 1 GHG emissions</b>				
Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)		139,723	192,098	-27%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		100	100	0%
<b>Scope 2 GHG emissions</b>				
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)		143,634	259,496	-45%
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)		2,082	84,990	-98%
<b>Significant Scope 3 GHG emissions</b>				
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)		1,587,316	1,789,138	-11%
1 Purchased goods and services		400,842	485,533	-17%
2 Capital goods		33,049	27,746	+19%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)		42,212	73,778	-43%
4 Upstream transportation and distribution	368,052	280,567	300,233	-6.6%
5 Waste generated in operations		661	727	-9.1%
6 Business traveling		607	937	-35%
7 Employee commuting		1,883	1,926	-2.2%
9 Downstream transportation		5,571	7,304	-24%
10 Processing of sold products		348,447	275,061	+27%
11 Use of sold products		1,906	1,846	+3.3%
12 End-of-life treatment of sold products		436,968	563,093	-22%
15 Investments		34,601	50,954	-32%
<b>Total GHG emissions</b>				
Total GHG emissions (location-based) (tCO <sub>2</sub> e)		1,870,673	2,240,732	-17%
Total GHG emissions (market-based) (tCO <sub>2</sub> e)		1,729,120	2,066,226	-16%

No base year or target year has been reported for Scopes 1 and 2 emissions, as Metsä Board's emissions reduction target only applies to fossil carbon dioxide emissions. The current Scope 3 target focuses on reducing greenhouse gas emissions from transport services purchased by the company. The target is intensity-based, and the preparation of related emissions reduction plans began in 2025. As emissions modelling is still in its early stages, no target year has been reported as yet. Planning for an absolute Scope 3 emissions reduction target is underway. The targets are discussed in more detail in section *E1 Metsä Board's 2030 sustainability targets* and in the *transition plan for climate change mitigation*.

## GHG intensity

	2025	2024
GHG intensity based on turnover, Scope 1, 2 and 3 (market-based), tCO <sub>2</sub> e/euros	0.001	0.001
GHG intensity based on turnover, Scope 1, 2, 3 (location-based), tCO <sub>2</sub> e/euros	0.001	0.001
GHG intensity based on turnover, Scope 1 and 2 (market-based), tCO <sub>2</sub> e/euros	0.0001	0.0002
GHG intensity based on turnover, Scope 1 and 2 (location-based), tCO <sub>2</sub> e/euros	0.0002	0.0002
GHG intensity based on production, Scope 1 and 2 (market-based), tCO <sub>2</sub> e/t	0.1	0.1
GHG intensity based on production, Scope 1 and 2 (location-based), tCO <sub>2</sub> e/t	0.1	0.2

The turnover used in emission intensity calculations can be found in the consolidated financial statements under *Consolidated statement of comprehensive income*.

## Wood-based biogenic carbon dioxide emissions

tCO <sub>2</sub>	2025	2024
Wood-based biogenic carbon dioxide emissions	1,803,590	2,154,777



## Reporting principles for metrics

### Forest management targets

The scope of forest regeneration and young stand management includes, in hectares, the soil preparation and young stand management, i.e. early cleaning and thinning, conducted by Metsä Group's Wood Supply and Forest Services. The scope of forest fertilisation includes, in hectares, the growth, boron and ash fertilisation conducted by Metsä Group's Wood Supply and Forest Services. The share of continuous cover forestry in peatland forest regeneration includes standing sales concluded by Metsä Group's Wood Supply and Forest Services, as well as the group selection cutting, selection cutting and strip felling carried out to regenerate peatlands, and it is calculated based on the amount of felling. If land area-based felling was used in the calculation, the result is 27% (22).

### Energy consumption

Energy consumption encompasses all Metsä Board's production units. Metsä Board's internal heat transfer is taken into account to avoid double counting. Energy consumption is expressed as final energy consumption, which means that the efficiency factors of electricity and heat are not taken into account.

Final energy consumption is obtained by summing up the fuel consumed at production units, self-generated hydropower, and the amount of purchased electricity and purchased heat. Internal logistics, including the fuel consumption by internal logistics, and the electricity purchased for buildings outside mill areas such as warehouses and office facilities, is excluded from the calculation, as their share of total energy consumption, and thus of Scope 1 and Scope 2 emissions, is assessed as non-material. Local factors are used to calculate the energy contained in different fuels. Metsä Board's heat consumption is mainly based on steam. Peat is classified as a fossil fuel. Waste is partly fossil-based and partly bio-based. The classification of waste into fossil and biogenic is done for each mill and is based either on the composition of the waste or on factors provided by Statistics Finland when the origin is not specifically verified. Differences in composition are taken into account in the emissions calculation, and for this reason the shares are not reported separately.

Metsä Board's main business, paperboard and market pulp business, is considered a high impact climate sector. Energy intensity has therefore been calculated based on the entire company's energy consumption and turnover.

The improvement of energy efficiency is determined as specific energy consumption, meaning the ratio of energy consumption and production volume. Specific energy consumption is calculated for individual production lines, including the consumption of electricity, heat and fuels as megawatt hours (MWh). Tonnes and cubic metres are both used as units in production volume calculations. They are considered to be of equal value. The energy efficiency of Metsä Board's power plants is not taken into account in calculations. Discontinued lines are included in the calculations for as long as they are used in production. Closed down in 2025, Tako was added to the company's building stock. After the end of production operations, the electricity used has remained fossil-free, and the guarantees of origin covered all purchased electricity used for property maintenance throughout the year. New production units are included in the calculations from the year in which their production begins.

The amount of waste used as fuel has been corrected from 71,382 megawatt-hours to 39,482 megawatt-hours. The amount of self-generated fossil energy has been corrected from 417,213

megawatt-hours to 398,199 megawatt-hours. The corrections were made due to errors identified after the 2024 reporting, including the use of an incorrect energy unit in the plant's calculation. The corrections have also been reflected in the total energy consumption for 2024.

### GHG emissions

GHG emissions include the emissions of all Metsä Board production units. In emissions calculations, Metsä Board's internal heat transfer is taken into account to avoid double counting. GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The scope of reporting is based on operational control. Reporting covers direct GHG emissions (Scope 1) from Metsä Board's own operations, indirect GHG emissions (Scope 2) from the production of purchased energy, and indirect GHG emissions from other parts of the value chain (Scope 3), including upstream and downstream. Power plant emissions are allocated to the production units that use the energy generated by the plants.

The calculation includes all the greenhouse gases covered by the GHG Protocol (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub>). Emissions have been converted into carbon dioxide equivalents.

Scope 1 emissions have been calculated from the fuels used by production units. The calculation is based on supplier-specific emission factors for fuels or on national emission factors. Diffuse emissions have been excluded. Two different methods are used for Scope 2 carbon dioxide emissions. The market-based method uses supplier-specific emissions factors, supplemented with national residual mix emission factors for untracked purchased electricity. In the location-based method, country-specific average emission factors for electricity are used. The residual mix factors and country-specific factors have been obtained from the AIB (Association of Issuing Bodies) report on emission factors. The use of emission factors always involves uncertainty, as the factors are based on average values that may not reflect the special characteristics of operations or the situation at the time. Where possible, the factors are updated with supplier-specific values.

In 2025, 100% (90) of Metsä Board's purchased electricity was covered by guarantees of origin, of which 78% (80) had been defined in electricity purchase agreements. Of all the guarantees of origin for purchased electricity:

- 72% (75) were nuclear power certificates with a long-term power purchase agreement;
- 5.3% (5.1) were hydropower certificates with a long-term power purchase agreement;
- 22% (20) were nuclear power certificates without a long-term power purchase agreement.

In 2025, 35% (37) of Metsä Board's heat purchases were covered by guarantees of origin defined in heat purchase agreements. Of the guarantees of origin, 100% (100) were biomass certificates from Metsä Fibre's Äänekoski bioproduct mill, which is Metsä Board's only heat supplier in Äänekoski. The remaining 65% (61) of purchased heat was acquired from Metsä Fibre at the Kemi and Joutseno integrated mills. Of this, 99.8% (99) was biomass-based renewable heat.

Metsä Board's 2030 sustainability target, "0 tonnes of fossil-based carbon dioxide emissions", concerns Scope 1 and Scope 2 emissions, and only encompasses fossil-based carbon dioxide emissions, excluding other greenhouse gases. In other

respects, the target has been calculated in accordance with the GHG Protocol. The target does not include buildings outside the mill areas or internal logistics, as their share of emissions is assessed to be non-material. The baseline year is 2018, which was selected because it was a year of steady production, thus representing a normal year very well. The target will be reviewed at least every five years, starting from 2030.

Biogenic carbon dioxide emissions are generated from wood-based fuels and include only Scope 1 associated biogenic carbon dioxide emissions. A carbon dioxide emission factor of 396 tonnes of CO<sub>2</sub>/GWh, provided by Statistics Finland, has been used in their calculation.

The materiality of each of the 15 Scope 3 categories has been determined using a spend-based materiality assessment. All the categories assessed as material are calculated. Categories in which the amount of greenhouse gases was insignificant were also included in the Scope 3 inventory. The categories included in the calculation are listed in the table on GHG emissions. Only three categories have been excluded from the calculation – upstream leased assets, downstream leased assets and franchising – as they were assessed as non-material. Metsä Board does not have significant leased assets under Scope 3 that would not already be included in Scope 1 and Scope 2. Metsä Board does not engage in franchising. All the Group's companies are included in the calculation.

The Scope 3 inventory has been calculated as tonnes of CO<sub>2</sub> equivalent, excluding biogenic CO<sub>2</sub>. For biogenic Scope 3 carbon dioxide emissions, the emissions resulting from biomass sold for energy use (Category 11) have been calculated and reported separately (58,012 tCO<sub>2</sub>e in 2025). The reporting is subject to uncertainty due to the limited data available, and the reporting will be further developed in future reporting periods. The operational data used in the calculation are obtained from Metsä Group's internal systems. In the absence of accurate data, assumptions have been used. The emission factors used are mainly from global databases, including ecoinvent 3.12, EXIOBASE 3, DEF-RA's GHG conversion factors (full set 2022) and IEA v8 - IEA 2025 (11/2025). In category 4, "Upstream Transportation and Distribution", supplier-specific emission factors have been used for 79% (56) of Metsä Board's activity data. In category 1, "Purchased Goods and Services", supplier-specific emission factors have been used for 82% (81) of raw materials and packaging materials included in Metsä Board's purchases (excluding raw wood). To improve accuracy, we aim to collect supplier-specific emission factors when they are available. Emission factors are reviewed annually to ensure that the latest emission factors are used.

Regarding purchased goods and services, in the absence of accurate data, assumptions and generalisations have been made in the selection of a suitable emission factor for specific purchase categories or individual materials and services, for example. Assumptions have also been made for raw materials and packaging materials when converting them from different units to tonnes, where average conversion factors have been used in the absence of product-specific data.

Some of the supplier-specific emission factors in logistics only cover CO<sub>2</sub> in current calculations, but they will be updated to include other material greenhouse gases in the next few years as the international disclosure guidelines for logistics develop. Currently, many of the supplier-specific emission factors in logistics only cover TTW (tank-to-wheel) emissions. As a rule, WTW (well-to-wheel) emission factors are used if available from suppliers. In the case of suppliers and transport routes for which supplier-specific emission factors are unavailable, the library

factors considered most suitable have been used. The selection of emission factors involves assumptions of the transport mode and more specific type of transport fleet based on the available activity data, for example.

In the absence of accurate data when calculating the processing of sold products, assumptions have been made of the processing methods of products sold to customers. The Group's calculations are not based on primary data collected from customers. Suitable emission factors have been chosen for the assumed product processing methods.

The products' waste treatment methods have been estimated based on publicly available location-based waste treatment data, including statistics (Eurostat, Statista, state statistical offices) and studies (EPA, PEFCR, ResearchGate, MDPI), as well as the Group's information about the products' sales areas. The Group's calculations are not based on primary data collected from customers or end-users, and in the absence of accurate data, assumptions have been made on the final waste treatment methods of products sold based on the sales areas and publicly available waste treatment statistics.

Metsä Board's investment emissions data are based on the company's share of Metsä Fibre's Scope 1 and Scope 2 emissions, corresponding to Metsä Board's holding (24.9%) in Metsä Fibre, excluding the emissions associated with pulp raw materials procured from Metsä Fibre that have been assigned to the first category of the Scope 3 inventory.

Metsä Board has set a target to reduce greenhouse gas emissions in Scope 3, category 4, "Upstream Transport and Distribution", by 30% per tonne-kilometre, relative to a 2022 baseline. The base year 2022 represents a normal year for business operations and is the first year for which Scope 3 emissions have been calculated using the current method. The regulatory impacts have been taken into account in setting the Scope 3 target. It has been assumed that regulation will promote the achievement of this target, as it encourages maritime and land logistics to use lower-emission fleets. In addition, regulation has increased the demand for low-carbon footprint products, especially in Europe. The metric includes all emissions calculated in category 4, which consist of product transport to customers paid for by Metsä Board, wood transport, port operations and storage, as well as transport of raw materials to Metsä Board that are not included in Scope 3, category 1 "Purchased Goods and Services" emissions. Transport emissions have been calculated using mode-specific emission factors based on average data such as the DEFRA database and factors collected from suppliers, and for port operations and warehouses, emission factors from the EXIOBASE database. The metric calculates the greenhouse gas emissions for each sub-area and divides them by the total tonne-kilometres of the corresponding transports. The intensity of transport emissions is monitored annually against the reduction target.

A more detailed description of calculation methods for Scope 3 emissions is available on *Metsä Group's website*.

The metrics have not been validated by an external party.

## E2 – Pollution

### Pollution-related impacts, risks and opportunities

Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board		Value chain stage	Time horizon	
Pollution of air, water and soil							
↓	In addition to greenhouse gases, production causes emissions to air, most of which originate from combustion processes in production and power plants. Production also generates wastewater discharges. The company has environmental liabilities related to former activities on industrial sites that have since been closed, sold or leased, and from decommissioned landfill sites.  Pollution of air, water, and soil resulting from technical faults or human error, which may be harmful to the environment, particularly due to repeated exceedances of emission limits laid down in environmental permits.			↓	<b>Risk:</b> Abnormal emissions that may give rise to liability for compensation, the costs of corrective actions, and the impact on Metsä Board's reputation as a responsible operator		
				↑	<b>Opportunity:</b> Verification of emissions minimisation to customers by using the best available techniques and certified management systems		
Microplastics							
↑	Products produced mainly from renewable raw materials offer an alternative to plastic packaging and enable the reduction of microplastics.			↑	<b>Opportunity:</b> Increase in the demand for Metsä Board's products		
↑ Positive impact on the environment and society or on Metsä Board's business ↓ Negative impact on the environment and society or on Metsä Board's business				Upstream value chain       Short-term (less than one year) Own operations       Medium-term (1–5 years) Downstream value chain       Long-term (more than 5 years)			

### Targets

Metsä Board does not have public targets related to pollution prevention, but the Environmental Protection Act and the emission limits defined in production units' environmental permits guide operations, and thus encourage the prevention of environmental pollution or its limiting to a minimum. Production units have internal targets that are stricter than the emission permit conditions. In accordance with the Environmental Policy, negative environmental impacts are minimised, and environmental efficiency is improved by developing operations in compliance with the principles of sustainability and continuous improvement.

### Material emissions to air, water and soil

Most of Metsä Board's emissions to air originate in the pulp mills' and power plants' combustion process. The primary emissions are carbon dioxide, sulphur dioxide, nitrogen oxides and particles. Small amounts of reduced sulphur compounds are also generated at pulp mills. Their amounts are reduced with the meticulous control of combustion processes and purification of flue gases.

Wastewater discharges primarily consist of nutrients (phosphorus and nitrogen), organic substances measured as chemical and biological oxygen demand, as well as suspended solids. The wastewaters of pulp production also contain organic chlorine compounds, sodium and sulphates. Emissions to water are reduced by reducing water use, making processes more efficient and using efficient abatement technology.

The company generates very small amounts of heavy metal emissions to water and air, and most of the substances such as zinc and nickel originate from the wood raw material. Metsä Board's normal operations do not generate emissions to soil containing heavy metals.

### Policies

Metsä Board's sustainability work related to pollution prevention is guided by Metsä Group's Environmental Policy. Metsä Board is committed to protecting the environment and ensuring chemical safety, preventing environmental pollution and continuously developing production processes by employing the best available methods and techniques. The Environmental Policy is described in greater detail under *G1 – Business conduct*.

In the Forerunner in sustainability strategic programme, the environmental focus is on implementing the planned actions aimed at achieving the strategic sustainability targets in water and energy efficiency, for example.

Environmental management and continued environmental performance are guided by the requirements of the production units' certified quality, environmental management and energy management systems. The production units' environmental management practices are described in greater detail in the company's internal environmental management policies. A key goal is to actively engage in preventive work, which is the most effective way of preventing leakage and disruptions. Production unit employees continuously observe their work environment, actively make environmental observations and take immediate corrective actions if required. Regular environmental walks are carried out at Metsä Board. In addition, employees are offered training and regular info sessions on environmental topics. The production units systematically conduct risk assessments and internal and external audits in accordance with the ISO 14001 and ISO 50001 standards.

All Metsä Board employees have the right and responsibility to report a situation that may cause a leakage or failure. Any infringement of environmental permit limits and significant deviations are investigated, and corrective actions are determined. The production unit's management is always in charge of the investigations, as well as the adequacy and implementation of corrective actions.

The terms and conditions of maintenance and procurement project agreements for production unit sites contain minimum environmental requirements for goods and service suppliers. Suppliers are required to immediately report any observed hazards, accidents or other equivalent matters to Metsä Board's contact person. Suppliers must participate in the investigation of any environmental deviation or damage resulting from their operations, determine corrective actions and take part in compensating for the damage in accordance with the applicable law and the "polluter pays" principle. Ways of ensuring suppliers' responsibility are discussed in more detail under *G – Governance*.

## ■ Actions

### Pollution of air, water and soil

#### Continuous actions

The best available techniques (BAT) are used in production, and environmental performance is monitored continuously. All Metsä Board production units have a valid production unit-specific environmental permit or equivalent official decision. The environmental permit and the related programme for monitoring emissions and impacts set the minimum requirements for the observation of environmental impacts. In addition to emissions, observations typically focus on waterbodies, fish stock, air quality and noise levels. Regular risk assessments and official inspections ensure the adequate scope of observations, the adequacy of the production unit's performance and the prevention of disturbances. Any deviations and related corrective actions are immediately reported to the authorities. In 2025, no environmental pollution causing significant damage and corrective action occurred at Metsä Board. Furthermore, there were no significant chemical or other leaks resulting from the operations in 2025.

Environmental permits and the best available techniques are also ways to consider stakeholders living in the vicinity of production units in pollution prevention. More information about engaging with stakeholders is provided under *S3 – Affected communities*. Production processes are developed in line with continuous improvement and targets. For example, emissions to air are reduced through careful control of combustion processes and flue gas cleaning, while emissions into waterways are reduced by minimising water consumption, and improving the efficiency of processes and wastewater treatment. Environmental impact assessments are conducted in process modification projects if required.

All Metsä Board production units come under the scope of the EU's Industrial Emissions Directive and BAT conclusions. In addition, the main boilers of the production units' power plants come under the scope of the EU's Industrial Emissions Directive and the BAT conclusions concerning large combustion plants.

#### Actions taken during the reporting year

Emissions to air and water have, for the most part, decreased moderately compared with the previous year. This is the result of the general market situation and production limitations.

Optimisation of the Husum pulp mill's bark boiler in 2025 will significantly reduce Husum's nitrogen oxide emissions. Water recycling from the Kemi paperboard mill for the production of unbleached pulp, as well

as the renewed oil separator and water distribution system at the Simpele paperboard mill, aim to reduce water withdrawals and wastewater to the wastewater treatment plant. In addition, the new oil separator reduces the risk of oil pollution. The BCTMP mill in Joutseno improved the process for washing wood chipper rejects to reduce raw material waste, as well as the solids load and chemical oxygen demand in wastewater treatment. In 2025, no significant capital or operating expenditure was allocated to key actions to prevent pollution.

## Microplastics

Metsä Board's products do not contain microplastics, but some of the products used for industrial purposes at production units contain components classified as microplastics. For example, the Husum paperboard mill has an extrusion coating line where food service boards are coated with polyethylene (PE). The waste material generated in coating is recovered and delivered to cooperation partners for reuse. In its packaging materials, Metsä Board uses plastic and kraftliner to protect the finished paperboard products during storage and transport.

Metsä Board's products, produced mainly from renewable raw materials, already offer an alternative to plastic packaging and enable the reduction of microplastics. The products are described in greater detail under *E5 – Resource use and circular economy*.

## ■ Financial effects

In 2025, Metsä Board's environmental liabilities totalled EUR 0.9 (1.9) million, and its environmental expenses amounted to EUR 12 (15) million. The environmental expenses consist mainly of expenses related to the use and maintenance of environmental protection equipment, expenses related to waste management and environmental insurance, and the depreciation of capitalised environmental expenses.

The company has environmental liabilities related to former activities on industrial sites that have since been decommissioned, sold or leased, and from closed landfill sites. Financial provisions for the costs of land rehabilitation work have been made in cases where it has been possible to measure the company's liability for land contamination and any post-treatment obligations. The provisions total EUR 0.7 (1.7) million.

The pollution-related risks and opportunities identified in the materiality assessment are presented in the table on page 54. The likelihood of significant accidental discharges is low due to the control measures in use, and no material financial effects such as compensation or depollution costs are known of or reasonably expected.

No significant environmental impacts, claims or compensation related to the pollution of air, water and soil were recorded in 2025, nor was there any significant media visibility related to these topics. Environmental permit deviations are presented in a table under *Metrics*.



■ Metrics

Environmental permit deviations at Metsä Board's mills

Mill	Time of incident	Incident	Corrective action
Äänekoski	1/2025	Solids reduction at wastewater treatment plant fell below monthly permit limit	More precise process adjustment
Äänekoski	2/2025	Solids reduction at wastewater treatment plant fell below monthly permit limit	More precise process adjustment
Äänekoski	5/2025	Solids reduction at wastewater treatment plant fell below monthly permit limit	More precise process adjustment
Kyro	7/2025	Three instances of daily permit limit exceedances for HCl and CO emissions to air from the power plant	Production stabilisation
Kaskinen	8/2025	Exceedance of monthly permit limits for phosphorus and nitrogen at wastewater treatment plant	Better chemical management
Kyro	10/2025	Exceedance of the monthly permit limit for NO <sub>x</sub> emissions to air from the power plant	More precise process adjustment
Kyro	10/2025	Seven instances of daily permit limit exceedances for NO <sub>x</sub> and CO emissions to air from the power plant	Boiler shutdown for the renewal of the platform
Kyro	10/2025	Two instances of daily permit limit exceedances for CO emissions to air from the power plant	More precise process adjustment

There were 17 exceedances of environmental permit limits. No deviations causing a significant environmental impact.

Emissions to air

t	2025	2024
Sulphur dioxides (SO <sub>2</sub> )	155	184
Nitrogen oxides (NO )	1,068	1,363
Fine particulate matter (PM2,5)	31	33

kg	2025	2024
Ammonia (NH )	52,368	59,360

The table includes only the emissions from those production facilities that exceed the facility-specific threshold value defined in Annex II of Regulation (EC) No 166/2006.

Emissions to water

t	2025	2024
Adsorbable organic halides (AOX)	40	45
Chemical oxygen demand (COD)	9,976	9,743
Biological oxygen demand (BOD)	762	635
Phosphorous (P)	19	22
Nitrogen (N)	134	156
Suspended solids	1,366	1,662

kg	2025	2024
Arsenic (As)	24	29
Chromium (Cr)	0	148
Copper (Cu)	0	60
Nickel (Ni)	0	204
Lead (Pb)	0	31
Zinc (Zn)	140	2,566

The table includes only the emissions from those production facilities that exceed the facility-specific threshold value defined in Annex II of Regulation (EC) No 166/2006.

Reporting principles for metrics

Emissions to water and air include the material emissions from Metsä Board's production units. Discontinued lines are included in the calculations for as long as they are used in production. Emissions are also reported to the authorities.

Water discharges are determined based on laboratory measurements. Emissions to water are calculated as a combination of waterflows and concentrations. Any wastewater discharges of third parties handled in the wastewater treatment plants are excluded from reporting. Emissions to air are determined based on continuous and/or one-off measurements. The final emissions are calculated as a combination of airflows and concentrations.

Emissions are allocated to internal and external inflows by first making an assumption, based on prior measurements, of the reduction in chemical oxygen demand (COD) for each inflow, and later adjusting them to correspond to the unit's actual COD reduction. Other emissions are allocated based on the flow. At integrated mills, the amount of COD is allocated to parties using the wastewater treatment plant based on the quality of COD. Discharges fed through external (usually municipal) wastewater treatment plants are taken into account with the assumption of an 85% reduction in COD.

Limitations of measurements based on flow measurements are discussed under *E3 – Water and marine resources*.

Biological oxygen demand (BOD) and emissions of phosphorus and suspended solids are calculated based on the flow, using the following residual concentrations: BOD 10 mg/l, total phosphorus 0.5 mg/l and suspended solids 10 mg/l. Total nitrogen emissions are considered to be zero, as municipal wastewater contains excess nitrogen, and the reduction of BOD binds nitrogen to biomass, reducing the unit's total nitrogen emissions. A seven-day measuring period (BOD7) is used to determine BOD.

Heavy metal reporting is conducted annually using the latest available analysis data and flow rates. The analysis frequency varies between production units, which is why not all measurement results are from the reporting year.

The metrics have not been validated by an external party.

## E3 – Water and marine resources

### Impacts, risks and opportunities related to water and marine resources

Material sub-sub-topics	Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
<b>Water</b>						
Water withdrawals	↔ Metsä Board's production units are located in areas of low or low-medium water risk that have large surface water reserves. The operations are designed so they do not limit other parties' rights or opportunities to use water.	●○	==	↑ <b>Opportunity:</b> The production units' location in areas of low water risk, which supports the Group's competitiveness in a changing climate. Cost benefits from reduced process water consumption, improved energy efficiency and water risk minimisation. The reduced need for clean water and recycling of process water in production processes reduce the water load on natural waters and improve Metsä Board's reputation as a responsible operator.	●○	==
Water consumption	↔ The production process for pulp and paperboard products requires large amounts of water, but water consumption is low in relation to the amount used. Approximately 95% of the water is returned to waterways after use, and approximately 5% evaporates into the air or binds to products.	●○	==	↓ <b>Risk:</b> Failure to reduce water consumption in line with the target, which prevents cost benefits being realised and water risks from being minimised, and weakens Metsä Board's reputation as a responsible operator.	●○	==
Wastewater discharges	↓ Wastewater discharges from production and the potential local heat load from cooling water returned to waterways (water emissions described in section E2 – Pollution).	●○	==			

↑ Positive impact on the environment and society or on Metsä Board's business  
 ↓ Negative impact on the environment and society or on Metsä Board's business  
 ↔ Neutral impact on the environment and society or on Metsä Board's business

●○ Upstream value chain      ■■■ Short-term (less than one year)  
 ○● Own operations      ■■■ Medium-term (1–5 years)  
 ○● Downstream value chain      ■■■ Long-term (more than 5 years)

### Metsä Board's 2030 sustainability target

	2030 target	2025	2024	2023	2018
Reduction in process water use per produced tonne from the 2018 level, %	-35	-6.4	-11	+3.5	21 m³/t

The production line for unbleached pulp in Kemi, which became the property of Metsä Board in 2024, has not yet been included in the calculations concerning water and energy efficiency targets.

Metsä Board's strategic 2030 sustainability targets, and their setting and monitoring, are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*. The company's target concerning water resources is based on estimates of what can be achieved with the best available techniques (BAT). The use of the best available techniques is discussed under *E2 – Pollution*. In addition to the company-level target, all production units have targets for water use, which are regularly monitored.

#### Progress in target

- **Reduction in process water use per produced tonne from the 2018 level** – In 2025, shutdowns at mills due to the market situation and investments weakened the efficiency of process water use despite the development measures taken.

#### ■ Policies

Metsä Board's water resource management and environmental targets are guided by Metsä Group's Environmental Policy. Resource efficiency is a key part of the policy, and Metsä Board is committed to reducing its water use in line with sustainability targets. Wood supply is described in greater detail under *G1 – Business conduct*.

In the environmental permits of production units, attention is paid to water resources and their adequacy. Environmental management and

continued environmental performance are guided by the principles of the production units' certified quality, environmental and energy management systems, as well as environmental management principles. The production units conduct planned risk assessments, as well as internal and external audits, in accordance with the ISO 14001 and ISO 50001 standards.

Metsä Board does not have separate policies or practices related to seas and oceans, as it does not use sea water in its production process.

In the Forerunner in sustainability strategic programme, the environmental focus is on implementing the planned actions aimed at achieving the strategic sustainability targets in water and energy efficiency, for example.

Policies related to water discharges are discussed under *E2 – Pollution*.

#### ■ Actions

##### Continuous actions

Metsä Board's water consumption is low in relation to the volume of water used. Of all the water consumed, approximately 95% (95) is returned to waterbodies after use, and the remaining 5% (5) evaporates in the processes or is bound to the products. The best available techniques are used in production, and environmental performance is monitored continuously. Increasing the efficiency of water use supports the circular economy and energy efficiency and minimises emissions. Metsä Board's actions to

reduce process water use in line with the 2030 sustainability target include investments in processes and wastewater treatment, as well as process development to use less water. The actions improve water recycling and reduce water withdrawal from waterbodies.

The impacts, risks and opportunities, as well as management methods related to wastewater discharges, are discussed under *E2 – Pollution*.

Actions taken during the reporting year

The efficiency of water use was enhanced by actions to improve water recycling in Kemi and Simpele, for example. The actions are discussed in more detail in section *E2 – Pollution Actions*. Other actions to enhance water use were carried out as changes to operating methods or training for employees. In 2025, no significant capital or operating expenditure was allocated to key actions to enhance water use efficiency. To achieve its 2030 target, Metsä Board has mill-specific plans for investments to improve the efficiency of water use. The investment decisions will be made over the coming years.

Financial effects

As Metsä Board’s production units are located in areas at low water risk, no water-related expected financial effects were identified in the materiality assessment or in the analysis of climate change-induced physical risks conducted as part of the materiality assessment. The production units’ close proximity to abundant surface water reserves is an opportunity for the company in the management of climate-change-induced physical risks, for example. Increasing the efficiency of water use also affects energy efficiency, thus enabling cost savings.

Metrics

Water withdrawals and consumption and wastewater discharges		
1,000 m³	2025	2024
WATER WITHDRAWAL		
Surface water	84,938	105,796
Groundwater	27	33
Total water withdrawal	84,965	105,829
WATER CONSUMPTION		
Water consumption	4,333	5,189
WATER INTENSITY (water consumption m³/EUR turnover)		
Water intensity	0.003	0.003
WASTE WATER FLOW		
Waste water flow	44,460	48,540

The turnover used in water intensity calculations can be found in the consolidated financial statements under *Consolidated statement of comprehensive income*.

Reporting principles for metrics

Water withdrawals and consumption

Water withdrawals include the water withdrawn at Metsä Board’s production units for production and cooling.

Water consumption is an estimate of the amount of water that has evaporated in production and wastewater treatment, and water bound in products and wastewater treatment sludge. The calculation is based on an estimate, which considers the matters mentioned above, as well as direct water withdrawal, the water contained in raw materials and the water returned to waterbodies.

Process water means the water moved from the production process to wastewater treatment. Process water use per tonne produced is based on continuous measurements and is calculated from the process water used as cubic metres per tonne of product produced.

All process water directed to treatment circulates at least once. The most relevant factors in this context are the amount of process water withdrawals and the amount of water conveyed to the treatment plant (m³/tonne of product). The volume of stored water is not disclosed due to non-materiality: as a rule, water is not stored.

Wastewater

Wastewater is cleaned water returned to waterbodies after the wastewater treatment process. In addition to process water, the volume of treated wastewater includes other water generated by wastewater treatment.

At Metsä Board’s production units, the flow of wastewater discharges is determined with continuous flow meters. The measurement of wastewater load is described in more detail on page 33.

Measurements based on flow meters carry a margin of error. However, the flow meters are regularly calibrated, and the measurement results are also controlled by the supervisory authority.

Discontinued lines are included in the calculations for as long as they are used in production.

The metrics have not been validated by an external party.

## E4 – Biodiversity and ecosystems

### Material impacts, risks and opportunities related to biodiversity and ecosystems

Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
<b>Direct impact drivers of biodiversity loss</b>					
↓ <b>Climate change:</b> Climate-warming greenhouse gas emissions from Metsä Board's production	●○○○	---■	↓ The risks, opportunities and actions related to climate change are discussed under <i>E1 – Climate change</i> .		
↔ The company's biogenic carbon dioxide emissions classified as carbon-neutral.	○○●○	---■			
↓ <b>Pollution:</b> The emissions to water, air and soil from production units that can have a negative impact on species and ecosystems in the area.	○○●○	---■	↓ The risks, opportunities and actions related to pollution are discussed under <i>E2 – Pollution</i> .		
↓ Nutrient, suspended solids, humus and metal load in small waters and waterways caused by wood supply activities, which results in eutrophication or darkening of waterbodies	●○○○	---■	↓ <b>Risk:</b> Weakening of Metsä Board's reputation as a sustainable operator particularly among local communities.	○○●○	---■
↓ <b>Land-use changes:</b> A new production unit takes up space from any natural environment originally on the site.	○○●○	---■	↓ <b>Risk:</b> Weakening of Metsä Board's reputation as a sustainable operator particularly among local communities.	○○●○	---■
↓ <b>Direct exploitation:</b> Metsä Board uses wood as its raw material but does not own any forests that are significant for wood supply. The majority of wood raw material is sourced from forests, whose use is decided by the forest owner.	●○○○	---■	↓ <b>Risks</b> are discussed under <i>Impacts on the state of species and the extent and condition of ecosystems</i> .		
<b>Impacts on the state of species and the extent and condition of ecosystems</b>					
↓ Commercial forest use reduces the amount of dead wood and changes forest structure, which leads to changes in the state of species and the condition of ecosystems.	●○○○	---■	↓ <b>Risks:</b> <ul style="list-style-type: none"> <li>Regulation that emphasises the protection of forest nature to promote biodiversity restricts felling volumes or increases wood supply costs</li> <li>A complex regulatory environment that sets conflicting requirements for the forest industry</li> <li>Ecological compensation, which may increase the protection of commercial forests, as industries exploiting non-renewable materials strive to compensate their negative impacts while continuing to use non-renewable materials</li> <li>Consumers' perception of forests as protected areas, which may reduce consumption of wood-based products</li> <li>If the state of nature continues to weaken, the legitimacy and acceptability of the forest industry, as well as the reputation of Metsä Board and Metsä Group as sustainable operators, will suffer.</li> </ul>	●○○○	---■
↑ Metsä Group aims to measurably and verifiably strengthen the state of nature by 2030. If achieved, this will have a positive impact on the state of nature	○○●○	---■	↑ <b>Opportunities:</b> <ul style="list-style-type: none"> <li>The improved state of nature and the comprehensive management of benefits obtained from nature, or ecosystem services, which make forests more able to adapt to climate change.</li> <li>Improvement of Metsä Board's reputation as a responsible operator as a result of operating in compliance with the principles of regenerative forestry and success in strengthening the state of nature</li> </ul>	○○●○	---■
↓ Drainage of peatland forests, causing changes in habitats and potentially reducing biodiversity	●○○○	---■	↓ <b>Risk:</b> Regulation that emphasises the special role of peatlands as large carbon reservoirs, sources of GHG emissions, and potential restoration and protection sites restricts felling volumes.	●○○○	---■
↓ If valuable habitats or endangered species are not identified or taken into account in wood supply and forest management, fewer forests will offer special ecological value, and the number of individuals representing endangered species will decline	●○○○	---■	↓ <b>Risk:</b> Failure to take valuable nature sites into account in felling practices, which may damage Metsä Board's reputation as a responsible operator committed to the development of regenerative forestry	●○○○	---■
			↓ <b>Risk:</b> The use of fresh fibre in products with a short life cycle is associated with biodiversity loss, which may negatively affect the reputation and market position of Metsä Board and Metsä Group, as well as the price of their products and their employer image, and possibly forest owners' willingness to sell wood to Metsä Group	○○●○	---■
↑ Biodiversity and the condition of waterbodies improve outside commercial forests.	●○○○	---■	↑ <b>Opportunity:</b> Strengthening of Metsä Board and Metsä Group's reputation as responsible operators	○○●○	---■
↑ Consumer products based on native wood species	○○●○	---■	↑ <b>Opportunity:</b> Regenerative forestry, which offers a competitive advantage over competitors who use non-native tree species in their products	○○●○	---■
↑ Biodiversity plans for production unit sites, which increase biodiversity, taking special local features into account, and combining local industrial history and nature solutions	○○●○	---■	↑ <b>Opportunities:</b> <ul style="list-style-type: none"> <li>Strengthening of Metsä Board and Metsä Group's reputation as responsible operators</li> <li>More comprehensive monitoring of the environmental impact of production units by including the built environment's biodiversity impacts in monitoring</li> <li>Improved cooperation with significant stakeholders in the localities of production units.</li> </ul>	○○●○	---■



Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
<b>Impacts and dependencies on ecosystem services</b>					
↓ Material and non-material services provided by Finnish forests that have a local, regional, national or international impact. Commercial forest use that reduces the amount of dead wood and the number of old-growth trees, which leads to changes in the state of species and the condition of ecosystems	●○○	==■	↓ <b>Risk:</b> Weakening state of forest nature, which makes forests more vulnerable to weather phenomena caused by climate change	●○○	==■
			↓ <b>Risk:</b> The development of ecological compensation models, which leads to increased protection of commercial forests	●○○	==■
↑ Metsä Group aims to strengthen the state of nature measurably and verifiably by 2030	○○●	==■	↑ <b>Opportunity:</b> Strengthening the state of nature and comprehensive management of the benefits derived from nature, i.e. ecosystem services, which improves the adaptation of forests to climate change and enables pollination services, wild harvesting, clean water, recreational use and carbon sinks. Mainstreaming regenerative forestry practices, bringing their full benefits to the fore in the industry and in public debate	○○●	==■
↑ Positive impact on the environment and society or on Metsä Board's business ↓ Negative impact on the environment and society or on Metsä Board's business ↔ Neutral impact on the environment and society or on Metsä Board's business					
●○○ Upstream value chain      ■■■ Short-term (less than one year) ○●○ Own operations      ■■■ Medium-term (1–5 years) ○○○ Downstream value chain      ■■■ Long-term (more than 5 years)					

## Metsä Group's 2030 sustainability targets for wood supply

	2030 target	2025	2024	2023
MG: Retention trees on regeneration felling sites, %	100	96	97	96
MG: High biodiversity stumps on harvesting sites, %	100	100	98	92
MG: Spruce as the only tree species after young stand management, %	0	25	26	25
MG: Measures promoting biodiversity, number	10,000	10,616	6,586	816

MG: The target has been set at the level of Metsä Group.  
The implementation of actions to promote biodiversity will be cumulative from 2023 onwards.

Metsä Group, which is in charge of Metsä Board's wood supply, has strategic 2030 sustainability targets for promoting forest biodiversity and sustainable forest use, which are indirectly related to the promotion of biodiversity and ecosystems from Metsä Board's perspective.

The 2030 sustainability targets address the impacts, risks and opportunities related to biodiversity and ecosystems identified in the materiality assessment, and their main purpose is to prevent and minimise harm. The targets apply only to Finland, whereas international wood supply is also taken into account in calculating the forest certification rate. The targets focus particularly on the impacts, risks and opportunities identified in the upstream of the value chain. The targets are not based on a scientific framework, but they are aligned with the goals for curbing biodiversity loss stated by the UN, the EU and Finland. The targets do not include external ecological compensation, and in the absence of suitable threshold values, no ecological threshold values have been used in target-setting to date.

Regenerative forestry is a science-based, goal-oriented action programme aimed at strengthening the state of nature. The 2030 sustainability targets for wood supply are part of the goal of regenerative forestry, which aims to strengthen the state of nature. Practical activities and their development are guided by targets, actions and verified results. The 2030 sustainability targets for wood supply have been shaped by nature management actions linked to forestry practices. By monitoring these actions, it is possible to verify the achievement and progress of operational targets.

The action plans for achieving the targets are scientifically justified. Forest management, support for forest biodiversity, and forest thinning make forests more vigorous and resilient against climate change-induced weather phenomena or insect damage, for example. Metsä Group also repairs and restores nature sites that have suffered from any damage. For

example, management measures on sunlit slopes and in herb-rich forests support the restoration of biodiversity. The goal is to increase the number of species on sites allocated to production by diversifying tree species and adding decaying wood, for example.

## The identification and assessment of material impacts, risks and opportunities

### Risk management as part of wood supply and forest services operations

Metsä Board's impacts, risks and opportunities related to forest biodiversity and the condition of forest ecosystems take place through Metsä Group's Wood supply and forest services. Metsä Group's wood supply is not based on the company's own forests. In Finland, most of the wood is acquired from Metsäliitto Cooperative's owner-members, who together own around half of Finnish private forests and 32% (32) of all the forests in Finland. In Sweden, wood is mainly procured from Norra Skog's owner-members, who own around 10% (10) of all the productive forest land in Sweden. The certified ISO 14001 environmental management system used in Metsä Group's wood supply guides operations towards environmental targets and supports risk management as part of daily operational work.

The assessment of nature risks is part of the wood trade process. The authorities are informed about harvesting plans with forest use declarations, and the authorities notify the company if any legislative requirements must be considered when carrying out harvesting. In addition to legislation, the requirements of forest certification systems are followed when planning and implementing harvesting. Metsä Group has a comprehensive, continuously maintained geospatial dataset that

is used in wood trade offers and deals, and in planning and implementing harvesting. The geographic information system enables the identification of sites at risk and geospatial analyses. The geographic information system is also used to update environmental data such as registers of endangered species and data about real estate, groundwater areas and waterbodies in real time for use in work guidance.

Regulatory impacts on forest use are one of the identified risks in Metsä Group’s wood supply. Regulatory risks are identified and assessed in accordance with Metsä Group’s standardised risk management process, and they are regularly assessed. Risks are identified, assessed and managed in cooperation with Metsä Group’s Wood Supply and the Stakeholder Engagement unit.

### Risk management as part of investments and production units’ operational activities

Metsä Board’s production units may have negative impacts on the production unit sites’ biodiversity and ecosystems due to the units’ emissions and land use. The environmental impacts of production units are identified and assessed in the environmental permit process. The need for environmental impact assessments is ultimately determined by the local EIA authority. The impacts on conservation areas and Natura sites are considered in the

assessment. If required, a Natura assessment is carried out in accordance with the specified procedure, and in large projects, a separate environmental impact assessment preceding the environment permit process is also carried out. After any environmental impact assessment, the production units operate in accordance with their environmental permit and the company’s operational management system. The methods for identifying and managing the impacts of pollution are discussed under *E2 – Pollution*.

### Stakeholder engagement

The results of the operating model for stakeholder engagement are considered in the sustainability materiality assessment and identification of biodiversity risks. The engagement of stakeholders in wood supply is discussed under *Policies*. The engagement of local communities in the production units’ operations from an environmental perspective is discussed under *E2 – Pollution*. A general description of the operating model for the engagement of stakeholders, as well as processes for managing stakeholder engagement, can be found under *S3 – Affected communities*. Stakeholders have been extensively and actively involved in the resilience analysis. Stakeholders have participated in initiatives related to regenerative forestry and land use, for example.

### Areas valuable to biodiversity in the vicinity of Metsä Board’s production units

Production unit	Total surface area owned	Name of area valuable to biodiversity	Protection type of area valuable to biodiversity	Distance from Metsä Board's production unit	Metsä Board's impact on the area
Kemi	11 ha*	Perämeri National Park, Kallinkangas, Kaltiojätkä herb-rich forest, Kirvesaapa	Natura 2000 sites (the National Park is also a state nature reserve)	6–10 km	Mild indirect combination impacts from eutrophication on the Perämeri National Park. The ecological state of surface waters in the area is satisfactory. No direct impacts on buffer zones and thus on the protected habitats or species. Estimated combined impact with Metsä Fibre's bioproduct mill.
Kaskinen	180 ha	Närpes Archipelago, Kristiinankaupunki archipelago, Bredmosmyran nature reserve	Natura 2000 sites (and several areas in the Närpes archipelago included in nature conservation programmes)	2–10 km	Mild indirect combined impacts from eutrophication on the Närpes and Kristiinankaupunki archipelagos 2–5 km from the production unit. The ecological state of surface waters in the area is satisfactory. No impacts on the habitat types or species forming the basis for Natura protection.

\* Metsä Group owns a total of 1,787 ha of the Kemi production unit site, and of this, 1,776 ha is in Metsä Fibre’s ownership.

### ■ Consideration of biodiversity and ecosystems in the strategy and business model

Metsä Board’s wood supply is handled by Metsä Group’s Wood Supply and Forest Services. The resilience of Metsä Board’s strategy and business model has been assessed by identifying material risks related to biodiversity and ecosystems and by assessing how effective Metsä Group’s long-term actions aligned with the regenerative forestry and land-use principles are in managing the risks in question. The material risks are presented in the table on pages 59–60. Key uncertainty factors identified in the resilience analysis include the weak predictability of EU legislation and the climate change adaptation of complex natural ecosystems, which are discussed in greater detail under *E1 – Climate change*. The implementation of the materiality assessment and the periods used in it are described on pages 31–34.

Resilience has been assessed in the company’s own operations and in the value chain. The key risks related to biodiversity and ecosystems concern the wood supply chain. The assessment of business risks

fundamental in the resilience analysis is based on the climate scenarios also used in the climate risk analysis and on the scenarios in the wood processing industry’s biodiversity roadmap.

In Finland, the climate change scenario means significantly faster climate warming than the global average. As Finland also has a very long tree rotation period in global terms, adapting to climate change is a key issue for forest resilience. General research data suggests that diverse ecosystems are better able to adapt to changing conditions than monocultures with few species. Finland has therefore recognised the importance of nature-based solutions for adaptation to climate change.

The goal of a comprehensive identification and management of ecosystem services is to prepare for both transition and systemic risks and physical risks. The key risks are related to forest use regulation and climate change-induced physical risks, among other things. Increasing biodiversity plays an important role in forests’ climate change adaptation.

The goal of regenerative forestry is to develop forest management so that the various ecosystem services can be identified and measured, and

wood is produced as part of a common production model for ecosystem services. The key identified factors strengthening the resilience of Metsä Group's business are:

- A production model based on native tree species and not requiring changes to land use, which is an important part of business resilience in terms of ecosystems, biodiversity and climate change.
- Increasing the value of the forest assets of Metsäliitto Cooperative's owner-members and transferring forests in a stronger state from one generation to the next are key elements of Metsä Group's strategy and owner-member strategy. The value potential of a diverse and multispecies forest is greater than that of a forest that is poorer in nature value.
- Securing comprehensive ecosystem services not only recognises the carbon balance but also those ecosystem services that are important for self-sufficiency and security of supply at the national level.
- The importance of the functional diversity of forest ecosystems is recognised as important in regenerative forestry. Forest nature is an interconnected ecosystem in which producers, consumers and decomposers are mutually dependent.
- With its target of strengthening the state of nature, Metsä Group contributes to international, EU and Finnish biodiversity targets by being an example in the private sector.
- Dialogue, cooperation and partnerships support the overall objectives of regenerative forestry and land use.

The impact of climate change on the state of nature and the role played by actions improving the state of nature are discussed under *E1 – Climate change*.

## ■ Policies

The work related to biodiversity and ecosystems is guided by Metsä Group's Environmental Policy. In its policy, the company is committed to obtaining wood raw material from sustainably managed forests, and paying attention to the economic, social and environmental aspects of forest management and wood supply. The company is committed to preventing pollution and continuously improving its production processes by utilising the best available methods and techniques. The Environmental Policy is described in greater detail under *G1 – Business conduct*.

## Wood supply and forest services

Metsä Group, which handles Metsä Board's wood supply, adopted the regenerative forestry principles in 2023 as a continuation of Metsä Group's ecological sustainability programme for safeguarding biodiversity. Regenerative forestry aims at a set of measures that will verifiably strengthen the state of nature in Finland. The wood supply strategy is based on wood production that does not involve land-use change, and in which the number of native species is very high despite production. Metsä Group has measured the state of nature and its development in collaboration with researchers, using the best available data. Science-based indicators and the development of monitoring are key development measures for the reliability of measured data. The regenerative forestry programme was approved by Metsäliitto Cooperative's Board of Directors, and it was presented to all owner-members.

Forest certification can be used to demonstrate that forests have been managed sustainably and responsibly. Forest certification has two key

elements: sustainable forest management and the wood supply chain. The international forest certification systems used by Metsä Board are PEFC (Programme for the Endorsement of Forest Certification, PEFC/02–31–92) and FSC® (Forest Stewardship Council, FSC-C001580).

Metsä Group's principles for forest use and management are publicly available. All the wood is procured from either certified forests or forests that meet the requirements of controlled origin (PEFC Controlled Sources, FSC Controlled Wood). The origin of the wood is always known. The attention paid to biodiversity in forestry is comprehensively noted in certification systems. Certification systems help recognise and restrict measures harming biodiversity by defining sites that must always be saved and excluded from operations, for example.

The procurement of Metsä Board's wood does not cause deforestation. All the countries from which wood is procured have issued legislation requiring forests to be renewed after felling. The wood that Metsä Board uses in its products is mainly procured from Finland, Sweden and the Baltic countries. Wood supply by country is specified in the table in section *G1 – Business conduct*. Metsä Group requires all its partners to comply with legislation, and operations adhere to the European Timber Regulation (EUTR), US Lacey Act and UK Timber Regulation (UKTR). In 2025, Metsä Group has continued to update its due diligence system to comply with the requirements of the EU's Deforestation Regulation (EUDR). Wood supply is described in greater detail under *G1 – Business conduct*.

Metsä Group's Wood Supply also considers the impacts of its operations on its key stakeholders, including forest owners, mill locations and their residents, nature, and people who earn their livelihood from nature, such as indigenous peoples (the Sámi), as well as other parties interested in the environment, such as NGOs. In the home region of the Sámi, Metsä Group engages in local dialogue about the coordination of reindeer husbandry and forestry with key stakeholders such as forest owners and reindeer owners' associations. Communication with the Sámi is typically related to practical questions. Reindeer owners' associations in the home region of the Sámi have been identified as a local community to be engaged with.

## Production units

Environmental management and the maintenance of environmental performance are guided by the requirements of the production units' certified quality, environmental and energy management systems, as well as the principles of environmental management. The production units conduct planned internal and external audits in accordance with the ISO 14001 and ISO 50001 standards.

Metsä Group has also targeted the strengthening of the state of nature on the sites of its production units. Metsä Group's regenerative land-use principles guide towards nature-based solutions in industrial environments. To implement the operating model, a pilot phase of the project will be conducted at the Kemi integrated mill. Based on the experiences gained, we hope to integrate the activities at other mill locations. The goal is to make the improvement of biodiversity on production unit sites part of the production units' environmental management, operations and reporting. The production units' biodiversity roadmaps are discussed under *Actions*.

Policies related to water use and water discharges are described under *E2 – Pollution* and *E3 – Water and marine resources*. The engagement of local communities in the production units' operations from an environmental perspective is discussed under *E2 – Pollution*.

## ■ Actions

Actions related to climate change mitigation and adaptation, as well as pollution, are discussed under *E1 – Climate change* and *E2 – Pollution*. Metsä Board does not implement biodiversity actions itself, but they have an indirect impact on the company, as Metsä Group's Wood Supply and Forest Management Services, which administer the actions, are also responsible for all Metsä Board's wood procurement. In addition, Metsä Group's Stakeholder Engagement unit, in cooperation with the mills and Metsä Board's specialists, is responsible for other actions.

### Wood supply and forest services

Wood raw material is used as efficiently as possible, ensuring high added value and minimising the forest area needed for harvesting. The utilisation of side streams is described in greater detail under *E5 – Resource use and circular economy*.

The targets of regenerative forestry are discussed under *Policies*. In the regenerative forestry programme, monitoring systems are developed jointly with stakeholders so that the impacts of operations on the state of nature can be measured and disclosed.

### Continuous actions

Forest and nature management and harvesting methods are based on up-to-date research data and practical experience. Metsä Group actively cooperates with various research institutes. Some of the key biodiversity-promoting measures that follow the principles of regenerative forestry include the following:

- Wood is procured only from certified forests or sources of controlled origin, and certified wood is given priority. Metsä Group actively participates in the development of the international PEFC and FSC forest standards. Owner-members are offered the opportunity to certify their forests under the PEFC and FSC systems, and a higher price is paid for certified wood.
- For industrial use, Metsä Group only procures tree species naturally occurring in the area – that is, spruce, pine, silver birch, downy birch and aspen. In their natural range and suitable growth sites, trees live in interaction with their many companion species.
- More than 20 native broadleaved tree species are completely excluded from purchasing and processing. Thousands of companion species are associated with these tree species.
- Mixed forests increase forest biodiversity and forest resilience against storm and insect damage, for example. Metsä Group offers forest owners a forest regeneration service in which both spruce and pine are planted in the same area. Broadleaved trees such as birch, which spreads at stands naturally, are also favoured in forests.
- There are many ways to increase the amount of decaying trunk wood: by preserving dead trees; leaving retention trees; and creating high biodiversity stumps. The amount of decaying trunk wood is also being increased in valuable habitats outside the treatment area and in water protection zones.
- Nature management measures or voluntary protection are recommended to owners of herb-rich forests. Nature management measures thus focus on places where they have the greatest impact on biodiversity. Protective thickets are left for animals at all stages of forest management.

- The management of sunlit slopes improve the living conditions of species found in open ridge habitats. Managing sunny and hot slope sites means removing shading trees and exposing bare mineral soil.
- Metsä Group's nature site service helps focus the protection required by FSC on sites with the greatest nature value.
- Buffer zones along waterbodies promote biodiversity and prevent the runoff of soil and nutrients. A buffer zone is a strip along a waterbody where forest management measures are performed more lightly or omitted completely.
- Continuous cover forestry is chosen on sites for which it is suited.

In peatlands, the water balance and water quality of aquatic ecosystems are maintained and their species are protected by avoiding new drainage and only restoring drainage when necessary. Restoration sites are determined on a case-by-case basis, and forest owners are offered the option of continuous cover forestry with additional bonuses. In the wood-trading process, nature risks are assessed using geographic information, and environmental data is taken into account in the planning and implementation of harvesting.

A very tangible example of the practical implementation of regenerative forestry measures is the Metsä Group Plus service, which is a forest management model designed for Metsäliitto Cooperative's owner-members. In the model, measures that safeguard and improve the state of forest nature more comprehensively than current standard practices are agreed in connection with wood trade and orders for young stand management. Under the model, more retention trees are left, and more high biodiversity stumps are made per hectare during felling. To accelerate the creation of decaying wood and to secure the living conditions of species that inhabit burnt environments, more retention trees will be burned. In valuable habitats and littoral forests, the service represents the highest level of requirements currently in use. Metsä Group pays a bonus per hectare for Metsä Group Plus wood to compensate any loss of wood trade income caused by the additional measures. The service was launched in 2023. In 2025, approximately 30% of the wood in private forests that was sold through standing sales came from Metsä Group Plus sites. The costs incurred by the service are not reported, as they are sensitive information.

Metsä Group has actively participated in the drawing up and further development of a biodiversity roadmap for the wood processing industry in cooperation with other forest industry operators. The publicly available roadmap identifies the forest industry's shared development areas, and the need for common indicators and monitoring systems. The roadmap outlines the development of forest biodiversity in Finland in recent decades. Sample plot data from the National Forest Inventory and the national forest vegetation map were used as material.

With the roadmap, Natural Resources Institute Finland launched a VMI-Moni research project, which pilots the National Forest Inventory with additional new biodiversity indicators. Metsä Group is represented in the project steering group.

Natural Resources Institute Finland has also drawn up summaries of the state of forest nature and its development for Metsä Group's own wood supply area in Finland. Moreover, model scenarios were made of the impacts that the Metsä Group Plus service has on biodiversity.

Metsä Board has identified the key legislative initiatives that may affect forest use and the production of Metsä Board's products. As part of Metsä



Group, Metsä Board participates in the management of regulatory risks by actively engaging in policy dialogue and targeting its key messages based on the identified regulatory risks. Advocacy is discussed under *G1 – Business conduct*. Regenerative forestry makes business more resilient to impacts related to legislation, the markets and climate change. It also helps implement a goal-oriented action programme to decouple the weakening of natural capital and economic growth.

In the planning and implementation of wood supply and forest services, and in forest certification, attention is also paid to safeguarding the rights of indigenous peoples in the Sámi home region and its vicinity. Metsä Group requires wood suppliers to consider the Sámi culture and reindeer herding in their forestry measures through agreements and their own assurance. Wood suppliers are also audited regularly. The attention paid to local communities and indigenous peoples in forestry is discussed in more detail under *S3 – Affected communities*. Indigenous peoples are heard as part of the continuous stakeholder interaction process, which is reported to the management every six months. In 2024, representatives of indigenous peoples were encouraged to engage in the human rights process and, based on this as well, their views were considered in the impact assessment results and the specification of development actions.

#### **Actions taken during the reporting year**

In 2025, Metsä Group announced that it would establish a foundation for protecting forests, which will begin operations in early 2026. The aim is to strengthen biodiversity. The foundation provides forest owners with financial compensation for sites whose protection supports national biodiversity targets. The protection criteria are drawn up based on nature conservation principles, and the permanent protection decisions will be based on legislation. The foundation's conservation activities primarily focus on the forests owned by Metsä Group's owner-members, but other Finnish forest owners can also apply to participate.

### **Production unit locations**

#### **Continuous actions**

To develop an action programme for regenerative land use, the pilot project launched in Kemi in 2023 has been continued. To strengthen the state of nature, the pilot aims to develop a cost-effective operating model for built and industrial environments. The planning area in Kemi comprises the mill site and the surrounding land owned by the company. The special features of local nature will be taken into account in the action plan, and the living conditions of endangered species will be improved. The work carried out with an expanding cooperation network aims for internationally approved planning principles that will help improve the state of nature in the built and industrial environments independent of the sector. In 2025, Metsä Board did not incur any costs related to biodiversity plans and actions. The amounts spent by Metsä Board on pollution prevention actions are disclosed under *E2 – Pollution*. The aim is for the operating model to be expanded beyond the production sites, and for restorative land use to develop into an internationally recognised and accepted approach for enhancing nature. The costs of actions to be implemented in the coming years are still unknown.

Actions related to emissions to air and water discharges are discussed under *E2 – Pollution*.

### **Funding programme for nature projects**

#### **Actions taken during the reporting year**

Metsä Group's funding programme for nature projects annually funds regionally effective development projects that are conducted outside commercial forests in Finland, and improve biodiversity and the state of waterbodies. The funding programme is detached from Metsä Group's own impacts and value chains, and it does not involve any compensations related to the company's own environmental impacts. It aims to promote a new operating culture in nature-themed practical local cooperation. Communication between project participants, as well as annual meetings promote the development of theme-specific expert networks at the national level. Projects are selected for the funding programme once a year. In 2025, 22 (26) Finnish biodiversity management and restoration projects were selected for funding based on the recommendations of an independent panel, as follows:

- Migratory fish and flowing waters: 5 projects
- Wetlands and bird waters: 7 projects
- Traditional landscapes: 1 project
- Multi-objective projects: 9 projects

The funding for these projects totalled EUR 600,000 (600,000).

For example, in 2025, Metsä Group participated in the planning of the Luukas project together with the Finnish Environment Institute. This is a project aimed at developing the supply and market for wild plants, involving a wide range of participants. The availability of seeds and seedlings from natural plants would lead to significant cost savings in projects to restore built environments. Metsä Group is funding the Luukas project work package with EUR 90,000 from its nature project funding programme. The work package will create national criteria for reproductive material based on factors such as origin.

### **Impacts and dependencies on ecosystem services**

#### **Continuous actions**

Wood production is one of nature's key ecosystem services for Metsä Board. If the state of forest nature deteriorates, forests become more vulnerable to climate-change-induced weather phenomena and non-native species. Forests' climate resilience will increase as a result of the comprehensive management of ecosystem services, or benefits obtained from nature, and regenerative forestry that improves the state of nature. The goal of Metsä Group's forest management services is to safeguard locally, nationally and internationally significant ecosystem services. Forest owner-members have greater opportunities to create added value for their forest assets the more diverse the assets are when transferred from one generation to the next.

The key resources for actions related to biodiversity and ecosystems include the employees, development activities, system development and – indirectly – the machinery used in forestry work. The key resource for forestry measures is a comprehensive geographic information system of forests in the operating area.

To remedy any environmental deviations, Metsä Group offers voluntary nature compensation as part of regenerative forestry, which outweighs the harm to nature resulting from any violations of the law. The development

of the compensation model is underway, and it will be applied retroactively from 2023 to identified deviations. The compensation model is described in more detail under *S3 – Affected communities*.

## ■ Impact metrics related to biodiversity and ecosystems change

The 2030 targets providing a measure of the actions are described in the table *Metsä Group's 2030 sustainability targets for wood supply*. Emissions to air and water discharges are discussed under *E2 – Pollution*. Metrics of the state of forest nature, their reliability and a harmonised monitoring system are developed as a collaborative industry effort and to achieve Metsä Group's own targets. Further information can be found under *Actions*.

## ■ Financial effects

The risks related to biodiversity and ecosystems are presented in the table on pages 59–60. As Metsä Group does not own forest important for its wood supply, the risks related to biodiversity and ecosystems do not affect its assets. If the risks were to be realised, they would affect Metsä Board in the long term through the availability and cost of wood raw material. The financial effects have not been assessed in detail at this stage, as reporting on them remains under development.

## Reporting principles for metrics

The calculation of high biodiversity stumps left on harvesting sites covers the direct standing sales conducted by Metsä Group's Wood Supply and Forest Services, meaning that delivery sales are not included in the calculation. The harvesting sites include intermediate and regeneration felling sites. The calculation of retention trees left on regeneration felling sites covers the direct standing sales carried out. Forest certification criteria set minimum requirements for the number of retention trees. The calculation is based on the number of regeneration felling sites. Stands containing only spruce after young stand management include the young stand management work carried out. The calculation takes spruce-dominated sites into account where spruce amounts to more than 50% of the remaining trees. Spruce is considered to be the only tree species if other species account for less than 10% of those remaining on the site.































The number of measures promoting biodiversity is calculated based only on the measures conducted in owner-members' forests. The measures that are currently monitored include nature management measures in herb-rich forests, burned retention tree groups, Metsä Group's FSC nature site service and the number of Metsä Group Plus agreements.

Metsä Group develops metrics for the state of forest nature, their reliability and a harmonised monitoring system. The development of metrics is described in more detail under *Actions*.

Metsä Group Plus sites were assessed by an external evaluator in 2025. The other metrics have not been validated by an external party.

## E5 – Resource use and circular economy

### Material impacts, risks and opportunities related to resource use and the circular economy

Impacts		Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon		
Resource inflows, including resource use								
↑	Thanks to regenerative forestry, the primary renewable resources used by Metsä Board can be obtained in accordance with circular economy principles. They are a sustainable alternative to fossil raw materials.			↑ <b>Opportunity:</b> Legislation that recognises the climate and other benefits of fossil-free raw materials in the production of materials and sets requirements for replacing primary fossil-based raw materials with more sustainable alternatives				
				↑ <b>Opportunity:</b> The full use of the main raw material, renewable wood. The development of innovations, production processes and side streams, which can increase the added value of wood raw material and diversify the product portfolio				
				↓ <b>Risk:</b> Legislation that requires the use of recycled material in bio-based products and does not recognise the circular economy benefits offered by fresh fibres that are important for the company. This could have a negative impact on business and may require new investments				
The impacts, risks and opportunities related to wood-based energy are described under <i>E1 – Climate change</i> .				The impacts, risks and opportunities related to wood-based energy are described under <i>E1 – Climate change</i> .				
Resource outflows related to products and services								
↑	Metsä Board's products offer customers and consumers a recyclable alternative to products made from fossil-based raw materials.			↑ <b>Opportunity:</b> Legislation that favours recyclable products made from renewable materials over fossil-based alternatives, creating opportunities for growth				
				↓ <b>Risk:</b> Legislation favouring reusable packaging or other reusable products over recyclable disposable products may reduce demand for Metsä Board's products. Furthermore, the introduction of chemical recycling of plastics on an industrial scale could increase the acceptability of plastics and reduce the need to replace them				
Waste and side streams								
↑	New products processed from production side streams			↑ <b>Opportunity:</b> Utilisation of side streams brings economic benefits, making full use of the forest industry's side streams strengthens the industry's acceptability and secures future operations				
↓	A small amount of landfill waste from production, causing emissions to air, water and soil, although the majority of production side streams are utilised as materials or energy			↓ <b>Risk:</b> The appreciation of forest industry operations and economic benefits will weaken if a purpose is not found for all side streams				
				↓ <b>Risk:</b> Legislation that leads to a decline in the use of forest industry side streams for bioenergy generation erodes the appreciation of forest industry operations				
↑ Positive impact on the environment and society or on Metsä Board's business ↓ Negative impact on the environment and society or on Metsä Board's business				 Upstream value chain  Own operations  Downstream value chain  Short-term (less than one year)  Medium-term (1–5 years)  Long-term (more than 5 years)				

### Metsä Board's 2030 sustainability target

	2030 target	2025	2024	2023
Process waste delivered to landfills, t	0	111	267	1,164

Metsä Board's 2030 sustainability targets, and their setting and monitoring, are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*. The target of 0 tonnes of process waste delivered to landfill, presented above, concerns resource outflows. The target is based on Metsä Group's intention to steer all production side streams for reuse to eliminate all landfill waste. The target will be achieved by finding a use for all process waste. In the waste hierarchy, this is classified as waste recovery. Because the target's achievement requires the utilisation of all side streams, it indirectly contributes to product design based on the circular economy. The utilisation of side streams is discussed in more detail under *Waste and side streams*. The target is indirectly related to increasing the utilisation rate of recycled materials through the use of side streams, but not to the sustainable procurement and use of renewable resources, or to the minimising

of primary raw materials. Target-setting is based on compliance with legislation, as the target is based on the EU's Waste Directive and the targets set in it. Comprehensive system-level metrics for the circular economy are under development internationally. Metsä Board follows the development of metrics and participates in related testing and development work.

The targets related to water and energy use are discussed under *E1 – Climate change* and *E3 – Water and marine resources*.

### Progress in target

- **Process waste delivered to landfills** – The reduction of Metsä Board's landfill waste has progressed as planned towards the 2030 target. In 2025, only a single batch of process waste was delivered to landfill.

## ■ Policies

Metsä Board's use of resources and the circular economy are guided by the operating principles defined in Metsä Group's Environmental Policy. Metsä Board is committed to sustainable forestry, efficiently using raw materials, water and energy, and continuously developing operations. The side streams generated in production processes are used primarily as raw material or energy. The company takes advantage of synergies between its production units and develops industrial cycles and the recyclability of products. Wood supply is described in greater detail under *G1 – Business conduct*.

The production units' certified quality, environmental and energy efficiency systems guide environmental management and environmental performance. The production units systematically conduct internal and external audits in accordance with the ISO 14001 and ISO 50001 standards.

In its operations, the company follows circular economy principles: safeguarding nature's capacity for renewal; minimising waste and emissions; and keeping natural resources used by society in use, both for as long as possible and as valuable as possible.

Because it is impossible to completely and permanently recycle and reuse materials, maintaining the material cycle also requires the addition of primary raw materials to the cycle. Fresh fibre is therefore needed to maintain the well-functioning material cycle of fibre-based packaging. Primary renewable raw materials can be supplied in accordance with the principles of the circular economy from forests that are managed in accordance with the principles of regenerative forestry, for example. Metsä Group offers its owner-members a forest management model based on regenerative forestry, which is discussed under *E1 – Climate change* and *E4 – Biodiversity and ecosystems*.

In the Forerunner in sustainability strategic programme, the circular economy's focus is on achieving the strategic sustainability targets for decreasing fossil-based carbon dioxide emissions, water and energy efficiency, and expanding the company's role in the circular economy. The goal of the Efficient Innovation programme is to ensure the long-term competitiveness of Metsä Board's products. Its focal areas include reducing the weight of paperboard and developing recyclable products such as dispersion-coated paperboard.

All Metsä Board's paperboards are produced from renewable and recyclable fresh fibre. Fresh fibre paperboards do not interfere with the smell or flavour of the product inside, and they are a safe choice for fibre-based packaging for food and other demanding end uses.

## ■ Actions

### Resources inflows, including resource use

#### Continuous actions

Raw materials are used resource efficiently to avoid production waste. The main raw material, renewable wood, is used fully. The most valuable part of the tree is the log, which is used in wood products manufactured by Metsä Group's other business areas. Thinner tree parts and thin tree trunks obtained from thinning are the main raw materials for pulp and paperboard mills. The branches and felling residue are used in the production of renewable energy. Metsä Board's mills are continuously improving their recovery

processes to avoid the generation of waste in pulp and paperboard production. For example, increasing process water recycling makes energy use more efficient and reduces the loss of fibre material.

Metsä Board's key actions related to resource inflows and use are the following:

- As part of Metsä Group, committing to principles of regenerative forestry and promoting regenerative land use on mill sites. This action improves the state of forest nature and biodiversity in built environments. Further information is available under *E1 – Climate change* and *E4 – Biodiversity and ecosystems*.
- Reducing water use by developing production processes and deploying new techniques. Further information is available under *E3 – Water and marine resources*.
- Transitioning to fully fossil-free energy in production to reduce fossil-based GHG emissions. Further information is available under *E1 – Climate change*.
- Improving energy efficiency by using electricity, heat and fuel more efficiently. Further information is available under *E1 – Climate change*.

### Outflows related to products and services

#### Continuous actions

In the circular economy for fibre-based packaging material, Metsä Board's task is to provide markets with premium fresh fibre paperboards as resource-efficiently as possible, help replace fossil-based materials and reduce the carbon footprint of packaging. Ensuring and developing the recyclability and compostability of paperboards is of key importance.

The company's R&D focuses on reducing the weight of paperboard and developing a bio-based barrier coating for end uses in food packaging. Further information is available in the Board of Directors' report, under *R&D and innovation*.

Metsä Board's key actions related to products and services are the following:

- Reducing the environmental impacts of packaging through product development such as reducing the weight of paperboards, and offering customers services to reduce environmental impacts across the life cycle of packaging. Through its 360 Services, Metsä Board offers customers services in fields like R&D, sustainability and packaging design to help customers improve the recyclability and material efficiency of their packaging through life cycle calculations, data-based comparisons of the environmental impacts of different materials, and tangible packaging solutions. In 2025, Metsä Board has conducted mill trials to reduce the weight of paperboard and worked with customers to design packaging concepts that reduce resource use.
- Recycling is promoted by participating in international initiatives. Participation in international initiatives contributes to a stronger European and global circular economy, and to Metsä Board's products remaining in circulation longer. Metsä Board is one of the founding members of the 4evergreen initiative, launched in 2019. 4evergreen brings together members across the packaging value chain with a goal of raising the recycling rate of fibre-based packaging in the EU to 90% by 2030. Further information is available under *G1 – Political engagement and lobbying activities*.



All Metsä Board's packaging materials, as well as its paperboards, mainly produced from renewable raw materials, can be recycled, depending on local recycling systems. The recyclability of Metsä Board's paperboards has been tested in accordance with the Cepi method (Cepi Recyclability Laboratory Test Method Version 2; Fibre-based packaging recyclability evaluation protocol beta version). Except for the PE-coated grades, all the company's paperboards are certified as industrially compostable in accordance with the DIN EN 13432 and/or ASTM D6400 standards, and as home compostable in accordance with the NF T 51-800 standard.

Product category rules (EPD International PCR) compliant with the ISO 14040 and ISO 14044 standards are used in the life cycle assessments of all the company's products. The calculation model of the company's life cycle assessments has been verified by an external partner, and selected products produced by the company have an environmental product declaration (EPD), stating the comparable results of the paperboard product's life cycle assessment. With respect to Metsä Board's field of business, product repairability or durability compared with the industry standard in practice is irrelevant to product use when accounting for resource outflows.

## Waste and side streams

### Continuous actions

Waste generated at Metsä Board's production units include wood-based fractions, organic and inorganic sludge, ash, paper and paperboard waste, metals, and small amounts of plastic and glass waste, as well as energy waste from sorting at the mills. Examples of hazardous waste include oil and oily waste. Crushed concrete and metal waste are generated in construction and demolition.

Metsä Board's key actions related to waste and side streams are the following:

- Developing new purposes for production side streams jointly with partners to make wood use more resource-efficient and reduce the products' environmental impact per product produced.

Most of the production side streams are utilised. Wood-based waste, sludge, ashes and lime are used in soil improvement and landscaping, fertilisers, chemicals industry applications, and in energy generation. Only a small share of production side streams are disposed of in landfills (exact figures can be found in the *Waste use and disposal* table). The utilisation of side streams often leads to additional expenses, but the decrease in landfill management fees also offers cost savings.

Some production units have their own waste management area, where operations are subject to an environmental permit. The environmental impacts of the mills' own waste management areas are minimised in accordance with the environmental permits. Part of the waste is delivered to waste management companies whose operations are subject to environmental permits for processing or disposal. The sustainability of waste management operators is ensured in supply agreements.

The main process waste components are green liquor dregs generated in pulp production and ash, which is generated in energy production. As part of Metsä Group, Metsä Board is actively seeking industrial applications

for green liquor dregs by conducting its own research and pilot projects, and participating in universities' jointly funded research projects.

Examples of side stream utilisation:

- Jointly with Soilfood, Metsä Board is studying the utilisation of fibre-based side streams from paperboard mills in animal bedding. Cooperation with the Husum integrated mill began in 2025. New types of bedding fibres are a renewable alternative for peat, commonly used on animal farms.
- Metsä Group's innovation company Metsä Spring has invested in four start-up companies focusing on the further processing of the wood-based side streams of Metsä Group, including Metsä Board, and supports them in scaling up production and commercialising their products.

Metsä Group is committed to the national circular economy green deal. The participants set targets up to 2035 and commit to actions that promote a low-carbon circular economy.

In 2025, no significant capital or operating expenditure was allocated to key actions for resource use and the circular economy. In 2025, R&D expenditure was EUR 6.3 million.

## Financial effects

The impacts, risks and opportunities concerning resource use and the circular economy identified in the material assessment are presented in the table on page 66, and the time horizons used in their assessment are described on page 32.

The main known or reasonably expected financial effects related to side streams concern emission rights and the use of wood-based energy, which are discussed under *E1 – Climate change*. A key uncertainty factor in the assessment of these impacts is the low predictability of EU legislation. Other potential additional costs are related to the increased utilisation of side streams, which, on the other hand, offers cost savings through reduced landfill management fees.

When developing new concepts promoting efficient resource use and the circular economy, their financial effects on the company's business are continuously monitored through cost-benefit analyses and scenario analyses, combined with roadmaps using financial calculation methods. Strategic advantages and key financial figures are taken into account in the assessment of the investment proposals.

A more detailed discussion of potential future products for the packaging market and carbon capture as opportunities related to resource use and the circular economy can be found under *E1 – Climate change*.

## Metrics

### Inflows of material and energy streams

Wood-based raw materials, 1,000 t	2025	2024
Wood	3,902	4,292
Purchased pulp	293	345
Recycled fibre	0	0

The share of certified wood is disclosed under G1 – Business conduct.

Other raw materials, 1,000 t	2025	2024
Process chemicals	25	31
Coating, binders and pigments	247	279
Packaging materials	21	25

The sustainability of other raw materials is monitored using separate metrics. For example, the metric for raw material traceability tracks the proportion of recycled, reused and renewable materials of the total inflow of raw materials. This is described in greater detail under G1 – Business conduct.

The quantities of critical raw materials in Metsä Board's production processes are limited. The company uses aluminium sulfate  $Al_2(SO_4)_3$  ( $H_2O$ ), as well as talc, which contains magnesium silicate, at some of its mills. Water use is discussed in more detail under E3 – Water resources. The use of tangible assets during the reporting year is described in the notes to the consolidated financial statements in section 4.2 Property, plant and equipment.

Share of renewable and recyclable raw materials and packaging materials*, %	2025	2024
Renewable materials	94	94
Recycled materials	0.1	0.2

\*Share of the total weight of materials used in the reporting period.  
Metsä Board uses recycled paperboard for the cores of paperboard reels.

### Outflows of material and energy streams

Products, 1,000 t	2025	2024
Chemical pulp	550	619
BCTMP	398	504
Paperboard	1,331	1,539
Other bioproducts (tall oil and turpentine)	17	18

By-products, 1,000 t	2025	2024
Fertilising and soil improvement (lime, ash, sandy bark)	28	14
Industrial use (lime dust, ash, de-inking sludge)	30	18
Energy use (de-inking sludge, biopellet)	0	0
Total	58	32

Waste use and disposal, 1,000 t	On-site	Off-site	Total 2025	Total 2024
<b>PROCESS WASTE (NON-HAZARDOUS WASTE)</b>				
Material utilisation	0	42	42	73
Energy use	49	0.3	49	55
Landfill	0	0.1	0.1	0.3
Total process waste	49	43	92	128
<b>OTHER NON-HAZARDOUS WASTE</b>				
Material utilisation	0	6.8	6.8	4.1
Energy use	0	1.0	1.0	1.4
Landfill	0	0.1	0.1	0.04
Total other non-hazardous waste	0	7.8	7.9	5.5
<b>HAZARDOUS WASTE</b>				
Material utilisation	-	0.3	0.3	0.3
Energy use	-	0.02	0.02	0.2
Incineration without energy benefit	-	0.1	0.1	0.07
Landfill	-	0.03	0.03	0.3
Other disposal*	-	0.1	0.1	0.2
Total hazardous waste**	-	0.6	0.6	1.1
Total waste	49	51	100	135
Share of landfill waste of total waste, %	0	0.5	0.2	0.5

\* Disposal and treatment of waste other than landfilling. The amount also includes repackaging and pre-treatment prior to disposal operations.

\*\* Metsä Board's operations do not generate radioactive waste.

## Reporting principles for metrics

### Resource inflows

Resource inflows are disclosed in the original state of materials. Wood volumes are disclosed based on the information received from Metsä Group's Wood Supply and Forest Services business area, and disclosures of other raw materials are based on the received tonnes of raw material. The disclosed inflows of packaging materials are based on internal reporting.

The key assumptions made in resource inflow calculations are related to material conversion factors and the categorisation of materials into renewable materials and recycled materials. Some converted inflow amounts are based on assumptions regarding average conversion factors for specific materials or products. If a material cannot be categorised as renewable or recyclable with certainty, the assumption is that it is neither.

### Resource outflows

The waste volumes include waste transferred directly from the mill process, interim storage, and construction and demolition projects external to mill functions, over which the company has operational control to final disposal, including material and energy recovery, landfill disposal, and hazardous waste treatment. Waste transferred from the mill process to interim storage is not included in the disclosed waste volumes. Moisture is included in the waste volume.

The volume of process waste delivered to landfills includes the volume of waste from production processes (in tonnes) delivered to landfills from all the production units. The 2030 sustainability target only applies to process waste. For example, it does not apply to waste generated in production units' cafeterias, the volume of which is non-material compared with process waste.

The volume of waste treated in the mills' own waste treatment areas is collected from weighting reports. Information about the volume of waste treated by external service suppliers and the treatment method is obtained from service suppliers.































It is impossible to classify material utilisation into subcategories in accordance with the standard, as the available information is based on waste legislation codes, which do not allow this distinction to be made. Estimating quantities is challenging because there are differences between code-specific waste data and the ESRS classification, which require further clarification to be reconciled. These additional clarifications are being made so that the classification can be assessed in the 2026 report.

The metrics have not been validated by an external party.

# S – Social responsibility

## S1 – Own workforce

### Material impacts, risks and opportunities related to own workforce

Material sub-sub-topics	Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
Equal treatment and opportunities for all						
<ul style="list-style-type: none"><li>• Gender equality and equal pay for work of equal value</li><li>• Diversity</li><li>• Measures against violence and harassment in the workplace</li><li>• Training and skills development</li></ul>	↑	Wellbeing at work and the opportunities for continuous learning and career development improve alongside equality in the treatment, remuneration and recruitment of employees.		---	↑ <b>Opportunity:</b> Strengthening of employer image and innovation, performance, and competitiveness as a result of selecting the most suitable talent for key positions	 ---
	↓	Wellbeing at work and opportunities for continuous learning and career development weaken if equality is not achieved in the treatment, remuneration and recruitment of employees.		---	↓ <b>Risk:</b> A weaker employer image, innovation, performance and competitiveness if the most suitable talent is not recruited for key positions, as well as a decline in Metsä Board's attractiveness, particularly among minorities	 ---
Working conditions						
<ul style="list-style-type: none"><li>• Social dialogue</li><li>• Freedom of association, including the existence of work councils</li><li>• Collective bargaining</li><li>• Work-life balance</li></ul>	↑	Employees' work ability and wellbeing at work are improving as a result of actions that promote working conditions, such as company-specific collective agreements, flexible working hours and individual shift work models.		---	↑ <b>Opportunity:</b> Increased work ability, job satisfaction and commitment to Metsä Board among the workforce, as well as an improved employer image and company performance	 ---
	↓	The quality of life and wellbeing of employees and their families deteriorates and inequality increases as a result of potentially inadequate working conditions.		---		
<ul style="list-style-type: none"><li>• Health and safety</li></ul>	↑	Employees' general physical and mental wellbeing and ability to work improve as a result of actions promoting health and safety.		---	↓ <b>Risk:</b> Reduced work ability, job satisfaction and commitment to Metsä Board among the workforce, as well as a decline in employer image and company performance	 ---
	↓	Employees' physical and mental wellbeing and work ability deteriorate as a result of potentially inadequate health and safety actions		---		
Other work-related rights						
<ul style="list-style-type: none"><li>• Privacy</li></ul>	↓	Inadequate data protection could jeopardise employees' privacy and personal data protection, which causes mental strain and deterioration in wellbeing		---	↑ <b>Risk:</b> Reduced work ability, job satisfaction, trust and commitment among the workforce, as well as permanent harm to Metsä Board's reputation	 ---
<div>↑ Positive impact on the environment and society or on Metsä Board's business</div> <div>↓ Negative impact on the environment and society or on Metsä Board's business</div> <div><div>  </div><div>Upstream value chain</div><div>  </div><div>Own operations</div><div>  </div><div>Downstream value chain</div><div>  </div><div>Short-term (less than one year)</div><div>  </div><div>Medium-term (1–5 years)</div><div>  </div><div>Long-term (more than 5 years)</div></div>						

### Metsä Board's 2030 sustainability targets

	2030 target	2025	2024	2023
Total recordable incident frequency, own employees (TRIF)	0	4.8	3.4	6.1
Employee engagement, index (scale 0–100)	AAA	A	A+	A+
The implementation of the measures defined based on the employee survey, %	100	100	-	-
Women in leadership roles, %	>35	25	25	23
Employee experience on diversity, equality and inclusion (DEI) implementation, Metsä for all -index (scale 0–100)	100	72	73	-
Anonymous recruitment for vacancies open to all, %	100	100	99.2	72

Not all comparative data has been provided for all the new 2030 sustainability targets set in 2025.

Metsä Board's 2030 sustainability targets are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*.

The company's own workforce has not directly participated in setting the targets, but the results of surveys focusing on the personnel, such as the Personnel survey, are considered in the materiality assessment.

The 2030 sustainability targets are discussed by the mills' management teams, which include employee representatives, and in collaborative meetings with employee representatives. The results of progress towards sustainability targets are made available to all personnel on the internal intranet pages quarterly.



## Progress in targets

- **Total recordable incident frequency, own employees (TRIF)** – The recordable incident frequency increased from the previous year but remained in line with the annual target of zero accidents by 2030. Unfortunately, one of the accidents was serious, so the company must continue to emphasise proactive safety work and the prevention of serious work-related accidents.
- **Employee engagement** – The target was not achieved as planned. Actions to promote engagement – defined based on personnel surveys – were monitored and effectively implemented. The monitoring and implementation of actions will continue in the coming years.
- **Implementation of actions based on the personnel survey** – Progress towards the target was made according to plan, and the 100% target was achieved in 2025. The actions focused on areas such as leadership development, strengthening a culture of open discussion, and improving safety management.
- **Women in leadership roles** – The proportion of women in leadership roles did not meet the 2025 target, as the figure remained unchanged from the previous years. The metric and results from previous years were updated in 2025.
- **Employee experience on diversity, equality and inclusion (DEI) implementation** – Progress towards the target was not as planned. However, the Metsä for All vision was promoted by training supervisors in diversity, equality and inclusion. In addition, employees at production units were trained about the importance of psychological safety in the workplace community. Employee awareness and competence will continue to be developed through internal training in the coming years, and the mandatory e-learning course on equality for all employees will be updated in 2026.
- **Anonymous recruitment for vacancies open to all** – The use of anonymous recruitment became established, and the 100% target was achieved. This supports Metsä Board's goal of promoting equality in recruitment processes and reducing the impact of preconceptions in recruitment decisions.

## Affected own workforce

Most of the employees belonging to the company's own workforce are in an employment relationship with the company. A relatively small share of employees of third-party companies, who have an agreement on the supply of labour with Metsä Board, work in ICT services and at production units, for example.

The identified material negative impacts are mainly related to individual cases. Those highlighted in the human rights impact assessment include impacts on safety at work and factors straining wellbeing. Workers at production units and in investment projects face a higher risk of accidents. The most typical accidents consist of injuries to hands and feet. Moreover, all employees may be exposed to negative impacts related to mental wellbeing and/or loading.

Metsä Board has also identified potential negative impacts on diversity and the achievement of equality, including challenges to gender equality in a male-dominated industry. Challenges may also arise in the achievement of diversity regarding the origin, language or age of the company's own workforce, and the equal treatment of minorities.

In addition to the most significant impacts, the assessment identified potential negative impacts related to working conditions, particularly

concerning the uneven distribution of work and work-life balance. Potential negative impacts on employee privacy have also been identified in data protection and information security.

## Policies

The sustainability of Metsä Board's own workforce is guided by applicable legislation, as well as policies comprising Metsä Group's Code of Conduct and others approved by the company's Board of Directors, the Metsä for All vision and management systems. The policies apply to all Metsä Board's own employees. The key occupational safety training applies to the company's own workforce, meaning its employees and leased labour. The Code of Conduct and policies are discussed in more detail under *G1 – Business conduct*.

The Motivated people strategic programme focuses on the competence development of management and employees; the mills' common operating model; a diverse, equal and inclusive (DEI) culture; the implementation and development of an ethical and respectful corporate culture; and ensuring future employee needs. The goal is that everyone in the workplace community understands the significance of their role and work in strategy implementation. The Safe and Efficient Operations and Organic Growth strategic programme focuses on topics such as the continuous improvement of occupational safety. One of the goals is to reduce the number of work-related accidents.

## Equal treatment and opportunities for all

Metsä Board is committed to promoting the diversity, equality and inclusion (DEI) of its own workforce. This work is guided by Metsä Group's Code of Conduct, Equality Policy and the Metsä for All vision. The HR function guides and carries out DEI work in cooperation with other functions.

The Code of Conduct and Equality Policy include the prohibition of all discrimination based on gender, age, origin, race, nationality, language, religion, belief, opinion, political activity, trade union activity, family relations, pregnancy, health, disability, sexual orientation or any other personal characteristics. Indirect discrimination is also prohibited. The non-discrimination principle applies throughout an employment relationship, regardless of whether the employment relationship is permanent, temporary or part-time.

Awareness of diversity, equality, inclusion and non-discrimination is promoted through the Code of Conduct e-learning course and DEI e-learning course, which are mandatory for employees, as well as through mental safety training given by internal coaches. The themes are part of the induction of new white collars and apprentices, as well as the company's management and leadership coaching.

## Training and skills development

Metsä Board's management and employees' skills development are guided by the Human Resources Policy. Metsä Board's management and HR function are in charge of implementing the policies included in the Human Resources Policy. Management and supervisory work is supported through coaching, where participants discuss matters such as Metsä Group's good leadership principles. Employees' skills are developed in the long term in line with Metsä Board's strategy and goals.

## Working conditions

Metsä Board complies with the applicable practices for working conditions in its operating countries, in addition to local legislation. In its Code of

Conduct, the company is committed to fair terms and conditions of employment. 76% (77) of Metsä Board's employees are covered by collective agreements. In Finland, Metsä Board follows company-specific collective agreements for the chemical forest industry.

All Metsä Board production units and 88% (88) of the employees are located in Finland and Sweden, both of which have high-standard statutory requirements concerning working conditions such as reasonable working time, annual leave, parental leave and part-time work. The wage payment practices for the family-related leave of employees in Finland have been harmonised to a level that exceeds the statutory requirements concerning family-related leave and offers parents equal opportunities to take care of their child. All Metsä Board employees are paid adequate wages (as was the situation at the end of the reporting period, 31 December 2025). Metsä Board's employees have the right to choose whether they belong to a trade union or not.

## Health and safety

Metsä Board's occupational safety is guided by the safety management system, comprising the Corporate Security Policy and the safety principles, standards, processes and work instructions. Metsä Board's safety management system considers each country's legislation – for example, the Occupational Safety and Health Act in Finland. The Corporate Security Policy defines the goals and operating models of security operations, to which all employees must commit in their activities. The safety principles guide safety-related decisions and define the criteria for preparing safety processes and standards. In addition to guiding occupational safety, the ISO 45001 standard calls for a safety management system. The implementation of safety policies is the responsibility of Metsä Board's CEO in accordance with the requirements specified by Metsä Group's senior management. The roles and responsibilities of occupational safety are defined in the Safety principles. The related e-learning course is mandatory for the employees of production units.

All Metsä Board mills comply with the ISO 45001 standard for occupational health and safety. All Metsä Board mills apply the 5S method for organising workplaces and standardising working methods, which aims to increase productivity, safety and wellbeing at work.

100% (100) of the production units' employees and service providers come under the scope of the occupational safety management system, which has been certified by a third party. Employees working at production units account for 81% (81) of Metsä Board's total workforce. Office employees outside production units come under the scope of Metsä Board's occupational safety management system, but these operations do not have third-party certification.

At Metsä Board, wellbeing and the improvement and maintenance of work ability are guided by the Code of Conduct and the Occupational Safety and Wellbeing instructions, in which Metsä Group commits to promoting employees' physical and mental wellbeing. The promotion of workplace wellbeing and work ability is proactive, the goal being to identify threats to employees' work ability, initiate actions and maintain the employees' health throughout their careers. The sites are responsible for compliance with applicable legislation and Metsä Group's requirements for workplace wellbeing.

Metsä Board organises healthcare for its employees in accordance with each country's legislation. Information about healthcare services is available on the company's intranet pages, and it is also included in employees' induction.

## Other work-related rights

As part of the Code of Conduct, Metsä Board is committed to acting in accordance with the United Nations (UN) Guiding Principles on Business and Human Rights and to respecting internationally recognised human rights in accordance with the UN's Universal Declaration of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work. The company is committed to remedying any negative impacts on human rights in accordance with the UN Guiding Principles on Business and Human Rights, and Metsä Group's Principles on non-compliance notifications and the related investigation. In the Code of Conduct, Metsä Board is committed to ensuring that no child or forced labour, human trafficking, or other forms of modern slavery occurs in its business operations and supply chain. Metsä Board has focused its production in countries with no significant risk of child or forced labour. Metsä Group publishes a transparency statement annually in accordance with the UK Modern Slavery Act, in which it describes the actions taken to ensure that no modern slavery occurs in the company's own operations or its supply chain. Metsä Board supports the UN Global Compact initiative and its principles on human rights and employees, among other things. Human rights matters are discussed in e-learning courses such as those focusing on sustainability, the Code of Conduct and equality. All employees are required to regularly complete the courses.

## Privacy

As part of its Data Protection Policy, Metsä Board is committed to protecting the privacy of people. The Data Protection Policy defines the principles and rules that must be followed when processing personal data. Personal data related to the employees' health are processed only by designated individuals in accordance with data protection legislation and in situations in which the data is required by law. Employees' health-related data is stored separately from the employees' general personal data. The data protection management model helps ensure compliance with legislation, including the EU's General Data Protection Regulation (GDPR).

## ■ Engaging with own workers and workers' representatives about impacts

### Metsä for All vision

Interaction with employees played an important role when defining the Metsä for All vision. The vision's content was influenced by the opinions of the international working group comprising the company's employees, as well as the results of a survey for all employees. The site-specific development measures related to the vision's implementation were determined in workshops for local management, aided by site-specific DEI employee surveys.

Statutory equality and non-discrimination plans are drawn up annually with employee representatives.

### Collective agreements

Company-specific collective agreements for the chemical forest industry are renewed among the parties based on the principle of continuous negotiations. The drafting of company-specific collective agreements marked the beginning of measures carried out jointly with the employee representatives to renew and improve work life.

## Cooperative activities

Metsä Board complies with local legislation and applicable collective agreements in all its operating countries. Cooperation is carried out in accordance with each country's legislation. The aim of cooperation is to develop the company's operations and improve the employees' opportunities to influence their own work, working conditions and decision-making related to their position in the company. HR, management and employee representatives are jointly in charge of the measures related to cooperation.

In Finland, elected representatives participate annually in Metsä Group's cooperation forum and Metsä Board's corporate meeting, where the elected representatives and the company management discuss the elected representatives' questions, development proposals and the group's financial position. In addition, the management team at all mills in Finland includes an elected representative.

Metsä Board has a European Works Council (EWC). The goal of the EWC is to promote the company's internal information flow and contacts between the Corporate Leadership Team and employees, as well as to regularly discuss questions about the company's multinational operations that are significant to the employees, primarily in accordance with the Finnish version of the EWC agreement. The Works Council is not intended for discussing matters regulated through national or local collective agreements.

## Personnel survey and Pulse survey

The company annually conducts a Personnel survey measuring employee engagement, the quality of leadership and employees' views on business ethics. In addition, the survey provides an index measuring employee engagement and a Metsä for All index, which measures employees' experiences of diversity, equality and inclusion in the company. The results of the Personnel survey are supplemented by the Pulse survey, conducted four times a year, which measures employee commitment in the company and employees' views on the ethics of business. Through the Personnel survey and the Pulse survey, employees can give written feedback on the practical implementation of ethics and report any grievances. The Compliance and Ethics Channel, intended for reporting ethical grievances, is discussed in greater detail under *G1 – Business conduct*.

The HR function is responsible for both the Personnel survey and the Pulse survey, and supports the company management in handling the survey results and addressing them in decision-making. The results are discussed at different organisational levels and with elected representatives. Further information about work on the actions is provided under *Actions*. The results of the Personnel survey and Pulse survey are used as indicators for strategy implementation.

The effectiveness of the Personnel survey and the Pulse survey is measured by evaluating the response rates and the implementation of the defined development measures, and by comparing the results with those of other companies.

## Safety talks and occupational health and safety committees

Occupational safety is promoted and supported with safety talks, or information sessions for the workforce, which are recorded in the system. The scope of safety walks is assessed by monitoring the target amounts set for them.

The occupational health and safety committees of mill sites regularly discuss the promotion of occupational safety with various groups of the workforce. The occupational health and safety committee prepares an annual action plan for occupational safety, based on which the occupational health and safety manager and the committee jointly determine the key development measures related to occupational safety. The occupational health and safety committees represent the company's own workforce as a whole – that is, the company's own employees and leased labour.

The line management is responsible for the implementation of safety walks and for occupational health and safety committees. To increase the effectiveness of communication, stakeholders have been involved in the occupational safety communication processes.

## ■ Processes to remediate negative impacts and channels for own workers to raise concerns

Metsä Board considers its obligation to remediate any negative impacts on its own workforce. In accordance with Metsä Group's Principles on non-compliance notifications and the related investigation, the company conducts a case-by-case assessment of reasonable remedies to ensure that the injured party is put in the same position as they would have been in had the incident of non-compliance not occurred, or as close as possible to it. The rights of the injured parties are taken into account in the assessment.

## Compliance and Ethics Channel

The company's own workforce can report any ethical concerns or non-compliance with legislation they detect through Metsä Group's Compliance and Ethics Channel or to their supervisor, local management, HR or the Compliance Committee. The Compliance and Ethics Channel, raising concerns and the processing of reported concerns are discussed in greater detail under *G1 – Business conduct*.

## Working conditions

### Health and safety

Metsä Board's risk assessment and management is supported by the HSEQ system, designed for recording and monitoring safety observations, accidents, close calls, corrective actions, safety talks and safety walks. Entries can be made by anyone belonging to the company's own workforce. Safety observations are discussed at daily meetings. Metsä Board does not accept countermeasures against whistle-blowers. If required, whistleblowers may also choose to submit a report anonymously through the Compliance and Ethics Channel.

All accidents and hazardous situations are investigated. The investigation creates conditions for avoiding similar situations and identifying any shortcomings in safety management. When the investigation report is completed, a summary of the investigation is distributed to all Metsä Group business areas.

## ■ Actions

As part of its cost savings and profit improvement programme, Metsä Board initiated change negotiations covering the entire personnel in October 2025. As a result of the negotiations, 310 jobs were cut in all Metsä Board's countries of operation in total. Earlier in the year, the closure of the Tako paperboard mill and the improved efficiency of the Kyro paperboard mill led to a reduction of 208 jobs, of which 95 people were re-employed within Metsä Board and Metsä Group.

Metsä Board surveys the measures targeted at its own workforce based on the identified impacts. Impacts on the company's own workforce are systematically assessed in the double materiality assessment, in which attention is paid to the results of surveys focusing on the employees such as the annual Personnel survey.

Based on the results of the Personnel survey, an action plan is drawn up for the areas with the weakest results. Supervisors discuss the results of the Personnel survey with their own teams. The discussion can also involve the HR function and a third party if required. Based on the results, the teams choose the required measures, and their implementation is monitored at team meetings and by the company management.

The effectiveness of the implemented actions is assessed with the Personnel survey and the Pulse survey. The surveys measure the realisation of ethical and equal operations, employee engagement, and the quality of leadership. Based on the reports made through the Compliance and Ethics Channel, and other cases submitted for investigation to the Compliance Committee, an idea of the realisation of ethical operations at an annual level can be formed.

## Equal treatment and opportunities for all

### Continuous actions

The focal points of the Metsä for All vision are equality and gender equality, diversity, inclusion, and cultural change. They guide the development of employee processes and the annually determined measures for achieving the vision.

As part of the continuous development work, an equal pay survey is conducted annually, employees are trained regularly, and measures are taken to ensure that the gender distribution in leadership training corresponds to the DEI targets. In successor planning, attention is paid to the goal of a more balanced gender distribution in company positions. Metsä Board's recruitment partners are committed to DEI targets.

Anonymous recruitment is the main recruitment method. It supports employee diversity by encouraging people with different backgrounds to apply for jobs at Metsä Board. Anonymous recruitment minimizes the risk of bias and its potential impact on recruitment. After the introduction of anonymous recruitment, the share of women of all recruited employees has increased by 8% (21) in relative terms between 2021 and 2025.

### Actions taken during the reporting year

During 2025, a training programme focusing on themes of psychological safety and their internal coaching was implemented for occupational safety and health committees in Finland, and corresponding target groups in other countries of operation. The programme covered topics such as inappropriate treatment, bullying, harassment, discrimination and psychological safety, as well as ways to address grievances. Participants in the training went on to train the members of their own unit's occupational

safety and health committee and supervisors in the topics covered by the training. In addition, Metsä Group's HR function organised a training programme on diversity to support professional competence.

Training in psychological safety and inclusion will continue at production units in the coming years, and similar training is also being planned for personnel working outside production units.

## Training and skills development

### Continuous actions

The aim is to ensure the availability and retention of skilled employees by investing in the development programmes, successor planning, cooperation with educational institutions, and employer image. Competence surveys support the development of multiple skills and competence measurement. Personal assessments and wider competence surveys can guide the development of individual, group and organisational-level competence, and the content of development programmes.

Metsä Board encourages its employees to actively develop their competence and participate in different types of training. Everyone is provided with a personal development plan to support their development at both the personal and team levels. Mentoring programmes and job rotation support the employees' professional growth and enable the use of tacit knowledge.

Competence development is monitored at two levels. Metsä Board monitors the number of personal development plans and Personnel survey results related to the opportunities to use one's own competence. In addition, feedback is collected on academies and other training programmes.

Metsä Board's employees have a bonus scheme, and the personal performance bonus targets of each employee include a sustainability target. Personal goals and areas of development are set annually, and their progress is monitored in performance and development appraisals (PDAs), which all employees conduct with their supervisor twice a year. The bonus scheme does not cover trainees, thesis workers, employees who have worked less than four months during the bonus scheme year or individuals who are not in an employment relationship at the time of the bonus payment.

### Actions taken during the reporting year

In 2025, competence was developed in the academies for finance, sales, procurement, sustainability and leadership. In addition, a production academy was launched.

The Learning functionality was introduced to the Workday HR system to support the monitoring of skills development and make it more efficient, as well as to facilitate training management. This functionality presents all the training courses offered by Metsä Group in one place and guides systematic competence development at the individual level.

### Working conditions

All Metsä Board's employees are included in the same HR system, which reduces the risk of employment conditions or wages being in breach of the law or agreements. In some positions, employees have flexible working hours and a hybrid working model, which enables them to work remotely part of the week. The company supports the employees' wellbeing at different stages of life and enables a long career by offering various solutions such as job rotation.

### **Actions taken during the reporting year**

The change negotiations carried out during the reporting year resulting in the offering of change security to the affected employees in accordance with local legislation in each country.

## **Health and safety**

### **Continuous actions**

In Metsä Board, safety management is based on the prevention of hazards and risks. Operations are guided by safety processes and standards and work instructions. The e-learning course in the principles of safety management is mandatory for the production units' employees. The general safety induction e-learning course dealing with hazards and risks is mandatory for the company's own workforce working at Metsä Board's production units and construction sites.

A safe environment is ensured with common safety-at-work standards, continuous proactive measures – such as risk assessments, safety observations, safety walks and safety training – and investments improving safety. Safety standards define separate procedural requirements for high-risk work tasks. The permit to work standard covers the most important of these: lockout/tagout, working at heights, lifting work, work in confined spaces, excavations and hot work.

The zero accidents target is supported by long-term focal areas for safety – the deployment of common safety-at-work standards, personal risk assessments and the development of hand safety. The measures determined based on the focal areas guide the development of safety work, define the key targets and make safety work more predictable.

Occupational safety actions are actively monitored in the HSEQ system, in which the actions are categorised based on their impact on occupational safety. The zero accidents target is used to assess the effectiveness of occupational safety actions in the big picture.

Using health checks and health surveys, occupational healthcare evaluates employees' health in view of the demands of their duties and the exposures related to their work. The healthcare services of leased labour are handled by their own employer. Workplace conditions are made as health-secure as possible – for example, in terms of tidiness and adequate ventilation. The appropriateness and adequacy of personal protective equipment is also ensured. The most common occupational illnesses – allergic skin or respiratory reactions caused by dust or chemicals – are becoming less common. Metsä Board has not been made aware of any fatalities from occupational diseases among its own or its contractors' workforce.

To support work performance, operating models have been defined for rehabilitative activities and early support. A substance abuse programme is also in place. The implementation of early support is monitored in relation to the defined targets and needs. Supervisors are offered regular annual guidance and training in managing wellbeing at work to ensure that work ability and wellbeing at work are seen as part of day-to-day management.

### **Actions taken during the reporting year**

In 2025, the key focus areas for safety work were a Group-wide safety management training programme and the establishment of the Fair & Just safety culture.

The training programme on safety management continued in 2025 at Finnish production units using the “train the trainer” model, in which supervisors trained production employees. The training focused on safety responsibilities and obligations at the various levels of the organisation. In addition, the training for white collars and managers, launched last year, was expanded in 2025 to include safety training for production personnel at the Husum paperboard and pulp mill.

The principles of the Fair & Just safety culture were introduced as part of safety training. The purpose of the new approach is to emphasise how important compliance with instructions is for accident prevention and the responsibility of supervisors for ensuring that the working practices of their team members are safe. The implementation method focuses on raising employee awareness of key safety rules and ensuring commitment to acting in accordance with them. In addition, the approach harmonises practices for addressing deviations and follow-up measures concerning the individual, their supervisor, and the entire organisation.

In 2025, the focus in promoting wellbeing at work was on the employees' musculoskeletal condition and support for mental wellbeing. The main themes of the webinars and info session on health topics aimed at employees were ergonomics, including cognitive ergonomics, and strengthening resilience and psychological safety.

The trial of an individual working time model for shift work, which was initiated in 2024, continued at all production units in Finland. The experiences were positive, and the trial will be continued in 2026.

As a result of the change negotiations conducted during the reporting year, support was offered to employees and supervisors for dealing with challenging situations and redundancies.

## **Other work-related rights**

### **Continuous actions**

The implementation of human rights is considered as part of the development of HR processes. In addition to the human rights impact assessment conducted in 2024, the Compliance and Ethics Channel, the ethics-related questions in the revised Personnel survey, and the collected open-ended feedback are important tools in identifying human rights impacts.

### **Actions taken during the reporting year**

Investments in occupational safety and wellbeing, DEI work, and e-learning courses dealing with these topics were key practical measures affecting the implementation of human rights in 2025.



## Privacy

### Continuous actions

Regarding data protection, procedures for processing employees' personal information have been defined, and all employees are required to comply with the Data Protection Policy in place. At Metsä Board, data protection and information security are implemented through high-quality technical and organisational actions. The same requirements apply to companies providing occupational health services, and these requirements are included in the agreements. To ensure data protection, employees take e-learning courses such as the data protection course, mandatory for all employees. In addition, a mandatory advanced e-learning course is provided for HR personnel and supervisors, focusing specifically on the processing of employees' data and related special legislation. Data protection themes are discussed in meetings organised with heads of HR and the owners of key HR processes four times a year. Moreover, everyone has the right to submit requests concerning their personal data through Metsä Group's website.

### Actions taken during the reporting year

In 2025, an updated version of the advanced e-learning course on data protection for all supervisors and HR personnel was published.

### Financial resources allocated to the management of material impacts

In 2025, voluntary social costs totalled EUR 4.9 (4.6) million. These included the costs of occupational health services, recreational activities, occupational safety equipment and lunch.

In 2025, the employees' training expenses totalled EUR 2.1 (1.5) million.

## Incidents, complaints and severe human rights impacts

In 2025, Metsä Board was made aware of incidents that might have had a direct or indirect adverse impact on the company's human rights obligations. Metsä Board is making progress towards its goal of zero accidents as planned. Despite a strong focus on safety, two serious workplace accidents occurred in 2025. One of the incidents involved a service provider and one involved the company's own employee. All accidents were thoroughly investigated in close cooperation with the persons involved and specialists. As part of the incident investigations, corrective and preventive actions were determined for the cases. In addition, lessons learned from the incidents were shared with other business areas to prevent the recurrence of similar accidents.

In 2025, the company received three reports of harassment or discrimination. One of the investigated harassment cases resulted in termination of employment, and one led to a written warning. None of the reports of misconduct brought to the company's attention concerned forced labour or the use of child labour.

The mechanisms for identifying, reporting and investigating grievances are discussed under *G1 – Business conduct*.

## Metrics

### Employee head count by gender

	2025	2024
Male	1,650	1,856
Female	480	553
Other	0	0
Not reported	0	0
Total employees	2,130	2,409

In Metsä Board's personnel system, a person's gender is determined based on their legal gender.

### Employee head count by country

	2025	2024
Finland	1,131	1,344
Sweden	740	775
Poland	116	127
United States of America	62	76
Other countries	81	87

Countries with more than 50 employees.

### Employee turnover and recruitment

	2025	2024
Employee turnover rate, total	253	106
Employee turnover rate, %	13	4.8
Female	13	5.3
Male	13	4.7
Under 30 years old	16	3.4
30-50 years old	10	2.8
Over 50 years old	15	7.1
Number of new hires, total	30	62
Female	9	18
Male	21	44
Under 30 years old	6	20
30-50 years old	21	33
Over 50 years old	3	9

## Employees by contract type, broken down by gender

	Female		Male		Other		Not reported		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Number of employees	480	553	1,650	1,856	0	0	0	0	2,130	2,409
Number of permanent employees	439	480	1,550	1,741	0	0	0	0	1,989	2,221
Number of temporary employees	37	65	82	89	0	0	0	0	119	154
Number of non-guaranteed hours employees	4	8	18	26	0	0	0	0	22	34
Number of full-time employees	455	518	1,589	1,765	0	0	0	0	2,044	2,283
Number of part-time employees	25	35	61	91	0	0	0	0	86	126

In Metsä Board's personnel system, a person's gender is determined based on their legal gender.

## Employees by contract type, broken down by country

	Finland		Sweden		Poland		United States of America		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Number of employees	1,131	1,344	740	775	116	127	62	76	81	87	2,130	2,409
Number of permanent employees	1,021	1,192	719	756	106	111	62	76	81	86	1,989	2,221
Number of temporary employees	88	118	21	19	10	16	0	0	0	1	119	154
Number of non-guaranteed hours employees	22	34	0	0	0	0	0	0	0	0	22	34
Number of full-time employees	1,089	1,268	701	729	114	126	61	75	79	85	2,044	2,283
Number of part-time employees	42	76	39	46	2	1	1	1	2	2	86	126

Countries with more than 50 employees.

## Collective bargaining coverage and social dialogue

Coverage rate	Collective Bargaining Coverage				Social dialogue	
	Employees - EEA		Employees - Non-EEA		Workplace representation (EEA only)	
0-19%	Poland		United States of America			
20-39%						
40-59%						
60-79%	Finland					
80-100%	Sweden				Finland, Sweden	

Countries with more than 50 employees.

## Non-employees in own workforce

	2025	2024
Total number of non-employee workers in the company's own workforce	2	3

## Gender distribution at top management level

	2025	2024
Share of men and women in top management	115/39	130/43
Share of men and women in top management, %	75/25	75/25

## Distribution of employees by age group

	2025	2024
Under 30 years old	223	330
30-50 years old	998	1,095
Over 50 years old	909	984

## Social protection

Countries that do not have social protection for the listed major life events	
Sickness	
Unemployment starting from when the own worker is working for the company	India, Singapore
Employment injury and acquired disability	India, Singapore
Parental leave	
Retirement	India

## Training and skills development

	2025	2024
Employees that participated in regular performance and career development reviews, %	96	94
Women	94	88
Men	97	96
Blue collar	96	94
White collar	98	94
Executive	96	97
Average number of training hour per person for employees	11	20
Women	11	23
Men	10	19
Blue collar	9.3	18
White collar	12	24
Executive	20	34

## Family-related leave

	2025	2024
Number of employees entitled to take family-related leave	2,130	2,409
Number of employees that took family-related leave	201	201
Number of women that took family-related leave	49	46
Number of men that took family-related leave	152	155
Employees entitled to take family-related leave, %	100	100
Employees that took family-related leave, %	9.4	8.3
Women that took family-related leave, %	10	8.3
Men that took family-related leave, %	9.2	8.4

## Total remuneration ratio of women and men

	Finland			Sweden			Poland			United States of America		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Blue collar	92	94	95	100	100	97	-	-	-	-	-	-
White collar	98	96	98	99.5	97	93	98.6	97	98	95	97	-

Countries with more than 50 employees

## Incidents, complaints and severe human rights impacts

	2025	2024
<b>ALL REPORTED INCIDENTS RELATED TO UNETHICAL BEHAVIOUR</b>		
All reported cases	29	22
Reported cases which led to full-scale investigation	14	13
Number of complaints filed to National Contact Points of OECD Multinational Enterprises	0	0
<b>DISCRIMINATION AND HARASSMENT INCIDENTS</b>		
Reported cases related to discrimination and harassment	3	3
Confirmed cases of discrimination and harassment	2	2
Total amount of fines, penalties, and compensation paid for the reported cases of discrimination and harassment	0	0
<b>SEVERE HUMAN RIGHTS INCIDENTS</b>		
Severe human rights incidents (child labour, forced labour, human trafficking)	0	0
Total amount of fines, penalties, and compensation paid for the severe human rights incidents	0	0

## Health and safety

	2025	2024
<b>OWN EMPLOYEES</b>		
Occupational accidents	17	13
Total recordable incident frequency, TRIF	4.8	3.4
Lost time occupational accidents	15	11
Lost time accident frequency, LTAIF	4.2	2.9
Fatal occupational accidents	0	0
Occupational diseases	0	0
Fatal occupational diseases	0	0
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	195	265
<b>SERVICE PROVIDERS</b>		
Occupational accidents	10	4
Total recordable incident frequency, TRIF	5.2	2.0
Fatal occupational accidents	0	0

## Total remuneration

	2025	2024
The annual total remuneration ratio of the highest paid individual to the median employee annual total remuneration (excluding the highest-paid individual)	16	25

## Reporting principles for metrics

The figures for the company's own workforce include the entire Metsä Board Group. The number of employees used in the calculations is indicated as the number at the end of the reporting period (31 December 2025). The number of employees also includes non-active employees such as employees on family-related leave. Metsä Board annually employs around 250 (330) seasonal summer employees, thesis workers and trainees, some of whom are not employed at the end of the reporting period, when the number of employees is determined. The number of employees as full-time equivalents, at the end of the year and on average is presented in the Consolidated Financial Statements, Notes 2.1. The most significant factor explaining the decrease in personnel numbers compared with the previous year is the change negotiations conducted in 2025.

The metrics have not been validated by an external party.

### Employee turnover and recruitment

Recruitment includes permanent new hires. Employee turnover includes all leavers, whatever the reason (excluding transfer of business), divided by the number of employees. The figure includes permanent employment relationships.

The share of anonymous recruitment vacancies open to all includes the recruitment carried out in the Workday system. Workday is used in most recruitment. For example, cases in which the job applicant directly contacts the production unit are not included in the calculation.

### Non-employees in own workforce

Non-employee workers in the company's own workforce include workers who have concluded an agreement on the supply of labour with Metsä Board – that is, self-employed people and workers provided by companies that primarily engage in employment services. No significant changes usually take place in the number of workers over the year.

### Collective bargaining coverage and social dialogue

There have been no changes in the listed countries or coverage rates compared to the baseline year 2024.

### Diversity metrics

The scope of the gender distribution of management and the scope of Metsä Board's "Women in leadership roles" metrics were updated in 2025. A requirement level has been defined for management tasks covered by the metrics, and these requirements are met by demanding management and specialist roles. These include all CEO, SVP and VP roles, and some other demanding roles below that level. In connection with the update, the figures for the reference years have been updated in accordance with the new definitions.

### Social protection

The lack of social security for the listed life events applies to all employee groups, a total of 10 (13) people in the listed countries. There have been no changes in the listed countries compared to the baseline year 2024.

### Health and safety

An occupational accident is reported if a person injured at work requires medical treatment or adapted or replacement work, or if the accident leads to their absence. In the calculation of lost-time accidents and LTA1F rate, only accidents that have led to at least one day of absence are taken into account. The assessment of a serious occupational accident is based on the definition provided by the Occupational Safety and Health Administration in Finland's Tyosuojelu.fi website.

Frequencies of work-related accidents have been calculated per million hours worked. The working hours of service providers have been estimated based on procurement costs. The number of work-related accidents is indicated separately for the company's own employees and service providers.

The disclosed days absent may involve uncertainty due to changes made afterwards. Days absent due to occupational diseases also include absences due to occupational disease examinations. In the case of fatal occupational accidents, the number of days absent is indicated as 0 for calculation reasons. There were no fatal occupational accidents in 2025 or 2024.

### Family-related leave

Family-related leave includes maternity leave, paternity leave and parental leave available under national legislation and collective agreements.

### Compensation metrics

The total pay ratio of women to men has been calculated as an average of women and men in the same pay category, weighted by the number of employees. If pay categories are not used in the unit, pay has been compared within the same site. The calculations are based on the gross hourly wage of employees and the gross annual salary of white collars maintained in the HR management system. The calculation methods are developed to take the requirements of the Pay Transparency Directive into account.

The adequate wages indicator is calculated by comparing employees' total remuneration with available comparative data. The comparison is based on the national minimum wages confirmed in accordance with the EU Minimum Wage Directive (2022/2041). In countries without a national minimum wage, such as Finland and Sweden, the comparison has been made using regional market data provided by an external partner.

### Incidents, complaints and severe human rights impacts

Cases concerning the company's own workforce that may have involved a direct or indirect negative human rights impact have come to the company's attention through either the Compliance and Ethics Channel or a notification made to a member of the Compliance Committee. The figures also include cases involving a potential human rights impact that exceed the materiality threshold based on the Compliance Committee's evaluation.

### Personnel survey

The Personnel survey results are based on the annual employee survey. All Metsä Board employees can respond to the survey. Responses are collected on a scale of 1–4 (fully disagree/agree), and an external service provider converts the responses to indexes on a scale of 0–100 (100 = everyone fully agrees).

The results of the Metsä for All index are based on five questions in the Personnel survey of employee experience of diversity, equality and inclusion (DEI) implementation.

The index depicting employee engagement is based on the results of the Personnel survey's statements concerning the employee's own work, team, leadership and company, for which benchmark data is available. The results are compared with European benchmarks, and the level of employee commitment is derived from this. The AAA target is "very good" compared with the benchmark, and the threshold value for achieving it in the personnel survey is 81.3 in relation to the European benchmark.

Group and business level measures based on the Personnel survey are implemented. The measures are recorded in a system that also tracks their implementation status.

## S2 – Workers in the value chain

### Material impacts, risks and opportunities related to workers in the value chain

Material sub-sub-topic	Impacts		Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
Working conditions							
• Secure employment • Working time • Adequate wages	↑	Metsä Board's requirements and control mechanisms such as the model for combating the grey economy may have a positive impact on the working conditions of suppliers' employees	●○○○	— — —	↑ <b>Opportunity:</b> Increased work ability, wellbeing and commitment among suppliers' employees, as well as a stronger reputation for the company as a responsible and safe partner	●○○○	— — —
	↓	The wellbeing of suppliers' and customers' employees may be adversely affected by poor working conditions, potentially widening inequality and impacting their families' quality of life	●○○●	— — —			
• Health and safety	↑	Metsä Board's safety requirements can positively influence the wellbeing and work ability of suppliers' employees, and the wellbeing of the employees' families	●○○○	— — —	↓ <b>Risk:</b> Decline in the work ability, job satisfaction, and commitment of suppliers' and customers' employees, and contractors, and damage to the company's reputation as a responsible and safe partner	●○○●	— — —
	↓	The work ability and overall wellbeing of suppliers' and customers' employees may be compromised, and occupational accidents increase, due to insufficient health and safety standards or a lack of effective enforcement	●○○●	— — —			
Other work-related rights							
• Child labour • Forced labour	↓	A potential infringement of labour rights in Metsä Board's value chain could lead to adverse human rights impacts, reduced quality of life for suppliers' and customers' employees and their families, and widening social inequality	●○○●	— — —	↓ <b>Risk:</b> Metsä Board's reputation as a responsible partner and operator at risk	●○○●	— — —
↑ Positive impact on the environment and society or on Metsä Board's business ↓ Negative impact on the environment and society or on Metsä Board's business			●○○○ Upstream value chain      — — — Short-term (less than one year) ●○○● Own operations      — — — Medium-term (1–5 years) ○○○● Downstream value chain      — — — Long-term (more than 5 years)				

### Metsä Board's 2030 sustainability target

	2030 target	2025	2024	2023
Total recordable incident frequency, contractor employees (TRIF)	0	5.2	2.0	1.7

Metsä Board has set sustainability targets in addition to the “Zero accidents” target concerning value chain workers and supplier commitment in the Code of Conduct, as well as supplier assessments and audits. These targets are discussed under *G1 – Business conduct*.

### Progress in targets

- Total recordable incident frequency, contractor employees (TRIF)** – Unfortunately, the recordable incident frequency did not progress towards the target of zero accidents as planned, and there was also one serious injury among the incidents. Metsä Board's target is to achieve even stronger results in this cooperation sector in the future.

### Affected workers in the value chain

Workers in the value chain who may be affected by impacts work on Metsä Board's own sites, and the upstream and downstream value chain. Depending on their nature and the stage of the value chain, actual impacts may be individual incidents such as occupational accidents or be systemic, especially in long value chains and high-risk countries.

Value chain workers are involved in Metsä Board's investment projects, production unit maintenance, and harvesting and transport. Metsä Group's harvesting, transport and forestry partners, who are independent contractors, are considered value chain workers. The human rights impact assessment for these worker groups highlighted in particular the potential negative impacts on health and safety, to which employees of suppliers involved in wood procurement, investment projects, and maintenance

shutdowns at production units are particularly vulnerable. In investment projects, potential negative impacts on equality, working hours and pay were identified. These particularly affect women and minorities. In addition to these key impacts, the assessment also pointed out a potential negative impact on the working conditions of workers in the forest management value chain, especially during the forest regeneration stage.

The most significant potential negative impacts in the upstream value chain are related to the value chains of chemicals, binders, coatings and pigments, as well as mill equipment, which are long and may extend to countries with a high risk of human rights impacts. The potential negative impacts on these value chain workers are related to poor working conditions, labour exploitation and occupational safety.

In the downstream value chain, potential negative impacts are primarily concentrated in the sale of the company's products to globally operating customers, some of whose branch of industry or country of location has been identified to involve a higher risk of human rights violations. The human rights situation of countries is taken into account when assessing risks associated with customer relationships. A country's poor human rights situation primarily affects vulnerable workers of customer companies or their value chains. For example, the tobacco industry's value chains are generally associated with potential negative impacts particularly regarding women's and children's rights and on occupational safety in the production process.



## ■ Policies

Sustainability related to the employees of Metsä Board's suppliers is guided by Metsä Group's Supplier Code of Conduct, approved by the company's Corporate Leadership Team, and the safety management system. Metsä Board's minimum requirement in supply agreements is that suppliers commit to Metsä Group's Supplier Code of Conduct or equivalent supplier-specific principles. Metsä Board does not have separate policies for downstream value chain workers. To ensure sustainability in the downstream value chain, Metsä Board carries out due diligence in accordance with its Know Your Business Partner process, which is discussed under *G1 – Business conduct*.

One of Metsä Board's strategic programmes focuses on safe and efficient operations and organic growth. The programme's focal areas include the continuous improvement of occupational safety. One of the goals is to reduce the number of work-related accidents.

### Working conditions

The Metsä Group Supplier Code of Conduct includes several requirements related to the working conditions of suppliers' employees, with which suppliers must comply:

- Fair employment practices
- A living wage as required by laws and regulations
- Freedom of association and collective bargaining
- Respect for privacy
- Anti-harassment

The responsibility for implementing the Supplier Code of Conduct lies with those in charge of procurement, and the person ultimately accountable for its principles is the President and CEO of Metsä Group.

### Health and safety

The Supplier Code of Conduct requires suppliers to provide a safe and healthy working environment to prevent accidents, injuries and illnesses, and to ensure that employees are aware of and adequately trained in these issues. Suppliers must have an occupational health and safety management system according to ISO 45001 or an equivalent system, as applicable.

Metsä Board's occupational safety is guided by the safety management system, comprising the Corporate Security Policy and the safety principles, standards, processes and work instructions. The safety management system encompasses all the employees of contractors working in Metsä Board's operations, and the system's requirements are the same for the company's own workforce and contractors. The implementation of safety policies is the responsibility of Metsä Board's CEO in accordance with the requirements specified by Metsä Group's senior management. The responsibilities related to safety policies are described under *S1 – Own workforce*.

The Safety Management Standard for Metsä Group Service Providers specifies requirements for the work management and supervision, employee competence, safety reporting, and permits to work of service providers working in Metsä Board's operations.

### Other work-related rights

The Supplier Code of Conduct specifies many binding requirements concerning other work-related rights of suppliers' employees:

- Respecting internationally recognised human rights in accordance with the United Nations' Universal Declaration of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.
- Acting in compliance with the UN Guiding Principles on Business and Human Rights.
- Taking action to remedy any adverse human rights impacts. Special attention must be paid to any adverse impacts on groups or individuals that may be at higher risk of vulnerability, such as migrant workers.
- Prohibiting the use of any form of child labour and forced labour, including modern slavery and trafficking in human beings.

In relation to the upstream or downstream value chain, no confirmed incidents of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises have been brought to Metsä Board's attention.

## ■ Engaging with value chain workers about impacts

The need for interaction with suppliers' employees or their representatives is highlighted when suppliers' employees work in operations comparable to Metsä Board's own operations at mills or on construction sites, for example. In other respects, the views of suppliers' employees are conveyed indirectly through supplier management activities such as cooperation meetings and surveys and audits. Metsä Group's Procurement and Logistics function is responsible for the implementation of these activities and for considering the results. The effectiveness of interaction with suppliers' employees and the progress of cooperation are monitored through a supplier cooperation survey conducted approximately every two years. Cooperation is supported by a communication channel called Supplier Portal intended for the management of supplier cooperation, which provides information about training, instructions and topical matters. Supplier management practices are discussed under *G1 – Business conduct*.

Safety is continuously developed and monitored with service providers working at the mills and in construction projects. Service providers' safety performance is monitored in large investments such as construction projects. Regular on-site safety talks are organised for the project employees, and observed safety deviations are actively addressed. A contact person from the applicable trade union and a health and safety representative are assigned to projects. A model for combating the grey economy is used in construction projects, and project employees can also use the notification channel to report any concerning issues they observe.

The communication methods described above are intended to gain an understanding of the views of workers in the upstream value chain, including those in positions that are particularly vulnerable to impacts. Metsä Board does not have a process for directly communicating with workers in the downstream value chain. Communication with corporate customers is discussed under *S4 – Consumers and end-users*.

## ■ Processes to remediate negative impacts and channels for value chain workers to raise concerns

In the Supplier Code of Conduct, the supplier commits to rectifying any non-compliance with the code. Suppliers must also ensure that their employees and stakeholders can raise concerns or grievances, and that there are appropriate practices for handling such cases.

The rectification of any deviations identified based on supplier assessments and audits is monitored. A model for combating the grey economy, as well as on-site spot checks, are in use in construction projects. Suppliers' satisfaction and awareness of the means of communication and interaction are assessed with supplier surveys. A more detailed description is provided under *Actions* in this section and under *G1 – Business conduct*.

Any non-compliance related to working conditions, health and safety or other human rights is handled in accordance with Metsä Board's escalation process, and in large investment projects, in accordance with the project's management model. The idea is first to offer suppliers the chance to rectify their way of working. If the supplier is unwilling or unable to rectify their way of working, cooperation with the supplier is discontinued. The most serious cases are presented for processing to Metsä Board's Corporate Leadership Team.

### Compliance and Ethics Channel

Workers in the value chain can report any ethical concerns or non-compliance with legislation they detect in connection with their cooperation with Metsä Board through Metsä Group's Compliance and Ethics Channel or to their contact person at Metsä Board. The notification procedures are discussed in the general safety induction for service providers' employees working in the company's operations. To increase awareness of the Compliance and Ethics Channel, the channel is promoted in the Supplier Portal, and in information channels and on posters on the sites. In accordance with the Supplier Code of Conduct, the suppliers' employees can report incidents of non-compliance through the Compliance and Ethics Channel. The Compliance and Ethics Channel, raising concerns and the processing of notifications are discussed in greater detail under *G1 – Business conduct*.

### Working conditions

#### Health and safety

Safety is continuously developed and monitored with service providers working at the mills and in construction projects. Service providers are required to engage in systematic and proactive safety work such as safety observations, walks and talks. Service providers' employees record their safety observations in the HSEQ system. The recording of safety observations is enabled across the value chain. Safety observations are discussed in connection with daily meetings. Metsä Board does not accept countermeasures against whistle-blowers. If required, whistle-blowers may also choose to submit a report anonymously through the Compliance and Ethics Channel.

Accidents and hazardous situations are investigated thoroughly in cooperation with service providers. In the case of serious accidents, the authorities are also involved. The investigation creates conditions for avoiding similar situations and identifying any shortcomings in safety management.

When the investigation report is completed, a summary of the investigation is also distributed to all other Metsä Group business areas.

If shortcomings are observed in the service providers' occupational safety, the same approach is followed as in other incidents of non-compliance concerning suppliers – that is, the provider is first offered the opportunity to rectify their way of working. If the service provider is unwilling or unable to rectify their way of working, cooperation with the service providers is discontinued.

In 2025, Metsä Board introduced the Fair & Just operating model for both its own employees and service providers. During the year, a total of four instances of safety non-compliance by service providers were identified under the model. None of these cases resulted in accidents, but each was assigned a sanction in accordance with the operating model. More information about the model is provided in section *S1 – Own workforce*.

## ■ Actions

In 2025, Metsä Board's operations did not cause severe human rights impacts, and no confirmed severe human rights issues or human rights violations in the upstream or downstream value chain were brought to the company's attention. Less severe work-related accidents causing personal injuries, incidents and complaints are discussed under *S1 – Own workforce*.

Metsä Board's actions seek to mitigate negative impacts and produce positive impacts on value chain workers. The measures are continuous and annual. Processes are developed in line with continuous improvement. Metsä Board has not identified significant operating or capital expenditure allocated to actions concerning value chain workers.

### Working conditions

#### Continuous actions

A background check is carried out on new suppliers, excluding private forest owners and certain low-risk suppliers. In addition, compliance is monitored continuously during the supplier relationship. Any known human rights violations and negative publicity related to human rights are reviewed as part of the background check. More detailed supplier assessments and audits are conducted for the most important suppliers, but also for suppliers whose branch of industry, country or performance involves a heightened risk related to sustainability or availability. Supplier assessments and audits are conducted to ensure that each supplier has adequate means to recognise and minimise impacts on the working conditions and other work-related rights of their employees. Among other things, evaluations seek to ensure that the companies have adequate proactive measures for ensuring occupational safety, as well as a written code of conduct and an anonymous reporting channel for employees. Audits include observations of working conditions and interviews with employees if required.

Some of the key actions to safeguard the rights of value chain workers in Metsä Group's wood supply include the requirement that contractors commit to sustainability requirements, background checks of entrepreneurs, close cooperation with the network of entrepreneurs, compliance with forest certification schemes and chains of custody (PEFC and FSC) and ISO standards (ISO 9001, 14001, 45001), as well as validation of operations by independent parties.

In most large strategic construction projects, the subcontracting chain's sustainability is ensured proactively with the operating model for combating the grey economy. It ensures that companies in the subcontracting chain comply with laws and collective agreements, and handle their taxes and other obligations appropriately. The backgrounds of businesses are checked at the offer stage, and spot checks are conducted regularly to detect any deviations.

To ensure the sustainability of suppliers, customers and other cooperation partners, Metsä Board follows third-party due diligence with its Know Your Business Partner background checks, which are discussed in more detail under *G1 – Business conduct*.

Supplier management practices are discussed in greater detail under *G1 – Business conduct*.

**Actions taken during the reporting year**

During 2025, Metsä Group launched risk-based internal audits of its contractors providing wood supply services. The audits are voluntary and focus on the work permits, training, use of protective equipment, and working conditions of contractors' employees, for example. In addition, an anonymous survey on working conditions was piloted with selected contractors.

**Health and safety**

**Continuous actions**

The general safety induction dealing with hazards and risks in the work environment is mandatory for service providers working at Metsä Board's production units and construction sites. Before beginning to work on Metsä Board's site, suppliers also receive a work-specific safety induction and permits to work. Service providers must assess the risks in their own work, prepare for them with a safety plan and submit their plan to Metsä Board. Service providers participate in Metsä Board's safety walks and risk assessments. Work-related accidents that occur in the service providers' operations at Metsä Board are registered in the HSEQ system. Accidents and reported safety observations are monitored continuously. In construction projects, the safety performance of different service providers is monitored, and any safety deviations observed are actively addressed.

Metsä Fibre, Metsä Board's associated company, organises regular cooperation forums with key service providers to discuss the conditions and joint development needs of safety cooperation. A key safety development measure in the next few years is to expand cooperation forums to Metsä Board.

Requirements for occupational safety training have been set for Metsä Group's wood supply contractors, and they participate in regular safety walks on the loading and unloading sites of production units and terminals. In addition, a risk assessment is conducted at all forest worksites.

The wood supply workers use an application designed for working alone in the forest.

**Actions taken during the reporting year**

In 2025, key joint targets and operating models were defined for the development of service providers' safety, with the aim of further improving workplace safety in cooperation with service providers. The defined operating models are particularly important for the preparation of safety plans and risk assessments, setting objectives for proactive security work, and for specifying the content of cooperation regarding auditing, for example.

Metsä Group's Wood Supply continued the safety management training for contractors that was started last year. In addition, the e-learning course on working near power lines, which is mandatory for wood harvesting personnel, contractors and their employees, was updated. A new service to identify and consider the key environmental and safety aspects of each site was introduced to support the planning and implementation of wood procurement. During the year, minimum requirements for timber cranes were also introduced, transition periods were defined, and recommendations were issued on the best technical solutions for improving operator safety.

**Other work-related rights**

Supplier management practices, including audits to verify the implementation of social responsibility, are discussed under *Working conditions* in this chapter. The auditors have been trained to detect risks related to forced labour and labour exploitation, for example.

**Reporting principles for metrics**

**Total recordable incident frequency, contractor employees (TRIF)**

The incident frequency has been calculated per million hours worked. The working hours of service providers have been estimated based on procurement costs. The number of accidents at work is reported under *S1 – Own workforce*. The metric has not been validated by an external party.

## S3 – Affected communities

### Material impacts, risks and opportunities related to affected communities

Material sub-sub-topic	Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon		
Communities' economic, social and cultural rights								
Land-related impacts	↑	Impacts of production units and wood supply that promote employment, livelihood and tax revenue, especially in small localities.			↑	<b>Opportunity:</b> Improved management of sustainability impacts and strengthening of the company's reputation as a responsible operator through stakeholder engagement		
	↓	Any negative environmental impacts of production units such as noise, odour or dust			↓	<b>Risk:</b> Weakening of the appreciation of the company's activities and its reputation as a responsible operator as a result of insufficient stakeholder engagement		
	↓	Commercial forest use may have an impact on the recreational use of forests compared with old-growth, natural or primary forests.						
Rights of indigenous peoples								
Free, prior and informed consent	↓	Potential impacts of wood supply in Northern Finland and Northern Sweden on the ability of the Sámi to pursue their livelihood			↓	<b>Risk:</b> Insufficient consideration of indigenous peoples may weaken understanding of the impacts of operations, the quality of decision-making and the company's reputation as a responsible operator		
<div>↑ Positive impact on the environment and society or on Metsä Board's business</div> <div>↓ Negative impact on the environment and society or on Metsä Board's business</div> <div><div></div><div></div></div>								

### Targets

Metsä Board's 2030 sustainability targets, and their setting and monitoring, are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*. Sustainability targets related to the environment and the supply chain are primarily designed to reduce – directly or indirectly – the negative impacts of Metsä Board's operations or promote positive outcomes for affected communities.

### Affected communities

The main communities affected by Metsä Board include forest owners, local communities in mill localities, the nature around the mills and the people who earn their livelihood from it, as well as other interested parties such as indigenous peoples (the Sámi), and NGOs. In mill localities, Metsä Board's impacts on communities result directly from the company's own operations. In wood supply areas, the impacts are caused in the value chain. If realised, the impacts are generally systematic, which is why the affected communities are considered in investment planning, and in mill and wood supply operations. Individual impacts may occur during exceptional situations at mills, for example.

### Policies

Sustainability concerning affected communities is guided by the Code of Conduct and the Supplier Code of Conduct, which include commitments to human rights. In all its operations, Metsä Board respects internationally recognised human rights, and in accordance with the UN Guiding Principles on Business and Human Rights, it is committed to rectifying any negative human rights impacts. In relation to affected communities, no confirmed incidents of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises have been brought to Metsä Board's attention. The Code of Conduct and the Supplier Code of Conduct are discussed in more detail under *S1 – Own workforce* and *S2 – Workers in the value chain*. In addition to the company's own workforce and workers in the value chain, the commitments concern all affected communities.

The hearing of affected communities is guided by the production units' environmental permits and environmental management systems, among other things. These policies are discussed under environment-related sections *E1*, *E2*, *E3*, *E4* and *E5*, and in this section, under *Engaging with affected communities about impacts*.

Special attention is paid to affected communities in the operating model for stakeholder engagement. Metsä Board also strives to develop its operations by regularly surveying opportunities for cooperation.

## ■ Engaging with affected communities about impacts

For example, Metsä Board communicates openly on the impact of its operations and products with the help of life cycle analyses and aims for active dialogue with stakeholders. The goal of stakeholder engagement is to ensure that stakeholders are met and heard, and that the company obtains feedback on its operations. Feedback is analysed, and it is taken into account in operational development and reported to senior management. The operating model for stakeholder engagement is described on page 29.

The scope and frequency of engagement differs, depending on the stakeholder. Metsä Group's Stakeholder Engagement unit aims to organise a bilateral meeting with each key stakeholder of Metsä Group at least once a year. Other engagement mechanisms include cooperation days, visits, and cooperation projects. No specific frequency has been defined for meetings with local communities. Instead, engagement takes place in the form of open house events, investment projects, meetings with the authorities or feedback channels, for example. The company engages directly with community members such as the residents of mill locations or their representatives such as the local authorities.

In 2025, the first community feedback survey was conducted to determine what local communities thought about the sustainability and reliability of Metsä Group's operations. Based on the survey results, the key development needs were related to communication and interaction with local communities, and the promotion of social wellbeing within local communities. Positive feedback was received on the economic impact of Metsä Group on the region, and on the environmental performance of forest use and forest management, for example.

Of indigenous peoples, the Sámi are affected by Metsä Board's operations especially in the context of wood supply. In the home region of the Sámi, Metsä Group engages in dialogue about the coordination of reindeer husbandry and forestry with stakeholders, including forest owners and reindeer owners' associations, and ensures locally that wood supply does not jeopardise the conditions for reindeer husbandry.

## ■ Processes to remediate negative impacts and channels for affected communities to raise concerns

Metsä Board engages in continuous dialogue with its stakeholders.

The implementation of large projects such as new production units or production lines always includes an environmental impact assessment, conducted in advance, which also involves hearing local communities and other stakeholders. In addition, local communities have a statutory right to participate in the mills' environmental permit processes by submitting reminders about and views on environmental permit applications, which are considered in the permit process. In other matters, the affected communities can raise concerns by directly contacting local operations through the production units' contact persons, Metsä Board's Communications or Metsä Group's Stakeholder Engagement unit, for example. The feedback received is processed, a response is sent to the feedback provider, and an entry is made in the HSEQ system as soon as possible. Open house events organised at Metsä Board's production units are an established way of informing local residents and other interested parties about Metsä Board's operations. Metsä Board aims to keep the public widely informed about events through different media such as newspapers and social media. It is also possible to provide feedback and ask questions through the company's website.

To remediate any negative impacts, the company acts without delay and in cooperation with the local and regional authorities if required. Social sustainability, including local communities and the customs, traditions and justice systems of indigenous peoples, has been taken into account in the requirements of forest certification and the Chain of Custody. In any violation of these, an investigation is launched in accordance with Wood Supply's due diligence system, and corrective action is taken if required. To remedy any environmental deviations, Metsä Group, in charge of the company's wood supply, has introduced voluntary nature compensation as part of regenerative forestry, which will outweigh the harm to nature resulting from any non-compliance with legislation. The operating model ensures that corrective action remediating non-compliant conduct results in greater benefit than harm to nature. Nature compensation is applied in accordance with the Nature Conservation Act and Forest Act, which play a key role for biodiversity. The compensation model is being developed, and it will be applied to detected deviations retroactively from 2023. During 2025, an independent expert group participated in determining the nature hazards and compensation measures for the nature sites, and the operating model and its methods were developed with the future in mind.

### Compliance and Ethics Channel

The affected communities can also report any ethical concerns or non-compliance with legislation through Metsä Group's Compliance and Ethics Channel. In the Supplier Code of Conduct, the supplier commits to rectifying any non-compliance with the code. The Compliance and Ethics Channel is described under *G1 – Business conduct*.



## ■ Actions

In 2025, Metsä Board's operations did not cause severe human rights impacts, and no confirmed severe human rights issues or human rights violations related to the affected communities were brought to the company's attention. Incidents, complaints and severe human rights impacts are discussed under *S1 – Own workforce*.

### Continuous actions

Actions for managing negative impacts and promoting positive impacts at mill localities include systematically reducing environmental impacts, engaging local communities, and increasing initiatives that improve local cooperation and quality of life through better employment and recreational opportunities, for example. In wood supply, the main local stakeholders are taken into account, and compliance with certification requirements is ensured.

The regenerative forestry strategy is a solution that Metsä Group has been systematically developing to seriously address stakeholder concerns – such as those from NGOs – regarding biodiversity loss and climate change. In addition to regenerative forestry, Metsä Group is promoting other actions such as the voluntary METSO forest conservation programme and its implementation. Metsä Group offers its forest-owner members regenerative forestry service solutions such as the Metsä Group Plus service. These actions are discussed in greater detail under *E4 – Biodiversity and ecosystems*.

### Actions taken during the reporting year

In 2025, Metsä Group announced that it would establish a Metsä Conservation Foundation to protect forests with high biodiversity value. In addition, Metsä Board continued to implement its regenerative land-use model.

A model for regenerative land use has been piloted on the Kemi mill site since 2023. The model aims to strengthen the state of nature in the built environment by cultivating native and local species, removing harmful invasive species, promoting stakeholder cooperation, and examining how work that supports biodiversity can be combined with industrial production, for example. The planning and implementation of projects that strengthen the state of nature is conducted in collaboration with experts and local stakeholders such as organisations and local authorities.

Further information about these actions, including the costs of regenerative land-use projects during the reporting year, is provided under *E4 – Biodiversity and ecosystems*. Metsä Board has not identified other significant operating or capital expenditure allocated to actions concerning affected communities.

# S4 – Consumers and end-users

## Material impacts, risks and opportunities related to consumers and end-users

Material sub-sub-topic	Impacts	Value chain stage	Time horizon	Risks and opportunities for Metsä Board	Value chain stage	Time horizon
Personal safety of consumers and end-users						
Health and safety	↓ The impact of potential product safety deficiencies on the health and safety of consumers and end-users	●○●	■ ■ ■	↓ <b>Risk:</b> Reputational damage among existing and potential new customers, consumers, and end-users, potential liabilities for compensation, and other costs related to damage limitation	○●○	■ ■ ■
<div>↑ Positive impact on the environment and society or on Metsä Board's business</div> <div>↓ Negative impact on the environment and society or on Metsä Board's business</div> <div>●○● Upstream value chain      ■ ■ ■ Short-term (less than one year)</div> <div>○●○ Own operations      ■ ■ ■ Medium-term (1–5 years)</div> <div>○●○ Downstream value chain      ■ ■ ■ Long-term (more than 5 years)</div>						

### Targets

Product safety, human rights and respect for the environment are important themes for consumers and end-users. Metsä Board has not yet set a 2030 sustainability target specifically related to consumers and end-users. The company's internal targets and policies for ensuring the quality and compliance of operations and products have been defined in the Quality Policy, the goals of which are described under *Policies*.

### Affected consumers and end-users

Users of paperboard products for food contact are among Metsä Board's key consumers and end-users. In terms of end use, food contact material accounts for a large share of Metsä Board's sales. In addition, product safety is particularly important in food packaging. The impacts are not systematic but are most likely related to isolated incidents, such as product defects.

In addition to the health and safety impacts and risks presented in the table above, other impacts, risks and opportunities related to consumers were identified in the double materiality assessment. These are described under *E1 – Climate change*, *E4 – Biodiversity and ecosystems* and *E5 – Resource use and circular economy*.

### Policies

Sustainability related to Metsä Board's consumers and end-users is guided by policies comprising Metsä Group's Code of Conduct, Supplier Code of Conduct, Quality Policy and management systems approved by the company's Board of Directors. The goal of policies is to minimise adverse environmental impacts, promote human rights and strengthen ethical operations, and thus demonstrate to consumers and end-users that the products are safe and sustainably produced. The policies indirectly encompass all consumer and end-user groups.

Metsä Board respects internationally recognised human rights in all its operations. The company is committed to rectifying any negative human rights impacts in accordance with the UN Guiding Principles on Business and Human Rights. In relation to consumers or end-users, no incidents of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO's Declaration on Fundamental Principles and Rights at

Work, and the OECD Guidelines for Multinational Enterprises have been brought to Metsä Board's attention. The Code of Conduct and the Supplier Code of Conduct are discussed in more detail under *S1 – Own workforce* and *S2 – Workers in the value chain*.

The Quality Policy determines the targets and policies for ensuring the quality of Metsä Board's operations and products. The goal is to ensure product safety, and that the quality of the company's operations, products and services meet the needs and expectations of customers – and thus consumers and end-users. Metsä Board's Corporate Leadership Team is responsible for implementing the Quality Policy at Metsä Board.

### Health and safety

The Code of Conduct includes the commitment to ensure product safety across the value chain. In addition to traceable wood fibre, Metsä Board's other raw materials come from reliable suppliers, who are committed to complying with the Supplier Code of Conduct, and who meet the requirements for product safety.

Metsä Board complies with legislation protecting the health of people and the environment, such as the EU regulation on the registration, evaluation, authorisation and restriction of chemicals (REACH), the CLP Regulation on the classification, labelling and packaging of chemicals, legislation on the use of biocides, and product requirements concerning food safety. As a large share of Metsä Board's paperboards are part of the food supply chain, the product safety practices in production are as stringent as those followed in the food industry. Metsä Board assures the safety of its products in compliance with the applicable legislation in its market areas in Europe, the Americas and Asia.

The company's mills follow good manufacturing practice (GMP), which is a requirement for the production of all food contact materials. All Metsä Board's mills comply with the requirements of the ISO 22000 food safety system, and the mills producing paperboard for food contact have also been certified in accordance with the requirements of the FSSC 22000 food safety system. Contract entrepreneurs and suppliers are required to meet equal standards so that the cleanliness and safety of products for consumers and end-users can be ensured. The certified management systems of Metsä Board's production units are listed in the table on page 98.

## ■ Processes to remediate negative impacts, and channels for consumers and end-users to raise concerns

As a rule, Metsä Board's customers are companies that interact with consumers and end-users in accordance with their own processes. Metsä Board does not have a process for direct communication with consumers and end-users, but they can contact Metsä Board directly using the contact form on the company's website.

Contacts from corporate customers, consumers and end-users are handled and directed to the appropriate party to ensure a comprehensive response. Contacts concerning product feedback are used in product or product portfolio analyses, and they are taken into account in product and service development.

Any product complaints are investigated internally by Metsä Board with the support of external parties such as research institutions if required. Management of quality deviations through processes, root cause analyses are conducted for quality deviations, and any required corrective action is taken. A standardised recall process is followed in the event of any product defects affecting consumer product safety to ensure that all products potentially harmful to health are removed from the market and transports. At the EU level, defects detected in food contact materials and related recalls are monitored and reported using RASFF (Rapid Alert System for Food and Feed) alerts. There were no product safety-related RASFF notifications concerning Metsä Board's products or any recalls of consumer packaging made from the company's paperboard in 2025. No incidents of non-compliance concerning the company's marketing communications, or product and service information and labelling were reported.

### Compliance and Ethics Channel

Consumers and end-users can use Metsä Group's Compliance and Ethics Channel to report any ethical concerns or non-compliance with legislation. The Compliance and Ethics Channel and the process for handling reports are described in greater detail under *G1 – Business conduct*.

## ■ Actions

In 2025, Metsä Board's operations did not cause severe human rights impacts, and no confirmed severe human rights issues or human rights violations related to consumers and end-users were brought to the company's attention.

Metsä Board's actions seek to mitigate negative impacts and produce positive impacts on consumers and end-users. The actions are continuous and annual, and no individual actions can be singled out in the reporting year or the coming years. Processes are developed in line with continuous improvement. Metsä Board has not identified significant operating or capital expenditure allocated to actions concerning consumers and end-users.

### Continuous actions

Product compliance is monitored with the product safety process, which includes raw material management, compliance assessment and product testing, both internally and with external cooperation partners. Metsä Board's mills have ISO 22000 and FSSC 22000 food safety systems that cover food safety-related risks across the production and supply chain, and the functioning of systems is assured annually with internal and external audits. Metsä Board's product safety specialists continuously monitor developments in legislation and requirements.

Production-related product safety risks are managed with methods such as the HACCP (Hazard Analysis and Critical Control Points), which is used at all Metsä Board production units. A HACCP hazard analysis is carried out whenever there are changes in essential processes or raw materials.

Metsä Board's products are tested regularly in accredited laboratories to ensure their quality and safety. The laboratory analyses and detailed composition compliance analyses form the basis for the Product Safety Statement, which includes product-specific information about product safety and compliance.

Quality and safety are also monitored with the aid of reputation surveys, customer feedback and customer surveys. Metsä Board conducts quarterly monitoring and assessment of customer feedback related to any negative impacts on consumers and end-users. Any negative impacts are classified as material based on the type code of the customer feedback. The type codes monitored include foreign objects in products, purity of product, and sensory properties.

# G – Governance

## G1 – Business conduct

### Impacts, risks and opportunities related to business conduct

Impacts		Value chain stage	Time horizon	Risks and opportunities for Metsä Board		Value chain stage	Time horizon
Corporate culture							
↑	A safe working environment for employees thanks to actions promoting an ethical corporate culture, and conditions for ethical and reliable cooperation for stakeholders			↑	<b>Opportunity:</b> The employees' and other stakeholders' positive experience of Metsä Board and the company's reputation as an ethical and reliable operator strengthens.		
↓	Inadequate measures to increase employee commitment to an ethical corporate culture can lead to illegal or unethical business practices, unequal treatment and harassment			↓	<b>Risk:</b> Financial losses resulting from illegal activities, damage to reputation as a responsible partner and operator, and a decline in employee job satisfaction and commitment as a result of any unequal treatment and harassment		
Corruption and bribery							
↑	<b>Prevention and detection:</b> Actions and control mechanisms for preventing corruption and bribery offer stakeholders the opportunity to cooperate with an ethical and reliable operator.			↑	<b>Opportunity:</b> Stakeholders' experience of Metsä Board and the company's reputation as an ethical and reliable operator strengthen, which supports the improvement of performance and competitiveness		
↓	<b>Incidents:</b> The occurrence of corruption and bribery as a result of potentially inadequate preventive actions and control mechanisms			↓	<b>Risk:</b> Significant financial penalties and damage to reputation and employer image resulting from corruption or bribery		
Management of relationships with suppliers							
↑	The potential positive impact of requirements, monitoring mechanisms, and sustainability cooperation on ethical performance and sustainability in the supply chain			↑	<b>Opportunity:</b> A stronger reputation as a responsible partner and operator, and more intensive cooperation with suppliers, which supports the creation of long-term partnerships		
↓	Non-compliance with company or legal requirements in the supply chain as a result of potentially inadequate Metsä Board requirements and control mechanisms			↓	<b>Risk:</b> Inadvertent support of operations that do not comply with the company's values, which may endanger the reputation as a responsible partner and weaken supplier relations, causing the loss of the best partnerships		
↓	Unequal treatment of suppliers as a result of potentially inadequate training of procurement personnel and monitoring mechanisms						
Protection of whistle-blowers							
↓	Possible retaliation against whistleblowers or victims resulting from shortcomings in ensuring the anonymity and confidentiality of whistleblowers			↓	<b>Risk:</b> Declining trust in the Compliance and Ethics Channel. Failure to report suspected misconduct, which may result in non-detection of actions that violate values and ethical principles, financial losses, and a decline in job satisfaction and employer image		
Political engagement and lobbying activities							
↑	Bringing views that promote the circular economy and emphasise the role of wood-based products to the forefront of public debate as a result of potentially successful lobbying			↑	<b>Opportunity:</b> Political operators recognise the potential of the circular bioeconomy and the role of forests and wood-based solutions in climate change mitigation, improving the conditions of Metsä Board's operations.		
↓	Advocacy that is inconsistent or contrary to Metsä Board's operating principles, and failure to exploit the potential of the bioeconomy and wood-based products as a result of potentially inadequate core messages and the application of ethical practices			↓	<b>Risk:</b> Inconsistent presentation of identified essential key messages in political debate, which at worst could lead to regulatory risks materialising and damage to reputation as a responsible operator.		
↑ Positive impact on the environment and society or on Metsä Board's business ↓ Negative impact on the environment and society or on Metsä Board's business							

### Metsä Board's 2030 sustainability targets

	2030 target	2025	2024	2023
Employee experience on ethical corporate culture implementation, ethics index (scale 0–100)	100	79	79	-
Share of certified wood fibre, %	100	92	92	91
Traceability of raw materials, share of total purchases, %	100	95	97	97
Suppliers' commitment to the Supplier Code of Conduct, share of total purchases, %	100	99.5	99.0	99.0
Supplier assessments and audits of core suppliers, %	100	77	79	68
MG: Joint sustainability target with partner suppliers, %	100	100	100	100

MG: The target has been set at the level of Metsä Group.  
In 2024, ethics index monitoring was changed from actions-based to index-based, which is why comparison year 2023 is not available.

Metsä Board's strategic 2030 sustainability targets, and their setting and monitoring, are discussed in greater detail under *Sustainability governance and strategy* and *Material sustainability-related impacts, risks and opportunities*.

## Progress in targets

- **Employee experience of ethical corporate culture implementation** – Progress towards the target was not made as planned, and the result remained unchanged from the previous measurement. Development actions will continue, including employee training using the new Code of Conduct e-learning course published in early 2026.
- **Share of certified wood fibre** – In 2025, the progress towards the target was slightly better than in the previous year. The certification target was updated, and starting in 2025, the new target is 100%. At Metsä Group, which is responsible for Metsä Board's wood supply, the second half of 2025 saw the launch of actions to increase FSC certification, and a higher additional price has been paid for FSC certified wood since the beginning of November.
- **Traceability of raw materials, share of total purchases** – In 2025, the traceability of raw materials remained at almost the same level as in the previous year.
- **Suppliers' commitment to the Supplier Code of Conduct, share of total purchases** – Suppliers' commitment to the Supplier Code of Conduct remained at a high level in 2025.
- **Supplier assessments and audits of core suppliers** – The target remained at the previous year's level in 2025. EcoVadis sustainability assessments were used more extensively in supplier assessments.
- **Joint sustainability targets with partner suppliers** – A sustainability target has been agreed with all current partner suppliers, which means the target has been achieved. In 2025, cooperation with partners continued through more detailed target setting and planning and, with certain suppliers, direct implementation.

## The role of the administrative, management and supervisory bodies

The Compliance and Ethics programme is supervised by the Compliance Committee, composed of Metsä Group's directors in charge of legal affairs, internal audit, HR, and compliance and ethics. In 2025, the Compliance Committee convened six (6) times.

Once a year, the director in charge of compliance and ethics presents a compliance and ethics review to Metsä Board's Corporate Leadership Team and Audit Committee. In addition, the directors in charge of legal affairs, taxes, and compliance and ethics present a legal affairs, compliance and tax review twice a year to the CEO and CFO.

The Compliance Committee's role in investigating ethical concerns is described under *Mechanisms for identifying, reporting and investigating concerns*.

All the members of Board of Directors have gained significant experience of good governance from their previous duties in operational management and/or as Board members in a listed company or another large corporation. The Board members regularly complete training in the company's insider guidelines.

## Policies

The sustainability of Metsä Board's business conduct is guided by applicable legislation, as well as the values, Metsä Group's Code of Conduct and various policies approved by the company's Board of Directors. Metsä Board is committed to operating in accordance with the UN Guiding Principles on Business and Human Rights and requires the same of its business partners. Since 2003, Metsä Board has supported the UN Global Compact and its principles on human rights, employees, the environment and anti-corruption. Metsä Group's Compliance function ensures compliance with legislation, the Code of Conduct, policies and internal guidance, trains personnel, and ensures that policies are up to date in cooperation with policy owners.

Metsä Group has 16 policies, three of which are public policies, and 13 are internal policies. The policies are mandatory, and all Metsä Board employees must comply with the principles and provisions they specify. Each policy sets out its targets, purpose, scope of application, responsible parties, and decision-making and change process. All employees are required to complete e-learning courses in the Code of Conduct and other key policies such as the Equality Policy, Data Protection Policy and Information Security Policy every three years. The Code of Conduct e-learning course presents Metsä Board's key ethical principles and describes the best practices related to business sustainability through examples and exercises. An updated version of the Code of Conduct e-learning course mandatory for all employees was published in 2025.

Depending on the employees' role, they are also required to complete e-learning courses on other policies such as the antitrust, procurement, agreement and legal affairs policies. In 2025, updated versions of advanced e-learning courses on data protection were released. One of them is for all supervisors, and the other is for sales and marketing personnel. All employees are also required to complete an e-learning course on generative artificial intelligence published in 2025, which covers the basic principles of the responsible use of artificial intelligence.

As part of the corruption and bribery risk assessment conducted in 2025, classroom training about ethical business and anti-corruption principles was given to the entire sales organisation and strategic procurement personnel. The training sessions were preceded by a participant survey to identify risks of corruption and bribery. The results of the survey were used for planning the training content. In addition, a section developing supervisors' capability of addressing ethical grievances and encouraging the reporting of grievances was added to the training offered to supervisors. Ethical operations and doing the right thing are also part of the induction of new white collars and apprenticeship trainees.

The completion of e-learning courses and classroom training is regularly monitored by the Compliance Committee, which supervises the Compliance and Ethics programme, and the results are reported once a year to the Audit Committee of the company's Board of Directors. The completion percentage of the Code of Conduct e-learning course is presented in the *Completion of e-learning courses* table.

A culture of diversity, equality and inclusion (DEI), and the implementation and development of an ethical and respectful corporate culture, is one of the focal areas of the Motivated people strategic programme. The programme's focal areas and goal are discussed under *S1 – Own workforce*.

The implementation and development of the culture of doing the right thing are measured with the ethics index, calculated based on the ethics



statements in the Personnel survey, which measures the employees' experience of ethics in the company's operations. The survey conducted in 2025 gave no reason to consider financial misconduct, corruption, conflicts of interest, inappropriate influencing of partners' decision-making and data protection breaches as material risks. The results of the ethics statements will be discussed on all sites by the end of March 2026. Each site will define development measures for 2026 for the correction of the detected shortcomings.

Corruption and bribery risks are assessed as part of Metsä Group's risk management process. Of the company's internal functions, sales and marketing, procurement and lobbying have been identified as those most susceptible to corruption and bribery. The actions for preventing and detecting corruption and bribery are described on page 94.

Metsä Board annually participates in several environmental, social responsibility and business practice assessments conducted by third parties such as CDP, EcoVadis, ISS, Sustainalytics and MSCI. Metsä Board's partners can also assess Metsä Board's sustainability through the Sedex system. In addition, third-party SMETA audits (Sedex Members Ethical

Trade Audit) are conducted on Metsä Board's sites. In 2025, a SMETA audit was conducted at the Kemi paperboard mill.

To ensure the sustainability of its suppliers, customers and other partners, Metsä Board follows third-party due diligence in its Know Your Business Partner process, in which the partner's background is checked for any risks related to trade sanctions, corruption, money laundering, human rights violations, environmental offences and various other misconduct before a binding agreement is concluded, as well as during the cooperation relationship by means of continuous monitoring. In 2025, the process was further developed by harmonising the data management model, clarifying responsibilities and roles, and providing training in the key content of the Know Your Business Partners principles published in 2024. Relationships with goods and service suppliers are described in more detail on page 93.

In 2022, Metsä Board ended all business related to Russia and Belarus due to Russia's military aggression against Ukraine. Following the business transaction in 2024, Metsä Board and Metsä Group have no more holdings in Russia.

## Summary of key sustainability-related policies

Policy	Key content	Scope of application	Monitoring process	Highest accountable level
<b>Code of Conduct</b>	Defines the commitment to operate ethically, respect human rights, promote equality and safety, protect the environment and prevent corruption and abuse. Partners are required to commit to equivalent principles.	All companies belonging to Metsä Group and their employees	Monitoring of mandatory e-learning completion rates for all employees, the Compliance and Ethics Channel, ethics index consisting of ethical questions in personnel surveys	Metsä Group, President and CEO
<b>Supplier Code of Conduct</b>	Covers the key elements of ethical business operations, such as respect for human rights and the basic principles of working life, environmental responsibility, safe and non-discriminating work environments, and the prevention of corruption and bribery.	Suppliers of Metsä Group companies and the suppliers' employees	Percentage of Metsä Group's goods and service suppliers committed to the requirements of the Supplier Code of Conduct, the Compliance and Ethics Channel, and supplier assessments such as EcoVadis	Metsä Group, President and CEO
<b>Environmental Policy</b>	Defines a commitment to sustainable forestry, integrates environmental impact considerations into operations and supply chain, promotes continuous improvement of environmental efficiency, mandates the phasing out of fossil energy in production and prioritizes proactive stakeholder cooperation.	All companies belonging to Metsä Group and their employees	Monitoring of mandatory e-learning course completion rates for all employees and the achievement of sustainability targets	EVP, Stakeholder Engagement, Metsä Group
<b>Human Resources Policy</b>	Covers principles related to personnel concerning responsible conduct, management and resource planning, recruitment, pay and rewards, and personnel and organisational development.	All companies belonging to Metsä Group and their employees	The Personnel survey and the Employee Engagement Index consisting of questions related to the employee's own work, team, management and company, quarterly Pulse survey	EVP, HR, Metsä Group
<b>Equality Policy</b>	Defines Metsä Group's position on equality and non-discrimination in all working life activities. Metsä Group is committed to treating everyone equally, fairly and respectfully, and does not tolerate discrimination in any form.	All companies belonging to Metsä Group and their employees	Monitoring of mandatory e-learning courses' completion rates for all employees, the gender distribution in supervisory and management positions, and the Metsä for All index, which is based on DEI statements in the Personnel survey.	EVP, HR, Metsä Group
<b>Corporate Security Policy</b>	Defines the key principles, objectives and operating models for overall security management. The main objective is to ensure the smooth continuity of Metsä Group's operations and to protect the Group's companies, employees and other important stakeholders, information, assets, and operating environment from damage, reputational harm, misconduct, and criminal activity.	All companies belonging to Metsä Group and their employees	Risk management process, occupational safety training, background check process (Know Your Business Partners)	Metsä Group's Group General Counsel
<b>Data Protection Policy</b>	Defines the principles and rules that must be followed when processing personal data. The policy aims to ensure privacy protection and the implementation of related rights, as well as to manage the risks associated with non-compliance.	All companies belonging to Metsä Group and their employees	Data protection management model, monitoring of mandatory e-learning courses' completion rates for all employees, advanced data protection e-learning courses updated in 2025	Metsä Group's Group General Counsel
<b>Quality Policy</b>	Defines Metsä Group's internal targets and policies to ensure the quality and compliance of operations and products.	All companies belonging to Metsä Group and their employees	Continuous quality control, monitoring, and measurement at production units, internal and external assessments of certified quality systems	Metsä Group, President and CEO

## ■ Mechanisms for identifying, reporting and investigating concerns

Employees and stakeholders are encouraged to report any ethical concerns and non-compliance with the law related to Metsä Board's operations. Observations can be reported to the supervisor, local management, HR and the Compliance Committee, or through Metsä Group's Compliance and Ethics Channel, which is available in ten languages to all stakeholders on the company's website. Reports can be made anonymously. The channel's technical implementation is handled by an external service provider.

The Personnel survey's ethics statements and open feedback are used to monitor the effectiveness of the Compliance and Ethics Channel, other reporting methods, and the investigation process for reporting and handling concerns. In addition to e-learning courses, awareness of the Compliance and Ethics Channel is promoted by improving the channel's visibility with posters supplied to production units and in the Supplier Portal used to manage supplier cooperation. Moreover, satisfaction with and awareness of engagement methods are assessed as part of supplier surveys. No separate assessment is currently conducted of the downstream value chain's, affected communities' or consumers' and end-users' awareness of and confidence in reporting methods or the effectiveness of reporting methods among these groups.

Every breach or violation, and suspected breach or violation, of which the company becomes aware is investigated. The investigation is supervised by the Compliance Committee. The committee is tasked with monitoring that the consequences of the investigations are applied consistently in cases of equal gravity. Corrective actions must be adequate as described in the company's Code of Conduct and the Principles on non-compliance notifications and the related investigation. Any illegal activities are reported to the authorities. Neither the person investigated nor their supervisor participates in the investigation of the breach or suspected breach. If called for by the significance of the breach under investigation, the Compliance Committee reports the incident to Metsä Board's management and Board of Directors at a regular meeting, or immediately if required.

The cases are divided into the following categories: fraud or other criminal behaviour; corruption and bribery; competition law; conflicts of interest; employee matters; discrimination or harassment; privacy and information security; occupational safety; the environment; breaches of the Supplier Code of Conduct; and other reports. Crimes against the company and attempts of such are also taken into account in the number of reports.

In 2025, no confirmed cases of bribery or corruption were brought to the company's attention. In addition to the principle of continuous development in line with the company's Compliance & Ethics programme and the Anti-Corruption principles published in 2024, a survey of bribery and corruption risk was conducted in 2025.

In 2025, Metsä Board was made aware of incidents that might have had a direct or indirect negative impact on the company's human rights obligations. Incidents, complaints and severe human rights impacts are discussed under *S1 – Own workforce*. Incidents concerning the occupational safety and other work-related rights of suppliers' employees are discussed under *S2 – Workers in the value chain*. None of the reports of inappropriate behaviour to the company concerned forced labour or the use of child labour.

The changes required by the EU Whistleblowers Directive (EU 2019/1937) in Metsä Board's operating countries have been taken into account in the Compliance and Ethics Channel, the investigation

of reported incidents, and the protection of whistleblowers over the 2022–2024 period as local legislation in EU Member States has entered into force. The company is committed to fairly investigating all reports submitted in good faith and adopting the required actions based on the investigation and its results. The company is also committed to protecting the rights and privacy of people who report breaches in good faith. These commitments have been confirmed in the company's Code of Conduct, and the principles on non-compliance notifications and the related investigation, which have been updated to meet the requirements of the Whistleblowers Directive. The Compliance Committee defines the required actions to ensure that the prohibition of countermeasures and the prevention of reporting is followed. Whistleblowers are requested to immediately report if they suspect any countermeasures. The prohibition of countermeasures is emphasised in the investigation of incidents. In cases involving a higher risk of countermeasures, a follow-up contact will be organised if required. In 2025, no cases of countermeasures against whistleblowers were brought to the company's attention.

## ■ Management of relationships with suppliers

### Supplier management practices

Metsä Board's wood supply is ensured by Metsä Group's Wood Supply and Forest Services. The procurement of other raw materials and services is centrally handled by Metsä Group's Procurement and Logistics unit. The related procurement process seeks to ensure that the company's partners operate sustainably to minimise any risks in the supply chain related to matters such as the environment, health, corruption, the use of child labour and human rights violations.

As a minimum requirement in supplier selection, suppliers are required to commit to the Metsä Group Supplier Code of Conduct or their own equivalent principles and to pass the background checks. Agreements may also include more specific sustainability requirements related to occupational safety, product safety or environmental management, for example. These requirements apply to industrial wood suppliers and intermediaries in wood supply, and other raw material and service providers.

To ensure the sustainability of suppliers, Metsä Board follows third-party due diligence in its Know your Business Partner background check, as described under *Policies*.

The standard payment term in Metsä Board's general terms and conditions for purchases is 60 days net. However, this can be reconsidered individually in the case of smaller suppliers, for example. Metsä Board is not party to any legal proceedings due to late payments.

### Wood supply

Metsä Board uses wood from Northern European forests as its main raw material. Wood and purchased pulp account for 90% (89) of the company's raw material consumption, measured by weight. All the pulp and high-yield pulp used by Metsä Board is either produced by itself or procured from its associated company Metsä Fibre.

Metsä Group has wood supply organisations in Finland and Sweden. The company works in close cooperation with local contract entrepreneurs in harvesting, transport and forestry work. All the countries from which wood is procured have issued legislation requiring the renewal of forests after regeneration felling.

Metsä Group requires wood suppliers to commit to wood sustainability requirements with an agreement, chain of custody certificate and their own

sustainability assurance, which includes environmental and sustainability requirements and obligations for the wood supplier and forest owner.

The wood fibre’s sustainability and traceability are ensured by practices which meet the requirements of the EU Deforestation Regulation (EUDR), PEFC Chain of Custody and FSC Chain of Custody. In 2025, Metsä Board has continued to update its due diligence system to comply with the requirements of the Deforestation Regulation. The company has conducted country-specific risk assessments in accordance with EUDR requirements. Based on these assessments, all wood is sourced from low-risk countries. Metsä Board assesses wood supply practices with internal and third-party audits annually. The audits focus on matters related to environmental and social responsibility, as well as on the traceability of wood fibre in Metsä Board’s production and subcontracting. Metsä Board aims for certified wood to account for 100% of the wood fibre used by the company by 2030. The share of certified wood fibre in 2025 is presented under *Metsä Board’s 2030 sustainability targets*. Non-certified wood is also required to be of a sustainable origin, and the wood always meets at least the requirements for PEFC Controlled Sources and FSC Controlled Wood. Metsä Board’s policies concerning indigenous peoples are discussed under *S3 – Affected communities*.

Procurement of wood fibre by country, %

	2025	2024
Finland	55	55
Sweden	35	35
Baltic countries	11	9.0
Other countries	0.001	1.5

Procurement of other raw materials and services

In addition to the Know Your Business Partner background checks, more detailed supplier assessments focus on the core suppliers, and on suppliers operating in industries with identified potential risks related to human rights, corruption or the environment. Suppliers’ sustainability and supplier-related risks are assessed with the EcoVadis tool, surveys and supplier audits.

Metsä Group, an external HSEQ cluster and another external party if required conduct annual supplier audits focusing on ethics, environmental responsibility, occupational safety and quality. The audits are conducted on-site. The supplier assessments and audits are used as the basis for making development proposals and monitoring any corrective action taken. The results are the responsibility of a third party or a Metsä Group employee who is not responsible for suppliers. In 2025, no serious deviations were detected in supplier assessments and audits.

To ensure the equal treatment of suppliers, the procurement employees are trained to disqualify themselves in decisions that may involve conflicts of interest. A written commitment to this is required in the procurement process. Approximately every two years, suppliers can respond to an anonymous survey concerning the smoothness and fairness of cooperation and factors contributing to these matters. The survey results are submitted to the suppliers, and measures to improve procurement practices are adopted based on them. The procurement employees have annual financial performance targets related to matters such as conducting supplier sustainability assessments and monitoring improvements proposed by suppliers.

The company’s target is to agree joint sustainability targets and measures to achieve them with all its partner suppliers. The management of environmental impacts in cooperation with suppliers is discussed in greater detail under *E1 – Climate change*. Another target is to know the origin – or at least the country of manufacture – of all the company’s raw materials by the end of 2030, including wood, packaging materials and process, basic, and coating chemicals.

Annual monitoring of suppliers and raw materials ensures that Metsä Board’s products comply with statutory and Metsä Board’s own stringent product safety requirements. Product safety is discussed in greater detail under *S4 – Consumers and end-users*.

New supplier background checks, %

	2025	2024
Share of suppliers for which a Know Your Business Partner background check was made	97	94

■ Prevention and detection of corruption and bribery

Metsä Board complies with Metsä Group’s principles and practices for preventing and detecting corruption and bribery. The Code of Conduct, which guides ethical operations, prohibits corruption and bribery. It also includes principles for avoiding conflicts of interest, crucially linked to anti-corruption, and principles on gifts and hospitality. In addition, Metsä Group has public Anti-Corruption principles that supplement the Code of Conduct. Metsä Group is committed to anti-corruption and anti-bribery in its own operations and in relation to its partners. A similar prohibition is included in Metsä Group’s Supplier Code of Conduct. Anti-corruption and anti-bribery efforts contribute to Metsä Group’s 2030 sustainability targets concerning a responsible corporate culture and supply chain.

The following are the main measures for preventing and detecting corruption and bribery:

- Training in the Code of Conduct and other policies guiding Metsä Group’s operations (discussed in greater detail under *Completion of e-learning courses*).
- The Anti-Corruption principles published in 2024 and related communication and training.
- The ethics index used to measure the employees’ experience of ethics in business and to identify areas of development (under *Metsä Board’s 2030 sustainability targets*).
- Assessment of corruption and bribery risks as part of Metsä Group’s risk management process, and a separate corruption and bribery risk assessment conducted by Metsä Group in 2025 (see *Mechanisms for identifying, reporting and investigating concerns* for more details).
- The Compliance and Ethics Channel available to all internal and external stakeholders. A standard process has been defined for processing reports (discussed in greater detail under *Mechanisms for identifying, reporting and investigating concerns*).
- Due diligence in ensuring the sustainability of partners, and the required background checks (third-party due diligence) as part of the Know Your Business Partner process (discussed in greater detail under *Policies*).
- Continuous development of ethical operations in the supply chain.

The key measures in this respect include supplier commitment to the Supplier Code of Conduct in line with the 2030 sustainability targets, as well as supplier audits and assessments (discussed in greater detail under *Management of relationships with suppliers*).

## Completion of e-learning courses

	2025	2024
<b>CODE OF CONDUCT</b>		
Number of employees who completed the Code of Conduct training	1,895	2,332
Share of all employees who have completed the Code of Conduct training, %	96	99.2
Share of Board members who have completed the Code of Conduct training, %	100	100
<b>DIVERSITY, EQUALITY AND INCLUSION</b>		
Number of employees who have completed DEI training	1,887	2,310
Share of all employees who have completed DEI training, %	95	98
<b>SUSTAINABILITY</b>		
Number of employees who have completed Sustainability training	1,885	2,295
Share of all employees who have completed Sustainability training, %	95	98

## Incidents of non-compliance with good governance or ethical corporate culture

	2025	2024
<b>COMPLIANCE WITH LAWS AND REGULATIONS</b>		
Significant incidents of non-compliance resulting in a fine (above EUR 10,000)	0	0
Significant fines paid in the reporting year for incidents that occurred in previous reporting periods (above EUR 10,000)	0	0
<b>CORRUPTION OR BRIBERY CASES</b>		
Confirmed incidents of corruption or bribery	0	0
Confirmed incidents in which the company's own workers have been given notice or sanctioned with disciplinary measures due to an incident linked to corruption or bribery	0	0
Confirmed incidents in which a business agreement has been terminated or has not been renewed due to violations related to corruption or bribery	0	0
Public legal cases regarding corruption or bribery brought against the company and its own workers	0	0
Number of convictions related to anti-corruption and anti-bribery laws	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0

## Political influence and lobbying activities

Metsä Board participates in advocacy as part of Metsä Group at the EU and national level, especially in Finland and Sweden. Metsä Group's parent company Metsäliitto Cooperative is registered in the EU's Transparency Register and complies with its code of conduct. Its member number in the Transparency Register is 962687110415-94. Metsä Board is registered in the Finnish Transparency Register with the code MET-24-465-R.

The Stakeholder Engagement function is centralised at the Metsä Group level. The Stakeholder Engagement function coordinates practical influence work, handling the related cooperation among Metsä Board and other functions, and reports the work's progress and effectiveness to Metsä Board's and Metsä Group's management teams and Boards of Directors. The Board of Directors of Metsä Board processes the matter as necessary. None of the members of Metsä Board's Board of Directors,

have held public administration positions corresponding to their current positions during the last two years.

To identify the most significant legal risks and focal areas of lobbying, Metsä Group has conducted a comprehensive assessment of regulatory risks, which covers all the business areas, including Metsä Board. These risks have been considered in the double materiality assessment.

Metsä Group follows and participates in discussions about forests, biodiversity and the forest industry, and influences policy questions related to the bioeconomy and products. Metsä Group has actively influenced several legal initiatives nationally and in the EU, including the deforestation regulation, nature restoration regulation, packaging and packaging waste regulation, and sustainable product policy.

Metsä Group promotes the circular bioeconomy and emphasises the role of forests and wood-based products in climate change mitigation and the safeguarding of biodiversity. Metsä Group is committed to developing the principles of regenerative forestry, aiming to verifiably strengthen the state of forest nature in Finland by 2030. Metsä Group seeks to increase understanding of regenerative forestry and the role of renewable carbon. Statements on these themes are published on Metsä Group's website. The company supports Finland's national carbon neutrality target for 2035, as well as the EU's environmental targets and the goal of climate neutrality by 2050.

Metsä Board's advocacy efforts as part of Metsä Group focus on:

- Promoting the recyclability of wood fibre-based packaging.
- Increasing the understanding of the role of fresh fibre in product safety and the advantages of sustainable fibre-based food packaging in terms of the environment and health.
- Supporting a comprehensive approach to laws that influence forestry practices and the availability of wood raw material as part of the joint production of forest-based ecosystem services.
- Energy-related topics in the EU, such as reducing dependence on fossil-based fuels, focusing greater attention on the opportunities provided by biogenic carbon dioxide capture and use, and defining renewable energy targets based on something other than the direct energy use of convertible wood biomass.

## Cooperation with trade and industrial organisations

As part of Metsä Group, Metsä Board is an active member of the Confederation of European Paper Industries (Cepi), which represents the forest industry producing fibre-based products across Europe. Representatives of Metsä Group actively participated in the work of Cepi's committees and working groups.

A representative of Metsä Group serves as the second chair of the 4evergreen Alliance, and Metsä Board actively participates in the expert work conducted by the alliance. 4evergreen represents the entire value chain of fibre-based packaging and has set as its target the raising of the recycling rate of fibre-based packaging to 90% by 2030. Metsä Board also participates in the activities of the European Paper Packaging Alliance (EPPA). The alliance stands for the sustainability of wood fibre-based food and food service packaging and the circular economy. Metsä Board is a member of several national trade and industrial organisations.

Key memberships in organisations and advocacy groups:

- 4evergreen
- Containerboard Europe
- Ellen MacArthur Foundation
- Confederation of European Paper Industries (Cepi)
- European Association of Carton and Cartonboard manufacturers (Pro Carton)
- European Carton Makers Association (ECMA)
- EUROOPEN – the European Organisation for Packaging and the Environment
- Finnish Forest Industries Federation
- Skogsindustrierna, Sweden
- The European Paper Packaging Alliance (EPPA)

In 2025, Metsä Board paid EUR 1.3 (1.2) million in membership fees to trade and industrial organisations. Metsä Board does not make direct political contributions. The company may participate in seminars that deal with the forest industry or forest policy. No seminar tickets were purchased during 2025.

## Reporting principles for metrics

### Ethics index

The calculation of the ethics index is based on the ethics statements included in the annual Personnel survey. All Metsä Board employees can respond to the survey. Responses are collected on a scale of 1–4 (fully disagree/agree), and an external service provider converts the responses to indexes on a scale of 0–100 (100 = everyone fully agrees).

### Share of certified wood fibre

The metric shows the share of certified wood fibre of all the wood fibre used by Metsä Board. The figure includes the wood used in Metsä Board's own production of pulp and high-yield pulp, as well as the wood used for the pulp purchased from Metsä Fibre. The chip deliveries from the company's own industries are not included in the calculation to avoid double counting.

### Suppliers' commitment to the Supplier Code of Conduct

The metric covers the share of purchases from suppliers that have committed to Metsä Group's Supplier Code of Conduct or their own equivalent principles. The figure does not cover authorities, associations or wood supply.

### Supplier assessments and audits of core suppliers

The metric covers the approximately 350 (350) partner, key and preferred suppliers according to the supplier classification. The target does not include wood supply operators.

### Joint sustainability target with partner suppliers

The metric covers the eight partner suppliers selected in connection with Metsä Group's supplier classification. The figure does not include wood supply, but partner suppliers include other suppliers of Metsä Group's Wood Supply and Forest Services.

### Traceability of raw materials

The target includes the raw materials used in production and product packaging materials. The target's calculation is based on the value of the raw materials in euros. A raw material that is traceable at least to the level of country of manufacture is considered traceable.

### Completion of e-learning courses

In the completion rate of the Code of Conduct, DEI and Sustainability e-learning courses, the divisor is the number of active employees at the time of reporting. In other words, employees absent on family leave or for other reasons are not included in the calculation.

### Incidents of non-compliance with good governance or ethical corporate culture

Cases that violate legislation, good governance, the company's Code of Conduct or policies have come to the company's attention either through the Compliance and Ethics Channel, the Know Your Business Partner process, or through contacting a member of the Compliance Committee.

### Political influence and lobbying activities

Metsä Board does not make direct donations to political purposes in cash or in kind, which is why no monetary value of in-kind benefits has been estimated.

The metrics have not been validated by an external party.



# Annexes to the Sustainability statement

## ■ Annexes

The annexes published at the same time as the Sustainability statement include

### **1) Separate annexes:**

- *SASB content index\**
- *Disclosures in accordance with the TCFD and TNFD recommendations\**

### **2) Data on pages 98–101 of the Sustainability statement:**

- *Mill-specific key sustainability figures\*\**
- *List of other datapoints derived from EU legislation*

\*TCFD and TNFD information does not come under the scope of assurance. With the exception of the share of grid electricity and the amount of energy sold, SASB data is based on Metsä Board's Sustainability statement, which has been verified by a third party (limited assurance).

\*\*Mill-specific figures have not been verified separately. They have been assured at company level by a third party as part of the limited assurance of Metsä Board's Sustainability statement.

## Mill-specific key sustainability figures

Mill	Joutseno	Kaskinen	Kemi	Kyro	Simpele	Tako <sup>1</sup>	Äänekoski	Husum	Others <sup>2</sup>	Total
COUNTRY	FINLAND	FINLAND	FINLAND	FINLAND	FINLAND	FINLAND	FINLAND	SWEDEN		
<b>EMPLOYEEES</b>										
Number of employees	56	89	139	162	290	27	199	740	428	<b>2,130</b>
TRIF	0	7.7	8.7	8.6	16	0	0	3.5		<b>4.8</b>
LTA1F	0	7.7	4.4	8.6	14	0	0	3.5		<b>4.2</b>
<b>PRODUCTION, 1,000 t</b>										
Paperboard			314	147	191	72	207	401		<b>1,331</b>
Pulp and BCTMP	191	206						550		<b>948</b>
<b>MANAGEMENT SYSTEM <sup>3)</sup></b>										
ISO 9001	x	x	x	x	x	x	x	x		
ISO 14001	x	x	x	x	x	x	x	x		
ISO 50001	x	x	x	x	x	x	x	x		
ISO 45001	x	x	x	x	x	x	x	x		
ISO 22000	x	x	x	x	x	x	x	x		
FSSC 22000			x	x	x		x	x		
<b>CHAIN OF CUSTODY</b>										
PEFC	x	x	x	x	x	x	x	x		
FSC	x	x	x	x	x	x	x	x		
<b>EMISSIONS TO AIR, t</b>										
Biogenic carbon dioxide (CO <sub>2</sub> ), Scope 1	0	102,728	0	108,103	151,412	429	0	1,440,969		<b>1,803,590</b>
GHG emissions (CO <sub>2</sub> e), Scope 1	17,636	4,783	5,982	15,343	6,577	24,242	0	65,160		<b>139,723</b>
Sulphur (SO <sub>2</sub> )	0	30	0	43	49	0.01	0	32		<b>155</b>
Nitrogen oxides (NO <sub>x</sub> )	8.8	117	2.5	66	63	16	0	794		<b>1,068</b>
Particles	5.2	5.0	0	4.2	1.8	0	0	15		<b>31</b>
Total reduced sulphur (TRS)	0	0	0	0	0	0	0	26		<b>26</b>
<b>EMISSIONS TO WATER, t</b>										
Adsorbable organic halogen (AOX)	0	0	0	0	0	0	0	40		<b>40</b>
Chemical oxygen demand (COD)	378	815	70	105	160	58	764	7,625		<b>9,976</b>
Biological oxygen demand (BOD)	9.5	19	14	9.6	15	13	304	377		<b>762</b>
Total phosphorus	0.2	1.7	0.5	0.5	0.9	0.5	0.5	15		<b>19</b>
Total nitrogen	2.0	10	14	12	7.0	0.05	8.1	80		<b>134</b>
Total suspended solids	23	75	172	29	29	12	113	914		<b>1,366</b>
<b>WATER USE, 1,000 m<sup>3</sup></b>										
Water withdrawals	3,494	8,492	3,947	3,679	24,015	1,419	4,067	35,853		<b>84,965</b>
Waste water flow	274	2,122	6,251	2,051	3,459	1,061	3,060	26,182		<b>44,460</b>
<b>WASTE AND SIDE STREAMS, t</b>										
Utilised by-products and waste	6,156	17,168	558	18,355	25,302	4,661	21,271	62,650	1,432	<b>157,553</b>
Landfill waste	0	0	16	0	83	0	0	111	0	<b>210</b>
Hazardous waste	14	62	49	19	54	25	13	299	27	<b>563</b>

<sup>1)</sup> The Tako paperboard mill ceased operations in June 2025.

<sup>2)</sup> Includes personnel at locations other than mills and construction and demolition waste outside mill operations over which Metsä Board has operational control.

<sup>3)</sup> 100% of production units have ISO 9001, ISO 14001, ISO 50001, ISO 45001 and ISO 22000 certification. In addition, 71% have FSSC 22000 certification.

## List of other datapoints derived from EU legislation

List of datapoints in cross-cutting and topical ESRS standards that derive from other EU legislation and their locations on the Sustainability Statement.

ESRS Disclosure Requirement and related datapoint	Location and comment	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
<b>ESRS 2 – General disclosures</b>					
GOV-1 Board's gender diversity paragraph 21 (d)	<i>The role of, information provided to and sustainability matters addressed by the administrative, management and supervisory bodies</i>	x		x	
GOV-1 Percentage of board members who are independent paragraph 21 (e)	<i>The role of, information provided to and sustainability matters addressed by the administrative, management and supervisory bodies</i>			x	
GOV-4 Statement on due diligence paragraph 30	<i>Due diligence process -table</i>	x			
SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Not material	x	x	x	
SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Not material	x		x	
SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not material	x		x	
SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Not material			x	
<b>ESRS E1 – Climate change</b>					
E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	<i>E1 Transition plan for climate change mitigation and adaptation</i>				x
E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	<i>E1 Reporting principles for metrics</i>		x	x	
E1-4 GHG emission reduction targets paragraph 34	<i>E1 Metsä Group's 2030 sustainability targets; E1 Transition plan for climate change mitigation and adaptation; E1 Reporting principles for metrics</i>	x	x	x	
E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	<i>E1 Total energy consumption by energy source -table</i>	x			
E1-5 Energy consumption and mix paragraph 37	<i>E1 Energy consumption and combination of energy sources -table</i>	x			
E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	<i>E1 Energy consumption and combination of energy sources -table</i>	x			
E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	<i>E1 GHG emissions -table</i>	x	x	x	
E1-6 Gross GHG emissions intensity paragraphs 53 to 55	<i>E1 GHG intensity -table</i>	x	x	x	
E1-7 GHG removals and carbon credits paragraph 56	Not material				x
E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Not material			x	
E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Not material		x		
E1-9 Location of significant assets at material physical risk paragraph 66 (c)	Not material		x		
E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)	Not material		x		
E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Not material			x	
<b>ESRS E2 – Pollution</b>					
E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28	<i>E2 Actions; E2 Emissions to air -table; E2 Emissions to water -table</i>	x			

ESRS Disclosure Requirement and related datapoint	Location and comment	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
<b>ESRS E3 – Water and marine resources</b>					
E3-1 Water and marine resources paragraph 9	<i>E3 Policies</i>		x		
E3-1 Dedicated policy paragraph 13	<i>E3 Policies</i>		x		
E3-1 Sustainable oceans and seas paragraph 14	Not material		x		
E3-4 Total water recycled and reused paragraph 28 (c)	<i>E3 Water withdrawals and consumption and wastewater discharges -table</i>		x		
E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	<i>E3 Water withdrawals and consumption and wastewater discharges -table</i>		x		
<b>ESRS E4 – Biodiversity and ecosystems</b>					
IRO 1 - E4 paragraph 16 (a) i	<i>E4 The identification and assessment of material impacts, risks and opportunities</i>		x		
IRO 1 - E4 paragraph 16 (b)	<i>E4 The identification and assessment of material impacts, risks and opportunities</i>		x		
IRO 1 - E4 paragraph 16 (c)	<i>E4 The identification and assessment of material impacts, risks and opportunities</i>		x		
E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Not material		x		
E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Not material		x		
E4-2 Policies to address deforestation paragraph 24 (d)	<i>E4 Policies</i>		x		
<b>ESRS E5 – Resource use and circular economy</b>					
E5-5 Non-recycled waste paragraph 37 (d)	<i>E5 Outflows of material and energy -table</i>		x		
E5-5 Hazardous waste and radioactive waste paragraph 39	<i>E5 Outflows of material and energy -table</i> Metsä Group's operations do not produce radioactive waste.		x		
<b>ESRS S1 – Own workforce</b>					
SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	<i>S1 Policies</i>		x		
SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	<i>S1 Policies</i>		x		
S1-1 Human rights policy commitments paragraph 20	<i>S1 Policies</i>		x		
S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 21	<i>S1 Policies</i>				x
S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	<i>S1 Policies</i>		x		
S1-1 Workplace accident prevention policy or management system paragraph 23	<i>S1 Policies</i>		x		
S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	<i>S1 Processes to remediate negative impacts and channels for own workers to raise concerns; G1 Mechanisms for identifying, reporting and investigating concerns</i>		x		
S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	<i>S1 Health and safety -table</i>		x		x
S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	<i>S1 Health and safety -table; S1 Reporting principles for metrics</i>		x		
S1-16 Unadjusted gender pay gap paragraph 97 (a)	<i>S1 Total remuneration ratio of women and men -table</i>		x		x
S1-16 Excessive CEO pay ratio paragraph 97 (b)	<i>S1 Total remuneration -table</i>		x		
S1-17 Incidents of discrimination paragraph 103 (a)	<i>S1 Incidents, complaints and severe human rights impacts -table</i>		x		
S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	<i>S1 Incidents, complaints and severe human rights impacts -table</i>		x		x

ESRS Disclosure Requirement and related datapoint	Location and comment	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
<b>ESRS S2 – Workers in the value chain</b>					
SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	<i>The identification and assessment of material impacts, risks and opportunities (S2)</i>	x			
S2-1 Human rights policy commitments paragraph 17	<i>S2 Policies</i>	x			
S2-1 Policies related to value chain workers paragraph 18	<i>S2 Policies</i>	x			
S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	<i>S2 Policies</i>	x		x	
S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 19	<i>S2 Policies</i>			x	
S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	<i>S2 Actions</i>	x			
<b>ESRS S3 – Affected communities</b>					
S3-1 Human rights policy commitments paragraph 16	<i>S3 Policies</i>	x			
S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	<i>S3 Policies</i>	x		x	
S3-4 Human rights issues and incidents paragraph 36	<i>S3 Actions</i>	x			
<b>ESRS S4 – Consumers and end-users</b>					
S4-1 Policies related to consumers and end-users paragraph 16	<i>S4 Policies</i>	x			
S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	<i>S4 Policies</i>	x		x	
S4-4 Human rights issues and incidents paragraph 35	<i>S4 Actions</i>	x			
<b>ESRS G1 – Business conduct</b>					
G1-1 United Nations Convention against Corruption paragraph 10 (b)	<i>G1 Policies</i>	x			
G1-1 Protection of whistle-blowers paragraph 10 (d)	<i>G1 Mechanisms for identifying, reporting and investigating concerns</i>	x			
G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	<i>G1 Incidents of non-compliance with good governance or ethical corporate culture -table</i>	x		x	
G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	<i>G1 Incidents of non-compliance with good governance or ethical corporate culture -table</i>	x			



# Consolidated statement of income

EUR million	Note	1-12/2025	1-12/2024
<b>Sales</b>	2.1, 2.2, 7.3	1,775.7	1,938.6
Change in stocks of finished goods and work in progress		-59.9	22.9
Other operating income	2.3, 7.3	48.1	77.8
Materials and services	2.4, 7.3	-1,353.0	-1,491.7
Employee costs	3	-214.5	-201.6
Share of result of associated company	7.2, 7.3	-37.4	-8.8
Depreciation, amortisation and impairment charges	4.1, 4.2	-165.6	-113.6
Other operating expenses	2.4	-163.0	-161.3
<b>Operating result</b>		-169.5	62.3
Share of profit from associated companies and joint ventures	7.2	0.0	0.0
Net exchange gains/losses	5.2	-1.2	-2.8
Other financial income	5.2, 7.3	5.4	9.3
Interest and other financial expenses	5.2, 7.3	-21.5	-17.3
<b>Result before tax</b>		-186.9	51.4
Income taxes	6	22.3	-12.0
<b>Result for the period</b>		-164.6	39.4
<b>Result for the period attributable to</b>			
Shareholders of parent company		-156.6	25.3
Non-controlling interest		-7.9	14.1
<b>Total</b>		-164.6	39.4
Adjusted average number of shares, thousands		355,142	354,991
<b>Basic and diluted earnings per share for result for the period attributable to the shareholders of parent company, EUR</b>		-0.44	0.07

# Consolidated statement of comprehensive income

EUR million	Note	1-12/2025	1-12/2024
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>	5.1		
Actuarial gains/losses on defined benefit pension plans	3.4	-0.4	-0.9
Financial assets at fair value through other comprehensive income	4.3	-33.5	-35.4
Share of profit from other comprehensive income of associated company			
Income tax relating to items that will not be reclassified		7.6	7.4
<b>Total</b>		-26.3	-28.9
<b>Items that may be reclassified to profit or loss</b>	5.1		
Cash flow hedges		21.5	-39.1
Translation differences		40.0	-21.7
Share of profit from other comprehensive income of associated company		6.8	-13.8
Income tax relating to items that may be reclassified		-4.3	7.8
<b>Total</b>		64.0	-66.8
<b>Other comprehensive income, net of tax</b>		37.8	-95.7
<b>Total comprehensive income for the period</b>		-126.8	-56.2
<b>Total comprehensive income for the period attributable to</b>			
Shareholders of parent company		-128.4	-65.4
Non-controlling interest		1.6	9.1
<b>Total</b>		-126.8	-56.2

# Consolidated balance sheet

EUR million	Note	31 DEC 2025	31 DEC 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	4.1	12.2	12.2
Other intangible assets	4.1	32.8	35.0
Property, plant and equipment	4.2	1,265.5	1,248.4
Investments in associated companies and joint ventures	7.2	486.8	517.5
Other investments	4.3, 5.7	186.2	219.7
Other non-current financial assets	5.3	3.5	4.4
Deferred tax receivables	6.	6.0	5.2
<b>Total</b>		<b>1,993.1</b>	<b>2,042.4</b>
<b>Current assets</b>			
Inventories	4.4	374.1	472.6
Trade receivables and other receivables	4.5, 7.3	238.7	278.3
Current income tax receivables		2.3	9.0
Derivative financial instruments	5.7	8.3	9.2
Cash and cash equivalent	5.4, 7.3	309.3	182.6
<b>Total</b>		<b>932.7</b>	<b>951.7</b>
<b>Total assets</b>		<b>2,925.8</b>	<b>2,994.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Equity attributable to shareholders of parent company</b>			
Share capital		557.9	557.9
Translation differences		-52.2	-82.7
Fair value and other reserves		134.6	137.4
Reserve for invested unrestricted equity		208.9	208.9
Treasury shares		-2.8	-3.7
Retained earnings		744.0	925.2
<b>Total</b>		<b>1,590.4</b>	<b>1,743.0</b>
<b>Non-controlling interests</b>		<b>166.3</b>	<b>164.7</b>
<b>Total shareholders' equity</b>	5.1	<b>1,756.7</b>	<b>1,907.7</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	6.	92.8	123.2
Post employment benefit obligations	3.4	8.7	8.1
Provisions	4.8	0.7	1.7
Borrowings	5.5, 5.6, 5.7	495.7	411.9
Other liabilities	4.6	2.9	5.6
Johdannaiset	5.7	1.3	0.0
<b>Total</b>		<b>602.2</b>	<b>550.6</b>
<b>Current liabilities</b>			
Provisions	4.8	3.3	0.0
Current borrowings	5.5, 5.6, 5.7	68.8	115.5
Trade payables and other liabilities	4.7, 7.3	489.2	390.6
Current income tax payables		0.3	0.0
Derivative financial instruments	5.7	5.3	29.7
<b>Total</b>		<b>566.9</b>	<b>535.8</b>
<b>Total liabilities</b>		<b>1,169.1</b>	<b>1,086.4</b>
<b>Total shareholders' equity and liabilities</b>		<b>2,925.8</b>	<b>2,994.1</b>

# Statement of changes in shareholders' equity

## Equity attributable to shareholders of parent company

EUR million	Note	Share capital	Translation differences	Fair value and other reserves	Reserve for invested restricted equity	Treasury shares	Retained earnings	Total	Non-controlling interest	Total shareholders' equity
Shareholders' equity, 1 Jan 2025		557.9	-82.7	137.4	208.9	-3.7	925.2	1,743.0	164.7	1,907.7
Result for the period							-156.6	-156.6	-7.9	-164.6
Other comprehensive income net of tax total	5.1		30.5	-2.8			0.5	28.2	9.5	37.8
<b>Comprehensive income total</b>			30.5	-2.8			-156.1	-128.4	1.6	-126.8
Related party transactions										
Dividends	5.1						-24.9	-24.9		-24.9
Disposal of treasury shares	5.1					0.9	-0.9			
Share based payments	3.3						0.7	0.7		0.7
<b>Shareholders' equity, 31 Dec 2025</b>		557.9	-52.2	134.6	208.9	-2.8	744.0	1,590.4	166.3	1,756.7
Shareholders' equity, 1 Jan 2024		557.9	-66.0	209.1	208.9	-5.5	992.6	1,897.0	155.6	2,052.6
Result for the period							25.3	25.3	14.1	39.4
Other comprehensive income net of tax total	5.1		-16.7	-71.7			-2.3	-90.7	-5.0	-95.7
<b>Comprehensive income total</b>			-16.7	-71.7			23.0	-65.4	9.1	-56.2
Related party transactions										
Dividends	5.1						-88.8	-88.8		-88.8
Disposal of treasury shares	5.1					1.8	-1.8			
Share based payments	3.3						0.1	0.1		0.1
<b>Shareholders' equity, 31 Dec 2024</b>		557.9	-82.7	137.4	208.9	-3.7	925.2	1,743.0	164.7	1,907.7

# Consolidated cash flow statement

EUR million	Note	1-12/2025	1-12/2024
<b>Cash flow from operating activities</b>			
Result for the period		-164.6	39.4
Adjustments to the result, total		192.5	113.0
Interest received		5.2	8.8
Interest paid		-17.2	-16.5
Dividends received		0.1	9.9
Other financial items, net		-7.6	-3.4
Income tax paid		-0.2	-17.2
Change in working capital		231.3	-96.3
<b>Net cash flow from operations</b>		<b>239.6</b>	<b>37.8</b>
<b>Cash flow from investing activities</b>			
Capital expenditure		-136.0	-164.0
Proceeds from disposal of shares in subsidiaries, net of cash	7.2	0.0	-0.5
Proceeds from disposal of other shares		0.2	0.5
Proceeds from sale of tangible and intangible assets		11.5	35.0
Change in non-current receivables, net		2.6	-1.0
<b>Net cash flow from investing</b>		<b>-121.7</b>	<b>-129.9</b>
<b>Cash flow from financing activities</b>			
Proceeds from non-current interest bearing liabilities		198.4	0.0
Payment of non-current interest bearing liabilities		-120.6	-18.7
Change in current liabilities	5.5	-47.6	95.8
Change in non-current non-interest bearing liabilities, net		-2.7	-3.1
Dividend paid and capital distribution		-24.9	-88.8
<b>Net cash flow from financing</b>		<b>2.7</b>	<b>-14.8</b>
<b>Change in cash and cash equivalents</b>		<b>120.5</b>	<b>-107.0</b>
Cash and cash equivalents at beginning of period		182.6	291.6
Translation adjustments		6.2	-2.1
Change in cash and cash equivalents		120.5	-107.0
<b>Cash and cash equivalents at end of period</b>	5.4	<b>309.3</b>	<b>182.6</b>
<b>Notes to consolidated cash flow statement</b>			
<b>Adjustments to the result, total</b>			
Taxes		-22.3	12.0
Depreciation, amortisation and impairment charges		165.6	113.6
Share of result from associated companies and joint ventures		37.4	8.8
Gains and losses on sale of non-current assets		-9.7	-33.1
Finance costs, net		17.3	10.8
Post-employment benefit obligations and provisions		3.1	-0.6
Other adjustments		1.0	1.5
<b>Adjustments to the result, total</b>		<b>192.5</b>	<b>113.0</b>
<b>Change in working capital</b>			
Inventories		93.9	-76.1
Trade receivables and other receivables		37.7	-24.0
Trade payables and other liabilities		99.6	3.8
<b>Change in working capital</b>		<b>231.3</b>	<b>-96.3</b>

# Notes to the consolidated financial statements

## 1. Accounting principles

### Metsä Board Group

Metsä Board Corporation and its subsidiaries comprise a forest industry group ("Metsä Board" or "the Group"). Metsä Board's business operations consist solely of folding boxboard, fresh fibre linerboard and market pulp businesses. Metsä Board reports on its financial performance in one reporting segment.

Metsä Board Corporation is Group's parent company, which is domiciled in Helsinki. The registered address of the company is Revontulenpuisto 2, 02100 Espoo Finland. The parent company is listed on Nasdaq Helsinki Ltd. At the end of 2025 Metsäliitto Cooperative owned 51.83 per cent of the shares, and the voting rights conferred by these shares were 68.85 per cent.

A copy of the annual report can be obtained from Metsä Board's website [www.metsagroup.com/metsaboard/](http://www.metsagroup.com/metsaboard/) or parent company's head office at Revontulenpuisto 2, 02100 Espoo Finland.

The Group consolidated financial statements were authorised for issue by the Board of Directors on 5 February 2026. According to Finnish Companies Act shareholders can accept or reject the financial statements in General Meeting of shareholders after date of publication. General Meeting of shareholders also have possibility to decide to change financial statements.

### Accounting principles

Metsä Board Corporation's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) effective and approved by the EU at the date of the financial statements 31 December 2025. The notes to the consolidated financial statements also comply with the requirements of Finnish accounting and company legislation supplementing the IFRS regulations.

The consolidated financial statements are presented in millions of euros, unless otherwise noted.

The consolidated financial statements have been prepared based on original acquisition costs, excluding financial assets recognised at fair value, hedged items in fair value hedging, assets and obligations related to defined benefit plans and share-based payments measured at fair value.

### The impact of Russia's military aggression

Due to the discontinuation of Russian business operations, the Group recognised an impairment of EUR 0.3 million for owned and leased property. The Group also recognised a loss of EUR 0.7 million in other operating expenses mostly related to accumulated Russian ruble-denominated translation differences. On 13 May 2024, Metsä Board completed a corporate restructuring in which control of the Russian subsidiary Metsä Board Rus LLC was transferred to the VLP Group. After the transaction, the

Group has no holdings in Russia. The restructuring resulted in a loss of EUR 0.5 million. Further information can be found in the notes: 2.4. Operating expenses, 4.2. Property, plant and equipment, 5.1. Equity, translation differences, and 5.2. Exchange rate differences, financial income and expenses.

### Impact of Climate-Related Matters on Financial Statements

At the core of Metsä Board's sustainability targets are the transition to fully fossil-free energy use in production, phasing out fossil-based raw materials, improving energy and water efficiency, and implementing regenerative forestry measures to ensure strong forest growth and carbon sequestration. The Group's goal is fossil-free production, meaning reducing fossil-based scope 1 and 2 carbon dioxide emissions to zero by the end of 2030. Achieving these targets requires investments, development of operations and product portfolio, and utilization of the best available technology. In the recognition and measurement of the Group's assets and liabilities, the potential impact of climate-related targets on consolidated financial statement items is considered, including physical climate risks and transition risks affecting assets.

The Climate-related matters particularly affect the following items in the financial statements:

- Intangible assets: Used in determining future cash flow forecasts in connection with goodwill impairment testing. (Note 4.1)
- Property, plant and equipment: Climate targets may affect the carrying amounts and useful lives of fixed assets. At the end of the reporting period, climate-related matters had no material impact on the estimated useful lives or impairments of assets. (Note 4.2)
- Interest-bearing liabilities: In 2025, Metsä Board issued a green unsecured bond of EUR 200 million maturing in 2031. In addition, Metsä Board agreed on a EUR 250 million revolving credit facility, the margin of which is linked to long-term climate and energy efficiency targets. (Note 5.5)
- Remuneration: Short-term incentives include performance criteria tied to climate targets. (Note 3.2)
- Intangible assets and other operating expenses and income: Known or reasonably expected cost increases include the end of free emission allowances after 2025 for mills whose fossil emissions account for less than 5% of total CO<sub>2</sub> emissions. The EU Emissions Trading System is currently being updated, and based on current information, free allowances will end after 2030. (Notes 2.3, 2.4 and 4.1)

Further information on climate-related matters is available in the sustainability statement included in the Board of Directors' report.



## Amendments to standards applied during the 2025 financial period

Standard changes do not have a significant impact on the group's financial statements.

## New and amended standards to be applied during future financial periods

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures\* (effective for financial years beginning on or after 1 January 2026, early application is permitted)

The amendments clarify that an entity is required to apply settlement date accounting when derecognising a financial asset or a financial liability; and to permit an entity to deem a financial liability that is settled using an electronic payment system to be discharged before the settlement date if specified criteria are met. The amendments clarify the application guidance for assessing the contractual cash flow characteristics of financial assets, including financial assets with contractual terms that could change the timing or amount of contractual cash flows, for example, those with environmental, social and governance (ESG)-linked features, financial assets with non-recourse features and financial assets that are contractually linked instruments.

IFRS 18 Presentation and Disclosure in Financial Statements\*(effective for financial years beginning on or after 1 January 2027, early application is permitted)

IFRS 18 will replace IAS 1 Presentation of Financial Statements. The key new requirements are as follows:

- Income and expenses in the income statement to be classified into three new defined categories—operating, investing and financing—and two new subtotals—“Operating profit or loss” and “Profit or loss before financing and income tax”.
- Disclosures about management-defined performance measures (MPMs) in the financial statements. MPMs are subtotals of income and expenses used in public communications to communicate management's view of the company's financial performance.
- Disclosure of information based on enhanced general requirements on aggregation and disaggregation. In addition, specific requirements to disaggregate certain expenses, in the notes, will be required for companies that present operating expenses by function in the income statement.

\* = Amendment has not been approved to be applied by the EU by 31.12.2025.

Other standard changes do not have a significant impact on the group's financial statements.

## Translations in foreign currency

The items included in the financial statements of Subsidiaries, joint operations, joint ventures and associated companies are presented in the currency that is used in each company's primary operating environment. The consolidated financial statements are presented in euros, which is the parent company's functional and presentation currency.

Business transactions denominated in foreign currencies are recognised in the operating currency using the exchange rate on the transaction date. At the end of the financial period, open receivables and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate on the balance sheet date. Since March 2025, the rate used for the Russian ruble is the closing rate for EUR/RUB published by Refinitiv, which management considers to best represent the market rate for the time. Any gains or losses resulting from transactions in foreign currencies and from the translation of monetary items are recognised in exchange rate differences in financial items.

Changes in the fair value of the effective portion of derivative instruments that meet the criteria for cash flow hedging are recognised in other items of comprehensive income. The gains and losses recognised in equity are transferred to the income statement when the forecast sale or purchase is realised, and are recognised as an adjustment to the hedged item.

Derivatives not subject to hedge accounting, as well as the ineffective portion of derivatives subject to hedge accounting, are measured at fair value, and changes in the value of interest rate and currency derivatives are recognised in financial items, and changes in the value of commodity derivatives are recognised in other income and expenses. Information about interest and currency hedging is provided in Note 5.6 Management of financial risks.

The income statements of companies whose functional currency is not the euro are translated into euros using the average exchange rates of the financial period, and their balance sheets are translated using the exchange rates on the balance sheet date. Changes in translation differences arising from the translation of companies' income statements and balance sheets and from the translation of net investments in foreign entities are recognised in other comprehensive income. In conjunction with divestments of Group companies, either by selling or by dissolving, translation differences accumulated by the time of the divestment are recognised in the income statement as part of the gain or loss from the divestment.

## Earnings per share

Undiluted earnings per share are calculated using the weighted average number of shares during the reporting period, where the own shares held by the group have been deducted. In calculating earnings per share adjusted for the effect of dilution, the average number of shares is adjusted for the dilution effect of any equity instruments that have been issued. In calculating earnings per share, earnings are taken to be the reported earnings attributable to the parent company's shareholders.

## Other accounting principles

Other accounting principles are presented as part of the relevant Notes.

## Key estimates and judgements

The preparation of financial statements requires the use of the management's estimates, assumptions and judgement-based decisions that affect the amount of assets and liabilities, the presentation of contingent assets and liabilities in the financial statements, and the amount of income and expenses. Even though such estimates and assumptions are based on the management's best knowledge at the time they were made, it is possible that the actual values differ from those used in the financial statements. In terms of the financial statements, the key areas that involve the management's estimates and judgement-based decisions are presented in the following notes:

## Management's judgement-based decisions

Management's judgement-based decisions that were made when applying the accounting principles and that have the greatest impact on the figures of the consolidated financial statements concern the following areas:

Item	Note	Nature of management's judgement-based decisions
Property, plant and equipment and lease	4.1 and 4.2 Intangible assets and Property, plant and equipment	Valuation model applied in impairment tests
Financial instruments measured at fair value	4.3 Other investments	Accounting principle and valuation model applied to the shares of Pohjolan Voima Oyj

## Estimates and assumptions

The Group's key uncertainties related to assumptions and estimates that carry a significant risk of the book values of assets and liabilities changing during the following financial period include the following:

Item	Note	Nature of estimates and assumptions
Intangible assets, Property, plant and equipment and leases	4.1 and 4.2 Intangible assets and Property, plant and equipment	Estimates of key factors affecting cash flows in the valuation and expectations of economic benefits
Property, plant and equipment and leases	4.2 Property, plant and equipment	Estimates of the useful lives of property, plant and equipment, and of lease extension options
Fair value measurement	4.3 Other investments	Estimates of key factors affecting cash flows in the valuation of Pohjolan Voima Oyj
Inventories	4.4 Inventories	Estimates of the sales prices of products measured at net realisable value, the costs of completion and the costs necessary for making the sale
Income taxes	6. Income taxes	Estimates of the date and amount of tax liabilities arising in tax audits and deferred tax assets recognised for losses
Legal obligations	8.1 Commitments and contingencies	Estimates of the date and amount of costs from obligations related to disputes and legal proceedings

## 2. Profitability

### 2.1 Segment information

#### Accounting principles

The Corporate Management Team is the chief operational decision-maker monitoring business operations performance based on the operating segments.

Metsä Board's business operations consist solely of folding boxboard, fresh fibre linerboard and market pulp businesses. Metsä Board reports on its financial performance in one reporting segment.

Geographical sales are reported based on the location of the customer and assets and capital expenditure based on the location of the assets.

#### Geographical areas

EUR million	External sales by location of customer		Non-current assets		Capital expenditure	
	2025	2024	2025	2024	2025	2024
Germany	147.6	136.4	0.2	0.2	0.1	0.2
Italy	124.5	125.3	0.2	0.1	0.3	0.0
Sweden	76.4	124.9	773.5	761.2	23.4	54.2
Finland	134.3	94.9	1,207.4	1,267.2	115.2	119.9
Spain	89.2	94.8	0.1	0.1	0.0	0.0
France	77.6	75.9	0.3	0.3	0.1	0.0
Poland	104.0	107.3	0.9	1.1	0.2	0.1
The Netherlands	59.3	52.1				
Belgium	13.6	20.8	0.6	0.8	0.0	0.7
Other EU	130.5	167.7				
EU total	957.1	1,000.1	1,983.2	2,030.9	139.3	175.1
Turkey	76.0	90.7	0.0	0.0	0.0	0.0
United Kingdom	92.3	96.2	0.0	0.8	0.0	0.1
Norway	0.2	0.5				
Other Europe and Middle East	28.7	35.5				
USA	356.3	432.2	1.2	1.7		0.3
Canada	38.6	45.6				
Asia	74.8	97.1	0.2	0.3	0.1	0.0
Other countries	151.7	140.6	0.0	0.0	0.0	0.0
Total	1,775.7	1,938.6	1,984.8	2,033.7	139.5	175.4

Non-current assets include all non-current assets with the exception of derivative financial instruments, deferred tax assets and assets related to defined benefit pension plans. Total investments include investments in owned and leased property, plant and equipment as well as acquired businesses.

#### Personnel at year end

By country	2025	2024
Finland	1,002	1,267
Sweden	700	740
Poland	103	121
USA	61	75
Belgium	14	17
Germany	16	17
Other countries	45	53
Total	1,939	2,290

#### Personnel average

By country	2025	2024
Finland	1,226	1,318
Sweden	733	748
Poland	116	114
USA	72	73
Belgium	16	17
Germany	17	17
Other countries	50	52
Total	2,230	2,339

#### Information on most important customers

There were no customers with revenue exceeding 10% of total Group revenue in 2025 and 2024.

## 2.2 Sales

### Accounting principles

Metsä Board's sales are mainly generated from the sale of forest industry goods, such as the sale of folding boxboard and white kraftliners to branded product manufacturers, packaging processors and wholesalers, as well as the sale of pulp to manufacturers of cardboard, tissue, printing and specialty papers.

Performance obligations arising from the Group's sales contracts are mainly order-driven customer deliveries related to the sale of forest industry goods. Services mostly have an ancillary role in the Group's business operations, or they complement deliveries of goods.

The transaction price is the amount that the Group expects to receive in exchange for a fulfilled performance obligation. This amount, less sales-based value added taxes and sales taxes, is presented as the Group's sales. The prices received by the Group are divided into a fixed part and a variable part. The variable part consists of various discounts based on, among other things, payment terms and purchased quantities, and is allocated by the Group as deductions from sales revenue in line with estimates of the extent of the discount the customer is deemed to be entitled to. The Group's sales contracts mostly include obligations solely related to deliveries of goods, to which the allocation of the transaction price is uncomplicated. The terms of payment applied in the Group's sales invoicing vary to some degree geographically and in different business areas, but the term of payment provided is nonetheless always clearly less than a year, when the financing component does not need to be separated.

The Group recognises revenue from the sale of goods in the period during which the control of the delivered products passes to the customer, i.e. when the risks and benefits related to the sold products transfer to the customer. Services are recognised as income over time.

Control to products transfers at the point of time when the products have been delivered in accordance with the agreed term of delivery. The Incoterms 2010 delivery terms most commonly applied by the Group and the corresponding times of sales income recognition are:

- D terms: Delivery of goods to the buyer at the agreed destination at the agreed time
- C terms: Handing over the goods to be transported to the agreed destination by a carrier arranged for by the seller
- F terms: Handing over the goods to a carrier arranged for by the buyer

The Group sees geographical distribution of sales as describing best the nature, amount, timing and uncertainty of sales revenue. Sales by geographical regions is presented below based on the location of customers.

### Geographical distribution of sales

EUR million	2025	2024
Germany	147.6	136.4
Italy	124.5	125.3
Sweden	76.4	124.9
Finland	134.3	94.9
United Kingdom	92.3	96.2
Spain	89.2	94.8
France	77.6	75.9
Poland	104.0	107.3
The Netherlands	59.3	52.1
Belgium	13.6	20.8
Rest of Europe	145.3	187.2
Europe	1,064.1	1,115.8
USA	356.3	432.2
Canada	38.6	45.6
Rest of Americas	53.4	51.1
Americas	448.3	528.8
Emerging markets	263.3	294.0
Total	1,775.7	1,938.6

## 2.3 Other operating income

EUR million	2025	2024
Gains on disposal	10.4	35.2
Rental income	1.3	1.3
Service revenue	9.1	5.1
Government grants and allowances	21.7	30.2
Scrap and waste sale	1.1	0.3
Other	4.4	5.7
Total	48.1	77.8

### Gains on disposal

EUR million	2025	2024
Emission rights	10.0	35.0
Other	0.4	0.2
Total	10.4	35.2

The government grants and compensation relate to the compensation for training, healthcare and research costs, insurance indemnities and energy aid. For more information on government grants, see Note 4.2 and information on emission allowances, see Note 4.1.

In 2025, The government grants and compensation include insurance compensations received related to the explosion at the Kemi bioproduct mill for a total of EUR 8.4 (17.5) million.

## 2.4 Operating expenses

EUR million	2025	2024
<b>Materials and services</b>		
Raw materials and consumables		
Purchases during the financial year	-968.8	-1,179.7
Change in inventories	-34.0	50.6
External services		
Logistics cost	-255.4	-269.8
Other external services	-94.8	-92.8
Total	-1,353.0	-1,491.7
Depreciation, amortisation and impairment charges total	-165.6	-113.6
Employee costs total	-214.5	-201.6
<b>Other operating expenses</b>		
Rents and other real estate expenses	-21.8	-19.3
Purchased services	-96.0	-94.8
Losses on sale of non-current assets	-0.7	-2.0
Other operating expenses	-44.4	-45.1
Total	-163.0	-161.3

Employee costs are reported in Note 3.1, and information on depreciation, amortisation and impairment charges in Notes 4.1 and 4.2. For more information on research and development costs, see Note 4.1.

Other operating expenses include e.g. energy costs, real estate costs, marketing and advertising costs and administrative costs.

Research and development expenses excluding depreciations were EUR -6.3 (-7.4) million.

### Auditor fees

#### The fees of the group's auditor KPMG

EUR million	2025	2024
Audit	-0.5	-0.5
Sustainability audit	-0.1	-0.1
Auditors' opinions	0.0	0.0
Tax services		
Other services		0.0
Total	-0.6	-0.7

Non-auditing services for KPMG were EUR 0.0 (0.0) million.



## 3. Remuneration

### Accounting principles

Short-term employee benefits

Liabilities related to wages, including annual leave wages, which are expected to be paid in full within 12 months from the end of the period during which the work that is the basis for them is performed, are recorded for the work performed by the end of the reporting period and are valued at the amount that is expected to be paid. Liabilities are presented in the balance sheet as short-term obligations arising from employment benefits.

The principles for preparing share-based payments are presented in note 3.3 and retirement benefit obligations in note 3.4.

### 3.1 Employee costs

EUR million	2025	2024
Short-term employee benefits	-133.7	-122.9
Share-based payments	-1.0	-1.5
Pension costs		
Defined benefit plans	-0.4	-0.4
Defined contribution plans	-24.4	-24.1
Other social security costs	-55.0	-52.7
Social security costs total	-79.8	-77.2
Total	-214.5	-201.6

### 3.2 The management's salaries, remuneration and pension expenses

Key management includes members of the Board of Directors as well as Corporate Leadership Team. The salaries and bonuses of key management personnel are presented on an accrual basis.

#### The management's salaries, remuneration and pension expenses

EUR million	2025	2024
Short-term employee benefits	2.7	1.8
Share-based payments (long-term remuneration)	0.8	0.9
Pension costs		
Defined benefit plans	0.4	0.6
Defined contribution plans	0.5	0.3
Total	4.4	3.6

### Remuneration paid to the members of the Board of Directors of the parent company and their shareholding

EUR thousand	Shareholding shares	Remuneration	Remuneration	Pensions, Defined contribution	Pensions, Defined contribution
	2025	2025	2024	2025	2024
Jussi Vanhanen (from 20 March 2025)	17,788	101		17	
Ilkka Hämälä (until 1 July 2025)		38	115	7	21
Jussi Linnaranta	55,267	101	102	17	19
Hannu Anttila (until 26 March 2024)			6		
Leena Craelius (from 26 March 2024)	15,020	84	78	14	14
Raija-Leena Hankonen-Nyöm	28,151	87	83	16	15
Erja Hyrsky (until 1 August 2025)		79	83	15	15
Jukka Moisio	32,303	85	83	16	14
Mari Kiviniemi	23,705	87	84	15	14
Mikko Mäkimattila	20,072	83	84	14	15
Juha Vanhainen	24,480	87	84	16	15
Total	216,786	832	802	146	142

Metsä Board's Annual General Meeting 2025 decided, that about one half of the remuneration will be paid in cash while the other half is paid in company's B shares.

The remuneration of the Management Team consists of a fixed monthly salary and remuneration based on short-term and long-term remuneration schemes. In addition, CEO Kaikkonen is covered by covered by a defined contribution supplementary pension scheme. CEO Joukio was also covered by a defined benefit pension scheme.

## Salaries and remuneration to the CEO and other members of the Corporate Management Team

	CEO Esa Kaikkonen	CEO Mika Joukio	CEO Mika Joukio	Other Management Team	Other Management Team
EUR thousand	2025	2025	2024	2025	2024
Salaries and remuneration <sup>1) and 2)</sup>					
Basic salary including fringe benefits	434	472	563	1,188	1,170
Short-term performance bonus <sup>3)</sup>					43
Other compensation <sup>4)</sup>		653			
Long-term share-based incentive <sup>5)</sup>		413	442	342	439
Total	434	1,538	1,005	1,530	1,652
Pension Costs					
Supplemental defined benefit pension plan		442	642		
Defined contribution plans	152	80	87	220	190
Total	152	522	729	220	190
Salaries and remuneration as well as pension costs in total	586	2,060	1,734	1,751	1,843

<sup>1)</sup> Includes Esa Kaikkonen's salaries and remuneration for the period 7 April–31 December 2025.

<sup>2)</sup> Includes Mika Joukio's salaries and remuneration for the period 1 January–7 October 2025.

<sup>3)</sup> The 2025 amount relates to performance in 2025; the 2024 amount relates to performance in 2024.

<sup>4)</sup> Includes severance pay

<sup>5)</sup> Includes the expense impact for the financial year arising from several different programmes. Further information is provided in Note 3.3 - Share-based payments.

Mika Joukio served as the company's CEO until 6 April 2025, and Esa Kaikkonen has served as CEO as of 7 April 2025. CEO Mika Joukio's monthly salary was EUR 45,378, which included a company car benefit, mobile phone benefit and insurance coverage. Esa Kaikkonen's monthly salary is EUR 46,070, and it includes a company car benefit, mobile phone benefit and insurance coverage. In 2024 and 2025, the reward option for the CEO's short-term compensation plan was at the target level of 30% and at the maximum level of 75% of the fixed annual salary.

In 2024 and 2025, the reward option for the short-term compensation plan for members of the Management Team was at the target level of 20 or 25% and at the maximum level of 50 or 62.5% of the fixed annual salary.

The Board of Directors decides on the criteria of the short-term remuneration system. Remuneration is based on defined financial criteria and targets supporting strategy.

No short-term incentive was paid to the CEO for 2024, as the threshold metric of the short-term incentive scheme (Metsä Group's operating result) fell below the threshold level. For 2025, no short-term incentives will be paid to the CEO or to the Executive Management Team, as the threshold metric of the short-term incentive scheme (Metsä Group's operating result) fell below the threshold level.

Share based incentive schemes and the shareholding programme for Corporate Management Team are presented in Note 3.3.

The CEO's mutual term of notice is six months. In case the CEO contract is terminated by the Board of Directors, the CEO is entitled to receive discharge compensation equal to his 12-month salary.

The period of notice for other members of Corporate Management Team is six months. Some Corporate Management Team members are entitled to additional mainly severance compensation of six month salary in case of employment termination on grounds not related to the affected Management Team member.

The CEO is covered by statutory employee pension scheme. This offers pension benefits based on term of service and remuneration earned as prescribed in applicable legislation. CEO Kaikkonen is also covered by a defined-contribution supplementary pension scheme, under which he is entitled to retire at the age of 62. The annual supplementary pension contribution is 20 percent of the CEO's total remuneration, including short-term incentives. If the CEO's employment with the Group ends before the retirement age, he is entitled to a paid-up pension policy.

CEO Joukio has been covered by a defined-benefit supplementary pension scheme, under which he is entitled to retire at the age of 62. Under the supplementary pension scheme, the CEO's pension level is capped at a maximum of 60 percent of the total salary under the Employees Pensions Act, calculated based on the five-year period preceding retirement. If the CEO's employment with the Group ends before the retirement age, he is entitled to a paid-up pension policy.

The Corporate Management Team members have no pension arrangements differing from statutory pensions. The Group has no off balance sheet pension liabilities on behalf of management.

Key management had no loans outstanding from the company or its subsidiaries and there were no guarantees given on behalf of key management.

### 3.3 Share-based payments

#### Accounting principles

Share-based incentive programmes in which the payments are made with equity instruments and cash have been established for the company's top executives. The Group's share-based incentive schemes have been treated in full as arrangements settled in shares. The incentives granted are measured at fair value on the grant date, and recognised as expenses in the income statement and equity evenly over the vesting period.

The effect on profit of the incentive programmes is presented under employee costs.

During the review period, Metsä Board had four active share-based incentive schemes: Performance and committing based share incentive schemes 2021–2025 which the company Board of Directors decided to adopt on 12 December 2020, Performance and committing based share incentive schemes 2023–2027 of which the company Board of Directors decided to adopt on 15 December 2022, as part of company's incentive and key personnel retention programme.

The effect on consolidated income statement of share-based incentive schemes amounted to EUR -1,035,581 (-1,481,115) in 2025.

#### Performance based share incentive scheme 2020–2024 and Performance based share incentive scheme 2023–2027

The schemes offer the participants the possibility to be awarded Metsä Board Corporation's B shares for achieving set goals for three-year periods. Incentive periods are the calendar years 2020–2022, 2021–2023, 2022–2024, 2023–2025, 2024–2026 and 2025–2027. The number of shares allocated includes both the share and the cash portion. Accordingly, the reward is paid partly in shares and partly in cash and the cash portion is intended to cover taxes and tax-like payments. The bonus is not paid if the person's employment ends before the end of the earning period. The

systems have a salary proportional ceiling and the part exceeding it is cut and not paid at all. The scheme includes a two-year commitment period. If the key employee's employment ends during the commitment period, the key person must, as a rule, return the delivered shares to the Company free of charge.

Based on the fulfillment of the criteria for the earning period 2022–2024, 124,790 Metsä Board Oyj B shares and a cash contribution were paid to cover taxes and tax-like payments arising from the reward at the time of the transfer of the shares. During the financial year, the company received back 8,358 shares that had previously been delivered under the earning periods 2021–2023 and 2022–2024.

#### Committing-based share incentive scheme 2020–2024 and Committing-based share incentive scheme 2023–2027

The scheme offers key employees in the target group the opportunity to receive Metsä Board Corporation's B-series shares, provided that the participant's employment relationship remains in force and continues in force until the end of the restriction period. The scheme has restriction periods of 12 to 36 months. The reward is paid partly in shares and partly in cash and the cash portion is intended to cover taxes and tax-like payments. As a rule, rewards are not paid if the participant's employment relationship ends during the restriction period.

Key characteristics of Performance based share incentive scheme 2020–2024 are summarised in the table below:

31.12.2025	Performance based share incentive scheme 2020–2024		Total
	2021–2023	2022–2024	
Key characteristics			
Shares allocated to the scheme, shares	453,650	437,545	891,195
Grant date(s)	27.1.2021, 18.6.2021, 13.1.2022	31.1.2022, 8.11.2022, 28.2.2024	
Criteria	Equity ratio, ROCE, EBIT and employ- ment obligation	Equity ratio, ROCE, EBIT and employ- ment obligation	
Personnel (31 December 2025)			21
<b>Factors used to determine fair value (EUR) <sup>1)</sup></b>			
Share price at grant date	8.93	9.44	
Share fair value at grant date	8.15	8.21	
Annual dividend assumption in fair value measurement	0.27	0.41	
Share price at payment date / balance sheet date	7.09	3.89	
Fair value on balance sheet date	-	1,784,221	1,784,221
<b>Effect on result and financial position (EUR)</b>			
Expense in 2025, share-based payments settled as equity	566,197	448,993	1,015,191
Share-based payments settled in cash, unpaid part, estimate		448,518	448,518
Number of shares 1 January 2025 <sup>2)</sup>			
Outstanding at the beginning of the period	378,813	415,508	794,321
Changes during the year			
Shares forfeited	9,776	5,143	14,919
Shares exercised	369,037	99,666	468,703
Shares expired		196,323	196,323
Number of shares 31 December 2025			
Outstanding at the end of the period		114,376	114,376

<sup>1)</sup> The fair value of the share settled component at the grant date was the share price of Metsä Board Corporation's B share less any dividends estimated by analyst consensus to be paid before the payment of the incentive. The fair value of the share based payment is recognised to the number of shares based on the best available estimate of the total incentive to which the participants are expected to be entitled.

<sup>2)</sup> The amounts in the table represent brutto amounts, i.e. the number of shares to be given based on the share based payment schemes. In addition, the payment will include a cash settled component used to cover taxes and tax-like charges.

Key characteristics of Performance based share incentive scheme 2023–2027 are summarised in the table below:

	Performance based share incentive scheme 2023–2027			Committed share incentive plan	
31 Dec 2025	2023–2025	2024–2026	2025–2027	2025–2027	Total
Key characteristics					
Shares allocated to the scheme, shares	432,163	564,891	953,631	35,000	1,985,685
	30.1.2023, 6.9.2023, 28.2.2024, 7.4.2025	30.1.2024, 28.2.2024, 13.5.2024, 4.9.2024, 7.4.2025	31.1.2025, 7.4.2025, 9.4.2025, 21.8.2025	21.8.2025	
Grant date(s)					
Criteria	Equity ratio, ROCE, EBIT and em- ployment obligation	Equity ratio, ROCE, EBIT and em- ployment obligation	Equity ratio, ROCE and employ- ment obligation	employment obligation	
Personnel (31 December 2025)					31
Factors used to determine fair value (EUR) <sup>1)</sup>					
Share price at grant date	8.34	7.46	4.30	3.25	
Share fair value at grant date	6.90	6.57	3.52	3.11	
Annual dividend assumption in fair value measurement	0.48	0.30	0.07	0.07	
Share price at payment date / balance sheet date	3.11	3.11	3.11	3.11	
Fair value on balance sheet date				108,850	108,850
Effect on result and financial position (EUR)					
Expense in 2025, share-based payments settled as equity				20,390	20,390
Share-based payments settled in cash, unpaid part, estimate				57,695	57,695
Number of shares 1 January 2025 <sup>2)</sup>					
Outstanding at the beginning of the period	426,377	564,891			991,268
Changes during the year					
Shares granted	33,822	97,147	1,256,229	35,000	1,422,198
Number of shares 31 December 2025					
Outstanding at the end of the period	432,352	512,925	921,239	35,000	1,901,516

<sup>1)</sup> The fair value of the share settled component at the grant date was the share price of Metsä Board Corporation's B share less any dividends estimated by analyst consensus to be paid before the payment of the incentive. The fair value of the share based payment is recognised to the number of shares based on the best available estimate of the total incentive to which the participants are expected to be entitled.

<sup>2)</sup> The amounts in the table represent brutto amounts, i.e. the number of shares to be given based on the share based payment schemes. In addition, the payment will include a cash settled component used to cover taxes and tax-like charges.



## 3.4 Retirement benefit obligations

### Accounting principles

The Group's arrangements concerning benefits following the termination of employment are either defined benefit pension plans or defined contribution pension plans. A defined contribution plan is a pension arrangement in which fixed contributions are made to a separate unit, and the Group does not have legal or constructive obligations to make additional contributions if the fund has insufficient funds to pay all benefits to all employees in accordance with its obligations in the future. All arrangements that do not meet these requirements are considered to be defined benefit plans. A defined benefit plan defines the pension benefit that the employee will receive upon retiring, the amount of which depends on factors including the employee's age, years of service and salary level, for example.

With defined benefit plans, the current value of the obligations on the end date of the reporting period, less the fair value of the assets included in the arrangement, is recognised on the balance sheet as a liability. The amount of the obligation arising from the plan is based on annual calculations by independent actuaries using the projected unit credit method. The current value of the obligation is determined using the interest rate equalling the interest rate of high-quality bonds issued by the companies as the discount rate for the estimated future cash flows. The bonds used in determining the interest rate have been issued in the same currency as the benefits to be paid, and their maturity is approximately the same as that of the corresponding pension obligation.

Actuarial gains and losses from experience verifications and changes in actuarial assumptions are recognised through items of other comprehensive income as a reimbursement or charge in equity for the period during which they have been incurred. Past service costs are recognised immediately through profit and loss.

Apart from contributions related to pension insurance, the Group does not have any other payment obligations in defined contribution plans. Obligation-based payments are allocated as expenses in accordance with accrual accounting.

### Key estimates and judgements

The determination of the current value of pension obligations arising from defined benefit plans and the items to be recognised as expenses during the financial period is based on the use of actuarial assumptions. The assumptions include, among other things, the discount rate, the assumed increase in the salary level and the assumed life expectancy. The actuarial assumptions used may differ significantly from the actual results, due to changes in economic conditions or the employment relationships of the people covered by the arrangements. Significant differences between the assumptions and actual results may affect the amount of the pension obligation and the value of items to be recognised as expenses.

## Post-employment benefits

EUR million	2025	2024
Liabilities recognised in balance sheet		
Defined benefit pension plans	7.0	7.2
Defined contribution pension plans	1.7	0.9
Total	8.7	8.1
Surplus of funded plans in other long-term assets (note 5.3)	-2.3	-3.4

### Defined benefit pension plans

The most significant defined benefit pension plans are in Germany and United Kingdom.

Group's German defined benefit pension plans grant old-age pensions, disability pensions and family pensions exceeding the statutory pension level to eligible officials and senior management. The retirement age is usually 67 years, and the amount of pension depends on the length of service. Officials and senior management are required to have a service history of 25–30 years to receive a full pension. Some of the pension arrangements are closed. The defined benefit plans in Germany are unfunded.

The defined benefits plans in United Kingdom guarantee participants of the plan a pension, the amount of which is based on the length of service and the salary in the most recent working years. The arrangement is closed to new members. The UK pension scheme operates under an independent foundation separate from the Group.

The Group also has defined benefit plans in Finland, Belgium and Italy.

### Amounts in balance sheet

EUR million	2025	2024
Present value of funded obligations	38.7	43.4
Fair value of plan assets	-34.7	-40.2
Deficit (+) / surplus (-)	4.0	3.2
Present value of unfunded obligations	0.6	0.7
Deficit (+) / surplus (-) of defined benefit pension plans, total	4.7	3.8
Defined benefit-based pension liabilities on the balance sheet, net	7.0	7.2
Defined benefit-based pension assets on the balance sheet, net	-2.3	-3.4

## Change in defined benefit pension obligations in 2025

EUR million	Present value of obligation	Fair value of plan assets	Total
1 Jan 2025	44.0	-40.2	3.8
Current service cost	0.4		0.4
Interest expense (+) or interest income (-)	1.8	-1.8	0.0
Total amount recognised in profit and loss	2.3	-1.8	0.5
Remeasurements in other comprehensive income			
Return on plan assets, excluding amounts included in interest income or expense		1.9	1.9
Gains (-) and losses (+) from change in demographic assumptions	0.2		0.2
Gains (-) and losses (+) from change in financial assumptions	-1.5		-1.5
Experience gains (-) and losses (+)	0.1		0.1
Total remeasurements in other comprehensive income	-1.2	1.9	0.6
Translation differences	-1.3	1.4	0.2
Contributions			
Employers		-0.1	-0.1
Plan participants	0.0	0.0	
Payments from plans			
Benefit payments	-3.1	2.7	-0.4
31 Dec 2025	39.4	-34.7	4.7

## Change in defined benefit pension obligations in 2024

EUR million	Present value of obligation	Fair value of plan assets	Total
1 Jan 2024	43.8	-37.3	6.5
Current service cost	0.4		0.4
Interest expense (+) or interest income (-)	1.7	-1.7	0.0
Total amount recognised in profit and loss	2.2	-1.7	0.5
Remeasurements in other comprehensive income			
Return on plan assets, excluding amounts included in interest income or expense		-2.1	-2.1
Gains (-) and losses (+) from change in demographic assumptions	-0.1		-0.1
Gains (-) and losses (+) from change in financial assumptions	-0.3		-0.3
Experience gains (-) and losses (+)	0.6		0.6
Total remeasurements in other comprehensive income	0.2	-2.1	-1.9
Translation differences	1.2	-1.4	-0.2
Contributions			
Employers		-0.6	-0.6
Plan participants	0.0	0.0	0.0
Payments from plans			
Benefit payments	-3.3	2.9	-0.5
31 Dec 2024	44.0	-40.2	3.8

## Defined benefit pension obligation and plan assets by country in 2025

EUR million	Germany	United Kingdom	Finland	Other countries	Total
Present value of obligation	7.4	21.0	7.2	3.8	39.4
Fair value of plan assets	-2.1	-23.3	-6.3	-2.9	-34.7
Total	5.2	-2.3	0.8	0.9	4.7

## Defined benefit pension obligation and plan assets by country in 2024

EUR million	Germany	United Kingdom	Finland	Other countries	Total
Present value of obligation	7.9	24.9	7.8	3.4	44.0
Fair value of plan assets	-2.4	-28.3	-6.8	-2.7	-40.2
Total	5.6	-3.4	1.0	0.7	3.8

## Significant actuarial assumptions 2025

	Germany	United Kingdom	Finland	Belgium
Discount rate, %	3.72	5.35	3.62	3.20
Salary growth rate, %	3.00			4.00
Pension growth rate, %	2.00	2.75	2.16	2.00

## Significant actuarial assumptions 2024

	Germany	United Kingdom	Finland	Belgium
Discount rate, %	3.30	5.15	3.26	3.00
Salary growth rate, %	3.00			3.10
Pension growth rate, %	2.00	3.05	2.21	2.10

## Sensitivity of benefit obligation to changes in essential weighted assumptions 2025

	Impact on benefit obligation, %			
	Increase 2025	Decrease 2025	Increase 2024	Decrease 2024
Discount rate, 0.5%-points	-4.1	4.2	-4.2	4.3
Salary growth rate, 0.5%-points	0.3	-0.3	0.3	-0.2
Pension growth rate, 0.5%-points	3.7	-3.6	3.9	-3.8
Life expectancy, 1 year	3.3	-3.3	3.4	-3.4

The aforementioned sensitivity analyses are based on a situation where all other assumptions remain unchanged when one assumption changes. The sensitivity of a defined benefit obligation to changes in significant actuarial assumptions has been calculated using the same method as is used in calculating the pension obligation recognised in the balance sheet.

## Plan assets are comprised as follows:

	2025 EUR million	2025 %	2024 EUR million	2024 %
Qualifying insurance policies	34.2	99%	39.6	99%
Cash and cash equivalents	0.3	1%	0.3	1%
Investment funds	0.2	1%	0.3	1%
Total	34.7	100%	40.2	100%

The most considerable risks related to Defined benefit plans are as follows:

### Changes in the return on bonds

Liabilities arising from the arrangements have been calculated using a discount rate based on the return on high-quality corporate bonds. A decline in the discount rate increases the arrangements' liabilities.

### Inflation risk

The plan's benefit obligations are linked to inflation and a higher inflation will lead to increased obligation.

### Life expectancy

The majority of the arrangement obligations arises from generating life-time benefits for members, so the expected increase in life expectancy will increase the arrangement obligations.

The contribution made to post-employment defined benefit plans is expected to be EUR -0.8 million in 2026. The weighted average duration of the defined benefit obligation is 10.3 years (10.6).

## 4. Capital employed

### 4.1 Intangible assets

#### Accounting principles

##### Goodwill

Goodwill arising from the merging of business operations is recognised as the amount by which the sum of the consideration paid, the non-controlling interests' share in the object of the acquisition and the previous holding exceed the fair value of the acquired net assets.

Goodwill is not amortised. Instead, it is tested for impairment annually and always when there is an indication of a decrease in value. Goodwill is therefore allocated to cash-generating units for impairment testing. Goodwill is recognised at original acquisition cost less accumulated impairment losses.

##### Other intangible assets

Intangible assets are initially recognised at their original acquisition cost on the balance sheet if the acquisition cost can be determined reliably and it is probable that the expected financial benefit from the asset will be to the benefit of the Group.

Intangible assets with limited useful lives are recognised as expenses over their known or estimated useful lives, using the straight-line depreciation method. Intangible assets for which no definite useful life can be determined, such as brands and trademarks acquired in business combinations, or those not yet ready for use, are not amortized but are tested annually for impairment.

The residual value of an asset, the useful life and depreciation method are reviewed at least annually, at the end of each financial period, and adjustments are made when necessary to reflect changes in the expected financial benefit of the asset. Management has assessed that intangible assets have no residual value.

##### Research and development costs

Research costs are recognised as expenses at the time they are incurred. Development costs are capitalised and amortised over their useful lives if the research project is likely to generate financial benefits and the costs can be measured reliably. Expensed research and development costs are disclosed in Note 2.4, Operating expenses. Metsä Board has not capitalised development costs.

#### Computer software

Costs arising from developing and building of significant new computer software are recognised as intangible assets on the balance sheet and depreciated on a straight-line basis over its estimated useful life, which is not to exceed seven years. Maintenance and operating costs related to computer software are recorded as expenses in the reporting period during which they have been incurred.

Configuration and customisation costs in the deployment of cloud services are recognised as expenses if they do not result in intangible assets. If the services received by the group are separable, the costs are recognised as expenses when the supplier modifies the application. If the services received by the group are not separable, the costs are recognised as expenses when the supplier provides access to the application during the term of the agreement.

#### Patents, licences and trademarks

The cost of patents, licences and trademarks with finite useful lives are capitalised on the balance sheet under intangible assets and depreciated on a straight-line basis over their useful lives of 5–10 years.

#### Key estimates and judgements

##### Intangible assets

When performing the annual goodwill impairment test and testing intangible assets with indefinite useful lives, determining fair value using valuation models requires the exercise of judgment in selecting the applicable method and the valuation inputs required by the chosen method.

#### Emission allowances

The Group has received emission allowances in accordance with the European Union Emissions Trading System. Allowances are treated as intangible assets and are measured at acquisition cost. The acquisition cost of emission allowances received without consideration is zero. Emission allowances are used simultaneously with the carbon dioxide emissions generated during their validity period. Earnings from emission allowances sold are recognised in other operating income. If the emission allowances received without consideration are not sufficient to cover the amount of the actual emissions, the Group purchases additional allowances from the market.

The allowances purchased are recognised in intangible rights at the fair value on the acquisition date. The provision to fulfil the obligation to return the emission allowances is recognised at fair value on the closing date of the reporting period if the emission allowances received without consideration and purchased are not sufficient to cover the amount of the actual emissions.

## Intangible assets 2025

EUR million	Goodwill	Other intangible assets	Construction in progress	Total
Acquisition cost, 1 Jan	12.2	68.7	28.3	109.2
Translation differences		0.3	0.0	0.3
Increases		0.8	33.7	34.5
Decreases		-3.5	-35.0	-38.5
Transfers between asset categories		0.0	0.0	
Acquisition cost, 31 Dec	12.2	66.3	27.0	105.5
Accumulated amortisation and impairment charges, 1 Jan		-62.0		-62.0
Translation differences		-0.2		-0.2
Accumulated amortisation on decreases and transfers		3.4	35.0	38.5
Amortisation for the period		-1.6		-1.6
Impairments		0.0	-35.0	-35.1
Accumulated amortisation and impairment charges, 31 Dec		-60.5		-60.5
Book value, 1 Jan	12.2	6.7	28.3	47.2
Book value, 31 Dec	12.2	5.8	27.0	45.0

Research and product development expenses recorded as expenses are presented in note 2.4 Operating expenses. Impairments include a write-down related to the renewal project of the enterprise resource planning (ERP) system EUR -35.0 million.

## Intangible assets 2024

EUR million	Goodwill	Other intangible assets	Construction in progress	Total
Acquisition cost, 1 Jan	12.2	60.7	8.3	81.1
Translation differences		-0.2	0.0	-0.2
Increases		0.8	27.1	27.8
Decreases		0.4		0.4
Transfers between asset categories		7.0	-7.0	
Acquisition cost, 31 Dec	12.2	68.7	28.3	109.2
Accumulated amortisation and impairment charges, 1 Jan		-52.8		-52.8
Translation differences		0.2		0.2
Accumulated amortisation on decreases and transfers		0.0		0.0
Amortisation for the period		-1.7		-1.7
Impairments		-7.6		-7.6
Accumulated amortisation and impairment charges, 31 Dec		-62.0		-62.0
Book value, 1 Jan	12.2	7.8	8.3	28.3
Book value, 31 Dec	12.2	6.7	28.3	47.2

Impairments include the write-down of Kaskinen folding boxboard mill's preliminary study EUR -7.6 million.

The Group received 363 thousand tonnes of emission allowances free of charge (385). In addition the Group has sold 138 thousand tonnes to the market (537). At balance closing date the group had emission allowances of 411 thousand tonnes (353). Emissions during the reporting period fell below the amount of emission allowances received free of charge and consequently emissions during the year did not have an impact on income statement or balance sheet. In addition, at the end of 2025 the Group had

an estimated 90 thousand tonnes of 2025 emission allowances that had not yet been recorded in the emissions registry as of 31 December 2025 due to a delay in allocation.

Capital gains from the sale of emission allowances recognised in other operating income totalled EUR 10.0 million (35.0). On the balance sheet date, the fair market value of an emission right was EUR 85.12 per tonne (69.90) and total value of owned rights EUR 35.0 million (24.7).



## Impairment testing

Depreciation is not recognised for assets with indefinite useful lives. Instead, such assets are tested for impairment annually. Assets that are subject to depreciation are always tested for impairment when events or changes in conditions indicate that it is possible that the monetary amount corresponding to the book value of the assets might not be recoverable.

Cash-generating units are reporting segments or smaller units for which a utility value can be defined.

The recoverable amount is the higher of the fair value of an asset less the cost of sale, and its value in use. Value in use is the estimated future net cash flows, discounted to their present value, expected to be derived from said asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of the asset is higher than its recoverable amount. If the impairment loss concerns a cash-generating unit, it is first allocated to decrease the goodwill of the cash-generating unit, and thereafter to decrease the other assets of the unit on pro-rata basis. In connection with the recognition of the impairment loss, the useful life of the depreciated asset is re-evaluated. An impairment loss recognised for an asset other than goodwill is reversed if a change has taken place in the estimates used to determine the recoverable amount of the asset. However, the maximum reversal of an impairment loss amounts to no more than the carrying amount of the asset if no impairment loss had been recognised. An impairment loss recognised on goodwill is not reversed under any circumstances. Metsä Board carries out impairment testing once a year, during the fourth quarter, based on the situation on 30 September, or more frequently if signs of a possible impairment are detected.

## Impairment testing 2025

In 2025, impairment losses were recorded in the Group's operating result in the final quarter based on impairment testing of intangible assets under development. The renewal project of Metsä Group's enterprise resource planning (ERP) system, which also covers Metsä Board, has been suspended for the time being. In connection with the project, Metsä Board will recognise an impairment loss of EUR -35 million in the income statement under depreciation and impairment. The continuation, scope, and implementation method of the project will be reassessed at a later stage.

The value-in-use calculation is highly sensitive to changes in the discount rate, sales prices and delivery volumes. A sensitivity analysis was used to determine the changes in key assumptions required for the recoverable amount of the unit to equal its carrying amount. Cash flow forecasts have weakened compared to previous estimates due to the deteriorated market situation and outlook.

## The group's key impairment testing, key assumptions and sensitivity analysis

Cash-generating unit	Impairment test						Sensitivity analysis				
	Goodwill	Brand	Discount rate after taxes		Long-term growth rate		Carrying amount	The amount exceeds the carrying amount	Change in the recoverable amount would equal the book value		
									Discount rate	Deliveries	Sale prices
EUR million	EUR million	2025 (%)	2024 (%)	2025 (%)	2024 (%)	EUR million	EUR million				
Paperboard industry											
Folding boxboard <sup>1)</sup>	35.4	3.1	8.4	6.8	2.0	2.0	1,092.9	442.2	1.9%	-7.8%	-3.0%
Liner <sup>1)</sup>	22.0	1.9	8.4	6.8	2.0	2.0	437.7	179.4	1.7%	-8.6%	-2.5%
Market pulp <sup>1)</sup>			8.4	6.8	2.0	2.0	204.9	37.1	1.0%	-3.9%	-1.2%

<sup>1)</sup> Metsä Board's share of Metsä Fibre's recoverable cash flow and the carrying amount of the associate in the consolidated balance sheet — including goodwill of EUR 45.2 million and other intangible assets with indefinite useful lives amounting to EUR 5.6 million — is allocated to the cash-generating units in proportion to their pulp purchases.

The recoverable amounts of cash-generating units are based on calculations of value in use. The management's key estimates in the calculations concern the development of delivery volumes and sales prices, the development of costs related to key raw material costs and other costs, as well as the discount rate and the long-term growth rate. The recoverable cash flows are based on five-year forecasts and the steadily growing cash flows thereafter. The starting point for the key assumptions for cash flows beyond the forecast period is the value of the fifth year of the forecast. The key testing assumptions represent management's estimates.

The discount rate used is the weighted average cost of capital (WACC). When calculating the WACC, the cost of debt takes into account the market-based view of the credit risk premium. The discount rate has increased due to the rise in the required return on equity as well as the general increase in interest rates.

Impairments in the value of intangible assets and property, plant and equipment are presented in notes 4.1 and 4.2.

## 4.2 Property, plant and equipment

### Accounting principles

Property, plant and equipment are measured at acquisition cost less accumulated depreciation and impairment losses.

The acquisition cost includes costs that are directly incurred in the acquisition of an item of property, plant or equipment. Qualifying external borrowing costs resulting directly from the acquisition, construction or manufacture of an item of property, plant or equipment are capitalised as part of the acquisition cost of property, plant and equipment.

If a piece of property, plant or equipment consists of several components with differing useful lives, each component is handled as a separate item. In that case, the expenses related to replacing the component are capitalised, and any book value remaining at the time of replacement is derecognised on the balance sheet.

Spare parts, spare equipment and maintenance supplies are recognised in property, plant and equipment when they fulfill the criteria for recognition of property, plant and equipment. Otherwise, such commodities are classified as inventories.

Significant investments in refurbishments and improvements are capitalised on the balance sheet and depreciated over the remaining useful life of the main asset related to such investments.

Repair and maintenance costs are recognised as expenses when they are incurred.

Property, plant and equipment is depreciated on a straight-line basis over the estimated useful lives. Depreciation is not recognised for owned land and water.

### Estimated useful lives

Buildings and constructions	20–40 years
Machinery and equipment	
Heavy power plant machinery	20–40 years
Other heavy machinery	15–20 years
Lightweight machinery and equipment	5–15 years
Other tangible assets	5–20 years

The residual value of an asset, the financial useful life and depreciation method are reviewed at least annually, at the end of each financial period, and adjustments are made when necessary to reflect changes in the expected financial benefit of the asset.

Gains and losses arising from the sale and decommissioning of items of property, plant and equipment are recognised in other operating income and expenses. Sales gains or losses are calculated as the difference between the sales price and the remaining acquisition cost.

Government grants related to the acquisition of assets are presented as adjustments of the acquisition cost on the balance sheet and recognised as income in the form of lower depreciation during the useful life of the asset.

### Leases

The Group has leased various land areas, properties, equipment and vehicles. When the leased asset is available for the Group's use, A fixed

asset item and a corresponding liability of the lease is recognised. Paid rents are divided into liabilities and finance costs. The finance cost is included in profit or loss over the lease term in such a way that the interest rate of the remaining debt balance is the same during each period. The leased fixed asset is subject to straight-line depreciations over the asset's economic life or the lease term, depending on which of them is shorter.

Assets and liabilities arising from leases are initially measured at the present value. Lease liabilities include fixed payments, less any lease incentives receivable; amounts expected to be payable by the lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate. The leased fixed assets are measured at cost, which includes the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs incurred; and any costs incurred by restoring the site on which it is located.

Some of the leases include options to extend or terminate, which are largely available only for the Group, not the lessor.

Payments related to short-term leases or leases where the value of the underlying asset is low are recognised as costs on a straight-line basis. A lease with a lease term of 12 months or less is considered a short-term lease. Assets of a low value include mainly ICT and office equipment.

### Key estimates and judgments

#### Property, plant and equipment

Estimates concerning the residual value and useful life of property, plant and equipment, as well as the selection of the depreciation method, require significant management judgement. For the annual goodwill impairment testing and for testing tangible assets with indefinite useful lives, determining fair value based on the use of valuation models requires the exercise of judgment in selecting the applicable method and the valuation inputs required by the chosen method.

#### Leases

When determining the lease term, the management accounts for all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Options to extend the lease (or the time subsequent to an option to terminate) are accounted for in the lease term only if the extension of the lease (or the decision not to terminate the lease) is reasonably certain. The possible future cash flows of EUR 5.0 million have not been included in the lease liability because the extension of the lease (or the decision not to terminate it) is not reasonably certain. The Group will conduct a reassessment upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee and affects the assessment.

## Property, plant and equipment 2025

EUR million	Land and water areas		Buildings and constructions		Machinery and equipment	
	Owned	Leased	Owned	Leased	Owned	Leased
Acquisition cost, 1 Jan.	16.0	1.6	521.0	12.4	3,084.8	20.2
Translation differences	0.1		9.3	-0.3	77.2	0.6
Additions	0.0	-0.4	11.7	-0.6	62.3	4.0
Decrease	-0.5	-1.3	-89.9	-3.4	-918.8	-5.3
Transfers between items	0.0		4.7		18.9	
Acquisition cost, 31 Dec.	15.6		456.7	8.1	2,324.3	19.4
Accumulated depreciation and impairment charges 1 Jan.	-0.4	-0.9	-297.9	-7.3	-2,139.0	-9.2
Translation differences	0.0		-3.5	0.2	-40.5	-0.2
Accumulated depreciation on deductions and transfers	0.0	1.1	89.4	3.4	917.6	5.1
Depreciation for the period		-0.1	-11.9	-2.0	-88.8	-4.5
Impairments		-0.1	0.0	-0.1	-20.4	
Accumulated depreciation and impairment charges 31 Dec.	-0.5		-224.0	-5.8	-1,371.1	-8.8
Book value, 1 Jan.	15.5	0.7	223.0	5.1	945.8	11.0
Book value, 31 Dec.	15.2		232.8	2.3	953.2	10.7

EUR million	Other tangible assets	Construction in progress	Total	Total	Total
	Owned	Owned	Owned	Leased	
Acquisition cost, 1 Jan.	31.7	32.0	3,685.5	34.2	3,719.7
Translation differences	0.8	0.6	87.9	0.3	88.2
Additions	2.2	25.8	101.9	3.1	105.0
Decrease	-5.9	-0.2	-1,015.3	-10.0	-1,025.3
Transfers between items	0.3	-23.9			
Acquisition cost, 31 Dec.	29.1	34.3	2,860.0	27.5	2,887.5
Accumulated depreciation and impairment charges 1 Jan.	-16.4		-2,453.8	-17.4	-2,471.3
Translation differences	-0.3		-44.3	0.0	-44.3
Accumulated depreciation on deduction and transfers	5.9		1,012.9	9.6	1,022.5
Depreciation for the period	-1.1		-101.8	-6.6	-108.3
Impairments			-20.4	-0.2	-20.6
Accumulated depreciation and impairment charges 31 Dec.	-11.9		-1,607.4	-14.6	-1,622.0
Book value, 1 Jan.	15.3	32.0	1,231.7	16.8	1,248.4
Book value, 31 Dec.	17.2	34.3	1,252.5	12.9	1,265.5

The impairment losses mainly relate to the closure of the Tako mill.

## Property, plant and equipment 2024

EUR million	Land and water areas		Buildings and constructions		Machinery and equipment	
	Owned	Leased	Owned	Leased	Owned	Leased
Acquisition cost, 1 Jan.	16.1	1.1	504.9	9.9	2,997.6	16.9
Translation differences	0.0		-6.0	0.3	-51.8	-0.2
Additions		0.5	17.8	2.6	98.2	8.5
Decrease	-0.1		2.1	-0.3	-9.3	-4.9
Transfers between items	0.0		2.1		50.1	
Acquisition cost, 31 Dec.	16.0	1.6	521.0	12.4	3,084.8	20.2
Accumulated depreciation and impairment charges 1 Jan.	-0.4	-0.8	-290.4	-5.3	-2,092.9	-9.4
Translation differences	0.0		2.9	-0.1	31.3	0.1
Accumulated depreciation on deductions and transfers			0.3	0.3	8.3	4.5
Depreciation for the period		-0.2	-10.8	-2.2	-85.7	-4.4
Accumulated depreciation and impairment charges 31 Dec.	-0.4	-0.9	-297.9	-7.3	-2,139.0	-9.2
Book value, 1 Jan.	15.7	0.4	214.6	4.5	904.7	7.4
Book value, 31 Dec.	15.5	0.7	223.0	5.1	945.8	11.0

EUR million	Other tangible assets	Construction in progress	Total	Total	Total
	Owned	Owned	Owned	Leased	Total
Acquisition cost, 1 Jan.	27.5	71.4	3,617.5	27.8	3,645.3
Translation differences	-0.4	-0.8	-59.0	0.0	-59.0
Additions	3.2	16.8	136.0	11.6	147.6
Decrease	1.1	-2.8	-9.0	-5.3	-14.3
Transfers between items	0.3	-52.6			
Acquisition cost, 31 Dec.	31.7	32.0	3,685.5	34.2	3,719.7
Accumulated depreciation and impairment charges 1 Jan.	-15.7		-2,399.4	-15.5	-2,414.9
Translation differences	0.2		34.5	0.0	34.4
Accumulated depreciation on deduction and transfers	0.0		8.6	4.9	13.4
Depreciation for the period	-1.0		-97.5	-6.8	-104.2
Accumulated depreciation and impairment charges 31 Dec.	-16.4		-2,453.8	-17.4	-2,471.3
Book value, 1 Jan.	11.8	71.4	1,218.1	12.3	1,230.4
Book value, 31 Dec.	15.3	32.0	1,231.7	16.8	1,248.4

## Leases

EUR million	2025	2024
Costs related to short-term leases	-0.4	-0.3
Costs of leases in which the underlying asset is of low value	-4.1	-3.6
Interest expenses	-0.5	-0.5
Cash outflow for leases	-7.2	-7.3

Disclosures on lease liabilities are presented in Note 5.5 (Financial liabilities) and 5.6 (Management of financial risks).

## Impairments

In 2025, the impairment losses include EUR -35.0 million related to the impairment of the ERP renewal project and EUR -18.3 million of impairment losses related to the closure of the Tako mill. In 2024, the impairment losses include EUR -7.6 million from the write-down of the Kaskinen folding boxboard mill's preliminary study.

## Borrowing costs

Borrowing costs have not been capitalised during financial periods.

## 4.3 Other investments

### Accounting principles

Other investments consist of unlisted equity investments. The most significant of these is the Group's holding in Pohjolan Voima. This investment is unlisted and strategic in nature, serving the Group's long-term energy sourcing needs. This being the case, the Group classifies its shares in Pohjolan Voima as financial assets at fair value recognised under other items of comprehensive income. Changes in their fair value are presented in the fair value reserve, accounting for the tax effect. When the investment is abandoned, the fair value changes accumulated in the equity are transferred to the retained earnings from the fair value fund.

The Group classifies its other equity financial assets as financial assets at fair value to be recognised as financial assets through profit and loss.

The fair values of shares other than listed shares are determined using various valuation models, such as the price levels of recent transactions and valuation methods based on the present value of discounted cash flows. As far as possible, the valuation methods are founded on market-based valuation factors. Unlisted shares are classified in level 3 of the fair value hierarchy. The levels of the fair value hierarchy are presented in note 5.7.

### Key estimates and judgements

#### Fair value measurement

The application of valuation models to measuring fair value requires judgement concerning the selection of the method to be applied, as well as valuation factors required by the chosen method that are based on the price and interest levels prevailing in the market on the end date of each reporting period. The most significant item of other investments that has been valued by using a valuation model is the Group's investment in the shares of Pohjolan Voima Oyj.

The price of these shares is determined based on the present value of discounted cash flows. Key factors affecting cash flows include the price of electricity, inflation expectations and the discount rate. The 12-month moving average of electricity futures prices has been used as the energy price for the first five years. Subsequent prices are based on a long-term market price forecast.

The carrying amount of the Group's shares in Pohjolan Voima was EUR 184.8 million (218.3) on the balance sheet on 31 December 2025. The carrying value of other investments is estimated to change by EUR -6.5 million (-8.1) and EUR 6.8 million (8.5) should the rate used for discounting the cash flows change by 0.5 percentage points from the rate estimated by the management. The carrying value of other investments is estimated to change by EUR 48.7 million (55.6) should the energy prices used in calculating the fair value differ by 10% from the prices estimated by the management.

EUR million	2025	2024
Pohjolan Voima Oyj	184.8	218.3
Other unlisted shareholdings	1.4	1.4
Other investments total	186.2	219.7

The most important unlisted shareholding under other investments consists of a 2.8% stake in Finnish energy company Pohjolan Voima Oyj, which produces electricity and heat for its shareholders in Finland. Pohjolan Voima trades with its shareholders at prices based on production costs, which generally are lower than market prices. The Group is entitled, through the B shares of Pohjolan Voima, to a share of approximately 9.1% of the energy generated by the Olkiluoto 1 and Olkiluoto 2 nuclear power plants and, through the B2 shares of Pohjolan Voima, to a share of 2.5% of the energy generated by the Olkiluoto 3 nuclear power plant, now being deployed.

The ownership is measured quarterly at fair value on share series basis by using the average of discounted cash flow method and valuation based on earlier transactions. The weighted average cost of capital used was 6.48 (5.51) %. The acquisition cost of shares in Pohjolan Voima Oyj is EUR 28.2 million (28.2) and the fair value EUR 184.8 million (218.3). The change in fair value was due to an updated long-term price forecast for the electricity used in the shares' valuation model.

Shareholder agreement restricts sale of shares of Pohjolan Voima to buyers that are not existing shareholders.



## 4.4 Inventories

### Accounting principles

Inventories are measured at the lower of acquisition cost or net realisable value. In measuring inventories, the FIFO principle is observed or, alternatively, the weighted average price method, depending on the nature of the inventories. The acquisition cost of finished products acquired comprises all purchase costs, including direct transport, handling and other expenses. The acquisition cost of finished and semi-finished products of own manufacture includes raw materials, direct production costs, and the systematically allocated portion of variable manufacturing overheads and fixed overheads at the normal level of operation. Borrowing cost is not included in the acquisition cost.

Net realisable value is the estimated sales price in ordinary business operations less the estimated cost of completion and the necessary sales costs.

### Key estimates and judgements

The Group regularly reviews its inventories for situations where the inventories contain non-marketable items or items with net realisable value below the acquisition cost. When necessary, the Group reduces the book value of the inventories accordingly. This review requires the management's estimates of the sales prices of products, the cost of completion and the costs necessary to make the sale. Any changes in these estimates might lead to an adjustment in the book value of the inventories in future periods.

EUR million	2025	2024
Raw materials and consumables	189.4	232.9
Finished goods	184.7	239.7
Inventories total	374.1	472.6

In 2025, inventory impairments of EUR -11.8 million were recognised to reflect net realisable value, and reversals of impairments amounted to EUR 0.1 million. Of the expenses, EUR -5.9 million relate to the closure of the Tako paperboard mill. In 2024, reversals of write-downs on inventories amounted to EUR 1.0 million.

## 4.5 Trade receivables and other receivables

### Accounting principles

Trade receivables are initially measured at fair value and later at amortised cost, taking into account impairment.

Expected credit losses on trade receivables are calculated using a provision matrix. The expected credit loss expense is recognised by applying expected credit loss percentages based on five-year historic losses – net of credit insurance – on trade receivables from external debtors outstanding at the end of the period. The expected credit loss percentages used in the matrix are 0.0 (2024: 0.1). A credit loss is recognised when a customer enters legal bankruptcy or becomes past due for more than 180 days without a valid payment plan or other valid reasons.

### Trade receivables and other non-interest bearing receivables

EUR million	2025	2024
From Group companies		
Trade receivables	23.2	17.9
Prepayments and accrued income	1.4	0.5
Total	24.6	18.3
From associated companies and joint ventures		
Trade receivables		0.1
From others		
Trade receivables	178.2	215.9
Impairment	-0.1	-0.3
Total	178.1	215.5
Other receivables	34.1	40.8
Prepayments and accrued income	1.9	3.5
From others total	214.1	259.9
Trade receivables and other receivables total	238.7	278.3

Receivables from Group companies are receivables from parent company Metsäliitto Cooperative and from other subsidiaries of the parent company. Derivative receivables are from Metsä Group Treasury Oy, a wholly owned subsidiary of Metsäliitto Cooperative.

## Expected credit losses on trade receivables

EUR million	2025	2024
Value 1 Jan	-0.3	-0.6
Increase	-0.1	-0.1
Decrease	0.3	0.4
Value 31 Dec	-0.1	-0.3

Credit losses recognised were EUR -0.2 million (0.0).

## Age distribution of trade receivables

EUR million	2025	2024
Not overdue	139.3	174.4
Overdue		
Less than 30 days	27.9	28.4
Between 31 and 60 days	10.3	9.7
Between 61 and 90 days	0.7	2.6
Between 91 and 180 days	-0.5	0.6
Over 180 days	0.4	-0.1
Total	178.1	215.5

## 4.6 Other non-current liabilities

EUR million	2025	2024
Advance payments received	2.9	5.6
Total	2.9	5.6

## 4.7 Trade payables and other liabilities

### Accounting principles

With financing banks, Metsä Group has established Supply Chain Finance (SCF) schemes aimed at a few key suppliers for purchase of pulp and wood. In the schemes, the suppliers are offered the option of selling their Metsä Group receivables to a bank providing the SCF scheme. The SCF schemes partly replace the earlier advance payment arrangements, and their aim is not to cause a significant deviation from Metsä Group's normal payment terms.

EUR million	2025	2024
Advance payments received	2.2	5.1
Trade payables	236.3	226.4
Trade payables, Supply Chain Finance schemes	130.1	50.1
Other liabilities	6.1	6.2
Accruals and deferred income		
Customer discounts	18.2	19.4
Purchase-related items	23.0	20.6
Employee costs	28.1	30.1
Other accrued expenses	45.2	32.8
Total	489.2	390.6

### Supplier finance arrangements

EUR million	2025	2024
Supplier finance arrangements, carrying amount of trade payables		
Purchase of pulp	38.4	50.1
Purchase of wood	91.6	
Total	130.1	50.1
Of which suppliers have received payment	130.1	50.1
Payment period, days from the invoice date		
Liabilities that are part of the arrangement		
Purchase of pulp	63	63
Purchase of wood	93	0
Comparable trade payables that are not part of the arrangement		
Purchase of pulp	30	30
Purchase of wood	30	0

## 4.8 Provisions

### Accounting principles

A provision is recognised when, as a result of an earlier event, the Group has a legal or actual obligation, the realisation of a payment obligation is likely, and the amount of the obligation can be reliably estimated. Any reimbursement from a third party is presented as an asset separate from the provision if it is practically certain that reimbursement will be received.

### Restructuring

A restructuring provision is recorded when the Group has incurred a legal or constructive obligation to make a payment. Termination payments are recorded when a detailed plan has been made for the restructuring and the Group has raised valid expectations in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. If the Group makes an offer to employees concerning voluntary resignation against benefits determined in the offer, the liability arising from this is recorded when the Group can no longer withdraw its offer. The obligation arising from such an offer is based on the number of employees that the Group expects to accept the offer. Benefits falling due in twelve months' time or later are measured at their present value.

### Environmental obligations

Costs arising from environmental remediation that do not increase present or future revenue are recorded as expenses. An environmental obligation is recognised if, based on the current interpretation of environmental legislation, an obligation has likely arisen and its amount can be reliably estimated. The obligation is recorded at the current value of estimated future expenses. A sum corresponding to the obligation is also recognised in property, plant and equipment.

### Other provisions

Other provisions mainly consist of provisions arising from estimated cost of future restoration of leased sites.

### Key estimates and judgements

The determination of the criteria for the recognition of provisions involves the management's judgement. The amounts recognised as provisions are based on the management's best assessment of the expenses required to handle the obligation. As the timing and amount of these expenses are not fully certain, the actual expenses may differ significantly from the original estimate. The book value of provisions is regularly reviewed and adjusted as required, taking into account changes in cost assessments, regulation, technology and conditions.

## Provisions

EUR million	Restructuring	Environmental	Other	Total
1 Jan 2025		1.7	0.0	1.7
Translation differences			0.0	0.0
Increases	2.1		2.5	4.6
Utilised during the year	-1.3			-1.3
Reversals of unutilised provisions		-1.0		-1.0
31 Dec 2025	0.8	0.7	2.6	4.1
Non-current		0.7	0.0	0.7
Current	0.8		2.5	3.3
Total	0.8	0.7	2.6	4.1
1 Jan 2024	1.1	2.0	0.0	3.2
Translation differences		0.0	0.0	0.0
Utilised during the year	-1.1	-0.3		-1.4
31 Dec 2024		1.7	0.0	1.7
Non-current		1.7	0.0	1.7
Total		1.7	0.0	1.7

Provisions are estimated to be utilised within five years. The increases in provisions, totaling EUR 4.6 million, relate to items associated with energy taxes in Sweden EUR 2.5 million, the closure of the Tako paperboard mill EUR 1.5 million, and the cost-saving and performance improvement programme EUR 0.6 million.

The Group companies have environmental responsibilities related to former industrial activities at sites that have since been closed, sold or leased, and from decommissioned landfill sites. Provisions for the costs of land rehabilitation work have been made in cases where it has been possible to measure the Group's liability for land contamination and any post-treatment obligations.

## 5. Capital structure and financial risks

### 5.1 Shareholders' equity

#### Changes in share capital

EUR million	Share capital		
	Series A	Series B	Total
1 Jan 2024	51.5	506.4	557.9
Conversion of A shares into B shares			
31 Dec 2024	51.5	506.4	557.9
Conversion of A shares into B shares			
31 Dec 2025	51.5	506.4	557.9

Each series A share confers to its holder twenty (20) votes at the General Meeting of Shareholders, and each series B share confers to the holder one (1) vote. All shares carry the same right to receive a dividend. Metsä Board's A shares can be converted to B shares if shareholder or representative of the nominee registered shares makes a written request for the conversion to the company. No monetary consideration is paid for the conversion.

#### Number of shares

shares	Outstanding shares			Treasury shares	
	Series A	Series B	Total	Series B	Total
1 Jan 2024	32,802,175	322,009,356	354,811,531	701,215	355,512,746
Disposal of treasury shares		234,719	234,719	-234,719	
31 Dec 2024	32,802,175	322,244,075	355,046,250	466,496	355,512,746
Disposal of treasury shares		105,694	105,694	-105,694	
31 Dec 2025	32,802,175	322,349,769	355,151,944	360,802	355,512,746

The share has no nominal value. All shares have been paid in full. The weighted average number of shares, which does not include Metsä Board Oyj's treasury shares, is 355,142,201 (354,991,386) pieces.

#### Translation differences

Translation differences include translation differences arising from translation of subsidiaries in other currencies than euro and gains and losses arising on hedging of net investments in these subsidiaries less deferred tax, when requirements of hedge accounting have been fulfilled. Net investments were not hedged in Metsä Board Group in 2025 or in 2024.

EUR million	Cumulative translation		Translation differences in other comprehensive income	
	2025	2024	2025	2024
SEK	-56.8	-98.5	41.7	-23.8
USD	4.4	14.9	-10.6	6.6
GBP	-0.5	0.0	-0.5	0.5
Others	0.8	0.8	0.0	0.0
Total	-52.2	-82.7	30.5	-16.7

Since March 2023, the rate used for the Russian ruble is the closing rate for EUR/ RUB published by Refinitiv. The Russian ruble-denominated translation differences accumulated since June 2023 have been reported in the financial items in the income statement. On 13 May 2025, Metsä Board completed a corporate re-structuring in which control of the Russian subsidiaries was transferred outside the Group.

#### Fair value and other reserves

EUR million	2025	2024
Fair value reserve	133.0	135.7
Legal reserve and reserves stipulated by the Articles of Association	1.6	1.7
Total	134.6	137.4

##### Fair value reserve

Fair value changes in derivatives designated as cash flow hedges are recorded to fair value reserve deducted by deferred tax effect. Additionally, the fair value change of Pohjolan Voima Oyj shares recognised by the Group as other investments is moved to the reserve with deferred tax effect deducted.

Legal reserve and reserves stipulated by the Articles of Association  
Legal reserve and reserves stipulated by the Articles of Association have been created and accumulated on resolutions by the General Meeting of Shareholders.

## Reserve for invested unrestricted equity

The reserve for invested unrestricted equity fund includes other investments of an equity nature and the subscription price of the shares to the extent that it is not recognised to the share capital according to the specific decision.

EUR million	2025	2024
Reserve for invested unrestricted equity	208.9	208.9

## Treasury shares

### Accounting principles

When treasury shares are acquired, the equity belonging to the owners of the parent company is reduced by an amount that consists of the consideration paid, including immediate transaction costs after taxes, until the treasury shares are canceled or reissued. If the purchased treasury shares are reissued, the consideration received, less transaction costs after taxes, is recorded in the equity belonging to the owners of the parent company.

At the end of the year, the group held 360,802 treasury shares (466,496), which corresponds to 0.1% (0.1) of the number of shares. The average purchase price of the shares was 7.82 euros (7.82) per share.

EUR million	Shares		Shares	
	2025	2025	2024	2024
Treasury shares 1.1.	-3.7	466,496	-5.5	701,215
Disposal of treasury shares	0.9	-105,694	1.8	-234,719
Treasury shares 31.12.	-2.8	360,802	-3.7	466,496

## Dividend

Dividends payable by the company are recorded as deductions to equity in the period during which the shareholders in a general meeting have declared the dividend.

The Board of Directors has proposed that no dividend is paid for the 2025 financial year.



## Other comprehensive income after taxes 2025

EUR million	Equity attributable to members of parent company				Non-controlling interest	Total equity
	Translation differences	Fair value and other reserves	Retained earnings	Total		
<b>Items that will not be reclassified to profit or loss</b>						
Actuarial gains/losses on defined benefit pension plans			-0.4	-0.4		-0.4
Financial assets at fair value through other comprehensive income		-33.5		-33.5		-33.5
Share of profit from other comprehensive income of associated company						
Income tax relating to items that will not be reclassified		6.7	0.9	7.6		7.6
Total		-26.8	0.5	-26.3		-26.3
<b>Items that may be reclassified to profit or loss</b>						
Cash flow hedges						
Currency hedges						
Gains and losses recorded in equity		70.0		70.0		70.0
Transferred to adjust Sales		-42.8		-42.8		-42.8
Interest hedges						
Gains and losses recorded in equity		-0.3		-0.3		-0.3
Commodity hedges						
Gains and losses recorded in equity		-5.1		-5.1	0.0	-5.1
Transferred to adjust purchases		-0.3		-0.3	0.0	-0.3
Share of profit from other comprehensive income of associated company		6.8		6.8		6.8
Cash flow hedges total		28.4		28.4		28.4
Translation differences	30.5			30.5	9.5	40.0
Translation differences total	30.5			30.5	9.5	40.0
Income tax relating to items that may be reclassified		-4.3		-4.3		-4.3
Total	30.5	24.1		54.5	9.5	64.0
<b>Other comprehensive income, net of tax</b>	30.5	-2.7	0.5	28.2	9.5	37.8

## Other comprehensive income after taxes 2024

EUR million	Equity attributable to members of parent company				Non-controlling interest	Total equity
	Translation differences	Fair value and other reserves	Retained earnings	Total		
<b>Items that will not be reclassified to profit or loss</b>						
Actuarial gains/losses on defined benefit pension plans			-0.9	-0.9		-0.9
Financial assets at fair value through other comprehensive income		-35.4		-35.4		-35.4
Share of profit from other comprehensive income of associated company						
Income tax relating to items that will not be reclassified		6.9	0.5	7.4		7.4
Total		-28.5	-0.4	-28.9		-28.9
<b>Items that may be reclassified to profit or loss</b>						
Cash flow hedges						
Currency hedges						
Gains and losses recorded in equity		-47.6		-47.6		-47.6
Transferred to adjust Sales		2.2		2.2		2.2
Interest hedges						
Gains and losses recorded in equity		-1.3		-1.3		-1.3
Commodity hedges						
Gains and losses recorded in equity		5.5		5.5	0.0	5.6
Transferred to adjust purchases		2.0		2.0	0.0	2.0
Share of profit from other comprehensive income of associated company		-13.8		-13.8		-13.8
Cash flow hedges total		-52.9		-52.9		-52.9
Translation differences	-16.7			-16.7	-5.0	-21.7
Translation differences total	-16.7			-16.7	-5.0	-21.7
Income tax relating to items that may be reclassified		7.8		7.8		7.8
Total	-16.7	-45.1		-61.8	-5.0	-66.8
<b>Other comprehensive income, net of tax</b>	-16.7	-73.6	-0.4	-90.7	-5.0	-95.7

## 5.2 Exchange differences and financial income and expenses

### Accounting principles

Interest income and expenses are recognised using the effective interest rate method.

Dividend income is recognised when the right to receive a payment is established.

Borrowing costs are generally recognised as an expense in the period in which they are incurred. When an item of intangible asset or property, plant or equipment is involved in a major and long-term investment project, the borrowing costs directly due to the acquisition, construction or production of the asset are included in the asset's acquisition cost.

The Group presents net interest income and expenses related to defined benefit plans as financial income and expenses.

The accounting principles for foreign-exchange differences are presented in Note 1, General accounting policies.

## 5.3 Other long-term assets

EUR million	2025	2024
Loan receivables	0.4	0.0
Defined benefit pension plans (Note 3.5)	2.3	3.4
Other receivables and accrued income	0.8	1.0
Total	3.5	4.4

### Exchange differences and financial income and expenses

EUR million	2025	2024
<b>Exchange differences</b>		
Commercial items	-12.6	5.0
Hedging, hedge accounting not applied	11.4	-7.8
Other items	0.0	0.0
Total	-1.2	-2.8
<b>Financial income</b>		
Other interest and financial income		0.1
Interest income from financial assets measured at fair value through profit or loss	-0.5	-0.5
Interest income from financial assets measured at amortised cost and from other receivables	5.8	9.6
Dividend income	0.1	0.1
Total	5.4	9.3
<b>Valuation of financial assets and liabilities</b>		
<b>Income and expense related to valuation of financial assets and liabilities</b>	0.0	
Total	0.0	
<b>Interest expenses from financial assets measured at amortised cost and from other receivables</b>	-19.5	-15.2
<b>Interest expenses from leases</b>	-0.5	-0.5
Other financial expense items	-1.4	-1.6
Total	-21.5	-17.3
Valuation of financial assets and liabilities and interest and other financial expenses, total	-17.3	-10.8

As a result of the discontinuation of the Russian operations, foreign exchange differences denominated in Russian roubles accumulated after June 2022 have been reported in other exchange differences in the income statement. On 13 May 2024, Metsä Board implemented a corporate restructuring as a result of which control over the Russian subsidiaries was transferred outside the Group. In 2024, expenses of EUR 0.0 million were reported in other exchange differences. Interest expenses recognised through profit or loss have been capitalised as part of the cost of investments in the amount of EUR 0.0 million (0.0).

## 5.4 Cash and cash equivalents

### Accounting principles

In addition to cash and bank accounts, cash and cash equivalents include liquid financial assets recorded at amortised cost that mature within less than 6 months from the acquisition date. Cash and cash equivalents also include interest-bearing, immediately withdrawable deposits held in Metsä Group's internal bank, Metsä Group Treasury Oy.

When determining the impairment of monetary assets, a model based on expected credit losses is applied. The expected credit losses are reviewed for the following 12 months.

EUR million	2025	2024
Cash at hand and in bank	1.8	3.4
Deposits to Metsä Group Treasury Oy	307.5	179.2
Total	309.3	182.6

## 5.5 Borrowings and net debt

### Accounting principles

Financial liabilities are categorised initially recognised at fair value. The Group has classified all financial liabilities under "Amortised cost". Transaction costs are included in the original book value of financial liabilities measured at amortised cost. Subsequently, all financial liabilities are measured at amortised cost using the effective interest method.

### Interest-bearing Liabilities

EUR million	2025	2024
<b>Non-current interest-bearing financial liabilities</b>		
Bonds	446.9	249.4
Loans from financial institutions	40.3	152.6
Lease liabilities	8.6	9.9
Total	495.7	411.9
<b>Current interest-bearing financial liabilities</b>		
Commercial papers		29.7
Current portion of non-current debt	16.6	19.1
Current liabilities to group companies	52.1	66.7
Total	68.8	115.5
<b>Current interest-bearing financial liabilities</b>	564.5	527.4

### Interest-bearing assets

EUR million	2025	2024
<b>Non-current interest-bearing financial assets</b>		
Loan and other receivables	0.4	0.0
<b>Current interest-bearing financial assets</b>		
Cash at hand and in bank	1.8	3.4
Deposits to Metsä Group Treasury Oy	307.5	179.2
Total	309.3	182.6
Interest-bearing financial assets total	309.7	182.6
<b>Interest-bearing net debt</b>	<b>254.8</b>	<b>344.9</b>

Metsä Board has classified interest-bearing receivables comparable to cash funds and available immediately from Metsä Group's internal bank Metsä Group Treasury Oy as Cash and cash equivalents.

## Changes in liabilities and current interest-bearing receivables reported in the cash flow from financing activities in 2025

EUR million	1 Jan 2025	Cash flows	Non-cash changes				31 Dec 2025
			Acquired / Sold businesses	Changes in foreign exchange rates	New finance leases	Other changes	
Non-current interest-bearing liabilities incl. Current portion							
Bonds	249.4	197.1				0.3	446.9
Loans from financial institutions	164.4	-112.6				0.3	52.1
Finance lease liabilities	17.2	-6.7		0.2	2.7		13.4
Other	0.0	0.0				0.0	0.0
Total	431.0	77.8		0.2	2.7	0.6	512.3
Non-current non-interest bearing liabilities	5.6	-2.7				1.3	4.2
Current interest-bearing liabilities	96.4	-47.6		3.3			52.1
Total	533.0	27.5		3.6	2.7	2.0	568.7

## Changes in liabilities and current interest-bearing receivables reported in the cash flow from financing activities in 2024

EUR million	1 Jan 2024	Cash flows	Non-cash changes				31 Dec 2024
			Acquired / Sold businesses	Changes in foreign exchange rates	New finance leases	Other changes	
Non-current interest-bearing liabilities incl. Current portion							
Bonds	249.2					0.2	249.4
Loans from financial institutions	176.1	-12.0				0.2	164.4
Finance lease liabilities	12.8	-6.7		0.0	11.2		17.2
Other	0.0	0.0					0.0
Total	438.1	-18.7		0.0	11.2	0.4	431.0
Non-current non-interest bearing liabilities	8.7	-3.1		0.0			5.6
Current interest-bearing liabilities		95.8		0.7			96.4
Total	446.8	73.9		0.7	11.2	0.4	533.0

### Bonds

EUR million	Interest %	2025	2024
2017–2027	2.750	249.9	249.4
2025–2031	3.875	197.2	
Total		447.1	249.4

In September 2017, Metsä Board Corporation issued a bond amounting to EUR 250 million, and in May 2025, a green bond (Green Bond) amounting to EUR 200 million. Both bonds are senior unsecured obligations.

## 5.6 Management of financial risks

The financial risks inherent in the business are managed in accordance with the financial policy endorsed by the Board of Directors and the senior management of the company. The purpose is to protect the company profitability and stability, ensure cost efficient financing and effectively manage financial and commodity risks, thereby reduce uncertainty and improve predictability.

Metsä Group Treasury Oy, a wholly owned subsidiary of Metsäliitto Cooperative, is responsible for the Group's financial services and the management of financial risks.

### Foreign currency risk

Metsä Board's foreign currency exposure consists of the risks associated with foreign currency flows, translation risk of net investments in foreign entities and economic currency exposure. Most of the company's costs are incurred in the euro zone and to some extent in Sweden, but a significant part of the sales is received or priced in other currencies. The exposure is formed by foreign currency denominated balance sheet exposure consisting of trade receivables and trade payables and 50 per cent share of the annual contracted or estimated net currency cash flow.

The main currencies of the Metsä Board's foreign currency transaction exposure are the US dollar, the Swedish krona and the British pound. The share of dollar is 47 per cent (2024: 54), share of Swedish krona is 37 per cent (36) and share of pound is 12 per cent (8). A strengthening of the dollar and the pound has a positive impact on the financial result while a weakening has a negative impact. A weakening of the Swedish krona has a positive impact on the company's result. From other currencies Metsä Board is hedging also Canadian dollar. The hedging policy is to keep the balance sheet exposure and 50 per cent of annual cash flow of contracted or estimated currency flows consistently hedged. The transaction exposure is mainly hedged by forward contracts but foreign currency loans and currency options are also used.

At the end of the financial period, the foreign exchange transaction exposure had been hedged 6.4 months on average (7.9) being 106 per cent of the hedging norm (132). During the financial period, the hedging level has varied between 6 and 8 months (7-8) being between 105 and 131 per cent of the norm (120-132). The dollar's hedging level was 6.2 months (7.8) being 103 per cent of the norm (130). The Swedish krona's hedging level was 7.2 months (8.4) being 120 per cent of the norm (139). The pound's hedging level was 4.8 months (7.2) being 80 per cent of the norm (120). Hedge accounting has been applied to hedging of transaction exposure and forwards and options allocated to hedge accounting have been used to hedge the portion of highly probable forecast sales of the currency transaction exposure.

The translation risk of a net investment in a foreign entity is generated from the consolidation of the equity of subsidiaries outside the euro area into euros in the consolidated financial statements. Metsä Board does not hedge its equity.

### Interest rate risk

The interest rate risk is related in the interest bearing receivables and loans, working capital financing and currency hedging. The most significant currencies in risk management are the euro, the US dollar, the Swedish krona and British pound. The objective of the interest rate risk policy is to minimise the negative impact of interest rate changes on the company's result and the financial position, and to optimise financing costs within the framework of risk limits. The effect of interest rate changes on financial costs depends on the average interest fixing time of interest bearing assets and liabilities, which is measured in the company by duration. As duration is lengthening the rise of interest rates affects more slowly the interest expenses of financial liabilities. The maturity of the loan portfolio can be influenced by adjusting between floating-rate and fixed-rate loans and by using interest rate swaps.

According to the Treasury Policy, the norm for the duration is 24 months. The duration can, however, deviate between 6 to 36 months from the norm and the decision of a larger deviation has to be made by the Board of Directors. At the end of the year the average duration of loans was 18.3 months (19.8). During the reporting period duration has varied between 15 and 24 months (20-29). Of interest-bearing liabilities 30 per cent (41) is subjected to variable interest rate and the rest to fixed rates and the average interest rate at the end of 2025 is 2.9 per cent (2.4). At the end of 2025, an increase of one per cent point in interest rates would, on a calculated basis, decrease net interest rate costs of the next 12 months by 0.9 million euros (decrease 0.5).

Company applies fair value hedge accounting to the interest rate swaps through which half of the fixed-rate green bond issued in May 2025 has been converted to floating-rate financing. The gross nominal volume of interest rate swap at the time of financial statements is EUR 100.0 million and it matures in 2031.

### Commodity risk

In the hedging of commodity risks company applies risk management policies defined separately for each selected commodity. According to the policy, the management of commodity risks with regard to financial hedges is accomplished centralized by Metsä Group Treasury based on the strategy approved by Board of Directors of Metsä Board. Hedge accounting has been applied to all commodity hedging.

Metsä Board is hedging the price risk of natural gas purchases by using financial hedges. Metsä Board is hedging also the gas oil, heavy fuel oil and marine fuel oil price risk related to logistics costs (sea freights) based on commodity risk policy by using financial hedges. Metsä Board is not hedging its pulp price risk.

## Liquidity risk

Liquidity risk is defined as the risk that funds and available funding become insufficient to meet business needs, or costs that are incurred in arranging the necessary financing are unreasonable high. Liquidity risk is monitored by estimating the need for liquidity needs 12 – 24 months ahead and ensuring that the total liquidity available will cover a main part of this need.

Liquidity risk is also managed by diversifying the use of capital and money markets to decrease dependency on any single financing source and by optimising the maturity structure of loans. Metsä Board is using short-term working capital financing related to trade receivables and trade payables. Programs does not aim markable diversification of normal payment terms. Supplier Finance Arrangements (SFA) and the size of programs are presented in Note 4.8.

At the end of the financial period, Metsä Board's available liquidity was EUR 559.3 million (382.6), consisting of following items: liquid assets and investments of EUR 309.3 million (182.6), a committed syndicated credit facility (revolving credit facility) of EUR 250.0 million (200.0). Of the liquid assets, EUR 307.5 million consisted of short-term deposits with Metsä Group Treasury (179.2), and EUR 1.8 million were cash funds and investments (3.4). Other interest-bearing receivables amounted to EUR 0.4 million (0.0). In addition, Metsä Board's liquidity reserve is complemented by Metsä Board commercial paper program of EUR 200 million, Metsä Group's internal undrawn short-term credit facility of EUR 150.0 million (150.0). Of long-term loans and credit facilities 2 per cent (3) fall due in a 12 month period and 27 per cent (3) have a maturity of over four years. The average maturity of long-term loans is 3.1 years (2.2). The share of short-term financing of the company's interest bearing liabilities is 8.5 per cent (21.7).

## Counterparty risk

Financial instruments carry the risk that the company may incur losses should the counterparty be unable to meet its commitments. Company is managing this risk by entering into financial transactions only with most creditworthy counterparties and within pre-determined limits. During the reporting period, credit risks of financial instruments did not result in any losses. Most of the investment related credit risks are in the balance sheet of Metsä Group Treasury, not directly on the balance sheet of Metsä Board. Company has applied expected credit loss model to calculate the impairment of financial assets.

The management of credit risks related to commercial operations is the responsibility of Metsä Board's executive management and Metsä Group's centralized credit control. Management determines the limits on credit extended to customers and the applicable term of payment in cooperation with credit control. Credit control monitors the status of trade receivables and reports monthly to the company's Customer credit & Compliance Committee and management. Customer creditworthiness is assessed regularly based on customers' financial statements, payment behaviour, and information provided by rating agencies. The credit limits of individual customers are reviewed at least once a year. Credit insurance generally covers almost all credit risks, and customer credit risk was at a normal level in 2025. The main principles of credit management are defined in Metsä Group's centralized credit control guidelines.

Trade receivables are spread across a wide geographical area reflecting the external sales structure presented in the Segment information. The largest sources of credit risk are USA, Italy, United Kingdom, Poland, Germany, Spain, Sweden, Mexico, Netherlands and Turkey. The top ten countries represent around 67 % of external trade receivables (71). At the end of 2025 the credit risk exposure for Metsä Board's largest individual customer (an individual companies or groups of companies under common ownership) was 7,5 % (7) of total trade receivables. The ten largest customer group's (individual companies or groups of companies under common ownership) accounted for 39 % (41) of trade receivables. At the end of 2025 there was under 1.0 % (<1.0) shortfall of credit insurance limits beyond usual credit control guidelines deductibles and exclusions.

Expected credit losses on trade receivables and the age distribution of trade receivables are presented in note 4.5.

## Managing the capital

In managing its capital structure, Metsä Board aims at maintaining an efficient capital structure that ensures the company's operational conditions in financial and capital markets in all circumstances. Metsä Board has a credit rating for its long-term financing (from Moody's Investor Service ja S&P Global). No target level has been defined for the credit rating.

Metsä Board's long-term financial target for the comparable return on capital employed is minimum 12 per cent. Additionally the company's targets, that the ratio of interest-bearing net liabilities to comparable EBITDA (last 12 months) is a maximum of 2.5. In 2025 the long-term financial targets have been kept constant.

The key ratios describing the capital structure and the capital amounts used for the calculation of the key ratios were the following:



EUR million	2025	2024
Interest-bearing net liabilities/comparable EBITDA	8.6	2.0
Net gearing ratio, % <sup>1)</sup>	15	18
Interest-bearing borrowings	564.5	527.4
./. Liquid funds	309.3	182.6
./.Interest-bearing receivables	0.4	0.0
Net interest bearing liabilities	254.8	344.9
Equity attributable to shareholders of parent company	1,590.4	1,743.0
+ Non-controlling interest	166.3	164.7
Total Equity	1,756.7	1,907.7
Operating profit	-169.5	62.3
Depreciations and impairments	165.6	113.6
EBITDA	-3.9	175.9
Other operating income	5.8	
Employee costs	15.0	
Share of result	4.4	1.4
Other operating expenses	8.3	0.5
Comparable EBITDA	29.6	175.0

<sup>1)</sup> Net gearing ratio = Interest-bearing net liabilities / Shareholders' equity

## Financial covenants of external loans

Metsä Board loan agreements and credit facility agreement include a financial covenant that is related to net gearing. Metsä Board has been in compliance with its covenant during the financial periods 2025 and 2024.

## Hedging of foreign exchange transaction exposure 31.12.2025

EUR million	Annual transaction exposure							Total
	USD	GBP	SEK	AUD	CAD	Other long	Other short	
Transaction exposure, net (mill. currency units)	601	112	-4,314	3	60			
Transaction exposure, net (EUR million)	512	129	-399	2	37	2	-1	1,081
Transaction exposure hedging (EUR million)	-264	-51	239		-19			-573
Hedging at the end of the year (months)	6.2	4.8	7.2		6.0			6.4
Average hedging in 2025 (months)	6.7	5.9	7.4		6.0			6.8
Average rate of hedging at the end of the year	1.1783	0.8787	11.0346					

## Hedging of foreign exchange transaction exposure 31.12.2024

EUR million	Annual transaction exposure							Total
	USD	GBP	SEK	AUD	CAD	Other long	Other short	
Transaction exposure, net (mill. currency units)	888	99	-6,569	5	45			
Transaction exposure, net (EUR million)	855	119	-573	3	30	2	-2	1,584
Transaction exposure hedging (EUR million)	-557	-72	399		-15			-1,043
Hedging at the end of the year (months)	7.8	7.2	8.4		6.0			7.9
Average hedging in 2025 (months)	7.1	6.3	8.4		6.0			7.4
Average rate of hedging at the end of the year	1.0931	0.8485	11.4789					

## Net investments in a foreign entity 31.12.2025

EUR million	Equity exposure				
	USD	GBP	SEK	Others	Total
Equity (million currency units)	122	5	7,648		
Equity (EUR million)	104	6	707	2	818

## Net investments in a foreign entity 31.12.2024

EUR million	Equity exposure				
	USD	GBP	SEK	Others	Total
Equity (million currency units)	100	5	8,661		
Equity (EUR million)	96	6	756	2	860

## Interest rate risk / duration and re-pricing structure of loans (incl. interest rate derivatives) 31.12.2025

Loan amount (EUR million)	Duration (months)	Average interest rate (%)	Interest rate sensitivity <sup>1)</sup> (EUR million)	Re-pricing structure of interest rates of loans						
				1-4/2026	5-8/2026	9-12/2026	2027	2028	2029	>2029
564	18.3	2.9	-0.9	-55	-107	-7	-264	-12	-17	-103

## Interest rate risk / duration and re-pricing structure of loans (incl. interest rate derivatives) 31.12.2024

Loan amount (EUR million)	Duration (months)	Average interest rate (%)	Interest rate sensitivity <sup>1)</sup> (EUR million)	Re-pricing structure of interest rates of loans						
				1-4/2025	5-8/2025	9-12/2025	2026	2027	2028	>2028
528	19.8	2.7	-0.5	-200	-8	-8	-12	-265	-15	-21

<sup>1)</sup> Interest rate sensitivity is an estimate of the effect of an interest rate change of one percent in one direction on net interest cost based on year end exposure

## Hedging of natural gas price risk exposure

Tons	31 Dec 2025	31 Dec 2024
Natural Gas exposure, net	158	377
Natural Gas hedging	96	307
Hedging at the end of the year (%)	61	81
Average price of hedging at the end of the year (€/tons)	30.72	36.32

Natural Gas price risk is hedged based on defined risk management policy by financial contracts. Metsä Board position is hedged using TTF financial contracts.

## Hedging of logistics oil price risk exposure

Tons	31 Dec 2025	31 Dec 2024
Oil exposure, net	46,870	51,072
Oil hedging	30,962	36,119
Hedging at the end of the year (%)	66	71
Average price of hedging at the end of the year (€/tons)	411.43	467.13

Logistic oil price risk is hedged based on defined risk management policy by financial contracts. Metsä Board logistic oil exposure includes positions with bunker clause. Metsä Board is hedging fuel price risks in maritime transport.

## Market risk sensitivity 2025

MEUR	Impact on equity exposure and annual transaction exposure			
	Impact on financial assets and liabilities	Impact on net equity of foreign entities	Impact on annual transaction exposure (cash flow)	Impact on annual transaction exposure (cash flow) incl. hedging
<b>Interest rate risk (100 bp rise in interest rates)</b>				
Effect on profit	-1.7		0.9	-0.8
Effect on other change in equity				
<b>Commodity risk (electricity price + 20%)</b>				
Effect on profit			-4.3	-1.5
Effect on other change in equity	2.8			
<b>FX risk (USD - 10%)</b>				
Effect on profit	-0.8		-51.2	-24.7
Effect on other change in equity	24.7	-10.4		
<b>FX risk (GBP - 10%)</b>				
Effect on profit			-12.9	-7.7
Effect on other change in equity	4.6	-0.6		
<b>FX risk (SEK - 10%)</b>				
Effect on profit	-0.9		39.9	16.0
Effect on other change in equity	-21.6	-70.7		

## Market risk sensitivity 2024

MEUR	Impact on equity exposure and annual transaction exposure			
	Impact on financial assets and liabilities	Impact on net equity of foreign entities	Impact on annual transaction exposure (cash flow)	Impact on annual transaction exposure (cash flow) incl. hedging
<b>Interest rate risk (100 bp rise in interest rates)</b>				
Effect on profit	-0.5		-0.5	-0.7
Effect on other change in equity	0.3			
<b>Commodity risk (electricity price + 20%)</b>				
Effect on profit			-8.2	-1.9
Effect on other change in equity	6.3			
<b>FX risk (USD - 10%)</b>				
Effect on profit	1.3		-85.5	-29.8
Effect on other change in equity	48.0	-9.6		
<b>FX risk (GBP - 10%)</b>				
Effect on profit	0.1		-11.9	-4.8
Effect on other change in equity	6.4	-0.6		
<b>FX risk (SEK - 10%)</b>				
Effect on profit	-1.3		57.3	17.4
Effect on other change in equity	-36.0	-75.6		

Items with + sign = positive effect = increase of assets / decrease of liabilities / increase of cash flow  
 Items with - sign = negative effect = decrease of assets / increase of liabilities / decrease of cash flow

An entity is required to disclose a sensitivity analysis for each type of market risk to which the entity is exposed at the reporting date, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date. The Group has recognised interest rates, electricity prices and foreign exchange rates as its key market risks and has set 1% interest rate rise, 20% rise in electricity price and 10% weakening of USD, GBP and SEK as reasonably possible risk variables. These currencies represent over 96% of Group's annual transaction exposure. The nature of the market price risk is relatively linear so that the size of effects of opposite market price changes do not essentially differ from the presented figures. The scenarios have been calculated by using regular principles of calculating market values of financial instruments described in the Group Accounting policies. Figures at the reporting date reflect quite well the average market risk conditions throughout the reporting period.

Additionally the Group is presenting figures describing the effects of the risk variables to its equity and annual transaction exposure (cash flow) to present a broader picture about market risks of interest rates, electricity prices and foreign exchange rates. Annual cash flows are based on estimates, and not on existing commercial contracts. The weakening of USD and GBP has a negative impact on annual cash flow and the weakening of SEK has a positive impact. Hedges reduce this impact depending on hedging strategy. The impact on equity of foreign entities is arising from the consolidation of subsidiaries to the Group consolidated accounts. The rise of electricity price has a negative impact on cash flow. As according to hedging policy the electricity price risk of the nearest year has mostly been hedged, the impact including hedges remains minor.

## Maturity of financial liabilities and related financial expenses 2025

EUR million	2026	2027	2028	2029	2030	2031–	Total
Bonds		250.0				200.0	450.0
Loans from financial institutions	11.8	11.8	11.8	11.8	5.0		52.1
Finance lease liabilities	5.3	3.8	2.5	1.6	0.8	0.3	14.3
Non-current interest-bearing liabilities total	17.1	265.6	14.2	13.4	5.8	200.3	516.4
Current interest-bearing liabilities	52.1						52.1
Trade payables ja other liabilities	413.7						413.7
Financial liabilities total	482.9	265.6	14.2	13.4	5.8	200.3	982.2
Financial expenses total	15.1	15.0	8.0	7.9	7.8	7.8	61.6
<b>Financial liabilities and expenses total</b>	<b>498.1</b>	<b>280.6</b>	<b>22.3</b>	<b>21.3</b>	<b>13.6</b>	<b>208.1</b>	<b>1,043.9</b>
Guarantee agreements	0.1		0.4			0.3	0.7
Derivatives							
Currency derivative, liabilities	936.7						936.7
Currency derivative, receivables	-941.5						-941.5
Interest rate swaps	-0.1	0.2	0.3	0.4	0.4	0.2	1.3
Commodity derivatives	1.9						1.9
<b>Derivatives, net</b>	<b>-3.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>0.2</b>	<b>-1.7</b>

## Maturity of financial liabilities and related financial expenses 2024

EUR million	2025	2026	2027	2028	2029	2030–	Total
Bonds			250.0				250.0
Loans from financial institutions	11.8	111.8	11.8	11.8	11.8	5.9	164.7
Finance lease liabilities	6.7	4.5	3.2	1.7	1.2	1.2	18.5
Non-current interest-bearing liabilities total	18.4	116.3	265.0	13.5	13.0	7.0	432.2
Current interest-bearing liabilities	96.4						96.4
Trade payables ja other liabilities	322.6						322.6
Financial liabilities total	437.5	116.3	265.0	13.5	13.0	7.0	852.2
Financial expenses total	11.4	10.3	7.3	0.3	0.2	0.0	29.4
<b>Financial liabilities and expenses total</b>	<b>448.8</b>	<b>126.6</b>	<b>272.2</b>	<b>13.8</b>	<b>13.1</b>	<b>7.1</b>	<b>881.6</b>
Guarantee agreements	0.1		0.4			0.3	0.7
Derivatives							
Currency derivative, liabilities	1,356.5						1,356.5
Currency derivative, receivables	-1,332.2						-1,332.2
Interest rate swaps	-0.3						-0.3
Commodity derivatives	-3.6						-3.6
<b>Derivatives, net</b>	<b>20.5</b>						<b>20.5</b>

The balance sheet value of lease liabilities was EUR 13.4 million (17.2). The balance sheet value of foreign currency derivative liabilities was EUR 6.7 million (29.5) and the balance sheet value of foreign currency derivative assets was EUR 8.3 million (5.2).

## 5.7 Classification and fair values of financial assets and liabilities

### Classification and fair values of financial assets and liabilities 2025

EUR million	Note	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
<b>Financial assets</b>					
Other non-current investments	4.3	1.4	184.8		186.2
Other non-current financial assets	5.3			1.0	1.0
Trade receivables and other receivables	4.5			202.1	202.1
Cash and cash equivalents	5.4			309.3	309.3
Derivative financial instruments	5.7	0.7	7.6		8.3
Total carrying amount		2.2	192.4	512.5	707.0
Total fair value		2.2	192.4	512.5	707.0
<b>Financial liabilities</b>					
Non-current interest-bearing financial liabilities	5.5			495.7	495.7
Current interest-bearing financial liabilities	5.5			68.8	68.8
Trade payables and other liabilities	4.7			413.7	413.7
Derivative financial instruments	5.7	0.6	6.0		6.7
Total carrying amount		0.6	6.0	978.2	984.8
Total fair value		0.6	6.0	970.6	977.3

### Classification and fair values of financial assets and liabilities 2024

EUR million	Note	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
<b>Financial assets</b>					
Other non-current investments	4.3	1.4	218.3		219.7
Other non-current financial assets	5.3			0.7	0.7
Trade receivables and other receivables	4.5			240.0	240.0
Cash and cash equivalents	5.4			182.6	182.6
Derivative financial instruments	5.7	1.2	8.0		9.2
Total carrying amount		2.7	226.3	423.2	652.1
Total fair value		2.7	226.3	423.2	652.1
<b>Financial liabilities</b>					
Non-current interest-bearing financial liabilities	5.5			411.9	411.9
Current interest-bearing financial liabilities	5.5			115.5	115.5
Trade payables and other liabilities	4.7			322.6	322.6
Derivative financial instruments	5.7	3.1	26.6		29.7
Total carrying amount		3.1	26.6	850.0	879.7
Total fair value		3.1	26.6	849.1	878.8

Trade receivables and other receivables do not include VAT receivables and prepayments and accrued income. Trade payables and other financial liabilities do not include advance payments, VAT payables and accruals and deferred income.

In Metsä Board, all interest-bearing liabilities are valued in the balance sheet at amortised cost based on effective interest method. Fair values are

based on present value of cash flow of each liability or assets calculated by market rate. The discount rates applied are between 1.4–4.1% (1.7–3.6). The fair values of accounts and other receivables and trade payables and other liabilities do not materially deviate from their carrying amounts in the balance sheet.

## Fair value hierarchy of financial assets and liabilities

### Accounting principles

Financial assets and liabilities measured at fair value have been categorised as follows:

- Level 1 Fair value is based on quoted prices in active markets.
- Level 2 Fair value is determined by using valuation techniques that use observable price information from market.
- Level 3 Fair value are not based on observable market data, but on company's own assumptions.

## Fair value hierarchy of financial assets and liabilities 2025

31 Dec 2025					
EUR million	Note	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Other non-current investments	4.3			186.2	186.2
Derivative financial assets	5.7		8.3		8.3
Financial liabilities measured at fair value					
Derivative financial liabilities	5.7	1.9	4.8		6.7
Financial assets not measured at fair value					
Cash and cash equivalents	5.4		309.3		309.3
Financial liabilities not measured at fair value					
Non-current interest-bearing financial liabilities	5.5		488.3		488.3
Current interest-bearing financial liabilities	5.5		68.6		68.6

## Fair value hierarchy of financial assets and liabilities 2024

31 Dec 2024					
EUR million	Note	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Other non-current investments	4.3			219.7	219.7
Derivative financial assets	5.7	3.8	5.5		9.2
Financial liabilities measured at fair value					
Derivative financial liabilities	5.7	0.2	29.5		29.7
Financial assets not measured at fair value					
Cash and cash equivalents	5.4		182.6		182.6
Financial liabilities not measured at fair value					
Non-current interest-bearing financial liabilities	5.5		411.2		411.2
Current interest-bearing financial liabilities	5.5		115.2		115.2

## Other non-current investments measured at fair value based on level 3 valuation

EUR million	2025	2024
Value 1 Jan	219.7	254.4
Total gains and losses in other comprehensive income	-33.5	-34.6
Purchases	0.0	
Sales	0.0	-0.1
Value Dec 31.	186.2	219.7



## Financial derivatives and hedge accounting

### Accounting principles

Derivative contracts are initially recognised on the balance sheet at fair value at cost, and thereafter during their term-to-maturity revalued at their fair value at each reporting date. The fair value of derivatives is presented in non-interest-bearing receivables or liabilities. Gains and losses resulting from recognition at fair value are treated in accounting as required with regard to the intended use of the derivative contract in question. Derivatives are initially classified as either

1. Hedges of the exposure to changes in the fair value of receivables, liabilities or firm commitments;
2. Hedges of the cash flow from a highly probable forecast transaction;
3. Hedges of a net investment in a foreign entity, or
4. Derivatives to which it has been decided not to apply hedge accounting.

Metsä Board currently applies hedge accounting for both cash flow and fair value hedges. When applying hedge accounting at the inception of a hedging relationship, the Group has documented the relationship between the hedged item and the hedging instruments, as well as the hedging strategy observed. To meet the requirements of hedge accounting, the Group has also continuously carried out effectiveness testing to verify that changes in the fair value of the hedging instrument for each hedging relationship cover any changes in the fair value of the hedged item effectively enough, with respect to the hedged risk. Changes in the fair value of the effective portion of derivative instruments that meet the criteria for cash flow hedging are recognised in other items of comprehensive income. The gains and losses recognised in equity are transferred to the income statement when the forecast sale or purchase is realised, and are recognised as an adjustment to the hedged item. If the forecast transaction is no longer expected to occur, the gain or loss accrued in equity is recognised immediately in the income statement.

Derivatives not subject to hedge accounting, as well as the ineffective portion of derivatives subject to hedge accounting, are measured at fair value, and changes in the value of interest rate and currency derivatives are recognised in financial items and changes in the value of commodity derivatives are recognised in other income and expenses.

Hedge accounting is applied as cash flow hedging to highly probable cash flows from sales denominated in foreign currencies and contractual cash flows from floating interest rates of loans. In the management of price risks related to commodities, hedge accounting is applied to cash flows from highly probable purchases of electricity, liquefied natural gas (LNG), natural gas, propane, light, heavy and 0.5% fuel oil.

In fair value hedging, the change in fair value of the effective portion of qualifying derivative instruments is recognized in the income statement under financial items together with the change in fair value of the hedged loan or the relevant portion thereof. Hedge accounting is applied as a fair value hedge for the contractual fixed interest cash flows of a fixed-rate loan.

The fair values of forward foreign exchange contracts are based on the forward prices prevailing on the balance sheet date based on the present value of cash flows calculated using market data. Currency options are measured at fair value in accordance with the Black–Scholes model (Level 2). Interest rate swaps are measured at the current value of cash flows, with the calculation being based on the market interest rate yield curve (Level 2). The fair values of derivatives are measured on the basis of publicly quoted market prices (Level 1).

### Management of financial risks and hedge effectiveness

The management of the Group's currency, interest rate and commodity risks is described in more detail in Note 5.6, Management of financial risks. Note 5.7., Fair values of financial assets and liabilities, includes the fair values and grouping of derivatives. Note 5.1, Equity, includes itemisations of hedge accounting entries in the fair value reserve.

The hedging of the currency flow position is effective, given that there is a direct financial relationship between the hedged sale and the hedging derivative. The spot rate component of a forward contract or the reference value component of a currency option has been determined as the hedged item, and the forward points or the option's time value are treated as hedging costs subject to amortisation based on the period. Currency flow forecasts are fairly stable, invoicing steady within quarters and months, and forward deals are allocated to each month, due to which the ineffectiveness of hedging usually remains very low. Changes in production or the structure of sales may sometimes lead to ineffectiveness during the validity of a hedging relationship, in which case the hedging is adjusted accordingly.

The hedge accounting of the cash flow from interest rates is primarily effective, given that there is a direct financial relationship between the long-term loans subject to hedging and the hedging interest rate swaps. Ineffectiveness in the hedge relationship derives from any possible differences between the loans and the swaps' interest rate periods as well as from differences in the reference rates of contract terms. The ineffective portion of interest rate hedging is recognised through profit and loss. Premature loan withdrawals or premature repayment of loans may result in a state of ineffectiveness, in which case the hedging interest rate swaps are reversed or derecognised from hedge accounting, and the change in fair value is recognised in financial items under income.

The hedging of commodity purchases is effective, given that, in lieu of the total purchase price, the hedged item is the same, identical risk component of pricing applied in the hedging derivative. In the hedging of the price risk of electricity, the hedged item is what is referred to as the portion of the system price and the hedging takes place with a system-priced electricity swap. Correspondingly, the price components of the purchases and the hedging derivative in the hedging of natural gas, propane and fuel oil are identical or nearly identical, in which case the correspondence is monitored by correlation calculations. Commodity purchases are fairly steady and hedges are allocated to each month, due to which the ineffectiveness of the hedging usually remains low. Changes in the use of various commodities may sometimes lead to ineffectiveness during the validity of a hedging relationship, in which case the hedging is adjusted accordingly.

## Derivatives 2025

EUR million	Nominal value		Fair value			
		Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	100.0		1.3	-1.3	-1.3	
<b>Interest rate derivatives</b>	100.0		1.3	-1.3	-1.3	
Currency forward contracts	933.2	8.2	3.4	4.8	0.1	4.7
Currency option contracts	51.6	0.2	0.1	0.1		0.1
<b>Currency derivatives</b>	984.8	8.3	3.4	4.9	0.1	4.8
Oil derivatives	12.8		1.6	-1.6		-1.6
Natural gas and propane derivatives	3.0		0.3	-0.3		-0.3
<b>Commodity derivatives</b>	15.8		1.9	-1.9		-1.9
<b>Derivatives total</b>	1,100.6	8.3	6.7	1.7	-1.2	2.9

## Derivatives 2024

EUR million	Nominal value		Fair value			
		Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other comprehensive income
Interest rate swaps	50.0	0.3		0.3		0.3
<b>Interest rate derivatives</b>	50.0	0.3		0.3		0.3
Currency forward contracts	1,327.0	5.2	25.4	-20.3	-1.9	-18.4
Currency option contracts	496.6	0.0	4.1	-4.0		-4.0
<b>Currency derivatives</b>	1,823.6	5.2	29.5	-24.3	-1.9	-22.5
Oil derivatives	16.8	0.8	0.2	0.7		0.7
Natural gas and propane derivatives	11.1	2.9		2.9		2.9
<b>Commodity derivatives</b>	28.0	3.8	0.2	3.6		3.6
<b>Derivatives total</b>	1,901.6	9.2	29.7	-20.5	-1.9	-18.6

Changes in the value of hedge accounting and the effects on profit or loss are presented in Note 5.1 Equity.

## Economic effect of the net settlement of instruments under master netting agreements executed

	2025			2024		
	Financial derivatives on-balance sheet	Assets and liabilities related to master netting agreements	Net risk	Financial derivatives on-balance sheet	Assets and liabilities related to master netting agreements	Net risk
Derivative assets	9.2		9.2	9.2		9.2
Derivative liabilities	-29.7		-29.7	-29.7		-29.7

Metsä Board enters into derivative contracts only with Metsä Group Treasury Oy.

Derivative maturities 2025

EUR million	1-6 months	7-12 months	1-5 years	over 5 years	Hedged cash flow total
Interest rate derivatives, hedge accounting, cash flow hedge				100.0	100.0
Currency rate derivatives, hedge accounting, cash flow hedge	473.8	99.6			573.4
Currency derivatives, no hedge accounting	72.1				72.1
Commodity derivatives, hedge accounting, cash flow hedge	7.9	7.9			15.8

Derivative maturities 2024

EUR million	1-6 months	7-12 months	1-5 years	over 5 years	Hedged cash flow total
Interest rate derivatives, hedge accounting, cash flow hedge	50.0				50.0
Currency rate derivatives, hedge accounting, cash flow hedge	704.7	290.7			995.4
Currency derivatives, no hedge accounting	164.7				164.7
Commodity derivatives, hedge accounting, cash flow hedge	14.0	14.0			28.0

## 6. Income taxes

### Accounting principles

Tax expenses in the income statement consist of taxes based on the taxable income for the period, taxes for previous periods, and deferred tax assets and liabilities. The tax effect related to the items recorded in the comprehensive income statement is recognised in the comprehensive income statement. Taxes based on the taxable income for the period are calculated based on taxable income in accordance with the tax rate as it stands in each country at that time.

Deferred tax assets and liabilities are calculated on the temporary differences between the carrying amount and the tax base in accordance with the tax rates enacted as at the balance sheet date.

No deferred taxes are recognised for non-deductible goodwill, and no deferred taxes are recognised for subsidiaries' undistributed profits to the extent that the difference will not likely realise in the predictable future. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes are related to the same taxation authority.

The most significant temporary differences arise from depreciation of property, plant and equipment; the measurement of other investments and derivatives contracts at fair value; defined benefit plans; unused tax losses; and measurement at fair value in conjunction with acquisitions of business operations.

### Key estimates and judgements

The management's judgement is required for determining the taxes based on the result for the period, deferred tax assets and liabilities, and the extent to which deferred tax assets are recorded. Management assesses the recognition criteria for deferred tax assets by considering the factors underlying the losses and their recurrence, as well as by evaluating profit forecasts and historical profitability. The recognition of deferred tax assets is further supported by the expected realization of taxable temporary differences in the future. The assumptions used in the assessment are consistent with those applied elsewhere in the financial statements. The Group is subject to income taxation in several countries, and the final amount of tax is uncertain for several business operations and calculations. The Group anticipates future tax audits and recognises liabilities based on estimates of whether further taxes will need to be paid. If the associated final tax differs from the originally recorded amounts, the difference has an effect on both the taxes based on the taxable income for the period, and on deferred tax receivables and liabilities.

EUR million	2025	2024
Income taxes for the financial period	-6.8	-4.6
Income taxes from previous periods	-0.5	-0.2
Deferred taxes	29.6	-7.3
Income taxes total	22.3	-12.0

### Income tax reconciliation

EUR million	2025	2024
Result before tax	-186.9	51.4
Calculated tax at Finnish statutory rate of 20.0%	37.4	-10.3
Effects of differences between Finnish and non-Finnish tax rates	-0.4	-0.7
Tax exempt income	0.7	0.9
Non-deductible expenses	-0.6	-0.4
Reassessment of deferred taxes	-7.3	0.4
Use of unrecognised tax losses	0.2	0.3
Share of result from associate companies and joint ventures	-7.5	-1.8
Income taxes from previous periods	-0.5	-0.2
Other	0.2	-0.4
Income taxes total	22.3	-12.0
Effective tax rate, %	11.9	23.3

The income tax expense for the financial period was increased by a EUR 6.8 million write-down of a deferred tax asset related to the non-deductible interest expenses of Metsä Board Sverige Ab. Taxes reported in other comprehensive income are specified in Note 5.1.

The OECD Pillar II provisions on a global minimum tax rate on the income of international corporations have applied to Metsä Board since 1 January 2024. According to the provisions, if in any of a group's operating countries, the aggregate effective tax rate, calculated in accordance with the provisions concerning minimum taxation, remains below 15%, a top-up tax is imposed to raise the effective tax rate in the country in question to 15%. Metsä Board has not recognised a top-up tax based on the minimum tax provisions for any operating country in the 2024 or 2025 financial statements. Board applies the exception under IAS 12, and has not recognised or disclosed information about the deferred tax assets or liabilities related to Pillar II income taxes.

## Deferred tax assets and liabilities 2025

EUR million	1 Jan 2025	Charged to income statement	Charged to other comprehensive income	Translation differences	31 Dec 2025
Deferred tax assets					
Inventories	2.6	-0.5		0.0	2.1
Pension obligations and provisions	3.1	0.0	0.2	0.2	3.5
Lease liabilities	2.1	-1.6		0.0	0.5
Unused tax losses and credits	25.5	44.8		2.0	72.3
Financial instruments	5.6	-5.8		0.2	
Other temporary differences	2.5	0.8		-0.2	3.1
Total	41.4	37.7	0.2	2.2	81.5
Netting against liabilities	-36.2	-37.7		-1.7	-75.6
Deferred tax assets in balance sheet	5.2	0.0	0.2	0.5	6.0
Deferred tax liabilities					
Intangible and tangible assets (excluding leases)	119.6	7.5		4.5	131.6
Lease agreements	2.7	-0.5		-0.1	2.0
Other investments	37.8		-6.7		31.1
Pensions	0.4	0.4	-0.7	0.2	0.4
Financial instruments	-1.6	1.2	4.3	-0.7	3.2
Other temporary differences	0.5	-0.5	0.1	-0.1	0.0
Total	159.4	8.1	-2.9	3.7	168.3
Netting against receivables	-36.2	-37.7		-1.7	-75.6
Deferred tax liabilities in balance sheet	123.2	-29.6	-2.9	2.0	92.8

## Deferred tax assets and liabilities 2024

EUR million	1 Jan 2024	Charged to income statement	Charged to other comprehensive income	Translation differences	31 Dec 2024
Deferred tax assets					
Inventories	4.8	-2.8		0.1	2.1
Pension obligations and provisions	3.5	-0.8	0.1	0.3	3.1
Lease liabilities	4.1	-1.5		0.0	2.6
Financial instruments		5.6		0.0	5.6
Unused tax losses and credits	29.7	-3.3		-0.9	25.5
Other temporary differences	3.8	-1.0		-0.3	2.5
Total	45.9	-3.8	0.1	-0.8	41.4
Netting against liabilities	-36.4	0.9		-0.7	-36.2
Deferred tax assets in balance sheet	9.5	-2.9	0.1	-1.5	5.2
Deferred tax liabilities					
Intangible and tangible assets (excluding leases)	119.3	2.9		-2.6	119.6
Lease agreements	3.9	-1.2		0.0	2.7
Other investments	44.7		-6.9		37.8
Pensions	0.3	0.1	-0.3	0.4	0.4
Financial instruments	5.9	0.5	-7.8	-0.2	-1.6
Other temporary differences	1.4	1.1		-2.1	0.5
Total	175.5	3.4	-15.1	-4.5	159.4
Netting against receivables	-36.4	0.9		-0.7	-36.2
Deferred tax liabilities in balance sheet	139.2	4.3	-15.1	-5.1	123.2

The Group has recognised deferred tax assets from tax losses of EUR 53.8 million (22.6) in Sweden, EUR 17.6 million (2.2) in Finland and EUR 0.9 million (0.9) in other countries. Management estimates that the Group will accrue taxable income in the coming years, from which losses can be deducted. Tax losses do not expire except in Finland, where the expiration period is 10 years.

The tax losses whose amount or usability is uncertain, and for which deferred tax assets have therefore not been recognized, totaled approximately EUR 125 (90) million in Germany, Sweden and the United Kingdom. The unrecognized deferred tax asset relating to these tax losses amounts to approximately EUR 36 (29) million. Of the tax losses, EUR 91 million do not expire, while EUR 34 million will expire within five years.

# 7. Group structure

## 7.1 Group companies

### Accounting principles

#### Subsidiaries

The financial statements include all of the companies controlled by the Group. Intra-Group shareholding is eliminated using the acquisition method. Intra-Group business transactions, receivables, liabilities and unrealised gains, as well as internal distribution of profits, are eliminated on consolidation. Unrealised losses arising from impairment are not eliminated. When necessary, the accounting principles applied by subsidiaries have been adjusted to comply with the Group's principles.

The parent company's owners' and non-controlling interests' shares of the result for the period and comprehensive income are presented in

the income statement and the distribution of comprehensive income in the statement of comprehensive income. The non-controlling interests' share of equity is presented as a separate item under equity on the balance sheet.

#### Joint operations

A joint operation is a joint arrangement in which parties who have joint control in the arrangement have rights concerning the assets related to the arrangement and obligations concerning liabilities. The Group consolidates its proportion of the assets, liabilities, income and expenses of the joint operation in its financial statements.

## Subsidiaries and joint operations 31 December 2025

### Metsä Board Plc holdings in Group companies

	Country	Holding, %	Number of shares	Book value EUR
<b>Holdings in parent company</b>				
Metsäliitto Cooperative	Finland	-	753,621	753,620.71
<b>Subsidiary shares</b>				
<b>In Finland</b>				
Metsä Board International Oy	Finland	100.00	10,000	23,347,464.13
<b>in other countries</b>				
Metsä Board Americas Corporation <sup>1)</sup>	USA	100.00	18,000	12,494,018.39
Metsä Board Benelux n.v./s.a <sup>1)</sup>	Belgium	0.08	2	0.00
Metsä Board Deutschland GmbH	Germany	100.00	1	0.00
Metsä Board Ibéria S.A. <sup>1)</sup>	Spain	1.00	100	1,561.63
Metsä Board Sverige Ab	Sweden	100.00	10,000,000	750,358,228.09
Subsidiary shares total				786,201,272.24
Shares and holdings in Group companies				786,954,892.95

<sup>1)</sup> Total Group holding 100.0%

### Subgroup in Finland

#### Metsä Board International Oy

Metsä Board Benelux n.v./s.a <sup>1)</sup>	Belgium	99.92	2,919	140,001.71
Metsä Board France SAS	France	100.00	8,211	418,951.75
Metsä Board Ibéria S.A. <sup>1)</sup>	Spain	99.00	147,771	155,316.78
Metsä Board Italia S.r.l.	Italy	100.00	100,000	1,250,691.84
Metsä Board Polska Sp. Z o.o.	Poland	100.00	232	54,458.58
Metsä Board Singapore Pte Ltd	Singapore	100.00	10,000	4,036.51
Metsä Board Singapore Pte Ltd Indian Branch	India	100.00	-	-
Metsä Board Turkey LLC	Turkey	100.00	400	2,303.66
Metsä Board UK Ltd	United Kingdom	100.00	2,400	264,172.02
Metsä Board Australia and New Zealand Pty Ltd	Australia	100.00	1	41,827.54
Total				2,331,760.39

<sup>1)</sup> Total Group holding 100.0%



	Country	Holding, %	Number of shares	Book value EUR
<b>Subgroup in other countries</b>				
<b>Metsä Board Sverige Ab</b>				
Husum Pulp Ab	Sweden	70.00	85,664	195,525,591.67

## Material subsidiaries

Metsä Board has two material subsidiaries:

- Metsä Board Sverige AB

Metsä Board Sverige AB is located in Örnköldsvik, Sweden. Metsä Board Sverige AB produces folding boxboard and kraftliner. Metsä Board Sverige AB's sales were EUR 373 million (437). The company's capacity is 250,000 tonnes of liner and 600,000 tonnes of folding boxboard.

- Husum Pulp AB

Husum Pulp AB produces pulp for Metsä Board Sverige Ab and to the market. The company's sales were EUR 362 million (463) and capacity 730,000 tonnes of chemical pulp.

## 7.2 Non-controlling interest's shares

### Accounting principles

Changes in the parent company's ownership interest in a subsidiary that do not result in a loss of control are treated as equity transactions.

### Non-controlling interest's shares

Principal non-controlling interest's shares

EUR million	Country	Non-controlling interest Holding, %		Non-controlling interest Share of result, EUR million		Non-controlling interest Share of equity, EUR million	
		2025	2024	2025	2024	2025	2024
Husum Pulp AB	Sweden	30.0%	30.0%	-7.9	14.1	166.3	164.7

## 7.3 Associate companies and joint ventures

### Accounting principles

Associated companies include all companies over which the Group has considerable influence but no control. A joint venture is a joint arrangement in which the parties that have joint control of the arrangement have rights to its net assets. Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The Group's shares in associated companies and joint ventures also include the goodwill measured at the time of acquisition, less any impairment.

The Group's share of the profits or losses of associated companies and joint ventures is recognised in the income statement as a separate line item above the operating result in case of associate company Metsä Fibre and below the operating result in case of other associate companies. Correspondingly, the Group's share of other comprehensive income in associated companies and joint ventures is recognised in its items of other comprehensive income. A proportion corresponding to the Group's shareholding is eliminated from unrealised profits between the Group and its associate companies and joint ventures. Unrealised losses arising from impairment are not eliminated. When necessary, the accounting principles applied by associated companies and joint ventures have been adjusted to comply with the Group's principles.

### Investments in associate companies and joint ventures

EUR million	2025	2024
Value 1 Jan	517.5	549.9
Share of results from associated companies and joint ventures		
Share of result from Metsä Fibre	-37.4	-8.8
Share of results from other associated companies and joint ventures	0.0	0.0
Dividends received		-9.8
Share of other comprehensive income from associated companies and joint ventures		
Translation differences and other changes in equity	6.7	-13.8
Investments in associated companies and joint ventures 31 Dec	486.8	517.5

### Amounts recognised in income statement

EUR million	2025	2024
Associate companies	-37.4	-8.8
Amounts recognised in income statement total	-37.4	-8.8

### Amounts recognised in balance sheet

EUR million	2025	2024
Associate companies	486.8	517.5
Amounts recognised in balance sheet total	486.8	517.5

The carrying amount of associated companies at 31 December 2025 includes goodwill of EUR 45.2 million (45.2). None of the associate companies or joint ventures are listed companies. Transactions with associate companies and joint ventures are detailed in Note 7.3.

### Financial information summary of essential associated companies

According to management's view, the only essential associated company is Metsä Fibre Group, which produces chemical pulp and sawn timber. Metsä Board owns 24.9% of Metsä Fibre. Metsä Board's parent company, Metsäliitto Cooperative, owns 50.1%, and Itochu Corporation from Japan owns 25.0%. Metsä Fibre has operations primarily in Finland, and its production capacity is approximately 4.1 million tonnes of chemical pulp. In addition Metsä Fibre has four sawmills in Finland.

### Summarised financial information for Metsä Fibre

#### Metsä Fibre Group

EUR million	2025	2024
Sales	2,578.1	2,328.3
Result for the period	-153.6	-35.2
Other comprehensive income	27.5	-55.5
Total comprehensive income for the period	-126.1	-90.7
Dividend received		9.8
Non-current assets	3,101.8	3,270.6
Current assets	786.7	982.2
Non-current liabilities	1,025.6	1,278.1
Current liabilities	1,103.7	1,089.2
Net assets	1,759.3	1,885.4

### Reconciliation of financial information for Metsä Fibre to the value recognised in consolidated balance sheet

EUR million	2025	2024
Group's share of net assets	438.1	469.5
Goodwill	45.2	45.2
Other purchase price allocations at acquisition	3.8	3.9
Other adjustments	-0.3	-1.3
Carrying value of associated company in consolidated balance sheet	486.8	517.3

Metsä Fibre has been consolidated according to equity method based on its consolidated financial statements prepared under IFRS.

### Financial information summary of other than essential associated companies

EUR million	2025	2024
Share of result from other associated companies	0.0	0.0
Carrying value in consolidated balance sheet		0.2

In December 2025, the Group sold its 19% ownership in Simpeleen Lämpö Oy at carrying value.

## 7.4 Acquisitions and operations disposed of

### Accounting principles

Acquired business operations are consolidated from the time when control is transferred to the Group, and divested operations are consolidated until the time when control is transferred away from the Group.

The consideration paid, including the contingent sales price and the identifiable assets and liabilities of the acquired business operations, are measured at fair value at the time of acquisition. Expenses related to acquisitions are recognised as costs. Depending on the acquisition, the non-controlling interests' share in the object of the acquisition is recognised at fair value or the amount that corresponds to the non-controlling interests' proportion of the net assets of the object of the acquisition

The amount by which the sum of the consideration paid, the fair value of the non-controlling interests' share and the fair value of the assets previously owned in the object of the acquisition exceed the fair value of the identifiable net assets is recognised as goodwill.

### Divested operations

Metsä Board sold its Russian sales company to VLP Group on 13 May 2025 and recognised a loss of EUR -0.5 million. Metsä Board discontinued business operations in Russia in 2023. Since the completion of the transaction, the Metsä Board no longer owns anything in Russia.

## 7.5 Related party transactions

Related parties include Metsä Board's ultimate parent company Metsäliitto Cooperative, which owns 51.83% of Metsä Board's shares and 68.85% of the voting rights, other subsidiaries of Metsäliitto, associated companies and joint ventures. The members of the Board of Directors, Metsä Group's Executive Management Team and Metsä Board's Corporate Management Team as well as their close family members are also included in related parties.

The management's salaries, remuneration and pension expenses are presented in Note 3.2.

The most significant subsidiaries of Metsäliitto, with which Metsä Board has business transactions, are as follows:

Metsä Tissue Group  
Metsä Fibre Group  
Metsä Forest Sverige Ab

Metsä Fibre has been consolidated by using equity method according to Investments in associates standard (IAS 28). Related party transactions with Metsä Fibre are presented as transactions with sister companies.

Financial operations of the Group have been centralised to Metsä Group Treasury Oy, which is a wholly-owned subsidiary of Metsäliitto Cooperative and in charge of managing the Group companies' financial positions according to the strategy and financial policy defined by the Group, providing necessary financial services and acting as a competence center in financial matters. Financial transactions with Metsä Group Treasury Oy are carried out at market prices.

The value of wood purchases from Metsäliitto Cooperative was EUR 187.5 million (201.2) and pulp purchases from Metsä Fibre Oy EUR 199.7 million (276.8). The purchases were carried out at market prices.

Metsä Board is participating in the supplementary pension arrangement of Metsä Group executives. Payments to the arrangement amounted to EUR -0.5 (-0.6) million in 2025.

### Transactions with parent company and sister companies

EUR million	Transactions with parent company		Transactions with sister companies	
	2025	2024	2025	2024
Sales	2.7	3.6	107.3	116.0
Other operating income	4.9	4.9	4.3	0.9
Purchases	-259.3	-264.8	-431.8	-557.9
Share of result from associated companies			-37.4	-8.8
Interest income			4.6	8.4
Interest expense			-1.6	-1.2
Investments				-42.1
Receivables				
Trade receivables and other receivables	0.8	0.7	30.5	26.6
Cash equivalents			307.5	179.2
Liabilities				
Trade payables and other liabilities	63.0	51.8	85.3	139.6

### Transactions with associated companies and joint ventures

EUR million	2025	2024
Sales	0.6	0.7
Receivables		
Trade receivables and other receivables		0.1

Metsä Board has classified interest-bearing receivables comparable to cash funds and available immediately from Metsä Group's internal bank Metsä Group Treasury Oy as Cash and cash equivalents.

The receivables from group companies do not include doubtful receivables, and no bad debt was recognised during the period. No security or collateral has been provided for group liabilities.

## 8. Other notes

### 8.1 Contingent liabilities, assets and commitments

#### Key estimates and judgements

##### Disputes and claims

Metsä Board companies have been sellers in several share transactions in recent years. In these divestments, the companies have issued regular seller's assurances. Claims presented against Metsä Board companies and costs incurred by the companies due to these assurances cannot be ruled out.

#### Commitments

EUR million	2025	2024
Commitments given on behalf of the parent company and its subsidiaries	5.0	0.7
Total	5.0	0.7

Commitments include granted pledges, mortgages and floating charges as well as guarantees.

#### Investment commitments

EUR million	2025	2024
Payments due in following 12 months	0.9	1.4
Payments due later	0.6	0.4
Total	1.5	1.8

#### Other information

Metsä Board has investment grade credit ratings from S&P Global and Moody's Investor Service. S&P Global's rating for the company is BBB– with a negative outlook. Moody's rating is Baa3 with a negative outlook; the outlook was revised from stable to negative in November.

### 8.2 Events after the financial period

23 January 2026: Metsä Board agreed to acquire the Winschoten Sheeting and Distribution Hub in the Netherlands owned by Konvertia Group. The transaction is expected to be completed in February 2026. The parties have mutually agreed not to disclose the acquisition price.

15 January 2026: Changes in the Corporate Leadership Team: Metsä Board's SVP, Production and Supply Chain, Jussi Noponen, has been appointed EVP of Metsä Wood. Laura Remes, who has previously served as the company's SVP, Business Transformation, has been appointed as his successor as SVP, Production and Supply Chain. Anssi Tammilehto, in addition to his CFO responsibilities, will assume the transformation duties previously held by Remes. The changes will take effect on 1 March 2026, after which Metsä Board's Corporate Leadership Team will consist of the following members: Esa Kaikkonen, CEO; Minna Björkman, SVP, Containerboard; Erja Hyrsky, SVP, Commercial Operations; Laura Remes, SVP, Production and Supply Chain; Anssi Tammilehto, CFO; and Camilla Wikström, SVP, Human Resources.

# Parent company's financial statements

## Income statement

EUR	Note	1.1.–31.12.2025	1.1.–31.12.2024
<b>Sales</b>	2	1,127,303,565.59	1,255,155,685.28
Change in stocks of finished and unfinished products	3, 4	-39,890,523.03	12,115,612.05
Other operating income		59,092,099.80	86,974,184.38
Materials and services			
Materials, consumables and goods			
Purchases during the financial period		-648,111,236.68	-813,994,757.43
Changes in stocks		-6,065,071.63	4,205,311.64
External services	5	-211,136,858.24	-232,173,374.01
Employee costs	5	-109,018,149.53	-103,581,145.93
Depreciations and impairment charges	3, 6	-108,155,163.77	-61,629,733.62
Other operating expenses	3, 5	-130,623,618.17	-125,140,890.36
		-1,213,110,098.02	-1,332,314,589.71
<b>Operating profit/loss</b>		-66,604,955.66	21,930,892.00
Financial income and expenses	7		
Income from group companies		7,707,326.35	73,509,700.49
Income from investments in other non-current assets		195.00	94,652.26
Other interest and financial income		96,019.64	281,843.31
Exchange rate differences		1,426,263.53	-4,914,376.10
Interest expenses and other financial expenses		-18,496,292.27	-15,882,154.35
		-9,266,487.75	53,089,665.61
<b>Profit/loss before appropriations and taxes</b>		-75,871,443.41	75,020,557.61
Appropriations			
Change in depreciation differences	6	-2,192,601.34	-29,006,231.44
Group contribution		1,911,000.00	1,000,000.00
Income taxes	8	15,450,321.01	2,664,482.24
<b>Profit/loss for the financial period</b>		-60,702,723.74	49,678,808.41

# Parent company

## Balance sheet

EUR	Note	31.12.2025	31.12.2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>	9		
Intangible assets		4,854,423.37	7,678,883.67
Other intangible assets		342,771.76	403,255.41
Advance payment and construction in progress		26,833,612.07	28,277,699.91
		32,030,807.20	36,359,838.99
<b>Property, plant and equipment</b>	9		
Land and water areas		29,496,021.32	29,920,088.35
Buildings and constructions		150,384,949.39	146,237,007.92
Machinery and equipment		318,493,279.03	307,029,230.84
Other tangible assets		7,686,126.90	6,446,100.52
Advance payment and construction in progress		17,385,406.45	26,669,977.81
		523,445,783.09	516,302,405.44
<b>Investments</b>	10		
Shares in group companies		786,954,892.95	786,632,313.27
Receivables from group companies		124,260,509.43	128,466,313.09
Shares in associated companies		86,429,409.33	86,429,409.33
Other shares and holdings		185,470,986.44	218,984,414.93
		1,183,115,798.15	1,220,512,450.62
<b>Total non-current assets</b>		1,738,592,388.44	1,773,174,695.05
<b>CURRENT ASSETS</b>			
<b>Inventories</b>			
Materials and consumables		65,617,772.74	71,682,844.37
Finished products		110,311,652.04	150,202,175.07
		175,929,424.78	221,885,019.44
<b>Receivables from group companies</b>			
Receivables from group companies			34,907,059.95
Other receivables		346,433.52	
		346,433.52	34,907,059.95
<b>Current receivables</b>	11		
Trade receivables		91,617,200.45	105,360,385.66
Receivables from group companies		154,673,489.01	74,887,353.03
Receivables from associated companies			109,751.16
Other receivable		26,370,068.91	27,109,557.13
Prepayments and accrued income		2,712,136.66	8,933,098.61
		275,372,895.03	216,400,145.59
<b>Total receivables</b>		275,719,328.55	251,307,205.54
<b>Cash and cash equivalents</b>		27,415.07	27,296.58
<b>Total current assets</b>		451,676,168.40	473,219,521.56
<b>TOTAL ASSETS</b>		2,190,268,556.84	2,246,394,216.61

EUR	Note	31.12.2025	31.12.2024
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>	12		
Share capital		557,881,540.40	557,881,540.40
Other reserves			
Reserve for invested unrestricted equity		210,639,481.81	210,639,481.81
Value adjustment reserve		127,845,216.88	137,422,660.27
Profit/loss for previous financial periods		243,531,362.32	218,714,526.78
Profit/loss for the financial period		-60,702,723.74	49,678,808.41
		1,079,194,877.67	1,174,337,017.67
<b>APPROPRIATIONS</b>			
Accumulated depreciation difference	6	231,555,425.88	229,362,824.54
<b>PROVISIONS</b>	13	2,852,860.13	2,438,948.00
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>	15		
Bonds		447,090,112.86	249,769,529.03
Loans from financial institutions		41,176,470.60	152,941,176.48
Advance payments		2,886,629.14	4,904,056.51
Deferred tax liability	8, 14	13,520,460.72	31,378,380.05
Liabilities to group companies		1,346,224.73	
Other liabilities			649,459.11
		506,019,898.05	439,642,601.18
<b>Current liabilities</b>	16		
Commercial papers			29,736,827.38
Loans from financial institutions		11,764,709.43	11,764,706.19
Advance payments		1,989,802.88	4,242,438.42
Trade payables		152,891,878.00	115,303,163.36
Liabilities to group companies		136,278,324.56	184,565,946.37
Other liabilities		5,221,701.40	5,604,941.60
Accruals and deferred income		62,499,078.84	49,394,801.90
		370,645,495.11	400,612,825.22
<b>Total liabilities</b>		876,665,393.16	840,255,426.40
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		2,190,268,556.84	2,246,394,216.61



# Parent company accounts

## Cash flow statement

EUR	1.1.–31.12.2025	1.1.–31.12.2024
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/loss before appropriations and taxes	-75,871,443.41	75,020,557.61
Adjustments to profit/loss a)	110,683,469.59	-21,890,370.91
Interest received	7,765,172.98	19,503,503.73
Interest paid	-13,712,175.47	-15,183,878.02
Dividends received	195.00	54,260,864.27
Other financial items, net	-1,653,782.94	-774,591.35
Income taxes paid	6,669,883.37	-10,362,226.38
Change in net working capital b)	121,128,192.61	-20,951,128.11
<b>Net cash flow from operating activities</b>	<b>155,009,511.73</b>	<b>79,622,730.84</b>
<b>INVESTMENTS</b>		
Acquisition of other shares	-284,503.75	-256,637,168.14
Investments in tangible and intangible assets	-115,431,322.41	-116,869,227.18
Proceeds from other investments	157,000.00	457,944.70
Proceeds from sale of tangible and intangible assets	11,474,299.61	35,040,990.80
Increase and decrease of non-current receivables, net	38,673,411.27	159,491,937.36
<b>Total cash flow from investing activities</b>	<b>-65,411,115.28</b>	<b>-178,515,522.46</b>
<b>CASH FLOW BEFORE FINANCIAL ACTIVITIES</b>	<b>89,598,396.45</b>	<b>-98,892,791.62</b>
<b>Cash flow from financial activities</b>		
Acquisition of own shares	-0.07	
Dividends paid and other profit distribution	-24,861,972.80	-88,758,714.00
Proceeds of non-current interest-bearing liabilities	198,434,808.88	
Payment of non-current interest bearing liabilities	-113,068,173.11	-11,764,705.88
Change in other non-current liabilities	-2,666,886.42	-2,666,886.49
Change in current non-interest bearing liabilities, net	-57,991,569.69	67,991,573.24
Increase or decrease in interest bearing current receivables, net	-91,355,484.77	123,791,628.35
Group contribution	1,911,000.00	1,000,000.00
<b>Net cash flow arising from financing activities</b>	<b>-89,598,277.98</b>	<b>89,592,895.22</b>
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>118.47</b>	<b>-10,299,896.40</b>
Cash and cash equivalents opening balance	27,296.58	10,327,192.96
Change in cash and cash equivalents	118.47	-10,299,896.40
<b>Cash and cash equivalents closing balance</b>	<b>27,415.05</b>	<b>27,296.56</b>
a) Adjustments to profit/loss		
Depreciations and impairment charges	108,155,163.77	61,629,733.62
Financial income and expenses	9,266,487.75	-53,089,665.61
Gains or losses on sale of fixed assets	-7,152,094.06	-30,110,438.92
Change in provisions	413,912.13	-320,000.00
Total	110,683,469.59	-21,890,370.91
b) Change in net working capital		
Inventories	45,955,594.66	-18,894,701.63
Change in current receivables, non-interest bearing	23,034,275.97	-22,268,701.95
Change in current liabilities, non-interest bearing	52,138,321.98	19,212,275.47
Total	121,128,192.61	-21,951,128.11

# Parent company accounting policies

## 1. Accounting policies

### Metsä Board Group

Metsä Board Oyj belongs to Metsä Group, whose parent company is Metsäliitto Cooperative. Metsäliitto Cooperative's registered office is in Helsinki. The Metsä Group prepares consolidated financial statements which are available at the Group's main office at Revontulenpuisto 2 A, FIN-02100 Espoo, Finland.

Metsä Board Oyj's financial statements have been prepared in accordance with Finnish Accounting Standards (FAS).

Metsä Board Oyj has related party transactions in the Metsä Group. Those are described in more detail in the Metsä Board Annual report in section 7.3. Transactions with related parties are based on market prices.

### Foreign currency transactions

Foreign exchange gains and losses have been booked to exchange gains/losses under financial income and expense. Open and actual foreign exchange differences hedging sales are recorded immediately to financial income and expenses in the income statement. Exchange rate differences are recorded in the financial statements with effect on profit.

### Derivative financial instruments

The company uses derivatives only for hedging against currency, interest rate and commodity risks. Derivatives are valued at fair value in accordance with the alternative treatment permitted by Chapter 5, Section 2a of the Accounting Act. The management of financial risks and the principles applied to derivatives are explained in Notes 5.6 and 5.7 to the consolidated financial statements.

The unrealised fair value of cash flow hedges in hedge accounting is recognised in the fair value reserve of the balance sheet to the extent that they are effective. The unrealised fair value of derivatives not in hedge accounting is recognised in the income statement. In addition, the company has recognised deferred tax assets and liabilities as a separate item in the income statement and balance sheet during the financial year.

Metsä Board Oyj applies the fair value option under Chapter 5, Section 2a of the Accounting Act also to the other shares and holdings. Accordingly, the company has classified its shares in Pohjolan Voima Oyj as financial assets at fair value through equity in accordance with IFRS 9 and other equity instruments in financial assets valued at fair value through profit or loss. The principles applied in determining the fair value of shares and the sensitivity of fair value to various valuation factors are described in Note 4.3 to the consolidated financial statements.

### Sales

Sales are calculated after deduction of indirect sales taxes, trade discounts and other items adjusting sales.

### Share-based payments

Share-based payments are booked on the fiscal year when the non cancelable right of the shares for the employee is issued.

### Pensions and pension funding

Statutory pension security is handled by pension insurance companies outside the Group. In addition to statutory pension security, some salaried employees have supplementary pension arrangements which are either insured at Pohjola or are arranged through Metsäliitto Employees' Pension Foundation or are Metsäliitto Employees' Pension Foundation or are an unfunded liability of the company. Pension insurance premiums have been accrued to correspond to the accrual-based wages and salaries given in the financial statements.

### Leasing

Lease payments are treated as rental expenses.

### Income taxes

Tax expenses in the income statement consists of taxes based on the taxable income for the period, taxes for the previous periods and deferred tax assets and liabilities. Deferred tax assets and liabilities are calculated on the temporary differences between the carrying amount and the tax base in accordance with the tax rate issued as at the balance sheet date. Deferred taxes are calculated on the basis of the enacted tax rate.

### Property, plant and equipment and depreciation

The carrying values of property, plant and equipment are based on original acquisition costs less depreciation according to plan and impairment losses.

Depreciation according to plan is based on the estimated useful life of the asset as follows:

Buildings and constructions	20–40 years
Heavy machines of power plants	20–40 years
Other heavy machines	15–20 years
Lightweight machinery and equipment	5–15 years
Other tangible assets	5–10 years

Depreciation is not recorded on the purchase cost of land and water.

### Inventories

Inventories are measured at the lower of cost or net realisable value. FIFO principle is observed in measuring inventories or, alternatively, the weighted average cost method. Value of finished and semi-finished goods comprises raw materials, direct wages and salaries, depreciation and amortisation and other direct cost as well as a reasonable share of variable and fixed production overhead cost calculated at normal level of production. Net realizable value is the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale.

### Provisions

Contingent costs and losses that are no longer generate corresponding income and for which the parent company is obliged or committed and whose monetary value can be reasonably estimated are recognized in the income statement in line with the nature of the expense item and in the mandatory provisions of the balance sheet.

EUR	2025	2024
<b>2. Sales by region</b>		
Finland	111,400,187.04	78,050,794.23
Other EU-countries	577,023,741.74	604,103,539.89
Other European countries	132,025,035.90	152,903,752.20
Other countries	306,854,600.91	420,097,598.96
Total	1,127,303,565.59	1,255,155,685.28
<b>3. Items affecting comparability</b>		
Other operating income		
Materials and services		
Items related to the impairment of the Tako mill	-5,828,874.36	
Personnel expenses		
Cost savings and performance improvement programme	-6,952,600.69	
Items related to the impairment of the Tako mill	-619,478.00	
Depreciation, amortisation and impairment charges		
Impairment of the ERP system renewal project	-35,042,698.00	
Items related to the impairment of the Tako mill	-18,286,035.00	
Other operating expenses		
Write-down of the Kaskinen preliminary study		-7,624,259.37
Cost savings and performance improvement programme	-6,378,012.87	
Items related to the impairment of the Tako mill	-2,351,600.00	
Other items	693,675.05	
Items affecting comparability in operating result	-74,765,623.87	-7,624,259.37
Income taxes	14,953,124.77	1,524,851.87
Items affecting comparability in profit for the financial year	-59,812,499.10	-6,099,407.50
Comparable profit for the financial year	-890,224.64	55,778,215.91
<b>4. Other operating income</b>		
Rental income	1,256,396.52	1,252,022.58
Service revenue	23,937,420.67	19,725,302.03
Gains on disposal	7,858,426.98	30,186,253.48
Government grants and allowances	21,670,582.02	30,193,902.72
Scrap and waste sale	1,134,691.78	276,770.26
Others	3,234,581.83	5,339,933.31
Total	59,092,099.80	86,974,184.38
<b>5. Operating expenses</b>		
<b>External services</b>		
Distribution costs	-130,769,805.11	-150,428,960.54
Other external services	-80,367,053.13	-81,744,413.47
Total	-211,136,858.24	-232,173,374.01
<b>Employee costs</b>		
Wages and salaries for working hours	-63,673,663.77	-59,311,632.92
Share-based payments	-1,035,581.00	-1,481,114.80
Social security expenses		
Pension expenses	-15,839,097.90	-16,211,813.83
Other social security expenses	-28,469,806.86	-26,576,584.38
Total	-109,018,149.53	-103,581,145.93
Share-based fee arrangement is concerning 31.12.2025 31 persons of mother entity Metsä Board Oyj. From earning period 2021–2023 it is possible to earn total 378,813 (brutto), from earning period 2022–2024 total 415,508 (brutto), from earning period 2023–2025 total 426,377 (brutto) and from earning period 2024–2026 total 564,891 (brutto) Metsä Board B-series shares.		
Additional information of salaries, rewards and pension plans to management are presented in Group's Note 3.2. Additional information of share-based payments are presented in Group's Note 3.3.		
The average number of personnel during the financial period in the parent company	1,144	1,237

EUR	2025	2024
<b>Other operating expenses</b>		
Rental and other property costs	-16,951,438.63	-15,576,906.67
Purchases of services	-90,856,357.34	-87,194,347.91
Losses on disposal of non-current assets	-706,332.92	-75,814.56
Other expenses		
Voluntary social costs	-2,809,675.76	-3,117,173.59
Fixed energy costs	-6,202,056.56	-6,408,140.48
Traveling expenses	-1,358,471.78	-1,626,053.86
Insurances	-4,729,848.97	-3,637,836.25
Advertising and marketing expenses	-2,058,199.17	-1,808,716.49
Others	-4,951,237.04	-5,695,900.55
Total	-130,623,618.17	-125,140,890.36
<b>Fees of principal auditor</b>		
Audit fees	-235,400.00	-231,000.00
Auditor's opinions	-10,000.00	-11,385.00
Sustainability audit	-99,360.00	-137,655.00
Other services		-36,157.91
Total	-344,760.00	-416,197.91
The principal auditor is KPMG Oy Ab.		
<b>6. Depreciation and impairment charges</b>		
<b>Planned depreciation</b>		
Intangible rights	-1,122,489.55	-1,135,921.50
Other intangible assets	-60,483.65	-111,612.13
Buildings and constructions	-10,508,825.22	-9,864,043.20
Machinery and equipment	-42,524,575.24	-42,107,917.40
Other tangible assets	-785,155.69	-785,980.02
Total	-55,001,529.35	-54,005,474.25
<b>Impairment on tangible and intangible assets</b>		
Intangible assets	-48,025.59	
Other intangible assets		-7,624,259.37
Advance payments and construction in progress	-35,042,698.00	
Buildings and constructions	-20,015.23	
Machinery and equipment	-18,042,895.60	
Total	-53,153,634.42	-7,624,259.37
Total depreciation and impairment	-108,155,163.77	-61,629,733.62
Change in depreciation difference	-2,192,601.34	-29,006,231.44
Total depreciation	-110,347,765.11	-90,635,965.06
Depreciation difference at the beginning of the financial year	200,356,593.10	200,356,593.10
Change in depreciation differences	29,006,231.44	29,006,231.44
Depreciation difference at the end of the financial year	229,362,824.54	229,362,824.54

EUR	2025	2024
<b>7. Financial income and expenses</b>		
<b>Income from investments in non-current assets</b>		
Dividend income		
From Group companies	38,075.93	54,207,361.04
From others	195.00	94,652.26
Total	38,270.93	54,302,013.30
Interest income on investments in non-current assets		
From Group companies	7,193,802.91	11,805,313.90
Total	7,193,802.91	11,805,313.90
Total income from non-current assets	7,232,073.84	66,107,327.20
<b>Other interest and financial income</b>		
Interest income from Group companies	475,447.51	7,497,025.55
Other interest income	95,922.56	201,164.28
Other financial income	97.08	80,679.03
Total	571,467.15	7,778,868.86
<b>Exchange rate differences recognised in financial income and expenses</b>		
Exchange rate differences on sales	-6,571,995.87	4,077,363.90
Exchange rate differences on purchases	828,671.99	-296,159.97
Exchange rate differences on financing	-2,178,008.58	-8,695,580.03
Exchange rate differences on derivatives	9,347,595.99	
Total	1,426,263.53	-4,914,376.10
<b>Interest and other financial expenses</b>		
Interest expenses for the same group companies	-1,097,684.79	181,144.75
Other interest expenses	-15,998,796.72	-15,446,365.76
Other financial expenses for the same group companies	-20,090.73	
Other financial expenses	-1,379,720.03	-616,933.34
Total interest expenses and other financial expenses	-18,496,292.27	-15,882,154.35
Financial income and expenses total	-9,266,487.75	53,089,665.61
<b>8. Income taxes</b>		
Taxes for previous financial years	-13,227.42	520,766.17
Deferred taxes	15,463,548.42	2,143,716.07
Total	15,450,321.01	2,664,482.24
<b>9. Intangible and tangible assets</b>		
<b>Intangible rights</b>		
Acquisition costs, 1 Jan	48,531,830.01	50,806,946.50
Increases	792,314.60	2,446,259.76
Decreases	-3,140,245.63	-4,804,718.25
Transfers between items		83,342.00
Acquisition costs, 31 Dec	46,183,898.98	48,531,830.01
Accumulated depreciation and impairment charges, 1 Jan	-40,852,946.34	-39,717,024.84
Accumulated depreciation of deductions and transfers	693,985.87	
Depreciation and write-downs for the financial period	-1,122,489.55	-1,135,921.50
Impairments	-48,025.59	
Accumulated depreciation and impairment, 31 Dec	-41,329,475.61	-40,852,946.34
Book value, 31 Dec	4,854,423.37	7,678,883.67
<b>Other intangible assets</b>		
Acquisition costs, 1 Jan	16,464,072.04	8,836,983.38
Increases		668,656.75
Decreases	-16,695.85	
Transfers between items		6,958,431.91
Acquisition costs, 31 Dec	16,447,376.19	16,464,072.04

EUR	2025	2024
Accumulated depreciation and impairment charges, 1 Jan	-16,060,816.63	-8,324,945.13
Accumulated depreciation of deductions and transfers	16,695.85	
Depreciation and write-downs for the financial period	-60,483.65	-111,612.13
Impairments		-7,624,259.37
Accumulated depreciation and impairment, 31 Dec	-16,104,604.43	-16,060,816.63
Book value, 31 Dec	342,771.76	403,255.41
<b>Advance payments and work in progress</b>		
Acquisition costs, 1 Jan	28,277,699.91	8,256,659.20
Increases	33,598,610.16	27,062,814.62
Transfers between items		-7,041,773.91
Impairments	-35,042,698.00	
Acquisition costs, 31 Dec	26,833,612.07	28,277,699.91
<b>Intangible assets total</b>		
Acquisition costs, 1 Jan	93,273,601.96	67,900,589.08
Increases	34,390,924.76	30,177,731.13
Decreases	-38,199,639.48	-4,804,718.25
Acquisition costs, 31 Dec	89,464,887.24	93,273,601.96
Accumulated depreciation and impairment charges, 1 Jan	-56,913,762.97	-48,041,969.97
Accumulated depreciation of deductions and transfers	35,753,379.72	
Depreciation and write-downs for the financial year	-1,182,973.20	-1,247,533.63
Impairments	-35,090,723.59	-7,624,259.37
Accumulated depreciation and impairment charges, 31 Dec	-57,434,080.04	-56,913,762.97
Book value, 31 Dec	32,030,807.20	36,359,838.99
<b>Land and water areas</b>		
Acquisition costs, 1 Jan	29,920,108.55	30,046,800.51
Increases	16,603.60	
Decreases	-454,701.50	-125,833.63
Transfers between items	14,025.00	-858.33
Acquisition costs, 31 Dec	29,496,035.65	29,920,108.55
Accumulated depreciation and impairment charges, 1 Jan	-20.20	-20.20
Accumulated depreciation of deductions and transfers	5.87	
Accumulated depreciation and impairment on, 31 Dec	-14.33	-20.20
Book value, 31 Dec	29,496,021.32	29,920,088.35
<b>Buildings and constructions</b>		
Acquisition costs, 1 Jan	362,926,942.20	349,321,797.65
Increases	10,709,323.32	11,275,661.01
Decreases	-4,010,116.82	-186,016.75
Transfers between items	4,475,574.26	2,515,500.29
Acquisition costs, 31 Dec	374,101,722.96	362,926,942.20
Accumulated depreciation and impairment charges, 1 Jan	-216,689,934.28	-207,011,907.83
Accumulated depreciation of deductions and transfers	3,502,001.16	186,016.75
Depreciation and write-downs for the financial year	-10,508,825.22	-9,864,043.20
Tilikauden poistot	-20,015.23	
Arvon alentumiset	-223,716,773.57	-216,689,934.28
Book value, 31 Dec	150,384,949.39	146,237,007.92
<b>Machinery and equipment</b>		
Acquisition costs, 1 Jan	1,442,052,518.24	1,357,541,964.65
Increases	55,778,347.01	52,538,316.44
Decreases	-56,420,895.55	-4,684,968.66
Transfers between items	17,023,671.63	36,657,205.81
Acquisition costs, 31 Dec	1,458,433,641.33	1,442,052,518.24
Accumulated depreciation and impairment charges, 1 Jan	-1,135,023,287.40	-1,097,600,338.66
Accumulated depreciation of deductions and transfers	55,650,395.94	4,684,968.66
Depreciation and write-downs for the financial year	-42,524,575.24	-42,107,917.40



EUR	2025	2024
Arvonalentumiset	-18,042,895.60	
Accumulated depreciation and impairment on, 31 Dec	-1,139,940,362.30	-1,135,023,287.40
Book value, 31 Dec	318,493,279.03	307,029,230.84
<b>Other tangible assets</b>		
Acquisition costs, 1 Jan	15,079,359.33	14,682,292.06
Increases	1,810,333.65	236,903.55
Transfers between items	214,848.42	160,163.72
Acquisition costs, 31 Dec	17,104,541.40	15,079,359.33
Accumulated depreciation and impairment charges, 1 Jan	-8,633,258.81	-7,847,278.79
Depreciation and write-downs for the financial year	-785,155.69	-785,980.02
Accumulated depreciation and impairment on, 31 Dec	-9,418,414.50	-8,633,258.81
Book value, 31 Dec	7,686,126.90	6,446,100.52
<b>Advance payments and work in progress</b>		
Acquisition costs, 1 Jan	26,669,977.81	43,361,374.25
Increases	12,725,790.07	22,640,615.05
Transfers between items	-22,010,361.43	-39,332,011.49
Acquisition costs, 31 Dec	17,385,406.45	26,669,977.81
<b>Total property, plant and equipment</b>		
Acquisition costs, 1 Jan	1,876,648,906.13	1,794,954,229.12
Increases	81,040,397.65	86,691,496.05
Decreases	-60,885,713.87	-4,996,819.04
Transfers between items	-282,242.12	
Acquisition costs, 31 Dec	1,896,521,347.79	1,876,648,906.13
Accumulated depreciation and impairment charges, 1 Jan	-1,360,346,500.69	-1,312,459,545.48
Accumulated depreciation of deductions and transfers	59,152,402.97	4,870,985.41
Depreciation and write-downs for the financial year	-53,818,556.15	-52,757,940.62
Impairments	-18,062,910.83	
Accumulated depreciation and impairment on, 31 Dec	-1,373,075,564.70	-1,360,346,500.69
Book value, 31 Dec	523,445,783.09	516,302,405.44
<b>10. Investments</b>		
<b>Shares in Group companies</b>		
Acquisitions costs, 1 Jan	786,632,313.27	529,953,996.10
Increases	322,579.68	256,678,317.17
Acquisitions costs, 31 Dec	786,954,892.95	786,632,313.27
<b>Shares in participating companies</b>		
Acquisitions costs, 1 Jan	86,429,409.33	86,429,409.33
Acquisitions costs, 31 Dec	86,429,409.33	86,429,409.33
<b>Other shares and holdings</b>		
Acquisitions costs, 1 Jan	218,984,414.93	253,698,707.84
Decreases	-33,513,428.49	-34,620,000.00
Transfers between items		-94,292.91
Acquisitions costs, 31 Dec	185,470,986.44	218,984,414.93
<b>Total invesments and holdings</b>		
Acquisitions costs, 1 Jan	1,092,046,137.53	870,082,113.27
Increases	322,579.68	256,678,317.17
Decreases	-33,513,428.49	-34,620,000.00
Transfers between items		-94,292.91
Acquisitions costs, 31 Dec	1,058,855,288.72	1,092,046,137.53
<b>Receivables from Group companies</b>		
Acquisitions costs, 1 Jan	128,466,313.09	288,654,833.04
Increases		1,758,026.47
Decreases	-4,205,803.66	-161,946,546.42
Acquisitions costs, 31 Dec	124,260,509.43	128,466,313.09

EUR	2025	2024
<b>Other receivables</b>		
Acquisitions costs, 31 Dec		
<b>Receivables total</b>		
Acquisitions costs, 1 Jan	128,466,313.09	288,654,833.04
Increases		1,758,026.47
Decreases	-4,205,803.66	-161,946,546.42
Acquisitions costs, 31 Dec	124,260,509.43	128,466,313.09
<b>Investments total</b>		
Acquisitions costs, 1 Jan	1,220,512,450.62	1,158,736,946.31
Increases	322,579.68	258,436,343.64
Decreases	-37,719,232.15	-196,566,546.42
Transfers between items		-94,292.91
Acquisitions costs, 31 Dec	1,183,115,798.15	1,220,512,450.62

## 11. Receivables

<b>Non-current receivables</b>		
Receivables from group companies		
Loans receivables		34,907,059.95
Other receivables	346,433.52	
Total	346,433.52	34,907,059.95
<b>Total non-current receivables</b>	346,433.52	34,907,059.95
<b>Current receivables</b>		
Receivables from group companies		
Trade receivables	45,628,138.88	63,202,824.37
Loans receivables	91,355,484.77	
Other receivables	266,549.37	-81,766.32
Prepayments and accrued income	17,423,315.99	11,766,294.98
Total	154,673,489.01	74,887,353.03
Receivables from associated companies		
Trade receivables		109,751.16
Total		109,751.16
Receivables from others		
Trade receivables	91,537,624.86	105,302,686.62
Other receivables	26,449,644.50	27,167,256.17
Prepayments and accrued income	2,712,136.66	8,933,098.61
Total	120,699,406.02	141,403,041.40
<b>Total current receivables</b>	275,372,895.03	216,400,145.59
Accrued income from group companies, current, specification		
Derivatives	8,315,225.00	9,220,024.44
Accrued interests	9,108,090.99	2,546,270.54
Total	17,423,315.99	11,766,294.98
Accrued income from others, current, specification		
Tax accrual		6,532,659.92
Accrued personnel costs	84,951.81	28,798.15
Energy and other taxes	1,717,401.56	1,010,269.05
Others	909,783.29	1,361,371.49
Total	2,712,136.66	8,933,098.61
<b>Total receivables</b>	275,719,328.55	251,307,205.54

EUR	2025	2024
<b>12. Shareholders' equity</b>		
<b>Restricted equity</b>		
Share capital, 1 Jan		
A-shares	51,788,806.85	51,788,806.85
B-shares	506,092,733.55	506,092,733.55
Total	557,881,540.40	557,881,540.40
Share capital, 31 Dec		
A-shares	51,788,806.85	51,788,806.85
B-shares	506,092,733.55	506,092,733.55
Total	557,881,540.40	557,881,540.40
Fair value reserve, 1 Jan	137,422,660.27	195,273,187.14
Changes	-9,577,443.39	-57,850,526.87
Fair value reserve, 31 Dec	127,845,216.88	137,422,660.27
Restricted equity total	685,726,757.28	695,304,200.67
<b>Unrestricted equity</b>		
Reserve for invested unrestricted equity, 1 Jan	210,639,481.81	210,639,481.81
Reserve for invested unrestricted equity, 31 Dec	210,639,481.81	210,639,481.81
Retained earnings, 1 Jan	268,393,335.19	308,243,195.50
Acquisition of own shares		-769,954.72
Dividends	-24,861,972.80	-88,758,714.00
Profit for the financial period	-60,702,723.74	49,678,808.41
Retained earnings, 31 Dec	182,828,638.58	268,393,335.19
Unrestricted equity total	393,468,120.39	479,032,817.00
Equity total, 31 Dec	1,079,194,877.67	1,174,337,017.67
<b>Distributable funds</b>		
Reserve for invested unrestricted equity	210,639,481.81	210,639,481.81
Profit from previous financial periods	243,531,362.32	218,714,526.78
Profit for the financial period	-60,702,723.74	49,678,808.41
Distributable funds	393,468,120.39	479,032,817.00

EUR	2025	2024
<b>13. Mandatory provisions</b>		
Provisions for pension		
1 Jan	738,948.00	738,948.00
31 Dec	738,948.00	738,948.00
Provision for unemployment pension costs		
Increases	748,296.87	
31 Dec	748,296.87	
Provision for Restructuring		
Increases	665,615.26	
31 Dec	665,615.26	
Provisions for environmental obligations		
1 Jan	1,700,000.00	2,020,000.00
Utilised during the year		-320,000.00
Reversals of unutilised provisions	-1,000,000.00	
31 Dec	700,000.00	1,700,000.00
Total provisions		
1 Jan	2,438,948.00	2,758,948.00
Increase	1,413,912.13	
Utilised during the year		-320,000.00
Reversals of unutilised provisions	-1,000,000.00	
31 Dec	2,852,860.13	2,438,948.00
<b>14. Deferred tax assets and liabilities</b>		
Deferred tax assets		
Mandatory provisions	570,572.03	487,789.60
Taxable losses	17,588,482.00	2,207,716.07
Financial instruments		3,724,087.33
Total	18,159,054.03	6,419,593.00
Deferred tax liabilities		
Valuation of Pohjolan Voima Oyj shares at fair value	31,098,773.05	37,797,973.05
Financial instruments	580,741.69	
Total	31,679,514.74	37,797,973.05
Deferred tax assets (+) and liabilities (-), net	-13,520,460.72	-31,378,380.05

The deferred tax liability for accrued depreciation in 2025 was EUR 45.9 million (40.1).

<b>15. Non-current liabilities</b>		
Liabilities to group companies		
Accruals		
Derivatives	1,346,224.73	
Total	1,346,224.73	
Other liabilities		
Bonds	447,090,112.86	249,769,529.03
Loans from financial institutions	41,176,470.60	152,941,176.48
Government grants	432,972.63	649,459.11
Deferred tax liabilities	13,520,460.72	31,378,380.05
Advance payments	2,453,656.51	4,904,056.51
Total	504,673,673.32	439,642,601.18
Non-current liabilities total	506,019,898.05	439,642,601.18

## Bond and debentures

Bond	Nominal value	Interest %	2025	2024
2017–2027	250,000,000.00	2.75	249,853,483.00	249,769,529.03
2025–2031	200,000,000.00	3.875	197,236,629.85	

In September 2017, Metsä Board Corporation issued a bond amounting to EUR 250 million, and in May 2025, a green bond (Green Bond) amounting to EUR 200 million. Both bonds are senior unsecured obligations.

## Non-current liabilities and repayment

	Liabilities to group companies	Bonds	Loans from financial institutions	Other loans	Total
2026			11,764,705.88		11,764,705.88
2027		250,000,000.00	11,764,705.88		261,764,705.88
2028			11,764,705.88		11,764,705.88
2029			11,764,705.88		11,764,705.88
2030			5,008,785.52		5,008,785.52
2031–		200,000,000.00			200,000,000.00
Total		450,000,000.00	52,067,609.04		502,067,609.04

EUR	2025	2024
<b>16. Current liabilities</b>		
Liabilities from Group companies		
Borrowings	40,000,000.00	68,254,745.55
Trade payables	88,883,488.74	84,438,479.33
Accruals and deferred income	7,394,835.82	31,872,721.49
Total	136,278,324.56	184,565,946.37
Liabilities from other		
Commercial papers		29,736,827.38
Loans from financial institutions	11,764,709.43	11,764,706.19
Advance payment	1,989,802.88	4,242,438.42
Trade payables	152,891,878.00	115,303,163.36
Other liabilities	5,221,701.40	5,604,941.60
Accruals and deferred income	62,499,078.84	49,394,801.90
Total	234,367,170.55	216,046,878.85
Total current liabilities	370,645,495.11	400,612,825.22
Accruals and deferred income to group companies, current, specification		
Derivatives	5,304,355.42	29,695,969.98
Others	2,090,480.40	2,176,751.51
Total	7,394,835.82	31,872,721.49
Accruals and deferred income, current, external		
Personnel expenses	19,317,102.98	21,592,626.00
Accruals of purchases	14,319,875.53	10,804,493.38
Discounts	13,874,526.64	12,371,680.54
Interests	6,379,950.20	2,995,644.16
Taxes		-150,450.85
Others	8,607,623.49	1,780,808.67
Total	62,499,078.84	49,394,801.90

## 17. Financial Instruments

### Financial derivatives 2025

EUR	Nominal value	Fair value			Fair value	
		Derivative assets	Derivative liabilities	Total	Fair value through profit and loss	Fair value through fair value reserve
Interest rate swaps	100,000,000.00		1,346,224.73	-1,346,224.73	-1,346,224.73	
total interest rate derivatives	100,000,000.00		1,346,224.73	-1,346,224.73	-1,346,224.73	
Currency forward agreements	933,219,247.59	8,156,717.82	3,387,391.18	4,769,326.64	107,137.96	4,662,188.68
Currency option agreements	51,553,661.77	158,507.18	58,327.74	100,179.44		100,179.44
Currency derivatives total	984,772,909.36	8,315,225.00	3,445,718.92	4,869,506.08	107,137.96	4,762,368.12
Oil derivatives	12,825,783.60		1,552,620.71	-1,552,620.71		-1,552,620.71
Other commodity derivatives	2,960,266.80		306,015.79	-306,015.79		-306,015.79
Commodity derivatives	15,786,050.40		1,858,636.50	-1,858,636.50		-1,858,636.50
Derivatives total	1,100,558,959.76	8,315,225.00	6,650,580.15	1,664,644.85	-1,239,086.77	2,903,731.62

### Financial derivatives 2024

EUR	Nominal value	Fair value			Fair value	
		Derivative assets	Derivative liabilities	Total	Fair value through profit and loss	Fair value through fair value reserve
Interest rate swaps	50,000,000.00	272,533.85		272,533.85		272,533.85
Total interest rate derivatives	50,000,000.00	272,533.85		272,533.85		272,533.85
Currency forward agreements	1,326,967,934.39	5,171,647.53	25,443,263.43	-20,271,615.90	-1,855,491.53	-18,416,124.37
Currency option agreements	496,623,260.53	24,863.30	4,069,940.11	-4,045,076.81		-4,045,076.81
Currency derivatives total	1,823,591,194.92	5,196,510.83	29,513,203.54	-24,316,692.71	-1,855,491.53	-22,461,201.18
Oil derivatives	16,838,558.40	835,515.21	182,766.44	652,748.77		652,748.77
Other commodity derivatives	11,137,026.00	2,915,464.55		2,915,464.55		2,915,464.55
Commodity derivatives	27,975,584.40	3,750,979.76	182,766.44	3,568,213.32		3,568,213.32
Derivatives total	1,901,566,779.32	9,220,024.44	29,695,969.98	-20,475,945.54	-1,855,491.53	-18,620,454.01

All derivative agreements of Metsä Board Oyj have been entered into for hedging purpose, and cash flow hedge accounting has been applied in major part of the agreements. Only the part of currency derivatives designated as hedges of trade receivables and trade payables is not directed to hedge accounting. Interest rate derivatives are interest rate swaps maturing in 1–2 years and entered into to hedge the floating rate interest payments. Currency derivatives contracts concluded to hedge currency cash flows mature fully during 2025. Commodity derivatives are natural gas forwards and fuel oil forwards directed to hedge the cash flows arising from purchases of these commodities. Commodity forwards mature fully during 2025. A more detailed description of financial risk management and the principles applied to derivative contracts is included in note 5.6 and 5.7 of the consolidated Group accounts.



## The fair value hierarchy of financial assets and liabilities 2025

EUR	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other shares and holdings			185,470,986.44	185,470,986.44
Derivative financial assets		8,315,225.00		8,315,225.00
Financial liabilities measured at fair value				
Derivative financial liabilities	1,858,636.50	4,791,943.65		6,650,580.15

## The fair value hierarchy of financial assets and liabilities 2024

EUR	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other shares and holdings			218,984,414.93	218,984,414.93
Derivative financial assets	3,750,979.76	5,469,044.68		9,220,024.44
Financial liabilities measured at fair value				
Derivative financial liabilities	182,766.44	29,513,203.54		29,695,969.98

The principles applied to classification of financial assets and liabilities valued at fair value are described in Notes 5.6 and 5.7 of the Metsä Board consolidated financial statements.

## 18. Disputes, legal proceedings and commitments

### Disputes and legal proceedings

Disputes are presented in Note 8.1 of the consolidated financial statements.

### Commitments and contingencies

EUR	2025	2024
For own and for affiliated companies		
Guarantees and counter-indemnities	5,257,522.76	1,158,128.60
Leasing commitments		
Payments due in following 12 months	3,603,234.31	2,161,321.87
Payments due later than 1 year	5,329,039.61	7,435,595.59
Total		
Guarantees	5,257,522.76	1,158,128.60
Leasing commitments	8,932,273.92	9,596,917.46
Total commitments	14,189,796.68	10,755,046.06
Investment commitments		
Payments due in following 12 months	915,051.11	1,393,937.56
Payments due later than 1 year	609,036.75	389,588.48
Total	1,524,087.86	1,783,526.04

## 19. Shares and holdings

Shares and holdings are presented in Note 7.1. of consolidated financial statements.

## Electricity business

### Accounting principles

According to the Electricity Market Act, a company operating in the electricity market must separate its electricity business from its other business operations. Separation means that for each financial period, an income statement and balance sheet must be prepared for the separated electricity business operations. The Ministry of Trade and Industry's decree includes more detailed provisions regarding the separation. The electricity business was transferred to Metsäliitto Cooperative at the end of 2023. For the financial year 2025, no separate income statement or balance sheet has been prepared for the electricity business. The electricity business has been considered immaterial, as its revenue was below EUR 500,000.

# The Board's proposal to the Annual General Meeting for the distribution of funds

The distributable funds of the company are EUR 393,468,120.39 of which retained earnings constitute EUR 243,531,362.32 and profit for the period EUR -60,702,723.74.

The Board of Directors proposes the following to the Annual General Meeting regarding the distribution of funds:

No dividend payment

To be left in the unrestricted shareholders' equity	393,468,120.39
Distributable funds of the company	393,468,120.39

No material changes have been taken place in respect of the company's financial position after the balance sheet date.

## Confirmation of the Board of Directors and the CEO

We confirm that

- the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the financial statements of the parent company prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the management report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face and
- that the sustainability statement within management report is prepared in accordance with sustainability reporting standards referred to in Chapter 7 of the Accounting Act and with the Article 8 of Taxonomy Regulation.

Espoo 5 February 2026

Jussi Vanhanen

Jussi Linnaranta

Leena Craelius

Raija-Leena Hankonen-Nybom

Mari Kiviniemi

Jukka Moisio

Mikko Mäkimattila

Juha Vanhainen

Esa Kaikkonen  
CEO

# Auditor's Report

To the Annual General Meeting of Metsä Board Corporation

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Metsä Board Corporation (business identity code 0635366-7) for the year ended 31 December, 2025. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in

compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.4 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing, and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

THE KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
<b>Valuation of tangible and intangible assets (Refer to notes 4.1 and 4.2 to the consolidated financial statements)</b>	
<p>Tangible and intangible assets total EUR 1,311 million.</p> <p>The group's business operations are capital intensive with valuation risk in tangible and intangible assets. Tangible and intangible assets are allocated to cash-generating units and tested for impairment annually or more frequently should there be an indication of impairment using discounted cash flow model.</p> <p>Determining the key assumptions used in the cash flow forecasts underlying the impairment tests requires management judgment.</p> <p>Due to the significant carrying values involved, valuation of tangible and intangible assets is determined a key audit matter.</p>	<p>Our audit procedures included evaluation of the appropriateness of the capitalization and depreciation principles applied as well as testing of the financial controls over investments.</p> <p>We assessed and challenged the key assumptions used in the impairment tests by reference to the budgets approved by the parent company's Board of Directors, data external to the Group and our own views. We involved KPMG valuation specialists when assessing the mathematical accuracy of the calculations, as well as comparing the assumptions to externally available market and industry data.</p> <p>In addition, we considered the appropriateness of the disclosures regarding the tangible and intangible assets.</p>
<b>Revenue recognition (Refer to note 2.2 to the consolidated financial statements)</b>	
<p>The Group's total revenue consist mainly of sales from produced paper board and pulp products. The Group has several pricing and discount principles, and incoterms in use.</p> <p>The revenue is recognized from the sales of goods in the period during which the control of the delivered products is transferred to the customer in accordance with the agreed term of delivery.</p> <p>Due to the significant volume and the risk of revenue recognized to incorrect period, revenue recognition is determined a key audit matter</p>	<p>We obtained an understanding of the revenue recognition principles and practices. We evaluated the accounting policies applied by reference to IFRS standards.</p> <p>Our audit procedures included testing of the effectiveness of controls and substantive procedures over revenue transactions and approvals.</p> <p>Our substantive procedures included revenue cut-off testing and vouching of sales invoices to received payments.</p> <p>In addition, we assessed the accounting policies and disclosures related to presentation of revenue recognition.</p>
<b>Valuation of inventories (Refer to note 4.4 to the consolidated financial statements)</b>	
<p>Inventory management, stocktaking routines and pricing of inventories are key factors in the valuation of inventories. The Group's carrying value of inventories was EUR 374 million at the end of the financial year.</p> <p>The valuation of inventories involves management estimates in relation to potentially obsolete inventory, as well as to fluctuations in the market prices of finished goods.</p> <p>The valuation of inventories has a significant impact on the profit and loss account and therefore it is determined as a key audit matter.</p>	<p>We evaluated the accounting policies by reference to IFRS standards.</p> <p>We tested the controls over inventory management, accuracy of inventory amounts and valuation of inventories, as well as performed substantive audit procedures relating to the valuation of inventories to test the accuracy of inventory valuation.</p> <p>We also followed the execution of certain stocktaking routines during the financial year.</p>
We have not identified other key audit matters relating to the financial statement of the parent company	

## **Responsibilities of the Board of Directors and the Managing Director for the Financial Statements**

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Reporting Requirements

### Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 28 March 2012, and our appointment represents a total period of uninterrupted engagement of 14 years.

### Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Other opinions

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act. We support that the Board of Directors of the parent company and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki, February 5, 2026

KPMG OY AB  
Audit Firm

**Kirsi Jantunen**  
Authorized Public Accountant, KHT



# Assurance Report on the Sustainability Statement

To the Annual General Meeting of Metsä Board Corporation

To the Annual General Meeting of Metsä Board Corporation

We have performed a limited assurance engagement on the group sustainability statement of Metsä Board Corporation (business identity code 0635366-7) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.–31.12.2025.

## Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Metsä Board Corporation has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

## Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorized Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Authorized Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Metsä Board Corporation are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

## Inherent Limitations in the Preparation of a Sustainability Statement

Preparing a group sustainability statement requires a company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

When reporting forward-looking information in accordance with ESRS standards, a company's management is required to make assumptions about possible future events, and to disclose the company's possible future actions in relation to those events, as well as to prepare the forward-looking information based on these assumptions. Actual results are likely to differ because forecasted events often do not occur as expected.

## Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We interviewed the management of Metsä Board Corporation and persons responsible for collecting and preparing the information contained in the group sustainability statement at the group level and in subsidiaries, as well as at different levels and business areas of the organization.
- Regarding the double materiality assessment process, we assessed the implementation of the process carried out by the company and the information disclosed on the double materiality assessment process in relation to the requirements of the ESRS standards.
- Through interviews we gained understanding of the group's key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the group's internal guidelines and operating principles relevant to the sustainability information disclosed in the group sustainability statement.
- We got acquainted with the background documentation and documents prepared by the company, as applicable, and assessed whether they support the information included in the group sustainability statement.
- We conducted site visits to selected sites.
- We assessed the information disclosed on material sustainability matters in the group sustainability statement in relation to the requirements of the ESRS standards.
- In relation to the EU taxonomy information, we gained understanding about the process by which the company has defined taxonomy eligible and taxonomy aligned activities, and assessed the regulatory compliance of the information provided.

Helsinki, February 5, 2026

KPMG OY AB  
Authorized Sustainability Audit Firm

**Kirsi Jantunen**  
Authorized Sustainability Auditor, KRT

# Shares and shareholders

## Metsä Board's shares

Metsä Board's shares are listed on Nasdaq Helsinki. On 31 December 2025, the Company's share capital was EUR 557,881,540.40. Metsä Board has two share series. At the end of 2025, there were 32,802,175 A shares and 322,710,571 B shares. Each A share carries twenty (20) votes, and each B share one (1) vote at the Annual General Meeting. All shares carry the same right to dividends. Metsä Board's A shares can be converted to B shares if a shareholder or a representative of the nominee registered shares makes a written request for the conversion to the Company. There were no share conversions in 2025.

## Dividend policy

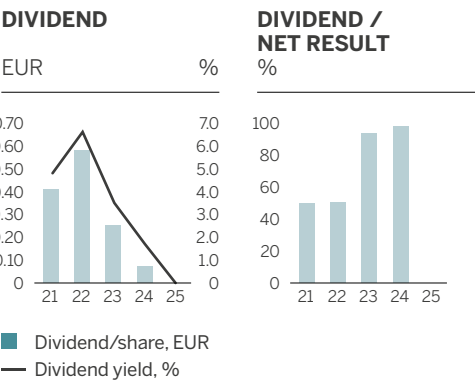
Metsä Board aims to distribute a dividend of at least half the result for the financial period over time, taking the Company's future investment and development needs into account. The Board of Directors proposes that no dividend be paid for the 2025 financial year.

## Treasury shares

At the end of the financial period, Metsä Board held 360,802 of its own B shares.

## Board of Directors' authority to issue shares

The AGM resolved to authorise the Board of Directors to decide on the issuance of shares, the transfer of treasury shares and the issuance of special rights referred to in chapter 10, section 1 of the Finnish Companies Act. The authorisation applies to B-shares. By virtue of the authorisation the Board is entitled to issue up to 35,000,000 new B-series shares, including shares to be issued pursuant to rights entitling to shares. The number of shares corresponds to approximately 10% of all current shares. The authorisation is effective until 30 June 2026. The authorisation was fully unused on 31 December 2025.



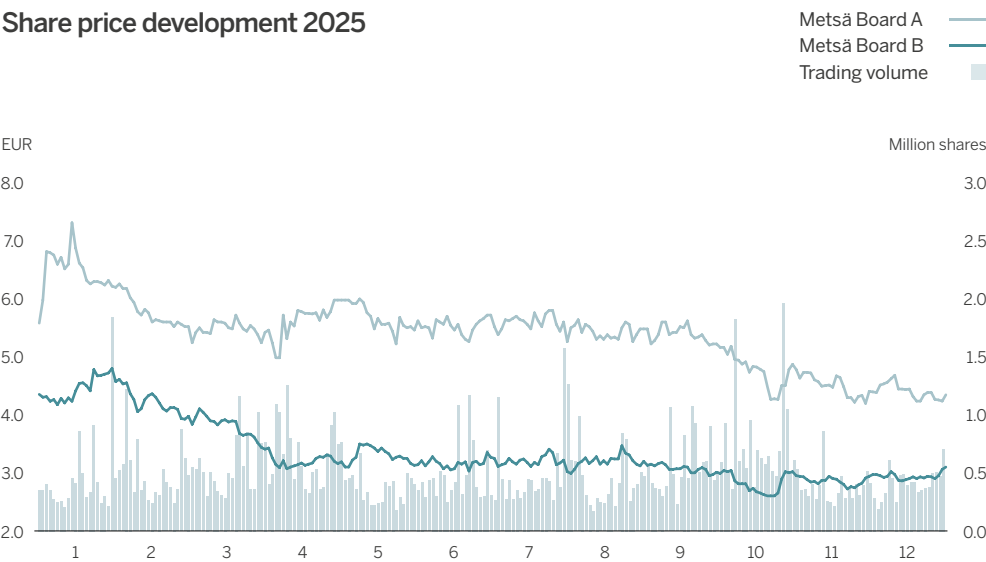
## Basic information on Metsä Board's shares

	Metsä Board's A share	Metsä Board's B share
Listing	Nasdaq Helsinki	Nasdaq Helsinki
Date of listing	2 January 1987	2 January 1987
Market cap segment	Large Cap	Large Cap
Ticker symbol	METSA	METSB
ISIN code	FI0009000640	FI0009000665
Reuters code	METSA.HE	METSB.HE
Bloomberg code	METSA FH	METSB FH
Number of shares 31 Dec 2025	32,802,175	322,710,571

## Trading on the Nasdaq Helsinki in 2025 (2024)

	Metsä Board's A share	Metsä Board's B share
Closing price on 31 December, EUR	4.36 (5.60)	3.11 (4.24)
Lowest price, EUR	4.10 (5.40)	2.56 (3.97)
Highest price, EUR	7.38 (9.62)	4.83 (8.11)
Average daily trading volume, no. of shares	2,900 (2013)	510,500 (379,162)
Total trading volume, no. of shares	728,993 (505,146)	127,632,984 (95,169,558)
Market capitalisation, EUR million	143 (184)	1,004 (1,369)

## Share price development 2025



Source: Euroland <https://www.metsagroup.com/metsaboard/investors/share-tools/share-monitor/>

## Major shareholders, 31 December 2025 <sup>1) 2)</sup>

Shareholders		A series	B series		Total shares		Total votes
		No. of shares	No. of shares	No. of shares	%	No. of shares	
1	Metsäliitto Cooperative	25,767,605	158,502,147	184,269,752	51.83	673,854,247	68.85
2	Varma Mutual Pension Insurance Company	2,203,544	15,041,485	17,245,029	4.85	59,112,365	6.04
3	Ilmarinen Mutual Pension Insurance Company	1,243,635	9,040,000	10,283,635	2.89	33,912,700	3.46
4	Elo Mutual Pension Insurance Company	0	5,773,000	5,773,000	1.62	5,773,000	0.59
5	Etola Erkki Olavi	0	4,800,000	4,800,000	1.35	4,800,000	0.49
6	The State Pension Fund	0	3,400,000	3,400,000	0.96	3,400,000	0.35
7	Evli Finnish Small Cap Fund	0	2,520,000	2,520,000	0.71	2,520,000	0.26
8	Etola Group Oy	0	2,000,000	2,000,000	0.56	2,000,000	0.20
9	Etola Markus Eeriki	0	1,600,000	1,600,000	0.45	1,600,000	0.16
10	Etola Mikael Kristian	0	1,500,000	1,500,000	0.42	1,500,000	0.15
11	Säästöpankki Small Cap Mutual Fund	0	1,329,211	1,329,211	0.37	1,329,211	0.14
12	Evli Hannibal Fund	0	1,275,028	1,275,028	0.36	1,275,028	0.13
13	Säästöpankki Kotimaa Mutual Fund	0	1,192,600	1,192,600	0.34	1,192,600	0.12
14	Laakkonen Mikko Kalervo	0	1,000,000	1,000,000	0.28	1,000,000	0.10
15	Arpera Oy	0	937,855	937,855	0.26	937,855	0.10
16	S-Stock Oy	0	937,855	937,855	0.26	937,855	0.10
17	Danske Invest Finnish Equity Fund	0	873,201	873,201	0.25	873,201	0.09
18	Aktia Capital Mutual Fund	0	854,841	854,841	0.24	854,841	0.09
19	Maa- ja Metsätaloustuottajain Keskusliitto MTK ry	576,543	201,852	778,395	0.22	11,732,712	1.20
20	OP-Henkivakuutus Ltd.	0	716,113	716,113	0.20	716,113	0.07

<sup>1)</sup> Shareholders in the book entry system

<sup>2)</sup> Ownership information is as recorded in the book-entry account, i.e. taking into account the settlement date (T+2)

Supplied by Euroland <https://www.metsagroup.com/metsaboard/investors/share-information/major-shareholders/>

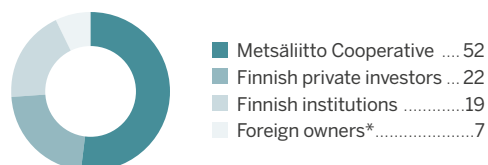
## Shares

		A-series				B-series			
Number of shares	Shareholders	%	Shares	%	Shareholders	%	Shares	%	
1-10	2,330	21.44	11,859	0.04	4,996	7.64	29,809	0.01	
11-100	4,418	40.65	220,065	0.67	17,981	27.50	935,262	0.29	
101-1,000	3,611	33.22	1,270,990	3.88	29,517	45.15	11,922,167	3.69	
1,001-10,000	486	4.47	1,125,573	3.43	11,722	17.93	33,288,164	10.32	
10,001-100,000	20	0.18	382,361	1.17	1,067	1.63	24,389,127	7.56	
100,001-	4	0.04	29,791,327	90.82	95	0.15	252,146,042	78.13	
Total	10,869	100.00	32,802,175	100.00	65,378	100.00	322,710,571	100.00	

## Split of shareholding and voting rights, 31 December 2025

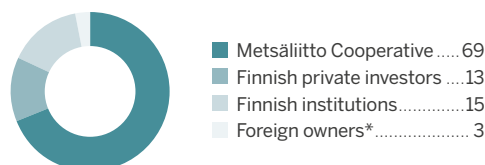
### SPLIT OF SHAREHOLDING

%



### SPLIT OF VOTING RIGHTS

%



\* includes nominee registered

## Price development and number of shares

		2025	2024	2023	2022	2021
<b>Adjusted share prices, EUR</b>						
A share	high	4.83	9.62	13.05	10.50	11.00
	low	2.56	5.40	7.48	7.66	8.50
	closing	3.11	5.60	7.80	10.15	9.38
	average	3.35	7.80	10.06	9.48	9.48
B share	high	7.38	8.11	13.05	10.49	11.01
	low	4.10	3.97	7.48	7.09	7.50
	closing	4.36	4.24	7.80	8.77	8.61
	average	5.26	7.19	10.06	8.73	9.14
<b>Trading volume at Nasdaq Helsinki, number of shares</b>						
A share		728,993	505,146	535,219	849,346	1,802,589
% of total number of shares		2.2	1.5	1.6	2.6	5.5
B share		127,632,984	95,169,558	117,021,973	87,832,699	98,057,575
% of average number of shares		39.6	29.5	36.3	27.2	30.4
<b>Number of shares at year end</b>						
A share		32,802,175	32,802,175	32,802,175	32,802,175	32,802,175
B share		322,710,571	322,710,571	322,710,571	322,710,571	322,710,571
Total		355,512,746	355,512,746	355,512,746	355,512,746	355,512,746
Number of shares at year end		355,142,201	354,991,386	354,750,822	355,359,331	355,512,746
Market capitalisation at year end, EUR million		1,147.3	1,552.6	2,576.1	3,161.5	3,086.2
Number of shareholders, B shares		65,378	63,714	62,501	56,887	54,904

## Key figures

EUR million	2025	2024	2023	2022	2021
<b>Earnings per share</b>					
Result before tax	-186.9	51.4	120.9	524.9	365.8
– Income taxes	22.3	-12.0	-19.3	-63.5	-51.8
= Result for the period	-164.6	39.4	101.6	461.4	314.0
– Average number of shares	355,142,201	354,991,386	354,750,822	355,359,331	355,512,746
Earnings per share, basic and diluted, EUR	-0.44 <sup>1)</sup>	0.07	0.27	1.15	0.82
Shareholders' equity per share, EUR	4.48	4.91	5.35	5.86	4.78
Dividend per share, EUR	<sup>1)</sup>	0.07	0.25	0.58	0.41
Payout ratio, %		98.1	93.5	50.4	49.9

Metsä Board shares have no nominal value.

Dividend yield, % of closing price					
A share	<sup>1)</sup>	1.3	3.2	5.7	4.4
B share	<sup>1)</sup>	1.7	3.5	6.6	4.8
Price/earning ratio (P/E ratio)					
A share	-9.9	78.4	29.2	8.8	11.4
B share	-7.1	59.4	26.9	7.6	10.5
Price to book value (P/BV), %					
A share	97.4	114.1	145.9	173.2	196.2
B share	69.4	86.4	134.5	149.6	180.1

<sup>1)</sup> The Board of Directors proposes that no dividend be paid for the 2025 financial year.

# Ten years in figures

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Income statement, EUR million</b>										
Sales	1,776	1,938	1,942	2,479	2,084	1,890	1,932	1,944	1,849	1,720
- change, %	-8.4	-0.2	-21.7	19.0	10.3	-2.2	-0.1	5.2	7.5	-14.3
EBITDA, comparable	30	175	216	603	472	316	279	344	289	231
- % of sales	1.7	9.0	11.1	24.3	22.7	16.7	14.4	17.7	15.6	13.4
Operating result	-170	62	121	532	376	227	181	246	207	132
Operating result, comparable	-80	69	122	521	387	221	184	252	193	137
- % of sales	-4.5	3.6	6.3	21.0	18.6	11.7	9.5	13	10.5	8
Result for the period	-165	39	102	461	314	170	145	203	150	90
<b>Balance sheet, EUR million</b>										
Balance sheet total	2,926	2,994	3,055	3,403	2,922	2,302	2,270	2,284	2,226	2,194
Equity attributable to shareholders of parent company	1,590	1,743	1,897	2,082	1,699	1,384	1,338	1,323	1,167	1,052
Interest bearing net liabilities	255	345	144	94	-78	236	308	335	358	464
<b>Profit distribution</b>										
Dividend and equity distribution, EUR million	<sup>1)</sup>	24.9	88.7	205.6	145.8	92.4	85.3	103.1	74.7	67.5
Dividend and equity distribution per share, EUR	<sup>1)</sup>	0.07	0.27	0.58	0.41	0.26	0.24	0.29	0.21	0.19
Payout ratio including equity distribution, %	<sup>1)</sup>	98.1	93.5	50.4	49.9	54.3	58.5	50.9	50.0	76.0
Dividend yield, %	<sup>1)</sup>	1.7	3.5	6.6	4.8	3.0	4.0	5.7	2.9	2.8
<b>Profitability</b>										
Return on capital employed (ROCE), comparable, %	-3.1	3.2	5.1	20.9	18.7	12.2	10.4	14.4	11.2	8.1
Return on equity, comparable, %	-5.0	2.3	4.8	22.0	20.2	12.1	11.0	16.7	12.4	9.0
<b>Financing and financial position</b>										
Interest bearing net liabilities / EBITDA, comparable	8.6	2.0	0.7	0.2	-0.2	0.7	1.1	1.0	1.2	2.0
Equity ratio, %	60.1	63.9	67.5	66.4	63.3	60.3	59.1	58.1	52.6	48.2
Net gearing, %	15	18	7	4	-4	17	23	25	31	44
Net cash flow from operations, EUR million	240	38	343	232	330	308	201	151	236	77
Net interest expense, EUR million	21	17	12	5	8	12	14	19	36	26
Interest cover	12.1	3.2	28.6	50.7	42.7	27.6	15.4	9.0	7.6	4.0
<b>Other key figures</b>										
Total investments, EUR million	140	175	229	304	220	166	99	70	65	162
Depreciation, amortisation and impairment losses, EUR million	166	114	94	83	90	95	114	92	92	102
R & D expenditure, EUR million <sup>2)</sup>	6	7	7	6	6	9	9	6	6	6
- % of sales	0.4	0.4	0.4	0.2	0.3	0.5	0.4	0.3	0.3	0.4
Personnel, average	2,230	2,339	2,333	2,352	2,461	2,455	2,433	2,435	2,456	2,588
- in Finland	1,226	1,318	1,303	1,340	1,490	1,486	1,458	1,433	1,441	1,552
Paperboard deliveries, 1,000 t	1,364	1,472	1,373	1,817	1,922	1,810	1,791	1,830	1,803	1,568

<sup>1)</sup> The Board of Directors proposes that no dividend be paid for the 2025 financial year.

<sup>2)</sup> The reporting of research and development expenses has been clarified and the figures for 2020–2025 are comparable.

Calculation of key ratios is presented on page 183.



# Taxes

Metsä Board's business generates taxes that finance public society. In addition to the taxes and tax-like charges that we pay as a taxpayer, many other taxes arise within our business value chain.

The income taxes paid by Metsä Board vary according to Metsä Board group's business results. Even when the result is weaker and payable income taxes are lower, the combined contribution to public finances of all taxes and tax-like payments, directly and indirectly arising from Metsä Board's business operations, is significant.

Metsä Board is committed to complying with international transfer pricing guidelines and local tax laws and regulations in all its operating countries. In accordance with the arm's length principle, majority of taxable income and corporate income taxes to be paid are allocated to the countries where the Metsä Board Group's most significant operations are located.

In accordance with its tax policy, Metsä Board's business models and legal structures must always be based on business reasons and real business substance. Metsä Board will refrain from artificial ways to reduce its taxes.

Metsä Board's cooperation with tax authorities is transparent and active. In Finland, Metsä Board participates in enhanced cooperation with Finnish Tax Administration.

Tax matters are managed by Metsä Board's tax function and taxes are in the scope of regular follow-up of Audit Committee of the Board of Directors of Metsä Board.

In order to increase the transparency of its tax matters, Metsä Board voluntarily publish information on taxes and tax-like payments imposed on Group companies in our tax footprint.

## Metsä Fibre's share of result

Metsä Fibre's share of result Metsä Board's consolidated result includes associated company Metsä Fibre's result share (24.9% ownership). Metsä Fibre pays corporate income taxes on its own results and Metsä Board consolidates the result share on post-tax basis.

## Paid taxes and tax-related payments

EUR million	Finland		Sweden		Other countries		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Corporate income taxes	0.0	-0.3	0.4	2.1	6.9	2.9	7.3	4.7
Payroll related taxes and contributions	17.4	18.2	14.9	14.9	3.7	3.9	36.1	36.6
Operational taxes	3.4	4.4	2.2	3.1	0.1	0.0	5.6	7.6
Other taxes	0.6	0.6	0.0	0.0	18.6 <sup>1)</sup>	0.7	19.2	1.2
<b>Total</b>	<b>21.4</b>	<b>22.9</b>	<b>17.5</b>	<b>20.1</b>	<b>29.3</b>	<b>7.2</b>	<b>68.2</b>	<b>50.1</b>

<sup>1)</sup> includes US tariff payments

# Production capacities

## Metsä Board's board mills

Tonnes	Country	Machines	Folding boxboard	White kraftliner	Total
Kyröskoski (Kyro)	Finland	1	190,000		190,000
Äänekoski	Finland	1	260,000		260,000
Simpele	Finland	1	310,000		310,000
Kemi	Finland	1		465,000	465,000
Husum	Sweden	2	600,000	250,000	850,000
<b>Total</b>		6	1,560,000	715,000	2,075,000

## Metsä Board's pulp and BCTMP mills

Tonnes	Country	Chemical pulp	BCTMP	Total
Husum	Sweden	730,000		730,000
Joutseno	Finland		360,000	360,000
Kaskinen	Finland		390,000	390,000
Kemi	Finland		180,000	180,000
<b>Total</b>		730,000	750,000	1,660,000

## Metsä Fibre's pulp mills <sup>1)</sup>

Tonnes	Country	Chemical pulp	Total
Äänekoski	Finland	1,300,000	1,300,000
Kemi <sup>2)</sup>	Finland	1,500,000	1,500,000
Rauma	Finland	650,000	650,000
Joutseno	Finland	690,000	690,000
<b>Total <sup>2)</sup></b>		4,140,000	4,140,000

<sup>1)</sup> Metsä Board owns 24.9% of Metsä Fibre

<sup>2)</sup> The capacity includes production capacity of unbleached pulp, 180,000 t/y, owned by Metsä Board.

# Quarterly data

EUR million	Full year		Quarterly							
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Sales</b>	1,775.7	1,938.6	393.5	441.2	460.1	480.8	446.0	499.0	509.8	483.7
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Operating result, comparable</b>	-80.2	69.0	-34.7	-45.6	-22.7	22.8	-3.6	41.9	-0.8	31.5
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Operating result</b>	-169.5	62.3	-99.2	-44.8	-21.7	-3.8	-1.7	41.7	-0.7	23.0
Share of profit from associated companies	0.0	0.0				0.0	0.0	0.0	0.0	0.0
Exchange gains/losses	-1.2	-2.8	-0.1	0.2	-0.6	-0.7	-1.3	0.1	0.5	-2.1
Other financial income and expenses	-16.1	-8.1	-5.7	-3.6	-3.9	-2.9	-2.7	-2.3	-2.2	-0.8
<b>Result before tax</b>	-186.9	51.4	-105.0	-48.3	-26.3	-7.3	-5.6	39.5	-2.5	20.1
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Operating result, % of sales</b>	-9.5	3.2	-25.2	-10.2	-4.7	-0.8	-0.4	8.3	-0.1	4.8

1,000 t	Full year		Quarterly							
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Deliveries</b>										
Folding boxboard	890	992	187	216	240	248	222	268	260	242
White kraftliner	474	480	118	116	120	119	120	120	117	123
Metsä Fibre's pulp <sup>1)</sup>	368	400	87	94	86	100	87	82	117	115
Metsä Board's pulp	720	618	169	183	148	221	181	116	151	171
	2025	2024	IV/2025	III/2025	II/2025	I/2025	IV/2024	III/2024	II/2024	I/2024
<b>Production</b>										
Folding boxboard	856	1,044	172	172	221	291	233	269	262	279
White kraftliner	464	484	128	100	97	139	123	145	95	121
Metsä Fibre's pulp <sup>1)</sup>	948	1,123	189	196	246	317	259	246	300	318
Metsä Board's pulp	694	652	160	149	171	214	157	188	130	177

<sup>1)</sup> Corresponds to Metsä Board's ownership of 24.9% in Metsä Fibre.

# Calculation of key ratios

## Alternative performance measures

Key figure	Definition	Justification for the use of the key figure
<b>Profitability</b>		
Operating result	= $\frac{\text{Result before income tax, financial income and expenses, exchange gains and losses and share of results from associated companies and joint ventures}}{\text{Shareholder's equity (average)}}$	The key figure describes the Group's ability to produce a profit from its business, and it is independent of the company's capital structure
EBITDA	= $\frac{\text{Operating result before depreciation, amortisation and impairment losses}}{\text{Shareholder's equity (average)}}$	The key figure shows how much margin is left over from the Group's sales after deducting the variable and fixed costs of business before depreciation, amortisation and impairment
Return on equity (%)	= $\frac{\text{Result before income tax - income taxes}}{\text{Shareholder's equity (average)}}$	The key figure describes the Group's ability to produce a profit with the assets invested in the Group by shareholders
Return on capital employed (%)	= $\frac{\text{Result before income taxes + net exchange differences and other financial expenses}}{\text{Balance total - non-interest bearing liabilities (average)}}$	The key figure describes the Group's ability to produce a profit on the capital invested, from the point of the party investing the capital
<b>Financial position</b>		
Equity ratio (%)	= $\frac{\text{Shareholder's equity}}{\text{Balance total - advance payments received}}$	The key figure describes the Group's capital structure, solvency and ability to take care of its commitments in the long run
Net gearing ratio (%)	= $\frac{\text{Interest-bearing net liabilities}}{\text{Shareholder's equity}}$	The key figure describes the Group's capital structure and financial position
Interest-bearing net liabilities	= $\text{Interest-bearing liabilities} - \text{cash and cash equivalents and interest-bearing receivables}$	The key figure describes the Group's indebtedness
<b>Other</b>		
Total investments	= $\frac{\text{Investments in owned and leased fixed assets and investments in business combinations}}{\text{Net cash flow arising from operating activities + net interest expenses}}$	The key figure describes the Group's application of funds for maintaining and renewing its production machinery and plants and for expanding its business with corporate acquisitions
Interest cover	= $\frac{\text{Net cash flow arising from operating activities + net interest expenses}}{\text{Net interest expenses}}$	The key figure describes the Group's ability to meet its debt obligations

## Share performance indicators

Key figure	Definition
Earnings per share	= $\frac{\text{Profit attributable to shareholders of parent company}}{\text{Adjusted number of shares (average)}}$
Shareholders' equity per share	= $\frac{\text{Equity attributable to shareholders of parent company}}{\text{Adjusted number of shares at the end of the period}}$
Dividend per share	= $\frac{\text{Dividends}}{\text{Adjusted number of shares at 31 December}}$
Payout ratio (%)	= $\frac{\text{Dividend per share}}{\text{Earnings per share}}$
Dividend yield (%)	= $\frac{\text{Dividend per share}}{\text{Share price at 31 December}}$
Price/earnings ratio (P/E ratio) (%)	= $\frac{\text{Share price at 31 December}}{\text{Earnings per share}}$
P/BV (%)	= $\frac{\text{Share price at 31 December}}{\text{Shareholders' equity per share}}$
Adjusted average share price	= $\frac{\text{Total traded volume per share (EUR)}}{\text{Average adjusted number of shares traded during the financial year}}$
Market capitalisation	= $\text{Number of shares} \times \text{market price at the end of period}$

The presentation of earnings per share is regulated by the Decree of the Ministry of Finance on the Regular Duty of Disclosure of an Issuer of a Security. In addition, the earnings per share ratio is regulated by the IAS 33 standard.

# Comparable performance measures

European Securities and Markets Authority (ESMA) guidelines on Alternative Performance Measures define alternative performance measures as a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined in the applicable financial reporting framework, in Metsä Board's case International Financial Reporting Standards as adopted in the EU pursuant to Regulation (EC) No 1606/2002. With the exception of Earnings per share defined in IAS 33 Earnings Per Share, performance measures provided in the interim report all qualify as alternative performance measures under the ESMA guidelines.

Metsä Board sees the presentation of alternative performance measures as providing users of financial statements with an improved view of the company's financial performance and position, including among other things the efficiency of its capital utilisation, operational profitability and debt servicing capabilities.

Exceptional and material items outside the ordinary course of business have been eliminated from the comparable operating result. Metsä Board has defined operating result as follows: Result for the period presented in IFRS income statement before income taxes, financial income and expense as well as share of result of associate companies and joint ventures.

Reconciliation of operating result under IFRS and comparable operating result as well as EBITDA and comparable EBITDA is presented below. Comparable return on capital employed has been calculated using the same adjustments as the comparable operating result, and it has been further adjusted with items of financial income affecting comparability when applicable. Metsä Board considers that key figures derived in this manner improve comparability between reporting periods.

None of these key figures with items affecting comparability eliminated are key figures used in IFRS reporting, and they cannot be compared with other companies' key figures identified with the same names. Items affecting comparability include material gains and losses on disposals of assets, impairment and impairment reversals in accordance with IAS 36 "Impairment of Assets", corporate divestments and acquisitions, adjustment measures and other restructuring measures and their adjustments, costs arising from extensive and unforeseeable interruptions in production and the compensation received for them as well as items arising from legal proceedings.

In Metsä Board's view, comparable performance measures better reflect the underlying operational performance of the company by eliminating the result effect arising from items and transactions outside ordinary course of business.

## Reconciliation of items affecting comparability

EUR million	2025	2024
<b>Operating result</b>	-169.5	62.3
Depreciation, amortisation and impairment charges	165.6	113.6
<b>EBITDA</b>	-3.9	175.9
Items affecting comparability		
Inventory write-down	5.8	
employee costs	15.0	
Share of results of associated companies	4.4	-1.4
Other operating expense	8.3	0.5
Total	33.5	-0.9
<b>EBITDA, comparable</b>	29.6	175.0
Depreciation, amortisation and impairment charges	-165.6	-113.6
Items affecting comparability		
Impairment charges and reversals of impairments	55.9	7.6
<b>Operating result, comparable</b>	-80.2	69.0
Share of results of associated companies and joint ventures	0.0	0.0
Net financial items	-17.3	-10.8
Items affecting comparability		
Financial items		0.0
<b>Result before income tax, comparable</b>	-97.5	58.2
Income taxes	22.3	-12.0
Income taxes related to items affecting comparability	-17.1	-1.5
<b>Result for the period, comparable</b>	-92.2	44.6

"+" sign items = expense affecting comparability

"-" sign items = income affecting comparability

Items affecting operating result comparability in 2025 totalled EUR -89.4 million. The items consisted of EUR -27.3 million related to the impairment the Tako mill, items of EUR -21 million related to the cost savings and performance improvement programme, EUR -35.0 million impairment of the renewal project of the enterprise resource planning (ERP) system, items related to the business of the associated company Metsä Fibre of EUR -4.4 million, and other items of EUR -1.7 million.

Items affecting operating result comparability in 2024 totalled EUR -1.4 million. They comprised Metsä Board's capital gains of EUR 2.7 million from the sale of a land area unrelated to business operations, and items related to the business of the associated company Metsä Fibre: a write-down related to the closure of the old Kemi pulp mill; translation differences from discontinued operations in Russia; the loss on sale of fixed asset items, and other items, totalling EUR -4.1 million.

# Corporate governance statement

## Introduction

This statement describing the corporate governance of Metsä Board Corporation (“Metsä Board” or “Company”) has been prepared pursuant to the Finnish Corporate Governance Code 2025 published by the Securities Market Association (Corporate Governance Code). It has been issued separately from the report of the Board of Directors and is published concurrently with the Company’s financial statements and the report of the Board of Directors. The Corporate Governance Code is available at <https://cgfinland.fi/en/corporate-governance-code/>.

Metsä Board is a Finnish public limited company whose A and B series shares are publicly traded on the official list of NASDAQ Helsinki Ltd. (Helsinki Stock Exchange). In its governance, Metsä Board complies especially with the Limited Liability Companies Act, the Company’s Articles of Association, rules and regulations issued under applicable laws, the rules and recommendations of the Helsinki Stock Exchange as applicable to listed companies, as well as the orders and instructions of the Financial Supervisory Authority. Metsä Board complies with the Finnish Corporate Governance Code and does not currently deviate from any of its individual provisions.

This statement has been reviewed by the Board of Directors’ Audit Committee. The Company’s auditor has verified that the issue of this statement and that the description of the main features of the internal control and risk management systems related to the financial reporting process provided in the statement are consistent with the financial statements.

## Metsä Board’s governance structure

The Company’s statutory bodies are the General Meeting, the Board of Directors and the CEO, whose duties and responsibilities are determined in accordance with the Finnish Limited Liability Companies Act. In addition, a Corporate Leadership Team assists the CEO in the operative management of the Company and in coordinating its operations. Members of the Corporate Leadership Team (including the CEO) are not members of the Board of Directors.

### General Meeting

The General Meeting of Shareholders is the Company’s highest decision-making body where shareholders use their decision-making power. Each shareholder is entitled to participate in a General Meeting by following the procedure

described in the invitation to the General Meeting. According to the Limited Liability Companies Act and the Articles of Association, the General Meeting decides on matters such as:

- the adoption of the financial statements
- profit distribution
- the discharge from liability of the Board of Directors and the CEO
- the election and fees of the members of the Board of Directors
- the approval of the remuneration policy and Remuneration Report in an advisory capacity
- the election and remuneration of the auditor and sustainability reporting verifier
- other matters put to the General Meeting.

Shareholders are entitled to have a matter pertaining to the General Meeting addressed by the General Meeting, if they submit a written request to this end in advance so that the matter can be included in the notice of the meeting. In 2025, the date by which matters for the General Meeting had to be submitted was 9 January 2025. The Company’s Annual General Meeting takes place each year in June at the latest. Notice of a General Meeting is served no earlier than three months and no later than three weeks before the meeting, however, no later than nine (9) days before the record date for the General Meeting, by publishing it in a stock exchange release and on the Company’s website.

An Extraordinary General Meeting will convene if the Board of Directors finds it necessary, or if the auditor or shareholders representing at least 10% of all shares submit a written request to this effect to deal with a specific matter.

### Board of Directors

The Board of Directors’ tasks are determined by the Limited Liability Companies Act, the Company’s Articles of Association and written Rules of Procedure approved by the Board. The Board of Directors of Metsä Board is responsible for the Company’s governance and the proper arrangement of its operations. The Board of Directors is responsible for the proper organisation of the Company’s financial management and accounting. The Board of Directors is also responsible for the direction and supervision of Metsä Board Group. Taking the scope and nature of the Company’s operations into account, the Board

## METSÄ BOARD’S GOVERNANCE STRUCTURE





of Directors is responsible for matters that are financially, commercially, or fundamentally significant and far-reaching, and therefore do not fall within the scope of day-to-day business management. For example, the Board decides on the Company's strategy, major investments, organisation structure and significant financing matters. The Board of Directors ensures that the Company operates responsibly and takes not only the collective interests of shareholders into account but also the interests of other stakeholders.

The Board of Directors has written rules of procedure for its operations. According to them, the Board of Directors, for example:

- appoints and dismisses the CEO and their deputy, and decides on the terms and conditions of the CEO's employment
- oversees the supervision of the Company's accounting and financial management, risk management, financial reporting process, and sustainability reporting process, and assesses the Group's most significant risks
- ensures that the CEO takes care of the Company's day-to-day administration in accordance with the regulations and guidelines issued by the Board of Directors
- affirms the values to be followed in the Company's operations and the principles of diversity for the Board of Directors
- monitors and supervises the Company's commitment to sustainability
- discusses and approves the Company's long-term plan, strategy, annual action plan and budget
- decides on significant investments, corporate restructuring, business acquisitions, divestments and closures of operations
- decides on significant financing arrangements, including debt financing, granting of collateral, and capital supply of subsidiaries
- decides on the granting of donations insofar as they do not belong to the General Meeting
- decides on the delegation of its powers within specific limits and rules of authorisation, and grants and revokes rights to represent the Company
- convenes the General Meeting and oversees that the decisions of the General Meeting are implemented
- signs and submits the Financial Statements and the Board of Directors' Report, including the Sustainability Statement, to the Annual General Meeting for approval, and makes a proposal for the distribution of profits

- approves and publishes the financial statements bulletin, half-yearly report, and interim report for each quarter
- approves key business policies, insider guidelines and disclosure policy, and monitors compliance with them
- decides on the remuneration systems, their criteria, and terms and conditions, and monitors their implementation.

The Board's rules of procedure are available in their entirety on the Company's website at <https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-board-working-order.pdf>. The Board can delegate matters falling within its general competence to the CEO or other management and correspondingly takes charge of decision making in a task that falls within the CEO's general competence.

On an annual basis, the Board assesses its own operation and the Company's corporate governance principles and decides on any necessary changes to them.

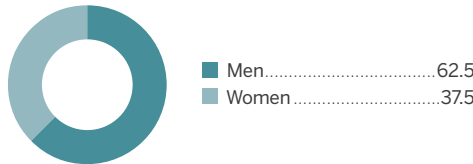
### Composition, diversity and independence of the Board of Directors

The composition and number of members of the Board of Directors must facilitate the effective performance of the Board's tasks. The composition of the Board of Directors takes into account the Company's development stage, ownership structure, the special requirements of the industry and the needs of the Company's operations. The goal is to set up a diverse Board, while also ensuring that each Board member has the necessary qualifications and time to perform the duties assigned to them. The Board of Directors has the same number of female and male members.

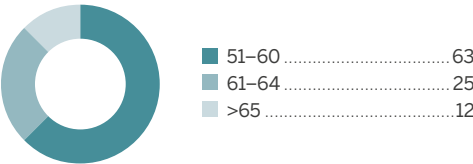
The Board of Directors has adopted diversity principles, which are available on the Company's website. The Board recognises the benefits that a diverse and broad Board composition can offer the Company and its shareholders. Diversity supports the Board's open work atmosphere, independent role and decision making. Another key task of the Board is to support and challenge the Company's executive management from various perspectives proactively and consistently. For the Board and its committees to successfully handle their duties, they require a diverse composition and varied competence and experience. Attention must also be paid to the personal qualities of individual members.

Diversity must also support the Company's each development stage and correspond to the future development needs of the Company and its business. The composition of the Board of Directors complies with its principles of diversity.

#### GENDER DISTRIBUTION %



#### AGE DISTRIBUTION %



In addition to industry knowledge, Metsä Board has determined experience from different fields of business and the international operating environment to be key factors for the Board of Directors' diversity. In addition, varying educational backgrounds, management experience from different business sectors and a varying age and gender structure have been identified as factors promoting diversity. In terms of gender representation on the Board of Directors, Metsä Board aims for the representatives of the underrepresented gender to make up at least 40% of the members when applicable rounding rules are applied. The Board's Nomination and HR Committee takes diversity principles into account when preparing its annual proposal to the Annual General Meeting for the composition of the Board. The achievement of the Board's diversity targets is monitored as part of the normal operations of the Board of Directors and its Nomination and HR Committee.

According to the Articles of Association, a minimum of five and a maximum of ten ordinary members are elected for the Board of Directors by the shareholders at the Annual General Meeting for a term that begins at the end of the General Meeting that elects the members and continues until the end of the next Annual General Meeting. The number of consecutive

terms is not limited. The Board appoints a Chair and a Deputy Chair from among its members.

The Board of Directors elected by the 2025 Annual General Meeting consisted of ten (10) members, of whom 60% were men (6) and 40% women (4). The age range of the Board members has been 45–65 years.

Of the ten (10) Board members, 80% (8) were independent of the Company, and 60% (6) were independent of major shareholders of the Company.

Ilkka Hämälä, Chair of the Board, resigned from the Board as of 1 July 2025, and Jussi Vanhanen was elected as the new Chair of the Board.

Erja Hyrsky announced her resignation from the Board on 31 July 2025. She became Metsä Board Corporation's Senior Vice President, Commercial Operations, and a member of the Corporate Leadership Team on 1 August 2025.

On 31 December 2025, the Board of Directors had eight (8) members, 62.5% men (5) and 37.5% women (3). On 31 December 2025, the age range of the Board members was 45–65 years.

On 31 December 2025, of the eight (8) Board members, 88% (7) were independent of the Company, and 63% (5) were independent of the major shareholders of the Company.

None of the members of the Board of Directors is part of the Company's executive management.

The Board as a whole has extensive experience of good corporate governance, international business and management either in operational or fiduciary positions in various industries, including the Company's own line of business, i.e. forest industry, as well as the steel industry, engineering, international trade and auditing. The Board also has many years of experience in managing sustainability and responsibility issues and assessing the related risks and opportunities. The composition of the Board of Directors and a summary of the work history and positions of trust held by the members of the Board of Directors can be found at the end of this report in the Board members' introductions and on the Company's website at <https://www.metsagroup.com/metsaboard/investors/corporate-governance/board-of-directors/>.

In the 2025 financial year, the Board held 20 meetings. The Board members' attendance rate was 99% (96% in 2024 and 97% in 2023).

## Each member's attendance at the meetings of the Board and its committees

Member of the Board of Directors	Number of Board meetings	Attendance rate (%)	Independence from the Company	Independence from the major shareholder
<b>Ilkka Hämälä</b> (Chair of the Board until 1 July 2025)	11/11	100	No	No
<b>Jussi Vanhanen</b> (Member of the Board as of 20 March 2025, Chair of the Board as of 1 July 2025)	13/13	100	No	No
<b>Jussi Linnaranta</b>	20/20	100	Yes	No
<b>Leena Craelius</b>	18/20	90	Yes	Yes
<b>Raija-Leena Hankonen-Nybom</b>	20/20	100	Yes	Yes
<b>Erja Hyrsky</b> (until 1 August 2025)	13/13	100	Yes	Yes
<b>Mari Kiviniemi</b>	20/20	100	Yes	Yes
<b>Mikko Mäkimattila</b>	20/20	100	Yes	No
<b>Jukka Moisio</b>	20/20	100	Yes	Yes
<b>Juha Vanhainen</b>	20/20	100	Yes	Yes

## Board Committees

If required, the Board can decide to establish committees to assist it in preparing and processing matters falling within the scope of the Board's competence. The Board has appointed an Audit Committee and a Nomination and HR Committee from among its members. Every year after the Annual General Meeting, the Board of Directors appoints each committee's chair and members. The Board and its committees can also consult external advisors.

Final decisions concerning matters related to the tasks of the committees are made by the Board of Directors based on committee proposals, excluding proposals on Board composition and compensation made directly to the General Meeting by the Nomination and HR Committee.

## Audit Committee

The Audit Committee assists the Board of Directors to ensure that the Company's financial reporting, calculation methods, financial statements and other financial information published by the Company, as well as its sustainability reporting, are correct, balanced, transparent and clear. The Audit Committee regularly monitors the internal control and management systems and the progress of financial and sustainability risk reporting, the auditing of the accounts, and the verification of sustainability reporting. The Audit Committee assesses the activities and scope of internal auditing, the Company's risk management, key risk areas, and compliance with applicable laws and regulations. It assesses the independence of the auditor and audit firm

and gives a recommendation to the Board concerning the appointment of an auditor for the Company. The Audit Committee also processes the biannual action plans for internal auditing and the reports prepared on major audits.

The committee members must have adequate expertise in accounting and financial statement policies. The Audit Committee convenes regularly, at least four times a year. In connection with the meetings, the Committee hears the Company's auditor. The Chair of the Audit Committee provides the Board with a report on each meeting. The tasks and responsibilities are specified in the Committee's rules of procedure approved by the Board of Directors (<https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-audit-committee-charter.pdf>).

If invited by the Committee, the Company's auditor, CEO and CFO, as well as other management representatives and external advisors, may attend the Audit Committee's meetings if required.

Since the 2025 Annual General Meeting, the members of the Board of Directors listed in the table below have served as members of the Audit Committee. The members of the Audit Committee are independent of the Company and its significant shareholders.

The Audit Committee convened five times in 2025. All the members attended all the meetings (attendance rate: 96% in 2024 and 92% in 2023).

Audit Committee member	Number of meetings	Attendance rate (%)
Raija-Leena Hankonen-Nyborn (Chair)	5/5	100
Leena Craelius	5/5	100
Erja Hyrsky (as of 20 March 2025)	2/2	100
Mari Kiviniemi	5/5	100
Jukka Moisio (until 20 March 2025)	1/1	100
Juha Vanhainen	5/5	100

## Nomination and HR Committee

The Nomination and HR Committee assists the Board of Directors in matters related to the appointment and remuneration of the Company's CEO, any Deputy CEO and senior management, and prepares matters related to the remuneration systems for management and employees. In addition, the Committee prepares a proposal on the number of Board members, the Board composition and the remuneration of Board members for the Annual General Meeting. The Committee also recommends, prepares and presents for the Board's approval the appointment of the CEO (and any Deputy CEO), as well as their salary and compensation. The Committee also prepares and provides recommendations to the Board and the CEO concerning matters related to the remuneration and remuneration systems for the management and employees.

The Committee convenes regularly, at least four times a year. The Committee presents its proposals to the Board, and the Chair provides the Board with a report on each meeting of the Nomination and HR Committee. The tasks and responsibilities of the Nomination and HR Committee are specified in the Committee's rules of procedure approved by the Board of Directors (<https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-rules-of-procedure-for-nomination-and-hr-committee.pdf>).

Since the 2025 Annual General Meeting, the members of the Board of Directors listed in the table below have served as members of the Nomination and HR Committee.

The Nomination and HR Committee convened seven times in 2025. All the members attended all the meetings (100% attendance rate also in 2024 and 2023).

Members of the Nomination and HR Committee	Number of meetings	Attendance rate (%)
Ilkka Härmälä (Chair until 1 July 2025)	3/3	100
Jussi Vanhanen (member of the committee as of 20 March 2025, Chair of the committee as of 1 July 2025)	5/5	100
Erja Hyrsky	2/2	100
Jussi Linnaranta	7/7	100
Jukka Moisio	5/5	100
Mikko Mäkimattila	7/7	100

## CEO

Esa Kaikkonen (born 1969), who took up the position of CEO on 7 April 2025, holds a Master of Laws degree and is trained on the bench. Mika Joukio (born 1964), MSc (Eng.), MBA, served as the Company's CEO until 6 April 2025.

The CEO is responsible for the daily management of the Company's administration in accordance with the guidelines and instructions provided by the Board. The CEO is also responsible for ensuring that the Company's accounting has been carried out according to applicable legislation and that asset management has been organised in a reliable manner. The CEO

manages the Company's daily business and is responsible for controlling and steering the different functions.

The CEO has a written CEO contract approved by the Board. The Board monitors the CEO's performance and provides a performance evaluation once a year. The CEO is covered by the Employees Pensions Act, which provides pension security based on the period of service and earned income as provided in the Act. In the Finnish earnings-related pension system, basic salary, remuneration and taxable fringe benefits are included in earned income, whereas income from options and share-based incentive systems

for management is not. The CEO is also covered by a supplementary defined contribution (DC) scheme entitling the CEO to retire at the age of 62.

The Board appoints and discharges the CEO. The CEO may be discharged at the Board of Directors' decision without a separate reason. The CEO can also resign from his assignment. The mutual period of notice is six (6) months. However, the Board may decide to discharge the CEO without a period of notice. If the Board terminates the CEO's contract, the CEO is entitled to a discharge compensation equal to his 12-month salary.

## Deputy to the CEO

At its discretion, the Board may appoint a Deputy to the CEO. The Deputy to the CEO is responsible for carrying out the CEO's tasks when the CEO is unable to perform their duties. For now, no Deputy to the CEO has been appointed.

## Corporate Leadership Team

In Metsä Board's operational management, the CEO is assisted by the Corporate Leadership Team, which, in addition to the CEO, includes the following executives who report directly to the CEO: Jussi Noponen (Senior Vice President, Production and Supply Chain); Camilla Wikström (Senior Vice President, Human Resources); Erja Hyrsky (Senior Vice President, Commercial Operations, as of 1 August 2025); and Laura Remes (SVP, Business Transformation, as of 6 October 2025). In addition, Minna Björkman was appointed as a member of the Corporate Leadership Team (SVP, Containerboard) on 31 July 2025, effective as of 5 January 2026. Anssi Tammilehto was appointed Chief Financial Officer as of 24 October 2025 and member of the Corporate Leadership Team, effective no later than 2 February 2026. Antti Kiljunen, Senior Vice President, Group Finance at Metsä Group, will serve as interim CFO from October 2025 until Tammilehto takes up his position.

Markku Leskelä (SVP, Development) and Harri Pihlajaniemi (SVP, Production and Technology), who served on the Corporate Leadership Team in 2025, left the team on 1 August 2025. Henri Sederholm, CFO, left the Corporate Leadership Team on 24 October 2025. e agreements.

Jussi Noponen was appointed Executive Vice President of Metsä Wood on 15 January 2026, responsible for Metsä Group's wood products business, and a member of Metsä

Group's Executive Management Team as of 1 March 2026. At the same time Laura Remes was appointed Senior Vice President, Production and Supply Chain as of March 1, Anssi Tammilehto will be responsible for the duties of the CFO, in addition to the tasks previously assigned to Remes.

The Corporate Leadership Team's tasks and responsibilities include planning investments, specifying and preparing the Company's strategic guidelines, allocating resources, controlling routine functions, and preparing various matters to be processed by the Board. As a rule, the Corporate Leadership Team convenes at the Chair's invitation at least once a month, and otherwise if required.

The members of the Corporate Leadership Team are responsible for the activities within their own areas of responsibility. Functions are supported by centralised support functions, most of which are common with other Metsä Group companies. Support functions are based on separate arm's length service agreements.

Each of the members of the Corporate Leadership Team has a written employment or service contract. Apart from the CEO, they do not have extraordinary pension arrangements apart from the statutory pension cover. The term of notice of Corporate Leadership Team members is six months on both sides.

### **Internal control, internal audit and risk management**

Profitable business requires that operations are monitored continuously and with adequate efficiency. Metsä Board's internal management and control procedure is based on the Finnish Limited Liability Companies Act, other laws and regulations applicable to listed companies, the Articles of Association, the rules and recommendations of Helsinki Stock Exchange, the recommendations of the Finnish Corporate Governance Code, and the Company's own approved principles and policies. Internal control is carried out throughout the organisation. Internal control methods include internal guidelines and reporting systems that support control. The functioning of the Company's internal control is evaluated by Metsä Group's internal auditing. External supervision is carried out by Metsä Board's auditor and the competent authorities. The principles, objectives and responsibilities of the internal control, risk management and internal auditing of Metsä Board are described in the

following section. Risk management and internal controls of sustainability reporting are described in the Sustainability Statement included in the Company's Board of Directors' report in the section Risk management and internal controls of sustainability reporting.

### **Internal control**

In Metsä Board, internal control covers financial reporting, sustainability reporting and other supervision of operations. Internal control is implemented not only by the Board of Directors and executive management but the entire personnel. The goal of internal control is to ensure the achievement of the Company's goals and targets; the economical, appropriate and efficient use of resources; the reliability and correctness of financial, management and sustainability information; compliance with external regulations and internal procedures; sufficient safeguarding of operations, information and property; and adequate and appropriately arranged manual and IT systems to support operations.

Internal control is divided into (i) proactive control, including the definition of corporate values, general operational and business principles; (ii) daily control, including operational steering and controls, and the relevant operational systems and work instructions; and (iii) ex-post control, including management evaluations and inspections, comparisons and verifications with the aim of ensuring that the goals are met, and that the agreed operational and control principles are followed. The corporate culture, governance and approach to control jointly form the basis for overall internal control.

### **Monitoring of the financial reporting process, credit control and authorisation rights**

The financial organisations of the various functions and central administration of Metsä Board are responsible for financial reporting. The mill and sales units report their financial figures each month. The controller function of each unit checks the monthly performance of its area of responsibility and submits a performance report to central administration. The functions' profitability development, and business risks and opportunities are discussed at monthly meetings attended by the Company's and each function's management. The result is reported

to the Board and the Corporate Leadership Team monthly.

Credit control has been centralised under the Credit Committee, which convenes at least quarterly. Credit controllers monitor the trend in trade receivables in each sales company under the supervision of the Group VP of Credits. Counterparty-specific credit limits are set within the boundaries of the credit policy confirmed by the Board in cooperation with centralised credit control, sales and financial management. The development of credit risks is reported to the Board regularly.

Authorisation rights concerning expenses, significant contracts and investments have been allocated to different organisational levels by the Board within the authorisation limits separately defined by the CEO and other management personnel. Investment follow-up is carried out by the Company's financial administration in accordance with the investment policy adopted by the Board. After pre-approval, investments are processed by the functions' management teams and the Corporate Leadership Team within the framework of the annual investment plan. The most significant investments are separately submitted to the Board for approval. Investment follow-up reports are compiled each quarter.

### **Internal auditing**

Internal auditing is an independent and objective assessment, verification, and consulting activity. Internal auditing assists the Board of Directors in its supervisory role and supports Metsä Board and its management in achieving the Company's objectives by providing a systematic approach to assessing and improving the effectiveness of risk management, control, governance and management processes.

Metsä Board's internal auditing is carried out by Metsä Group's internal audit unit. Audit work is carried out in compliance with the internal audit guidelines approved by the Audit Committee. The internal audit function reports to the Audit Committee on operations and to Metsä Group's President and CEO on administration.

Internal auditing draws up a six-monthly action plan which is approved by the Audit Committee. Auditing is risk-based and focuses on the Company's activities and units that are considered to be key to achieving the objectives set for operations. In cooperation with the audit function, internal auditing sees

to the coordination of plans to ensure adequate coverage of auditing and avoid overlapping work. Similarly, cooperation is carried out with Metsä Group's other assurance functions such as risk management, internal controls and compliance.

The results of the audit are compiled into an audit report, which is shared with Metsä Board's CEO, Corporate Leadership Team, General Counsel, the management of the audited entity and the persons in charge, as well as the auditor. The audit reports are submitted to Metsä Group's President and CEO, CFO, and to other Group management for information if required.

Internal auditing provides the Audit Committee with a biannual summary report on the audits carried out, the main findings and recommendations, and the management's action plans and their implementation. The Chair of the Audit Committee and the Director of Internal Control also meet regularly without the presence of management.

Risk management

Risk management is an essential part of Metsä Board's management and governance across the organization. Business management and risk management coordination are based on the operating principles confirmed by the Board of Directors, which aim to keep the entity clear, understandable and practical.

The purpose of risk management is to support the achievement of the Company's business objectives and the creation of value for shareholders in both the short and long term. Risk management systematically examines and anticipates risks and opportunities, and decisions are made in a way that supports the objectives. The focus is on proactive measures that reduce the likelihood and impact of risk.

Risk management is based on a systematic process that is integrated into business planning and operational processes. Risk management responsibilities are divided between different governing bodies. The Board of Directors is responsible for the Company's risk management and approves the Company's risk management policy, while the Audit Committee evaluates the Company's risk management levels and practices, as well as the key risk areas, and makes proposals to the Board of Directors in this regard. The CEO and Corporate Leadership Team are responsible for defining and implementing the risk management principles and are

also responsible for ensuring that risks are taken into account in the Company's planning processes and that they are reported in an adequate and appropriate manner. The owner of Metsä Group's risk management process is responsible for the development and maintenance of the risk management process in cooperation with the businesses. . Metsä Board's Risk Committee coordinates risk assessments and compiles a summary of the key risks twice a year. The CEO presents the summary to the Board of Directors after it has been discussed by the Corporate Leadership Team.

Business risks also involve opportunities which can be exploited within agreed limits. Conscious risk-taking decisions must be based on an adequate evaluation of the Company's risk-bearing capacity and the profit/loss potential. Such an evaluation must be conducted before any pre-engineering and execution phases of projects and investments.

The most significant risks and uncertainties that the Company is aware of are described in the Report of the Board of Directors.

Auditing

As provided in Metsä Board's Articles of Association, the Company has one auditor, which must be an auditing firm approved by the Finnish Patent and Registration Office, with an authorised public accountant (KHT) as the principal auditor. The General Meeting appoints the auditor each year at the Annual General Meeting. Auditing services were last put to competitive tendering in 2021, and pursuant to the decision of the 2025 Annual General Meeting, KPMG Oy Ab acts as the Company's auditor, with Kirsi Jantunen, APA, as the principal auditor. The Audit Committee oversees the selection procedure for auditors and provides the Board of Directors with a recommendation for a proposal concerning the appointment and remuneration of the auditor to be put to the Annual General Meeting.

Audit fees were paid as follows:

Financial audit fees of the auditor of the Group, KPMG, EUR million	2025	2024	2023
Audit	0.5	0.5	0.5
Auditor's statements*	0.1	0.1	0
Tax services			
Other services		0.0	0
Total	0.6	0.7	0.6

\* including fees for assurance of the sustainability statement



## Insider administration

In insider matters, Metsä Board and its group companies comply with Finnish laws, especially the Securities Markets Act, Regulation No 596/2014 of the European Parliament and of the Council on market abuse (MAR), orders and regulations of the Finnish Financial Supervisory Authority, as well as the insider guidelines of the Helsinki Stock Exchange. Based on the above rules, the Company's Board of Directors has adopted the Company's own insider guidelines, which are available on the Company's website.

The goal of insider administration is to enable people considered the Company's insiders to openly hold shares in the Company while maintaining public trust in the trading and price formation of the Company's securities. Insiders and those involved in preparing financial reports are regularly instructed and trained.

The Company does not maintain a permanent company-specific insider register. If required and by decision of the Chair of the Board of Directors, the CEO or the Group General Counsel, the Company can set up a project-specific insider register to cover all the persons involved in the preparation of a specific project involving insider information.

In 2025, the members of the Company's management with a duty to notify included the members of the Board of Directors, the CEO and the CFO. The holdings of these members of the management and their related parties are public, as each of them has an individual duty to provide notification to the Company and the supervisory authority of their transactions involving the shares and other financial instruments of Metsä Board. Metsä Board publishes all such notifications in stock exchange releases.

Managers with a duty to notify are not allowed to trade in the Company's shares and other financial instruments during a period starting at the end of each reporting period and ending at the end of the day when the interim report is published (always at least 30 calendar days, a period known as the "closed window").

Metsä Board also maintains a list of persons who, in their duties, participate in the preparation of interim reports, the financial statements bulletin, financial statements and related communications, and who may therefore have access to inside information about the Company. The closed window applies to these persons, and they are therefore subject to the aforementioned trading restriction.

## Related party transactions

The Board of Directors has determined the principles for monitoring and evaluating business transactions with related parties. The Company's business activities include contractual relationships with the parent entity Metsäliitto Cooperative and affiliated companies Metsä Fibre Oy and Metsä Tissue Corporation. The most significant of these are related to the supply of raw materials (such as wood and pulp) and operations of joint integrated mills. The Board of Directors decides on contractual relationships with related parties, unless the matter is related to the Company's normal business operations and is of minor significance. In situations where the Board of Directors addresses a business relationship or other contractual relationship or connection to Metsäliitto Cooperative or the Company's affiliated companies, the Board of Directors acts, as a rule, without those of its members who are dependent on Metsäliitto Cooperative or the relevant affiliated company considered a related party. The Audit Committee regularly follows up and analyses contractual relationships between the Company and its related parties.

To assess the independence and impartiality of the members of the Board of Directors, the members are required to notify the Company of circumstances that may have an impact on the member's ability to act without conflict of interest. As per 31 December 2025, the Board members, the Company's CEO and the members of the Corporate Leadership Team did not have monetary loans from the Company or its subsidiaries, and there were no collateral arrangements between them. No significant business relations existed between these persons (including their related parties as defined in the IAS 24 standard) and the Company during 2025.



# Metsä Board’s Board of Directors

Members of the Board of Metsä Board on 31 December 2025:



**JUSSI VANHANEN**

b. 1971  
Male  
LLM, Master of Laws, MBA  
Member of the Board of Directors since 2025 and  
Chair of the Board since July 2025

Not independent of the Company or its significant shareholder

**Key work experience:**

**Metsä Group**, President and CEO (7/2025–)  
**Metsäliitto Cooperative**, CEO (5/2025–)  
**Vexve Oy** (formerly Vexve Armatury Group Oy), CEO, partner (2017–2024)  
**Mondi Group Plc**, CEO, Fibre Packaging (2014–2017)  
**The Boston Consulting Group** (BCG), Senior Advisor (2013–2014)  
**UPM-Kymmene Corporation**, several management positions (1999–2013)

**Other positions of trust:**

**Boreo Plc**, Member of the Board of Directors (2024–)  
**Metsäliitto Cooperative**, Member of the Board of Directors (2022–2025),  
Member of the Audit Committee (2022–2025)  
**Technology Industries of Finland**, Member of the Pirkanmaa Regional  
Board (2020–2023)  
**Logistikas Oy**, Chair of the Board of Directors (2021–2022)  
**Peikko Group Corporation**, Member of the Board of Directors (2011–2013),  
Chair of the Board (2014–2020)  
**WWF Finland**, Member of the Supervisory Board (2010–2016)

Shares on 31 December 2025: 17,788 B shares



**JUSSI LINNARANTA**

b. 1972  
Male  
MSc (Agriculture and Forestry)  
Member of the Board of Directors since 2017 and  
Vice Chair of the Board since 2020

Independent of the company. Not independent of a significant shareholder  
in the Company

**Key work experience:**

**Agricultural and forestry entrepreneur** (2001–)  
**Thermal entrepreneur** (2003–2023)  
**Ministry of Agriculture and Forestry, Information and Research Centre**,  
various positions (1997–2007)

**Other positions of trust:**

**Metsäliitto Cooperative**, Member of the Supervisory Board (2004–2016),  
Member of the Board of Directors (2017–), Deputy Chair of the Board of  
Directors (2019), Chair of the Board of Directors (2020–)  
**Pellervo Coop Center**, Member of the Board (2020–)  
**Pohjois-Savo Cooperative bank**, Member of the Representative Council  
(2014–2017)  
**The Central Union of Agricultural Producers and Forest Owners** (MTK),  
Member of the Energy Committee (2007–2008 and 2014–2016)

Shares on 31 December 2025: 55,267 B shares

The Board of Director members share owner-  
ships include controlling interests on  
31 December 2025.



## LEENA CRAELIUS

b. 1971

Female

MBA, Financing

Member of the Board of Directors since 2024

Independent of the Company and its significant shareholder

### Key work experience:

**SSAB AB** (publ), EVP, CFO (2021–)

**SSAB Europe Oy**, SSAB Europe Division, CFO (2016–2021)

**Paroc Oy**, Technical Insulation Products division, Business Controller (2015–2016)

**SSAB Europe Oy** (formerly Ruukki Metals Plc), various financial management positions (2009–2015)

**Rautaruukki Plc**, various finance-related positions (2005–2009)

**Outokumpu Plc**, various finance-related positions (2002–2005)

Shares on 31 December 2025: 15,020 B shares



## RAIJA-LEENA HANKONEN-NYBOM

b. 1960

Female

MSc (Econ.) Authorised Public Accountant

Member of the Board of Directors since 2021

Independent of the Company and its significant shareholder

### Key work experience:

**KPMG Oy Ab:**

Chair of the Board of Directors (2016–2018)

CEO (2010–2016)

Head of Audit (2006–2010)

Principal auditor in large companies in the financial, industrial and retail sectors (2006–2019)

Various positions in the audit business in Finland and abroad (1987–2005)

### Other positions of trust:

**Hiab Corporation**, Member of the Board of Directors and Chair of the Audit and Risk Management Committee (2023–)

**Posti Group Corporation**, Member of the Board of Directors and Chair of the Audit, Risk and Sustainability Committee (2020–)

**Savonlinna Opera Festival Patrons' Association**, Member of the Board of Directors (2018–)

**Helsinki Deaconess Institute Foundation sr**, Member of the Board of Directors (2020–), Chair of the Audit Committee (2022–)

**Danske Bank A/S**, Member of the Board of Directors (2020–2025), Chair of the Audit Committee (2021–2024)

**Directors' Institute Finland** - Hallitusammattilaiset ry, Member of the Board of Directors (2021–2024)

**Jalmari and Rauha Ahokas Foundation sr**, Chair of the Supervisory Board (2018–2022), Member of the Supervisory Board (2013–2017), Chair of the Board of Directors (2008–2012), Member of the Board of Directors (2005–2007), Member of Committee (1999–2004)

Shares on 31 December 2025: 28,151 B shares



## MARI KIVINIEMI

b. 1968

Female

MSocSc

Member of the Board of Directors since 2022



## JUKKA MOISIO

b. 1961

Male

MSc (Econ.), MBA

Member of the Board of Directors since 2020

Independent of the Company and its significant shareholder

### Key work experience:

**Finnish Commerce Federation**, Managing Director (2019–2024)

**OECD**, Deputy Secretary-General (2014–2018)

**Prime Minister of Finland** (2010–2011)

**Minister of Local and Regional Government** (2007–2010)

**Minister for Foreign Trade and Development** (2005–2006)

**Member of Parliament**, Centre Party (1995–2014)

### Other positions of trust:

**German-Finnish Chamber of Commerce**, Member of Committee (2024–)

**Club de Madrid**, member (2024–)

**Suomen Messusäätiö**, Member of the Board of Directors (2024–)

**University of Vaasa**, Chair of the Board (2022–)

**Asian Infrastructure Investment Bank**, Member of the International Advisory Panel (2021–)

**Savonlinna Opera Festival's Board of Trustees**, Member (2020–)

**Blic Public Affairs**, Member of the Board (2019–2022)

**Messukeskus Helsinki**, Member of the Supervisory Board (2019–2021)

**Suomi Mutual**, Member of the Board (2013–2014)

**The Finnish Centre Party**, Leader (2010–2012)

**Helsinki City Council**, Member (2005–2012)

**Ilkka-Yhtymä Group**, Member of the Supervisory Board (2006–2007)

**Finnish National Opera Foundation**, Member of the Board (2004–2007 and 2013–2014)

**Uusimaa Regional Council**, Member (2004–2008)

**Alko**, Member of the Supervisory Board (2002–2003)

**Lännen Tehtaat Plc**, Member of the Supervisory Board (1996–2005)

**Leonia Bank**, Member of the Supervisory Board (1997–2000)

**VR Group Ltd**, Member of the Supervisory Board (1995–1997)

Shares on 31 December 2025: 23,705 B shares

Independent of the Company and its significant shareholder

### Key work experience:

**Nokian Tyres plc**, President and CEO (2020–2024)

**Huhtamäki Oyj**, President and CEO (2008–2019)

**Ahlström Oyj**, various positions (1991–2008), President and CEO (2004–2008)

**McKinsey & Company**, Associate (1989–1991)

### Other positions of trust:

**Solar Foods Plc**, Chair of the Board of Directors (2025–)

**Hiab Corporation**, Deputy Chair of the Board of Directors (2024–)

**Munksjö AB**, Chair of the Board of Directors (2022–)

**Paulig Ltd**, Member of the Board (2019–), Chair of the Board (2020–)

Shares on 31 December 2025: 32,303 B shares



## MIKKO MÄKIMATTILA

b. 1971

Male

MSc (Agriculture and Forestry)

Member of the Board of Directors since 2023

Independent of the company. Not independent of a significant shareholder in the Company

### Key work experience:

**Agricultural and forestry entrepreneur** (1994–)

**Stonepower Oy**, CEO (2021–)

**Dometal Oy**, CEO, shareholder (2011–2021)

**Multiva Magyarország Kft.**, CEO of Hungarian subsidiary (2013–2021)

**Potila Tuotanto Oy**, CEO (2017–2020)

**Farmit Website Oy**, CEO (2005–2010)

**Lännen Tehtaat Plc**, Development Director (2003–2005)

**Suomen Gallup Elintarviketieto Oy**, Research Director (2001–2003)

**Pellervo Economic Research Institute**, Researcher (1998–2001)

### Other positions of trust:

**Metsä's Conservation Foundation sr**, Chair of the Board (2025–)

**Metsäliitto Cooperative**, Deputy Chair of the Board of Directors (2023–);

Member of the Board of Directors (2020–)

**Pellervo Coop Center**, Member of the Delegation (2023–)

**LocalTapiola General Mutual Insurance Company**, Member of Supervisory Board (2014–2023)

**LähiTapiola Loimi-Häme Regional Mutual Insurance Company**, Member of the Board (2008–2022)

**Dometal Oy**, Member of the Board of Directors (2012–2021)

**Potila Tuotanto Oy**, Member of the Board of Directors (2013–2020)

**Lähivakuutus Cooperative**, Member of the Supervisory Board (2011–2014)

**Forestry Management Association Loimijoki**, Member of the Delegation (2005–2019)

Shares on 31 December 2025: 20,072 B shares



## JUHA VANHAINEN

b. 1961

Male

MSc (Process Technology)

Member of the Board of Directors since 2023

Independent of the Company and its significant shareholder

### Key work experience:

**Apetit Plc**, CEO (2015–2019)

**Stora Enso Oyj**, EVP and Country Manager of Finland (several areas of responsibility) 2007–2015

**Stora Enso Oyj**, several director and manager positions (1990–2007)

**Kemi Oy**, engineer (1988–1990)

### Other positions of trust:

**Metsäliitto Cooperative**, Member of the Board of Directors as of 1 January 2026

**Ponsse Plc**, Member of the Board of Directors (2018–)

**EKE-Construction Ltd.**, Member of the Board of Directors (2022–2025)

**Koskisen Corporation**, Chair of the Board of Directors (2020–2023)

**Wihuri Group**, Member of the Board of Directors (2018–2021)

**FoodDrinkEurope**, Member of the Board of Directors (2018–2019)

**Sucros Ltd**, Deputy Chair of the Board of Directors (2015–2019)

**Ekokem Corporation**, Chair of the Board of Directors (2015–2016), Member of the Board of Directors and the Nomination Committee (2014–2015)

**Finnish Food and Drink Industries' Federation (ETL)**, Member of the Board of Directors and Working Committee (2015–2019)

**Fortek Oy**, Chair of the Board (2013–2015), Member of the Board (2009–2013)

**Finnish Forest Industries Federation**, Chair of the Board of Directors and Working Committee (2012–2013), Vice Chair of the Board and Working Committee (2008–2011)

**Confederation of European Paper Industries (CEPI)**, Member of the Board of Directors (2012–2013)

**Ilmarinen Mutual Pension Insurance Company**, Member of the Supervisory Board (2009–2015)

**Stora Enso Suzhou Paper** (Suzhou) Company Ltd., Chair of the Board of Directors (2012–2014)

**Stora Enso Huatai Paper** (Shandong) Company Ltd., Chair of the Board of Directors (2009–2014)

**Stora Enso Arapoti Industria De Papel S.A.**, Member of the Board of Directors (2009–2014)

**Northern Power Company Plc**, Deputy Chair and Member of the Nomination Committee (2008–2015)

**Fortek Oy**, Member of the Board (2003–2008), Chair of the Board (1999–2003)

Shares on 31 December 2025: 24,480 B shares

### Members who left Metsä Board's Board of Directors in 2025:

## ILKKA HÄMÄLÄ

b. 1961

Male

M.Sc. (Tech.)

Vuorineuvos (Finnish honorary title)

Member of the Board of Directors and Chair of the Board since 2018 until 1 July 2025

## ERJA HYRSKY

b. 1979

Female

MSc (Econ.)

Member of the Board of Directors as of 2021 until 31 July 2025

# Metsä Board's Corporate Leadership Team

Members of the Corporate Leadership Team:



**ESA KAIKKONEN**

b. 1969  
Male  
Chief Executive Officer  
LLM, Master of Laws, trained on the bench

Metsä Group employee since 1998. Metsä Board's CEO since 2025.

**Key work experience:**

**Metsä Board Corporation**, CEO (4/2025–)  
**Metsä Group**, EVP, Strategy (3/2025–4/2025)  
**Metsä Tissue Corporation**, CEO (2018–2/2025)  
**Metsä Group**, EVP, Strategy (2017–2018)  
**Metsä Wood**, EVP (2013–2018)  
**Metsä Group**, Group General Counsel (2003–2013)  
**Metsä Group** (formerly Metsäliitto Group), lawyer (2000–2003)  
**Metsä Board Corporation** (formerly Metsä Serla Corporation), lawyer (1998–2000)

**Key positions of trust:**

**Husum Pulp Ab**, Chair of the Board of Directors (2025–)  
**Metsä Board Sverige Ab**, Chair of the Board of Directors (2025–)  
**Pohjolan Voima Oyj**, Member of the Board of Directors (2017–2025), Deputy Member of the Board (2025–)  
**Finnish Forest Industries Federation**, Member of the Board of Directors (2018–)  
**Metsä Fibre Oy**, Member of the Board of Directors (2017–)  
**Metsä Greaseproof Papers Oy**, Chair of the Board of Directors (2021–2025)  
**Metsä Spring Oy**, Member of the Board of Directors (2018–2025)  
**Teollisuuden Voima Oyj**, Member of the Board of Directors (2017–2025)  
**Federation of the Finnish Woodworking Industries**, Member of the Board of Directors (2017–2018), Chair of the Board of Directors (2015–2016)  
**Maanpuolustuskurssiyhdistys ry**, Member of the Board of Directors (2020–)

Shares on 31 December 2025: 49,078 B shares



**MINNA BJÖRKMAN**

b. 1970  
Female  
Senior Vice President, Containerboard  
MSc (Econ.)

Metsä Board's Senior Vice President, Containerboard, and member of the Corporate Leadership Team as of 5 January 2026.

**Key work experience:**

**Metsä Board Corporation**, SVP, Containerboard (1/2026–)  
**Stora Enso Oyj**, SVP, Business Unit Fresh Containerboard (2023–2025)  
**Stora Enso Oyj**, EVP, Sourcing & Logistics (2023)  
**Stora Enso Oyj**, SVP, Supply Chain and Operational Excellence, Packaging Solutions (2019–2023)  
**Kemira Oyj**, Vice President, EMEA Supply Chain (2017–2019)  
**Fazer Oyj**, Vice President, Supply Chain Operations Development (2013–2017)  
**Nokia Corporation**, various management and development positions in Supply Chain and marketing (1999–2013)  
**Enso Oyj**, various marketing positions (1995–1999)

**Positions of trust:**

**Finntraffic Oy**, Member of the Audit Committee (2025–), Member of the Board of Directors (2023–), Member of the Personnel Committee (2023–2024)  
**Finntraffic Road Oy**, Member of the Board of Directors (2021–2023)

Shares on 31 December 2025: 0 B shares

No entities where members of the Corporate Leadership Team have a controlling interest hold shares in the Company.



## ERJA HYRSKY

b. 1979

Female

Senior Vice President, Commercial Operations  
MSc (Econ.)

Metsä Board's Senior Vice President, Commercial Operations, and member of the Corporate Leadership Team as of 1 August 2025.

### Key work experience:

**Metsä Board Corporation**, SVP, Commercial Operations (8/2025–)

**Unilever Nordics**, CEO, Ice Cream, Nordics (2021–2025)

**Unilever PLC**, Strategy Director, Global Markets (2019–2021)

**Unilever Finland Oy**, Managing Director, Sales Director (2013–2019)

**Procter & Gamble Oy**, various managerial positions in sales  
(2006–2013)

**Hewlett Packard Oy**, various positions in sales and  
marketing (2004–2006)

### Positions of trust:

**Tokmanni Group Corporation**, Member of the Board of Directors, Member of the Sustainability and HR Committee and Finance and Audit Committee (2025–)

**Metsä Board Corporation**, Member of the Board of Directors (2021–7/2025), Member of the Audit Committee (3/2025–7/2025), Member of the Nomination and HR Committee (2021–3/2025)

**Finnish Food and Drink Industries' Federation (ETL)**, Member of the Board (2016–2019)

**Polaris Pension Fund**, Chair of the Board (2016–2019)

Shares on 31 December 2025: 29,528 B shares



## JUSSI NOPONEN

b. 1975

Male

Senior Vice President, Production  
and Supply Chain  
M.Sc. (Tech.)

Metsä Group employee since 2000. Member of Corporate Leadership Team since 2016.

On 15 January 2026, was appointed as the Executive Vice President of Metsä Wood, part of Metsä Group, as of 1 March 2026.

### Key work experience:

**Metsä Board Corporation**, Senior Vice President, Production and Supply Chain (2025–2/2026)

**Metsä Board Corporation**, Senior Vice President, Sales and Supply Chain (2021–2025)

**Metsä Board Corporation**, CFO (2016–2021)

**Metsä Group**, Senior Vice President, Group Finance (2009–2016)

**Metsä Board Corporation**, Senior Vice President, Business Control, Graphic Papers (2008), Vice President, Group Business Control (2006–2008), Business Controller, Folding Cartons (2003–2006)

**Nokia Corporation** (1999–2000) and Metsä Group (2000–2003), SAP system implementation projects

Shares on 31 December 2025: 90,000 B shares





## LAURA REMES

b. 1980

Female

Senior Vice President, Business Transformation  
M.Sc. (Tech.)

Metsä Board's Senior Vice President, Business Transformation, and member of the Corporate Leadership Team since 6 October 2025.

On 15 January 2026, was appointed as the Senior Vice President, Production and Supply Chain as of 1 March 2026.

### Key work experience:

**Metsä Board Corporation**, SVP, Production and Supply Chain (3/2025–)

**UPM Fibres**, Vice President, Strategy, Research & Development (2022–2025)

**UPM Specialty Papers**, Mill Manager (2019–2021), Vice President, Strategy and Business Development (2017–2018)

**UPM Kymmene Corporation**, several positions in strategy, and business, sales and supply chain development (2010–2017)

**Nokia Markets**, Business Development Manager (2007–2009)

**Nokia Mobile Phones**, Analyst, Marketing Planning & Investment and Manager, Asian Marketing (2005–2007)

### Positions of trust:

**Suominen Corporation**, Member of the Board and Audit Committee and Chair of the Strategy Committee (2023–)

Shares on 31 December 2025: 0 B shares



## ANSSI TAMMILEHTO

b. 1982

Male

Chief Financial Officer  
MSc (Econ.), CEFA

Metsä Board's Chief Financial Officer (CFO) and member of the Corporate Leadership Team as of 26 January 2026. In addition, as of 1 March 2026 Tammilehto will be responsible for the transformation duties previously held by Remes.

### Key work experience:

**Metsä Board Corporation**, CFO (1/2026–)

**Neste Corporation**, Senior Vice President, Strategy, M&A and Investor Relations (2024–2026)

**Neste Corporation**, Interim CFO (10/2024–3/2025)

**Neste Corporation**, Vice President, Investor Relations (2022–2024)

**Neste Corporation**, Vice President, Corporate Business Control (2013–2022)

**Neste Corporation**, Director, Business Control (2010–2013)

**Neste Corporation**, Sales Manager (2008–2010)

**Neste Corporation**, various positions in Finance and Supply Chain Specialist functions (2005–2015)

### Positions of trust:

**Neste Marketing Ltd**, Chair of the Board of Directors (2024–)

**Kiilto Family Oy**, Member of the Board of Directors (2020–)

**Neste Renewable Solutions US Inc.**, Member of the Board of Directors (2020–2023)

Shares on 31 December 2025: 0 B shares



## ANTTI KILJUNEN

b. 1978

Male

Interim Chief Financial Officer  
MSc (Econ.)

Metsä Group employee since 2005. Metsä Board's interim Chief Financial Officer since 24 October 2025.

### Key work experience:

**Metsä Board Corporation**, interim CFO (10/2025–1/2026)

**Metsäliitto Cooperative**, Senior Vice President, Group Finance (2023–)

**Metsä Fibre Oy**, Senior Vice President, Finance (2019–2023), various accounting positions (2006–2019)

**UPM Oyj**, Logistics Administrator (2004–2005), Customer Service Administrator (2001–2002)

### Positions of trust:

**Oy Silva Shipping Ab**, Chair of the Board of Directors (2019–)

Shares on 31 December 2025: 300 B shares



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## CAMILLA WIKSTRÖM

b. 1970

Female

Senior Vice President, Human Resources

M.Sc. (Tech.)

Metsä Group employee since 2002. Member of Corporate Leadership Team since 2019.

### Key work experience:

**Metsä Board Corporation**, SVP, HR (2019–)

**Metsä Fibre Oy**, SVP, Production at Pulp Business (2018–2019)

**Metsä Fibre Oy**, Mill Manager, Äänekoski mill (2009–2017)

**Oy Metsä-Botnia Ab** (currently Metsä Fibre Oy), various positions (2002–2008)

**Herkules Ab**, customer service and sales positions (1995–2002)

### Positions of trust:

**Botnia Mill Service Oy**, Member of the Board of Directors (2018–2019)

Shares on 31 December 2025: 19,031 B shares

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## Members who left Metsä Board's Corporate Leadership Team in 2025

### MIKA JOUKIO

b. 1964

Male

CEO

M.Sc. (Tech.), MBA

Metsä Group employee since 1990. Metsä Board's CEO from 2014 until April 2025.

### MARKKU LESKELÄ

b. 1962

Male

Senior Vice President, Development

PhD

Metsä Group employee since 2016. Metsä Board's SVP, Development, from 2021 until August 2025.

### HARRI PIHLAJANIEMI

b. 1970

Male

Senior Vice President, Production and Technology

M.Sc. (Tech.)

Metsä Group employee since 2017. Metsä Board's SVP, Production and Technology, from 2023 until August 2025.

### HENRI SEDERHOLM

b. 1978

Male

Chief Financial Officer

MSc (Econ.)

Metsä Group employee 2003–2025. Metsä Board's Chief Financial Officer from 2021 until October 2025.

# Remuneration Report

## Introduction

Metsä Board’s remuneration aims to fairly support profitable growth and the increase of shareholder value in line with the company’s values and interests. The key objective is to enable the achievement of the company’s vision and its strategic and operational goals. We aim to encourage excellent performance in both the short and long terms.

Remuneration at Metsä Board is based on the following principles:

- **Ensuring sustainable and responsible business operations**  
Our remuneration supports the achievement of the company’s vision, strategic and operational targets, and sustainability targets. We encourage activities in line with the company’s values and interests – responsible profitability, reliability, renewal and cooperation.
- **Ensuring performance and profitable growth**  
With remuneration, we encourage excellent performance and results in both the short and long term. We remunerate our people for achieving and exceeding targets, profitable growth, and the increase of shareholder and stakeholder value.
- **Supporting competence development and renewal**  
With remuneration, we support competence development and the commitment of talent. We encourage continuous improvement, renewal and the creation of the conditions needed for future success. In addition to monetary remuneration, we develop the personnel’s competence and offer opportunities for career development. Our leadership is of a high quality, and we encourage the personnel’s participation.
- **Consistency, competitiveness and transparency**  
The remuneration is fair and based on clear principles and structures. We offer competitive overall remuneration. We communicate and report on remuneration transparently and in accordance with requirements.

### Compliance with Remuneration Policy

In the 2025 financial year, the remuneration of Board members and the CEO was in line with the Remuneration Policy approved by the Annual General Meeting on 26 March 2024. There were no deviations from the Remuneration Policy.

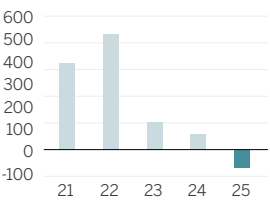
In the 2025 financial year, the remuneration of Board members comprised the annual remuneration approved by the Annual General Meeting and the meeting fees paid based on participation. The company has clawback terms in place for both short- and long-term incentive schemes for exceptional situations. No clawbacks were applied in 2025.

### Short- and long-term incentive schemes

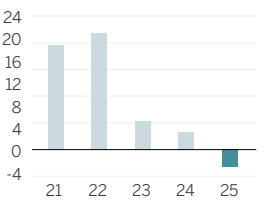
Metsä Board has a short-term incentive system with a review period of one calendar year. The company also has a long-term share-based incentive system with a performance period of three years and a restriction period of approximately two years. The targets of the long-term incentive system, tied to the return on capital employed, operating result and equity ratio, affect the long-term development of shareholder value. The Board of Directors has steered the company’s operations in the short and long terms with the support of the incentive systems. Metsä Board’s financial result has a direct impact on the remuneration of the CEO through both the short- and long-term incentive systems.

### The company’s financial development

COMPARABLE  
OPERATING RESULT  
EUR million



COMPARABLE RETURN  
ON CAPITAL EMPLOYED  
%



## Development of remuneration in 2021–2025

In 2021, there were no changes to Board members' fees. In 2022, the Annual General Meeting decided to increase the annual remuneration paid to Board members. The annual remuneration paid to the Chair and to the Deputy Chair of the Board of Directors is EUR 99,000 and EUR 85,000 respectively. The annual remuneration paid to other members of the Board of Directors is EUR 67,000. Approximately half the annual fee is paid in cash, and the rest in shares. The 2022 Annual General Meeting also decided to keep meeting fees at EUR 800 and pay separate monthly remuneration of EUR 900 to the Chair of the Audit Committee. The 2024 Annual General Meeting decided to keep annual and monthly remuneration

unchanged and raise meeting fees from EUR 800 to EUR 1,000. In 2025, the Annual General Meeting decided that all fees would remain unchanged. Meeting fees are paid in cash and only once if several meetings are held during the same day. The CEO's base salary increased by approximately 13% over five years. The CEO's total remuneration development has been particularly influenced by company performance in previous years and thus by the number of the company's B series shares earned in the long-term incentive system. The development of employees' average earnings has been moderate.

### DEVELOPMENT OF THE BOARD OF DIRECTORS' REMUNERATION, THE CEO'S REMUNERATION AND THE AVERAGE EARNINGS OF EMPLOYEES (IN EUROS)

	2025	2024	2023	2022	2021
<b>Chair of the Board of Directors</b>	138,542	114,400	111,800	113,400	108,600
Jussi Vanhanen member as of 20 March 2025 and Chair as of 1 July 2025					
Ilkka Härmälä until 30 June 2025					
<b>Vice Chair of the Board of Directors</b>	101,000	101,400	97,800	99,400	93,600
Jussi Linnaranta as of 11 June 2020					
<b>Other members of the Board of Directors</b> (on average)	85,500	82,229	80,200	82,329	75,986
<b>CEO</b> <sup>1)</sup>	1,810,104	1,514,834	2,268,101	1,817,130	1,558,658
Esa Kaikkonen as of 7 April 2025					
Mika Joukio until 6 April 2025					
<b>Average earnings of employees</b> <sup>2)</sup>	60,398	53,183	52,221	59,564	56,941
<b>Ratio of highest annual earnings to median earnings</b> <sup>3)</sup>	16	25	39	-	-

<sup>1)</sup> CEO's remuneration details include the salaries and rewards paid for the year in question. The figures shown in the table do not include paid supplementary pension contributions.

<sup>2)</sup> The average earnings of employees have been calculated from the employee costs of the entire Group by deducting social security costs from the total and dividing the remainder by the average number of employees.

<sup>3)</sup> The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual). Comparison figure is not available for years 2021–2022.

# Remuneration of the Board of Directors

## REMUNERATION PAID TO THE BOARD OF DIRECTORS IN 2025 (IN EUROS)

	Annual remuneration <sup>1)</sup>	Board meeting fees	Committee meeting fees	Pension insurance contribution (TyEL) <sup>2)</sup>	Total
<b>Jussi Vanhanen</b> , Member as of 20 March 2025 and Chair as of 1 July 2025	89,667	10,000	1,000	16,993	117,659
<b>Jussi Linnaranta</b> , Vice Chair	85,000	15,000	1,000	17,049	118,049
<b>Leena Craelius</b>	67,000	13,000	4,000	14,179	98,179
<b>Raija-Leena Hankonen-Nybom</b> <sup>3)</sup>	67,000	16,000	4,000	15,991	102,991
<b>Mari Kiviniemi</b>	67,000	16,000	4,000	14,686	101,686
<b>Jukka Moisio</b>	67,000	16,000	2,000	15,623	100,623
<b>Mikko Mäkimattila</b>	67,000	15,000	1,000	14,010	97,010
<b>Juha Vanhainen</b>	67,000	16,000	4,000	15,991	102,991
<b>Total</b>	<b>576,667</b>	<b>117,000</b>	<b>21,000</b>	<b>124,521</b>	<b>839,187</b>
<b>Former members of the Board of Directors</b>					
<b>Ilkka Härmälä</b> <sup>4)</sup> , Chair until 30 June 2025	28,875	9,000	-	6,961	44,836
<b>Erja Hyrsky</b> <sup>5)</sup> , until 31 July 2025	67,000	11,000	1,000	14,520	93,520
<b>Total</b>	<b>95,875</b>	<b>20,000</b>	<b>1,000</b>	<b>21,482</b>	<b>138,357</b>

<sup>1)</sup> Approximately half the remuneration has been paid as the company's B series shares, and approximately half in cash. The cash portion has covered the taxes to be charged from the remuneration. The figures shown in the table do not include the portion of transfer tax paid by the company.

<sup>2)</sup> Voluntary TyEL pension (the Finnish employee's statutory pension system) insurance has been taken out for the members of the Board of Directors until they reach the required upper age limit.

<sup>3)</sup> The Chair of the Audit Committee has also been paid a monthly remuneration of EUR 900 every month.

<sup>4)</sup> Härmälä's Board fees were recovered due to the change of Chair in 2025

<sup>5)</sup> As Hyrsky transferred to Metsä Board's service on 1 August 2025, the annual Board fee is prorated, and the repaid portion is taken into account in total remuneration.

## SHARES DELIVERED TO THE BOARD OF DIRECTORS IN 2025

Member of the Board of Directors	Number of shares <sup>1)</sup> delivered
<b>Jussi Vanhanen</b> , Member as of 20 March 2025 and Chair as of 1 July 2025	13,788
<b>Jussi Linnaranta</b> , Vice Chair	13,016
<b>Leena Craelius</b>	10,259
<b>Raija-Leena Hankonen-Nybom</b>	10,259
<b>Mari Kiviniemi</b>	10,259
<b>Jukka Moisio</b>	10,259
<b>Mikko Mäkimattila</b>	10,259
<b>Juha Vanhainen</b>	10,259
<b>Total</b>	<b>88,358</b>
<b>Former members of the Board of Directors</b>	
<b>Ilkka Härmälä</b> <sup>2)</sup> , Chair until 30 June 2025	4,421
<b>Erja Hyrsky</b> <sup>3)</sup> , until 31 July 2025	10,259
<b>Total</b>	<b>14,680</b>

<sup>1)</sup> Metsä Board's series B share

<sup>2)</sup> Härmälä's Board fees were recovered due to the change of Chair in 2025

<sup>3)</sup> As Hyrsky transferred to Metsä Board's service on 1 August 2025, the annual Board fee is prorated, and the repaid portion is taken into account in total remuneration.

# Remuneration of the CEO

## SALARIES AND INCENTIVES PAID TO THE CEO AND THE COST OF SUPPLEMENTARY PENSION ARRANGEMENT IN 2025 (IN EUROS)

Esa Kaikkonen as of 7.4.2025	2025
Base salary, including fringe benefits <sup>1)</sup>	434,324
Short-term incentive <sup>2)</sup>	-
Long-term incentive <sup>2)</sup>	-
<b>Total</b>	<b>434,324</b>
Supplementary defined contribution pension insurance	79,505

- <sup>1)</sup> The base salary includes a company car and phone benefit, as well as extended health and accident insurance coverage.
- <sup>2)</sup> The short-term and long-term incentives relate to earning periods prior to 2025, at which time Kaikkonen was not yet covered by these Metsä Board Corporation's incentive schemes

## SALARIES AND INCENTIVES PAID TO THE CEO AND THE COST OF SUPPLEMENTARY PENSION ARRANGEMENT IN 2025 (IN EUROS)

Mika Joukio until 6.4.2025 <sup>1)</sup>	2025
Base salary, including fringe benefits <sup>2)</sup>	472,271
Short-term incentive <sup>3) 4)</sup>	-
Long-term incentive <sup>4) 5)</sup>	250,067
Other paid compensation <sup>6)</sup>	653,443
<b>Total</b>	<b>1,375,780</b>
Supplementary defined benefit pension arrangement	442,016

- <sup>1)</sup> Joukio CEO until 6 April 2025, salary and incentives paid until 7 October 2025, the date on which Joukio's employment with Metsä Board Corporation concluded.
- <sup>2)</sup> The base salary includes a company car and phone benefit, as well as extended health, travel and accident insurance coverage.
- <sup>3)</sup> The short-term incentive paid concerns performance in 2024. On 2025, no performance bonus was paid as the incentive system's threshold value was not reached.
- <sup>4)</sup> The incentive paid is accrued in the financial statements over the vesting period.
- <sup>5)</sup> The long-term incentive paid concerns the 2022–2024 performance period.
- <sup>6)</sup> Non-compete (40% from six months' salary) and severance pay (equals 12 months' salary).

Until 6 April 2025, the CEO was Mika Joukio, and from 7 April 2025 onwards, Esa Kaikkonen.

CEO Joukio's remuneration in 2025 consisted of a fixed base salary, fringe benefits, performance-based long-term incentives and supplementary pension contributions. Joukio was also covered by the short-term incentive scheme. In addition, Joukio received severance pay and as a special reward in accordance with Metsä Board Remuneration Policy a non-compete compensation. The data presented for Joukio covers the period 1 January–6 October 2025.

CEO Kaikkonen's remuneration in 2025 consisted of a fixed base salary, fringe benefits and supplementary pension contributions. Kaikkonen is covered by both short- and long-term incentive schemes. The data presented for Kaikkonen covers the period 7 April–31 December 2025.

## THE CEO'S SHORT-TERM INCENTIVE TARGETS AND INCENTIVES FOR 2025

Esa Kaikkonen as of 7 April 2025			Actual %, before the Metsä Group EBIT multiplier <sup>1)</sup>	Actual in euros, taking the Metsä Group EBIT multiplier into account <sup>2)</sup>
The CEO's incentive targets	Weight, %			
2025 Sustainability targets	12.5	71	0	0
Financial targets	25			
Other business targets	12.5			
Metsä Group's sustainability target	10			
EBIT target	40			
<b>Total</b>	<b>100</b>			

- <sup>1)</sup> The targets are assessed on a scale of 0–200, where 100 means that target is reached.
- <sup>2)</sup> The remuneration, taking Metsä Group's EBIT multiplier into account. For 2025, no performance bonus was paid as the incentive system's threshold value was not reached.

## THE CEO'S SHORT-TERM INCENTIVE TARGETS AND INCENTIVES FOR 2024–2025

Mika Joukio until 6 April 2025			Actual %, before the Metsä Group EBIT multiplier <sup>1)</sup>	Actual in euros, taking the Metsä Group EBIT multiplier into account <sup>2)</sup>
The CEO's incentive targets	Weight, %			
2025 <sup>3)</sup> Sustainability targets	12.5		0	0
Financial targets	25			
Other business targets	12.5			
Metsä Group's sustainability target	10			
EBIT target	40			
<b>Total</b>	<b>100</b>			
2024 Paperboard sales	20	63	0	0
Fixed costs	10			
Work safety, TRIF	10			
Strategic projects	10			
EBIT target	50			
<b>Total</b>	<b>100</b>			

- <sup>1)</sup> The targets are assessed on a scale of 0–200, where 100 means that target is reached.
- <sup>2)</sup> The remuneration, taking Metsä Group's EBIT multiplier into account. For 2024 and 2025, no performance bonus was paid as the incentive system's threshold value was not reached.
- <sup>3)</sup> The actual of Joukio's 2025 targets will not be reported, as the term of the CEO ended mid-year.

In 2025, the maximum level of remuneration available in the CEO's short-term incentive system was 75% of the fixed annual base salary, accounting for Metsä Group's EBIT multiplier. In 2025, the sustainability targets of both CEOs were related to occupational safety and Metsä Board's strategic projects. No short-term incentives were paid for 2025, as the short-term incentive system's performance indicator (Metsä Group's EBIT) did not exceed the threshold.

The short-term incentive system for 2024 was based on the same principles as in 2025. The CEO was not paid any short-term incentives for 2024, as the short-term incentive system's performance indicator (Metsä Group's EBIT) did not exceed the threshold.



In 2019, Metsä Board's Board of Directors decided on a performance-based long-term share plan for key employees for 2020–2024. The system consists of three performance periods of three years. The amount of the reward is limited. The CEO's maximum reward is 210% of the fixed annual base salary (a cut-off level of 270% of the fixed annual base salary). The payment of the reward is followed by a restriction period of approximately two years, during which the CEO cannot transfer or dispose of the shares related to the payment. The reward paid to CEO Joukio in 2025 concerned the 2022–2024 performance period of the 2020–2024 performance share plan.

In 2022, Metsä Board's Board of Directors decided on a new performance share plan for 2023–2027. The system was based on the same

principles as the 2020–2024 performance share plan, and the CEO's reward level has not changed. Rewards for the 2023–2025 performance period will not be paid as the performance criteria fell below the minimum level.

In January 2026, Metsä Board's Board of Directors decided on a new performance share plan for key employees for 2026–2030. The system was based on the same principles as the 2023–2027 performance share plan, and the CEO's reward level has not changed.

The relative proportions of variable and fixed pay components are shown in the chart below.

PERFORMANCE PERIODS, CRITERIA, AND ACTUALS OF THE LONG-TERM PERFORMANCE SHARE PLAN AND CEO'S INCENTIVES

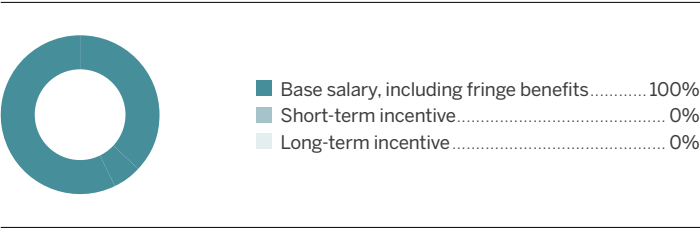
Performance period	Year of payment	Criteria <sup>1)</sup>	Weight, %	Actual, %	Share price at time of transfer, EUR	CEO Esa Kaikkonen earned gross reward, shares <sup>2)</sup>	CEO Mika Joukio earned gross reward, shares <sup>2)</sup>
2022–2024	2025	Metsä Board Roce %	50	53	3.89	Not included in the scheme	64,349
		Metsä Group Roce %	50				
2023–2025	2026	Metsä Board Roce %	50	0	0	0 <sup>3)</sup>	0 <sup>3)</sup>
		Metsä Group Roce %	50				
2024–2026	2027	Metsä Board Roce %	50	Not known yet			
		Metsä Group Roce %	50				
2025–2027	2028	Metsä Board Roce %	50	Not known yet			
		Metsä Group Roce %	50				

<sup>1)</sup> The three-year average ROCE of Metsä Board Group and Metsä Group. Furthermore, threshold value have been set for the equity ratio and operating result. The operating result threshold does not apply to the 2025–2027 performance period.

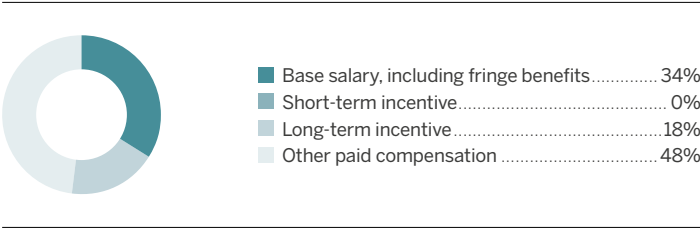
<sup>2)</sup> The gross reward includes the shares to be transferred as well as the share of taxes.

<sup>3)</sup> Rewards for the 2023–2025 performance period will not be paid as the performance criteria fell below the minimum level.

THE BREAKDOWN OF THE CEO'S REMUNERATION INTO A FIXED BASE SALARY, SHORT-TERM INCENTIVE AND LONG-TERM INCENTIVE IN 2025, ESA KAIKKONEN



THE BREAKDOWN OF THE CEO'S REMUNERATION INTO A FIXED BASE SALARY, SHORT-TERM INCENTIVE AND LONG-TERM INCENTIVE IN 2025, MIKA JOUKIO



The cost of the CEO's supplementary pension arrangement in 2025

CEO Esa Kaikkonen has been covered by a supplementary defined contribution pension scheme since 1 May 2025, with a retirement age of 62. The annual contribution is 20% of total remuneration, including short-term incentives. In 2025, the contribution to the supplementary defined contribution pension scheme was EUR 79,505.

CEO Mika Joukio was covered by a supplementary defined benefit pension scheme with a retirement age of 62. The payment for the supplementary defined benefit pension arrangement in 2025 was EUR 442,016. In addition, Joukio was paid a severance payment of EUR 544,536 and as a special reward in accordance with Metsä Board Remuneration Policy a non-compete compensation of EUR 108,907 upon termination.

# Investor relations and investor information

The role of Metsä Board's Investor Relations function is to ensure that the market has accurate and sufficient information to determine the value of the company's share.

Investor Relations engages in active dialogue with representatives of the capital markets and is responsible for planning and implementing financial and investor communications.

The function also collects investor feedback and market information to support decision-making by the company's management and Board of Directors.

Investor and analyst meetings are typically attended by the VP, Investor Relations, the CFO and/or the CEO. All investor contacts are handled centrally through Investor Relations.

Communication with credit rating agencies is also managed by Investor Relations. These meetings are usually attended by Metsä Board's CFO and Head of Investor Relations, as well as Metsä Group's Group Treasurer.

During the silent period, the company does not comment on its financial position, operating environment or future outlook.

## Investor website

Further information about Metsä Board as an investment, as well as details on the company's strategy, operating environment, financials and governance, can be found on the company's website at: <https://www.metsagroup.com/metsaboard/investors/>.

## Investor relations in 2025

Investor activity in 2025 was clearly lower than in previous years. Investor meetings were held mainly in Finland, with some in Central Europe.

Metsä Board actively participated in investor conferences organized by brokerage firms, most of which were conducted virtually.

The Annual General Meeting was held on March 20, 2025, in Helsinki, with around 70 shareholders in attendance.

Webcasts were produced for earnings releases and the CEO's review at the AGM. In addition, InderesTV interviewed the CEO after each earnings release. All events were recorded, and the videos are available on the company's investor website alongside other investor materials.

Metsä Board also utilises social media channels in its investor communications.

## Analyst coverage

The following brokerage firms provided research on Metsä Board in 2025: ABG Sundal Collier, Danske Bank, DNB Carnegie, Inderes, Nordea, OP Equities, SEB, and UBS.

Analyst contact details and the consensus forecast are available on the company's website. Metsä Board is not responsible for the content, accuracy, or completeness of analysts' views.

## Annual General Meeting 2026

Metsä Board Corporation's Annual General Meeting 2026 will be held on March 19, 2026, starting at 2:00 p.m. at Finlandia Hall, Mannerheimintie 13 e, 00100 Helsinki.

The notice of the meeting, including registration instructions, as well as AGM documents and additional information, are available on the company's website at: <https://www.metsagroup.com/agm2026>.

## Profit Distribution

The Board of Directors will propose to the Annual General Meeting on March 19, 2026, that no dividend be distributed for the financial year 2025. Metsä Board's net result for 2025 was negative.

## Investor Relations Contact

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General questions or comments related to Investor Relations can be sent to: [metsaboard.investors@metsagroup.com](mailto:metsaboard.investors@metsagroup.com)

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## Financial reporting in 2026

Silent Period*	Financial Report	Publication Date
Jan 1 – Feb 4, 2026	Financial Statements Bulletin for 2025	Feb 5, 2026
Apr 1 – Apr 28, 2026	Interim Report January–March 2026	Apr 29, 2026
Jul 1 – Aug 5, 2026	Half-Year Report January–June 2026	Aug 6, 2026
Oct 1 – Oct 28, 2026	Interim Report January–September 2026	Oct 29, 2026

\* The silent period lasts from the end of each financial reporting period until the publication of the corresponding financial report. During the silent period, Metsä Board does not provide comments on the company's financial position, short-term outlook, or market conditions.



**Metsä Board** is a producer of lightweight and high-quality folding boxboards, foodservice boards and white kraftliners.

The fresh wood fibres we use in our products are a renewable and recyclable resource that can be traced back to Northern European forests. We aim to phase out the use of fossil energy in our production by 2030. We promote a culture of diversity, equality and inclusion. Metsä Board's shares are listed on the Nasdaq Helsinki.

In 2025, our sales totalled EUR 1.8 billion, and we employ about 1,900 people. Metsä Board is part of Metsä Group, whose parent company Metsäliitto Cooperative is owned by approximately 90,000 Finnish forest owners. Total sales of Metsä Group were EUR 5.8 billion.

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Metsä Board's annual reporting for 2025 includes the Annual Review and the Sustainability Review (available in March 2026).  
[www.metsagroup.com/metsaboard](http://www.metsagroup.com/metsaboard)



Metsä Board  
Annual Review  
2025



Metsä Board  
Sustainability Review  
2025



Metsä Group  
Annual Review  
2025



# Growth, with a future

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