

A decorative graphic in the top left corner consisting of numerous thin, curved lines in shades of green and blue, some ending in small dots, creating a sense of motion and data flow.

# FINANCIAL STATEMENTS

AND REPORT OF THE BOARD OF DIRECTORS

# 2025



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# Report of the Board of Directors January–December 2025

## Governance

Current legislation, the Company's Articles of Association and the rules and regulations of organizations regulating and supervising the activities of listed companies are complied within Valmet Oyj and Valmet Group corporate governance. Valmet Oyj complies without deviation with the Finnish Corporate Governance Code for listed companies. The Code is publicly available at [www.cgfinland.fi](http://www.cgfinland.fi).

## Corporate Governance Statement and Remuneration Report

Valmet has published a separate Corporate Governance Statement and a Remuneration Report for 2025, which comply with the recommendations of the Finnish Corporate Governance Code for listed companies. The statements also cover other central areas of corporate governance. The statements have been published on Valmet's website, separately from the Board of Directors' Report, at [www.valmet.com/governance](http://www.valmet.com/governance).

## Annual General Meeting

The Annual General Meeting is the Company's highest decision-making body, and its tasks are defined according to the Articles of Association and the Finnish Limited Liability Companies Act.

The Annual General Meeting decides on the adoption of the financial statements, the distribution of profit, discharging the members of the Board of Directors and the President and CEO from liability, appointing the members, Chair and Vice Chair of the Board as well as the auditor, their remunerations, and other matters requiring a decision by the Annual General Meeting according to the Finnish Limited Liability Companies Act that are presented to the Annual General Meeting. The General Meeting convenes at least once a year. The Board of Directors convenes the Annual General Meeting.

## The Board of Directors

The Board of Directors shall see to the administration of the Company and the appropriate organization of its operations, and ensures that the monitoring of the Company's accounting and asset management is arranged appropriately. The Board of Directors monitors the Group's activities, finances and risk management, and its task is to promote the interests of shareholders and the Group by ensuring the appropriate organization of the entire Group's governance and operations.

According to Valmet's Articles of Association, the Board of Directors shall include at least five (5) members and at most eight (8) members. The term of office of Board members ends at

the end of the first Annual General Meeting following the elections. The Annual General Meeting selects the Chair, Vice Chair, and other members of the Board.

## President and CEO

The Board of Directors selects a President and CEO for the Company and decides on the salary and remuneration of the President and CEO as well as other terms related to the position. The Board of Directors monitors the work of the CEO.

The President and CEO is responsible for the Company's daily administration according to the instructions and regulations of the Board of Directors. The President and CEO is responsible for ensuring the legality of the Company's accounting and for the reliable organization of the Company's asset management.

## Valmet's results in 2025

Figures in brackets, unless otherwise stated, refer to the comparison period, i.e., the same period of the previous year.



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## Key figures<sup>1</sup>

EUR million	2025	2024	2023
Orders received	5,216	5,837	4,955
Order backlog <sup>2</sup>	4,306	4,452	3,973
Net sales	5,197	5,359	5,532
Comparable EBITA <sup>3</sup>	620	609	619
% of net sales	11.9%	11.4%	11.2%
EBITA <sup>3</sup>	534	557	605
% of net sales	10.3%	10.4%	10.9%
Operating profit	438	449	507
% of net sales	8.4%	8.4%	9.2%
Profit before taxes	376	383	473
Profit for the period	279	281	359
Earnings per share, EUR	1.52	1.52	1.94
Adjusted earnings per share, EUR	1.82	1.93	2.28
Equity per share <sup>2</sup> , EUR	14.03	14.15	13.93
Dividend per share, EUR	1.35 <sup>4</sup>	1.35	1.35
Cash flow provided by operating activities	581	554	352
Cash flow after investing activities	483	316	-181
Comparable return on capital employed (Comparable ROCE) before taxes	13.0%	12.7%	14.5%
Return on capital employed (ROCE) before taxes	10.9%	11.4%	14.2%
Return on equity (ROE)	10.7%	10.8%	14.1%
Net debt to EBITDA ratio	1.40	1.55	1.46
Gearing <sup>2</sup>	35%	39%	40%
Equity to assets ratio <sup>2</sup>	45%	44%	43%

1 The calculation of key figures is presented in the section 'Formulas for calculation of indicators'.

2 At the end of period

3 Earnings before interest, taxes and amortization

4 Board of Directors' proposal.



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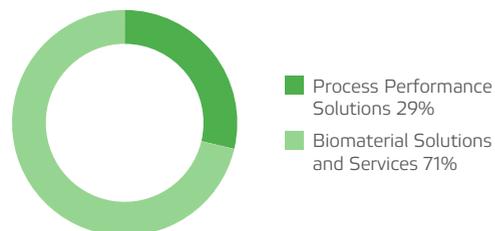
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**Orders received**

Orders received, EUR million	2025	2024	Change
Process Performance Solutions	1,500	1,446	4%
Biomaterial Solutions and Services	3,716	4,392	-15%
<i>of which biomaterial services</i>	1,948	1,915	2%
<b>Total</b>	<b>5,216</b>	<b>5,837</b>	<b>-11%</b>

**Orders received by segment, %**



Orders received decreased 11 percent to EUR 5,216 million (EUR 5,837 million) in 2025. The decrease mainly reflects the comparison period, during which a landmark pulp mill order valued at over EUR 1 billion was recorded.

Orders received remained at the previous year's level in the Process Performance Solutions segment and decreased in the Biomaterial Solutions and Services segment.

Organically orders received decreased 9 percent.

Organic growth in orders received <sup>1</sup>	2025
Process Performance Solutions	4%
Biomaterial Solutions and Services	-14%
<i>of which biomaterial services</i>	4%
<b>Total</b>	<b>-9%</b>

<sup>1</sup> Indicative only. The impacts from foreign currency fluctuations are calculated by translating the current-year period's reported key figures into euro amounts using the exchange rates in effect for the comparable period in the previous year.

In 2025 Valmet received the following notable orders:

**Process Performance Solutions:**

- an advanced process analytical solutions to Dow’s Path2Zero project, supporting net-zero emissions goals for ethylene cracking,
- strategic agreement to deliver valve services to Petrobras in Brazil,
- a Valmet DNA distributed control system to a bio-based process plant in Portugal,
- a mission-critical automation solution for a hydrogen fuel cell power facility in South Korea, and
- advanced, mission-critical automation for the new Polarstern, a next-generation polar research vessel.

**Biomaterial Solutions and Services:**

- Valmet’s largest-ever energy order for BEW’s biomass power plant in Berlin, including extensive service agreements,
- state-of-the-art tissue line to Sofidel America, which is the largest full-scope tissue delivery in Valmet’s history,
- advancing circularity with a biomass boiler and flue gas handling to a customer in Sweden,
- key pulp mill technology including cooking and fiberline, a recovery boiler, and ash crystallization to a new pulp production line to a customer in China, and
- a major paper machine rebuild to Sylvamo in North America.

**Order backlog**

Order backlog, EUR million	As at December 31,		Change
	2025	2024	
<b>Total</b>	<b>4,306</b>	<b>4,452</b>	<b>-3%</b>

Order backlog amounted to EUR 4,306 million at the end of year 2025 and was at the same level as at the end of 2024.

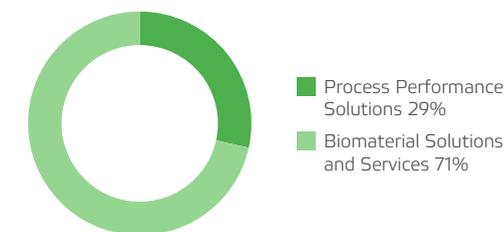
Approximately 15 percent of the order backlog relates to the Process Performance Solutions segment and 85 percent to the Biomaterial Solutions and Services segment (at the end of 2024, 15% and 85% respectively). Approximately EUR 3.1 billion of the order backlog is currently expected to be realized as net sales

during 2026 (at the end of 2024, approximately EUR 3.1 billion was expected to be realized during 2025).

**Net sales**

Net sales, EUR million	2025	2024	Change
Process Performance Solutions	1,481	1,437	3%
Biomaterial Solutions and Services	3,716	3,922	-5%
<i>of which biomaterial services</i>	1,856	1,900	-2%
<b>Total</b>	<b>5,197</b>	<b>5,359</b>	<b>-3%</b>

**Net sales by segment, %**



Net sales remained at the previous year’s level EUR 5,197 million (EUR 5,359 million) in year 2025. Net sales remained at the previous year's level in the Process Performance Solutions segment and decreased in the Biomaterial Solutions and Services segment.

Organically net sales remained at the previous year's level.

Organic growth in net sales <sup>1</sup>	2025
Process Performance Solutions	3%
Biomaterial Solutions and Services	-4%
<i>of which biomaterial services</i>	-1%
<b>Total</b>	<b>-2%</b>

<sup>1</sup> Indicative only. The impacts from foreign currency fluctuations are calculated by translating the current-year period's reported key figures into euro amounts using the exchange rates in effect for the comparable period in the previous year.



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**Organic growth**

	Orders received	Net sales
Organic growth <sup>1</sup>	-9%	-2%
Mergers and acquisitions	1%	1%
Changes in foreign exchange rates <sup>2</sup>	-2%	-2%
<b>Total change</b>	<b>-11%</b>	<b>-3%</b>

1 Indicative only.  
 2 2025 orders received and net sales in euro calculated by applying 2024 average exchange rates to the functional currency orders received and net sales values reported by entities.

In 2025 Valmet's orders received decreased organically by 9 percent while net sales decreased organically by 2 percent.

Valmet completed the acquisition of Process Gas Chromatography business from Siemens (now Analyzer Products and Integration) on April 2, 2024. Valmet also closed the agreement to acquire majority shares in FactoryPal, an undertaking of Körber, on August 1, 2024, and completed the acquisition of Demuth, a provider of wood handling technology and services on August 2, 2024. The acquisitions increased Valmet's orders received and net sales by 1 percent.

Foreign exchange rate changes decreased Valmet's orders received by 2 percent and net sales by 2 percent. Foreign exchange rate impacts on orders received were mainly due to US dollar, Brazilian real and Canadian dollar, and the impacts on net sales were mainly due to US dollar, Brazilian real and Swedish krona.

**Comparable EBITA**

Comparable EBITA, EUR million	2025	2024	Change
Process Performance Solutions	<b>290</b>	255	14%
% of net sales	<b>19.6%</b>	17.7%	1.8 pp
Biomaterial Solutions and Services	<b>381</b>	403	-5%
% of net sales	<b>10.3%</b>	10.3%	0.0 pp
Other	<b>-51</b>	-49	4%
<b>Total</b>	<b>620</b>	609	2%
% of net sales	<b>11.9%</b>	11.4%	0.6 pp.

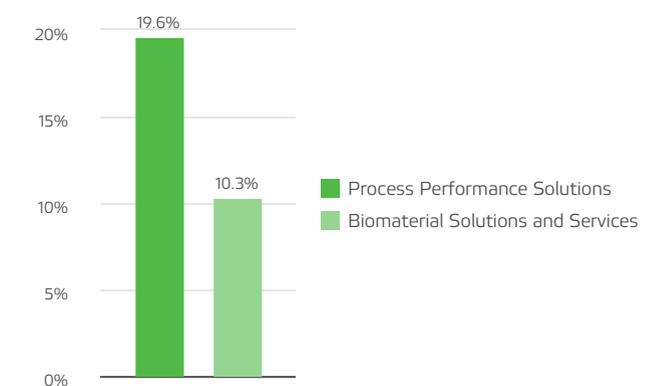
In 2025, Valmet's comparable earnings before interest, taxes and amortization (Comparable EBITA) remained at previous year's level and amounted to EUR 620 million, corresponding to 11.9 percent of net sales (EUR 609 million and 11.4%). The margin increase was supported by cost savings from the operating model renewal.

Items affecting comparability amounted to EUR -85 million (EUR -53 million). The change was mainly related to restructuring expenses of the operating model renewal.

Comparable EBITA of the Process Performance Solutions segment increased 14 percent to EUR 290 million, corresponding to 19.6 percent of the segment's net sales (EUR 255 million and 17.7%). The increase in margin was driven by solid commercial execution, operating model efficiencies, and improved performance in the acquired operations following their integration into Valmet.

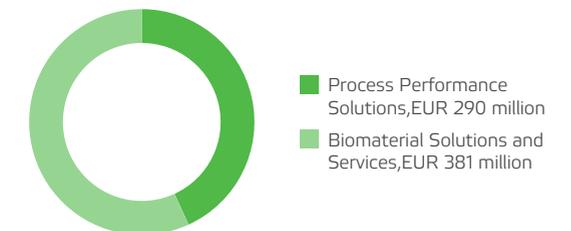
Comparable EBITA of the Biomaterial Solutions and Services segment decreased to EUR 381 million in 2025, corresponding to 10.3 percent of the segment's net sales (EUR 403 million and 10.3%). Comparable EBITA decreased due to lower net sales, but operating model efficiencies supported the margin development of the segment.

**Comparable EBITA margin, 2025**



**Comparable EBITA, 2025 (million EUR)**

(excl. Other)





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## Segments and business areas

### Process Performance Solutions Segment

Process Performance Solutions delivers flow control technologies and automation systems ranging from individual measurements to full plant-wide solutions, complemented by lifecycle services. It serves a global customer base of broad range of industries with mission-critical solutions that enhance resource efficiency, operational reliability, and financial performance. Its strategic mission is to unlock resource efficiency, with a target EBITA margin of 20% by 2030.

### Business developments in 2025

Process Performance Solutions	2025	2024	Change
Orders received (EUR million)	<b>1,500</b>	1,446	4%
Flow Control	798	763	5%
Automation Solutions	702	683	3%
Net sales (EUR million)	<b>1,481</b>	1,437	3%
Flow Control	788	791	0%
Automation Solutions	694	646	7%
Comparable EBITA (EUR million)	<b>290</b>	255	14%
Comparable EBITA, %	<b>19.6%</b>	17.7%	1.8 pp.

Orders received by the Process Performance Solutions segment remained at the previous year’s level (organically +4%) and amounted to EUR 1,500 million (EUR 1,446 million) in the financial year 2025. Orders received remained at the previous year’s level in both Flow Control and Automation Solutions. Orders received of Analyzer Products and Integration (which was integrated into Valmet on April 2, 2024), amounted to EUR 144 million (EUR 93 million).

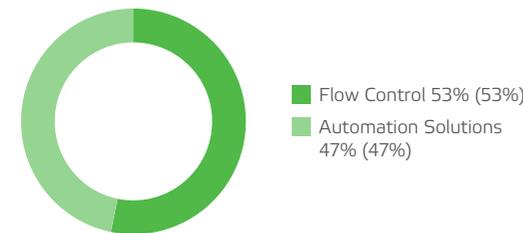
Net sales for the segment remained at the previous year’s level (organically +3%) at EUR 1,481 million (EUR 1,437 million) in 2025. Net sales increased in Automation Solutions and remained at the previous year’s level in Flow Control.

Comparable EBITA of the segment increased to EUR 290 million, corresponding to 19.6 percent of the segment’s net sales (EUR 255 million and 17.7%).

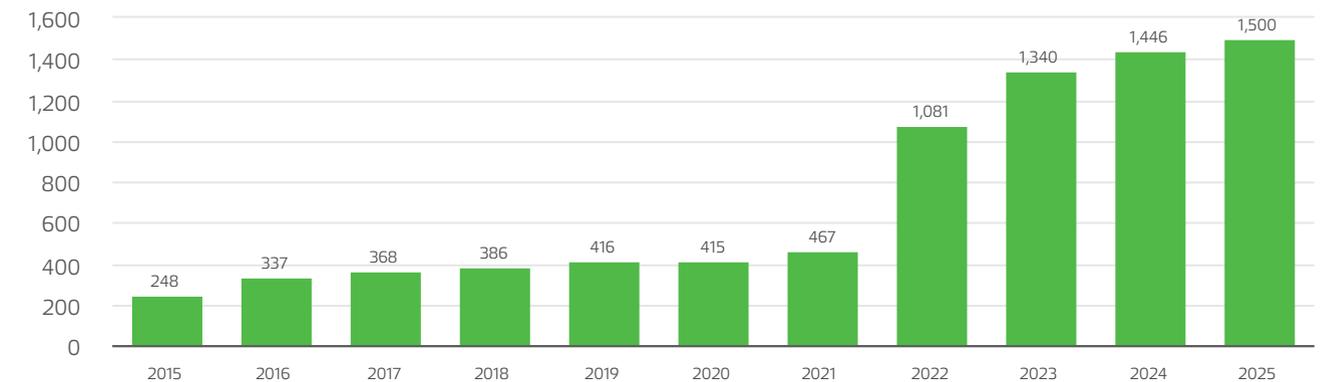
The increase in margin was driven by solid commercial execution, operating model efficiencies, and improved performance in the acquired operations following their integration into Valmet.

The comparable EBITA of the segment corresponded to 47 percent of Valmet’s comparable EBITA (42%).

### Orders received by Business Area, 2025



### Long-term development of orders received, Process Performance Solutions (million EUR)





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## Biomaterial Solutions and Services Segment

Biomaterial Solutions and Services serves global producers across the pulp, paper, packaging, tissue, and bioenergy industries. It provides complete production lines and key process islands, complemented by a full range of lifecycle services. These solutions enable improvements in fiber yield, energy and water efficiency, emissions, and operational uptime. Its strategic mission is to advance circularity, with a target EBITA margin of 14% by 2030.

### Business developments in 2025

Biomaterial Solutions and Services	2025	2024	Change
Orders received (EUR million)	<b>3,716</b>	4,392	-15%
Pulp, Energy and Circularity	1,536	2,250	-32%
Packaging and Paper	1,368	1,462	-6%
Tissue	812	679	20%
<i>of which biomaterial services</i>	<i>1,948</i>	<i>1,915</i>	<i>2%</i>
Net sales (EUR million)	<b>3,716</b>	3,922	-5%
Pulp, Energy and Circularity	1,610	1,541	5%
Packaging and Paper	1,483	1,793	-17%
Tissue	622	588	6%
<i>of which biomaterial services</i>	<i>1,856</i>	<i>1,900</i>	<i>-2%</i>
Comparable EBITA (EUR million)	<b>381</b>	403	-5%
Comparable EBITA, %	<b>10.3%</b>	10.3%	0.0 pp.

Orders received in the financial year 2025 by the Biomaterial Solutions and Services segment decreased 15 percent (organically -14%) to EUR 3,716 million (EUR 4,392 million).

Orders received increased in the Tissue business area and decreased in the Pulp, Energy and Circularity and Packaging and Paper business areas. Orders received in biomaterial services remained at the previous year's level (organically +4%) at EUR 1,948 million (EUR 1,915 million).

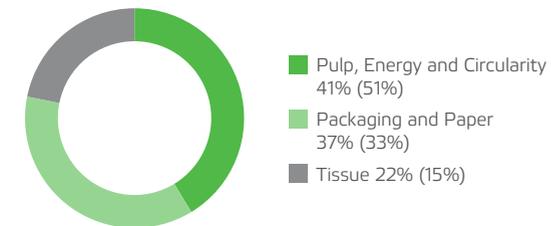
Net sales for the segment decreased 5 percent (organically -4%) and amounted to EUR 3,716 million (EUR 3,922 million).

Net sales in biomaterial services remained at the previous year's level (organically -1%) at EUR 1,856 million (EUR 1,900 million).

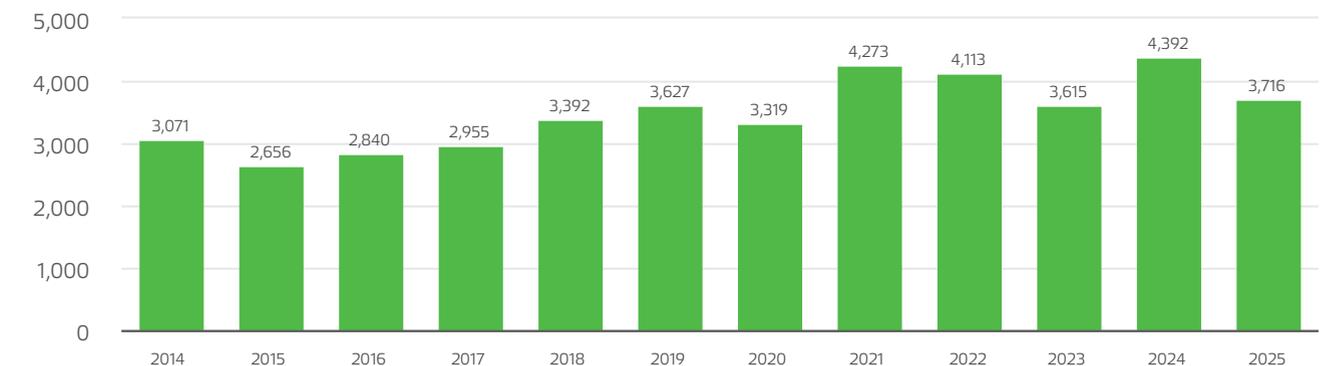
The comparable EBITA of the segment decreased to EUR 381 million, corresponding to 10.3 percent of the segment's net sales (EUR 403 million and 10.3%). Comparable EBITA decreased due to lower net sales, but operating model efficiencies supported the margin development of the segment.

The comparable EBITA of the segment corresponded to 61 percent of Valmet's comparable EBITA (66%).

### Orders received by Business area, 2025



### Long-term development of orders received, Biomaterial Solutions and Services (million EUR)



## Operating profit

Operating profit for the financial year 2025 was EUR 438 million corresponding to 8.4 percent of net sales (EUR 449 million and 8.4%).

## Net financial income and expenses

Net financial income and expenses amounted to EUR -62 million (EUR -65 million) in 2025.

## Profit before taxes and earnings per share

Profit before taxes was EUR 376 million (EUR 383 million) in 2025. The profit attributable to owners of the parent was EUR 280 million (EUR 280 million), corresponding to earnings per share (EPS) of EUR 1.52 (EUR 1.52). Adjusted EPS was EUR 1.82 (EUR 1.93).

## Return on capital employed (ROCE) and return on equity (ROE)

In 2025 comparable return on capital employed (comparable ROCE) before taxes was 13.0 percent (12.7%) and return on capital employed (ROCE) before taxes 10.9 percent (11.4%). Return on equity (ROE) for the corresponding period was 10.7 percent (10.8%).

## Cash flow and financing

### Operating Cash Flow

Cash flow provided by operating activities amounted to EUR 581 million (EUR 554 million) in 2025.

Comparable cash conversion ratio remained at a good level at 94 percent (91%) in 2025, in-line with Valmet's long-term average. Valmet's average comparable cash conversion ratio 2015–2024 was 92 percent.

Cash conversion ratio – calculated from the reported EBITA – was 109 percent (100%) in the financial year. Valmet's average cash conversion ratio 2015–2024 was 96 percent.

## Net working capital

Net working capital amounted to EUR 29 million (EUR 134 million) at the end of the reporting period.

The change in net working capital in the statement of cash flows was EUR 39 million (EUR 61 million) in the financial year 2025.

## Cash flow after investing activities

Cash flow after investing activities totaled EUR 483 million (EUR 316 million) in 2025.

The increase in 2025 compared to the previous year mainly reflects the acquisition-related cash outflows recorded in 2024, which reduced cash flow after investing activities in that year.

## Dividends paid in 2025

In compliance with the resolution of the Annual General Meeting, on April 8, 2025, Valmet paid out the first installment of dividend for year 2024, EUR 125 million, corresponding to EUR 0.68 per share. The second installment, EUR 0.67 per share and in total EUR 123 million, was paid on October 7, 2025.

Valmet's dividend policy is to pay out at least 50% of the profit for the period as dividend. The dividend payout ratio for 2024 was 89%.

## Debt, gearing and liquidity

At the end of 2025, net debt to EBITDA ratio was 1.40 (1.55), gearing 35 percent (39%), and equity-to-assets ratio was 45 percent (44%).

Interest-bearing liabilities amounted to EUR 1,461 million (EUR 1,544 million), and net interest-bearing liabilities totaled EUR 904 million (EUR 1,032 million) at the end of the reporting period.

On December 12, 2025, Valmet completed its first Schuldschein loan transaction, amounting to EUR 375 million. The transaction strengthens Valmet's long-term debt structure, diversifies

funding sources and broadens Valmet's debt investor base. The loan consists of 11 tranches with both fixed and floating interest rate structures and offers a diversified maturity profile of three, five, seven and ten years, with an average maturity of nearly six years. At the end of the reporting period, EUR 281 million of the Schuldschein loan transaction was outstanding.

The average interest rate of Valmet's total debt was 3.4 percent (4.0%) and average maturity of non-current debt including current installments was 3.3 years (3.4) at the end of December. Lease liabilities have been excluded from calculation of these two key performance indicators.

Valmet's liquidity was strong at the end of the reporting period, with cash and cash equivalents amounting to EUR 535 million (EUR 482 million) and other interest-bearing assets totaling EUR 22 million (EUR 30 million). Valmet's liquidity was secured with a committed multi-currency revolving credit facility of EUR 450 million, which was undrawn at the end of the reporting period. Liquidity was additionally secured by an uncommitted commercial paper program worth EUR 300 million, of which EUR 10 million was outstanding at the end of the reporting period.



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## Capital expenditure

In the financial year 2025, gross capital expenditure (excluding business combinations and right-of-use assets) totaled EUR 103 million (EUR 107 million), and represented 2.0 percent (2.0%) of net sales.

## Acquisitions and divestitures

Valmet made no acquisitions or divestitures during the financial year 2025.

On December 22 Valmet announced it has entered into an agreement to acquire Severn Group, a well-established industrial valve company, from Bluewater, a UK-based private equity firm. Severn serves process industries globally and delivers specialized flow control solutions across the most demanding applications. The acquisition is estimated to be completed during the second quarter of 2026, subject to customary closing conditions. When completed the acquisition will strengthen Valmet's Process Performance Solutions segment and Flow Control business area. Severn's net sales in 2025 are estimated to amount to approximately EUR 215 million, with an EBITDA margin of around 16 percent

## Research and development

Valmet's research and development (R&D) expenses in 2025 amounted to EUR 126 million, i.e. 2.4 percent of net sales (EUR 123 million and 2.3%). Research and development work is carried out predominantly in Finland and Sweden, within the business areas' R&D organizations and pilot facilities. In addition, research and development takes place within a network of customers, suppliers, research institutes and universities. In the end of 2025, R&D employed 542 (564) people.

Valmet's R&D work is based on customers' needs, such as improving production and resource efficiency, maximizing the value of raw materials, providing new revenue streams, and developing new innovations and technologies.

Valmet develops competitive, leading production and automation technologies and services. To enhance raw material, water and energy efficiency in its customers' production processes, Valmet combines digitalization, process technology, flow control, automation systems and services. Valmet also develops solutions for replacing fossil materials with renewable ones and for producing new high-value end products.

## Structural changes

On March 31, 2025, Valmet announced plans to renew its operating model and on June 4, 2025, announced its new strategy 'Lead the Way' and confirmed the new operating model to become effective on July 1, 2025. Valmet estimated that the corresponding annual gross cost savings would be approximately EUR 80 million, with full run-rate achieved by the beginning of 2026.

By the end of the year, the company realized approximately EUR 35 million in related cost savings, including approximately EUR 20 million in the fourth quarter and the targeted annual cost savings run-rate was reached. The associated change negotiations have been concluded in all countries.

Since July 1, 2025, Valmet consists of two reportable segments: Process Performance Solutions, and Biomaterial Solutions and Services. In addition, Valmet established a Global Supply unit, which targets EUR 100 million of cost efficiencies by 2030 by optimizing procurement, logistics, and manufacturing activities across the Biomaterial Solutions and Services segment.

## Changes in Valmet's Executive Team

In 2025, Valmet renewed its operating model to reinforce accountability, and high performance. The new organizational structure and Executive Leadership Team became effective on July 1, 2025.

On July 23, 2025, Valmet announced the appointment of Jon Jested-Rask as Executive Vice President, Tissue Business Area, effective August 1, 2025. With this appointment, the new Executive Leadership Team was fully established.

Valmet's Executive Leadership Team, as of December 31, 2025, consists of the following members:

- Thomas Hinnerskov, President and CEO
- Katri Hokkanen, CFO
- Emilia Torttila-Miettinen, EVP Automation Solutions
- Simo Sääskilähti, EVP Flow Control
- Petri Rasinmäki, EVP Packaging and Paper
- Sami Riekkola, EVP Pulp, Energy and Circularity
- Jon Jested-Rask, EVP Tissue
- Aki Niemi, EVP Global Supply
- Celso Tacla, EVP Latin America
- Xiangdong Zhu, EVP China Chair
- Anu Pires, EVP People, Communications and Culture
- Olli Hänninen, EVP Strategy and Transformation
- Rasmus Oksala, EVP Legal, and General Counsel

## Personnel

Personnel by geographical area	As at December 31,		Change
	2025	2024	
North America	2,316	2,474	-6%
Latin America	1,630	1,542	6%
EMEA	10,565	11,188	-6%
China	2,283	2,388	-4%
Asia-Pacific	1,693	1,718	-1%
<b>Total</b>	<b>18,487</b>	19,310	-4%

The number of personnel at the end of December was 18,487 (19,310). The decrease mainly reflects the operating model renewal.

During the financial year 2025, Valmet employed an average of 18,982 people (19,297).

Personnel expenses totaled EUR 1,395 million (EUR 1,393 million) in the financial year 2025, of which wages, salaries and remuneration amounted to EUR 1,101 million (EUR 1,101 million).



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## Geographical areas

### Orders received

Orders received, EUR million	2025	2024	Change
North America	1,685	1,311	29%
Latin America	472	1,638	-71%
EMEA	2,026	1,735	17%
China	613	418	47%
Asia-Pacific	420	735	-43%
Total	5,216	5,837	-11%

Measured by orders received, the top three countries in the financial year 2025 were the USA, China and Germany, which together accounted for 44 percent of total orders received.

### Net sales

Net sales, EUR million	2025	2024	Change
North America	1,341	1,390	-4%
Latin America	866	545	59%
EMEA	1,876	2,033	-8%
China	540	723	-25%
Asia-Pacific	574	668	-14%
Total	5,197	5,359	-3%

In the financial year 2025, the top three countries were the USA, Brazil and China, which together accounted for 46 percent of total net sales.

## Business model and value creation

Valmet is a global developer and supplier of lifecycle solutions and services for biomaterial and energy industries, driving circular transformation. Valmet's process performance solutions serve a wide base of diverse industries providing automation and flow control solutions and enhancing resource efficiency.

Valmet works with customers across the full lifecycle of industrial assets, from new equipment and system deliveries to upgrades, rebuilds and ongoing services. A large global installed base of Valmet equipment and systems creates recurring service and

automation revenue and supports long-term customer relationships.

Valmet's technologies and services improve customers' production performance, energy and raw material efficiency, and environmental footprint, while ensuring safe and reliable operations. The portfolio focuses on solutions that enhance productivity, extend asset lifetimes and increase the value of customers' end products.

Long-term value creation is supported by key intangible assets, including technological expertise, intellectual property, brand and customer relationships. Valmet holds approximately 1,500 patented inventions and employs more than 18,000 people globally, whose expertise plays a key role in value creation.

## Strategic goals and their implementation

On June 4, 2025, in connection with its Capital Markets Day, Valmet announced its new strategy, 'Lead the Way', and published new 2030 financial targets.

The new strategy is designed to create an accountable high-performance culture and accelerate the growth trajectory towards bolder targets with increased cost competitiveness. During the strategy renewal Valmet defined its purpose as 'Transforming industries towards a regenerative tomorrow'. The new strategy, 'Lead the Way', is based on four strategic fundamentals: Customer success, Lifecycle commitment, Global competitiveness, and Accountability.

These strategic fundamentals are being reinforced by Valmet's operating model renewal, announced on March 31, 2025, and effective since July 1, 2025. The new operating model allows the company to operate with strong business areas close to customers, providing integrated expertise in services and technology. A newly formed Global Supply unit for manufacturing and procurement will centrally drive operational excellence and ensure cost competitiveness.

Valmet has set two distinct strategic missions and sets of strategic priorities for two segments within the company.

Process Performance Solutions segment consists of two business areas: Flow Control and Automation Solutions. Strategic mission for the segment is *Unlocking resource efficiency*.

The segment has three strategic priorities:

- Leading lifecycle value, reliability and customer experience
- Customer-focused innovation and strategic portfolio expansion
- Growth in high-quality technologies and digital capabilities in mission-critical solutions

By 2030, the segment seeks to accelerate organic growth to over double the market rate and reach 20 percent Comparable EBITA margin.

Biomaterial Solutions and Services segment consists of three business areas: Pulp, Energy and Circularity; Packaging and Paper; and Tissue. The strategic mission for the segment is *Advancing circularity*.

The Biomaterial Solutions and Services segment has three strategic priorities:

- Seamless lifecycle approach to grow in services and technology
- Continuous innovation with customers, leading the way towards circularity
- Relentless drive for product cost competitiveness.

The new Global Supply unit targets EUR 100 million of cost efficiencies by optimizing procurement, logistics, and manufacturing activities across the full Biomaterial Solutions and Services segment.



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By 2030, the segment seeks to double the organic growth in biomaterial services to 8 percent and reach 14 percent Comparable EBITA margin.

Valmet's 2030 financial targets are the following:

#### Financial targets

- Organic net sales growth (CAGR) over the cycle of 5%
- Comparable EBITA margin of 15%
- Comparable return on capital employed before taxes (Comparable ROCE) of 20%
- Gearing below 50%

## Shares and shareholders

### Development of Valmet's share price since listing, January 2, 2014–December 31, 2025



### Share capital and share data<sup>1</sup>

	2025	2024	2023
Share capital, December 31, EUR	140,000,000	140,000,000	140,000,000
Number of shares, December 31:			
Number of outstanding shares	184,232,430	184,165,347	184,161,105
Treasury shares held by the Parent Company	297,175	364,258	368,500
Total number of shares	184,529,605	184,529,605	184,529,605
Average number of outstanding shares	184,203,699	184,159,071	184,151,827
Trading volume on Nasdaq Helsinki Ltd. <sup>2</sup>	85,571,314	108,778,549	103,147,588
% of total shares for public trading	46	59	56
Earnings per share, EUR	1.52	1.52	1.94
Earnings per share, diluted, EUR <sup>3</sup>	1.52	1.52	1.94
Adjusted earnings per share, EUR	1.82	1.93	2.28
Dividend per share, EUR	1.35 <sup>4</sup>	1.35	1.35
Dividend, EUR million	249 <sup>4</sup>	249	249
Dividend payout ratio	89% <sup>4</sup>	89%	70%
Effective dividend yield	4.8% <sup>4</sup>	5.8%	5.2%
Price to earnings ratio (P/E)	18.7	15.4	13.5
Equity per share, EUR	14.03	14.15	13.93
Highest share price, EUR	32.15	30.11	32.99
Lowest share price, EUR	21.00	21.37	19.64
Volume-weighted average share price, EUR	27.27	25.03	26.35
Closing price on the final day of trading, EUR	28.33	23.33	26.11
Market capitalization, December 31, EUR million	5,228	4,305	4,818

<sup>1</sup> The formulas for calculation of the figures are presented in the section 'Formulas for Calculation of Indicators'.

<sup>2</sup> In addition to Nasdaq Helsinki Ltd, Valmet's shares are also traded on other marketplaces, such as CBOE DXE, Turquoise, BATS, Frankfurt and Chi-X. A total of approximately 46 million Valmet shares were traded on these five alternative marketplaces in 2025. (Source: [www.valmet.com/investors/valmet-share/trading-volumes/](http://www.valmet.com/investors/valmet-share/trading-volumes/)).

<sup>3</sup> As Valmet currently has no dilutive instruments outstanding, diluted earnings per share is the same as basic earnings per share.

<sup>4</sup> Board of Directors' proposal.



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## Largest shareholders on December 31, 2025

	Shares	% of share capital
1 Oras Invest Ltd	19,200,000	10.40%
2 Solidium Oy	18,640,665	10.10%
3 Capital Group	7,436,278	4.03%
4 Swedbank Robur Fonder	7,029,204	3.81%
5 Varma Mutual Pension Insurance Company	6,422,768	3.48%
6 Vanguard	6,267,625	3.40%
7 Ilmarinen Mutual Pension Insurance Company	6,261,818	3.39%
8 BlackRock	4,689,001	2.54%
9 Dimensional Fund Advisors	3,814,971	2.07%
10 State Street Investment Management	3,319,276	1.80%
11 Elo Mutual Pension Insurance Company	2,854,000	1.55%
12 Handelsbanken Fonder	2,582,160	1.40%
13 BNP Paribas Asset Management	2,499,041	1.35%
14 Nordea Funds	2,232,572	1.21%
15 Incentive AS	2,190,316	1.19%

Source: Modular Finance AB

## Number of shareholders

The number of registered shareholders at the end of year 2025 was 103,259 (105,217) according to Euroclear Finland Oy.

## Shareholdings of the Board of Directors in Valmet Oyj on December 31, 2025

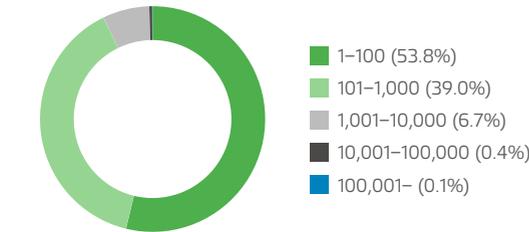
		Shares
Vauramo, Pekka	Chair of the Board	2,368
Paasikivi, Annika	Vice Chair of the Board	2,755
Kemppainen, Pekka	Member of the Board	7,574
Maurer, Monika	Member of the Board	7,574
Lumme-Timonen, Annareetta	Member of the Board	2,621
Eikens, Bernhard	Member of the Board	1,039
Hämäläinen, Anu	Member of the Board	5,235
Gustavsson, Jonas	Member of the Board	1,039
<b>Total</b>		<b>30,205</b>
<b>% of outstanding shares</b>		<b>0.02%</b>

## Distribution of shareholding by sector, %



Source: Euroclear Finland Oy

## Distribution of shareholders by number of shares held, %



Source: Euroclear Finland Oy

## Shareholdings of the Executive Leadership Team in Valmet Oyj on December 31, 2025

		Shares
Hinnerskov, Thomas	President and CEO	0*
Hokkanen, Katri	CFO	9,793
Torttila-Miettinen, Emilia	EVP, Automation Solutions	2,884
Sääskilähti, Simo	EVP, Flow Control	8,170
Rasinmäki, Petri	EVP, Packaging and Paper	2,929
Riekkola, Sami	EVP, Pulp, Energy and Circularity	24,455
Jested-Rask, Jon	EVP, Tissue	0
Tacla, Celso	EVP, Latin America	80,116
Zhu, Xiangdong	EVP, China Chair	39,406
Niemi, Aki	EVP, Global Supply	46,098
Pires, Anu	EVP, People, Communications and Culture	0
Hänninen, Olli	EVP, Strategy and Transformation	1,400
Oksala, Rasmus	EVP, Legal, and General Counsel	17,368
<b>Total</b>		<b>232,619</b>
<b>% of outstanding shares</b>		<b>0.13%</b>

\*Thomas Hinnerskov has an allocation of 61,037 shares in restricted share pool. A precondition for the payment is that the employment relationship of Thomas Hinnerskov with Valmet continues until the payment date of the reward in March 2027. Shares in long-term incentive plan PSP (Performance Share Plan) 2024-2026 and PSP 2025-2027 have also been allocated to Thomas Hinnerskov in 2024 and 2025, with rewards from these plans will be paid to participants in spring 2027 and 2028 respectively.

## Flagging notifications

In the financial year 2025 Valmet received the following flagging notification referred to in the Securities Market Act:

Transaction date	Shareholder	Threshold	% of shares and voting rights		
			Direct	Through financial instruments	Total, %
February 14, 2025	Swedbank Robur Fonder AB	Below 5%	4.77%	-	4.77%

## Trading of shares

Trading of Valmet shares on Nasdaq Helsinki	2025	2024
Number of shares traded	85,571,314	108,778,549
Total value, EUR million	2,335	2,723
High, EUR	32.15	30.11
Low, EUR	21.00	21.37
Volume-weighted average price, EUR	27.27	25.04
Closing price on the final day of trading, EUR	28.33	23.33

The closing price of Valmet's share on the final day of trading for the reporting period, December 30, 2025, was EUR 28.33, i.e., 21 percent higher than the closing price on the last day of trading in 2024 (EUR 23.33 on December 30, 2024).

In addition to Nasdaq Helsinki Ltd, Valmet's shares are also traded on other marketplaces, such as CBOE DXE, Turquoise, BATS, Frankfurt and Chi-X. A total of approximately 46 million Valmet shares were traded on these five alternative marketplaces in 2025 (Source: [www.valmet.com/investors/valmet-share/trading-volumes/](http://www.valmet.com/investors/valmet-share/trading-volumes/)).



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## Resolutions of Valmet Oyj's Annual General Meeting

Valmet's Annual General Meeting 2025 was held in Helsinki on March 26, 2025. The Annual General Meeting adopted the Financial Statements for 2024 and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2024. The Annual General Meeting adopted the remuneration report for governing bodies, for which the decision is advisory. The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the Company's own shares and on the issuance of shares and special rights entitling to shares.

The Annual General Meeting decided to pay a dividend of EUR 1.35 per share for the financial year which ended on December 31, 2024. The dividend was decided to be paid in two installments. The first installment of EUR 0.68 per share was paid on April 8, 2025, to shareholders who on the dividend record date March 28, 2025, were registered in the Company's shareholders' register held by Euroclear Finland Oy. The second installment of EUR 0.67 per share was paid on October 7, 2025, to shareholders who on the dividend record date September 29, 2025, were registered in the Company's shareholders' register held by Euroclear Finland Oy.

The Annual General Meeting confirmed the number of Board members as eight and appointed Pekka Vauramo as the new Chair of Valmet Oyj's Board and Annika Paasikivi as the new Vice Chair. Anu Hämäläinen, Pekka Kemppainen, Annareetta Lumme-Timonen and Monika Maurer were re-elected as Board members, and Bernd Eikens and Jonas Gustavsson were elected as new Board members. The term of office of the members of the Board of Directors expires at the close of the Annual General Meeting 2026.

PricewaterhouseCoopers Oy was re-elected as the Company's auditor for a term expiring at the end of the Annual General Meeting 2026. Pasi Karppinen, Authorised Public Accountant, will act as the responsible auditor. PricewaterhouseCoopers Oy

will also carry out the assurance of the Company's sustainability reporting.

Valmet published a stock exchange release on March 26, 2025, concerning the resolutions of the Annual General Meeting and the organizing meeting of the Board of Directors. The stock exchange release and meeting materials can be viewed on Valmet's website at <https://www.valmet.com/investors/governance/annual-general-meeting/2025>.

### Board authorizations regarding shares

At Valmet's AGM 2025, the Board of Directors was authorized to repurchase up to 9.2 million shares (approximately 5% of all shares) and to issue up to 18.5 million shares (approximately 10% of all shares), including special rights and directed issues. Shares may be repurchased or issued for capital structure management, financing, execution of acquisitions and investments or carrying out other business transactions, and share-based incentives (however, up to 755,000 shares for incentives, corresponding to 0.4% of all shares).

### Validity of the authorizations

The authorizations shall remain in force until the close of the next Annual General Meeting, and they cancel the corresponding authorizations granted by the Annual General Meeting 2024.

### Use of AGM authorizations

Under the AGM 2024 authorization, Valmet repurchased 115,000 of the Company's own shares for EUR 3.2 million in February 2025 to cover share-based incentive obligations.

On March 14, 2025, a total of 161,915 treasury shares were transferred without consideration to participants in Valmet's long-term incentive plans for the periods 2022–2024 and 2024, and on August 14, 2025, an additional 23,989 shares were transferred for the period 2024.

### Lawsuits and claims

On October 15, 2024, Valmet announced that Metsä Fibre Oy has filed a request for arbitration against Valmet Technologies Oy,

which is a subsidiary of Valmet. The arbitration concerns Metsä Fibre's bioproduct mill in Kemi, Finland, which came into operation as planned on September 20, 2023.

Valmet Technologies Oy disputes the claims brought by Metsä Fibre and will also actively pursue claims of its own against Metsä Fibre. Metsä Fibre's monetary claims put forward after Statement of Claim amount to EUR 48.7 million. In addition, Metsä Fibre has also reserved the right to present certain other claims based on contractual relationships between Metsä Fibre and other parties, which are still unresolved. Estimation of the total amount of such claims is not included in the Statement of Claim.

Valmet's management does not expect to the best of its current understanding any material adverse impacts on its operations or financial position due to this arbitration. This assessment takes into account the grounds currently presented, provisions made, insurance coverage in force, and the extent of Valmet's total business activities.

Several lawsuits, claims and disputes based on various grounds are pending against Valmet in various countries, including product liability lawsuits and claims as well as legal disputes related to Valmet's deliveries. Valmet is also a plaintiff in several lawsuits. Although some of the claims are substantial, Valmet's management does not expect to the best of its present understanding that the outcome of these lawsuits, claims and disputes will have a material adverse effect on Valmet in view of the grounds currently presented for them, provisions made, insurance coverage in force and the extent of Valmet's total business activities.

### Risks and business uncertainties

Valmet's operations are affected by various risks. Valmet actively seeks to capitalize on emerging opportunities while mitigating the potential adverse impacts of identified threats. As part of its annual risk assessment, Valmet has identified the most significant risks arising from global and key market area economic cycles, including geopolitical developments, customer industry dynamics, and risks associated with project operations. Further

information on Valmet's risk management process is available in the Corporate Governance Statement.

The assessment of risks related to sustainability plays an important role in the risk management process. Further details of Valmet's material sustainability matters and related impacts, risks, and opportunities are available in Valmet's Sustainability Statement.

### Strategic risks

Financial uncertainty in the global economy, coupled with exchange rate fluctuations and tightening financial market regulations, may affect customers' financing availability and investment appetite. If economic growth slows significantly, the markets for Valmet's products may shrink, which may lead to, for example, tougher price competition. Competitive pressures are addressed through product development, customer service, and local presence.

Valmet's strong presence in selected businesses, combined with geographical diversification, helps mitigate the potential negative effects of market uncertainties. A weakening global economy could also adversely affect new projects under negotiation or those already in the order backlog. Valmet manages project risk through advance and progress payments, continuous assessment of customer creditworthiness, and a general policy of not financing customer projects.

Geopolitical conflicts pose significant risks to global markets, supply chains, and transport logistics. If the conflicts are further prolonged or enlarged, there could be additional adverse impacts on Valmet's operations, customer investment activity, project deliveries, availability and prices in the supply chain and availability of financing for both Valmet and its customers.

Rising protectionism, shifting political narratives, and regulatory changes—such as tariffs and potential retaliatory measures—create uncertainty in global trade and customer investment decisions. The ongoing trade war further contributes to economic and financial market instability.

To mitigate risks arising from the geopolitical landscape, Valmet continuously monitors global developments and evaluates their potential implications for its operations. The company also implements proactive measures, including strengthening supply chain resilience, managing cost impacts, and regularly assessing regional dependencies to ensure business continuity and reduce exposure. In addition, Valmet's broad local presence helps reduce direct tariff exposure.

Valmet may pursue growth by acquiring businesses to strengthen its technology offering and market position. Acquisitions and divestments involve risks related to valuation, cultural and organizational integration, alignment of processes and systems, and the realization of expected synergies. Challenges in integrating acquired operations or technologies may impact business performance, delay benefits, or increase costs. Valmet mitigates these risks through structured M&A processes, thorough due-diligence assessments, and disciplined integration planning and execution.

### Financial risks

Currency exchange rate and interest rate risks are Valmet's most substantial financial risks. Economic insecurity typically increases exchange rate fluctuations and may impact interest rates as well. Valmet hedges its currency exposures linked to binding delivery and purchase agreements. The interest rate risks are managed by balancing the ratio of fixed and floating interest rates and duration of interest-bearing debt and interest-bearing financial assets. Additionally, Valmet uses derivative instruments to mitigate these risks.

Changes in legislation or regulatory interpretation, particularly in taxation, may influence financial outcomes. Valmet monitors these developments closely.

Valmet maintains a strong balance sheet, sufficient liquidity, and committed credit facilities to secure operational continuity. Capital expenditure and net working capital levels are closely monitored.

Valmet carries a significant goodwill balance, which is tested for impairment annually or more frequently if needed. No indications of impairment were identified during the reporting period.

To mitigate credit risk, Valmet diversifies its financial holdings across reputable banks and selects counterparties based on high creditworthiness.

### Compliance and regulatory risks

Operating in multiple jurisdictions with evolving legislation and shifting regulatory interpretations exposes Valmet to compliance and regulatory risks that may impact the company's operations, technologies, and financial performance. These risks include emerging energy- and climate-related regulation, such as carbon-pricing mechanisms. Valmet manages compliance and regulatory risks through established compliance frameworks, ongoing monitoring, and proactive employee training.

### Operational risks

Valmet's business involves projects, and the company faces execution risks such as cost estimation, scheduling, quality, and materials management, especially in large pulp projects. These risks are mitigated through risk analysis, systematic monitoring during execution, and continuous development of project management processes and systems.

Supply chain disruptions, component availability, and logistics challenges may adversely affect Valmet's business. These issues are mitigated by effective supply and supply chain management.

Changes in labor costs and raw material prices can impact profitability. In addition, large fluctuations in energy prices can affect the global economy and have implications for Valmet and its customers. While the company aims to offset inflation through productivity improvements and pricing strategies, strong competition may limit its ability to pass on cost increases to customers.



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Cybersecurity breaches, unauthorized access, or failures in handling personal or customer data may negatively impact Valmet's operations, financial performance, or reputation and may lead to non-compliance with data-protection legislation such as the GDPR. Major system outages, malfunctions, failures in system development projects, or disruptions at critical cloud and service providers may also interrupt operations, delay project deliveries, or reduce internal efficiency. Valmet mitigates these risks through established cybersecurity controls, data-protection practices, business-continuity planning, redundant IT infrastructure, and monitoring of key suppliers and service providers.

Valmet's ability to execute projects and deliver advanced automation and process technologies relies on access to a highly skilled and committed workforce. Competition for talent in certain areas remains intense, and challenges in attracting, developing, and retaining critical competencies may impact operational performance and future growth. Labor market disruptions, including strikes or shortages in key regions, may affect project schedules or supply chain continuity. Valmet mitigates these risks through proactive talent development, succession planning, continuous competence renewal, and strong occupational safety practices to ensure a safe, motivated, and resilient workforce.

### Events after the reporting period

There have been no subsequent events after the reporting period that required recognition or disclosure.

### Guidance for 2026

Valmet estimates that net sales in 2026 will remain at the previous year's level in comparison with 2025 (EUR 5,197 million) and Comparable EBITA in 2026 will remain at the previous year's level or increase in comparison with 2025 (EUR 620 million).

### General economic outlook according to OECD

The global economy proved to be more resilient than expected in 2025. The resilience was supported by improved financial conditions, rising AI-related investment and trade, and macroeconomic policies. However underlying fragilities exist. Labor markets are showing first signs of weakening despite the OECD unemployment rate being steady at 4.9 percent, with job vacancies falling below their 2019 average in many countries. Risk in the economic outlook relate especially to prospects of future trade barriers, sharp repricing of the financial markets, potentially amplified by stresses in leveraged non-bank financial institutions and lingering fiscal concerns, which may tighten financial conditions and increase bond yields and weigh on economic growth.

Global GDP growth is projected to ease from 3.2% in 2025 to 2.9% in 2026 and to 3.1% in 2027.

Near-term activity is expected to soften as higher effective tariff rates gradually feed through economies, which can weigh on investment and trade, amid persistent geopolitical and policy uncertainty. Growth is expected to firm again later in 2026 as the impacts of tariffs are projected to fade and lower inflation could support demand. Consumer inflation in G20 countries is projected to ease from 3.4% in 2025 to 2.8% in 2026 and 2.5% in 2027. Emerging markets in Asian economies are seen as the key contributors to global GDP growth in the coming years. (OECD Economic Outlook, Volume 2025, Issue 2, December 2025)

### Short-term market outlook (January–June 2026)

Valmet's short-term market outlook covers the period January–June 2026, compared with October–December 2025.

It reflects Valmet's estimate of the expected growth rate of its key markets, based on ongoing discussions with customers and other market information.

The outlook describes underlying market trends, excluding the normal seasonal variation in Valmet's business. It should not be interpreted as guidance for Valmet's own orders received.

### Process Performance Solutions

Valmet notes that the market environment in Process Performance Solutions softened in October-December. Valmet does not expect further softening from this level and anticipates the market to stabilize and improve modestly from the weaker Q4 level during the first half of 2026.

### Biomaterial Solutions and Services

Uncertainty on global economic outlook remains high and continues to impact customers' decision making, capacity utilization rates and profitability levels.

Valmet expects the biomaterial services market to remain soft in the coming quarters.

It is typical that large individual investment decisions by customers can influence the overall market significantly within a single quarter.

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

Valmet Oyj's distributable funds on December 31, 2025, totaled EUR 1,625,144,488.08 of which the net profit for the year 2025 was EUR 284,767,437.27 (according to Finnish Generally Accepted Accounting Standards).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.35 per share be paid based on the statement of financial position to be adopted for the financial year which ended on December 31, 2025, and the remaining part of profit be retained and carried further in the Company's unrestricted equity.

The dividend shall be paid in two installments. The first installment of EUR 0.68 per share shall be paid to shareholders who on the dividend record date of March 27, 2026, are

registered in the Company's shareholders' register held by Euroclear Finland Ltd. The dividend shall be paid on April 9, 2026. The second installment of EUR 0.67 per share shall be paid in October 2026. The second installment shall be paid to shareholders who on the dividend record date are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The payment date of the second installment shall be resolved by the Board of Directors in its meeting preliminarily scheduled for September 29, 2026. The dividend record date for the second installment would then be October 1, 2026, and the dividend payment date October 7, 2026.

All the shares in the Company are entitled to a dividend except for treasury shares held by the Company on the dividend record date.



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# Sustainability Statement

## General information

### Basis for preparation

#### General basis for preparation of sustainability statements

#### Disclosures in relation to specific circumstances

BP-1, BP-2

Valmet Oyj (the “Company” or the “parent company”), a public limited liability company, and its subsidiaries (together “Valmet”, “Valmet Group” or the “Group”) form a global developer and supplier of lifecycle solutions and services for biomaterial and energy industries, driving circular transformation. Valmet’s process performance solutions serve a wide base of diverse industries providing automation and flow control solutions and enhancing resource efficiency.

The European Union (EU) Corporate Sustainability Reporting Directive (CSRD) 2022/2464 applies to Valmet from 2024 onwards. This Sustainability Statement has been prepared in accordance with the ESRS standards (European Sustainability Reporting Standards) as adopted by the EU and the Finnish Accounting Act chapter 7 (Consolidated Sustainability Report) and with Article 8 in the Taxonomy Regulation. For previous years until the end of 2023, Valmet reported its sustainability performance in accordance with the Non-Financial Reporting Directive (NFRD), and in the GRI supplement, in accordance with the global GRI standards from the Global Reporting Initiative (GRI).

Valmet’s Sustainability Statement covers the Valmet Group unless otherwise stated. The reporting scope of Valmet’s own operations is the same as Valmet’s consolidated financial statements. In addition to Valmet’s own operations, the information in this Sustainability Statement has been extended to include information about the material sustainability impacts and

sustainability-related financial risks and opportunities connected with Valmet through its direct and indirect business relationships in the upstream and downstream value chain, where applicable. The extent of the reported value chain information is explained in more detail under IRO-1.

The material sustainability matters and related impacts, risks, and opportunities included in this Sustainability Statement are based on the outcome of a double materiality assessment. The double materiality assessment process is described in more detail under IRO-1. Valmet has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation. Specific circumstances related to value chain estimation have been disclosed under E1-6 and E5-4. Sources of estimation and outcome uncertainty have been disclosed under E1-5, E1-6, E5-4, and G1-6.

Changes in preparation or presentation of sustainability information:

- E1-5: Energy consumption and mix has been restated for 2024 to include energy consumption of owned and leased vehicles
- E1-6: Scope 1 GHG emissions have been restated for 2024 to include emissions from owned and leased vehicles. The Scope 1 biogenic CO<sub>2</sub> emissions from the combustion of biomass have been restated for 2024. The methodology for calculating Scope 3 category 1 - Purchased goods and services, has been updated and the 2024 figure restated. For Scope 3 category 11 - Use of sold products, the emission factors for lime kilns have been updated. The 2024 figure has not been restated.
- S1-5 MDR-T: Health, safety and environment walks, inspections and conversation: In 2025, only walks, inspections and conversations done by the line managers are counted, not all reported walks, inspections and conversations as in 2024.
- S1-6, Employee turnover rate: The turnover rate has been calculated by dividing the total turnover by the 2025 average headcount, excluding leavers by mutual agreement related to

Valmet’s operating model renewal, and summer trainees. In 2024, headcount from acquisitions and disposals was excluded from the turnover rate.

The measurement of the metrics disclosed in this Sustainability Statement is not separately validated by an external body unless otherwise stated for a specific metric.

### Use of phase-in provisions

In its 2025 reporting, Valmet has decided to use the following phase-in provisions in accordance with the amended Appendix C of ESRS 1 published on July 11, 2025.

- ESRS 2 SBM-1 – Strategy, business model and value chain: paragraphs 40b and 40c
- ESRS 2 SBM-3 – Material impacts, risks, and opportunities and their interaction with strategy and business model: paragraph 48e
- E1-9 – Anticipated financial effects from material physical and transition risks, and potential climate-related opportunities
- E2-6 – Anticipated financial effects from pollution-related risks and opportunities
- E3-5 – Anticipated financial effects from water and marine resources-related risks and opportunities
- E5-6 – Anticipated financial effects from resource use and circular-economy-related impacts, risks and opportunities
- S1-7 – Characteristics of non-employee workers in Valmet’s own workforce
- S1-14 – Health and safety: reporting of health and safety information concerning non-employees in Valmet’s own workforce.



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**The role of the administrative, management, and supervisory bodies**

**Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies**

GOV-1, G1 GOV-1, GOV-2

Valmet's administrative, management, and supervisory bodies consist of Valmet's Board of Directors and its committees, President and Chief Executive Officer, and Executive Leadership

**Valmet Board Competence Matrix**

	Industry experience	Financial/Accounting	Corporate risk management	Corporate governance	Corporate strategy development	Corporate acquisitions	Corporate HR	CEO experience	International experience	Sustainability
Pekka Vauramo	●	●	●	●	●	●	●	●	●	●
Bernd Eikens	●	●	●	●	●	●	●	●	●	●
Anu Hämäläinen	●	●	●	●	●	●	●	●	●	●
Pekka Kempainen	●	●	●	●	●	●	●	●	●	●
Jonas Gustavsson	●	●	●	●	●	●	●	●	●	●
Annareetta Lumme-Timonen	●	●	●	●	●	●	●	●	●	●
Monika Maurer	●	●	●	●	●	●	●	●	●	●
Annika Paasikivi	●	●	●	●	●	●	●	●	●	●

● Extensive experience ● Moderate experience Empty = Limited experience

Valmet recognizes the importance of diversity, including gender, nationality, age, background, and education, at the Board and all levels of the Group, and is committed to increasing diversity across all its operations. The Valmet Shareholders' Nomination Board has reviewed and confirmed the principles for Board diversity and considers them in its work and proposals. Valmet's principles of Board diversity include the promotion of experience and a varied educational background, relevant qualifications, balanced gender diversity, and an adequate commitment regarding time contribution, availability, and engagement. Board members should have sufficient expertise and knowledge of and competence in Valmet's field of business and industry. Each Board member assesses their own expertise. Sustainability experts and trainings are available if required.

Team. Valmet's Board of Directors is responsible for the administration and proper organization of operations. The Board also decides on significant matters related to strategy, investments, organization, and financing, ensuring that Valmet operates in accordance with its established values in all its operations. Valmet's Board of Directors oversees Valmet's sustainability reporting, and they sign on the information in this Sustainability Statement as part of the Report of the Board of Directors.

Valmet's Board of Directors consists of five to eight members, whom the Annual General Meeting elects for a term that lasts until the end of the next Annual General Meeting. In addition to board members, a personnel representative participates as an invited expert in meetings of the Board of Directors. In 2025, all board members were non-executive, and 75 (75) percent of the board members were independent of the significant shareholders.

Information about members' experience, including competence related to industry, sustainability, and international experience, is presented in the following table.

**Board diversity**

Gender	2025		2024	
	%		%	
Male	50.0%	4/8	50.0%	4/8
Female	50.0%	4/8	50.0%	4/8
Gender diversity ratio		1:1		1:1

Nationality	2025		2024	
	%		%	
Finnish	62.5%	5/8	75.0%	6/8
German	25.0%	2/8	12.5%	1/8
Swedish	12.5%	1/8	12.5%	1/8

Age	2025		2024	
	%		%	
41–50 years	12.5%	1/8	12.5%	1/8
51–60 years	50.0%	4/8	25.0%	2/8
61–70 years	25.0%	2/8	62.5%	5/8
71–80 years	12.5%	1/8	0.0%	0/8

Tenure	2025		2024	
	%		%	
Less than 1 year	37.5%	3/8	25.0%	2/8
1–2 years	25.0%	2/8	25.0%	2/8
3–5 years	12.5%	1/8	25.0%	2/8
Over 5 years	25.0%	2/8	25.0%	2/8



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### Board committees

The Board of Directors has two permanent committees: the Audit Committee and the People and Remuneration Committee. The Board of Directors elects the members of the committees from among its members at its annual organizing meeting and monitors the activities of the committees. Both committees have charters approved by the Board of Directors and report to the Board on their activities after each meeting.

The Audit Committee monitors Valmet's financial reporting and CSRD reporting and prepares issues for the Board of Directors related to the monitoring of Valmet's financial position, financial reporting, auditing, and risk management.

### Chief Executive Officer and Executive Leadership Team

The President and Chief Executive Officer manages, guides, and supervises the operations of Valmet and its businesses. The President and Chief Executive Officer reports to the Board of Directors and prepares the matters on the agenda of the Board of Directors and its committees and implements their decisions. The President and Chief Executive Officer and other members appointed by the Board of Directors constitute the Executive Leadership Team of Valmet. The Executive Leadership Team assists the President and Chief Executive Officer in the preparation of matters such as Valmet's business plan, strategies, policies, and other operative matters of joint importance. The President and Chief Executive Officer acts as chair of Valmet's Executive Leadership Team, which on 31.12.2025 consisted of 13 (16) executive members. All members of Valmet's Executive Leadership Team have a combination of industry and international experience, and they are experienced in overseeing Valmet's sustainability work.

### Executive Leadership Team diversity

Gender	2025		2024	
	%		%	
Male	76.9%	10/13	75.0%	12/16
Female	23.1%	3/13	25.0%	4/16

Nationality	2025		2024	
	%		%	
Brazilian	7.7%	1/13	6.3%	1/16
Chinese	7.7%	1/13	6.3%	1/16
Danish	15.4%	2/13	6.3%	1/16
Finnish	69.2%	9/13	75.0%	12/16
Finnish/USA	—%	0/13	6.3%	1/16

Age	2025		2024	
	%		%	
41–50 years	30.8%	4/13	37.5%	6/16
51–60 years	61.5%	8/13	62.5%	10/16
61–70 years	7.7%	1/13	0.0%	0/16

### Sustainability matters addressed by the administrative, management, and supervisory bodies

Valmet's Board of Directors is responsible for overseeing the organization's sustainability work, due diligence, and other sustainability processes to identify and manage the impacts on the environment and people. The President and Chief Executive Officer and the Executive Leadership Team lead Valmet's sustainability work and related material sustainability impacts, risks and opportunities. Valmet's Executive Vice President, Strategy and Transformation, a member of Valmet's Executive Leadership Team, is responsible for sustainability at Valmet.

Publicly available sustainability-related policies and commitments approved by the Board of Directors:

- Valmet's Code of Conduct
- Valmet's Health, Safety and Environment (HSE) Policy
- Valmet's Disclosure Policy
- Valmet's Remuneration Policy.

Publicly available sustainability-related policies and commitments approved by the President and Chief Executive Officer:

- Valmet's Human Rights Policy Statement
- Valmet's Climate and Nature Policy Statement.
- Valmet's Supplier Code of Conduct
- Valmet's Anti-Corruption Policy.

Publicly available sustainability-related policies and commitments approved by a member of Valmet's Executive Leadership Team:

- Valmet's Equal Opportunity and Diversity Policy
- Valmet's Non-Discrimination and Anti-Harassment Policy.

Internally available sustainability-related policies and commitments approved by a member of Valmet's Executive Leadership Team:

- Valmet Know Your Business Partner Policy
- Valmet Trade Compliance Guideline
- Valmet Compliance Reporting Guideline.

Valmet's Sustainability Agenda defines Valmet's sustainability focus and sets the priorities and targets for circular and net-zero aligned solutions, climate and nature, people and rights, and responsible value chain. It addresses Valmet's material sustainability impacts, risks, and opportunities. The President and Chief Executive Officer and Valmet's Executive Leadership team review quarterly the progress of the targets set for each business area and Global Supply function. Valmet's sustainability performance is reviewed annually by the Board of Directors.

Valmet's Climate Transition Plan is an integral part of Valmet's Sustainability strategy. It addresses Valmet's climate-related impacts, risks and opportunities, outlines Valmet's pathway toward net-zero and defines new near-term and long-term targets, decarbonization levers, and related measurable action plans. The Board of Directors has approved Valmet's Climate Transition Plan. Valmet's business areas are responsible for its



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execution, and the progress of the targets and status is reviewed quarterly by Valmet's President and Chief Executive Officer and Executive Leadership team. Valmet's Board of Directors reviews the plan annually.

The Audit Committee oversees the development of Valmet's Ethics and Compliance Program, which targets the maintaining of an ethical corporate culture at Valmet, and handling of identified misconduct cases. Ethics and Compliance and Internal Audit report the progress to the Audit Committee.

Valmet has a Compliance Committee structure to supervise the implementation of the Ethics and Compliance Program and oversee misconduct investigations. The Executive Vice President Legal, and General Counsel, Chief Financial Officer, and Executive Vice President People, Communications, and Culture are members of the global Corporate Compliance Committee. Valmet's business area organizations have their own business area Compliance Committees for the Ethics and Compliance work at a business level and to decide on and supervise misconduct investigations in their own organizations. The business area Compliance Committees report their work to the global Corporate Compliance Committee. Executive Vice Presidents are members of their own business area's Compliance Committee. All Compliance Committees met at least three times in 2025.

The Sustainability and Due Diligence Compliance Committee is a sub-committee of the Corporate Compliance Committee. It oversees the implementation of Valmet's Sustainability Due Diligence practices. The Committee is headed by the Vice President Sustainability. In cases of non-compliance or incidents, the committee discusses and decides on mitigation actions, handles grievances, and determines remedy plans. The topics addressed by the committee include human rights, environmental compliance, supplier sustainability, sustainability in projects, and health and safety. Major incidents are reported to the Corporate Compliance Committee.

Relevant members of the Executive Leadership Team were engaged in Valmet's 2025 double materiality assessment review,

and the evaluation of Valmet's material sustainability impacts and sustainability-related financial risks and opportunities. In 2025 Valmet's Chief Financial Officer reported on the progress of CSRD reporting development and external assurance to the Board of Directors and in every Audit Committee meeting. The results of the double materiality assessment, including all Valmet's material sustainability impacts and sustainability-related financial risks and opportunities, and Valmet's CSRD reporting scope, have been approved by Valmet's Audit Committee.

#### Sustainability impacts, risks and opportunities as a part of Valmet Enterprise Risk Management Process

Valmet has an Enterprise Risk Management Process in which sustainability-related issues are identified and evaluated. The purpose of the annual Enterprise Risk Management process is to identify and evaluate the most significant risks affecting Valmet's business areas, Functions, and the Valmet Group as a whole, and to determine appropriate risk treatment actions. The process covers strategic, financial, operational, compliance, and regulatory and sustainability risks. Valmet's double materiality assessment process is aligned with the Enterprise Risk management process, and the results of the double materiality assessment feed into Valmet's overall Enterprise Risk Management process (see ESRS 2 IRO-1).

The Board of Directors and the Executive Leadership Team consider sustainability impacts, risks and opportunities when overseeing Valmet's strategy and its decisions on major transactions.

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

GOV-3, E1 GOV-3

Valmet's remuneration principles are defined in the Remuneration Policy, which is approved by the Annual General Meeting for a four-year period. Remuneration at all levels of the organization is built on the principles of Driving high performance, Competitive remuneration to retain talent with the best fit, and Fairness and sustainability. Valmet's variable pay

schemes (i.e., short-term and long-term incentive plans) support sustainable business by linking selected sustainability topics such as the Climate Transition Plan, the growth of climate change mitigating business, and health and safety to remuneration.

The Annual General Meeting decides on the remuneration of the members of the Board of Directors and the Board's Committees for one term of office at a time. The Board of Directors decides on the remuneration, benefits, and other terms of employment of the President and Chief Executive Officer based on the preparatory work by the People and Remuneration Committee and in accordance with the guidelines in the Remuneration Policy presented to the General Meeting. The Board's People and Remuneration Committee decides on the compensation and benefits of the Executive Leadership Team members other than the President and Chief Executive Officer, based on the President and Chief Executive Officer's proposal, and general principles approved by the Board. All remuneration-related decisions require grandparent approval. In other words, the remuneration of an employee must always be approved by the manager's manager.

Valmet's Board of Directors decides on the short-term and long-term incentive plans. Given the nature of the Board's duties and responsibilities, the members of the Board do not participate in the short- and long-term incentive plans. Board members receive a fixed remuneration (annual fee) only, which can be paid in cash or shares, or a combination of cash and shares. Based on the decision of the Annual General Meeting, 40 (40) percent of the Board's annual fees were reinvested to buy Valmet shares from the market in 2025.

The short-term incentive for the President and Chief Executive Officer is an annual performance bonus for which the Board of Directors sets the performance measures. The incentive includes Group-level key financial targets and strategic individual targets. The maximum annual performance bonus opportunity for the President and Chief Executive Officer is 100 (100) percent of the annual base salary, and the weight of the individual target was 40 (20) percent in 2025.



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Valmet's other Executive Leadership Team members besides the President and Chief Executive Officer are eligible for an annual short-term incentive plan, the Global Bonus Plan. The maximum Global Bonus Plan opportunity for the Executive Leadership Team members is 60 (60) percent of the annual base salary. The Board of Directors approves the Valmet comparable EBITA minimum and maximum values used for the Global Bonus Plan.

The Valmet-level targets are cascaded to business area, and business unit levels. Financial and operational targets are predefined and assigned to an individual according to the organization to which they belong. The sustainability-related measure in the Global Bonus Plan is the Total recordable incident frequency (TRIF). As stated in Valmet's Health, Safety and Environment (HSE) Policy, Valmet pursues the goal of zero harm to people which is measured in the TRIF. The weight of the TRIF measure is 5 (5) percent of the maximum bonus opportunity.

Valmet's long-term incentive is a share-based incentive plan (Performance Share Plan) with performance targets decided by the Board of Directors for each plan period. The performance targets for the long-term incentive plan can be related to, for example, growth, profitability, and sustainability, as determined and decided by the Board of Directors annually. The predetermined performance targets are measurable, and the

achievement of these targets determines the payout level of the share-based incentive plan. Valmet has one share-based long-term incentive plan consisting of annually commencing performance share plans. They are directed at the Executive Leadership Team members, including the President and Chief Executive Officer, and selected key employees of the company.

The Performance Share Plan has predefined performance measures for a three-year performance period, and the Board of Directors has decided always to include a sustainability measure in one of the ongoing plan periods. The 2025–2027 Performance Share Plan has an ESG-index as a three-year strategic performance measure, and it has a weight of 20 percent of the long-term incentive maximum opportunity. The sustainability index is related to the growth of Valmet's business contributing to climate change mitigation and the circular economy as outlined in the EU Taxonomy and Valmet's GHG emission reduction target for own operations. The long-term incentive maximum opportunity for the Executive Leadership Team members in the 2025–2027 Performance Share Plan is 150 percent of the annual base salary and converted to shares at grant. For the President and Chief Executive Officer, it is 200 percent (see Note 15 to the Consolidated Financial Statements – Share-based payments).

In December 2025, the Board of Directors of Valmet resolved to establish a new Performance Share Plan 2026-2028 in which one of the performance criteria is tied to GHG emission reduction in own operations.

### Statement of due diligence

GOV-4

Valmet has a Sustainability Due Diligence Framework to identify, address, prevent, and limit negative impacts on the environment and people connected with its business. Valmet's Sustainability Due Diligence Framework is based on the UN (United Nations) Guiding Principles on Business and Human Rights, and the OECD Guidelines for multinational enterprises.

Valmet has embedded environmental, human rights, and governance due diligence into its management systems and in key processes. The table below presents the main aspects of Valmet's Sustainability Due Diligence Framework, and a mapping of the information provided in this Sustainability Statement about the Due Diligence processes.



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Sustainability Due Diligence Framework	Upstream – supply chain	Own operations	Downstream – use phase of technologies
<b>Embedding due diligence in governance, strategy, and business model</b>	<ul style="list-style-type: none"> <li>Valmet's Code of Conduct</li> <li>Supplier Code of Conduct</li> <li>Minimum Human and Labor Rights Standard for Subcontractors</li> <li>Valmet Human Rights Policy Statement</li> <li>Valmet Climate and Nature Policy Statement</li> <li>Valmet Health, Safety, and Environment Policy</li> <li>Valmet Know Your Business Partner Policy</li> </ul>	<ul style="list-style-type: none"> <li>Valmet's Code of Conduct</li> <li>Valmet Human Rights Statement</li> <li>Valmet Climate and Nature Policy Statement</li> <li>Valmet Health, Safety, and Environment Policy</li> <li>Valmet Human Resources Policy</li> <li>Valmet Equal Opportunities and Diversity Policy</li> <li>Valmet Anti-corruption Policy</li> <li>Valmet's Non-Discrimination and Anti-Harassment Policy</li> <li>Valmet Know Your Business Partner Policy</li> </ul>	<ul style="list-style-type: none"> <li>Valmet's Code of Conduct</li> <li>Valmet Human Rights Policy Statement</li> <li>Valmet Climate and Nature Policy Statement</li> <li>Valmet Health, Safety, and Environment Policy</li> <li>Valmet Guidelines for sustainable and responsible research, product development and design</li> <li>Valmet Know Your Business Partner Policy</li> </ul>
<b>Paragraphs in the Sustainability Statement: E1-2, E2-1, E3-1, E4-2, E5-1, S1-1, S2-1, G1-1</b>			
<b>Identifying and assessing adverse impacts</b> <i>Ongoing screening of salient sustainability risks throughout value chain</i>	<ul style="list-style-type: none"> <li>Suppliers' sustainability risk screening and classification</li> <li>Supplier self-assessments</li> <li>Health and safety, and quality performance monitoring of suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability risk identification integrated in Enterprise Risk Management process</li> <li>Sustainability assessments covering own operations and value chain:                             <ul style="list-style-type: none"> <li>Annual sustainability risk and impact analysis (Double Materiality Assessment, DMA)</li> <li>Salient human rights issues analysis</li> <li>Climate scenario analysis</li> <li>Biodiversity risk screening</li> </ul> </li> <li>Sustainability impact assessment of business changes</li> <li>Health, Safety and Environmental Risk governance process, including hazard identification and risk assessment</li> </ul>	<ul style="list-style-type: none"> <li>Screening of customers' risk profiles (sanctions, adverse media)</li> <li>Country and project-specific sustainability risk classification and screening</li> </ul>
<b>Paragraphs in the Sustainability Statement: E1 SBM-3, E1 IRO-1, E4 SBM-3, E4 IRO-1, S1 SBM-3, S1-2, S1-4, S1-14, S2 SBM-3, S2-2, S2-3, S2-4, G1-1, G1-3</b>			
<b>Taking actions to address adverse impacts</b>	<ul style="list-style-type: none"> <li>Supplier Sustainability Audits conducted by 3rd party</li> <li>Human Rights Impact Assessment for high-risk suppliers conducted by 3rd party</li> <li>Supplier Engagement Program</li> <li>Climate Transition plan</li> <li>Supplier sustainability trainings</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring compliance with Valmet Code of Conduct</li> <li>Human Rights Impact Assessments for own locations conducted by 3rd party</li> <li>Climate Transition Plan</li> <li>Action plans for mitigating identified Health, Safety and Environment impacts</li> <li>Training of employees on business conduct, sustainability, human rights, and health, safety, and environment</li> </ul>	<ul style="list-style-type: none"> <li>Human rights management practices and tools in project business</li> <li>Climate Transition Plan</li> <li>Project Health, Safety, and Environment plans</li> </ul>
<b>Paragraphs in the Sustainability Statement: E1-1, E1-3, E1-4, S1-4, S1-5, S2-4, S2-5, G1-1, G1-3</b>			
<b>Engaging with affected stakeholders and access to remedy</b>	<ul style="list-style-type: none"> <li>Valmet engages with employees and value chain workers as described in S1-2 and S2-2</li> <li>Valmet encourages its employees and stakeholders to speak up and voice their concerns. Valmet offers the TrustLine channel maintained by an external party for reporting suspected violations of the Code of Conduct. It provides Valmet employees and other stakeholders with the possibility to report concerns anonymously and in their native language</li> <li>If a serious violation occurs, an Incident Management Team is established to coordinate the remediation actions and to ensure their implementation</li> <li>Sustainability and Due Diligence Compliance Committee oversees the implementation of Valmet's Sustainability Due Diligence practices, grievances, and remedy plans</li> </ul>		
<b>Paragraphs in the Sustainability Statement: GOV-2, S1-2, S1-3, S1-4, S2-3, S2-4, G1-1, G1-3</b>			
<b>Tracking effectiveness and communication</b>	<ul style="list-style-type: none"> <li>KPIs to follow up Valmet's due diligence practices</li> <li>Annual sustainability reporting in the Sustainability Statement</li> <li>Internal and external communications channels (intranet and valmet.com)</li> </ul>		
<b>Paragraphs in the Sustainability Statement: E1, E2, E3, E4, E5, S1, S2, G1</b>			



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## Risk management and internal controls

GOV-5

Valmet's internal control processes follow the framework issued by the Committee of Sponsoring Organizations (COSO) and comprises five principal components of internal control: the control environment; risk assessment; control activities; information and communication; and monitoring. Valmet's control environment is based on Valmet's corporate culture: the integrity, values, ethical behavior, and competence of Valmet's personnel, as well as the direction provided to the personnel by the Board of Directors. Valmet's values and control environment provide the Board of Directors and Valmet's management with the basis for reasonable assurance of Valmet achieving the objectives for internal control. The President and Chief Executive Officer and the Executive Leadership Team define Valmet's values and ethical principles (reflected in the Code of Conduct) and set the example for the corporate culture, which creates the basis for the control environment. The same parties, with the business areas and global functions, are responsible for communicating Valmet's values to the organization.

In Valmet, sustainability reporting is centrally managed by the Sustainability Excellence team which belongs to the Strategy and Transformation function. The relevant experts in Valmet's functions and businesses are responsible for producing the required sustainability reporting information about their areas of expertise, with the support of Valmet's Sustainability Team.

In addition to a general assessment of risks related to sustainability reporting, Valmet conducted its risk assessment in 2024 through a close analysis of the disclosure requirements in the ESRS standards and of the individual data points, as well as by using prior experience of the sustainability reporting requirements to evaluate the risks and their prioritization. A review of the disclosure requirements, data points, and related risks was conducted in connection with the 2025 double materiality analysis.

Risks related to sustainability reporting have been evaluated following the guidelines and principles of internal controls and

Enterprise Risk Management process. Based on its assessment, Valmet has concluded that the main risk areas are related to disclosures involving estimates, significant judgments, and information derived from external sources in its value chain. The main identified reporting risks concern the availability, accuracy, completeness, and timeliness of reporting.

Based on the acknowledged control principles and methods, Valmet mitigates these risks by sustainability reporting training and instructions, with relevant system controls, defined responsibilities, established review and approval processes and schedules, and segregation of duties. Valmet's policies, guidelines, and working instructions support the control processes and risk mitigation efforts.

Risks related to sustainability reporting are assessed by relevant business process owners together with the Sustainability and the Group Finance functions. They are in charge of establishing an appropriate internal control framework. Business areas and functions are responsible for applying these controls as part of the sustainability reporting process. Sustainability matters are subject to regular reviews by Valmet's business area and function management. The findings of risk assessment and internal controls are monitored by the Sustainable finance committee, consisting of Vice President Sustainability, Vice President Group Finance, Vice President Treasury, and Risk Management, and Vice President Strategic Research and Development. Any significant findings are reported to Valmet's Executive Leadership Team and the Audit Committee.

## Strategy

### Strategy, business model and value chain

SBM-1

In 2025 Valmet has announced its new "Lead the Way" strategy. Valmet's purpose is to transform industries towards a regenerative tomorrow. Advancing circularity and unlocking resource efficiency are part of Valmet's new strategy. As a result of the new operating model, Valmet has two reportable segments

for financial reporting purposes: Process Performance Solutions and Biomaterial Solutions and Services.

In the Process Performance Solutions segment, Valmet's strategic mission is to unlock resource efficiency through lifecycle value, customer-focused innovation and growth in high-quality technologies, and digital capabilities. The segment consists of two business areas: Flow Control and Automation Solutions. Within this segment, Valmet's customer base includes diverse industries, where automation and flow control solutions are widely used. Valmet's automation solutions, distributed control systems (DCS), industrial applications, quality management systems, analyzers and measurements materials, Industrial Internet solutions and automation services aim to help customers' businesses by improving production performance and cost-effectiveness, environmental performance, and efficient use of materials. Valmet's valves, pumps, and valve automation technologies improve the reliability, safety, and performance of customers' production processes through continuous monitoring and advanced analytics.

In the Biomaterial Solutions and Services segment, Valmet's strategic mission is to advance circularity through a seamless lifecycle approach, continuous innovation with customers, and product cost-competitiveness. The segment consists of three business areas: Pulp, Energy and Circularity; Packaging and Paper; and Tissue. This segment supplies lifecycle technologies, services, and solutions for the pulp, paper, packaging, tissue, and bioenergy industries. Valmet's aim is to enhance the environmental performance of customers by enabling improved raw material, energy, and water efficiency, and to extend the lifecycle and improve circularity of customers' process technologies with solutions for rebuilds, upgrades, conversions, and maintenance services.

In Research and Development, the aims are to advance circularity through Valmet's technologies and services, covering the entire customer lifecycle, and to unlock resource efficiency, offering leading lifecycle value, reliability, optimal customer experience and market-leading digital capabilities. The drive for product cost



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competitiveness goes hand in hand with the aims to optimize resource efficiency and advance circularity.

Through innovation, Valmet provides solutions and services to utilize renewable resources; reduce, reuse and recycle materials and resources; create closed cycles; and drive the twin transition for adoption of advanced technologies and move towards fossil-free operative models. Valmet executes innovation, research and development activities in close connection with its customers, who rely on Valmet's technology leadership. Valmet also works closely with the wider innovation ecosystem, including leading universities, research institutes, suppliers, and other research partners around the world.

Valmet's Beyond Circularity was a research and development program in which Valmet and its ecosystem came together to innovate, renew, and enable their customer industries in the shift to fossil-free operations and to facilitate the green transition. The program ended in 2025 and its targets were closely connected to Valmet's 2035 Technology vision.

#### Business model and value chain

The inputs to Valmet's business model include financial, natural, and human resources; infrastructure such as locations, suppliers, and distributors; brand value; technology and research and development expertise; and dialogue with stakeholders. The outputs of the business model are Valmet's technologies, services, and solutions. The outcomes of the business model are the economic, social, and environmental impacts of Valmet's operations. Valmet has set and communicated its targets for financial performance, capital allocation priorities, and shareholder value creation until 2030.

Valmet's sustainability impacts as well as sustainability related financial risks and opportunities and their relationship with Valmet's business model and value chain are disclosed under ESRS 2 SBM-3.

#### Own operations

Valmet has operations globally in approximately 40 countries. Valmet's production operations cover Valmet's own manufacturing, foundries, and further processing of supplied components. Most of Valmet's production comprises machining and assembly. Valmet's service operations range from spare part deliveries to maintenance of wear parts in service workshops, and complete outsourcing of customer mill functions.

At the end of the year 2025, Valmet had 18,487 (19,310) employees. The largest countries in terms of headcount are Finland, China, the USA, Sweden, Brazil, and India. The breakdown of Valmet's employees by country is disclosed under S1-6.

Valmet serves customers in more than 100 countries, and many of Valmet's workforce operate daily on customers' project sites, mills, or plants. Valmet's strategic goal is to strengthen its local presence close to customers and growth markets, which is an important consideration when hiring new employees.

#### Upstream value chain

Valmet purchases components, products, materials, and services from approximately 20,000 active suppliers in more than 60 countries. Valmet's Global Supply's centrally managed organization drives competitiveness by leveraging global volumes, shared production capacity, and faster execution. Valmet's strategic target is to increase procurement close to customer projects and its own operations. All indirect purchases supporting Valmet's operations are procured locally. The ten largest countries in terms of purchases (EUR million) are Finland, China, USA, Sweden, Brazil, Italy, Germany, Poland, India and Estonia. More information about Valmet's relationships and supplier management are disclosed under G1-2.

#### Downstream value chain – use phase of the technologies

In Process Performance Solutions, Valmet's systematic portfolio expansion and continuous investment in technology and digitalization has led to strong growth and profitability. In this

segment, Valmet has a diversified portfolio of customer industries.

Valmet is the global leader in Biomaterial Solutions and Services, with a strong lifecycle offering. Global market growth increases the demand for Valmet's lifecycle technologies and drives services across all markets.

Valmet's technologies have a lifetime of between 10 and 100 years. In 2025, the biggest countries in terms of net sales are the USA, Brazil, and China, and in terms of income taxes, the USA, Finland, and Sweden.



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**Interest and views of stakeholders**

SBM-2, S1 SBM-2, S2 SBM-2

Valmet's stakeholders can be reasonably expected to be significantly affected by the company's activities, products, and services, while their actions and decisions may, in turn, influence Valmet's ability to successfully implement its strategies and achieve its objectives. Accordingly, Valmet conducts regular reviews of stakeholder expectations and potential concerns.

Valmet's stakeholder engagement approach ranges from structured information sharing to active dialogue and collaborative initiatives aimed at fostering innovation. Feedback and insights obtained through these activities are systematically incorporated into its operational development and decision-making processes and are considered in the development and execution of company strategy. The outcomes of stakeholder engagement are carefully analyzed and utilized by Valmet's Management Teams at different levels, directly informing strategic direction, business model considerations, and annual planning.

To further strengthen engagement and transparency, Valmet also provides an external reporting portal (Spotlight) for its stakeholders. The portal enables the collection and management of information about incidents and events related to health, safety, environment, and continuous improvement across Valmet operations. It is also utilized by Valmet's own workforce and serves as a channel for gathering ideas for research and development purposes. Valmet also offers its TrustLine channel for reporting suspected violations of Valmet's Code of Conduct. It provides Valmet employees and other stakeholders with the possibility to report concerns anonymously and in their native language.

The following table includes all the key stakeholders Valmet has identified.

Stakeholder group	Purpose of engagement	Engagement channels	Outcomes and impacts of engagement
<b>Existing and potential employees and workers in the value chain</b>	<ul style="list-style-type: none"> <li>Taking into account the interests, views, and rights of people in own workforce to inform strategy and business model</li> </ul>	<ul style="list-style-type: none"> <li>Active dialogue</li> <li>Change pulse surveys</li> <li>Interactions with European and other employee representative bodies</li> <li>Other feedback</li> <li>Regular Human Rights Impact Assessments</li> <li>External reporting portal</li> </ul>	<ul style="list-style-type: none"> <li>Analysis and utilization by Valmet Management Teams at different levels with a direct impact on strategy, planning business model considerations, and annual planning</li> <li>Incident and event management related to health, safety, and environment</li> <li>Continuous improvement in all Valmet operations</li> </ul>
<b>Existing and potential customers</b>	<ul style="list-style-type: none"> <li>Ensuring Valmet's products and services meet customer needs and expectations</li> <li>Meeting customer needs for product development and innovative solutions</li> <li>Developing and improving customer relationships</li> </ul>	<ul style="list-style-type: none"> <li>Meetings and other direct contact such as customer seminars, events, and fairs</li> <li>Reputation and customer satisfaction surveys</li> <li>Interactions with specific industry organizations</li> <li>External reporting portal</li> <li>Beyond Circularity, Valmet's Research and Development program</li> </ul>	<ul style="list-style-type: none"> <li>Continuous improvement in all Valmet operations, including research and development purposes</li> <li>Improved customer relationships</li> <li>Customer collaboration in research and development</li> </ul>
<b>Suppliers and subcontractors</b>	<ul style="list-style-type: none"> <li>Promoting responsible procurement and a sustainable supply chain</li> <li>Ensuring efficient and cost competitive supply chain</li> <li>Mutually beneficial relationships with suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Active dialogue with suppliers</li> <li>Sustainable Supply Chain Process</li> <li>Supplier Engagement Program</li> <li>Local Health, Safety and Environment activities</li> </ul>	<ul style="list-style-type: none"> <li>Sourcing of sustainable raw materials</li> <li>Suppliers' commitment to the Supplier Code of Conduct</li> <li>Cost competitive and resilient supply chain</li> <li>Management of sustainability risks</li> </ul>
<b>Existing and potential shareholders and analysts</b>	<ul style="list-style-type: none"> <li>Ensuring that the capital markets have correct and sufficient information to determine the value of Valmet shares and to increase awareness of Valmet as an investment</li> </ul>	<ul style="list-style-type: none"> <li>Financial statements and interim reviews</li> <li>Stock exchange releases and press releases</li> <li>General meetings</li> <li>Investor meetings</li> <li>Site visits</li> <li>Seminars</li> <li>The company website</li> <li>Social media</li> <li>Webcasts</li> </ul>	<ul style="list-style-type: none"> <li>Helping stakeholders assess Valmet's performance</li> <li>Accurate and sufficient information about Valmet is made available to stakeholders in a timely manner</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>Providing accurate, timely, and transparent information regarding the Valmet's strategy, performance, and outlook</li> <li>Constructive interaction with the media supports stakeholder trust and underpins Valmet's reputation</li> </ul>	<ul style="list-style-type: none"> <li>The company website</li> <li>Stock exchange, press and trade press releases</li> <li>Social media channels</li> <li>Direct interaction with journalists in the form of interviews, press events, and background briefings</li> </ul>	<ul style="list-style-type: none"> <li>Media engagement at Valmet enhances the visibility and credibility of the company's strategy and operations</li> <li>Consistent and clear external messaging reduces the risk of misinformation and strengthens stakeholder confidence, thereby supporting the company's business model and the long-term execution of its strategy</li> </ul>



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Stakeholder group	Purpose of engagement	Engagement channels	Outcomes and impacts of engagement
<b>Public authorities, decision makers, and regulatory bodies</b>	<ul style="list-style-type: none"> <li>Ensuring continued access to market and competitive advantage for Valmet's technologies, automation, and services</li> <li>Ensuring available public funding for Valmet's relevant research, development, and innovation projects</li> <li>Contributing to a fair and rules-based trade framework</li> </ul>	<ul style="list-style-type: none"> <li>Dialogue and cooperation with decision-makers, public authorities, and regulatory bodies</li> <li>Participation to relevant hearings, public consultations, and surveys</li> <li>Participation in selected joint campaigns</li> <li>Participation in relevant standardization work</li> </ul>	<ul style="list-style-type: none"> <li>Access to market and supportive regulatory requirements for Valmet's technologies</li> <li>A stable and predictable regulatory environment</li> <li>Early awareness of the changing political operating environment</li> <li>Regulatory compliance</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>Contributing positive impacts in Valmet's operating areas and communities affected by customer projects</li> <li>Enhancing Valmet's engagement in communities</li> </ul>	<ul style="list-style-type: none"> <li>Global Social Responsibility Program</li> <li>Engagement during impact assessments</li> </ul>	<ul style="list-style-type: none"> <li>Support for local projects</li> <li>Donations to local communities, affected stakeholders, and non-profit organizations</li> <li>Dialogue with communities</li> </ul>
<b>Research institutes, universities, colleges, vocational schools as well as other existing and potential partners</b>	<ul style="list-style-type: none"> <li>Cooperation and ecosystem engagement to build new knowledge and solutions</li> <li>Improving Valmet's readiness to support the green transition in Valmet's customer industries based on the Group's Technology Vision 2035</li> <li>Increasing awareness of Valmet among potential employees, ecosystem partners, and other collaborators.</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration with research institutes, universities, colleges, and vocational schools in joint initiatives and programs</li> <li>Collaboration in joint initiatives and programs with other ecosystem partners such as other companies and innovation organization</li> <li>Valmet's research, development and innovation activities, incl. Beyond Circularity, Valmet's Research and Development Program.</li> </ul>	<ul style="list-style-type: none"> <li>New knowledge and solutions developed together with the partners within the Research and Development ecosystem</li> <li>Positive image of the industry in society</li> <li>Improving the employer image of Valmet</li> <li>Beyond Circularity ecosystem participants contribute to the renewal of the pulp and paper industry and the acceleration of the green transition.</li> </ul>
<b>Trade associations, think-tanks, and non-governmental organizations</b>	<ul style="list-style-type: none"> <li>Information sharing</li> <li>Ensuring the industry's voice in public policy making</li> <li>Exchanging views to strengthen thought-leadership on sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>Memberships in relevant organizations, as well as representation on, e.g., their boards, committees, and working groups</li> <li>Workshops, and internal and external events</li> <li>Bilateral meetings</li> <li>Joint initiatives and programs.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened industry's voice in policy discussions and in society</li> <li>Improved understanding of non-governmental organizations' sustainability priorities.</li> </ul>



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**Material impacts, risks, and opportunities, and their interaction with strategy and business model**

SBM-3, E1-SBM-3, E4 SBM-3, S1 SBM-3, S2 SBM-3

**Valmet's material topics, sub-topics, and sub-sub-topics**

Material sustainability topic	Material sub-topic	Material sub-sub-topic	Material from own operation's perspective	Material from value chain's perspective
<b>E1 Climate change</b>	Climate change mitigation	-	Yes	Yes
		Energy	Yes	Yes
<b>E2 Pollution</b>	Pollution of air	-	No	Yes
		Pollution of water	No	Yes
<b>E3 Water and marine resources</b>	Water	Water consumption	No	Yes
<b>E4 Biodiversity and ecosystems</b>	Direct impact drivers of biodiversity loss	Climate change	No	Yes
		Pollution	No	Yes
<b>E5 Resource use and circular economy</b>	Resource inflows, including resource use	-	Yes	Yes
		Resource outflows related to products and services	-	Yes
<b>S1 Own workforce</b>	Working conditions	Social dialogue	Yes	No
		Freedom of association	Yes	No
		Collective bargaining	Yes	No
		Health and safety	Yes	No
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Yes	No
		Diversity	Yes	No
<b>S2 Workers in the value chain</b>	Working conditions	Working time	No	Yes
		Adequate wage	No	Yes
		Social dialogue	No	Yes
		Freedom of association	No	Yes
		Collective bargaining	No	Yes
		Health and safety	No	Yes
	Other work-related rights	Child labor	No	Yes
		Forced labor	No	Yes
		Adequate housing	No	Yes
		Water and sanitation	No	Yes
<b>G1 Business conduct</b>	Corporate culture	-	Yes	No
	Protection of whistleblowers	-	Yes	No
	Management of relationships with suppliers including payment practices	-	Yes	Yes
	Corruption and bribery	Prevention and detection including training	Yes	No
		Incidents	Yes	No

Valmet's material sustainability matters are disclosed in the table above. Related material sustainability impacts, risks, and opportunities, along with their location in the value chain and time horizons are described in more detail under each relevant topic in this section.

The double materiality assessment process is aligned with Valmet's Enterprise Risk Management process, and the results of the double materiality assessment feed into Valmet's overall Enterprise Risk Management process. In the 2025 double materiality assessment review, the financial risk and opportunity scaling has been fully aligned with Valmet's Enterprise Risk

Management thresholds. Additionally, some descriptions of impacts, risks, and opportunities have been updated. The changes made in the 2025 double materiality assessment compared to 2024 have been indicated after each relevant section (E5, S1, S2), and the double materiality assessment process is described under ESRS 2 IRO-1. All Valmet's IRO's are covered by the ESRS



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Disclosure Requirements, and no additional entity-specific disclosures have been disclosed.

Valmet's sustainability management focuses on identified impacts, risks, and opportunities, and addresses them through its Sustainability Agenda and Climate Transition Plan. Sustainability

matters are part of Valmet's strategy and annual planning processes. Each business area and the Global Supply function have sustainability targets which are reviewed regularly by Valmet's top management (see ESRS 2 GOV-2). Valmet also has incentive schemes at different levels of the organization to drive sustainability (see ESRS 2 GOV-3).

No such financial effects have been identified in Valmet's Double Materiality Analysis that would require reporting in the 2025 Financial Statements.

**E1 Climate change related impacts, risks and opportunities**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
<b>Climate change mitigation</b>	GHG emissions from own operations	Greenhouse gas (GHG) emissions are caused using fuels and production of electricity, district heat, and steam consumed in Valmet locations	Actual negative impact	Short- and medium-term	Own operations
	GHG emissions from value chain	Significant upstream and downstream GHG emissions are caused by the production of raw materials and components used in Valmet's technologies, transportation, and distribution, and the use of installed technologies by Valmet's customers	Actual negative impact	Short-, medium-, and long-term	Upstream and downstream value chain
	Transition to a low-carbon circular economy, and related regulation	The transition to a low-carbon circular economy and emerging regulation increases demand for Valmet's biomaterial solutions and services and process performance solutions	Financial opportunity	Medium- and long-term	Own operations Upstream and downstream value chain
	Emerging climate-related regulation and carbon pricing mechanisms	Transition risk due to emerging climate-related regulation and carbon pricing mechanisms, which may affect Valmet's technologies and cause financial risk	Financial risk	Short-, medium-, and long-term	Own operations Upstream and downstream value chain
<b>Energy</b>	Energy consumption in own operations	Energy consumption in Valmet's locations	Actual negative impact	Short- and medium-term	Own operations
	Energy consumption in downstream value chain	Energy consumption in Valmet's solutions/technologies throughout their lifecycle (in pulp, paper, packaging, tissue, and energy industries)	Actual negative impact	Short- and medium-term	Downstream value chain
	Energy-intensive raw materials	Usage of energy-intensive raw materials, primarily steel, in Valmet's solutions	Actual negative impact	Short- and medium-term	Upstream value chain
	Transition to a low-carbon circular economy, and related regulation	The transition to a low-carbon circular economy and emerging regulation increases demand for energy-efficient technologies and renewable energy solutions	Financial opportunity	Medium- and long-term	Own operations Downstream value chain
	Energy transition and related regulation, energy pricing	Transition risk due to energy transition, emerging energy-related regulation and energy pricing volatility, which may affect Valmet's own operations and technologies	Financial risk	Short-, medium-, and long-term	Own operations Upstream and downstream value chain

The successful management of climate-related risks and opportunities is a key element in the delivery of Valmet's strategy. Valmet has conducted a resilience analysis of its strategy and business model in relation to climate change across the value chain, including the supply chain, Valmet's own operations, and customers' use phase of Valmet's technologies.

The potential long-term impacts of climate change were analyzed in 2021 through two different scenarios: in the first, the global warming is limited to 1.5 °C; in the second, the global warming has reached 4 °C. The results of the resilience analysis, including the results from the use of scenario analysis, are disclosed in more detail under ESRS E1 IRO-1.



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**E2 Pollution-related impacts, risks and opportunities in value chain**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
Pollution of air	Air emissions from the upstream value chain	Valmet’s upstream value chain includes manufacturing of components, which contributes to environmental impacts such as air pollution, including particulate matter and volatile organic compounds	Actual negative impact	Short- and medium-term	Upstream value chain
	Air emissions from the downstream value chain	While using Valmet’s biomaterial and process performance solutions in pulp, paper, energy, and other process industries, customers generate air emissions such as particulate matter, hazardous air pollutants, nitrogen oxides, sulfur oxides, carbon monoxide, and volatile organic compounds that require emission control	Actual negative impact	Short- and medium-term	Downstream value chain
	Developing air emission control solutions	Customers increasingly need to reduce air emissions, which creates a business opportunity for Valmet’s air emission control solutions	Financial opportunity	Short- and medium-term	Own operations Downstream value chain
Pollution of water	Water emissions from the downstream value chain	While using Valmet’s biomaterial and process performance solutions in pulp, paper, energy, and other process industries, customers generate water emissions such as biological and chemical demands (BOD and COD) and other pollutants that require wastewater treatment	Actual negative impact	Short- and medium-term	Downstream value chain

**E3 Water related impacts, risks and opportunities in value chain**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
Water consumption	Water-consuming manufacturing processes in the upstream value chain	Valmet’s upstream value chain includes water-consuming processes, such as steel manufacturing	Actual negative impact	Short- and medium-term	Upstream value chain
	Water-consuming manufacturing processes in the downstream value chain	Valmet’s customers in the pulp, paper, tissue, and board industries operate water-intensive process technologies	Actual negative impact	Short- and medium-term	Downstream value chain
	Developing water-saving solutions	Increasing customer demand for solutions that improve water management efficiency and closed loop water systems is a business opportunity for Valmet	Financial opportunity	Short- and medium-term	Own operations Downstream value chain

**E4 Biodiversity and ecosystems related impacts, risks and opportunities in value chain**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
Direct impact drivers of biodiversity loss	Impact of climate change on biodiversity loss	Valmet’s own operations and upstream and downstream value chains contribute to climate change, which is a driver of biodiversity loss	Actual negative impact	Long-term	Upstream and downstream value chain
	Impact of air and water pollution on biodiversity loss	Valmet’s upstream and downstream value chains contribute to air and water pollution, which is a driver of biodiversity loss	Actual negative impact	Long-term	Upstream and downstream value chain

Valmet’s locations are on land zoned for commercial or industrial use by the local authorities. Sites that are located in or near biodiversity-sensitive areas are not considered material because Valmet has not identified activities that cause significant direct environmental impacts to the nearby biodiversity sensitive areas. Valmet’s activities do not directly negatively affect these areas by leading to the deterioration of natural habitats and the habitats of

species or to the disturbance of the species for which a protected area has been designated. Currently, no direct mitigation measures have been implemented in these areas.

Valmet’s own operations do not directly affect threatened species or directly negatively impact land degradation, desertification, or soil sealing. Valmet manages its locations in compliance with

local environmental permits and requirements. Locations follow ISO 14001:2015 certified environmental management systems including operational control measures for hazardous substances, air emissions, noise, water effluent, and waste, as well as emergency preparedness and response.



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**E5 Resource use and circular economy related impacts, risks and opportunities**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
<b>Resource inflows – Valmet's use of materials</b>	Production of technologies requiring large quantities of materials	The production of Valmet's products requires large quantities of materials. The most material resource inflows are steel, polymers, electronic components, and packaging materials.	Actual negative impact	Short- and medium-term	Own operations Upstream value chain
<b>Resource outflows – Valmet's solutions</b>	Technology lifecycle extension	Valmet's solutions and services which extend the lifecycle of technologies used by customers	Actual positive impact Financial opportunity	Short- and medium-term	Own operations Downstream value chain
	Technologies enabling the use and conversion of renewable and recycled resources	Valmet's biomaterial and process performance solutions enable the conversion of renewable and recycled resources into solutions in the pulp, paper, board, tissue, and energy industries and renewable resource use in the energy and other process industries	Actual positive impact	Short- and medium-term	Downstream value chain
	Solutions enabling circularity	Valmet's solutions enable circularity for customers through material recovery and conversion to the same or other uses; longer circulation cycles; reduced use of virgin materials; and cascaded use across industries concerning process residuals	Actual positive impact	Short- and medium-term	Downstream value chain
	Demand for resource-efficient and renewable resource use technologies	Increasing demand for resource-efficient biomaterial solutions that enable the use of renewable raw materials and process performance solutions that improve resource efficiency is a business opportunity for Valmet	Financial opportunity	Short- and medium-term	Own operations Downstream value chain

In the 2025 double materiality analysis review, the following changes and updates have been made to the material impacts, risks and opportunities compared to 2024: the positive impacts regarding decreasing resource and waste have been removed. They are considered as actions to mitigate negative impacts.



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**S1 Own workforce related impacts, risks and opportunities**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
<b>Working conditions</b>	Enabling social and other forms of dialogue	Valmet has practices in place for social and other forms of dialogue with employees in all Valmet countries	Actual positive impact	Short- and medium-term	Own operations
	Collective bargaining and freedom of association practices	Valmet has operations in countries where collective bargaining and/or freedom of association is either limited or not a common practice	Actual negative impact	Short-, medium-, and long-term	Own operations
	Exposure to health and safety risks	Valmet's workforce is exposed to health and safety risks during work activities which can cause injuries and illnesses	Actual negative impact	Short-, medium-, and long-term	Own operations
<b>Equal treatment and opportunities for all</b>	Consequences of gender imbalance	Valmet has a significant gender imbalance which can cause unintentional discrimination and inequalities, e.g., in hiring, career progression, and pay equity	Actual negative impact	Short-, medium-, and long-term	Own operations

Valmet's business model includes its own production for key products, being close to its customer base, and providing installation, maintenance, and modernization services. Some of Valmet's operations are in high-risk countries with systemically limited possibility of freedom of association and collective bargaining, as well as social dialogue which are identified negative impacts arising from this strategy and business model. Valmet's business model is also connected with negative health and safety impacts from individual work-related incidents, particularly in the production and service environments, and a significant gender imbalance partly due to the industry in which Valmet operates. The connected positive impacts arising from the strategy and business model occur through Valmet's efforts to boost employee engagement which impact all employees.

Analysis of employee data shows that females as the underrepresented gender and employees located in regions where collective bargaining is limited or not common practice are at greater risk of being negatively affected.

Analysis of work-related injury and illness data shows that Valmet's workforce in the operations and manufacturing, project management, and service job families are more at risk of being negatively affected by health and safety impacts. The main risks of work-related injury and illness are associated with the unexpected start-up of machinery, mechanical lifting, working at heights or in confined spaces, the use of tools and equipment, manual handling, hot work, exposure to hazardous substances and radiation, electrical work, road travel, exposure to infectious diseases, and the social and organizational work environment. Workplace hazards can cause physical harm of varying severity, occupational illnesses, sensory impairments, infections, stress related ill health, and in extreme cases fatal injuries.

Valmet frequently monitors and updates its definition of high-risk regions and geographies by assessing the country risks matrix, which is based on Zurich's Risk Room and contains country- and industry-level data to assess economic, societal, technological, environmental, and geopolitical risks. Based on the classification, many cost-competitive countries (CCC), especially in Southeast Asia, South America, and Africa, are classified as high-risk.

Valmet's own operations are not at significant risk of forced labor or child labor.

Valmet considers sustainability upskilling of Valmet's own employees as an impact arising from its strategy, and its Climate Transition Plan. However, in Valmet's double materiality assessment, these have not been identified as material.

In the 2025 double materiality analysis review, the following changes and updates have been made to the material impacts, risks, and opportunities compared to 2024: Gender imbalance posing a risk of unintentional discrimination and inequalities has been changed from a potential negative impact to an actual negative impact. Additionally, the positive impact identified in 2024 regarding proactive measures to address potential inequalities has been deleted. Based on the current analysis, this is seen more as an action to mitigate negative impacts.



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**S2 Workers in the value chain related impacts, risks and opportunities**

Material sustainability matter	Material impact, risk or opportunity in brief	Description of the impact, risk or opportunity	Category	Time horizon	Location in value chain
<b>Working conditions</b>	Collective bargaining, freedom of association, adequate wages and working time	Valmet has operations in countries where collective bargaining and/or freedom of association are limited or not common practice. Value-chain workers in high-risk countries may lack legislated access to freedom of association, collective bargaining, adequate wages, and/or can be subject to excessive working hours	Actual negative impact	Short-, medium-, and long-term	Upstream and downstream value chain
	Exposure to health and safety risks	Value-chain workers can be exposed to health and safety risks during work activities which can cause injuries and illnesses in the provision of products and services to Valmet	Actual negative impact	Short-, medium-, and long-term	Upstream and downstream value chain
	Measures to improve working conditions, and health and safety	Through supplier engagement processes, Valmet can improve the working conditions and health and safety of value-chain workers	Potential positive impact	Short- and medium-term	Upstream and downstream value chain
<b>Other work-related rights</b>	Risks to vulnerable value chain workers	Young workers and migrant workers are identified as vulnerable groups among value-chain workers. Migrant workers have an increased risk of forced or bonded labor, and young workers may be exposed to hazardous or harmful work	Potential negative impact	Short-, medium-, and long-term	Upstream and downstream value chain
	Access to adequate housing and sanitation	Value chain workers often reside in temporary accommodations on-site, and there is a potential negative impact related to adequate housing and sanitation, particularly in high-risk countries	Potential negative impact	Short-, medium-, and long-term	Upstream and downstream value chain

Value chain workers who could be materially impacted by Valmet's operations include the following workers in Valmet's value chain:

- Upstream: Valmet's suppliers' workers who are working mainly on the suppliers' own premises.
- Own operations: Valmet's suppliers' workers who are working as service providers on Valmet's premises, and the supplier controls the work. These include, for example, consultants, engineering services workers, maintenance contractors, and workers from outsourced services such as cleaning, security, and logistics.
- Downstream: Valmet's supplier's workers who are working as a Valmet site subcontractor for construction, installation, and maintenance services on the customer's premises, and the supplier controls the work.

Due to Valmet's business model and the industries in which it operates and serves, the company has global value chains that also extend into countries considered high-risk from a sustainability perspective. Valmet strives to develop ethical practices and ensure decent working conditions throughout the value chain, as well as opportunities for local employment and economic activity. For example, as a part of Valmet's Sustainability Due Diligence Framework, Valmet conducts

Salient human rights issues analysis, and Human Rights Impact Assessments in its own operations and upstream value chain, as well as Health, Safety, and Environment and Supplier Sustainability Audits. Based on its Sustainability Due Diligence practices, Valmet has identified actual and potential negative impacts and a potential positive impact related to working conditions and other work-related rights in its value chain, as outlined in the table above.

The potential positive impact related to working conditions involves improving the working conditions and health and safety of value chain workers through Valmet's supplier engagement processes. The actual and potential negative impacts related to value chain workers involve working conditions and other work-related rights.

Valmet continuously screens potential negative human rights impacts throughout its value chain. The most salient human rights risks connected to Valmet's value chain are related to the risk of bonded labor, inadequate wages and work permits, excessive working hours, lack of freedom of association and collective bargaining, the position of young workers and migrant workers, and occupational health and safety. Possible migrant workers and young workers are identified as vulnerable groups in the value chain, and they have a heightened risk of being exposed

to negative impacts. In Valmet's value chain, possible migrant workers are typically employed by site sub-contractors in the construction and installation of projects.

Negative impacts related to lack of freedom of association and collective bargaining, inadequate wages, and excessive working hours remain a risk in all supplier categories in high-risk countries. Value-chain workers are exposed to similar hazards in their work activities as Valmet's own workforce, as described in S1-4. Valmet's site subcontractors working on customer premises may be at risk of severe work-related injuries and illnesses associated with the unexpected start-up of machinery, working at heights and in confined spaces, and mechanical lifting. Young workers may be especially exposed to hazardous or harmful work or unsafe working conditions.

In the industry in which Valmet operates, value chain workers often reside in temporary accommodation such as on-site dormitories or project-based housing for the duration of their assignments. Valmet has identified potential adverse impacts related to the adequacy of these living conditions – particularly regarding access to adequate sanitation and overall housing standards – especially in high-risk countries.



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Valmet frequently monitors and updates its definition of high-risk regions and geographies by assessing the country risks matrix, which is based on Zurich’s Risk Room and contains country- and industry-level data to assess economic, societal, technological, environmental, and geopolitical risks. Based on the classification, many cost-competitive countries (CCC), especially in Southeast Asia, South America, and Africa, are classified as high-risk.

In the 2025 double materiality analysis review, the following changes and updates have been made to the material impacts, risks, and opportunities compared to 2024: two additional material sub-sub-topics were identified: Water and sanitation; and Adequate housing.

**G1 Business Conduct related impacts, risks and opportunities**

Material sustainability matter	Material impact, risk, or opportunity in brief	Description of the impact, risk, or opportunity	Category	Time horizon	Location in value chain
<b>Corporate culture</b>	Actions to promote corporate culture	Valmet’s actions to promote corporate culture ensure that Valmet does business ethically and legally, that employees feel safe working for Valmet, and that stakeholders consider Valmet a trusted business partner	Actual positive impact	Short-, medium-, and long-term	Own operations
	Lack of ethical corporate culture	Failures in creating an ethical corporate culture can lead to unethical or illegal business conduct. It can subject employees and stakeholders to negative effects such as unfair treatment or discrimination	Potential negative impact	Short-, medium-, and long-term	Own operations
<b>Protection of whistleblowers</b>	Creating a safe environment for raising concerns	Valmet’s actions to promote corporate culture ensure that employees and stakeholders feel comfortable raising concerns, and that whistleblowers are protected, and any potential misconduct is caught before severe consequences	Actual positive impact	Short-, medium-, and long-term	Own operations
	Retaliation against whistleblowers	Failure to protect whistleblowers can lead to retaliation against the reporter	Potential negative impact	Short-, medium-, and long-term	Own operations
<b>Corruption and bribery</b>	Adequate measures to prevent corruption and bribery	Valmet’s successful measures to prevent corruption and bribery, money laundering, and terrorism financing promote its reputation as a reliable partner, with whom ethical business conduct principles are implemented	Actual positive impact	Short-, medium-, and long-term	Own operations
	Inadequate measures to prevent corruption and bribery	Valmet’s inadequate measures to prevent corruption and bribery, money laundering, and terrorism financing may lead to violation of the Code of Conduct and illegal behavior. Being involved in a corruption or bribery, money laundering, or terrorism financing incident would have negative effects on people and society.	Potential negative impact	Medium- and long-term	Own operations
<b>Management of relationships with suppliers</b>	Promoting employment and sustainable business practices	Valmet’s purchases of goods and services contribute to the employment of value-chain workers. Valmet’s Supplier Code of Conduct promotes sustainable business practices in the supply chain	Actual positive impact	Short- and medium-term	Upstream value chain
	Non-compliance with payment practices	Failure to comply with Valmet’s payment practices could cause negative impacts to suppliers	Potential negative impact	Short-, medium-, and long-term	Own operations Upstream value chain



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## Impact, risk and opportunity management

### Description of the process to identify and assess material impacts, risks and opportunities

IRO-1, E1 IRO-1, E2 IRO-1, E3 IRO-1, E4 IRO-1, E5 IRO-1, G1 IRO-1

#### General

Valmet has conducted a double materiality assessment to identify and assess its actual and potential negative and positive impacts on the environment and people, as well as sustainability-related financial risks and opportunities in its own operations and across the value chain in the short, medium, and longer terms. The double materiality assessment determined the disclosure requirements to be included in Valmet's CSRD reporting scope. Valmet reviews the results of the double materiality assessment annually and reports accordingly.

Valmet's first double materiality assessment was started in 2023 and finalized in 2024. The initial assessment process was based on a comprehensive study, interviews with subject matter experts, as well as affected external and internal stakeholders. The information sources Valmet utilized in the double materiality assessments included outcomes from internal workshops, feedback from interviews with external stakeholders, previous impact assessments and sustainability audits conducted by Valmet, subject matter expertise, as well as research and articles from external sources.

In 2025, Valmet conducted its double materiality assessment review to analyze the validity of the initial double materiality assessment and potential changes required. Four workshops were organized with internal stakeholders and subject matter experts from the Sustainability, Health, Safety and Environment, People and Culture, Risk Management, Ethics and Compliance, Global Supply and Research and Development functions. These workshops were designed to identify and analyze potential new impacts, risks, and opportunities, review the scoring of the current impacts, risks, and opportunities, and to map the specific areas of the value chain where the impacts, risks, and opportunities might occur. In addition to the information sources utilized in the initial double materiality assessment,

Valmet used new external science-based research data to support the review.

#### Assessment scope

Valmet assessed the impacts, risks, and opportunities encompassing its own operations and the upstream and downstream value chains. For the purposes of the double materiality assessment and statutory sustainability reporting, Valmet has defined its value chain to include the following stages where it is causing or contributing to impacts:

- Upstream value chain: suppliers' manufacturing of components; Valmet's sourcing of raw materials; and transportation to Valmet.
- Own operations: research and development; engineering; own production; project deliveries; services; and maintenance of customers' technologies.
- Downstream value chain: the use phase of Valmet's technologies.

Valmet has not included in the reporting boundary the following activities on which Valmet does not have a direct impact, or which Valmet does not directly control:

- Upstream value chain: activities and sourcing by sub-suppliers or sub-sub-suppliers who are not in a relationship with Valmet or Valmet's customer projects
- Downstream value chain: activities and sourcing of raw materials by Valmet's customers and end-of-life treatment of the products.

#### Double materiality assessment

In Valmet's impact assessment, both positive and negative impacts and actual and potential impacts related to sustainability matters were considered. Valmet prioritized negative impacts based on their relative severity (scale, scope, and irretrievably) and likelihood, and positive impacts on their relative benefit (scale and scope) and likelihood. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.

The assessment scale used for determining the severity or benefit of impacts was guided by the Sustainability Due Diligence Process defined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises for Responsible Business Conduct, as well as the EFRAG Implementation Guidance for Materiality Assessment.

In the process of assessing, identifying, and prioritizing risks and opportunities that have or could potentially have financial impacts, Valmet employed a scale measuring the size of the financial effect and its likelihood. The scale was the same as in Valmet's Enterprise Risk Management Process. The estimated potential magnitude of financial effects was based on EBITA. The estimations of the financial impact focused on the scale of impacts rather than on the precise valuation of the financial effects. For financial effects that could not be reliably quantified, the assessment relied on qualitative factors and ranges, as outlined in the EFRAG Implementation Guidance for Materiality Assessment. The connections of the impacts and dependencies with the risks and opportunities were assessed by evaluating the financial materiality of each sustainability impact.

#### Consolidation and approval of the results

The materiality of the disclosure requirements and related data points was determined based on material impacts, risks, and opportunities. The material impacts, risks, and opportunities and the changes made in the 2025 double materiality assessment compared to 2024 have been disclosed under ESRS 2 SBM-3.

The results of the double materiality assessment and Valmet's CSRD reporting scope were approved by Valmet's Audit Committee. Other internal control procedures related to the double materiality assessment include a structured methodology for assessing and prioritizing impacts, risks, and opportunities, clear criteria for materiality thresholds from both impact and financial perspectives and documented process and results.

The double materiality assessment process is aligned with Valmet's Enterprise Risk management process, and the results of the double materiality assessment feed into Valmet's overall



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Enterprise Risk Management process. Valmet's sustainability management focuses on identified sustainability impacts, risks, and opportunities.

### Impacts, risks and opportunities related to climate change

Valmet has an Enterprise Risk Management (ERM) Process in which climate-related issues are identified and evaluated. The purpose of the annual ERM process is to identify and evaluate the most significant risks affecting Valmet's business areas and functions, and the Valmet Group as a whole, and to determine appropriate risk treatment actions. The process covers strategic, financial, operational, compliance and regulatory, and sustainability risks, including climate-related physical and transition risks in the short, medium, and long-terms.

The management of Valmet's business areas and functions is accountable for managing risks as part of its daily activities. Valmet's Corporate Risk Management coordinates the annual enterprise risk management process including the assessment of climate change and environmental risks.

### Climate-related risks and opportunities

Valmet's exposure to climate change -related risks and opportunities has been analyzed under the following risk categories: physical (acute and chronic); regulatory; technological; market; reputational; and social. Exposure refers to an organization's vulnerability to negative impacts or ability to realize positive impacts from the transition to a low-carbon economy and the impacts of climate change itself.

Valmet has analyzed the potential impact of climate change on its operations and business environment across the value chain, including the supply chain, its own operations, and customers' use phase of Valmet's technologies. The potential long-term impacts of climate change have been analyzed using two different scenarios: In the first, global warming is limited to 1.5 °C; in the second, global warming has reached 4 °C. The scenarios are in line with the Task Force on Climate-related Financial Disclosures (TCFD) reporting. The scenario analysis has enabled Valmet to

identify and quantify climate-related risks and opportunities and assess its business resilience in different climate scenarios. As part of its annual reporting process, Valmet analyzes its GHG emissions inventory across the value chain as reported in E1-6.

The scenarios are set for 2030, as it is far enough in the future to analyze the potential business impacts when climate-related risks are most likely to have materialized, and to analyze outcomes from the company strategy and risk management perspective. The two scenarios have been chosen because they represent different future climate states. Physical risks have been further analyzed until 2050.

In the analysis, short term is defined as one year, medium term as two to five years, and long-term as more than five years. The analysis considers the likelihood, magnitude, and duration of physical hazards or transition events.

### Physical risks

Physical risks and exposure to climate-related hazards have been identified in the short, medium, and long terms in both 1.5 °C and 4 °C climate scenarios until 2030 and 2050.

#### Acute physical risks

Acute physical risks in the short and medium terms may be increases in the frequency and severity of extreme weather events such as floods and storms that may impact Valmet's own production sites in India, China, Europe, and North America by causing production shutdowns.

#### Chronic physical risks

Chronic physical risks include long-term shifts in climate patterns causing rises in sea levels and posing a risk to Valmet's operations in China and Indonesia, for example. Access to raw materials in the supply chain may also be impacted by chronic changes in the environment. Forest yield volatility and regional differences are likely to increase, impacting the supply chains of Valmet's customers in the pulp and paper industries and consequently creating both risks and opportunities for Valmet. Increasing drought increases the risk of forest fires, and warmer

winters are likely to increase the impact of pests and diseases on forestry yield.

### Transition risks and opportunities

Transition risks and opportunities have been identified in the short, medium, and long terms in a 1.5 °C climate scenario until 2030.

#### Opportunities

Valmet's contribution to the transformation of the pulp, paper, and energy industries toward a net-zero and circular economy represents a market opportunity. The transition to a low-carbon and circular economy is driving increased demand for energy-efficient technologies and renewable energy solutions.

Emerging regulation related to the energy transition, carbon capture, and climate change mitigation is expected to further increase demand for Valmet's solutions. Customer demand and market opportunities are growing for air emission control systems, wastewater treatment, and closed-loop water solutions.

There is also significant business potential in technologies and solutions that enhance resource efficiency and enable the use of renewable and recycled resources. Additionally, Valmet's services supporting the lifecycle extension of installed technologies present further business opportunities.

Valmet's climate performance and sales of net-zero and circular economy aligned solutions may also improve its access to green finance, potentially reducing the cost of capital through better financing terms.

#### Transition risks

If Valmet's adaptation to regulation and market changes is low, there is a risk that competitiveness will be lost, and thus customers, revenue, and profits. Carbon pricing may increase the price of Valmet's key raw materials such as steel. High demand for bio-based products, as well as the competition for bio-based and forest-based raw materials, may increase costs for customers. An increasing risk that biomass utilization as raw material will be



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seen more negatively may also increase reputational risks for Valmet as a technology provider.

#### Details of climate-related scenario analysis

Physical risks and exposure to climate-related hazards have been identified using the Intergovernmental Panel on Climate Change's (IPCC) RCP2.6 (1.5 °C) and RCP8.5 (4 °C) climate scenarios. Transition scenarios were considered for the whole value chain in accordance with the International Energy Agency (IEA) (Sustainable Development Scenario and World Energy Outlook 2020) and International Renewable Energy Agency (IRENA) (Global Renewables Outlook: Energy Transformation 2050) scenarios. IIASA's Shared Socioeconomic Pathways (SSPs) were used alongside the RCPs to analyze the feedback between climate change and socioeconomic factors such as world population growth, economic development, and technological progress.

#### First scenario: The global warming is limited to 1.5 °C

Valmet is committed to the Paris Climate Agreement's 1.5-degree pathway. In this 1.5-degree scenario, where global warming is limited to 1.5 °C, the Paris Climate Agreement goals have been met, and the mitigation of climate change has been strong.

In this scenario, it is expected that regulations will be more ambitious, globally consistent, and will aim for a low-carbon economy. The demand for sustainable and climate-resilient solutions will create opportunities for Valmet. Potential risks arise from the high demand for bio-based products, which will increase competition for forest-based raw material. The availability of forest-based raw material for customers in the pulp and paper and energy industries may also face limitations due to the need for carbon sinks and the protection of biodiversity.

#### Second scenario: The global warming has reached 4 °C

The second scenario reflects a situation in which global warming has reached 4 °C, which means that emissions have continued to rise at current rates. In this scenario, the transition to a low-carbon economy is disorganized, as climate policies are fragmented, carbon markets are not integrated, and carbon

leakage will increase due to large differences in carbon regulations between countries. Demand for energy- and water-efficient technologies will grow in some economies, whereas in other markets, demand is unlikely to change.

In the 4 °C scenario, Valmet's offering in low-carbon and water-efficient solutions will provide a limited competitive advantage. There is also a risk that customers will be unwilling to pay for such solutions, and that the expectations of customers between regions will increasingly differ.

#### Results of the scenario analysis

The results of the scenario analysis are utilized to assess the resilience of Valmet's strategy to climate change. The analyzed drivers mobilize developments that in the short and medium terms also affect the operating environment. Demand for technologies enabling fossil-free pulp, paper, and energy production with alternative energy sources such as biomass and fossil-free electricity is likely to increase rapidly. Valmet's contribution to the transformation of the pulp, paper, and energy industries for net-zero and a circular economy is a market and reputational opportunity.

The differences between the 1.5 °C and 4 °C climate scenarios are expected to become more evident between 2030 and 2050 as negative climate events become more frequent and severe, especially in the 4 °C scenario. In the 1.5 °C scenario, emerging climate-related regulation and carbon pricing mechanisms will play a bigger role globally, and the related transition risk will become more significant. In the 4 °C scenario, physical impacts such as floods, volatile forest yield, storms, and drought dominate.

#### Impacts, risks, and opportunities related to pollution

As part of the double materiality assessment, Valmet evaluated its business activities to identify actual and potential pollution-related impacts, risks, and opportunities, and mapped where in the value chain these might occur. The sources of the screening included Valmet's Supplier Sustainability Audit reports and

information obtained from the analysis conducted with the WWF Biodiversity Risk Filter. Valmet has screened all its locations against the WWF Biodiversity Risk Filter, and the indicators of the assessment include pollution. In assessing its pollution-related impacts, Valmet did not conduct consultations with affected communities.

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

As part of the double materiality assessment, Valmet evaluated its business activities to identify actual and potential water-related impacts, risks, and opportunities, and to recognize the specific areas of the value chain where these might occur. In the assessment, Valmet utilized the results of the water risk analysis conducted for its sites using the WWF Water Risk Filter in 2024. With the Water Risk Filter, Valmet assessed three types of water-related business risks: physical; regulatory; and reputational. In assessing its water-related impacts, Valmet did not conduct consultations with affected communities.

#### Impacts, risks, and opportunities related to biodiversity and ecosystems

As part of the double materiality assessment, Valmet screened its activities to identify the most material impacts, dependencies, transition and physical risks, and opportunities related to biodiversity and ecosystems. Valmet used the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, the SBTN (Science Based Targets Network) Materiality Screening tool, and the IBAT (Integrated Biodiversity Assessment Tool). In assessing its biodiversity- and ecosystem-related impacts, Valmet did not conduct consultations with affected communities. Information related to Valmet's own locations is disclosed under ESRS 2 SBM-3.

#### Impacts, risks, and opportunities related to resource use and circular economy

As part of the double materiality assessment, Valmet screened its activities to identify the most material impacts, risks, and opportunities related to resource use and the circular economy. Valmet selected procurement spend as one factor in determining

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the most material product categories and resource inflows in its value chain. In addition to procurement spend, Valmet analyzed its own product portfolio and the materials of which products consisted. For this purpose, Valmet utilized information from a product's Bill of Materials (BOM) or the Life Cycle Assessment (LCA). The resource outflows materiality assessment focused on Valmet's product and service offerings. In assessing its resource-use- and circular-economy-related impacts, Valmet did not conduct consultations with affected communities.

**Impacts, risks, and opportunities related to  
business conduct**

In 2025, the double materiality assessment review for business conduct topics was made in a joint workshop with the Sustainability and Ethics and Compliance functions. As a result of the assessment, no need for amendments was identified.

In the initial double materiality assessment, Valmet's own operations were divided into five operational sections in the mapping process: sales; procurement; planning; production; and projects. In addition, upstream and downstream value chains have been reviewed as entities without more granular steps. For each sub-topic, the activities with an actual or potential impact have been assessed, along with the location of the impact within the value chain.

**Disclosure Requirements in ESRs covered by the  
undertaking's Sustainability Statement**

IRO-2

The materiality of disclosure requirements and related data points was determined based on the material impacts, risks and opportunities. The explanation of how Valmet has determined the material information to be disclosed in relation to the impacts, risks and opportunities, including the use of thresholds, is disclosed under ESRs 2 IRO-1.

According to the ESRs standards, cross-cutting standards ESRs 1 and ESRs 2 are mandatory for all companies, regardless of the outcome of the materiality assessment. Further topical standards E1-E5, S1-S4, and G1 are to be reported based on the results of

the double materiality assessment. Based on Valmet's double materiality assessment results, all Environmental standards E1-E5, Social standards S1-S2, and Governance standard G1 include material disclosure requirements for Valmet.

All ESRs Disclosure Requirements complied with in preparing this Sustainability Statement have been listed in the following table. In addition, a list of data points derived from other EU legislation can be found at the end of this Sustainability Report.



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### ESRS Disclosure Requirements complied with in preparing this Sustainability Statement

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<b>Basis for preparation</b>			
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	BP-2	Disclosures in relation to specific circumstances	18
<b>Governance</b>			
	GOV-1	The role of the administrative, management, and supervisory bodies	19
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	19
	GOV-3	Integration of sustainability-related performance in incentive schemes	21
	GOV-4	Statement on due diligence	22
	GOV-5	Risk management and internal controls over sustainability reporting	24
<b>Strategy</b>			
	SBM-1	Strategy, business model and value chain	24
	SBM-2	Interests and views of stakeholders	25
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	28
<b>Impact, risk and opportunity management</b>			
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	35
	IRO-2	Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement	38
<b>Topical Standards</b>			
<b>E1</b>	<b>Climate change</b>		47
	E1.GOV-3	Integration of sustainability-related performance in incentive schemes	47
	E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	47
	E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	47
	E1-1	Transition plan for climate change mitigation	47
	E1-2	Policies related to climate change mitigation and adaptation	47
	E1-3	Actions and resources in relation to climate change policies	49
	E1-4	Targets related to climate change mitigation and adaptation	50
	E1-5	Energy consumption and mix	53
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	54

ESRS standard	Disclosure requirement	Disclosure requirement description	Page number
<b>E2</b>	<b>Pollution</b>		56
	E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	56
	E2-1	Policies related to pollution	56
	E2-2	Actions and resources related to pollution	57
	E2-3	Targets related to pollution	57
<b>E3</b>	<b>Water and marine sources</b>		59
	E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	59
	E3-1	Policies related to water and marine resources	59
	E3-2	Actions and resources related to water and marine resources	60
	E3-3	Targets related to water and marine resources	61
<b>E4</b>	<b>Biodiversity and ecosystems</b>		62
	E4.SBM-3	Material impacts, risks and opportunities related to biodiversity	62
	E4.IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	62
	E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	62
	E4-2	Policies related to biodiversity and ecosystems	62
	E4-3	Actions and resources related to biodiversity and ecosystems	63
	E4-4	Targets related to biodiversity and ecosystems	63
<b>E5</b>	<b>Resource use and circular economy</b>		64
	E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	64
	E5-1	Policies related to resource use and circular economy	64
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<b>S1</b>	<b>Own workforce</b>		69
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	S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	69
	S1-1	Policies related to own workforce	69
	S1-2	Processes for engaging with own workers and workers' representatives about impacts	71
	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	72
	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	73
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	76
	S1-6	Characteristics of the undertaking's employees	78
	S1-8	Collective bargaining coverage and social dialogue	79
	S1-9	Diversity metrics	80
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	S1-16	Compensation metrics (pay gap and total compensation)	80
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ESRS standard	Disclosure requirement	Disclosure requirement description	Page number
<b>S2</b>	<b>Workers in the value chain</b>		82
	S2.SBM-2	Interests and views of stakeholders	
	S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	82
	S2-1	Policies related to value chain workers	82
	S2-2	Processes for engaging with value chain workers about impacts	83
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	84
	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	85
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	88
<b>G1</b>	<b>Business Conduct</b>		90
	G1.GOV-1	The role of the administrative, supervisory and management bodies	90
	G1.IRO-1	Description of the processes to identify and assess material business conduct-related impacts, risks and opportunities	90
	G1-1	Business conduct policies and corporate culture	90
	G1-2	Management of relationships with suppliers	94
	G1-3	Prevention and detection of corruption and bribery	94
	G1-4	Confirmed incidents of corruption or bribery	95
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#### List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The table with references to other EU legislation is presented at the end of this Sustainability Report.



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### EU Taxonomy for sustainable finance

The European Union Regulation on the establishment of a framework to facilitate sustainable investment 2020/852 (the EU Taxonomy) requires large companies subject to the European Union Corporate Sustainability Reporting Directive (CSRD) 2022/2464 to disclose the extent to which their economic activities have a substantial positive environmental impact. The EU Taxonomy is intended to encourage financial markets to invest and finance more sustainably. It sets the criteria for activities that the EU has classified as environmentally sustainable. The activities described in the EU Taxonomy are referred to as eligible activities. Eligible activities that also meet set criteria of (1) a substantial contribution to one of the six environmental objectives, (2) do no significant harm to the remaining five environmental objectives, and (3) meet minimum safeguards, are referred to as taxonomy-aligned activities. Only with the cumulative fulfillment of all three requirements is the economic activity taxonomy-aligned.

The currently available criteria allow companies to demonstrate their contribution to the following environmental objectives: *Climate change mitigation; Climate change adaptation; Sustainable use and protection of water and marine resources; Transition to a circular economy; Pollution prevention and control; and Protection and restoration of biodiversity.*

### Eligibility and alignment assessment

Valmet is a supplier of lifecycle technologies, services, and solutions for biomaterial and energy industries, driving circular transformation. Valmet's process performance solutions serve a wide base of diverse industries providing automation and flow control solutions and enhancing resource efficiency. Valmet has reviewed its offering against the EU Taxonomy activities to assess eligibility based on the eligible economic activities listed in the Climate and Environmental Delegated Acts and related Annexes. It has also taken into consideration the amendments to the Climate Delegated Act.

Valmet reports eligibility and alignment for the *Climate change mitigation* and the *Transition to a circular economy* objectives in accordance with the EU Taxonomy.

In 2025, Valmet's approach to identifying and reporting sustainable economic activities consisted of:

1. Eligibility assessment: Mapping of economic activities to taxonomy activity descriptions and NACE codes.
2. Substantial contribution assessment: Screening of activities against technical screening criteria.
3. Do no significant harm (DNSH) assessment: Screening of Valmet's procedures to ensure that its operations do not cause significant harm to relevant environmental objectives.
4. Minimum safeguards assessment: A review of Valmet's corporate safeguards to ensure that its operating instructions, company policies, and management system are compliant with the OECD Guidelines for Multinational Enterprises (OECD), the UN Guiding Principles on Business and Human Rights (UNGP), and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The minimum safeguards assessment covers the following social and governance aspects: human and labor rights; taxation; corruption and bribery; and fair competition.

As a result of the 2025 assessment, the following economic activities in the EU Taxonomy were identified where Valmet has taxonomy-eligible activities:

- Climate change mitigation (CCM) 3.1 Manufacture of renewable energy technologies
- Climate change mitigation (CCM) 3.2 Manufacture of equipment for the production and use of hydrogen
- Climate change mitigation (CCM) 3.6 Manufacture of other low-carbon technologies
- Circular economy (CE) 4.1 Provision of IT/OT data-driven solutions
- Circular economy (CE) 5.1 Repair, refurbishment and remanufacturing.

### Circular economy (CE)

According to the EU Taxonomy, the Circular economy is a system in which the value of products, materials, and other resources in the economy are maintained for as long as possible. Valmet reports the following Circular economy related activities of EU Taxonomy: 5.1. "Repair, refurbishment and remanufacturing" and 4.1. "Provision of IT/OT data-driven solutions".

#### 5.1 Repair, refurbishment and remanufacturing

Valmet supplies services for the pulp and paper industry and reports its services and solutions aimed at extending the lifecycle of machinery and equipment under CE 5.1. Valmet's solutions include rebuilds, upgrades, conversions, and maintenance services for various types of packaging, paper, and tissue machines as well as related industrial processes. This can involve replacing old or obsolete parts, installing new technologies, optimizing process parameters, and enhancing quality and efficiency. Flow control repair services to customer industries related to plastics are also included in this activity.

Process parts such as paper machine clothing are considered consumables and are excluded.

#### 4.1. Provision of IT/OT data-driven solutions

When defining activities under CE 4.1. "Provision of IT/OT data-driven solutions" Valmet reports automation systems such as Condition monitoring solutions built for the purpose of remote or on-site monitoring and predictive maintenance systems for the pulp, paper, and energy industries.



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### Climate change mitigation (CCM)

According to the EU Taxonomy, climate change mitigation includes activities that contribute to the reduction or prevention of greenhouse gas emissions or enhance carbon sinks. An economic activity that is eligible under the environmental objective of climate change mitigation should contribute substantially to the stabilization of greenhouse gas emissions by avoiding or reducing them or by enhancing greenhouse gas removals. Valmet reports the following Climate change mitigation related activities of EU Taxonomy: 3.1. "Manufacture of renewable energy technologies", 3.2 "Manufacture of equipment for the production and use of hydrogen", and 3.6. "Manufacture of other low carbon technologies".

#### 3.1. Manufacture of renewable energy technologies

Valmet's technologies under CCM 3.1. include energy solutions that enable the use of biomass or biomass originating feedstocks and technologies enabling the use of biomass in installations with significant greenhouse gas emission savings. These solutions include CFB (circulating fluidized bed) boilers and BFB (bubbling fluidized bed) boilers utilizing biomass, bark, wood chips, and recycled wood. Additionally, BioTrac projects for second generation bioethanol are included. BioTrac is a pre-treatment technology of biomass to produce fuels, chemicals, pellets, and other valuable end products.

Furthermore, Valmet's renewable energy technologies (3.1) include Flow control solutions and Automation solutions such as Combustion optimization, Network optimization, Emission reporting and Energy management systems, as well as Distributed control systems (DCS), for renewable energy technologies.

#### 3.2. Manufacture of equipment for the production and use of hydrogen

Valmet's solutions under CCM 3.2. include automation solutions such as Distributed control systems (DCS), Advanced process controls, Energy management systems, and Information management systems delivered to customers manufacturing green hydrogen.

### 3.6. Manufacture of other low carbon technologies

Valmet's solutions under CCM 3.6. include pulp technologies such as LignoBoost, BioTrac, and lime kiln conversions. LignoBoost is Valmet's patented technology for producing lignin from pulp mill black liquor. BioTrac is a pre-treatment technology of biomass to produce fuels, chemicals, pellets, and other valuable end products. In lime kiln conversions, the fuel source is transitioned from fossil fuel to bioenergy such as wood powder.

### Valmet's Green Finance Framework

Valmet has established a Green Finance Framework applicable for the issuance of green debt instruments. The Green Finance Framework is designed to support the financing or refinancing of eligible assets and expenditures that promote two key environmental objectives: mitigating climate change and enabling the transition to a circular economy.

At the end of 2025, Valmet had two outstanding green debt instruments totaling EUR 250 million which are issued under the Green Finance Framework. The taxonomy alignment of these instruments is 100%.

### Key performance indicators

Valmet has made some estimations in the calculation of the key performance indicators (KPIs), net sales<sup>1</sup>, capital expenditure (CapEx), and operating expenditure (OpEx), due to Valmet's interpretation of the EU Taxonomy. Double counting has been avoided by classifying external revenue streams into taxonomy-eligible economic activities only once. The shares of eligible and aligned net sales have been used as a key for calculating eligible and aligned OpEx and CapEx. Intangible and tangible assets as well as right-of-use assets acquired in business combinations were not included in the calculation of eligible and aligned CapEx based on net sales key.

Taxonomy net sales<sup>2</sup> is calculated according to the EU Taxonomy definition of turnover and in line with revenue recognition standard IFRS 15, and is included in Valmet's total net sales presented in Valmet's consolidated financial statements.

It includes the external sales of taxonomy eligible and/or aligned activities. Net sales have been calculated separately in each business area for eligible and aligned activities.

Taxonomy CapEx<sup>3</sup> is presented and measured in line with the CapEx presented in the Group's financial statements. It consists of additions to property, plant and equipment, and intangible assets as well as investments in right-of-use assets. Total CapEx also covers additions to tangible and intangible assets, as well as right-of-use assets resulting from business combinations. Additions to goodwill are not included in CapEx.

The EU Taxonomy definition of OpEx consists of expenses related directly to the maintenance and servicing of assets, including facility improvements and research and development projects supporting the transition to a low-carbon economy. Valmet has applied a conservative interpretation of the Taxonomy OpEx definition. Raw materials and salaries of employees performing repairs, maintenance, and services of eligible fixed assets, are excluded.

The following tables present Valmet's 2025 Taxonomy KPIs associated with Valmet's taxonomy-eligible economic activities and template 1 presents information on nuclear and fossil gas related activities according to the Complementary Climate Delegated Act.

- 1 Valmet uses the term net sales in its financial statements, while the EU Taxonomy Regulation refers to the term Turnover.
- 2 Consolidated financial statements, Note 3. Revenue recognition.
- 3 Consolidated financial statements, Note 4. Intangible assets and property, plant and equipment and Note 5. Leases.



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Turnover <sup>1</sup>	2025			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
	Code	Turnover (EUR million)	Proportion of turnover 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or eligible (A.2.) turnover, 2024	Category enabling activity	Category transitional activity
Economic activities																			
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	267	5.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.8%	E	
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	—%	E	
Manufacture of other low carbon technologies	CCM 3.6	31	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Provision of IT/OT data-driven solutions	CE 4.1	9	0.2%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Repair, refurbishment and remanufacturing	CE 5.1	1,401	27.0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	19.9%	E	
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		1,709	32.9%	5.7%	—%	—%	—%	27.1%	—%	Y	Y	Y	Y	Y	Y	Y	23.0%		
<b>Of which Enabling</b>		1,709	32.9%	5.7%	—%	—%	—%	27.1%	—%	Y	Y	Y	Y	Y	Y	Y	23.0%	E	
<b>Of which Transitional</b>		0	—%	—%													—%		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	76	1.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.4%		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Manufacture of other low carbon technologies	CCM 3.6	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Provision of IT/OT data-driven solutions	CE 4.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
Repair, refurbishment and remanufacturing	CE 5.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
<b>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		76	1.5%	1.5%	—%	—%	—%	—%	—%								4.5%		
<b>A. Turnover of Taxonomy-eligible activities (A.1 + A.2)</b>		1,785	34.3%	7.2%	—%	—%	—%	27.1%	—%								27.4%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>Turnover of Taxonomy-non-eligible activities</b>		3,412	65.7%																
<b>TOTAL</b>		5,197	100%																

<sup>1</sup> Net Sales is used in other parts of Valmet's financial statements, while the EU Taxonomy Regulation uses the term Turnover.



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CapEx	2025			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
	Code	CapEx (EUR millions)	Proportion of CapEx, 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, 2024	Category enabling activity	Category transitional activity
Economic activities																			
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	3	1.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.0%	E	
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	—%	E	
Manufacture of other low carbon technologies	CCM 3.6	0	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	—%	E	
Provision of IT/OT data-driven solutions	CE 4.1	0	0.1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Repair, refurbishment and remanufacturing	CE 5.1	54	28.9%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	12.9%	E	
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>57</b>	<b>30.7%</b>	<b>1.7%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>29.2%</b>	<b>—%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>14.0%</b>		
<b>Of which Enabling</b>		<b>57</b>	<b>30.7%</b>	<b>1.7%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>29.2%</b>	<b>—%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>14.0%</b>	<b>E</b>	
<b>Of which Transitional</b>		<b>0</b>	<b>—%</b>	<b>—%</b>													<b>—%</b>		<b>T</b>
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	1	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.8%		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Manufacture of other low-carbon technologies	CCM 3.6	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Provision of IT/OT data driven solutions	CE 4.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
Repair, refurbishment and remanufacturing	CE 5.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
<b>CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>1</b>	<b>0.3%</b>	<b>0.3%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>								<b>1.9%</b>		
<b>A. CapEx of Taxonomy eligible activities (A.1 + A.2)</b>		<b>58</b>	<b>31.0%</b>	<b>2.0%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>29.2%</b>	<b>—%</b>								<b>15.8%</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>CapEx of Taxonomy-non-eligible activities</b>		<b>126</b>	<b>68.7%</b>																
<b>TOTAL</b>		<b>184</b>	<b>100%</b>																



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OpEx	2025			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
	Code	OpEx (EUR millions)	Proportion of OpEx, 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, 2024	Category enabling activity	Category transitional activity
Economic activities																			
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	5	2.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.4%	E	
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	—%	E	
Manufacture of other low carbon technologies	CCM 3.6	1	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3%	E	
Provision of IT/OT data-driven solutions	CE 4.1	0	0.1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Repair, refurbishment and remanufacturing	CE 5.1	51	24.1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	17.4%	E	
<b>OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		57	27.1%	2.9%	—%	—%	—%	24.1%	—%	Y	Y	Y	Y	Y	Y	Y	20.1%		
<b>Of which Enabling</b>		57	27.1%	2.9%	—%	—%	—%	24.1%	—%	Y	Y	Y	Y	Y	Y	Y	20.1%	E	
<b>Of which Transitional</b>		0	—%	—%													—%		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of renewable energy technologies	CCM 3.1	1	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Manufacture of other low-carbon technologies	CCM 3.6	0	—%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Provision of IT/OT data driven solutions	CE 4.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
Repair, refurbishment and remanufacturing	CE 5.1	0	—%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—%		
<b>OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		1	0.3%	0.3%	—%	—%	—%	—%	—%								0.7%		
<b>A. OpEx Taxonomy eligible activities (A.1 + A.2)</b>		58	27.4%	3.3%	—%	—%	—%	24.1%	—%								20.8%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>OpEx of Taxonomy-non-eligible activities</b>		154	72.6%																
<b>TOTAL</b>		211	100%																

**Template 1: Nuclear and fossil gas related activities**

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	<b>Fossil gas related activities</b>	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

## E1: Climate change

### Governance

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

ESRS 2 GOV-3

This information is disclosed under ESRS 2 GOV-3.

### Strategy

#### Transition plan for climate change mitigation

E1-1

As a leader in industrial transformation, Valmet is committed to guiding the industries it serves toward a net-zero, circular economy that respects planetary boundaries and safeguards nature for future generations. Valmet reduces climate impacts in its own operations, while leveraging its influence across the value chain to drive broader systemic change.

Valmet recognizes that the long-term success of its business, and that of its customers, depends on the health of nature and the vital ecosystem services it provides. Climate action is therefore embedded in Valmet’s strategy: a sustainable future is not only essential but also a competitive advantage.

To accelerate the transformation toward a regenerative tomorrow, Valmet developed its Climate Program into the Climate Transition Plan during 2025. This ensures that its strategy and business model are aligned with the transition to a sustainable economy and the goal of limiting global warming to 1.5 °C in accordance with the Paris Agreement.

In the Climate Transition Plan, Valmet outlines its pathway toward net-zero. The Climate Transition Plan defines new near-term and long-term targets, decarbonization levers, and related measurable action plans. Valmet’s Climate Transition Plan includes Scopes 1, 2, and 3 greenhouse gas (GHG) emission reduction and value chain climate targets and action plans covering its own operations and the value chain.

Scope 1 emissions are direct GHG emissions that occur from sources owned or controlled by Valmet, such as fuels used at Valmet locations. Scope 2 emissions are indirect GHG emissions associated with the consumption of purchased electricity, steam, and heat. Scope 3 GHG emissions occur in Valmet’s value chain, for example during the manufacture of purchased goods in the supply chain and during customers’ use of Valmet’s technologies.

Valmet’s Climate Transition Plan was approved by the Board of Directors. The Executive Leadership Team is responsible for monitoring implementation of the Climate Transition Plan.

The GHG emission reduction and value chain climate targets are in line with the Paris Agreement’s 1.5-degree pathway (E1-4). Valmet has identified its decarbonization levers (E1-4) and the related actions and investments required (E1-3) to reach the targets. The action plans to reach the targets are embedded in the annual plans and financial planning of business areas and the Global Supply function supported by the Sustainability and Strategic Research and Development functions. In 2025, the action plans were supported by EUR 156 (158) million of investments in environmental management and improvement actions in Valmet’s own operations and research and development expenses. In 2025, Valmet’s Taxonomy-aligned capital expenditure was EUR 57 (34) million (with reference to KPI of Taxonomy-aligned capital expenditure). Progress towards reaching the targets is reported in E1-4.

Valmet has identified potential locked-in GHG emissions in its own operations from natural gas consumption in the USA, and fossil-fuel based electricity consumption in India and China. However, necessary investment plans to reach Valmet’s Scope 1 and 2 GHG emission reduction target have been made. GHG emissions from the use of sold products depend on the source of energy the customer chooses. Valmet has therefore identified potential locked-in emissions from customers’ use of fossil energy while operating technologies developed by Valmet. Valmet’s technologies already enable fossil-free packaging, paper, and tissue production for customers with access to fossil-free energy sources. Valmet’s biomass-based energy solutions and energy conversions have long enabled fossil-free heat and power

production. Furthermore, customers’ chemical pulp mills using Valmet’s technologies are typically bioenergy self-sufficient.

Valmet works continuously to align its Taxonomy-eligible economic activities, including revenues, capital expenditure, and operating expenditure. Valmet is not excluded from the EU Paris-aligned Benchmarks.

#### Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS2 SBM-3

This information is disclosed under ESRS 2 SBM-3.

### Impact, risk and opportunity management

#### Description of the processes to identify and assess material climate-related impacts, risks and opportunities

ESRS2 IRO-1

This information is disclosed under ESRS 2 IRO-1.

**Policies related to climate change mitigation and adaptation**

E1-2 MDR-P

Valmet has adopted the Valmet Climate and Nature Policy Statement; Valmet Health, Safety, and Environment (HSE) Policy; Valmet Supplier Code of Conduct; and Valmet Guidelines for Sustainable and Responsible Research, Product Development, and Design to manage the following material impacts, risks, and opportunities related to climate change mitigation and energy.

Related to climate change:

- GHG emissions from own operations (actual negative impact)
- GHG emissions from value chain (actual negative impact)
- Transition to a low-carbon circular economy, and related regulation (opportunity)
- Emerging climate-related regulation and carbon pricing mechanisms (risk).

Related to energy:

- Energy consumption in own operations (actual negative impact)
- Energy consumption in downstream value chain (actual negative impact)
- Energy-intensive raw materials (actual negative impact)
- Transition to a low-carbon circular economy, and related regulation (opportunity)
- Energy transition and related regulation, energy pricing (risk).

All policies are regularly reviewed in accordance with the company's governance model. The monitoring of all policies is in line with Valmet's internal control principles and the principles of Valmet's corporate culture, defined in more detail under ESRS 2 GOV-5.

**Valmet Climate and Nature Policy Statement**

Valmet's Climate and Nature Policy Statement defines the company's commitment to driving the industrial transition toward a regenerative, net-zero, and circular economy. The policy guides actions to operate within planetary boundaries, mitigate climate impacts, and protect nature for future generations. The policy statement addresses Valmet's commitment and approach related to climate change mitigation and energy efficiency, among other topics. The policy statement applies to all employees and entities within Valmet, and to all its stakeholder relationships. The Chief Executive Officer is the most senior level accountable for the policy statement's implementation.

**Valmet Health, Safety and Environment (HSE) Policy**

The Health, Safety and Environment (HSE) Policy defines Valmet's commitments to constantly reduce the climate, biodiversity, and water impacts of its own operations through efficient and circular use of resources, the use of fossil-free and low-carbon energy, waste minimization, and pollution prevention. The MDR-P requirements for the policy are disclosed under S1-1.

**Valmet Supplier Code of Conduct**

The Supplier Code of Conduct defines the sustainability principles with which suppliers are required to comply. The Supplier Code of Conduct requires suppliers to strive for the continuous development of environmental performance and for the reduction of emissions and any negative impacts on the environment. Suppliers are expected to commit to mitigating climate change and to establish an appropriate organizational structure or resources for the effective management of climate and environmental risks and impacts. The MDR-P requirements for the Supplier Code of Conduct are disclosed under S2-1.

**Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design**

Valmet Guidelines for Sustainable and Responsible Research, Product Development, and Design integrate sustainability into research and development by aiming to minimize resource consumption and reduce emissions. Improving environmental performance and mitigating climate change through technology are important objectives in the guidelines. The MDR-P requirements for the guidelines are disclosed under E5-1.



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## Actions and resources in relation to climate change policies

E1-3 MDR-A

Material sustainability topic	Related material impact in brief	Action	Decarbonization lever	Scope	Time horizon	Achieved and expected GHG emission reduction	Related target
Climate change	GHG emissions from own operations	Purchase of renewable fuels and converting from fossil fuels to electricity	Investment to replace fossil fuels with renewables in own locations	1	2024–2030	Achieved: 4.6% reduction in Scope 1 emissions since base year 2024 through purchase of renewable fuels and converting to electricity. Expected: Reduction of 10% in Scope 1 and 2 GHG emissions by 2025. Achieved reduction is ahead of the expected combined Scope 1 and 2 reduction.	Scope 1 and 2 emission reduction target
		Purchase of fossil-free electricity and district heat	Increase purchases of fossil-free electricity and district heat	2	2024–2030	Achieved: 26% reduction in Scope 2 GHG emissions since base year 2024 through purchase of fossil-free electricity and district heat. Expected: Reduction of 10% in Scope 1 and 2 GHG emissions by 2025. Achieved reduction is ahead of the expected combined Scope 1 and 2 reduction.	
Energy	Energy consumption in own operations	Continuous improvement in operational energy efficiency	Implement energy and material efficiency improvements in own locations	1 and 2	2019–2030	Calculated as reduction in energy consumption. Achieved: 12% (5) reduction in energy consumption in own operations. <sup>1</sup> Expected: Reduction of 5% in energy consumption by 2025. Achieved reduction is ahead of the expected reduction.	Energy reduction target
Climate change	GHG emissions from upstream value chain	Supplier climate engagement	Drive emission reductions in supply chain by engaging suppliers	3	2024–2030	In 2025, 15% of suppliers by spend have emission reduction targets.	Target to increase spend from suppliers with aligned climate targets
		Use of recycled steel in own foundries	Increase share of low-carbon emissions steel in own foundries and purchases	3	2019–2030	The emissions from steel used at Valmet's own foundries reduced by 27% (9) since the previous year.	
		Freight planning and selection of suppliers offering low-carbon transportation	Optimize logistics to reduce emissions	3	2019–2030	Achieved: 5% (10) reduction of air freight volume since the previous year. Expected: 5% annual reduction of air freight volume.	
Climate change	GHG emissions from downstream value chain	Valmet's pulp, paper, packaging, tissue, and energy technologies enabling fossil-free production for customers	Commercial excellence in circularity, resource efficiency, and net-zero solutions and services	3	2024–2040	Valmet's customers can reduce their emissions by choosing to use Valmet's fossil-free technologies with fossil-free energy sources.	Target to increase sales from net-zero aligned and circular economy aligned solutions and services
Energy	Energy consumption in downstream value chain	Improve energy efficiency of best available technologies	Accelerate sustainable product development and improve energy efficiency of technologies	3	2019–2030	Valmet measures energy efficiency in pulp, paper, board, and tissue technologies. The average reduction in these technologies in 2025 was 12% (10) compared to the 2019 baseline.	Target to improve energy efficiency in Valmet's pulp, paper, board, and tissue technologies

<sup>1</sup> Figure for 2024 restated to include owned and leased vehicles

In 2025, Valmet invested EUR 30 (35) million in environmental management and improvement actions in its own operations. The downstream actions are related to research and development. Valmet's research and development expenses for 2025 totaled EUR 126 (123) million (Consolidated financial statements, Note 19. Selling, general and administrative expenses).

The ability to implement the actions depends on the continuous availability and allocation of resources for energy efficiency improvements and fossil-free energy in Valmet's own operations and research and development. Valmet has established a Green Finance Framework applicable for the issuance of green debt instruments. The Green Finance Framework is designed to

support the financing or refinancing of eligible assets and expenditures that promote two key environmental objectives: mitigating climate change and enabling the transition to a circular economy. At the end of 2025, Valmet had two outstanding green debt instruments totaling EUR 250 million which are issued under the Green Finance Framework.

**Metrics and targets**

**Targets related to climate change mitigation and adaptation**

E1-4 MDR-T

**Targets related to climate change mitigation**

Related material impact in brief	Decarbonization lever	KPI and scope	Target	Base year	Base year value	Share of respective scope covered by target	Progress towards target in 2025	Related policy
GHG emissions from own operations	Investment to replace fossil fuels with renewables in own locations  Increase purchases of fossil-free electricity and district heat  Implement energy and material efficiency improvements in own locations	% reduction in Scope 1 and 2 (market-based) GHG emissions	60% by 2030	2024	68,000 tCO <sub>2</sub> e	100% of Scope 1 and 2	Valmet has set a new target to reduce Scope 1 and 2 emissions 60% by 2030. In 2025, emissions reduced by 19% and emission reduction actions included purchasing fossil-free energy, producing renewable energy from solar installations, and switching from natural gas to electricity. In the 2019–2024 target period, Scope 1 and 2 emissions decreased by 49%.	Climate and Nature Policy Statement; Health, Safety and Environment Policy
GHG emissions from upstream value chain	Drive emission reductions in supply chain by engaging suppliers	% of suppliers by spend with aligned climate targets	50% by 2030	2024	9%	4% of Scope 3	Valmet has set a new target that 50% of its suppliers by spend have set aligned climate targets by 2030. Aligned targets include science-based targets and public Scope 1 and 2 emission reduction targets. In 2025, 15% of Valmet's suppliers by spend have set aligned climate targets.	Climate and Nature Policy Statement; Supplier Code of Conduct
GHG emissions from downstream value chain	Commercial excellence in circularity, resource efficiency, and net-zero solutions and services	% of net sales from net-zero aligned and circular economy aligned solutions and services	60% by 2040	2024	23%	96% of Scope 3	Valmet has set a new target that 60% of its sales in 2040 will be from net-zero aligned and circular economy aligned solutions and services. In 2025 32.9% of sales were from net-zero aligned and circular economy aligned solutions and services.	Climate and Nature Policy Statement
GHG emissions from downstream value chain	Collaborate with customers to reduce climate impacts across industries	% of customers by net sales covering the use of sold products emissions (Scope 3 category 11) have set science-based targets by 2030. The Scope 3.11 emissions derive from the use phase of technologies sold by the Biomaterial Solutions and Services segment.	70% by 2030	2024	48%	96% of Scope 3	Valmet has set a new target that 70% of its customers by net sales covering the use of sold products emissions have set science-based targets by 2030. In 2025, 57% of customers by net sales in the Biomaterials Solutions and Services segment covering the Scope 3 use of sold products category have set science-based targets.	Climate and Nature Policy Statement



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**Targets related to energy**

Related material impact in brief	Decarbonization lever	KPI and scope	Target	Base year	Base year value	Share of respective scope covered by target	Progress towards target in 2025	Related policy
Energy consumption in own operations	Implement energy and material efficiency improvements in own locations	% reduction of energy consumption in own operations	10% by 2030	2019	457,284 MWh	Not applicable	Since the base year, energy consumption in Valmet's own operations has reduced by 12% (5) <sup>1</sup> . Energy efficiency improvement actions in Valmet facilities included machinery replacements; maintenance, renovation and repair; upgraded heating and ventilation systems including heat recovery; switches to energy efficient lighting; and process conversion or optimization.	Climate and Nature Policy Statement; Health, Safety and Environment Policy
Energy consumption in downstream value chain	Accelerate sustainable product development and improve energy efficiency of technologies	% reduction of energy use intensity in best available technologies	20% by 2030	2019	0%	Not applicable	Valmet measures energy efficiency (kWh/ton or GJ/air dried ton) in pulp, paper, board, and tissue technologies. In 2025, the average reduction in these technologies was 12% (10) compared to the 2019 baseline.	Climate and Nature Policy Statement; Guidelines for sustainable and responsible research, product development and design in Valmet

<sup>1</sup> Figure for 2024 restated to include owned and leased vehicles.

The targets listed in the table above address the objectives of the Climate and Nature Policy Statement; the Health, Safety and Environment (HSE) Policy; and the Supplier Code of Conduct to mitigate climate change. The targets have been set to manage climate-related impacts, risks, and opportunities. Internal stakeholders, including key experts and management from relevant functions and business areas, were included in the target-setting process. Emission reduction and value chain climate targets have been set to mitigate the negative impacts of energy consumption in Valmet's own operations and the value chain. In addition, the targets have been set to mitigate the regulatory transition risk and contribute to realizing the related opportunities in developing Valmet's technologies. The targets are absolute targets except for the downstream energy reduction target, which is a relative target.

In the overall combined Scope 1 and 2 emission reduction target, Scope 1 represents 31 percent of the overall target, while Scope 2 represents 69 percent. The scopes' boundaries are consistent with the GHG inventory described in E1-6. Carbon removals, carbon

credits, and avoided emissions are not included in achieving the emission reduction targets.

The new emission reduction and value chain climate targets are aligned with a 1.5-degree pathway, and Valmet will submit Scope 1, 2, and 3 targets for validation by the Science Based Targets initiative in 2026. The targets were set using an absolute contraction approach (ACA) using the Science-based Target Setting Tool v2.3. The Sectoral Decarbonization Approach (SDA) was not used. The new targets were set during 2025 and the latest reporting year 2024 was chosen as the base year. The Scope 1 and 2 target was set using a cross-sector (ACA) reductions pathway, with the following reference targets for the pathway: -42 percent by 2030; and -90 percent by 2050. Activities contributing to Scope 1 and 2 emissions remain relatively stable, and the base year value can be considered representative.

The critical assumptions used for setting the targets included the increasing availability of fossil-free energy, especially in Asia and North America, which impacts emissions from Valmet's own operations and value chain.

Valmet has identified its main decarbonization levers and estimated their potential impact in reducing GHG emissions for Valmet's own operations and its value chain, presented in the graphs below. Climate scenario analysis was used to identify decarbonization levers and related dependencies. The main dependencies include the global transition away from fossil fuels in the steel, logistics, and energy industries, as well as regulatory changes and carbon pricing mechanisms which enable a just global transition to a carbon-neutral economy.



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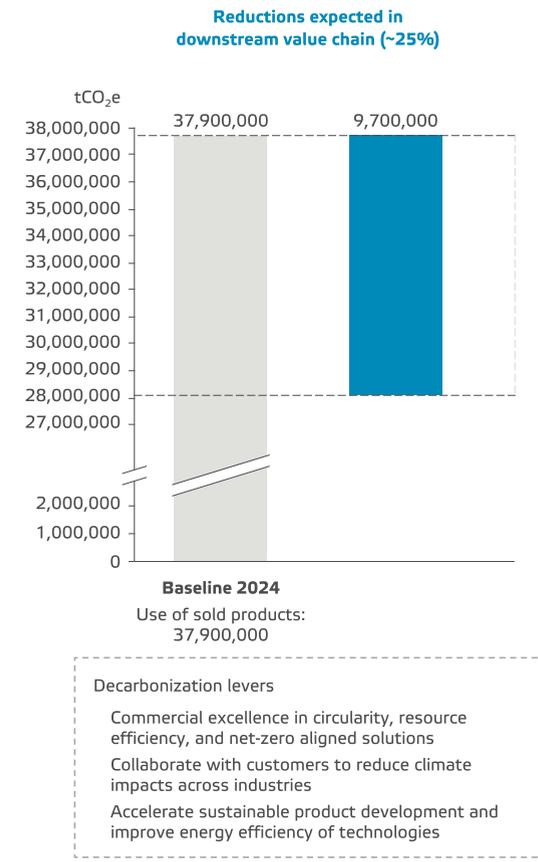
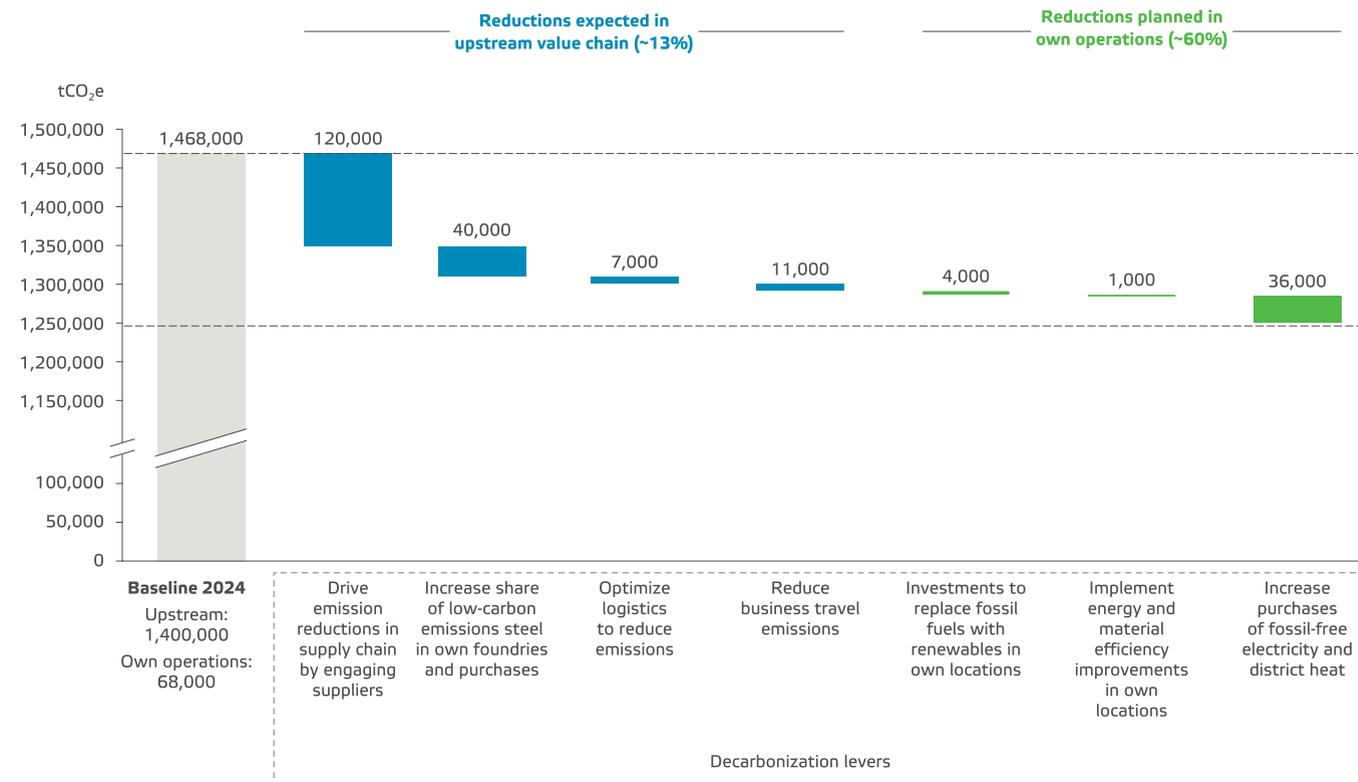
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**Energy consumption and mix**

E1-5

<b>Energy consumption and mix</b>	<b>2025</b>	<b>2024</b>
(1) Fuel consumption from coal and coal products (MWh)	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh) <sup>1</sup>	9,578	9,754
(3) Fuel consumption from natural gas (MWh)	74,911	80,992
(4) Fuel consumption from other fossil sources (MWh) <sup>1</sup>	13,653	12,445
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	90,302	116,100
<b>(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)<sup>1</sup></b>	<b>188,444</b>	<b>219,291</b>
<b>Share of fossil sources in total energy consumption (%)<sup>1</sup></b>	<b>47%</b>	<b>51%</b>
<b>(7) Consumption from nuclear sources (MWh)</b>	<b>126,573</b>	<b>128,585</b>
<b>Share of consumption from nuclear sources in total energy consumption (%)</b>	<b>32%</b>	<b>30%</b>
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh) <sup>1</sup>	1,766	2,230
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	83,617	81,963
(10) The consumption of self-generated non-fuel renewable energy (MWh)	279	155
<b>(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)</b>	<b>85,663</b>	<b>84,348</b>
<b>Share of renewable sources in total energy consumption (%)</b>	<b>21%</b>	<b>20%</b>
<b>Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)<sup>1</sup></b>	<b>400,680</b>	<b>432,224</b>

<sup>1</sup> Figure for 2024 restated to include owned and leased vehicles.

<b>Energy production</b>	<b>2025</b>	<b>2024</b>
Non-renewable energy production (MWh)	596	900
Renewable energy production (MWh)	585	424
Total energy production (MWh)	1,181	1,324

**Accounting principles**

Valmet's energy consumption data includes fuel use and purchased electricity, heat, and steam from all locations with production operations, such as foundries, workshops, and manufacturing sites. These operations include energy-intensive processes such as high-temperature processes, continuous heating and ventilation, and use of steam and compressed air systems. Electricity consumption at office locations is estimated based on an average consumption per employee resulting in one percent of total energy consumption. Other energy consumption at office locations is not included in the estimate. Energy consumption of leased cars is estimated based on car fleet data from internal systems and emission reports from leasing car companies.

Valmet produces solar electricity at its Bologna, Italy facility partially for own consumption and partially for sale to the electricity grid. At its Shanghai location, Valmet produces solar electricity for own consumption. District heat is produced at Valmet's research and development center in Tampere, Finland, and is sold to the local district heating network.

Energy data is collected monthly in an environmental reporting system based on local invoice, measurement, and consumption records. In locations where the source of electricity or district heat is unknown, the consumption is reported under fossil sources. Energy data for December is estimated based on the previous year's data.

All of Valmet's operations are reported under high climate impact sector Manufacturing (NACE C).

<b>Energy intensity per net revenue<sup>1</sup></b>	<b>2025</b>	<b>2024</b>	<b>Change</b>
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EUR million) <sup>2</sup>	77.1	80.7	-4%

<sup>1</sup> Net revenue: Net Sales in Consolidated financial statements, Note 3. Revenue recognition.

<sup>2</sup> 2024 figure restated based on restated energy consumption.

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**Gross Scopes 1, 2, 3 and Total GHG emissions**

E1-6

	Retrospective				Milestones and target years	
	Base year 2024	2024	2025	% N / N-1	Target year 2030	Annual % target / Base year
<b>Scope 1 GHG emissions</b>						
Gross Scope 1 GHG emissions (tCO <sub>2</sub> e) <sup>1</sup>	22,009	22,009	<b>21,006</b>	95.4%	17,000	3.8%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.0%	0.0 %	<b>0.0%</b>		0.0%	
<b>Scope 2 GHG emissions</b>						
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	74,812	74,812	<b>68,250</b>	91.2 %	—	
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	45,923	45,923	<b>33,821</b>	73.6%	10,000	13.0%
<b>Significant Scope 3 GHG emissions</b>						
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	39,297,000	39,297,000	<b>64,302,000</b>	163.6%	29,419,000	
1 Purchased goods and services <sup>2</sup>	1,200,000	1,200,000	<b>1,273,000</b>	106.1%	1,040,000	2.2%
4 Upstream transportation and distribution	144,000	144,000	<b>184,000</b>	127.8%	137,000	0.8%
6 Business travel	53,000	53,000	<b>45,000</b>	84.9%	42,000	3.4%
11 Use of sold products	37,900,000	37,900,000	<b>62,800,000</b>	165.7%	28,200,000	4.2%
<b>Total GHG emissions</b>						
Total GHG emissions (location-based) (tCO <sub>2</sub> e)	—	39,393,821	<b>64,391,256</b>	163.5 %	—	
Total GHG emissions (market-based) (tCO <sub>2</sub> e)	39,364,932	39,364,932	<b>64,356,827</b>	163.5 %	29,446,000	

<sup>1</sup> Scope 1 figure for 2024 restated to include owned and leased vehicles.

<sup>2</sup> Scope 3 purchased goods and services figure for 2024 restated due to updated calculation methodology.

Valmet's GHG inventory is prepared in accordance with the GHG Protocol Corporate Standard (Version 2004) and GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Version 2011). The GHG inventory is prepared as described under ESRS Basis for preparation (BP) 1 and 2, and IRO-1, under paragraphs concerning "Scoping of the assessment". All subsidiaries are included in the GHG inventory. Valmet does not have operational control of its associated companies, and they are not included in Valmet's GHG inventory.

<b>GHG intensity per net revenue<sup>1</sup></b>	<b>2025</b>	<b>2024</b>	<b>Change</b>
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> e / EUR million)	<b>12,390</b>	7,351	<b>69 %</b>
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> e / EUR million)	<b>12,383</b>	7,346	<b>69 %</b>

<sup>1</sup> Net revenue: Net Sales in Consolidated financial statements, Note 3. Revenue recognition.



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Scope 1: GHG emissions are calculated using fuel consumption data and emission factors from DEFRA (2024) and supplier-specific emission factors where relevant. Emissions from leased cars are estimated based on emissions, mileage, and car fleet data from leasing car companies and internal systems. In 2025, the biogenic CO<sub>2</sub> emissions from the combustion of biomass were 503 (631) tCO<sub>2</sub>. The 2024 figure has been restated (18 tCO<sub>2</sub> reported in 2024).

Scope 2: GHG emissions are calculated using electricity, district heat, and steam data. Emissions from office locations are estimated based on electricity consumption per employee. Other emissions from office locations are not included in the estimate. Location-based GHG emissions are calculated with emission factors from IEA (2023) and US EPA eGRID (2023). Market-based GHG emissions are calculated with contract-based, supplier-specific, or regional emission factors. In 2025, Valmet purchased electricity and district heat with contractual instruments such as Guarantees of Origin and contracts with suppliers, which covered 70 (65) percent of total electricity and district heat purchases. These included 41 percent bundled instruments and 59 percent unbundled instruments. The GHG emission factors applied in Scope 2 calculations do not separate the percentage of biomass or biogenic CO<sub>2</sub>.

Scope 3 category 1: The methodology for calculating purchased goods and services has been updated and the 2024 figure restated (1,462,000 tCO<sub>2</sub>e reported in 2024). The GHG emissions of purchased goods and services are calculated with a combination of the average-data method based on weight and the spend-based method if weight and material data is unavailable or irrelevant. In 2025, 74 percent of emissions were calculated with the average-data method, and 26 percent with the spend-based method. In the average-data method, purchased goods are calculated based on weight-based emission factors from ecoinvent and the material breakdown of the procurement categories.

In the spend-based method, GHG emissions are estimated based on the monetary value of purchased goods and services by

purchase category and supplier country. The emission flows are calculated based on environmentally extended input-output analysis and emission factors from Exiobase (3.8.2). For undefined spend data, Valmet's average emission factor is applied. Purchase order spend data is based on Valmet's internal data systems. The boundary includes upstream (cradle-to-gate) emissions. There is 0 percent calculated using primary data obtained from value chain partners.

Scope 3 category 4: GHG emissions from upstream transportation and distribution are based on suppliers' emission reports, and when unavailable, the monetary value of purchased transportation services following the same spend-based calculation methodology as for Category 1. Data for November and December is estimated based on January-October data. In 2025, suppliers' emission reports accounted for 26 (39) percent of reported emissions. The calculated transportation modes include air, rail, sea, and road transportation.

Scope 3 category 6: GHG emissions from business travel are based on emission, mileage, and spend data from travel agencies and internal systems. Travel agencies' emission reports covered around 57 (47) percent of reported emissions in 2025. The calculation includes air and rail travel, travel by rental cars, compensated mileages, and hotel nights. The data covered 100 (99) percent of Valmet's global workforce in 2025.

Scope 3 category 11: GHG emissions from the use of products sold in the reporting year include Valmet's Packaging and Paper; Tissue; and Pulp, Energy, and Circularity business areas. For the purposes of estimating the use of sold products emissions, Valmet uses orders received as an indicator for defining sold products in 2025. The calculation method based on orders received is aligned with Valmet's previously reported emissions information about the use of sold products. In practice this means product lifetime emissions (25 future years) are reported in the year when the order has been received and most often not in the year of the delivery and start-up of the technology. Delivery times vary and can be up to around 3 years for large orders.

For the Packaging and Paper and Tissue business areas, the calculation includes orders received for full production lines of paper, board, and tissue machines and excludes basic machine unit assembly groups and smaller equipment deliveries. For the Pulp, Energy, and Circularity business area, the calculation includes pulp mill, lime kiln, and fluidized bed boiler orders received. Sold products from Valmet's Automation Solutions and Flow Control business areas are excluded from the calculation, because their impact on total use phase emissions is estimated to be insignificant (below 0.2 percent).

The assumed lifetime for all sold products is 25 years. The emission calculations are based on Valmet's average product-specific energy consumption and product specifications, including delivered capacity and intended fuel mix. N<sub>2</sub>O and CH<sub>4</sub> are included from the biomass combustion of pulp and energy production. The emission factors for lime kilns have been updated in 2025. The 2024 category 11 figure has not been restated. Emissions from electricity are calculated based on the IEA (2023) country-specific emission factors. Emissions from steam are calculated based on Fisher International installed base fuel mix data. Emission factors for fuels are based on IPCC, DEFRA, and Statistics Finland. The IEA Scenario for current policies (STEPS) power sector emission intensity reduction (CAGR) is utilized in projecting the lifetime emissions for electricity and steam.

The annual fossil emissions of the sold products were around 2,800,000 (1,800,000) tCO<sub>2</sub>e, whereas biogenic emissions were around 4,900,000 (8,300,000) tCO<sub>2</sub> in 2025. The calculation is an estimation based on assumptions and projections, and actual emissions will depend on the choices customers make during the lifetime of the technologies. Due to the long lifetimes of Valmet's technologies (average 25 years) included in the annual use phase calculation, the magnitude of the category in relation to other categories of emissions is considerable.

The excluded Scope 3 categories include: capital goods, fuel- and energy-related activities, waste generated in operations, employee commuting, upstream leased assets, downstream transportation, processing of sold products, end-of-life treatment of sold products, downstream leased assets, franchises, and investments.



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## E2: Pollution

### Impacts, risks and opportunity management

#### Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

ESRS 2 IRO-1

This information is disclosed under ESRS 2 IRO-1.

#### Policies related to pollution in value chain

E2-1 MDR-P

Valmet has adopted the Valmet Climate and Nature Policy Statement, Valmet Supplier Code of Conduct, Valmet Guidance on Material Compliance for Suppliers, and Valmet Guidelines for Sustainable and Responsible Research, Product Development, and Design to manage the following material impacts and opportunities related to pollution of air and water in the value chain.

Impacts and opportunities related to pollution of air in the value chain:

- Air emissions from the upstream value chain (actual negative impact)
- Air emissions from the downstream value chain (actual negative impact)
- Developing air emission control solutions (opportunity).

Impacts and opportunities related to pollution of water in the value chain:

- Water emissions from the downstream value chain (actual negative impact).

All policies are regularly reviewed in accordance with the company's governance model. The monitoring of all policies is in line with Valmet's internal control principles and the principles of Valmet's corporate culture, defined in more detail under ESRS 2 GOV-5.

### Valmet Climate and Nature Policy Statement

Valmet's Climate and Nature Policy Statement defines the company's commitment to driving the industrial transition toward a regenerative, net-zero, and circular economy. The policy statement guides actions to operate within planetary boundaries, mitigate climate impacts, and protect nature for future generations. The policy statement addresses Valmet's approach related to pollution prevention among other topics. The policy statement provides high-level guidance and does not specify which pollutants or substances are covered. The MDR-P requirements for the policy statement are disclosed under E1-2.

### Valmet Supplier Code of Conduct

The Supplier Code of Conduct defines the sustainability principles with which suppliers must comply. The requirements include the prevention of pollution and environmental incidents, maintaining emergency action plans to manage environmental accidents and minimize their consequences, and striving to continually reduce emissions to air and water. The code provides high-level guidance on compliance with local and international regulations on hazardous substances and chemicals but does not specify which pollutants or substances are covered. The MDR-P requirements for the Supplier Code of Conduct are disclosed under S2-1.

### Valmet Guidance on Material Compliance for Suppliers

Valmet Guidance on Material Compliance for Suppliers advises Valmet's suppliers on how to comply with regulatory requirements regarding the prohibition, restriction, authorization and reporting of materials found in products. It states that suppliers are obliged to provide information about raw materials and hazardous substances in products to Valmet, and to inform Valmet without due delay if any prohibited materials are found in products sold to Valmet, e.g. due to regulation updates.

The guideline requires suppliers to provide certifications for RoHS compliance of or information about non-compliance of electrical and electronic equipment, certifications for battery compliance or information of non-compliance, and due diligence statements for conflict minerals and deforestation commodities

such as natural rubber. It also requires suppliers to provide information regarding any substance listed in any relevant regulation (product or country specific), e.g. substances of very high concern (SVHC) on the Candidate List under EU REACH, or specified by Valmet, found in the products supplied to Valmet if their concentration exceeds thresholds set by Valmet or related legislation. The guideline applies to all Valmet suppliers. The Vice President, HSE and Supply Sustainability is the most senior level accountable for the guideline's implementation.

### Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design

Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design integrate sustainability, environmental and health and safety aspects into Valmet's product research and development process. The aim is to ensure Valmet designs solutions that meet sustainability objectives, including the elimination and minimization of emissions to water and air, set quantitative performance targets for emission reduction, and comply with already applicable and anticipated upcoming regulatory developments related to emission control. The guideline provides high-level guidance and does not specify which pollutants or substances are covered. The MDR-P requirements for the guidelines are disclosed under E5-1.



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**Actions and resources related to pollution**

E2-2 MDR-A

Material sustainability topic	Related material impacts in brief	Actions	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target
Pollution of air	Air emissions from the upstream value chain	Commit suppliers to Valmet's Supplier Code of Conduct, which addresses pollution prevention	Pollution prevention in suppliers' operations	Upstream	2025, continuous	Procurement function	See progress in E2-3	75% of suppliers by spend have signed Valmet's renewed Supplier Code of Conduct by the end of 2025  90% of suppliers by spend have signed Valmet's Supplier Code of Conduct by the end of 2026
	Air emissions from the downstream value chain	Continuous development of air emissions control technologies	Reduced air emissions, heat recovery and improved energy efficiency in the customers' processes	Own operations, downstream value chain	2025, continuous	Pulp, Energy and Circularity business area	Progressing as planned	Air emission control technology: 7.5% growth (over the cycle) of orders received by 2025

The actions listed in the table above address the material impacts related to pollution of air in the value chain. The actions address the objectives of the Supplier Code of Conduct,

and the Valmet Guidelines for Sustainable and Responsible Research, Product Development, and Design.

**Metrics and targets**

**Targets related to pollution**

E2-3 MDR-T

Material sustainability topic	Related material impact in brief	Targets	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Target monitoring	Relevant policy
Pollution of air	Air emissions from the upstream value chain	75% of suppliers by spend have signed Valmet's renewed Supplier Code of Conduct by the end of 2025, which addresses pollution prevention <sup>1</sup>	% of suppliers by spend who have signed Valmet's Supplier Code of Conduct	2025	0%	Upstream value chain	By the end of 2025, 77% of suppliers by spend had signed Valmet's Supplier Code of Conduct	Quarterly in Procurement Management Team	Supplier Code of Conduct
		90% of suppliers by spend have signed Valmet's Supplier Code of Conduct by the end of 2026, which addresses pollution prevention	% of suppliers by spend who have signed Valmet's Supplier Code of Conduct	2025	77%	Upstream value chain	New target set in 2025. The target progress will be reported for the first time for 2026.	Quarterly in Procurement Management Team	Supplier Code of Conduct
	Air emissions from the downstream value chain	Air emission control technology: 7.5% annual growth (over the four year cycle) of orders received by 2025	Rolling 4-year compounded annual growth (CAGR) of orders received	2024	1.8%	Own operations and downstream value chain	Rolling 4-year compounded annual growth (CAGR) of orders received was 8.7%	Annually in Energy and Circularity Business Unit Management Team	Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design

<sup>1</sup> Due to the introduction of Valmet's new Supplier Code of Conduct, replacing the prior Sustainable Supply Chain Policy, the target has been renewed, and the baseline was set to zero on January 1, 2025.



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Valmet has set the voluntary targets listed in the table above to reduce negative impacts related to pollution of air in the upstream and downstream value chains. The targets address the objectives of the Supplier Code of Conduct and the Valmet Guidelines for Sustainable and Responsible Research, Product Development, and Design. The targets are based on conclusive measurable evidence but not a specific environmental scenario.

The targets related to the Supplier Code of Conduct were set in 2025 and are being implemented by Valmet's Procurement function. These followed the renewal of Valmet's Supplier Code of Conduct, replacing the previous Sustainable Supply Chain Policy. The targets were set by the Procurement Management Team, and those replace the old target disclosed in 2024 related to the Sustainable Supply Chain policy.

The target related to air emission control technology was set by the Pulp and Energy business line management. The target progress is monitored at least annually by the new Energy and Circularity business unit Management Team. The target is related to the prevention and control of air pollutants and respective specific loads.

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**E3: Water and marine resources**

**Impacts, risks and opportunity management**

**Description of the processes to identify and assess material water and marine resources -related impacts, risks and opportunities**

ESRS2 IRO-1

This information is disclosed under ESRS 2 IRO-1.

**Policies related to water and marine resources in value chain**

E3-1 MDR-P

Valmet has adopted the Valmet Climate and Nature Policy Statement, the Valmet Health, Safety, and Environment (HSE) Policy, the Valmet Supplier Code of Conduct, and the Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design to manage the following material impacts and opportunities related to water consumption in the value chain:

- Water-consuming manufacturing processes in the upstream value chain (actual negative impact)
- Water-consuming manufacturing processes in the downstream value chains (actual negative impact)
- Demand for water-saving solutions (opportunity).

Valmet’s policies contain commitments to reduce water consumption in the upstream and downstream value chain, including both areas at water risk and other areas. All policies are regularly reviewed in accordance with the company’s governance model. The monitoring of all policies is in line with Valmet’s internal control principles and the principles of Valmet’s corporate culture, defined in more detail under ESRS 2 GOV-5.

**Valmet Climate and Nature Policy Statement**

Valmet’s Climate and Nature Policy Statement defines the company’s commitment to driving the industrial transition toward a regenerative, net-zero, and circular economy. The policy guides actions to operate within planetary boundaries, mitigate

climate impacts, and protect nature for future generations. The policy statement addresses Valmet’s approach related to pollution prevention and water efficiency among other topics. The MDR-P requirements for the policy statement are disclosed under E1-2.

**Valmet Health, Safety and Environment (HSE) Policy**

Valmet’s Health, Safety, and Environment (HSE) Policy defines Valmet’s commitments to constantly reduce the climate, biodiversity, and water impacts of Valmet’s value chain through efficient and circular use of resources, use of fossil-free energy, waste minimization, and pollution prevention. The MDR-P requirements for the policy are disclosed under S1-1.

**Valmet Supplier Code of Conduct**

The Supplier Code of Conduct defines the sustainability principles with which suppliers must comply. The requirements include effective management of environmental risks and impacts, including the degradation of water ecosystems. This includes the prevention of pollution and environmental incidents and striving to continually reduce emissions to water and track water consumption. The MDR-P requirements for the Supplier Code of Conduct are disclosed under S2-1.

**Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design**

Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design integrate sustainability into research and development by aiming to ensure Valmet designs solutions that meet sustainability objectives, including minimizing water consumption, using water efficiently, and complying with regulation related to water protection. The MDR-P requirements for the guidelines are disclosed under E5-1.



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**Actions and resources related to water and marine resources**

E3-2 MDR-A

Material sustainability topic	Related material impact in brief	Actions	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target
Water consumption	Water-consuming manufacturing processes in the upstream value chain	Commit suppliers to Valmet's Supplier Code of Conduct, which addresses efficient use of water	Improved water management and efficiency in supplier' processes	Upstream value chain	2025, continuous	Procurement function	See progress in E3-3	75% of suppliers by spend have signed Valmet's renewed Supplier Code of Conduct by the end of 2025  90% of suppliers by spend have signed Valmet's Supplier Code of Conduct by the end of 2026
	Water-consuming manufacturing processes in the downstream value chain	Beyond Circularity research and development program and ecosystem: Closed water loops sub-stream	Improved concepts and processes on water consumption, recovery, and optimization	Own operations and downstream value chain	2022-2025	Research and Development function	Progressing well	Development of water management concepts
		Continuous development of board and tissue technologies to reduce and optimize fresh-water consumption	Reduced and optimized fresh water consumption in customers' processes	Own operations and downstream value chain	2025, continuous	Packaging and Paper and Tissue business areas	Technology development actions on reducing fresh water consumption continued actively in 2025.	Reduction of fresh water consumption in recycled board mills: -70% by 2030. Reduction of fresh water consumption in tissue technology -70% by 2030.

The actions listed in the table above address the material impacts related to water consumption in the value chain and can influence areas facing water-related risks as well as regions without current water stress. The actions address the objectives of the Valmet Supplier Code of Conduct, and the Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design.



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**Metrics and targets**

**Targets related to water and marine resources**

E3-3 MDR-T

Material sustainability topic	Related material impact	Targets	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Target monitoring	Relevant policy
Water consumption	Water-consuming manufacturing processes in the upstream value chain	By the end of 2025, 75% of suppliers by spend have signed Valmet's renewed Supplier Code of Conduct, which addresses efficient use of water <sup>1</sup>	% of suppliers by spend have signed Valmet's Supplier Code of Conduct	2025	0%	Upstream value chain	By the end of 2025, 77% of suppliers by spend had signed Valmet's Supplier Code of Conduct	Quarterly in Procurement Management Team	Supplier Code of Conduct
		By the end of 2026, 90% of suppliers by spend have signed Valmet's Supplier Code of Conduct, which addresses efficient use of water	% of suppliers by spend have signed Valmet's Supplier Code of Conduct	2025	77%	Upstream value chain	New target set in 2025. The target progress will be reported for the first time in 2026	Quarterly in Procurement Management Team	Supplier Code of Conduct
	Water-consuming manufacturing processes in the downstream value chain	Reduction of fresh water consumption in recycled board mills: -70% by 2030	Reduction in fresh water consumption intensity (m <sup>3</sup> /t)	2022	0%	Packaging and Paper business area	Technology development actions on reducing fresh water consumption continued actively in 2025, although reduction in fresh water use remained at 0% compared to 2022 baseline.	Annually in Valmet's Research and Development Leadership Team	Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design
		Reduction of fresh water consumption in tissue technology: -70% by 2030	Reduction in fresh water consumption intensity (m <sup>3</sup> /t)	2019	0%	Tissue business area	Technology development actions on reducing fresh water consumption continued actively in 2025. Fresh water use has reduced 39% compared to 2019 baseline.	Annually in Valmet's Research and Development Leadership Team	Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design

<sup>1</sup> Due to the introduction of Valmet's new Supplier Code of Conduct, replacing the prior Sustainable Supply Chain Policy, the target has been renewed, and the baseline was set to zero on January 1, 2025.

Valmet has set the voluntary targets listed in the table above to reduce negative impacts related to water consumption in the value chain. The targets are based on conclusive measurable evidence but not a specific environmental scenario. The targets to reduce water consumption in the upstream and downstream value chain can influence areas facing water-related risks as well as regions without current water stress. The absolute supply chain related target and the relative process technology related targets address the objectives of the Valmet Supplier Code of Conduct

and Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design.

The targets related to the Supplier Code of Conduct were set in 2025 and are being implemented by Valmet's Procurement function. These targets followed the renewal of Valmet's Supplier Code of Conduct, replacing the previous Sustainable Supply Chain Policy. The targets replace the old target disclosed in 2024 related to the Sustainable Supply Chain policy.

Valmet's Research and Development Leadership Team sets the technology-specific targets and follows up progress at least annually. Targets are set with key technology experts and management from business areas and relevant functions. The targets follow water use intensity in Valmet's key technologies, and in terms of significant assumptions, this target-setting is based on best available technology.

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**E4: Biodiversity and ecosystems**

**Strategy**

**Transition plan and consideration of biodiversity and ecosystems in strategy and business model**

E4-1

Valmet recognizes that climate change, biodiversity loss, and the overuse of natural resources are defining environmental challenges for its industrial value chains. As a global technology leader in the pulp, paper, and energy industries, Valmet has both the responsibility and the capabilities to drive industrial transformation to ensure long-term resilience.

In its new strategy, Valmet has defined a new purpose: Transforming industries towards a regenerative tomorrow. The new strategy focuses on advancing circularity and unlocking resource efficiency to support the renewal of the systems on which industries depend. The goal is alignment with planetary boundaries and ultimately a regenerative industrial future.

Valmet's E1 Climate change and E2 Pollution impacts are direct drivers of biodiversity loss and degradation and are material impacts in Valmet's value chain. Climate and biodiversity are intrinsically linked. Climate change impacts such as droughts, wildfires, and flooding accelerate biodiversity impacts, and loss of nature is in turn a key driver of climate change. Valmet has not conducted an assessment of the resilience of the current business model and strategy to biodiversity- and ecosystem-related physical, transition, and systemic risks.

In 2025, Valmet focused on creating its Climate and Nature Policy Statement and developing its Climate Transition Plan. The aim is to proceed with developing a nature action plan.

**Material impacts, risks and opportunities related to biodiversity**

ESRS 2 SBM-3

This information is disclosed under ESRS 2 SBM-3.

**Impact, risk and opportunity management**

**Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities**

ESRS 2 IRO-1

This information is disclosed under ESRS 2 IRO-1.

**Policies related to biodiversity and ecosystems**

E4-2 MDR-P

Valmet has adopted the Valmet Climate and Nature Policy Statement, and the Valmet Supplier Code of Conduct to manage the following material impacts related to biodiversity in the value chain:

- Impact of climate change on biodiversity loss (actual negative impact)
- Impact of air and water pollution on biodiversity loss (actual negative impact).

Valmet has not adopted a sustainable land or agriculture policy, or a sustainable oceans policy. The policies described below provide high-level guidance and do not explicitly address the social consequences of biodiversity- and ecosystem-related impacts or production, sourcing, or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity, as demonstrated by regular monitoring and reporting of biodiversity status and gains or losses.

All policies are regularly reviewed in accordance with the company's governance model. The monitoring of all policies is in line with Valmet's internal control principles and the principles of Valmet's corporate culture, defined in more detail under ESRS 2 GOV-5.

**Valmet Climate and Nature Policy Statement**

Valmet's Climate and Nature Policy Statement defines the company's commitment to driving the industrial transition toward a regenerative, net-zero, and circular economy. The policy

guides actions to operate within planetary boundaries, mitigate climate impacts, and protect nature for future generations. The policy statement addresses deforestation and Valmet's dedication to halt and reverse biodiversity loss as well as to protect ecosystems where Valmet's operational sites are owned, leased, or managed in or near biodiversity-sensitive areas. The MDR-P requirements for the policy statement are disclosed under E1-2.

**Valmet Supplier Code of Conduct**

The Supplier Code of Conduct defines sustainability principles with which suppliers are required to comply. The Supplier Code of Conduct requires suppliers to establish an appropriate organizational structure or resources for effective management of climate and environmental risks and impacts, including but not limited to air pollution, climate change, pollution and degradation of land, water ecosystems, deforestation, and biodiversity loss. Suppliers must be prepared to identify the sources of materials and to show the tracking of the supply chain. The MDR-P requirements for the Supplier Code of Conduct are disclosed under S2-1.



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**Actions related to biodiversity and ecosystems**

E4-3 MDR-A

Material sustainability topic	Related material impact in brief	Actions	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target if applicable
<b>Direct impact drivers of biodiversity loss</b>	Impact of climate change on biodiversity loss	Valmet's Climate and Nature Policy Statement approved and published	Climate and Nature Policy Statement published	Own operations and upstream and downstream value chain	2024–2025	Sustainability function	Climate and Nature Policy Statement published	Climate and Nature Policy Statement in 2025
	Impact of air and water pollution on biodiversity loss	Assessment of locations using IBAT	Biodiversity impacts at locations identified	Own operations	2025	Sustainability function	Assessment of locations using IBAT completed	Not applicable

The actions listed in the table address the material impacts related to biodiversity and ecosystems. In 2025, Valmet focused on creating its Climate and Nature Policy Statement and developing its Climate Transition Plan. The aim is to proceed with

developing a nature action plan, during which Valmet will decide on the use of biodiversity offsets and aims to incorporate local and indigenous knowledge and nature-based solutions into biodiversity- and ecosystems-related actions.

**Metrics and targets**

**Targets related to biodiversity**

E4-4 MDR-T

Material sustainability topic	Related material impact in brief	Targets	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Relevant policy
<b>Direct impact drivers of biodiversity loss</b>	Impact of climate change on biodiversity loss	Climate and Nature Policy Statement during 2025	Policy Statement published and nature aspect embedded in due diligence	2024	Not applicable	Own operations and upstream and downstream value chains	Climate and Nature Policy Statement published	Climate and Nature Policy Statement
	Impact of air and water pollution on biodiversity loss	Nature action plan by 2026	Nature action plan implemented	2024	Not applicable	Own operations and upstream and downstream value chains	Assessment of locations using IBAT	Climate and Nature Policy Statement

Valmet has set the targets listed in the table to manage and identify negative impacts related to biodiversity and ecosystems. The aim is to proceed with developing a nature action plan. In the process of preparing the plan, Valmet will use scientific evidence to set relevant biodiversity- and ecosystem-related targets. Application of ecological thresholds and alignment of the targets with the Kunming-Montreal Global Biodiversity Framework,

relevant aspects of the EU Biodiversity Strategy for 2030 and other biodiversity and ecosystem-related national policies and legislation will be considered. Valmet will also consider its position on using biodiversity offsets in its Nature action plan and to which of the layers of the mitigation hierarchy the targets can be allocated. Internal stakeholders, including key experts and management from the Sustainability and Global Supply

functions, and business areas, will be included in the target-setting process. The target training for employees in the Climate and Nature Program was removed because training needs and plans will be reconsidered during the preparation of the nature action plan.

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**E5: Resource use and circular economy**

**Impact, risk and opportunity management**

**Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities**

ESRS 2 IRO-1

This information is reported under ESRS 2 IRO-1.

**Metrics and targets**

**Policies related to resource use and circular economy**

E5-1 MDR-P

Valmet has adopted the Valmet Climate and Nature Policy Statement, the Valmet Health, Safety and Environment (HSE) Policy, the Valmet Supplier Code of Conduct, and the Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design to manage the following material impacts and opportunities related to resource inflows and resource outflows:

Impacts related to resource inflows:

- Production of technologies requiring large quantities of materials (actual negative impact).

Impacts and opportunities related to resource outflows:

- Technology lifecycle extension (actual positive impact)
- Technologies enabling the use and conversion of renewable and recycled resources (actual positive impact)
- Solutions enabling circularity (actual positive impact)
- Demand for resource efficient and renewable resource use technologies (opportunity)
- Technology lifecycle extension (opportunity).

All policies are regularly reviewed in accordance with the company’s governance model. The monitoring of all policies is in line with Valmet’s internal control principles and the principles

of Valmet’s corporate culture, defined in more detail under ESRS 2 GOV-5.

**Valmet Climate and Nature Policy Statement**

Valmet’s Climate and Nature Policy Statement defines the company’s commitment to driving the industrial transition toward a regenerative, net-zero, and circular economy. The policy guides actions to operate within planetary boundaries, mitigate climate impacts, and protect nature for future generations. The policy statement addresses Valmet’s approach to resource efficiency and circular economy. The MDR-P requirements for the policy statement are disclosed under E1-2.

**Valmet Health, Safety and Environment (HSE) Policy**

The Health, Safety, and Environment (HSE) Policy includes Valmet’s commitment to constantly reduce the climate, biodiversity, and water impacts of the value chain through efficient and circular use of resources, the use of fossil-free energy, waste minimization, and pollution prevention. The MDR-P requirements for the policy are disclosed under S1-1.

**Valmet Supplier Code of Conduct**

The Supplier Code of Conduct defines sustainability principles with which suppliers are required to comply. The code addresses transitioning to renewable energy, energy efficiency improvements, the responsible management of natural resources, the responsible disposal of waste and circularity actions. In addition, suppliers must be prepared to identify the sources of materials and to show the tracking of the supply chain. The MDR-P requirements for the Code of Conduct are disclosed under S2-1.

**Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design**

Valmet’s Guidelines for Sustainable and Responsible Research, Product Development and Design integrate sustainability, environmental, and health and safety aspects into research, product development, and design. They are part of Valmet’s research and development process and provide a systematic way to anticipate challenges and develop new solutions throughout

the product or service lifecycle. The guidelines highlight efficient resource use and the principles of the circular economy throughout the product lifecycle. They encourage the minimization of raw material consumption, the use of renewable resources, and the implementation of practices such as repair, disassembly, remanufacturing, reuse, and recycling to promote sustainability and reduce waste.

The guidelines cover all Valmet’s research, product development, and design activities globally. The monitoring of the guideline is conducted through gate reviews within the Valmet research and development process, project monitoring within the research and development project portfolio tool, the annual follow up of research and development portfolio development, and monthly, quarterly and/or annual reporting practices at business area and corporate level. The Vice President, Strategic R&D is the most senior level accountable for the implementation of the guidelines.



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**Actions and resources related to resource use and circular economy**

E5-2 MDR-A

Material sustainability topic	Related material impact in brief	Actions	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target (if applicable)
Resource inflows	Production of technologies requiring large quantities of materials	Valmet increases the use of recycled steel in its own foundries to reduce the impact from virgin raw materials	Improved circularity in Valmet’s operations	Steel in Valmet’s foundries	2025, continuous	Global Supply	See progress in E5-3	Increase the use of recycled steel in own foundries
Resource outflows	Technology lifecycle extension	Lead Beyond Circularity Research and Development Program and ecosystem to transform waste and emissions into valuable resources for sustainable growth and accelerating the green transition	Process technologies, automation, and services that create value by utilizing renewable and recycled materials, industrial side stream rejects, and waste	Valmet’s internal and external ecosystem within the scope of the Beyond Circularity program	2022–2025	Research and Development function	With more than 370 ecosystem partners, Valmet has worked within 47 ecosystem projects. The program has progressed very well in Valmet internally and within the ecosystem. See more information under E5-5.	35 ecosystem project applications by 2025
	Technologies enabling the use and conversion of renewable and recycled resources	Continuous development of Valmet’s pulp, energy, and circularity technology with circular material flow and solutions to produce value-adding products from pulp mill side streams	Efficient material and chemical use and circulation, reduced emissions and waste, optimized lifecycle, and rebuild and replacement capabilities to convert existing technologies to new uses	Valmet’s Biomaterial Solutions and Services	2025, continuous	Pulp, Energy and Circularity business area	Continuous development incl. cross-business focus on the delivery of world’s largest single-phase pulp mill; continuous development of new technologies incl. lignin production, sulfuric acid plant technology and bioethanol and biochemical production	Not applicable
	Solutions enabling circularity	Continuous development of Valmet’s full scope packaging and paper technology for efficient use of materials, circular material flow, and new applications	Efficient material and chemical use and circulation, reduced emissions and waste, optimized lifecycle, and rebuild and replacement capabilities to convert existing technologies to new uses	Valmet’s Biomaterial Solutions and Services	2025, continuous	Packaging and Paper business area	Continuous development incl. new technologies for the full lifecycle of board and paper production lines and cross-business focus on the development of molded fiber technology; Valmet’s new 4-step approach to improving resource efficiency in board and paper making	Not applicable
	Demand for resource-efficient and renewable resource use technologies	Continuous development of Valmet’s full scope tissue technology for efficient use of materials, circular material flow, and new applications	Efficient material and chemical use and circulation, reduced emissions and waste, optimized lifecycle, and rebuild and replacement capabilities to convert existing technologies to new uses	Valmet’s Biomaterial Solutions and Services	2025, continuous	Tissue business area	Continuous development incl. new technologies for the full lifecycle of tissue production lines and cross-business focus on innovative solutions from stock preparation to tissue machinery and converting	Not applicable
		Continuous development of Valmet’s automation solutions for optimized use of materials, circular material flow, and new applications	Through the extensive portfolio, automation solutions act as a catalyst for resource efficiency and circularity, enabling efficient material and chemical use and circulation, reduced emissions and waste, optimized lifecycle, and rebuild and replacement opportunities.	Valmet’s Process Performance Solutions	2025, continuous	Automation Solutions business area	Continuous development to create future-proof automation solutions and services, incl. further deployment of Valmet DNAe, a next-generation distributed control system, and focus on analyzers, measurements, diagnostics, asset performance, condition monitoring, intelligent maintenance, and lifetime compatibility and support at plant, mill, fleet, or cross value chain level	Not applicable
		Continuous development of Valmet’s flow control solutions for optimized use of materials, circular material flow, and new applications	Flow control solutions to enable reliability, efficient material and chemical use and circulation, reduced emissions and waste, optimized lifecycle, and rebuild and replacement opportunities.	Valmet’s Process Performance Solutions	2025, continuous	Flow Control business area	Continuous development to deliver mission-critical flow control technologies and services for the continuously evolving needs of various process industries, incl. modularity and refurbishment, replacement and recycling when valves reach the end of their lifecycle. The project on environmental impacts of Flow Control products continued during 2025.	Not applicable

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The actions listed in the table address the material impacts related to resource inflows and resource outflows in Valmet's own operations and in the value chain. The actions address the objectives of Valmet's Code of Conduct, Supplier Code of Conduct, and Guidelines for Sustainable and Responsible Research, Product Development and Design.

Research and development work is carried out mainly in Finland and Sweden by the Research and Development organizations in Valmet's business areas. Valmet operates 33 Research and Development centers that are also pilot facilities for customer projects and internal testing. At the end of 2025, Valmet Research and Development employed 542 people (564), while research and development expenses for the year totaled EUR 126 million (123 million). Valmet has steadily invested in its Research and Development Program Beyond Circularity between 2022 and 2025, reaching approximately EUR 40 million in investments by the end of the program in 2025. The program was partly funded by Business Finland and was part of the "Veturi" initiative, which invited international companies to solve some of society's most pressing challenges through increased research, development, and innovation.

Valmet has established a Green Finance Framework applicable for the issuance of green debt instruments. The Green Finance Framework is designed to support the financing or refinancing of eligible assets and expenditures that promote two key environmental objectives: mitigating climate change and enabling the transition to a circular economy. At the end of 2025, Valmet had two outstanding green debt instruments totaling EUR 250 million which are issued under the Green Finance Framework.



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**Targets related to resource use and circular economy**

E5-3 MDR-T

Material sustainability topic	Related material impact in brief	Targets	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Relevant policy
<b>Resource inflows</b>	Production of technologies requiring large quantities of materials	Increase the share of recycled steel to 85% by 2030	Share of recycled steel in own foundries	2020	54%	All Valmet foundries	The amount of recycled steel used in Valmet's foundries increased to 82 (77)% in 2025	Climate and Nature Policy Statement, Supplier Code of Conduct
<b>Resource outflows</b>	Technologies enabling the use and conversion of renewable and recycled resources	Sustainability categorization done for 100% of all new Research and Development projects by 2025	% of new research and development projects for which sustainability categorization has been done	2024	88%	All new research and development projects from 2025 onwards	Sustainability impact assessment in place as a mandatory requirement for all new research and development projects in related tool. Sustainability categorization done for 86 (88)% of projects in 2025.	Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design
	Technology lifecycle extension	Increase the net sales of circular economy aligned solutions and services by 2030	Growth in net sales (%)	2024	EUR 1,065 million	Valmet's EU taxonomy aligned activities under criteria: Circular economy (CE) 5.1 Repair, refurbishment and remanufacturing	The net sales of circular economy aligned solutions and services increased to EUR 1,401 million	Climate and Nature Policy Statement, Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design

Valmet has set the targets listed in the table to reduce negative impacts and to advance positive impacts related to resource inflows and resource outflows in its own operations and in the value chain. The absolute resource inflow target addresses the objectives of the Climate and Nature Policy Statement and the Supplier Code of Conduct. The target relates to sustainable sourcing and the increase of circular material use. The target has been set on a voluntary basis and is not based on legislation or a specific environmental scenario. The target is part of Valmet's Climate Transition Plan and internal stakeholders, including key experts and management from relevant functions and business areas were included in the target-setting process. The progress of the target is monitored in Global Supply.

The absolute resource outflow targets address the objectives of the Valmet Guidelines for Sustainable and Responsible Research, Product Development and Design, and the principles outlined in Valmet's Climate and Nature Policy Statement. The targets relate to sustainable product development and design and are part of Valmet's Technology vision and roadmap, which have been prepared in the process led by Valmet's Strategic Research and

Development function in collaboration with the Business Areas' Research and Development. Valmet's Research and Development Leadership Team sets the technology specific targets and follows up progress at least annually. Targets are set with key technology experts and management from business areas and relevant functions. The target related to the Sustainability categorization is based on conclusive measurable evidence but not a specific environmental scenario. In 2025 the presentation of the target related to sustainability categorization was changed. The baseline value of 88 percent represents the share of new research and development projects for which sustainability categorization has been completed. In 2024, the value was 12 percent, representing projects that were not categorized. The target related to the increase of net sales of Valmet's lifecycle solutions and services is aligned with Valmet's strategy and set by respective business areas. The target is based on the EU Taxonomy regulation, but not a specific environmental scenario.

**Resource inflows**

E5-4

**Resource use**

Valmet has identified steel, electronics and electrical components, polymers, and packaging materials as the most significant resource inflows. The primary material for Valmet's solutions is steel. Valmet purchases steel assemblies, structures, and components globally, using them at its own production and customers' sites to deliver customer solutions, particularly in process technologies. Polymers are used to manufacture products such as press felts, shoe press belts, filter fabrics, and forming fabrics for process technologies. Electronics and electrical components are integral to automation solutions and incorporated into various process technology solutions. Packaging materials are used in logistics to ensure the safe and efficient transportation of goods.

Resource inflows reporting for steel, polymers, and electronics and electrical components is based on purchase order data compiled from Valmet's Enterprise Resource Planning systems.



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Purchase orders have been allocated based on the receipt date and internal purchases between Valmet's companies have been excluded to avoid double counting. Products lacking weight information have been estimated by using the weight-cost ratio and statistical analysis. Information regarding packaging materials has been extracted from Valmet's logistics system.

The calculation for recycled steel is based on the volume of recycled steel in Valmet's own foundries, which represents 12 (14) percent of the total steel volume. In other material categories, data availability limits the reporting of recycled material volume.

#### Resource inflows

2025 Material category	Total volume (metric tons)	Recycled volume (metric tons)	Recycled volume (%)
Steel	154,900	18,624	12%
Electronics and electrical components	1,334	0	0%
Polymers	7,938	0	0%
Packaging material	13,200	0	0%

2024 Material category	Total volume (metric tons)	Recycled volume (metric tons)	Recycled volume (%)
Steel	159,639	21,626	14%
Electronics and electrical components	5,574	0	0%
Polymers	8,153	0	0%
Packaging material	15,477	0	0%

#### Resource outflows

E5-5

#### Circular solutions

Valmet's product portfolio delivers advanced process technologies, automation and flow control solutions, and lifecycle services for pulp, paper, packaging, tissue, energy, and other process industries – driving customer success, resource efficiency, and circularity in line with its "Lead the Way" strategy to transform industries toward a regenerative tomorrow.

Valmet launches around 100 new products to the market every year. These products are often created in close cooperation with customers and Valmet's network of leading universities, research institutes, suppliers, and other research partners around the world.

The integration of sustainability topics in Valmet's Research and Development activities is ensured through the sustainability criteria that are an integral part of the research and development process. The criteria ensure that when developing a new product or innovation, resource efficiency, GHG emission reduction, and safety are key areas to consider. They also help secure the new product's compliance with product and process safety legislation. Finally, they guarantee that sustainability benefits are integrated into the final product or solution to be launched.

Valmet's Technology Vision sets the long-term direction for research, development and innovation activities. Valmet's research and development focus areas are:

- Enabling the circular economy
- Improving efficiency with digitalization
- Resource efficiency – more with less
- From fossil to renewable materials
- Toward fossil-free production processes.

The expected lifetime of Valmet's technologies is between 10 and 100 years. Information about the industry average of the expected durability of all products is difficult to obtain. In Valmet's research and development efforts, maximizing the operating time and delivering a seamless technology lifecycle of Valmet technologies for customers are emphasized. Valmet's services offering extend the lifetime of customer technologies through reuse, rebuilds, and maintenance activities. Modular design enables efficient reuse and replacement possibilities. Valmet products are in essence recyclable but due to various sizes, complex product structures and other variability, it is not possible to disclose the rate of recyclable content.

#### Beyond Circularity research and development program and ecosystem

Beyond Circularity was Valmet's Research and Development program and ecosystem to transform waste and emissions into valuable resources for sustainable growth and accelerating the green transition. The Beyond Circularity program aimed to develop process technologies, automation solutions, and services to create value by utilizing renewable and recycled materials, industrial side stream rejects, and waste.

The program was implemented through seven streams: program management; recycling technologies; bio-refining / value adding to waste; resource-efficient industries; automated and digitalized industry and services; service lifecycle concepts; and emerging new process concepts and disruptive business.

A new green transition ecosystem has been built as part of the Beyond Circularity program to create value and business for the participants and expand competences to new areas. More than 370 partners joined the ecosystem to work within 47 ecosystem projects. Internally, Valmet initiated or completed over 100 research and development projects directly linked to the program. Valmet has steadily invested in the Beyond Circularity program between 2022 and 2025, reaching approximately EUR 40 million in investments by the end of the program in 2025. The program was partly funded by Business Finland and was part of the "Veturi" initiative, which invited international companies to solve some of society's most pressing challenges through increased research, development, and innovation. To highlight some case examples from the Beyond Circularity program focusing on efficient resource use and the circular economy, PESCO-UP is a Horizon Europe project, funded by the European Union, to transform the textile recycling industry by creating new raw materials from mixed wastes; and the co-innovation project Bio4All aims to turn forest and agricultural biomass residues into sustainable chemicals and fuels.

## Social information

### S1: Own workforce

#### Strategy

##### Interests and views of stakeholders

ESRS 2 SBM-2

This information is disclosed under ESRS 2 SBM-2.

##### Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS 2 SBM-3

This information is disclosed under ESRS 2 SBM-3.

#### Impacts, risk and opportunity management

##### Policies related to own workforce

S1-1 MDR-P

As stated in Valmet's Code of Conduct, Valmet is committed to following the below international conventions and guidelines in its operations.

- UN Global Compact and Sustainable Development Goals
- UN Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD's Guidelines for Multinational Enterprises.

Consequently, all Valmet's policies support these principles and guidelines. Valmet has embedded human rights due diligence into its management systems and key processes. Valmet monitors compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises through its Sustainability Due Diligence Framework. More information about Valmet's Due Diligence Framework is disclosed under ESRS2 GOV-4, S1-4, and S2-4 in this report.

Measures to provide a remedy for human rights impacts are disclosed under S1-3, S2-3, and S2-4. Valmet's general processes for engaging with its employees are described in S1-2. Additionally, Valmet provides e-learning courses on the Code of Conduct, Health and Safety and Human Rights.

Valmet's policies regarding its own work force have initially been set by the relevant owners and key stakeholders from People and Culture, Sustainability, Health, Safety, Environment and Supply Sustainability, and Valmet's Legal functions. All policies are regularly reviewed in accordance with the company's governance model. The monitoring of all policies is in line with Valmet's internal control principles and the principles of Valmet's corporate culture, defined in more detail under ESRS 2 GOV-5.

##### Policies adopted to manage working conditions

Valmet has adopted Valmet's Code of Conduct, the Valmet Human Rights Policy Statement, the Health, Safety and Environment (HSE) Policy, the Health, Safety and Environment (HSE) Committee Guideline, and Valmet's Human Resource Policy to manage the following material impacts related to working conditions in its own operations:

- Enabling social and other forms of dialogue (actual positive impact)
- Collective bargaining and freedom of association practices (actual negative impact)
- Exposure to health and safety risks (actual negative impact).

##### Valmet's Code of Conduct

Valmet's Code of Conduct defines Valmet's requirements and expectations in terms of ethical business practices, human rights, equal opportunities, diversity and inclusion, a respectful work environment and health, safety, and wellbeing, for example. Valmet's Code of Conduct explicitly addresses human rights violations such as forced labor and child labor. The MDR-P requirements for the Code of Conduct are disclosed under G1-1.

#### Valmet Human Rights Policy Statement

Valmet's Human Rights Policy Statement defines the Group's commitment to respecting and promoting human rights in compliance with the UN Guiding Principles on Business and Human Rights, and it acknowledges that promoting human rights is fundamental for carrying out its business responsibly. The statement is applicable to all employees and entities within Valmet and to all its stakeholder relationships. Valmet works with and encourages its business partners to uphold the principles in this statement within their businesses. The MDR-P requirements for the Human Rights Policy Statement are disclosed under S2-1.

Information about the measures to provide and enable remedy for human rights impacts is disclosed under S1-3, S2-3, and S2-4 in this Sustainability Statement. Valmet's approach to engagement with value chain workers can be found under S2-2.

In addition to the Valmet Human Rights Policy Statement, Valmet has a Modern Slavery Statement based on the Modern Slavery Act to prevent modern slavery and human trafficking. It covers Valmet's own operations and its supply chain.

#### Valmet Health, Safety and Environment (HSE) Policy

Valmet's Workplace Accident Prevention Policy is defined in its Health, Safety and Environment (HSE) Policy. This policy states Valmet's commitment to protecting the health and safety of its employees, partners, suppliers, and customers, as well as the environment and the communities where it operates. The policy is applicable to Valmet's own workforce, as well as partners, suppliers, and business contacts and is available for all stakeholder groups on the company website.

The policy is endorsed by the President and Chief Executive Officer of the company, and the Executive Vice President, Global Supply is the most senior level accountable for its implementation. Policy monitoring is done through health, safety, and environment notification routines as well as weekly and monthly health, safety and environment reporting practices as part of business area reviews. In addition, the policy is



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monitored through quarterly strategic reviews with the Executive Leadership Team and through annual management reviews of the certified Global Management System (GMS). Valmet maintains a multi-site certification of the GMS to the international health and safety management system standard, ISO 45001:2018 and the international environmental management system standard, ISO 14001:2015. Currently 81 (79) percent of all employees are covered by ISO 45001:2018 certification, and 83 (80) percent by ISO 14001:2015 certification.

#### Valmet Health, Safety and Environment (HSE) Committee Guideline

Valmet's Health, Safety and Environment (HSE) Committee Guideline sets the framework for ensuring consultation and the participation of its own workforce in health and safety management in locations with 30 or more employees. Currently, 95 (95) percent of all employees are represented by a local Health, Safety and Environment Committee. The Executive Vice President, Global Supply is the most senior level accountable for its implementation. Monitoring of the guideline is done through annual reporting and auditing programs. This guideline is available for internal stakeholders in the company intranet.

#### Valmet Human Resource Policy

Valmet's Human Resource Policy provides a framework for the management of the People and Culture function, which is committed to developing an engaged and performance-driven community and continuously driving the global development of Valmet employees' capabilities. The policy is applicable to all Valmet employees and is available for internal stakeholders in the company intranet. The Executive Vice President of People, Communications and Culture is the highest level accountable for policy implementation. People and Culture continuously assesses the impact of its processes and tools. People and Culture uses regular assessment and reporting tools, including the employee survey, stakeholder survey, and a third-party-operated reporting channel, TrustLine, to enhance the positive impacts and to avoid, mitigate, and remediate negative impacts on key stakeholders.

#### Polices adopted to manage equal treatment and opportunities for all

Valmet has adopted the Valmet Non-Discrimination and Anti-Harassment Policy and the Valmet Equal Opportunity and Diversity Policy to manage the following material impact related to equal treatment and opportunities for all in its own operations:

- Consequences of gender imbalance (actual negative impact).

The following grounds for discrimination are specifically covered in Valmet's policies: gender; age; race; religion; ethnic or national origin; political opinion; family status; sexual orientation; gender identity; disability; or other characteristics protected by law. Color, sex, and national extraction or social origin are not specifically covered.

Global and local policies, guidelines, and practices for non-discrimination, anti-harassment and equal opportunities direct the Valmet way of operating. The principles of these policies, guidelines, and practices are built into people processes such as recruitment and salary planning processes. In addition, equal opportunities, diversity and inclusion and a respectful work environment are covered as separate sections in the Code of Conduct training, which is mandatory for all Valmet employees and is renewed and updated regularly. More information about Valmet's processes to ensure discrimination is prevented, mitigated, and acted on once detected, as well as to advance diversity and inclusion in general, is disclosed under S1-4 in this report.

#### Valmet Non-Discrimination and Anti-Harassment Policy

This policy outlines the measures Valmet takes to ensure a respectful and inclusive workplace free of discrimination and harassment. The policy is applicable to all Valmet employees and is available for all stakeholder groups on the company website. The Executive Vice President of People, Communications and Culture is the most senior level accountable for the implementation of the policy. Policy monitoring happens

through Valmet's raising concerns process, which is described in more detail in the Compliance Reporting Guideline.

Valmet's Non-Discrimination and Anti-Harassment Policy includes a provision for positive discrimination as provided for in local legislation. However, the policy does not state specific vulnerability groups or specific commitments to these groups.

#### Valmet Equal Opportunity and Diversity Policy

Valmet's Equal Opportunity and Diversity Policy defines Valmet's approach to promoting equal opportunities for all employees. The policy is applicable to all Valmet employees and is available on the company website for all stakeholder groups. The Executive Vice President of People, Communications and Culture is the most senior level accountable for the implementation of the policy. Policy monitoring happens through Valmet's raising concerns process, which is described in more detail in the Compliance Reporting Guideline.



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**Processes for engaging with own workforce and workers representatives on impacts**

S1-2

Valmet's European Works Council is a forum for dialogue between management and employee representatives on international work issues involving the whole company or multiple EU/EEA countries. Such matters as company strategy, new working or production methods, occupational health and safety, environmental affairs, the human resources policy and guidelines, and gender equality are discussed in this forum. In addition, Valmet utilizes the channels listed in the table below to

identify, assess, and inform decision-making on actual and potential impacts in Valmet countries globally.

In 2025, the company ran a safety culture survey and began conducting regular pulse surveys. These surveys explored a range of topics, including questions related to both actual and potential material impacts on employees. The surveys' findings were reviewed and discussed in different groups – for example, within leadership teams, with employee representatives such as the European Works Council, and in other relevant forums.

To ensure transparency, the results, along with information about how survey insights would inform future actions, were shared in the company intranet. Importantly, the surveys also enable the company to better understand and respond to the needs of potentially vulnerable employee groups, drawing on background data such as gender and worker type. By frequently administering pulse surveys, the company can monitor trends over time and continuously assess the overall effectiveness of its engagement efforts.

	Engagement type	Stakeholder group	Frequency	Function responsible/ Resources to manage	Most senior role responsible	Outcomes
<b>Dialogue</b>	Management–employee dialogue	Select employee groups, e.g., town hall meetings	Varies	Leadership Teams	Respective Executive Leadership Team member	Information sharing and direct dialogue with employees
	Health, Safety and Environment and Social Committees	Locations with >30 employees	At least annually	Health, Safety, Environment and Supply Sustainability, People and Culture	The Executive Vice President, Global Supply and Vice President, People Operations	Consultation and communication with employees and their representatives on Health, Safety, and Environment and wellbeing management
	Works Councils and other similar forums	Select groups, e.g., the European Works Council	Varies	People and Culture	Vice President, People Operations	Information sharing and direct dialogue with workers and their representatives
	Consultation and negotiation	National works councils and trade unions	Varies	People and Culture	Vice President, People Operations	Expectations related to, e.g., local laws, regulations, and market practices
<b>Surveys</b>	Pulse/ad-hoc surveys	Select employee groups, e.g., in conjunction with the operating model change	Varies	People and Culture, Health, Safety, Environment and Supply Sustainability	Head of the business / function	Employee perspectives on, e.g., change impacts, employee sentiment, workability, social and organizational work environment, safety culture
<b>Reporting channels</b>	Reporting on continuous improvement and Health, Safety, and Environment events (Spotlight)	Own employees	Ongoing	Health, Safety, Environment and Supply Sustainability	Vice President, Health, Safety, Environment, and Supply Sustainability	Inputs to support continuous improvement, especially in health, safety, and environment topics and sustainability-related topics
	Misconduct reporting (TrustLine)	Own employees	Ongoing	Ethics and Compliance	Executive Vice President Legal, and General Counsel	Complaints against Valmet and confirmed misconduct cases
<b>Control mechanisms</b>	Audits	Multi-site and/or certified locations	Ongoing	Multiple	Director Global Quality Management and Development	Process compliance and adherence to ISO standards (9001, 14001, 45001)
	Human Rights Impact Assessment	High-risk locations	Annually	Sustainability	Vice President of Sustainability	Identifying risks and impacts, especially amongst vulnerable groups



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

S1-3

Valmet encourages its own workforce to raise concerns about possible violations of Valmet's Code of Conduct, unethical business behavior, or other misconduct. This includes grievances and complaints related to employee matters.

Processes for providing or contributing remedies for material negative impacts on Valmet's own workforce depend on the nature of the case. Valmet has an Incident Management Team process with defined responsibilities for ensuring that all cases are handled appropriately, with particular focus on the most severe ones, and the remedies are effective. For serious health and safety incidents, Valmet has a Health and Safety incident investigation guideline, which includes the approach for corrective actions. Assessing the effectiveness of the remedy is built into the health and safety incidents handling process.

Valmet employees are advised to report misconduct or grievances to their own managers or other management, the People and Culture function, or directly to the Legal, Ethics and Compliance, and Internal Audit functions. Valmet also offers a third-party-operated reporting channel, TrustLine, for reporting suspected breaches of Valmet's Code of Conduct or other grievances and misconduct. It provides Valmet employees with the possibility to report possible concerns confidentially in their native language, and anonymously if desired. TrustLine is available for everyone 24/7 in Valmet's intranet and on its external website, and it is designed to guarantee anonymity. The reporter can make a report either online or by calling a call center. Reported grievances and complaints are handled in accordance with a process that is described in detail in the Compliance Reporting Guideline. The content and requirements set in the guideline are described in more detail in section G1-1.

Valmet's Ethics and Compliance function monitors and tracks the ongoing cases to ensure that all reported matters are investigated in a timely manner, and follow-up actions are agreed. Valmet has a Compliance Committee structure consisting of the global Corporate Compliance Committee, global Sustainability Due Diligence Compliance Committee, and business area Compliance Committees. All reported cases are handled in at least one of these committees. The Compliance Committees are responsible for making decisions on the results of cases, their corrective actions, and follow-up. This includes ensuring that provided remedies are effective. Valmet has defined by subject matter and outcome which cases are reported to the Chief Executive Officer, and which are also reported to Valmet's Board Audit Committee. Any human rights issues in Valmet's own workforce are reported to the Board Audit Committee.

In 2025, Valmet continued to train employees in the availability of the misconduct reporting process through the mandatory Code of Conduct e-learning course and dedicated internal communications. Valmet employees' awareness of Valmet's misconduct reporting procedures was surveyed in a Group-wide assessment and an Ethics and Compliance risk assessment survey during 2025. Awareness of the misconduct reporting process and TrustLine was also assessed as part of corporate internal audits conducted in seven Valmet locations in 2025.

Valmet does not tolerate any form of retaliation against individuals who in good faith raise their concerns or assist in the investigations. The protection of whistleblowers is described in detail in section G1-1.



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**Taking action on material impacts on own workforce, and effectiveness of those actions**

S1-4 MDR-A

**Actions and resources related to material sustainability matters**

Material sustainability topic	Related material impact	Action	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target if applicable
<b>Working conditions</b>	Enabling social and other forms of dialogue  Collective bargaining and freedom of association practices	Location-specific Human Rights Impact Assessment	Identification and control of risks	Locations in high-risk countries	Assessment annually in own operations or in upstream value chain	Sustainability	See progress in S1-5	At least one Human Rights Impact Assessment annually in own operations and in the value chain based on the risks identified
		Provide human rights training through e-learning	Awareness building	Line managers	Continuous	Sustainability, People and Culture	Progressing as planned	Not applicable
		Conduct change pulse survey	Understand change impacts and plan next steps	Employees most impacted by change	Quarterly	People and Culture	Progressing as planned	Not applicable
		Ensure clear practices to boost social dialogue and other types of dialogue throughout the organization	Dialogue on working conditions in all locations	Own employees	Continuous	People and Culture, Health, Safety, Environment and Supply Sustainability, senior leadership, line managers	Progressing as planned	Not applicable
		Sustainability impact assessment of business changes	Identification and control of risks	Own operations	Continuous	Sustainability	Progressing as planned	Not applicable
	Exposure to health and safety risks	Increase the number of Valmet employees working in locations certified to ISO 45001:2018	Effective global management system (GMS) and common standards in locations securing workplace conditions are as healthy and safe as possible	All locations with Valmet workforce	Continuous	Health, Safety, Environment, and Supply Sustainability, Quality, line managers, internal auditors, external certification partner	See progress in S1-5	> 90% of employees work in ISO 45001 certified locations by 2030
		Implement and maintain Health, Safety, and Environment committees in locations with 30 or more employees	Active joint workforce-management consultation and engagement on managing local health and safety impacts	All locations with Valmet workforce	Continuous	Worker health and safety representatives, Health, Safety, Environment and Supply Sustainability, line managers, committee budgets	Progressing as planned	Not applicable
		Targeted prevention programs based on injury and illness analysis	Reduction in high consequence and/or high frequency injuries and illnesses	Own workforce	Continuous	Health, Safety, Environment and Supply Sustainability, Occupational health service providers, line managers	See progress in S1-5	Reduction in injury and illness severity and frequency rates
		Developing safety culture, leadership and mindset through training, communication and performance metrics	Promotion of a strong safety culture by leaders, and workforce engagement in it	Own workforce	Continuous	Line managers, Health, Safety, Environment and Supply Sustainability, employees	Progressing as planned	Not applicable



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Material sustainability topic	Related material impact	Action	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target if applicable
Equal treatment and opportunities for all	Consequences of gender imbalance	Adhere to common global employee lifecycle processes, e.g., related to recruitment and salary planning	Consistent ways of working	Own employees	Continuous	People and Culture, line managers, employees	Progressing as planned	Not applicable
		Provide diversity, equity and inclusion training	Awareness building and behavior change	Own employees	Continuous	People and Culture	Learning offering expanded to include psychological safety workshops.	Not applicable
		Continue with pay equity and transparency project	Ensure equal treatment and fair remuneration of employees at all levels of the organization	Own employees	2024–2027	People and Culture	Progressing as planned; See S1-16 for additional information	Not applicable

**Approach to managing material impacts**

Valmet recognizes and actively engages with employee representation bodies and promotes practices that create opportunities for active dialogue in the workplace. Working conditions are determined by the employer (Valmet) for employees who are not part of a collective agreement. When determining working conditions, Valmet is committed to meeting or exceeding all compliance obligations. Compliance with applicable local laws and regulations is the foundation of all operations.

**Collective bargaining and social dialogue**

Valmet's operations are partially located in regions where collective bargaining is limited or not common practice, which places Valmet's employees in those countries at increased risk of a lack of sufficient opportunity to engage in freedom of association and collective bargaining, and social dialogue. Based on this identified impact, Valmet continues to conduct Human Rights Impact Assessments in high-risk locations and provide human rights training to its employees through a globally available e-learning course. The effectiveness of these measures is tracked through the number of significant findings in the assessments carried out and e-learning completion. Valmet determines appropriate actions for specific material negative impacts, e.g., reported confirmed cases in TrustLine, on a case-by-case basis and relies on trend data to identify the need for possible wider action.

Valmet understands the benefits of active dialogue with its employees and therefore supports activities that foster different forms of dialogue. Besides the types of engagement shown in Table S1-2, Valmet also recommends holding regular one-to-ones and team meetings, site-specific town-halls, feedback surveys, info sessions, and local management-employee forums. Valmet assesses the effectiveness of these measures by monitoring employee sentiment levels and other trends through Valmet's change pulse surveys.

In 2025, Valmet initiated company-wide change negotiations as part of its operating model renewal. Throughout the process Valmet remained committed to working closely with its employees and their representatives, including its European Works Council, to ensure a smooth negotiation process. Valmet used a global internal info site, CEO Q&A sessions and regular internal articles to address questions and provide progress updates for employees. Additionally, a series of change pulse surveys was conducted after the close of negotiations.

**Health and safety**

Valmet aims to ensure that a strong safety culture, excellent processes, and effective practices are in place to identify and control hazards before they cause harm. Everyone is expected to take responsibility for healthy and safe behaviors as defined in the Valmet senior manager, manager, and employee roles. To support a fair, just, and caring safety culture Valmet continuously

invests in training and awareness activities to enhance safety leadership, engagement, and mindsets. In 2025, a global health and safety culture survey was conducted to get a better understanding of the current state of Valmet's safety culture. A Health, Safety, and Environment awareness week is held globally in September each year.

Valmet promotes joint workforce-management Health, Safety, and Environment Committees in all locations, and 95 (95) percent of the employees are currently represented by a committee that focuses on local safety risk reduction and health promotion. In addition, Valmet collaborates actively with customers and suppliers to promote best practices and improve health, safety, and the environment in common worksites in customer facilities.

Valmet's Global Management System (GMS) ensures strong health and safety management is integrated into business processes. Valmet has four Life Saving Rules and fifteen Minimum Safety Standards to ensure the hierarchy of controls is implemented globally in all high-risk activities. Locations with health, safety, and environment risks are certified according to the ISO 45001:2018 (health and safety) management standard and are regularly audited. Valmet monitors and openly communicates health and safety performance to enable the continuous development of Valmet's approach.



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Continuous improvement of Health, Safety, and Environment is one of Valmet's HSE strategy focus areas, with actions defined each year and cascaded through annual planning and target setting across the organization. As a key element of this initiative, Valmet's operations implement annual injury and illness prevention actions. During 2025, quarterly campaigns were implemented through training, communications, inspections, and procedure development concerning fire prevention and emergency preparedness.

To drive and inform continuous improvement, employees and other stakeholders are encouraged to report health and safety incidents, improvement ideas, and observations through Valmet's reporting portal, including anonymously. All injuries and illness cases, as well as high potential near-miss cases, are thoroughly investigated, and actions are taken to prevent similar incidents in the future. Employees are covered by work-related injury and illness insurance in all Valmet's operations with access to compensation and support mechanisms.

Effectiveness of initiatives and actions to protect health and safety is tracked by following trends in injury and illness frequency and severity, as well as proactive safety performance indicators, as part of business reporting and management.

#### Equal treatment and opportunities for all

As stated in the Equal Opportunity and Diversity Policy, Valmet is committed to promoting equal opportunities for all employees, regardless of gender, age, race, religion or beliefs, ethnic or national origins, marital/civil partnership status, sexuality, or disability. Valmet recognizes the business benefits of having a diverse workforce and aims to create and sustain a work environment that values diversity and provides equal opportunities to everyone.

Valmet has a significant gender imbalance in its workforce, partly due to the industry in which it operates, which can cause unintentional bias and unfair treatment for underrepresented groups, e.g., in recruitment, career progression, and pay equity.

Valmet mitigates this impact mainly by ensuring common ways of operating as outlined below:

- Global non-discrimination, anti-harassment, and equal opportunities policies direct how Valmet operates. The principles of these policies are built into Valmet's people processes such as the recruitment and salary planning processes.
- Global procedures for compensation management, performance management, and resourcing are documented in Valmet's Global Management System and implemented via Valmet's Human Resources system.
- Communication on and training in Valmet's people processes is provided to stakeholder groups.
- Reporting on process outcomes is used for continuous improvement, to evaluate effectiveness, and to identify and establish plans to correct gaps and inconsistent practices which may exist in the organization. For example, Valmet implemented a new report type for managers and HR to evaluate consistency in objective setting practices in 2025.

Effectiveness of actions is also tracked and assessed through the complaints monitoring process and identifying significant developments.

#### Due diligence processes

Valmet has embedded human rights due diligence into its management systems and in key processes. Valmet systematically manages operational changes to ensure that potential negative social impacts are identified in the planning stage and prevented or mitigated during change execution. Risk assessments are conducted, action plans created, and audits and other checks performed.

As part of Sustainability Due Diligence Framework, Valmet conducts Human Rights Impact Assessments in high-risk locations and in the value chain. Valmet is committed to conducting at least one large assessment annually. Assessments are carried out by an independent third party. The impact assessment methodology is based on dialogue with affected

stakeholders and aims to engage with a wide range of affected individuals, focusing on especially vulnerable groups. As a part of the process, corrective action plans are drafted based on the assessment findings, and the progress of the remediation plans are followed up. More information about Valmet's Sustainability Due Diligence Framework is disclosed under ESRS 2 GOV-4.



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**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

S1-5 MDR-T

Material sustainability topic	Related material impact	Target	Key performance indicator	Base year	Base line	Scope	Progress and trends in 2025	Target monitoring	Relevant policy	
<b>Working conditions</b>	Enabling social and other forms of dialogue  Collective bargaining and freedom of association practices	At least one Human Rights Impact Assessment per year in own operations and in the upstream value chain based on the risks identified	Number of assessments conducted	2017	1	Own operations and upstream value chain	Large Human Rights Impact Assessments were conducted covering one customer project site and six sub-contractors	Annually in Sustainability function	Human Rights Policy Statement	
		Transition to a quarterly listening approach for assessing employee engagement by the end of 2026	Conduct quarterly surveys; establish baseline data	2025	2	Own employees	New target; two pulse surveys run in 2025	Quarterly in People and Culture function	Not applicable	
	Exposure to health and safety risks	>90% of employees work in ISO 45001 certified locations by 2030	% employees in Valmet's Human Resources system working in a location listed on Valmet's multisite ISO 45001 certificate		2022	75%	Own employees	In 2025, 13 (12) additional locations achieved certification. At the end of the year, 81% (79) of employees worked in an ISO 45001 certified location.	Annually in Management Teams and monthly in business management and review processes	Health, Safety and Environment Policy
		Reduction in injury severity	Number of high-consequence injuries leading to permanent disability, loss of life, or more than 180 days' absence reported in Spotlight		2022	9	Own employees	In 2025, there were 4 (3) high consequence injuries.	Monthly in business management reporting and review processes.	Health, Safety and Environment Policy
		Continuous reduction in injury frequency	Total recordable injury frequency (TRIF): calculated injuries reported in Spotlight and theoretical work hours of 160 hours per employee in Valmet's Human Resources system per month		2022	3.2	Own employees	In 2025, TRIF remained at 3.2 (3.2). Integration of acquired operations to Valmet's HSE culture, processes and practices remained a focus.	Monthly in business management reporting and review processes.	Health, Safety and Environment Policy
		Four Health, Safety and Environment walks, inspections and conversations per line manager per year in 2025 <sup>1</sup>	Number of reported walks, inspections and conversations by line managers in Spotlight per total number of line managers in Valmet's Human Resources system per year		2022	4.7	Line managers	The number of Health, Safety and Environment walks, inspections and conversations by line managers in 2025 was 5.0. Last year's figure (8.4) included all the reported walks, talks and conversations, not only the ones done by the line managers.	Monthly in business management reporting and review processes.	Health, Safety and Environment Policy
		Four Health, Safety and Environment event reports per employee in 2025	Number of Health, Safety and Environment events reports in Spotlight per number of employees in Valmet's Human Resources system		2022	2.6	Own employees	The number of Health, Safety and Environment events reported in 2025 remained on the same level: 3.4 (3.4) per employee.	Monthly in business management reporting and review processes.	Health, Safety and Environment Policy
<b>Equal treatment and opportunities for all</b>	Consequences of gender imbalance	Increase the share of women in science, technology, engineering and mathematics (STEM) positions to 13% by 2026	% women with STEM-related education in Valmet's Human Resources system, with the assumption that individuals with STEM-related education work in STEM-related roles.	2024	12.4%	Own employees with education data in Valmet's Human Resources system	In 2025, the share of women in STEM-related roles increased to 12.6% (12.4)	Annually in annual reporting	Equal Opportunity and Diversity Policy	

<sup>1</sup> The calculation method for walks, inspections and conversations per line manager has been changed from 2024. In 2025, only walks, inspections and conversations done by the line managers are counted, not all reported walks, inspections and conversations as in 2024.



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Valmet has set the targets listed in the table to reduce negative impacts and advance positive impacts on its own workforce. The targets were set as part of Valmet's strategy and annual planning process which are conducted in all Valmet's business areas and functions. Valmet employees are not directly involved in the target setting process.

The target related to Human Rights Impact Assessment is set and monitored by the Sustainability function. The targets related to employee engagement and women in STEM are set and monitored by the People and Culture leadership team. The new targets replace the ones disclosed in 2024, which were related to the same topics.

The targets related to Health and safety are set and monitored by the Health, Safety and Environment and Supply Sustainability function. Health, Safety and Environment committees, which also include the workers' representatives, have a role in tracking the performance against the targets and identifying lessons or improvements as a result of the performance.

All metrics are calculated based on the data in Valmet's global Human Resources system, and/or Valmet's global Health, Safety and Environmental management system, Spotlight, as of the end of reporting year. More details on used calculation methods are described below each table where necessary.



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## Characteristics of the undertaking's employees

S1-6

#### Employees by country (headcount for countries with >50 empl. representing >10% total empl.)

	2025	2024
Finland	5,869	6,186
China	2,283	2,388
US	2,073	2,191
<b>Total</b>	<b>10,225</b>	<b>10,765</b>

#### Employees by gender (headcount)<sup>1</sup>

	2025	2024
Male	14,641	15,222
Female	3,844	4,087
Not disclosed	2	1
<b>Total</b>	<b>18,487</b>	<b>19,310</b>

<sup>1</sup> Consolidated financial statements, Note 14. Personnel expenses and number of personnel.

The employee data is reported in headcount as of the end of the reporting period and includes all active employees and employees from the companies acquired during the year. The number of employees excluded from the active employee data, namely, employees on leave of absence, e.g., study-leave, long-term sick leave, parental leave or garden leave was higher than normal due to the change negotiations and subsequent layoffs which took place during the year. The data source for information disclosed under the S1-6, S1-8, and S1-9 disclosure requirements is Valmet's global Human Resources system.

#### Key employee figures end of period (gender)<sup>1</sup>

	2025				2024			
	Female	Male	Not disclosed	Total	Female	Male	Not disclosed	Total
Number of employees (headcount)	3,844	14,641	2	18,487	4,087	15,222	1	19,310
Number of permanent employees (headcount)	3,402	13,590	1	16,993	3,600	14,132	1	17,733
Number of temporary employees (headcount)	442	1,051	1	1,494	487	1,090	0	1,577
Number of non-guaranteed hours employees (headcount)	109	196	1	306	94	185	0	279
Number of full-time employees (headcount)	3,597	14,271	1	17,869	3,842	14,831	1	18,674
Number of part-time employees (headcount)	247	370	1	618	245	391	0	636

<sup>1</sup> Gender as disclosed by employees themselves.

#### Turnover<sup>1</sup>

	Number of leavers 2025	Rate	Number of leavers 2024	Rate
Employees	2,058	9.1%	1,709	8.8%

<sup>1</sup> The number of leavers includes all employees, excluding summer trainees.

The turnover rate is calculated by dividing the total turnover by the 2025 average headcount, excluding leavers by mutual agreement related to Valmet's operating model renewal, and summer trainees. In 2024, headcount from acquisitions and disposals was excluded from the turnover rate.

#### Key employee figures by geographical area

2025	North America	Latin America	EMEA	China	Asia-Pacific	Total	2024
Number of employees (headcount)	2,316	1,630	10,565	2,283	1,693	18,487	19,310
Number of permanent employees (headcount)	2,315	1,501	10,007	1,503	1,667	16,993	17,733
Number of temporary employees (headcount)	1	129	558	780	26	1,494	1,577
Number of non-guaranteed hours employees (headcount)	0	0	306	0	0	306	279
Number of full-time employees (headcount)	2,311	1,630	9,958	2,283	1,687	17,869	18,674
Number of part-time employees (headcount)	5	0	607	0	6	618	636



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### Collective bargaining coverage and social dialogue

S1-8

Overall, 63 (62) percent of Valmet employees are covered by collective bargaining agreements, including multiple collective agreements within the EEA countries in which Valmet has operations. Working conditions are determined by the employer (Valmet) for employees who are not part of a collective agreement.

Valmet has a European Works Council (EWC) with representatives from different EU countries where it operates. According to the Agreement on the European Works Council of Valmet Corporation, the purpose of the group is to give employees access to information and the opportunity to be heard in multinational corporate-level matters, and to enhance dialogue between the employer and personnel at the European level.

Coverage rate	Collective Bargaining Coverage		Social dialogue
	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0–19%		North America	–
20–39%			–
40–59%		China <sup>1</sup>	–
60–79%			–
80–100%	Finland		Finland

<sup>1</sup> The 2025 data source is Valmet's global HR management system. In 2024 China data was collected with a country-specific process. In 2025, reported countries remained in same coverage rate ranges as in 2024



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### Diversity metrics

S1-9

#### Employees by age group

	2025	%	2024	%
Under 30 years old	1,973	10.7%	2,140	11.1%
Between 30 and 50 years old	10,037	54.3%	10,399	53.9%
Over 50 years old	6,477	35.0%	6,771	35.1%
<b>Total</b>	<b>18,487</b>		<b>19,310</b>	

#### Employees at top management<sup>1</sup> level

	2025	%	2024	%
Female	34	24.6%	40	21.4%
Male	104	75.4%	147	78.6%
Not disclosed	0	0.0%	0	0.0%
<b>Total</b>	<b>138</b>		<b>187</b>	

1 Executive Leadership Team and senior management (one and two levels below ELT).

### Health and safety metrics

S1-14

#### The percentage of people in Valmet's own workforce who are covered by the ISO 45001 health and safety management system based on legal requirements and/or recognized standards or guidelines and certified by an external party

	2025	2024
ISO 45001:2018 (Occupational health and safety management)	81%	79%

Valmet's ISO 45001 certificate is managed and reported globally through Valmet's Global Management System platform.

#### The number of fatalities as a result of work-related injuries<sup>1</sup>

	2025	2024
Employees	0	0
Other workers <sup>2</sup>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

1 Valmet omits separate non-employee data reporting in 2025.

2 Contracted workforce whose work or workplace is controlled by Valmet (including non-employees in 2025).

#### The number of fatalities as a result of work-related ill health<sup>1</sup>

	2025	2024
Employees	0	0
Other workers <sup>2</sup>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

1 Valmet omits separate non-employee data reporting in 2025.

2 Contracted workforce whose work or workplace is controlled by Valmet (including non-employees in 2025).

#### The number of recordable work-related accidents<sup>1</sup>

Employees	2025	2024
North America	12	16
Latin America	26	10
EMEA	67	80
China	7	11
Asia-Pacific	3	1
<b>Total</b>	<b>115</b>	<b>118</b>

1 A recordable work-related accident results in death, days away from work, restricted work or transfer to another job, or medical treatment beyond first aid (first aid cases are excluded). Valmet omits non-employee data reporting in 2025.

#### The rate of recordable work-related accidents (Total recordable incident frequency by region, TRIF)<sup>1</sup>

Employees	2025	2024
North America	2.6	3.6
Latin America	8.5	4.0
EMEA	3.2	3.6
China	1.6	2.4
Asia-Pacific	0.9	0.3
<b>Total</b>	<b>3.2</b>	<b>3.2</b>

1 A recordable work-related accident results in death, days away from work, restricted work or transfer to another job, or medical treatment beyond first aid (first aid cases are excluded). Valmet omits non-employee data reporting in 2025.

#### The number of cases of recordable work-related ill health subject to legal restrictions on collection

Employees	2025	2024
North America	3	3
Latin America	0	0
EMEA	6	17
China	0	0
Asia-Pacific	2	0
<b>Total</b>	<b>11</b>	<b>20</b>

#### The number of days lost to work-related injuries and fatalities from work-related accidents

Employees	2025	2024
North America	2	592
Latin America	272	22
EMEA	1,146	1,480
China	106	624
Asia-Pacific	3	17
<b>Total</b>	<b>1,529</b>	<b>2,735</b>

#### The number of days lost to work-related ill health and fatalities from ill health

Employees	2025	2024
North America	0	217
Latin America	0	0
EMEA	178	205
China	0	0
Asia-Pacific	216	0
<b>Total</b>	<b>394</b>	<b>422</b>

Valmet uses its global platform, Spotlight, for reporting all incidents, non-conformities, near misses, observations, and improvement ideas in Valmet workplaces, including on customer sites.

### Compensation metrics (pay gap and total remuneration)

S1-16

#### Remuneration metrics

	2025	2024
Gender pay gap	9.2%	11.6%
Total remuneration ratio	29.20	48.60

#### Gender pay gap

The gender pay gap is defined as the difference of average pay levels between female and male employees, expressed as a percentage of the average pay level of male employees. Valmet calculates the gender pay gap using the base salary data available in Valmet's Human Resources system and any short- and/or long-term incentives paid out during the calendar year.

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**Limitations of the data**

The calculation does not include any other pay elements such as overtime payments, allowances, or benefits in kind. Nor does the calculation consider factors affecting pay comparability, such as role, local salary market, and individual or team performance.

Valmet is currently undertaking a pay equity project which, once completed, will provide a consistent mechanism for assessing pay equity across the company. This evaluation will consider the principles outlined in Valmet's Remuneration Policy, such as role, location, benchmark salary market, and performance. The initiative is scheduled for completion during 2026, ensuring Valmet is prepared to meet the requirements of the forthcoming EU directive on pay equity.

**Total Remuneration Ratio**

The total remuneration ratio is the ratio of the highest paid individual to the median annual total remuneration for all employees. Valmet calculates the total remuneration ratio using the base salary data available in Valmet's Human Resources system and any short- and/or long-term incentives paid out during the calendar year.

**Incidents, complaints and severe human rights impacts**

S1-17

**The number of work-related incidents of discrimination, including harassment, and complaints filed through channel for own workforce**

	2025	2024
Discrimination, including harassment	12	8
Complaints filed through channel for own people to raise concerns	13	12

Valmet reports confirmed work-related incidents of discrimination, including harassment which are against Valmet's Non-Discrimination and Anti-Harassment Policy or Valmet's Equal Opportunity and Diversity Policy. The discrimination, including harassment, cases are compiled from a monthly Human Resource reporting process and the Compliance Reporting Guideline process.

Complaints filed through channels to raise concerns by Valmet's own workforce are defined as those cases that are handled in accordance with the Compliance Reporting Guideline process that are related to working conditions and equal treatment and opportunities for all. The content of the process is disclosed in more detail in G1-1. The number of complaints received from Valmet's own workforce is collected from a summary of all the cases that were handled in accordance with the misconduct investigation process, which is described in detail in the Compliance Reporting Guideline.

Valmet has not received any fines or penalties, or paid compensation in 2025 for damages as a result of the incidents and complaints disclosed in S1-17.

**The number of severe human rights incidents connected to own workforce**

	2025	2024
Number of cases of severe human rights incidents	0	0
Amount of fines, penalties and compensation issued/paid for damages for severe human rights incidents (EUR)	0	0

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**S2: Workers in the value chain**

**Strategy**

**Interests and views of stakeholders**

ESRS 2 SBM-2

This information is disclosed under ESRS 2 SBM-2.

**Material impacts, risks and opportunities and their interaction with strategy and business model**

ESRS 2 SBM-3

This information is disclosed under ESRS 2 SBM-3.

**Impact, risk and opportunity management**

**Policies related to value chain workers**

S2-1 MDR-P

Valmet has adopted the Valmet Human Rights Policy Statement, the Valmet Supplier Code of Conduct, and the Valmet Health, Safety, and Environment (HSE) Policy to manage, among other impacts, the following material impacts related to working conditions and other work-related rights of value-chain workers:

- Collective bargaining, freedom of association, adequate wages and working time (actual negative impact)
- Exposure to health and safety risks (actual negative impact)
- Measures to improve working conditions and health and safety (potential positive impact)
- Risks to vulnerable value chain workers (potential negative impact)
- Access to adequate housing and sanitation (potential negative impact).

Valmet’s policies regarding value chain workers have initially been set by the relevant owners and key stakeholders from Procurement, Sustainability, HSE, and Valmet’s Legal functions. All policies are regularly reviewed in accordance with the company’s governance model. The monitoring of all policies is in line with Valmet’s internal control principles and the principles

of Valmet’s corporate culture, defined in more detail under ESRS 2 GOV-5.

**Valmet Supplier Code of Conduct**

The Supplier Code of Conduct defines principles with which suppliers are required to comply. The requirements are applicable to Valmet’s suppliers. The supplier must ensure that all its employees, permanent and temporary, as well as its suppliers and sub-suppliers, recognize and comply with the requirements set out in the Supplier Code of Conduct.

Valmet’s Supplier Code of Conduct covers Human Rights and Valmet expects suppliers to respect internationally recognized human rights and have a due diligence process in place to measure, prevent, and mitigate negative human rights impacts and to avoid causing, contributing, or being linked to negative human rights impacts. Compliance with all applicable national and international laws and regulations is the starting point of adhering to the Supplier Code of Conduct. The following human rights topics are addressed in the Supplier Code of Conduct: minimum wage; fair compensation and a living wage; work contracts; freedom of association and collective bargaining; child labor; special protection for young workers; forced labor; modern slavery and trafficking in human beings; working hours and rest periods; discrimination; harassment; occupational health and safety; local communities and indigenous people; and business ethics.

Suppliers are expected to have effective grievance mechanisms in place for concerns raised by workers within their operations and to ensure that those who report suspected or actual violations are protected from retaliation. Additionally, value-chain employees can report their concerns anonymously 24/7 using the Valmet’s third-party-operated channel, TrustLine. The Executive Vice President of Global Supply is responsible for the implementation of the Supplier Code of Conduct. The process for monitoring the implementation of the requirements includes Supplier Sustainability Audits, Human Rights Impact Assessments and following up the cases reported through TrustLine. The code is

applicable to Valmet’s suppliers and is available on the company website.

**Valmet Health, Safety, and Environment (HSE) Policy**

Valmet Health, Safety, and Environment (HSE) Policy states Valmet’s commitment to protecting the health, safety, and environment of its people, partners, suppliers, and customers, as well as the communities where it operates. The MDR-P requirements for the policy are disclosed under S1-1.

**Valmet Human Rights Policy Statement**

Valmet’s Human Rights Policy Statement defines Valmet’s commitment to respecting and promoting human rights in compliance with the UN Guiding Principles on Business and Human Rights and acknowledges that promoting human rights is fundamental for carrying out its business responsibly.

The Policy Statement applies to all employees and entities within Valmet, and to all the company’s stakeholder relationships. Valmet works with and encourages its business partners to uphold the principles in this policy statement within their businesses. With the authority provided by the President and Chief Executive Officer, the Vice President of Sustainability is the most senior level accountable for the policy’s implementation. The process for monitoring the implementation of the Valmet Human Rights Policy Statement includes reporting and following up on incidents and complaints filed through a third-party-operated reporting channel (TrustLine), Valmet’s Human Rights Impact Assessments, and Sustainable Supply Chain process.

To ensure compliance with its Human Rights Policy Statement, Valmet has a Sustainability Due Diligence Framework, which is based on the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. More information about Valmet’s due diligence framework is disclosed under ESRS 2 GOV-4 and S2-4 in this report.

As stated in Valmet’s Human Rights Policy Statement, Valmet respects and promotes the protection of human rights as expressed in all internationally recognized human rights



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declarations and conventions such as the UN Universal Declaration of Human Rights, the UN Covenant on Civil and Political Rights, the UN Covenant on Economic, Social and Cultural Rights and the International Labour Organization's (ILO) Declaration of Fundamental Principles and Rights at Work. Valmet also operates in accordance with and promotes the principles described in the United Nation's (UN) Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

In addition to the Valmet Human Rights Policy Statement, Valmet's commitment to respecting and promoting human rights is fully integrated into the Group's operating policies such as Valmet's Code of Conduct and Valmet's Supplier Code of Conduct. As a global enterprise and employer, Valmet operates in full compliance with all applicable national and international laws, regulations and generally accepted practices and its own Code of Conduct, whichever sets higher standards.

Through its sustainability due diligence practices, Valmet identified cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises in its value chain in 2025. These cases were related to working hours, lack of freedom of association and collective bargaining, health and safety, employment terms of posted workers and inadequate wages. Incidents of higher severity, which are related to recruitment fees and rights of migrant workers in the lower tiers of the value chain, have been identified. Valmet has addressed and taken action to remedy these incidents with the relevant value chain parties.

Information about the measures to provide and enable remedy for human rights impacts is disclosed under S1-3, S2-3, and S2-4 in this Sustainability Statement. Valmet's approach to engagement with value chain workers can be found under S2-2.

### Process for engaging with value chain workers about impacts

S2-2

Valmet engages and collaborates with its suppliers and supply-chain workers and assesses the effectiveness of the engagement with suppliers' workers through its Sustainability Due Diligence Framework. These activities encompass Valmet's Sustainable Supply Chain Process, Supplier Engagement Program, Human Rights Impact Assessments, Sustainability Impact Assessment of business changes, and local Health, Safety and Environment activities on sites and reporting portals.

Valmet has implemented a Supplier Engagement Program based on the principles of its Supplier Code of Conduct. The program supports and monitors suppliers' performance and provides hands-on tools and training for suppliers to take the most critical steps to develop their sustainability practices. This program also serves as a means to engage value-chain workers on both actual and potential material impacts.

The Supplier Engagement Program includes access to a capacity-building library with tangible development tools, e-learning courses, and practical handbooks, which aim to increase awareness and give practical advice on how to develop more sustainable business practices. As part of the program, supplier-specific targets and key performance indicators are set, and related actions are followed up for each participating supplier, aiming for visible improvements in their operations.

Valmet encourages its suppliers and business partners to contribute development ideas via an external reporting portal, Spotlight. This portal is designed for Valmet's customers, value-chain workers, suppliers, contractors, and other stakeholders for managing events related to health, safety, and the environment, and continuous improvement in all Valmet operations. Spotlight is used for reporting all incidents, non-conformities, near-misses, observations, and improvement ideas in Valmet workplaces, including on customer sites. Valmet continually refines and enhances its processes based on the feedback received through this portal.

Human Rights Impact Assessments are specifically designed to engage directly with affected stakeholders, value chain workers and local stakeholders alike, and the methodology is based on dialogue. The impact assessment aims to engage with a wide range of affected individuals, focusing on especially vulnerable groups. Valmet aims to conduct at least one in-depth impact assessment a year, and the number of the interviews conducted per impact assessment depends on the scope and location. Value-chain workers are also always engaged in individual interviews during the Supplier Sustainability Audits. Around 10 value chain worker interviews are conducted in each audit. More information about Supplier Audits and Human Rights Impact Assessments is disclosed under S2-4. Valmet also engages with value chain workers when conducting Sustainability Impact Assessments of business changes. More information about this assessment is disclosed under S2-3.

Valmet's value-chain workers in Valmet and customer premises are continuously engaged in local Health, Safety and Environment activities and events where feedback is actively sought and collected, including Health, Safety and Environment induction training before starting work, daily toolbox talks, Injury Prevention Programs, and Health, Safety and Environment days. In 2025, 29 (27) Subcontractor Health, Safety and Environment days and events were held. In Valmet's premises, Health, Safety and Environment Committees interact with location-based value-chain workers as part of their agenda every day.

To support capacity building, Valmet offers employee e-learning courses such as Valmet's Code of Conduct, Human Rights, and Sustainability at Valmet e-learning courses, which are also freely available to value chain workers on the online PartnerAcademy platform.

The Vice President of Procurement, Vice President of Sustainability, and Vice President of Health, Safety, and Environment and Supply Sustainability are the most senior roles in the organization that have operational responsibility for ensuring that the engagement with value chain workers happens.

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**Process to remediate negative impacts and channels for value chain workers to raise concerns**

S2-3

Valmet encourages its own workforce and all its stakeholders, including value-chain workers, to raise concerns about possible violations of Valmet's Code of Conduct, unethical business behavior, or other misconduct. Valmet also offers its TrustLine channel for reporting suspected violations of Valmet's Code of Conduct. TrustLine is available for everyone 24/7 in Valmet's intranet and on its external website, and it is designed to guarantee anonymity. It provides Valmet employees and other stakeholders, including value-chain workers, with the possibility to report concerns anonymously and in their native language. The process of tracking and monitoring issues raised, and how individuals who use the reporting channel are protected, is described in more detail under G1-1.

As a part of Valmet's human rights due diligence processes, Valmet has a remediation process in place. Actions to provide or contribute to remedies for material negative impacts on value-chain workers depend on the nature of the case. In the event of a serious human rights violation, an Incident Management Team is established to coordinate the remediation actions and to ensure their implementation. To assess the effectiveness of the remedy provided, Valmet has a regular practice to follow up the status of the corrective action plans and conduct follow-up visits as required. For serious health and safety incidents, Valmet has a Health and Safety incident investigation guideline, which includes the approach for corrective actions.

Valmet's Sustainability and Due Diligence Compliance Committee oversees the implementation of due diligence practices. In cases of non-compliance or incidents the committee discusses and decides on mitigation actions, handles grievances, and determines remedy plans. The topics addressed by the committee include human rights, environmental compliance, supplier sustainability, sustainability in projects, and health and safety which often relate to value chain workers.

Valmet supports its business partners in continuous improvement and does not terminate cooperation with a supplier that undertakes to resolve the grievances identified in the Supplier Audits or Human Rights Impact Assessments. The implementation of corrective action plans and the follow-up of the remediation process are integral components of both Supplier Audits and Human Rights Impact Assessments. Suppliers are excluded from contracting if they cannot achieve a remediation plan within a set time frame, or if suppliers are unwilling to comply with the corrective actions.



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**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**

S2-4 MDR-A

Material sustainability topic	Related material impact in brief	Action	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target if applicable
<b>Working conditions and other work-related rights</b>	Collective bargaining, freedom of association, adequate wages and working time	Human Rights Impact Assessment in value chain for suppliers with a heightened risk	Identification and control of risks	Upstream value chain	2025, continuous	Sustainability function, Procurement function	See progress in S2-5	At least one Human Rights Impact Assessment per year in own operations and in the value chain based on the risks identified
	Exposure to health and safety risks	Training employees and suppliers in Valmet's Supplier Code of Conduct	Improved awareness of and compliance with Valmet's social and environmental standards in the supply chain	Own operations and upstream value chain	2025	Procurement function	Progressing as planned	75% of suppliers by spend have signed Valmet's Supplier Code of Conduct by the end of 2025
	Measures to improve working conditions, and health and safety							90% of suppliers by spend have signed Valmet's Supplier Code of Conduct by the end of 2026
	Risks to vulnerable value chain workers	Sustainable Supply Chain process, including Supplier Sustainability Audits	Management of social and environmental sustainability risks and improvement of working conditions in the upstream value chain	Upstream value chain	2025, continuous	Procurement function	See progress in S2-5	Minimum of 40 Supplier Sustainability Audits conducted per year
		Sustainability impact assessment of business changes	Identification and control of risks	Own operations	2025, continuous	Sustainability function	Progressing as planned	No target, impact assessment always performed when there is a business change
		Implementation of a new supplier screening tool using sanctions and adverse media data	Identification and control of risks	Upstream value chain	2025	Procurement function	Progressing as planned	No target
	Access to adequate housing and sanitation	Expand the site supplier audit protocol to cover accommodation and sanitation	Management of impacts related to adequate housing and sanitation in the value chain	Upstream and downstream value chain	2025-2026	Procurement function	Progressing as planned	No target
	Exposure to health and safety risks	Site subcontracting and service supplier Health, Safety, and Environment management process	Provision of safe and healthy workplaces for all	Own operations and Valmet's operations in customer premises	2025, continuous	Health, Safety, Environment and Supply Sustainability function	See progress in S2-5	Continuous reduction in injury frequency to value chain workers (contracted workforce) whose work or workplace is controlled by Valmet
Measures to improve working conditions and health and safety								

The key actions listed in the table address the material impacts related to working conditions and other work-related rights of value chain workers.



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### Valmet's Sustainability Due Diligence Framework

Valmet has embedded sustainability due diligence into its policies, management systems and key processes. Valmet's Sustainability Due Diligence Framework covers Valmet's entire value chain and includes actions and processes used to manage, i.a., material impacts related to working conditions and other work-related rights of value-chain workers. The key actions listed in the table above are part of Valmet's Due Diligence Framework, through which Valmet mitigates and prevents negative material impacts on value chain workers and aims to achieve positive impacts for value chain workers. More details about Valmet's Sustainability Due Diligence Framework can be found under ESRS 2 GOV-4. Cases of human rights issues and incidents identified in 2025 have been reported under S2-1.

### Sustainable Supply Chain Process

To identify, assess, and manage social and environmental sustainability risks in the supply chain, Valmet has a global Supplier Sustainability Management Process which is integrated into Valmet's systems. The process is a two-tier approach, combining a standard onboarding procedure with a risk-based approach.

For new suppliers, Valmet applies an onboarding process that consists of:

- Supplier Code of Conduct
- Supplier risk screening
- Sustainability Risk Assessment
- Supplier Sustainability Self-Assessment.

For suppliers identified as high-risk, Valmet applies a risk-based Sustainability Due Diligence Process consisting of:

- Supplier Sustainability Audits conducted by an external auditor
- Human Rights Impact Assessment for suppliers with a heightened risk.

Suppliers' commitment to Valmet's Supplier Code of Conduct is the starting point for entering into a business relationship with Valmet. In addition, suppliers of manufactured goods must follow Valmet's minimum quality and health, safety and environment requirements for suppliers.

#### Supplier risk screening

To mitigate risks early in the supplier engagement process, all new suppliers undergo automated risk screening in Valmet's supplier management portal. This process identifies potential risks by assessing sanctions lists and adverse media data before starting the business relationship with Valmet.

#### Supplier Sustainability Risk Assessment and Self-Assessment

Valmet screens all new direct suppliers from a sustainability risk perspective, using environmental and social criteria based on the country of purchase and the purchasing category. Based on this assessment, Valmet's suppliers have been categorized into sustainability risk levels. Suppliers, depending on their risk category, are assigned to complete a Sustainability Self-Assessment. The Self-Assessment includes questions about suppliers' environmental and social responsibility, as well as their operating practices.

#### Supplier Sustainability Audits

To ensure compliance with the requirements of the Supplier Code of Conduct and with related local and international laws, Valmet has a systematic auditing framework in place. Valmet's Sustainability Audits follow Valmet's own auditing methodology based on Valmet's Supplier Code of Conduct and on the SA8000 and SMETA auditing frameworks, and the methodology covers human and labor rights, environmental impacts, and governance-related topics.

Valmet has identified increased sustainability risks on customers' sites, where many subcontractors and their subcontractors operate. A specific auditing process for site works suppliers has therefore been developed to engage with the workers on sites, monitor sub-contractors' compliance more efficiently, and

further increase the visibility of the supply chain beyond Tier 1 suppliers.

In 2025, Valmet conducted 57 (45) Supplier Sustainability Audits in 19 (15) countries with a third-party auditor. Suppliers' workers are always engaged during the Sustainability Audits. In 2025, the findings of these audits were mainly related to human and labor rights, health and safety, compliance and environmental management.

Valmet focuses on ensuring the audit follow-up process and the verification of agreed corrective actions. All the audited suppliers have an agreed corrective action plan in place, and Valmet supports suppliers with the implementation of identified corrective actions. Altogether, 93 (94) percent of all corrective actions agreed with suppliers as part of the auditing process since 2015 had been completed and verified by the end of 2025.

#### Human Rights Impact Assessments

Valmet conducts Human Rights Impact Assessments in its own locations and in its value chain. Valmet is committed to conducting at least one large assessment annually. Assessments are carried out by an independent third party. The Impact Assessment methodology is based on dialogue with affected stakeholders and aims to engage with a wide range of affected individuals, focusing on especially vulnerable groups. The assessments include desktop research, extensive fieldwork and engagement with affected stakeholders; employees, local communities, leased workforce, and value chain workers such as service providers and suppliers' workers.

Since 2017, Valmet has conducted assessments globally in China, Indonesia, Thailand, India, Poland, Portugal, Sweden, and Czech Republic. Most of the findings were related to the position of service providers and subcontractors, collective bargaining, adequate wages, working hours and rest periods. As a part of the process, corrective action plans are drafted based on the assessment findings, and the progress of the remediation plans are followed up. In 2025, large Human Rights Impact



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Assessments were conducted covering one customer project site, and four sub-contractors.

### Health and safety management in Valmet and Customer premises

Valmet works to provide safe and healthy workplaces for all and actively collaborates with suppliers and customers to secure safety in common work premises. Valmet's approach to health and safety described in S1-4 includes processes for the management of supplier workers in Valmet's own operations and in customer premises.

Valmet's site subcontracting and service supplier Health, Safety and Environment Management Process includes the following steps:

- Health, Safety and Environment requirements are considered when selecting suppliers and are then also included in purchasing agreements
- Supplier workers are required to complete Health, Safety, and Environment induction to both Valmet and the specific workplace before starting work
- Risk assessment approval, safe work procedure review, and permits-to-work are done before work execution
- Regular inspections and audits check supplier health, safety, and environment compliance and secure improvement actions if required
- Supplier workers are recognized and rewarded by Valmet for good health, safety, and environment performance and receive direct feedback in the event of unsafe behavior or conditions
- Supplier workers are encouraged to report health, safety, and environment observations and improvement ideas, and provide health, safety, and environment feedback to others in the workplace
- Supplier-related health, safety, and environment near misses and incidents are reported and investigated, and improvement actions agreed
- Supplier workers are involved in Health, Safety, and Environment activities such as toolbox talks

- Every year, Valmet holds multiple Key Supplier Health, Safety, and Environment days at which health, safety, and environment commitment and expectations are aligned, management practices reviewed, and lessons and best practices shared.

### Sustainability Impact Assessment of business changes

Valmet carries out a comprehensive Sustainability Impact Assessment whenever there is a significant change in the market presence, such as the construction of a new site or service center, the relocation of an existing site, a new market entry, or a large customer project with an identified high impact on the environment, people, or local communities. The Sustainability Impact Assessment of business changes considers geographical and industry risks related to business ethics, human rights, and the environment. During the assessment, local stakeholders, local community representatives, employees, and workers in the value chain are engaged. Assessment findings are followed up and systematically mitigated, and the results are reviewed by the management. In 2025, two Sustainability Impact Assessments of business changes were conducted.

### Management of material impacts

The Vice President of Procurement is responsible for managing supply chain operations across Valmet's business areas, including the Sustainable Supply Chain Process. The Vice President of Procurement reports to the Executive Vice President of Global Supply.

The Vice President of Health, Safety, and Environment and Supply Sustainability is responsible for managing Health, Safety, and Environment operations across Valmet's business areas, including the Health, Safety and Environment Management Process, and reports to the Executive Vice President of Global Supply.

The Vice President of Sustainability is responsible for the Human Rights Policy Statement implementation, Sustainability Agenda,

and Sustainability Due Diligence Framework, and reports to the Executive Vice President of Strategy and Transformation.



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**Metrics and targets**

**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

S2-5 MDR-T

Material sustainability topic	Related material impact in brief	Target	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Target monitoring	Related policy
<b>Working conditions and other work-related rights</b>	Collective bargaining, freedom of association, adequate wages, and working hours	At least one Human Rights Impact Assessment per year in own operations and in the upstream value chain based on the risks identified	Number of assessments conducted	2017	1	Own operations and upstream value chain	Large Human Rights Impact Assessments were conducted covering one customer project site, and four sub-contractors	Annually in Sustainability function	Supplier Code of Conduct, Human Rights Policy Statement
	Measures to improve working conditions, and health and safety	Minimum 40 Supplier Sustainability Audits conducted per year	Number of Supplier Sustainability Audits conducted	2022	45	Upstream value chain	Valmet conducted 57 (45) Supplier Sustainability Audits with a third-party auditor	Quarterly in Procurement Management Team	Supplier Code of Conduct
	Risks to vulnerable value chain workers	75% of suppliers by spend have signed Valmet’s renewed Supplier Code of Conduct by the end of 2025	% of suppliers by spend have signed Valmet’s Supplier Code of Conduct	2025 <sup>1</sup>	0%	Upstream value chain	By the end of 2025, 77 % of suppliers by spend had signed Valmet’s Supplier Code of Conduct	Quarterly in Procurement Management Team	Supplier Code of Conduct
	Access to adequate housing and sanitation	90% of suppliers by spend have signed Valmet’s Supplier Code of Conduct by the end of 2026	% of suppliers by spend have signed Valmet’s Supplier Code of Conduct	2025	77%	Upstream value chain	New target set in 2025. The target progress will be reported for the first time in 2026.	Quarterly in Procurement Management Team	Supplier Code of Conduct
		40 sustainability due diligence measures (supplier audits, impact assessments, value chain worker engagement) for high risk operations per year	Number of sustainability due diligence measures	2025	58	Value chain	New target set in 2025. The target progress will be reported for the first time in 2026.	Annually in sustainability function	Supplier Code of Conduct, Human Rights Policy Statement
	Exposure to health and safety risks	Reduction in number of recordable work-related injuries to non-employee workers and contracted workforce whose work or workplace is controlled by Valmet	The number of recordable work-related injuries	2022	87	Own operations in Valmet and Customer premises	North America 1 (1) Latin America 24 (13) EMEA 36 (34) China 4 (3) Asia-Pacific 2 (0) TOTAL 67 (51)	Monthly in business management reporting and review processes	Health, Safety and Environment Policy
	Measures to improve working conditions, and health and safety	Reduction in injury frequency to non-employee workers and contracted workforce whose work or workplace is controlled by Valmet	Total recordable injury frequency (TRIF)	2022	4.7	Own operations in Valmet and Customer premises	In 2025, TRIF decreased to 4.2 (4.8)	Monthly in business management reporting and review processes	Health, Safety and Environment Policy
	Minimum 25 supplier Health, Safety, and Environment events per year	Number of Supplier Health, Safety and Environment events	2024	27	Contracted workforce in own operations in Valmet and Customer premises	In 2025, 29 (27) Supplier Health, Safety, and Environment days and events were held	Monthly in Health, Safety, Environment, and Supply Sustainability Management Team	Health, Safety and Environment Policy, Supplier Code of Conduct	

<sup>1</sup> Due to the introduction of Valmet’s new Supplier Code of Conduct, replacing the prior Sustainable Supply Chain Policy, the target has been renewed, and the baseline was set to zero on January 1, 2025.



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Valmet has set the targets listed in the table to reduce negative impacts and advance positive impacts on value chain workers. The absolute and relative targets address the objectives of the Human Rights Policy Statement, the Health, Safety and Environment (HSE) Policy, and the Supplier Code of Conduct. The targets were set as part of Valmet's strategy and annual planning process, which are conducted in all Valmet's business areas and functions. During the implementation of the targets, Valmet engaged with value chain workers. However, they were not involved in the target-setting or progress-monitoring phases.

Targets related to the Supplier Code of Conduct and supplier audits were set by the Procurement function and are monitored by the Procurement Leadership Team. The targets related to the Supplier Code of Conduct, set in 2025, followed the renewal of Valmet's Supplier Code of Conduct. The new targets replace the previous target disclosed in 2024, which was related to the Sustainable Supply Chain Policy.

The target related to the Human Rights Impact Assessment is set and monitored by the Sustainability function. The targets related to health and safety are set and monitored by the Health, Safety, and Environment and Supply Sustainability function.

In 2025, a new target related to the number of sustainability due diligence measures per year in the value chain was set by the sustainability team. Progress toward the target will be reported for the first time for 2026.

## Governance information

### G1: Business conduct

#### Governance

##### The role of the administrative, management and supervisory bodies

ESRS 2 GOV-1

This information is reported under ESRS 2 GOV-1.

#### Impact, risks, and opportunity management

##### Description of the processes to identify and assess material business conduct -related impacts, risks and opportunities

ESRS2 IRO-1

This information is reported under ESRS 2 IRO-1.

##### Corporate culture and business conduct policies

G1-1 MDR-P

Valmet has adopted Valmet's Code of Conduct, Anti-Corruption Policy, Know Your Business Partner Policy, Trade Compliance Guideline, Compliance Reporting Guideline, and Supplier Code of Conduct to manage the following material impacts related to business conduct matters:

- Actions to promote corporate culture (actual positive impact)
- Lack of ethical corporate culture (potential negative impact)
- Creating a safe environment for raising concerns (actual positive impact)
- Retaliation against whistleblowers (potential negative impact)
- Adequate measures to prevent corruption and bribery (actual positive impact)
- Inadequate measures to prevent corruption and bribery (potential negative impact)
- Promoting employment and sustainable business practices (actual positive impact)

- Non-compliance with payment practices (potential negative impact).

All policies are regularly reviewed in accordance with the company's governance model. The monitoring of all policies is in line with Valmet's internal control principles and the principles of Valmet's corporate culture, defined in more detail under ESRS 2 GOV-5.

#### Valmet's Code of Conduct

Valmet's Code of Conduct defines Valmet's requirements and expectations of corporate culture and includes business principles regarding compliance with laws and regulations, fair competition, anti-corruption compliance, reporting misconduct, and protection of Valmet's assets. The Code of Conduct also covers topics related to people, society, and the environment, such as human rights, equal opportunities, diversity and inclusion, a respectful work environment, health, safety, and wellbeing, environmental efficiency, climate and circularity, and a sustainable supply chain. Valmet's Code of Conduct is applicable to all Valmet employees. The Code of Conduct is available in Valmet's intranet and on its website in 27 languages. The Chief Executive Officer is the most senior level accountable for its implementation.

#### Valmet Anti-Corruption Policy

Valmet's Anti-Corruption Policy contains the requirements, rules and procedures that ensure all Valmet employees and those acting on Valmet's behalf understand and comply with all applicable anti-corruption laws in all Valmet's business operations and are not involved in any forms of bribery or corruption. It is applicable to all Valmet employees and those who act on Valmet's behalf. The Chief Executive Officer is the most senior level accountable for the policy's implementation.

#### Valmet Know Your Business Partner Policy

Valmet's Know Your Business Partner Policy defines the requirements and procedures to ensure Valmet knows who it is doing business with to mitigate risks and prevent violations of applicable laws and regulations, such as sanctions. The policy is

only for Valmet's internal use and is applicable to all Valmet employees. The Chief Financial Officer is the most senior level accountable for the policy's implementation.

#### Valmet Compliance Reporting Guideline

Valmet's Compliance Reporting Guideline describes the process for raising concerns of potential misconduct within Valmet and determines the investigation process. It also guarantees the protection of whistleblowers and includes details on how they are protected. It is applicable to all Valmet employees. The Executive Vice President Legal, and General Counsel, Chief Financial Officer, and Executive Vice President People, Communications and Culture are the most senior level accountable for the implementation of the guideline.

#### Valmet Trade Compliance Guideline

Valmet's Trade Compliance Guideline defines the requirements and procedures to ensure that Valmet complies with all applicable international and national laws and regulations governing the trade of goods, services, and technologies, such as export control and customs regulations. The guideline is approved by the Executive Leadership Team.

#### Valmet's Supplier Code of Conduct

The Supplier Code of Conduct defines principles with which suppliers are required to comply. The supplier must ensure that all its employees, permanent and temporary, as well as its suppliers and sub-suppliers, recognize and comply with the requirements set out in the code and all applicable national laws and regulations regarding human and labor rights. The MDR-P requirements for the Supplier Code of Conduct are disclosed under S2-1.

#### Corporate Culture and business conduct

Valmet's daily operations are directed by its general operating principles, which include Valmet's Code of Conduct and related policies. These principles form the basis of Valmet's ethical corporate culture and sustainable business practices. Valmet policies, business processes, procedures, guidelines, work



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instructions, and templates are stored and managed in the Valmet Handbook, accessible to all Valmet employees.

Valmet's Code of Conduct guides the actions and decisions of both Valmet's employees and its business partners. It is approved by the Valmet Board of Directors. Valmet's Code of Conduct covers topics such as Valmet's commitment to integrity, compliance with applicable laws, protection of Group property and personal data, rejection of corruption, respect for human rights, health, safety, and wellbeing, quality, and environmental topics. The Code of Conduct applies to everyone, everywhere, every day. The Code of Conduct includes references to Valmet's most important policies and other guidance related to business conduct, which must be followed by Valmet employees.

Valmet's Ethics and Compliance Program ensures that every employee understands their responsibility to maintain a strong corporate culture and conduct business ethically and legally. The program's purpose is to establish and develop an ethical corporate culture. This is achieved by creating and implementing policies and processes that support this goal. To ensure the Ethics and Compliance Program reaches all Valmet business areas, Valmet has an Ethics and Compliance Network that includes named members from each business area. This network ensures that ethical business conduct requirements and updates to the Ethics and Compliance Program are communicated and promoted globally throughout Valmet.

Valmet has a Group level Enterprise Risk Management Process which is overseen by the Corporate Risk Management function. Additionally, in 2025, Valmet conducted a separate Ethics and Compliance risk assessment that covers topics such as ethics and compliance culture, anti-corruption and bribery, speaking up, and Know Your Business Partner. In 2025, seven (4) corporate internal audits were conducted at Valmet's locations, including an evaluation of the effectiveness of anti-corruption and misconduct reporting processes.

Valmet provides Code of Conduct training and communications to its employees on all available internal channels to inform them of the Group's expectations and requirements related to

corporate culture and business conduct. A renewed Code of Conduct was published at the end of 2023, and in 2025, the focus was on ensuring that all Valmet employees were familiar with the Code of Conduct and requirements and were committed to following them. Valmet's Code of Conduct e-learning course reached a completion rate of 97 (98) percent by year-end 2025. 100 (100) percent of the Executive Leadership Team and 75 percent of Valmet's Board of Directors completed the e-learning course (2025 was the first year for the Board of Directors to complete the course). In some locations, the training has been held as classroom training for blue-collar employees who lacked access to laptops. The e-learning course includes sections on ethical business practices, the content of the Code of Conduct, and how to report potential concerns related to unethical behavior or misconduct. It is mandatory for all Valmet employees, and it must be completed by everyone every second year. All e-learning completion percentages are extracted automatically from Valmet's Human Resources system.

In 2024, Valmet completed a Functions-at-Risk Assessment to identify functions and business that were at a higher risk of being involved in bribery and corruption. The result was that these functions included business area management, Sales and Procurement in certain countries, and the Logistics function. In 2025, Valmet continued to train employees in these functions through the Valmet Anti-Corruption e-learning course.

#### Protection of whistleblowers

Valmet encourages employees and stakeholders to voice concerns about potential violations of its Code of Conduct, unethical business behavior, or other misconduct. Employees are advised to report suspected issues to their managers, other management, the People and Culture function, or directly to the Legal, Ethics and Compliance, and Internal Audit functions. Additionally, Valmet offers TrustLine, a third-party-operated reporting channel, for confidential and, if desired, anonymous reporting of suspected breaches. TrustLine is available 24/7 in Valmet's intranet and on its external website, allowing reports to be made online or via a call center. Valmet welcomes reports from both internal and external stakeholders.

Valmet does not tolerate retaliation against any person who reports suspected misconduct in good faith or assists in investigations. If a reporter feels that they are being subject to retaliation, they are advised to contact the Head of Internal Audit directly. All cases of retaliation are also reported to Valmet's Board Audit Committee.

To investigate potential misconduct, including allegations or suspected incidents of corruption and bribery, Valmet follows its Compliance Reporting Guideline. The process described in the guideline ensures that all matters within the scope of the process are investigated promptly, independently, and objectively. The guideline states that the reporting system and the process of handling the reports are managed by the Ethics and Compliance and Internal Audit functions. The guideline requires investigations to be led by an impartial person or function. Any persons who are or may be involved in the alleged misconduct will not be allowed to perform any investigative actions. The guideline contains details on how the investigations are handled, how potential consequences and follow-up are determined, and how the conclusions of the investigations are communicated to the whistleblower. In addition to the Compliance Reporting Guideline, Valmet has an Investigation documentation template with instructions on how case investigations are planned, conducted, and documented. They are both available to all employees in Valmet's intranet. The entire process has been amended in accordance with the requirements of Directive (EU) 2019/1937 and its applicable national implementations.

In 2025, Valmet renewed its operating model, based on which Valmet's Compliance Committee structure, which oversees misconduct investigations, was re-evaluated and updated. Prior to the 2025 operating model renewal, Valmet had five Area Compliance Committees reflecting the previous area organization approach, as well as a global Corporate Compliance Committee. Following the re-evaluation of the Compliance Committee structure, Valmet established eight business area Compliance Committees and a Sustainability and Due Diligence Compliance Committee. The already existing global Corporate Compliance Committee continued in its previous form.



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As a result, the total number of compliance committees following the 2025 update is ten (6) altogether.

Valmet's compliance committees ensure that follow-up actions and remedies are effective based on the facts of each case. Business area Compliance Committees have the authority to decide on and implement follow-up actions for their business area's investigated cases. The Sustainability and Due Diligence Compliance Committee decides on mitigation actions in cases of non-compliances and incidents regarding topics such as health and safety, environmental compliance, and human rights. The global Corporate Compliance Committee ensures that business areas have appropriately investigated, handled, and concluded reported cases, and that their follow-up actions align with corporate standards. Matters that cannot be handled within the business areas due to the nature of the case or potential conflicts are escalated to be handled by the global Corporate Compliance Committee. It has been agreed which cases are also reported to the Chief Executive Officer and/or Board Audit Committee. In 2025, 3 (4) cases were reported to the Board Audit Committee.



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**Taking action on material impacts on business conduct, and effectiveness of those actions**

G1 MDR-A

Material sustainability topic	Related material impact in brief	Action	Expected outcome	Scope	Time horizon	Resources to manage	Progress on actions	Related target if applicable
Corporate culture	Actions to promote corporate culture	Employee Code of Conduct e-learning course	Valmet's own workforce is committed to an ethical and legal corporate culture	Own operations	Continuous	Ethics and Compliance, People and Culture, Valmet line managers	Code of Conduct e-learning course is available in Valmet's intranet for all employees, and 97 (98) % have completed it by the end of 2025	100% of employees have completed Valmet's renewed Code of Conduct e-learning course
		Ethics and Compliance Network	Increasing ethics and compliance awareness across the Group	Own operations	Continuous	Ethics and Compliance	Three Ethics and Compliance Network meetings held during 2025	Not applicable
Corruption and bribery	Adequate measures to prevent corruption and bribery	Assessment of functions at risk of being involved in bribery and corruption completed in 2024. Continuous training for identified risk groups	Ability to target trainings to relevant functions	Own operations	Continuous	Ethics and Compliance	Progressing as planned	Not applicable
		Ethics and Compliance risk assessment, including evaluation of corruption and bribery risks	Appropriate control measures in place to prevent corruption and bribery	Own operations	Continuous	Ethics and Compliance	Completed	Not applicable

The actions listed in the table address the material impacts related to Corporate culture and Corruption and bribery. The actions address the objectives of Valmet's Code of Conduct.

**Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

G1-MDR-T

Material sustainability topic	Related material impact in brief	Target	Key performance indicator	Base year	Baseline	Scope	Progress in 2025	Related policy
Corporate culture	Actions to promote corporate culture	100% of employees have completed Valmet's renewed Code of Conduct e-learning course by 2026	% of employees having completed the Code of Conduct e-learning course	2023 (previous version of Code of Conduct e-learning)	89%	Own operations	The completion rate for the Code of Conduct e-learning was 97 (98)%.	Valmet's Code of Conduct

Valmet has set the targets listed in the table to reduce negative impacts and advance positive impacts on Corporate culture. The absolute targets address the objectives of Valmet's Code of Conduct. Targets are part of Valmet's Legal function's 2025

objectives, and are executed jointly by the Ethics and Compliance and People and Culture functions, and Valmet's line managers. Targets were set by Valmet's global Corporate Compliance Committee, which also monitors their progress.

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**Management of relationships with suppliers**

G1-2

Valmet's Global Supply function manages Valmet's supply chain activities, comprising direct procurement for the Biomaterial Solutions and Services segment and all indirect procurement and logistics globally. Process Performance Solutions segment's direct procurement activities are not included due to strong integration and limited synergies.

The Supplier Relationship Management Program is Valmet's systematic way of managing and developing Valmet's supplier relationships to optimize company value through proactive interaction, two-way performance monitoring, and risk minimizing. Valmet's aim is to develop mutually beneficial relationships with suppliers.

Valmet develops and manages supplier relationships to ensure that its supply meets demand expectations. Valmet's Global Supply aims to prevent risks related to the supplier base as much as possible. Risks are mitigated by systematic supplier relationship management and clear communication. Such risks can include the business continuity and financials of suppliers and their capacity, logistics, late deliveries and poor quality, reputational risks due to non-compliance with sustainability, legal and IPR risks, and profitability risks due to cost inflation. In addition, risks are managed by avoiding monopolistic suppliers, and the early involvement of the supply chain and suppliers, by making sound contracts with suppliers, using suitable and reliable suppliers, order and quality follow-up, and through audits and training.

Valmet's global payment policies define uniform guidelines for its supplier payment strategy and methods applicable in all Valmet units. Valmet aims for payment no later than the due date. Valmet's payment practices are described in section G1-6.

Valmet screens all new direct suppliers from a sustainability risk perspective, using environmental and social criteria. The screening criteria are based on Valmet's requirements in the Supplier Code of Conduct, covering business ethics, compliance,

human and labor rights, health, safety, climate, and environmental management, and product compliance and safety topics. Valmet has integrated both environmental and social criteria in its policies and related processes to ensure the environment and human rights are respected and promoted throughout the value chain.

The applicable policies, processes, and actions are further outlined in sections S2-1 and S2-4.

**Prevention and detection of corruption and bribery**

G1-3

Valmet has zero tolerance of all forms of bribery and corruption. Valmet is committed to conducting all activities in accordance with applicable anti-bribery and corruption laws and preventing corruption and bribery. Valmet's anti-corruption approach is set out in the Code of Conduct and related Anti-Corruption Policy, which clearly prohibits bribery and corruption. Valmet's Anti-Corruption Policy contains the rules and procedures that ensure all Valmet employees and those acting on its behalf understand and comply with applicable anti-corruption laws in all Valmet's business operations.

In addition to the Anti-Corruption Policy, Valmet has a supplementary Anti-Corruption Guideline for internal use. The Guideline contains more detailed requirements and instructions for Valmet employees to ensure that they are not involved in any form of corruption or bribery. The Guideline was updated in 2025 to include more guidance related to anti-money laundering and counter-terrorism financing. Valmet's Anti-Corruption Policy also contains the requirement to report any detected potential incidents of corruption or bribery. Valmet's Anti-Corruption Policy is available publicly on Valmet's external website and in Valmet's intranet, and the Anti-Corruption Guideline is available in Valmet's intranet.

If a Valmet employee detects an allegation or incident of corruption or bribery, they are required to report it to one of Valmet's misconduct reporting channels. The process for raising

concerns of unethical behavior and misconduct (including incidents of corruption or bribery) is described in more detail in G1-1. In addition, identifying possible incidents of corruption or bribery is part of corporate internal audits.

All cases of confirmed corruption or bribery are reported to the President and Chief Executive Officer, Chief Financial Officer, and the Board's Audit Committee.

In addition to the Anti-Corruption Policy and Guideline being available to Valmet employees, all Valmet employees need to complete a mandatory training session on the Code of Conduct, which includes a section on corruption and bribery. The e-learning course was updated in 2024, and it is mandatory training for all Valmet employees. For all new employees, the e-learning course is issued as part of their onboarding to Valmet. The e-learning course reached a completion rate of 97 (98) percent by year-end 2025. 100 (100) percent of the Executive Leadership Team and 75 percent of Valmet's Board of Directors completed the e-learning course (2025 was the first year for the Board of Directors to complete the course).

Valmet also has a more detailed Anti-Corruption e-learning course, which was updated in 2024. It goes through Valmet's rules and requirements related to corruption and bribery in more detail and includes several example cases for employees to apply the rules in practice. It was issued in November 2024 to functions at risk of corruption and bribery. The completion percentage for functions-at-risk by year-end 2025 was 90 (72) percent. It is clearly stated in the policy and training what the implications for being involved in corruption or bribery are.

All e-learning completion percentages are extracted from Valmet's Human Resources system.

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**Confirmed incidents of corruption and bribery**

G1-4

**Confirmed violations of anti-corruption and anti-bribery laws**

	2025	2024
Number of convictions	0	0
Amount of fines (EUR)	0	0

No actions were required to address breaches of anti-corruption and anti-bribery procedures and standards in 2025. Recent improvements made to the Anti-Corruption Compliance Program are detailed in section G1-3.

The number of convictions and amount of fines are extracted from Valmet's internal disputes register database.

**Payment practices**

G1-6

Valmet pays its suppliers on average 52 (53) days after the date when the contractual payment term starts to be calculated.

Valmet has updated its General Payment Conditions in 2025, and the standard payment terms are 90 (60) days for all suppliers and geographies. Depending on the circumstances, the payment terms may vary, and shortened payment terms can be acknowledged, including for example smaller suppliers. On average 99 (98) percent of invoices received by Valmet are aligned with payment terms of 90 (60) days or less.

The above disclosures are based on data covering approximately 79 (75) percent of Valmet's direct and indirect purchases.

Valmet is not party to any legal proceedings due to late payments.



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**List of datapoints in cross-cutting and topical standards that derive from other EU legislation**

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality based on Double Materiality Assessment	Location in Sustainability Statement (page number)
ESRS 2 GOV-1 Board’s gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5, Annex II)		Material	19
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	19
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	22
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d)	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	47
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	47
ESRS E1-4 GHG emission reduction target, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	50
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	53
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	53
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	53



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ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	54
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	54
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU)2021/1119, Article 2(1)	Not material	-
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material Phased in	-
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Material Phased in	-
ESRS E1-9 Location of significant assets at material physical risk paragraph 66(c)						
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a Regulation(EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Material Phased in	-
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material Phased in	-
ESRS 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	Indicator number 8 Table #1 of Annex 1; Indicator number 2 Table #2 of Annex 1; Indicator number 1 Table #2 of Annex 1; Indicator number 3 Table #2 of Annex 1				Not material	-
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1				Material	59
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	-
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	-
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	-
ESRS E3-4 Total water, consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	-



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ESRS 2 SMB3-E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	30
ESRS 2 SBM3-E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	30
ESRS 2 SBM3-E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	30
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Material	62
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Material	62
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Material	62
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	-
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	-
ESRS 2 SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				Material	32
ESRS 2 SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				Material	32
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	69
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	69
ESRS S1-1 processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex 1				Material	69
ESRS S1-1 workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex 1				Material	69
ESRS S1-3 grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1				Material	72
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	80



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ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1				Material	80
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	80
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1				Material	80
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1				Material	81
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	81
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex 1				Material	33
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material	82
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material	82
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guideline, paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	82
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	82
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	86
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	-
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	-
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	-



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ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	-
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	-
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	-
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not material	-
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	91
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	95
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	95



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EUR million	As at and for the twelve months ended December 31				
	2025	2024	2023	2022	2021
Orders received	<b>5,216</b>	5,837	4,955	5,194	4,740
Order backlog at end of year	<b>4,306</b>	4,452	3,973	4,403	4,096
Net sales	<b>5,197</b>	5,359	5,532	5,074	3,935
Net sales change, %	<b>-3%</b>	-3%	9%	29%	5%
Comparable EBITA	<b>620</b>	609	619	533	429
% of net sales	<b>11.9%</b>	11.4%	11.2%	10.5%	10.9%
EBITA	<b>534</b>	557	605	550	448
% of net sales	<b>10.3%</b>	10.4%	10.9%	10.8%	11.4%
Operating profit	<b>438</b>	449	507	436	399
% of net sales	<b>8.4%</b>	8.4%	9.2%	8.6%	10.1%
Profit before taxes	<b>376</b>	383	473	431	395
% of net sales	<b>7.2%</b>	7.2%	8.5%	8.5%	10.0%
Profit for the period	<b>279</b>	281	359	338	296
% of net sales	<b>5.4%</b>	5.2%	6.5%	6.7%	7.5%
Profit attributable to owners of the parent	<b>280</b>	280	357	337	296
Amortization	<b>-96</b>	-108	-98	-114	-49
Depreciation, property, plant and equipment (excl. right-of-use assets)	<b>-64</b>	-63	-58	-55	-47
Depreciation, right-of-use assets	<b>-49</b>	-48	-41	-34	-24
Depreciation and amortization, total	<b>-209</b>	-219	-196	-203	-120
% of net sales	<b>-4.0%</b>	-4.1%	-3.6%	-4.0%	-3.0%

EUR million	As at and for the twelve months ended December 31				
	2025	2024	2023	2022	2021
Cash flow provided by operating activities	<b>581</b>	554	352	36	482
Cash flow after investing activities	<b>483</b>	316	-181	56	382
Gross capital expenditure (excl. business combinations and right-of-use assets)	<b>-103</b>	-107	-125	-112	-97
Business combinations, net of cash acquired and loans repaid	<b>1</b>	-135	-415	117	-15
Cash conversion ratio, %	<b>109%</b>	100%	58%	7%	108%
Comparable cash conversion ratio, %	<b>94%</b>	91%	57%	7%	112%
Comparable return on capital employed (ROCE) before taxes, %	<b>13.0%</b>	12.7%	14.5%	17.0%	22.6%
Return on capital employed (ROCE) before taxes, %	<b>10.9%</b>	11.4%	14.2%	17.6%	23.7%
Total assets	<b>6,634</b>	6,832	7,064	6,271	4,420
Equity attributable to owners of the parent	<b>2,584</b>	2,607	2,565	2,494	1,326
Total equity	<b>2,590</b>	2,614	2,572	2,499	1,332
Interest-bearing liabilities	<b>1,461</b>	1,544	1,484	809	477
Net interest-bearing liabilities	<b>904</b>	1,032	1,027	502	-88
Net working capital (NWC)	<b>29</b>	134	191	-82	-673
Return on equity (ROE), %	<b>10.7%</b>	10.8%	14.1%	17.6%	23.9%
Net debt to EBITDA ratio	<b>1.40</b>	1.55	1.46	0.78	-0.17
Gearing, %	<b>35%</b>	39%	40%	20%	-7%
Equity to assets ratio, %	<b>45%</b>	44%	43%	49%	42%
Average number of personnel	<b>18,982</b>	19,297	18,130	16,554	14,163
Personnel at end of year	<b>18,487</b>	19,310	19,160	17,548	14,246



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## Formulas for calculation of indicators

In addition to financial performance indicators as defined by IFRS Accounting Standards, Valmet publishes certain other widely used measures of performance that can be derived from figures in the Consolidated statement of income and financial position, as well as notes thereto. The formulas for calculation of these alternative performance measures are presented below.

**EBITA:**

Operating profit + amortization

**Comparable EBITA:**

Operating profit + amortization +/- items affecting comparability

**Earnings per share:**

$\frac{\text{Profit attributable to shareholders of the Company}}{\text{Average number of outstanding shares during period}}$

**Diluted earnings per share:**

$\frac{\text{Profit attributable to shareholders of the Company}}{\text{Average number of diluted shares during period}}$

**Adjusted earnings per share:**

$\frac{\text{Profit attributable to shareholders of the Company - expensing of fair value adjustments recognized in business combinations, net of tax}}{\text{Average number of outstanding shares during period}}$

**Equity per share:**

$\frac{\text{Equity attributable to owners of the parent}}{\text{Number of outstanding shares at end of period}}$

**Return on equity (ROE), %:**

$\frac{\text{Profit for the period}}{\text{Total equity (average for period)}} \times 100$

**Return on capital employed (ROCE) before taxes, %:**

$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total equity + interest-bearing liabilities (average for period)}} \times 100$

**Comparable return on capital employed (ROCE) before taxes, %:**

$\frac{\text{Profit before taxes + interest and other financial expenses +/- items affecting comparability}}{\text{Total equity + interest-bearing liabilities (average for the period)}} \times 100$

**Equity to assets ratio, %:**

$\frac{\text{Total equity}}{\text{Balance sheet total - amounts due to customers under revenue contracts}} \times 100$

**Gearing, %:**

$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$

**Net interest-bearing liabilities:**

Non-current debt + non-current lease liabilities + current debt + current lease liabilities - cash and cash equivalents - other interest-bearing assets

**Net debt to EBITDA ratio:**

$\frac{\text{Net interest-bearing liabilities}}{\text{Operating profit + amortization + depreciation}}$

**Dividend per share:**

$\frac{\text{Dividend for the financial period}}{\text{Number of shares at end of period}}$

**Dividend payout ratio, %:**

$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$

**Effective dividend yield, %:**

$\frac{\text{Dividend per share}}{\text{Closing share price at end of period}} \times 100$

**Price / earnings ratio:**

$\frac{\text{Closing share price at end of period}}{\text{Earnings per share}}$

**Cash conversion ratio, %**

$\frac{\text{Cash flows from operating activities}}{\text{EBITA}} \times 100$

**Comparable cash conversion ratio, %**

$\frac{\text{Cash flows from operating activities}}{\text{Comparable EBITA}} \times 100$



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## Consolidated statement of income

EUR million	Note	2025	2024
Net sales	2, 3	5,197	5,359
Cost of goods sold	4, 5, 7, 14	-3,750	-3,878
<b>Gross profit</b>		<b>1,447</b>	1,481
Selling, general and administrative expenses	4, 5, 14, 19	-986	-1,000
Other operating income	20	25	25
Other operating expenses	20	-53	-59
Share in profits and losses of associated companies	23	5	2
<b>Operating profit</b>		<b>438</b>	449
Financial income	10	18	24
Financial expenses	10	-80	-90
<b>Profit before taxes</b>		<b>376</b>	383
Current tax expense		-138	-119
Deferred taxes		42	17
<b>Income taxes, total</b>	17	<b>-96</b>	-103
<b>Profit for the period</b>		<b>279</b>	281
<b>Attributable to:</b>			
Owners of the parent		280	280
Non-controlling interests		—	1
<b>Profit for the period</b>		<b>279</b>	281
<b>Earnings per share attributable to owners of the parent:</b>			
Earnings per share, EUR		1.52	1.52
Diluted earnings per share, EUR		1.52	1.52

## Consolidated statement of comprehensive income

EUR million	Note	2025	2024
Profit for the period		279	281
<b>Items that may be reclassified to profit or loss:</b>			
Gains and losses on cash flow hedges	8, 9, 18	15	-8
Change in fair value reserve	8	—	1
Currency translation on subsidiary net investments	18	-73	2
Share of other comprehensive income of associated companies accounted for using equity method	23	-1	—
Income tax relating to items that may be reclassified	17	-3	1
<b>Total items that may be reclassified to profit or loss</b>		<b>-61</b>	-3
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit plans	16	8	13
Income tax relating to items that will not be reclassified	17	-1	-3
<b>Total items that will not be reclassified to profit or loss</b>		<b>6</b>	10
<b>Other comprehensive income for the period</b>		<b>-55</b>	6
<b>Total comprehensive income for the period</b>		<b>225</b>	287
<b>Attributable to:</b>			
Owners of the parent		225	286
Non-controlling interests		—	1
<b>Total comprehensive income for the period</b>		<b>225</b>	287



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## Consolidated statement of financial position

### Assets

EUR million	Note	As at December 31,	
		2025	2024
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill		1,800	1,808
Other intangible assets		1,040	1,127
<b>Total intangible assets</b>	4	<b>2,840</b>	2,934
<b>Property, plant and equipment</b>			
Land and water areas		38	40
Buildings and structures		164	163
Machinery and equipment		292	283
Right-of-use assets		171	156
Assets under construction		75	83
<b>Total property, plant and equipment</b>	4, 5	<b>740</b>	726
<b>Other non-current assets</b>			
Investments in associated companies	23	19	17
Non-current financial assets	8, 9	35	40
Deferred tax assets	17	96	94
Non-current income tax receivables	17	6	39
Other non-current assets		46	37
<b>Total other non-current assets</b>		<b>203</b>	228
<b>Total non-current assets</b>		<b>3,782</b>	3,888
<b>Current assets</b>			
<b>Inventories</b>			
Materials and supplies		213	206
Work in progress		377	396
Finished products		294	301
<b>Total inventories</b>	7	<b>884</b>	903
<b>Receivables and other current assets</b>			
Trade receivables	8	769	862
Amounts due from customers under revenue contracts	3	327	344
Other current financial assets	8, 9	82	62
Income tax receivables		67	64
Other current assets	12	189	226
Cash and cash equivalents	8	535	482
<b>Total receivables and other current assets</b>		<b>1,968</b>	2,041
<b>Total current assets</b>		<b>2,852</b>	2,944
<b>Total assets</b>		<b>6,634</b>	6,832

### Equity and liabilities

EUR million	Note	As at December 31,	
		2025	2024
<b>Equity</b>			
Share capital		140	140
Reserve for invested unrestricted equity		1,380	1,375
Cumulative translation adjustments		-112	-40
Hedge and other reserves		8	-6
Retained earnings		1,168	1,137
<b>Equity attributable to owners of the parent</b>	18	<b>2,584</b>	2,607
<b>Non-controlling interests</b>		<b>6</b>	7
<b>Total equity</b>		<b>2,590</b>	2,614
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current debt	8	1,153	1,272
Non-current lease liabilities	5, 8	128	107
Employee benefit liabilities	16	156	157
Non-current provisions	11	20	28
Other non-current liabilities	8, 9	7	13
Deferred tax liabilities	17	246	284
<b>Total non-current liabilities</b>		<b>1,710</b>	1,862
<b>Current liabilities</b>			
Current debt	8	132	115
Current lease liabilities	5, 8	48	50
Trade payables	8	500	460
Current provisions	11	192	162
Amounts due to customers under revenue contracts	3	855	904
Other current financial liabilities	8, 9	41	31
Income tax liabilities		58	75
Other current liabilities	13	508	559
<b>Total current liabilities</b>		<b>2,334</b>	2,356
<b>Total liabilities</b>		<b>4,044</b>	4,218
<b>Total equity and liabilities</b>		<b>6,634</b>	6,832



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## Consolidated statement of cash flows

EUR million	Note	2025	2024
<b>Cash flows from operating activities</b>			
Profit for the period		279	281
Adjustments			
Depreciation and amortization	4, 5	209	219
Change in provisions <sup>1</sup>	11	17	-18
Financial income and expenses	10	62	65
Income taxes	17	96	103
Other non-cash items		52	31
Change in net working capital	6	39	61
Interest paid		-67	-74
Interest received		18	21
Income taxes paid		-125	-134
<b>Net cash provided by (+) / used in (-) operating activities</b>		<b>581</b>	554
<b>Cash flows from investing activities</b>			
Capital expenditure on fixed assets	4	-103	-107
Proceeds from sale of fixed assets		3	2
Business combinations, net of cash acquired and loans repaid	21	1	-135
Investments in associated companies	23	2	2
<b>Net cash provided by (+) / used in (-) investing activities</b>		<b>-97</b>	-238
<b>Cash flows from financing activities</b>			
Repurchase of own shares		-3	-3
Dividends paid	18	-249	-249
Proceeds from non-current debt		281	375
Repayments of current portion of non-current debt		-394	-290
Repayments of lease liabilities	8	-57	-52
Net proceeds from (+) / repayments of (-) current debt		16	-42
Financial investments		7	-7
<b>Net cash provided by (+) / used in (-) financing activities</b>		<b>-401</b>	-268
Net increase (+) / decrease (-) in cash and cash equivalents		83	48
Effect of changes in exchange rates on cash and cash equivalents		-30	3
Cash and cash equivalents at beginning of year	8	482	432
<b>Cash and cash equivalents at end of year</b>		<b>535</b>	482

<sup>1</sup> Change in provisions excluding items acquired in business combinations includes in 2025 a EUR 52 million addition in restructuring provision relating to the change negotiations of the operating model renewal out of which EUR 31 million has been used during 2025.



## Consolidated statement of changes in equity

EUR million	Note	Share capital	Reserve for invested unrestricted equity	Cumulative translation adjustments	Hedge and other reserves	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>Balance at January 1, 2025</b>		<b>140</b>	<b>1,375</b>	<b>-40</b>	<b>-6</b>	<b>1,137</b>	<b>2,607</b>	<b>7</b>	<b>2,614</b>
Profit for the period		—	—	—	—	280	280	—	279
<b>Other comprehensive income for the period</b>									
Gains and losses on cash flow hedges									
Fair value gains and losses, net of tax		—	—	—	27	—	27	—	27
Transferred to profit or loss, net of tax		—	—	—	-14	—	-14	—	-14
Change in fair value reserve, net of tax		—	—	—	—	—	—	—	—
Currency translation on subsidiary net investments		—	—	-73	—	—	-73	—	-73
Remeasurement of defined benefit plans, net of tax	16	—	—	—	—	6	6	—	6
Other comprehensive income for the period, total		—	—	-73	13	5	-55	—	-55
<b>Total comprehensive income for the period</b>		<b>—</b>	<b>—</b>	<b>-73</b>	<b>13</b>	<b>285</b>	<b>225</b>	<b>—</b>	<b>225</b>
<b>Transactions with owners in their capacity as owners</b>									
Dividends	18	—	—	—	—	-249	-249	-1	-249
Repurchase of own shares		—	—	—	—	-3	-3	—	-3
Share-based payments, net of tax	15	—	5	—	—	-1	4	—	4
<b>Balance at December 31, 2025</b>		<b>140</b>	<b>1,380</b>	<b>-112</b>	<b>8</b>	<b>1,168</b>	<b>2,584</b>	<b>6</b>	<b>2,590</b>
<b>Balance at January 1, 2024</b>		<b>140</b>	<b>1,372</b>	<b>-42</b>	<b>-1</b>	<b>1,096</b>	<b>2,565</b>	<b>6</b>	<b>2,572</b>
Profit for the period		—	—	—	—	280	280	1	281
<b>Other comprehensive income for the period</b>									
Gains and losses on cash flow hedges									
Fair value gains and losses, net of tax		—	—	—	-10	—	-10	—	-10
Transferred to profit or loss, net of tax		—	—	—	4	—	4	—	4
Change in fair value reserve, net of tax		—	—	—	1	—	1	—	1
Currency translation on subsidiary net investments		—	—	2	—	—	2	—	2
Remeasurement of defined benefit plans, net of tax	16	—	—	—	—	10	10	—	10
Other comprehensive income for the period, total		—	—	2	-6	10	6	—	6
<b>Total comprehensive income for the period</b>		<b>—</b>	<b>—</b>	<b>2</b>	<b>-6</b>	<b>290</b>	<b>286</b>	<b>1</b>	<b>287</b>
<b>Transactions with owners in their capacity as owners</b>									
Dividends	18	—	—	—	—	-249	-249	-1	-249
Repurchase of own shares		—	—	—	—	-3	-3	—	-3
Share-based payments, net of tax	15	—	3	—	—	3	6	—	6
Non-controlling interest on acquisition of subsidiary		—	—	—	—	—	—	1	1
<b>Balance at December 31, 2024</b>		<b>140</b>	<b>1,375</b>	<b>-40</b>	<b>-6</b>	<b>1,137</b>	<b>2,607</b>	<b>7</b>	<b>2,614</b>

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# Notes to the consolidated financial statements

## 1 | Basis of preparation

### General information

Valmet Oyj (the “Company” or the “parent company”), a public limited liability company, and its subsidiaries (together “Valmet,” “Valmet Group” or the “Group”) form a global developer and supplier of technologies, automation, flow control solutions, and services for the process industries. Valmet Oyj is domiciled in Helsinki, and its registered address is Keilasatama 5, 02150 Espoo, Finland. The Company’s shares are listed on the Nasdaq Helsinki Ltd as of January 2, 2014. The copies of the consolidated financial statements are available at [www.valmet.com](http://www.valmet.com) or the parent company’s head office, Keilasatama 5, 02150 Espoo, Finland. The consolidated financial statements were approved by Valmet’s Board of Directors on February 5, 2026, after which, in accordance with the Finnish Limited Liability Company Act, the financial statements are approved, amended or rejected in the Annual General Meeting. The consolidated financial statements for the year ended December 31, 2025, have been prepared in accordance with the basis of presentation set out below and accounting policies described in connection with each note.

These consolidated financial statements were prepared in accordance with the IFRS Accounting Standards as adopted by the European Union. The financial statements figures are presented mainly in millions of euros subject to rounding, which may cause some rounding inaccuracies in aggregate column and row totals.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

### Basis of presentation

#### Subsidiaries

Subsidiaries are all entities over which Valmet Group has control. Control over an entity exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When the Group has less than a majority of the voting or similar rights of an entity, the Group considers all relevant facts and circumstances in assessing whether it has control over an entity, including the contractual arrangement with the other vote holders of the entity, rights arising from other contractual arrangements, and the Group’s voting rights and potential voting rights.

The Group reassesses whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealized gains and losses arising from transactions between Group companies are eliminated.

#### Associated companies

The consolidated financial statements include associated companies in which Valmet either holds between 20 percent to 50 percent of the voting rights or in which Valmet otherwise has significant influence but not control. Investments in associated companies are accounted for using the equity method of accounting. Investments in associated companies are initially recorded at cost, and the carrying amount is increased or decreased to recognize Valmet’s share of changes in net assets of the associated companies after the date of the acquisition. The Group’s investment in associated companies includes goodwill

identified on acquisition. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired.

Valmet’s share of post-acquisition profit or loss is recognized in Consolidated statement of income and its share of post-acquisition movements in other comprehensive income (OCI) is recognized in Consolidated statement of comprehensive income with a corresponding adjustment to the carrying amount of the investment. The share of results of associated companies is presented in Consolidated statement of income either included in Operating profit or adjacent to Financial income and expenses below Operating profit, depending on the nature of the investment.

#### Foreign currency translation

Items included in the financial statements of each of Valmet Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). These consolidated financial statements are presented in euros, which is the Group’s presentation currency. The statements of income of foreign Group companies are translated into euros using the average exchange rate for the reporting period. The statements of financial position are translated at the closing exchange rate of the reporting date. Translating the net income for the period using different exchange rates in the Consolidated statement of income and in the Consolidated statement of financial position results in a translation difference, which is recognized in the Consolidated statement of comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange rate differences



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arising are recognized in the Consolidated statement of comprehensive income.

When a subsidiary is disposed of or sold, exchange rate differences that were recorded in equity are recognized in profit or loss as part of the gain or loss on sale.

### Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of transaction. Non-monetary items that are measured at fair value

### Key exchange rates:

		Average rates		Year-end rates	
		2025	2024	2025	2024
USD	(US dollar)	1.1243	1.0826	1.1750	1.0389
SEK	(Swedish krona)	11.0728	11.4226	10.8215	11.4590
CNY	(Chinese yuan)	8.0693	7.7793	8.2262	7.5833

### Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and exercise judgment in the application of the accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. By definition, the resulting accounting estimates will seldom equal the related actual results.

are translated into functional currency using the exchange rate of the transaction date.

Foreign exchange gains and losses resulting from the settlement of such balances and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, are recognized in Consolidated statement of income. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in Consolidated statement of income within Financial income and expenses. All other foreign exchange gains and losses are presented in Other operating income and expenses, or in Net sales or Cost of goods sold.

Material accounting policies applied, and critical accounting estimates and judgments made are described adjacent to each note as follows:

- Revenue recognition Note 3
- Intangible assets and property, plant and equipment Note 4
- Leases Note 5
- Inventories Note 7
- Financial assets and liabilities Note 8
- Derivative financial instruments Note 9
- Provisions Note 11
- Employee benefit obligations Note 16
- Income taxes Note 17

### New reporting structure

To reflect the new strategy and operating model Valmet has changed its reporting structure on July 1, 2025. In the new financial reporting structure, Valmet consists of two operating and reportable segments: Process Performance Solutions and Biomaterial Solutions and Services.

Process Performance Solutions segment consists of two business areas: Flow Control and Automation Solutions. Process Performance Solutions segment was previously reported as Automation segment.

Biomaterial Solutions and Services segment consists of three business areas: Pulp, Energy and Circularity, Packaging and Paper, and Tissue. Biomaterial Solutions and Services segment was previously reported as two segments: Services segment and Process Technologies segment.



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The comparative figures have been restated accordingly to reflect the new segment structure.

### Impacts of climate-related matters

Valmet's Climate Transition Plan was reviewed and approved by the Board of Directors in 2025. The plan ensures the alignment of Valmet's strategy and business model with the transition to a sustainable economy and the goal of limiting global warming to 1.5 °C in accordance with the Paris Agreement. Potential future impacts from transition to the low-carbon economy or physical risks in short-or medium term on the consolidated financial statements are continuously assessed and any impacts are booked in accordance with the accounting policies. The potential direct and indirect impacts include revenues and cash flows from Valmet's offering on climate change mitigation and circular economy, expenses caused by extreme weather conditions, as well as expenses and investments relating to transition plan and achieving Valmet's environmental targets. The potential impacts to provisions, contingent liabilities and expected economic useful lives of assets is continuously assessed. Climate-related risks have not had a material impact on consolidated financial statements in 2025.

Valmet has established a Green Finance Framework applicable for the issuance of green debt instruments. The Green Finance Framework is designed to support the financing or refinancing of eligible assets and expenditures that promote two key environmental objectives: mitigating climate change and enabling the transition to a circular economy. At the end of 2025, Valmet had two outstanding green debt instruments totaling EUR 250 million which are issued under the Green Finance Framework.

Valmet' long-term incentives include ESG-index as one of the performance targets. The 2025–2027 Performance Share Plan has a sustainability index as a three-year strategic performance measure with a weight of 20 percent of the long-term incentive maximum opportunity. The sustainability index is related to the growth of Valmet's business contributing to climate change mitigation and the circular economy as outlined in the EU Taxonomy and Valmet's GHG emission reduction target for own operations. In December 2025, the Board of Directors of Valmet resolved to establish a new Performance Share Plan 2026-2028 in which one of the performance criteria is tied to emission reduction in own operations.



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## 2 | Reporting segments and geographic information

### Accounting policies

Valmet has changed its operating model and reporting structure on July 1, 2025. As a result, Valmet has two operating segments and two reportable segments for financial reporting purposes: Process Performance Solutions and Biomaterial Solutions and Services. Corporate functions are presented as Other. Process Performance Solutions segment was previously reported as Automation segment. Biomaterial Solutions and Services segment was previously reported as two segments: Services segment and Process Technologies segment. The comparative figures have been restated accordingly to reflect the new segment structure.

The Process Performance Solutions segment delivers flow control technologies and automation systems ranging from individual measurements to full plant-wide solutions, complemented by lifecycle services. The segment serves a global customer base of broad range of industries with mission-critical solutions that

### Orders received:

EUR million	2025	2024
Process Performance Solutions	1,500	1,446
Biomaterial Solutions and Services	3,716	4,392
<b>Total</b>	<b>5,216</b>	<b>5,837</b>

### Net sales:

EUR million	2025	2024
Process Performance Solutions	1,481	1,437
Biomaterial Solutions and Services	3,716	3,922
<b>Total</b>	<b>5,197</b>	<b>5,359</b>

enhance resource efficiency, operational reliability, and financial performance. The Biomaterial Solutions and Services segment serves global producers across the pulp, paper, packaging, tissue and bioenergy industries. The segment provides complete production lines and key process islands, complemented by a full range of lifecycle services. These solutions enable improvements in fiber yield, energy and water efficiency, emissions, and operational uptime.

The financial reporting structure reflects Valmet's operational model, and is aligned with the way the Group's Chief Operating Decision Maker (CODM), the President and CEO of Valmet, evaluates the operational performance of the segments and allocates resources. One key indicator of performance reviewed by the CODM is Earnings before interest, taxes and amortization (EBITA). Performance is also assessed through Comparable EBITA, i.e., with EBITA excluding certain items of income and expense that reduce the comparability of Valmet's performance

### Comparable EBITA:

EUR million	2025	2024
Process Performance Solutions	290	255
Biomaterial Solutions and Services	381	403
Other	-51	-49
<b>Total</b>	<b>620</b>	<b>609</b>

### Comparable EBITA, % of net sales:

	2025	2024
Process Performance Solutions	19.6%	17.7%
Biomaterial Solutions and Services	10.3%	10.3%
<b>Total</b>	<b>11.9%</b>	<b>11.4%</b>

from one period to another. The alternative performance measures of EBITA and Comparable EBITA, are published by Valmet as part of regulated financial information to enable users of the financial information to prepare more meaningful analysis on Valmet's performance. Items affecting comparability consist of income and expenses arising from activities that amend the capacity of Valmet's operations. Items include restructuring costs, gains or losses on sale of businesses or non-current assets, transaction costs related to business combinations, and income and expenses incurred outside Valmet's normal course of business, such as impairment charges and income and expenses recorded as a result of settlement payments to/from third parties (e.g., penalties incurred as a result of tax audits or settlements to closed lawsuits), and share in profits and losses of associated companies.

### EBITA:

EUR million	2025	2024
Process Performance Solutions	279	248
Biomaterial Solutions and Services	323	364
Other	-68	-56
<b>Total</b>	<b>534</b>	<b>557</b>

### EBITA, % of net sales:

	2025	2024
Process Performance Solutions	18.8%	17.2%
Biomaterial Solutions and Services	8.7%	9.3%
<b>Total</b>	<b>10.3%</b>	<b>10.4%</b>



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### Items affecting comparability:

EUR million	2025	2024
Process Performance Solutions	-11	-7
Biomaterial Solutions and Services	-58	-39
Other	-17	-7
<b>Total</b>	<b>-85</b>	<b>-53</b>

### Amortization:

EUR million	2025	2024
Process Performance Solutions	-55	-54
Biomaterial Solutions and Services	-22	-36
Other	-19	-18
<b>Total</b>	<b>-96</b>	<b>-108</b>

### Reconciliation between Comparable EBITA, EBITA and Operating profit:

EUR million	2025	2024
<b>Comparable EBITA</b>	<b>620</b>	<b>609</b>
Items affecting comparability in cost of sales		
Expenses related to capacity adjustments <sup>1</sup>	-22	-11
Expensing of fair value adjustments recognized in business combinations	-2	-16
Other items affecting comparability <sup>2</sup>	-7	-4
Items affecting comparability in selling, general and administrative expenses		
Expenses related to capacity adjustments <sup>1</sup>	-43	-7
Expenses related to acquisitions	-2	-3
Other items affecting comparability <sup>2</sup>	-5	-6
Items affecting comparability in other operating income and expenses		
Income and expenses related to capacity adjustments	—	-7
Other items affecting comparability <sup>2</sup>	-10	—
Items affecting comparability in share in profits and losses of associated companies, operative investments		
Other items affecting comparability	5	2
<b>EBITA</b>	<b>534</b>	<b>557</b>
Amortization included in cost of sales		
Other intangibles	-1	-1
Amortization included in selling, general and administrative expenses		
Intangibles recognized in business combinations	-72	-84
Other intangibles	-23	-22
<b>Operating profit</b>	<b>438</b>	<b>449</b>

1 Includes in 2025 EUR 61 million restructuring costs due to change negotiations and strategy renewal costs related to Valmet's operating model renewal.

2 Includes in 2025 a settlement agreement in the Biomaterial Solutions and Services segment, following a delivery made earlier. The delivery required corrective actions and led to a commercial dispute, which has now been resolved.

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## Entity-wide information

Valmet has operations globally in approximately 40 countries. Measured by net sales, the top three countries in 2025 were the USA, Brazil and China, which together accounted for 46 percent of total net sales.

In 2024, the top three countries were the USA, China, and Finland, which together accounted for 44 percent of total net sales.

Net sales for Finland (the country of domicile) amounted to EUR 306 million in 2025 (EUR 417 million).

## Non-current assets by location:

EUR million	Finland	North America	Latin America	EMEA excluding Finland	China	Asia-Pacific	Non-allocated	Total
<b>2025</b>	<b>390</b>	<b>188</b>	<b>40</b>	<b>217</b>	<b>99</b>	<b>66</b>	<b>2,603</b>	<b>3,605</b>
2024	352	219	39	222	105	72	2,707	3,717

Non-current assets comprise intangible assets, property, plant and equipment, investments in associated companies, and non-current income tax receivables. Non-allocated assets include mainly goodwill, investments in associated companies,

non-current income tax receivables and other fair value adjustments arising from business combinations that have not been pushed down to adjust the value of assets in the subsidiaries' books.

## Gross capital expenditure (excluding business combinations and right-of-use assets) by location:

EUR million	North America	Latin America	EMEA	China	Asia-Pacific	Total
<b>2025</b>	<b>14</b>	<b>5</b>	<b>61</b>	<b>15</b>	<b>8</b>	<b>103</b>
2024	8	4	73	17	5	107

## Major customers

Valmet enters into large long-term projects which however individually rarely contribute more than 10 percent of annual revenue. In 2025 and 2024, there was no single customer with revenue exceeding 10 percent of net sales.

## Net sales by destination:

EUR million	2025	2024
North America	<b>1,341</b>	1,390
Latin America	<b>866</b>	545
EMEA	<b>1,876</b>	2,033
China	<b>540</b>	723
Asia-Pacific	<b>574</b>	668
<b>Total</b>	<b>5,197</b>	5,359



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## 3 | Revenue recognition

### Accounting policies

Valmet supplies technologies, automation solutions, flow control and related services for global process industries. Valmet's customers operate mainly in the biomaterials industry such as pulp, packaging, tissue, and power & heat. Process Performance Solutions business revenue arises from delivering automation solutions ranging from single measurements to mill- or plant-wide process automation systems, and mission-critical flow control technologies and related services for the process industries. Revenue from Biomaterial Solutions and Services business largely arises from the same customers with service offering being focused on maintaining installed base of equipment and automation solutions. In the biomaterial solutions business, the Group's revenue arises from projects, the scope of which ranges from delivery of complete mill facilities on a turnkey basis to single-section machine rebuilds, that may or may not include process automation solutions. Biomaterial service revenue includes revenue from short-term and long-term maintenance contracts, smaller improvement and modification contracts, rebuilds, as well as sale of spare parts and consumables.

Revenue is recognized to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which Valmet expects to be entitled, in exchange for those goods or services. The timing and method as well as unit of revenue recognition are determined in accordance with the five-step model of IFRS 15 as follows:

- Step 1: Identification of the contract(s) with a customer
- Step 2: Identification of the performance obligations in the contract
- Step 3: Determination of the transaction price attached to the contract
- Step 4: Allocation of the transaction price to the performance obligations identified in the contract
- Step 5: Recognition of revenue when (or as) the entity satisfies a performance obligation

In long-term projects involving delivery of both equipment and services, one or more performance obligations are identified. The identification of performance obligations depends on the scope of the project and terms of the contracts, and largely follows the level at which quotes are being requested by the customers.

In short-term service contracts that involve delivery of a combination of equipment and services, depending on the scope of the contract and terms attached thereto, one or more performance obligations are identified. When the scope of the contract involves services provided at the customer site, such as installation, maintenance, technical support or mechanical audits, these are typically considered as a separate performance obligation from delivery of significant equipment and services provided off-site. On the other hand, when services in the scope of the contract are performed at Valmet premises only, such as workshop services, material and services typically cannot be identified separately, and consistently only one performance obligation is identified.

In long-term service contracts where Valmet's activities are largely performed at the customer's site, depending on the contract and terms attached thereto, one or more performance obligations are identified. When the scope of the contract involves various service elements that are sold separately on a stand-alone basis, these elements would typically be determined to consist of performance obligations on their own.

Revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service, either over time or at a point in time.

When Valmet determines that control of goods or services is transferred over time, this is typically based either on that the customer simultaneously receives and consumes benefits as Valmet performs, or that Valmet's performance creates an asset with no alternative use throughout the duration of a contract and

Valmet has enforceable right to payment for performance completed to date.

Deliverables within Valmet's product offering that have the characteristics of the first criterion include mill maintenance services or other field services provided under long-term contracts, in which the receipt and simultaneous consumption by the customer of the benefits of Valmet's performance can be readily identified. Deliverables with the characteristics of the second criterion include projects where the scope of the contract involves design and construction of an asset according to customer specifications. The assets created in these projects do not have alternative use because the design is based on specific customer needs. When revenue is recognized over time, progress towards complete satisfaction of the performance obligation is measured using the cost-based input method (cost-to-cost method). The cost-to-cost method is estimated to result in a revenue profile that best depicts the transfer of control of the deliverables to the customer.

Recognition of revenue at a point in time is applicable, among others, in contracts where services are performed at Valmet's premises, and deliveries of spare parts, valves and consumables. Control of deliverables typically transfers based on the delivery terms used, at the takeover, or at a later point in time when customer acceptance is received.



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Valmet's contracts often involve elements of variable consideration, such as penalties, liquidated damages or performance bonus arrangements. Variable consideration is estimated by using either the expected value or the most likely amount -method, depending on the type of variable element and related contractual terms and conditions. The amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal of revenue does not occur later. Transaction prices are reassessed at each reporting date. Variable elements are generally allocated proportionately to all performance obligations in the contract, or when terms of the variable payments relate to satisfying a specific performance obligation and the allocated amount depicts the amount of consideration to which Valmet expects to be entitled in exchange for transferring related goods or services, variable consideration is allocated to that specific performance obligation, and not all performance obligations in the contract.

Valmet provides its customers with standard payment terms. If extended payment terms exceeding one year are offered to customers, the invoiced amount is discounted to its present value and interest income is recognized over the credit term.

When Valmet incurs costs in fulfilling its contractual obligations, these are expensed as incurred, unless costs can be capitalized as inventory. The latter is typically the case in performance obligations for which revenue is recognized at a point in time. Costs to obtain a contract are expensed as incurred.

## Critical accounting estimates and judgments

For performance obligations satisfied over time, the progress and the profitability are based on the management's estimates, which require significant judgment concerning the stage of completion, the cost to complete, and the time of completion. Management regularly reviews the progress and execution of performance obligations. As part of the process, management reviews information including, but not limited to, key contractual obligations outstanding, project schedule, identified risks and opportunities, as well as changes in estimates of revenues and costs. A projected loss on a customer contract is recognized in full through profit or loss when it becomes known.

Valmet regularly enters into contracts where the consideration includes one or more variable elements. Variable consideration is estimated by using either the expected value or the most likely amount -method, depending on the type of the arrangement. In making judgments about variable consideration, Valmet considers historical, current and forecast information. The impact of changes in estimates is recognized in revenue in the period when the estimate is updated.

## Disaggregation of revenue

Valmet's revenue is reported, and monitored by management, by segment, business area and geographical area. Flow Control business area's valves equipment sales are recognized at a point in time. Automation Solutions business area's revenue consists of long-term contracts and short-term service contracts. Revenue for long-term contracts is recognized over time based on the cost-to-cost method. For the projects that do not meet the over time revenue recognition criteria, revenue is recognized at a point in time. Revenue for short-term service contracts is recognized at a point in time. Pulp, Energy and Circularity, Packaging and Paper, and Tissue business areas' revenue is derived from both large long-term projects, for which revenue is mostly recognized over time based on the cost-to-cost method and a large volume of short-term service contracts with relatively low individual value, for which revenue is mainly recognized at a point in time. These short-term service contracts include smaller maintenance, improvements and rebuilds. Sale of spare parts and consumables is recognized at a point in time. The nature of revenue in each geographical area in any given reporting period is driven by volume and size of ongoing projects.

### Net sales by business areas:

EUR million	2025	2024
Flow Control	788	791
Automation Solutions	694	646
Pulp, Energy and Circularity	1,610	1,541
Packaging and Paper	1,483	1,793
Tissue	622	588
<b>Total</b>	<b>5,197</b>	<b>5,359</b>

### Timing of revenue recognition:

EUR million	2025	2024
Performance obligations satisfied at a point in time	2,901	3,006
Performance obligations satisfied over time	2,296	2,353
<b>Total</b>	<b>5,197</b>	<b>5,359</b>

### Contract balances

In order to mitigate credit risk and compensate for contract costs incurred upfront, Valmet regularly requires advance payments from its customers. During the reporting period Valmet had not entered into any material contracts where the period between when Valmet transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or more. Neither were there any ongoing projects from previous reporting periods for which the former would apply.

The creditworthiness of a customer is verified before entering into a contract. However, if a risk of non-payment arises after contract inception, the probability of collection of consideration is re-evaluated and if assessed improbable, recognition of revenue is discontinued. An allowance for non-collectability of open receivables and contract assets is established as concluded appropriate.

Valmet receives payments from customers based on invoicing schedules as set out in the customer contracts. Changes in contract assets and liabilities are due to Valmet's performance under the customer contracts. Amounts due from customers under revenue contracts primarily relate to Valmet's right to consideration for work completed but not yet invoiced at the reporting date. These assets are transferred to trade receivables when right to consideration becomes unconditional, which is typically at the time when Valmet has contractual right to issue an invoice. A significant part of amounts due to customers is related to advance consideration received from customers in long-term contracts for which revenue is recognized over time. These amounts are recognized as revenue as (or when) Valmet performs under the contracts.

The following tables show movements in amounts due from customers under revenue contracts and amounts due to customers under revenue contracts during the reporting period. Revenue recognized in the period also includes revenue recognized related to performance obligations satisfied in previous periods, the amount of which however is insignificant.

**Amounts due from customers under revenue contracts:**

EUR million	2025	2024
Balance at beginning of the period	344	475
Translation differences	1	-3
Acquired in business combinations	—	2
Revenue recognized in the period	936	733
Transfers to trade receivables	-954	-864
<b>Balance at end of the period</b>	<b>327</b>	<b>344</b>

**Amounts due to customers under revenue contracts:**

EUR million	2025	2024
Balance at beginning of the period	904	1,151
Translation differences	-29	18
Acquired in business combinations	—	15
Revenue recognized in the period	-2,579	-2,752
Consideration invoiced and/or received	2,559	2,471
<b>Balance at end of the period</b>	<b>855</b>	<b>904</b>

EUR million	2025	2024
<b>Amounts due to customers under revenue contracts for which revenue is recognized</b>		
Point in time	339	321
Over time	516	583
<b>Carrying value at end of the period</b>	<b>855</b>	<b>904</b>

Valmet typically issues contractual product warranties that guarantee the mechanical functioning of equipment delivered during the agreed warranty period. Valmet does not issue service-type warranties.

As at December 31, 2025, Valmet had no costs to obtain or fulfil contracts capitalized under IFRS 15.

The aggregate amount of transaction price allocated to unsatisfied or partially satisfied performance obligations as at December 31, 2025, was EUR 4,306 million (EUR 4,452 million). Approximately EUR 3.1 billion of the order backlog is currently expected to be realized as net sales during 2026 (at the end of December 2024, EUR ~3.1 billion was expected to be realized as net sales during 2025).

## 4 | Intangible assets and property, plant and equipment

### Accounting policies

Fixed assets consist of intangible assets and property, plant and equipment. Intangible assets, which comprise goodwill, intangible assets recognized in business combinations (such as technology and customer relationships), capitalized software and other intangible assets, are stated at historical cost less accumulated amortization and impairment losses, if any. Goodwill is not amortized, but tested for impairment.

Property, plant and equipment is stated at historical cost, less accumulated depreciation and impairment losses, if any. Land and water areas are not depreciated.

Subsequent improvement costs related to an asset are included in the carrying value of such an asset or recognized as a separate asset, as appropriate, only when the future economic benefits associated with the costs are probable, and the related costs can be separated from normal maintenance costs.

### Depreciation and amortization

The amortization of intangible assets with a definite useful life is calculated on a straight-line basis over the expected economic lives of the assets, being the following:

Technology	3–20 years
Customer relationships	3–20 years
Capitalized software	3–10 years
Patents and licenses	5–10 years
Other intangibles	1–40 years

Depreciation of property, plant and equipment is calculated on a straight-line basis over the expected useful lives of the assets, being the following:

Buildings and structures	15–40 years
Machinery and equipment	3–20 years

Expected useful lives are reviewed at each balance sheet date, and if they differ significantly from previous estimates, the remaining depreciation periods are adjusted accordingly.

### Impairment

The carrying value of fixed assets subject to amortization or depreciation is reviewed for impairment whenever events and changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverable amount of an asset is the higher of its fair value and its value in use. An asset is impaired if its carrying amount exceeds its recoverable amount, at which time an impairment loss is recognized in the Consolidated statement of income in Other operating expenses. The previously recognized impairment loss may be reversed if, and only if, there is exceptional and significant improvement in the circumstances having initially caused the impairment.

The carrying value of goodwill is reviewed for impairment annually or more frequently if facts and circumstances, such as decline in sales, operating profit or cash flows, or material adverse changes in the business environment, suggest that carrying value may not be recoverable. Valmet has five cash generating units (CGUs) that establish the first aggregation levels at which impairment testing can be done. The testing of goodwill for impairment is performed at the CGU level, as goodwill does not generate cash flows independently of the CGUs. Valmet uses the value in use method to measure the recoverable amount of goodwill subject to testing. Value in use is estimated through the discounted cash flow method. A previously recognized impairment loss on goodwill is not reversed even if there is a significant improvement in circumstances, having initially caused the impairment.

## Critical accounting estimates and judgments

### Impairment testing

The preparation of impairment analysis requires use of numerous estimates. The valuation is inherently judgmental and highly susceptible to change from period to period because it requires management to make assumptions about future supply and demand related to its individual business units, future sales prices and achievable cost levels. The value of the benefits and savings expected from the efficiency improvement programs is inherently subjective. All outsized improvements are excluded from future cash inflows and outflows. The value in use of a cash-generating unit is determined by discounting estimated future cash flows with a discount rate approximating the weighted average cost of capital (WACC).

The WACC is based on comparable peer industry betas and capital structure.

Triggering events for impairment reviews at Valmet include the following:

- A material permanent deterioration in the economic or political environment of the customers’ or Valmet’s own activity
- Businesses or asset’s significant under-performance relative to historical or projected future performance
- Significant changes in Valmet’s strategic orientations, affecting the business plans and previous investment policies.



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**Intangible assets:**

EUR million	2025					2024				
	Goodwill	Intangible assets recognized in business combinations	Capitalized software	Other intangible assets	Total	Goodwill	Intangible assets recognized in business combinations	Capitalized software	Other intangible assets	Total
Acquisition cost at beginning of the period	1,808	1,576	246	69	<b>3,699</b>	1,735	1,502	234	72	3,545
Translation differences	-17	-7	—	1	<b>-23</b>	9	4	—	—	13
Capital expenditure	—	—	—	18	<b>18</b>	—	—	—	23	24
Acquired in business combinations	9	-2	—	—	<b>8</b>	63	69	—	—	133
Retirements	—	—	-6	-5	<b>-11</b>	—	—	-7	-10	-16
Reclassifications	—	—	16	-16	<b>—</b>	—	—	18	-18	—
Other changes	—	—	—	1	<b>1</b>	—	—	—	1	1
Acquisition cost at end of the period	1,800	1,567	256	67	<b>3,691</b>	1,808	1,576	246	69	3,699
Accumulated amortization and impairment losses at beginning of the period	—	-568	-146	-51	<b>-764</b>	—	-483	-130	-55	-668
Translation differences	—	1	—	—	<b>1</b>	—	-1	—	—	—
Amortization	—	-72	-21	-3	<b>-96</b>	—	-84	-20	-3	-108
Impairment losses	—	—	-2	—	<b>-3</b>	—	—	-3	-2	-5
Retirements	—	—	6	5	<b>11</b>	—	—	7	10	16
Other changes	—	—	—	—	<b>—</b>	—	—	—	—	—
Accumulated amortization and impairment losses at end of the period	—	-639	-163	-49	<b>-851</b>	—	-568	-146	-51	-764
<b>Carrying value at end of the period</b>	<b>1,800</b>	<b>929</b>	<b>93</b>	<b>18</b>	<b>2,840</b>	1,808	1,008	100	18	2,934

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**Property, plant and equipment (excluding right-of-use assets):**

EUR million	2025					2024				
	Land and water areas	Buildings and structures	Machinery and equipment	Assets under construction	Total	Land and water areas	Buildings and structures	Machinery and equipment	Assets under construction	Total
Acquisition cost at beginning of the period	41	461	1,083	83	1,667	40	449	1,030	81	1,599
Translation differences	-2	-9	-25	-1	-37	—	—	6	—	6
Capital expenditure	—	—	5	80	85	—	1	6	76	83
Acquired in business combinations	—	—	—	—	—	—	—	6	—	6
Disposals	—	-1	-4	—	-5	—	—	-10	-1	-11
Retirements	—	—	-11	—	-11	—	-3	-14	—	-17
Reclassifications	—	21	65	-86	—	—	14	59	-74	—
Other changes	—	—	7	-1	6	—	—	—	—	—
Acquisition cost at end of the period	38	472	1,119	75	1,704	41	461	1,083	83	1,667
Accumulated depreciation and impairment losses at beginning of the period	—	-298	-799	—	-1,098	—	-280	-767	—	-1,046
Translation differences	—	4	15	—	20	—	-1	-4	—	-5
Depreciation	—	-14	-49	—	-64	—	-15	-48	—	-63
Impairment losses	—	-1	-1	—	-2	—	-6	-2	—	-8
Disposals	—	—	3	—	4	—	—	9	—	9
Retirements	—	—	11	—	11	—	3	14	—	17
Other changes	—	1	-7	—	-6	—	—	—	—	—
Accumulated depreciation and impairment losses at end of the period	—	-308	-827	—	-1,135	—	-298	-799	—	-1,098
<b>Carrying value at end of the period</b>	<b>38</b>	<b>164</b>	<b>292</b>	<b>75</b>	<b>568</b>	<b>40</b>	<b>163</b>	<b>283</b>	<b>83</b>	<b>569</b>

### Depreciation and amortization by function:

EUR million	2025	2024
Cost of goods sold	-65	-67
Selling, general and administrative expenses		
Marketing and selling	-8	-8
Research and development	-5	-6
Administrative	-130	-138
<b>Total</b>	<b>-209</b>	<b>-219</b>

Table does not include amortization included in share in profits and losses of associated companies, operative investments.

### Goodwill impairment testing

On the acquisition date goodwill arising from business acquisitions is allocated to the cash generating unit (CGU) or cash generating units expected to benefit from the synergies of the combination, irrespective of whether other assets and/or liabilities of the acquiree are assigned to the CGU or CGUs.

As a result of the organizational change, effective since July 1, 2025, Valmet has changed its reporting structure and the composition of CGUs. Due to the change in reporting structure and the composition of CGUs, Valmet performed additional goodwill impairment testing during 2025, and as a result no impairment loss was recognised on goodwill.

In 2025, Valmet identified five CGUs, which are Flow Control, Automation Solutions, Pulp, Energy & Circularity, Packaging and Paper, and Tissue corresponding to Valmet’s Business Areas. Goodwill has been reallocated as of July 1, 2025, to the five CGUs based on a relative value approach. In 2024, Valmet identified three CGUs, which were Services, Automation and Process Technologies corresponding to the operating segments in 2024. Comparatives have not been restated.

Valmet assesses the value of its goodwill for impairment annually or more frequently if facts and circumstances indicate that a risk of impairment exists. Testing is performed by comparing the carrying value of the CGU to its recoverable amount, which is determined based on a value in use calculation. This calculation uses pre-tax cash flow projections based on financial budgets

approved by Valmet’s management and Board of Directors covering a five-year period. The terminal values representing the cash flows beyond the five-year period are calculated using the estimated long-term growth rates stated below.

The following table sets out the allocation of goodwill as at December 31, 2025, and the key assumptions applied in the value in use calculations. Testing was performed as at September 30.

### Allocation of goodwill as at December 31:

EUR million	2025
Flow Control	467
Automation Solutions	424
Pulp, Energy & Circularity	366
Packaging and Paper	362
Tissue	180
<b>Total</b>	<b>1,800</b>

### Key assumptions applied:

	2025
Long-term growth rate, (%)	
Flow Control	2.0%
Automation Solutions	2.0%
Pulp, Energy & Circularity	2.0%
Packaging and Paper	2.0%
Tissue	2.0%
Pre-tax discount rate, (%)	
Flow Control	10.6%
Automation Solutions	9.9%
Pulp, Energy & Circularity	12.7%
Packaging and Paper	12.8%
Tissue	12.3%

The key assumptions are based on past performance as well as management’s and the Board of Directors’ expectations of market development. Assumptions on product mix are in line with the Group’s financial targets. Profitability margin assumptions reflect improvements similarly in line with the Group’s financial targets as communicated. External sources are also used to obtain data on growth, demand, and price developments that is used in establishing the assumptions. The discount rate used in testing is

derived from the weighted average cost of capital based on comparable peer industry betas and capital structure. The long-term growth rates used for calculating the terminal values are based on Valmet’s assessments for the market growth drivers and have been corroborated against the long-term inflation expectations. The assumptions requiring most judgment are the market development and product mix.

As a result of the annual impairment tests, no impairment loss was recognized on goodwill in 2025 or in 2024.

### Sensitivity analysis

Valmet’s management has assessed that no reasonably possible change in any of the key assumptions would cause any of the CGU’s carrying amount to exceed its recoverable amount.

### Goodwill impairment testing 2024

The tables below present the allocation of goodwill as at December 31, 2024, and the key assumptions applied in the value in use calculations in 2024.

### Allocation of goodwill as at December 31:

EUR million	2024
Services	670
Automation	891
Process Technologies	247
<b>Total</b>	<b>1,808</b>

### Key assumptions applied:

	2024
Long-term growth rate, (%)	
Services	2.0%
Automation	2.0%
Process Technologies	2.0%
Pre-tax discount rate, (%)	
Services	10.7%
Automation	10.1%
Process Technologies	11.9%



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## 5 | Leases

### Accounting policies

Valmet assesses at the inception of a contract whether it is or contains a lease. A contract is considered to contain a lease if it conveys the right to use an either explicitly or implicitly identified asset for a period of time in exchange for consideration. In lease contracts where Valmet is the lessee, a right-of-use asset and a lease liability is recognized on the lease commencement date to reflect Valmet's right to use the underlying asset and the unpaid future lease payments respectively.

The lease liability is initially measured at an amount equal to the present value of the future lease payments that are not yet paid on the commencement date. Lease payments are discounted using Valmet's incremental borrowing rate reflecting entity-specific factors and the lease term. Incremental borrowing rates are estimated based on market prices, adjusted with calculated margins representing the entity-specific factors such as credit and country risk.

In subsequent periods, the lease liability is measured using the effective interest rate method, and the carrying amount of the lease liability is increased with the interest on the lease liability, reduced by the amount of lease payments made and adjusted to reflect any reassessments or lease modifications made. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset. Variable lease payments not based on an index or rate are not included in the liability but are expensed as incurred.

A right-of-use asset is initially measured at cost comprising the amount of the initial measurement of the lease liability and any lease payments made on or before the commencement date, any initial direct costs incurred by Valmet, and restoration costs, less any lease incentives received. Subsequently, the right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life of the asset.

Valmet applies exemptions provided by IFRS 16 not to recognize a right-of-use asset and corresponding lease liability for leases with a contract term of 12 months or less, and for leases of low-value assets. The payments for these leases are recognized as an expense on a straight-line basis over the lease term. Furthermore, Valmet separates non-lease components from lease components only for asset classes in which the amount of non-lease components is significant.

### Critical accounting estimates and judgments

Valmet has a significant volume of open-ended real estate lease contracts which carry a short notice period only, or which have an initial fixed term but carry extension or termination options. Estimating the likely lease term for these contracts and assessing if the options will be exercised requires significant judgment. When assessing the lease term for these contracts, management considers the relevant facts and circumstances. The likely lease term is typically assessed following the three-year financial forecasts established by management. If there are specific circumstances in place, such as beneficial market rates, significant leasehold improvements, or other significant direct or indirect costs associated with exiting the lease, the lease term can be more than three years.

Considering other than real estate leases, the need for assets leased under open-ended contracts is commonly short-term in nature, and as such, open-ended contracts where the notice period is 12 months or less are accounted for as short-term leases.



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## Valmet's leasing activities

The majority of Valmet's lease arrangements concern real estate, vehicles, and machinery and equipment located primarily on Valmet's premises. The length of these lease arrangements is typically three to five years, and contracts may include options to extend the lease.

The tables below present the right-of-use assets recognized in the Consolidated statement of financial position and the movements during the period and the future minimum lease payments as at December 31, 2025.

EUR million	2025				2024			
	Land and water areas	Buildings and structures	Machinery and equipment	Right-of-use assets total	Land and water areas	Buildings and structures	Machinery and equipment	Right-of-use assets total
Carrying value at beginning of the period	10	123	24	156	10	116	18	145
Translation differences	-1	-4	-1	-5	—	1	—	2
Additions	2	69	11	82	—	36	16	53
Acquired in business combinations	—	—	—	—	—	11	—	11
Depreciation	-1	-36	-12	-49	-1	-36	-11	-48
Other changes	—	-13	-1	-14	—	-5	—	-6
<b>Carrying value at end of the period</b>	<b>11</b>	<b>140</b>	<b>21</b>	<b>171</b>	<b>10</b>	<b>123</b>	<b>24</b>	<b>156</b>

## Maturity of future minimum lease payments as at December 31

EUR million	2025	2024
Due within 1 year	49	51
Due in 1–2 years	37	38
Due in 2–3 years	29	24
Due in 3–4 years	22	18
Due in 4–5 years	18	13
Due after 5 years	67	42
<b>Total</b>	<b>223</b>	<b>187</b>

Lease payments related to short-term leases and leases of low-value assets, as well as variable lease payments that are not based on index or rate, are not included in the lease liability but are recognized as an expense as incurred in either Cost of goods sold or Selling, general and administrative expenses. The following table presents lease payments for such leases. The interest expense related to leases included in Financial expenses is presented in Note 10.

EUR million	2025	2024
Expenses related to short-term leases	-3	-3
Expenses related to leases of low-value assets	-7	-6
Expenses related to variable lease payments not included in lease liabilities	-2	-2
<b>Total</b>	<b>-12</b>	<b>-12</b>



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## 6 | Net working capital

Payment schedules of large long-term projects have a significant impact on net working capital development. Net working capital does not include non-operative items such as taxes, interest-bearing assets and liabilities, or other items related to the funding of the Group's operations.

EUR million	As at December 31,		Impact to
	2025	2024	cash flows
			2025
<b>Assets included in net working capital</b>			
Non-current trade receivables	16	22	5
Other non-current assets	46	37	-9
Inventories	884	903	19
Trade receivables	769	862	93
Amounts due from customers under revenue contracts	327	344	17
Derivative financial instruments (assets)	63	31	-32
Other receivables	190	232	42
<b>Liabilities included in net working capital</b>			
Employee benefits	-156	-157	-1
Provisions	-212	-190	22
Other non-current non-interest-bearing liabilities	-1	-1	—
Trade payables	-500	-460	40
Amounts due to customers under revenue contracts	-855	-904	-49
Derivative financial instruments (liabilities)	-47	-43	4
Other current liabilities	-495	-542	-47
<b>Total net working capital</b>	<b>29</b>	<b>134</b>	<b>104</b>
Effect of changes in foreign exchange rates			-31
Remeasurement of defined benefit plans			10
Change in allowance for doubtful receivables and inventory obsolescence provision			-18
Change in provisions			-17
Acquired in business combinations			-9
<b>Change in net working capital in the Consolidated statement of cash flows</b>			<b>39</b>



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## 7 | Inventories

### Accounting policies

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Materials and supplies and finished products are valued on a weighted average cost basis or on a first in, first out (FIFO) basis. Work in progress includes costs related to ongoing projects, for which revenue is recognized at a point in time. Work in progress typically includes costs for direct labor and material and allocated overhead costs.

### Specification of changes in inventory obsolescence provision:

EUR million	2025	2024
Balance at beginning of the period	94	67
Translation differences	-3	—
Additions charged to profit or loss	32	31
Acquired in business combinations	—	23
Provisions used	-8	-12
Unused provisions reversed	-19	-15
<b>Balance at end of the period</b>	<b>96</b>	<b>93</b>

The cost of inventories recognized as expense was EUR 3,422 million and EUR 3,553 million for the years ended December 31, 2025, and 2024, respectively.

In 2025, EUR 32 million (EUR 31 million) of additions in inventory obsolescence provision were recognized as an expense. EUR 19 million (EUR 15 million) were recognized as reversals of previously recorded inventory obsolescence provisions.

### Critical accounting estimates and judgments

Provision for slow-moving and obsolete inventory is based on the best estimate of such amounts at the balance sheet date. The estimate is based on a systematic ongoing review and evaluation of inventory balances. As part of this evaluation, Valmet also considers the composition and age of the inventory compared to anticipated future needs.



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## 8 | Financial assets and liabilities

### Accounting policies

Valmet classifies its financial assets into the following categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The measurement category of financial assets is determined based on the related business model and contractual cash flow characteristics of a given instrument. Financial assets are derecognized when the contractual rights to cash flows have expired, or the rights to cash flows together with substantially all risks and rewards of ownership, have transferred.

Financial liabilities are classified at amortized cost or at fair value through profit or loss. Financial liabilities are derecognized when they are extinguished, that is when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and liabilities are recognized when Valmet becomes party to the contractual provisions of the instrument. Both financial assets and liabilities are presented as non-current when their maturity exceeds 12 months.

### Financial assets at amortized cost

The Group's financial assets measured at amortized cost include trade, loan and other receivables together with cash and cash equivalents. These assets are recognized initially at fair value including transaction costs and trade receivables at their transaction price. Subsequently the assets are recognized at amortized cost using the effective interest rate method. Trade receivables are the most significant of these assets, and for them the amortized cost equals to the original amount invoiced to customers, net of allowance for expected credit losses. If extended payment terms exceeding one year are offered to a counterparty, the receivable is discounted to present value and interest income is recognized over the credit term.

Valmet evaluates changes in credit risk associated with different financial assets at each reporting date as required by general impairment guidelines set out in IFRS 9. If credit risk has not

changed significantly since initial recognition, an allowance amounting to expected credit losses for next 12 months is recognized. However, if the credit risk has changed significantly, the valuation of allowance is based on lifetime expected credit losses.

For trade receivables and contract assets arising from customer contracts for which revenue is recognized over time, a simplified impairment model is applied and valuation of allowance is based on lifetime expected credit losses which are recognized at first reporting date. Valmet's application of the simplified impairment model considers historical credit loss experience, time value of money and forward-looking information relevant to estimate future credit losses, and the inputs used in the model are updated on a regular basis. The model applied includes a statistical model together with an option to apply case-by-case analysis for significant trade receivables overdue more than 90 days. Final bad debts are written off when official announcement of receivership, liquidation or bankruptcy is received confirming that the receivable will not be honored by the customer. Changes in allowance together with final bad debts are reported under Other operating income and expenses.

### Financial assets at fair value through other comprehensive income

The majority of Valmet's financial assets measured at fair value through other comprehensive income (OCI) are interest-bearing financial assets managed centrally by Group treasury. The business model for these assets involves both holding until maturity and selling before the maturity date approaches, depending on prevailing market circumstances and Group treasury's operational requirements. Gains and losses from these assets are recognized in the fair value reserve of Equity and at derecognition these are recycled through OCI to Consolidated statement of income.

Valmet also applies fair value through other comprehensive income option to certain publicly traded equity investments.

Change in fair value of the related shares is recognized in the fair value reserve of Equity. Should the investments be divested in the future, any cumulative gain or loss remains in Equity, and is not recycled through OCI to the Consolidated statement of income. Fair value of the equity investments classified at fair value through other comprehensive income as at December 31, 2025, was EUR 9 million (EUR 10 million).

### Financial assets and liabilities at fair value through profit or loss

The majority of the Group's financial assets and liabilities measured at fair value through profit or loss are derivative financial instruments, for which the related accounting policies are presented in Note 9. Valmet's other equity holdings, excluding publicly traded equity investments, include various industrial participations, shares in real estate holdings and other shares which are measured at fair value through profit or loss. For these other equity ownerships, if a reliable market value does not exist, historical cost is considered the best available estimate of fair value. Valmet has not voluntarily assigned any financial assets or liabilities to be measured at fair value in addition to items designated to this category mandatorily in accordance with IFRS 9.

### Financial liabilities at amortized cost

Valmet's financial liabilities measured at amortized cost consist of loans from financial institutions, bonds, lease liabilities and trade payables. Loans from financial institutions are initially recognized at fair value, net of transaction costs incurred. Subsequently these liabilities are measured at amortized cost by using the effective interest rate method. Loans from financial institutions are classified as current liabilities unless Valmet has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Accounting policies for leases are presented in Note 5.



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## Fair value estimation

For those financial assets and liabilities, which have been recognized at fair value in the Consolidated statement of financial position, the measurement hierarchy and valuation methods described below have been applied. There have been no transfers between fair value levels.

### Level 1

The fair value of financial instruments in Level 1 is based on quoted unadjusted prices at reporting date in active markets. The market prices are readily and regularly available from an exchange, dealer, broker, market data provider, pricing service or regulatory agency. The quoted market price used for financial assets is the current bid price. Level 1 financial instruments include equity investments classified as financial assets at fair value through other comprehensive income.

### Level 2

The fair value of financial instruments in Level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available from an exchange, dealer, broker, market data provider, pricing service or regulatory agency. Level 2 financial instruments include over-the-counter (OTC) derivatives classified as financial assets and liabilities at fair value through profit or loss or derivatives qualified for hedge accounting and all other financial assets and liabilities except for equity investments.

### Level 3

A financial instrument is categorized into Level 3 if the calculation of the fair value cannot be based on observable market data. Level 3 financial instruments include equity investments classified as financial assets at fair value through profit or loss. There were no changes in Level 3 instruments for the 12 months ended December 31, 2025.

## Critical accounting estimates and judgments

Under the simplified impairment model applied to trade receivables and contract assets, an allowance amounting to lifetime expected credit losses is recognized at first reporting date. The amount of this allowance is estimated based on a model that considers historical credit loss experience, time value of money and forward-looking information relevant to estimate future credit losses. The inputs used in the model are updated on a regular basis.

Application of the guidance for impairment of financial assets, in particular estimation of future expected credit losses and application of case-by-case analysis to significant trade receivables overdue more than 90 days, requires significant management judgment and includes consideration of available customer and market information. Resulting impairment of financial assets is the best estimate based on information available and may differ from the actual result.

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**Classification of financial assets and liabilities as at December 31:**

EUR million	2025				2024				Fair value level
	At amortized cost	At fair value through other comprehensive income	At fair value through profit and loss	Carrying value	At amortized cost	At fair value through other comprehensive income	At fair value through profit and loss	Carrying value	
<b>Non-current financial assets</b>									
Equity investments		9	2	11		10	2	12	1,3
Trade receivables	16			16	22			22	
Derivative financial instruments		7	—	7		6	—	6	2
<b>Total</b>	<b>16</b>	<b>16</b>	<b>3</b>	<b>35</b>	<b>22</b>	<b>16</b>	<b>3</b>	<b>40</b>	
<b>Current financial assets</b>									
Interest-bearing financial assets		22		22		30		30	2
Non-interest-bearing financial assets	3			3	8			8	
Trade receivables	769			769	862			862	
Derivative financial instruments		47	9	56		15	9	24	2
Cash and cash equivalents	535			535	482			482	
<b>Total</b>	<b>1,308</b>	<b>69</b>	<b>9</b>	<b>1,386</b>	<b>1,352</b>	<b>45</b>	<b>9</b>	<b>1,406</b>	
<b>Non-current financial liabilities</b>									
Loans from financial institutions	953			953	1,071			1,071	
Bonds <sup>1</sup>	201			201	202			202	
Lease liabilities	128			128	107			107	
Derivative financial instruments <sup>2</sup>		6	—	6		12	—	12	2
<b>Total</b>	<b>1,281</b>	<b>6</b>	<b>—</b>	<b>1,287</b>	<b>1,379</b>	<b>12</b>	<b>—</b>	<b>1,392</b>	
<b>Current financial liabilities</b>									
Loans from financial institutions	99			99	94			94	
Lease liabilities	48			48	50			50	
Interest-bearing liabilities	33			33	20			20	
Trade payables	500			500	460			460	
Derivative financial instruments		31	10	41		24	7	31	2
<b>Total</b>	<b>680</b>	<b>31</b>	<b>10</b>	<b>721</b>	<b>625</b>	<b>24</b>	<b>7</b>	<b>656</b>	

<sup>1</sup> The bonds have been measured at amortized cost, adjusted by the fair value to the extent that fair value hedge accounting is applied.

<sup>2</sup> Included in Other non-current liabilities in the Consolidated statement of financial position.

Carrying values presented in the table above approximate fair values, except for the loans from financial institutions where fair value approximates to EUR 1,092 million (EUR 1,206 million).

Non-current equity investments comprised EUR 9 million listed shares (EUR 10 million) and various industrial participations, shares in real-estate holdings and other shares amounting to

EUR 2 million as at December 31, 2025 (EUR 2 million). Current interest-bearing financial assets managed centrally by the Group treasury amounted to EUR 22 million (EUR 30 million).

Valmet manages its cash by investing in financial assets with varying maturities. Interest-bearing financial assets with maturities at the date of acquisition exceeding three months are

classified as Other current financial assets and assets with maturities of three months or less are classified as Cash and cash equivalents in the Consolidated statement of financial position.



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Cash and cash equivalents comprised cash at bank and in hand of EUR 487 million (EUR 460 million) and other short-term financial assets with maturities of three months or less of EUR 48 million (EUR 23 million) mainly comprising bank deposits and banker's acceptance drafts. For more information on derivative financial instruments, see Note 9.

### Analysis of trade receivables by age as at December 31:

EUR million	2025	2024
Trade receivables, not due	535	615
Trade receivables 1–30 days overdue	123	141
Trade receivables 31–60 days overdue	40	53
Trade receivables 61–90 days overdue	22	16
Trade receivables 91–180 days overdue	37	32
Trade receivables more than 180 days overdue	28	27
<b>Total</b>	<b>786</b>	<b>884</b>

### Movement in allowance for trade receivables and amounts due from customers under revenue contracts:

EUR million	2025	2024
Balance at beginning of the period	33	25
Translation differences	-2	—
Additions charged to profit or loss	17	15
Acquired in business combinations	—	—
Used reserve	-4	-6
Reversals	-5	-3
Other changes	-2	—
<b>Balance at end of the period</b>	<b>38</b>	<b>33</b>

### Net debt reconciliation as at December 31:

EUR million	2025	2024
- Cash and cash equivalents	535	482
- Current interest-bearing financial assets	22	30
+ Loans from financial institutions, bonds and other current debt	1,285	1,387
+ Lease liabilities	176	157
<b>Net debt</b>	<b>904</b>	<b>1,032</b>



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EUR million	2025				Total net debt
	Liabilities from financing activities		Other assets		
	(+) Loans from financial institutions, bonds and other current debt	(+) Lease liabilities	(-) Cash and cash equivalents	(-) Current interest-bearing financial assets	
Balance at beginning of the period	1,387	157	482	30	1,032
Translation differences	-3	-5	-30	—	22
Cash flows	-98	-57	83	-7	-230
Additions to lease liabilities	—	93	—	—	93
Other changes	-1	-13	—	—	-14
<b>Balance at end the of period</b>	<b>1,285</b>	<b>176</b>	<b>535</b>	<b>22</b>	<b>904</b>

EUR million	2024				Total net debt
	Liabilities from financing activities		Other assets		
	(+) Loans from financial institutions, bonds and other current debt	(+) Lease liabilities	(-) Cash and cash equivalents	(-) Current interest-bearing financial assets	
Balance at beginning of the period	1,343	141	432	25	1,027
Translation differences	—	1	3	-4	2
Cash flows	42	-52	48	7	-64
Additions to lease liabilities	—	62	—	—	62
Acquired in business combinations	—	10	—	3	7
Other changes	2	-5	—	—	-3
<b>Balance at end of the period</b>	<b>1,387</b>	<b>157</b>	<b>482</b>	<b>30</b>	<b>1,032</b>



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## 9 | Derivative financial instruments

### Accounting policies

#### Derivative financial instruments

Derivative financial instruments are used to hedge the Group's exposure to foreign exchange rate, interest rate and commodity price risks arising from operational, investment and financing activities in accordance with Valmet's treasury policy, which is discussed further in Note 22.

Trade date accounting is applied to the Group's derivative financial instruments and these are measured at initial recognition and at each reporting date at fair value in the balance sheet. Fair value of open derivative contracts is calculated as present value of future cash flows using currency, interest and commodity price quotations on the reporting date. The instruments are classified as non-current assets or liabilities when the remaining maturities exceed 12 months and as current assets or liabilities when the remaining maturities are 12 months or less.

When hedge accounting is applied, derivatives are designated at inception either as hedges of firm commitments or highly probable forecasted sale and purchase transactions (cash flow hedge) or as hedges of fixed-rate debt (fair value hedge). When hedge accounting criteria are not met, derivatives are measured at fair value through profit or loss.

#### Application of hedge accounting

Valmet has designated certain forward exchange contracts, interest rate swaps, electricity forward contracts, and nickel average price swaps to cash flow hedge accounting relationships. Further, interest rate swaps not designated to cash flow hedge accounting, have been designated to fair value hedge accounting. When hedge accounting is applied, the relationship between hedging instrument and hedged item is documented, including the related risk management strategy and objectives. In cash flow hedge accounting, both at hedge inception and at each reporting date, a forward-looking assessment is performed to ensure that changes in cash flows of the hedging instrument are expected to

offset changes in cash flows from the hedged item. In fair value hedge accounting, both at inception and at each reporting date, the change in fair value of the derivatives is compared against those of the underlying instruments. When performing these assessments, if critical terms of hedging instrument and hedged item match, and an economic relationship between the hedged item and hedging instrument exists, hedge accounting relationship is considered effective.

#### Cash flow hedge accounting

For derivatives that have been designated to a cash flow hedge accounting relationship, the effective portion of change in fair value is recognized through other comprehensive income (OCI) in the hedge reserve under Equity and reclassified to profit or loss concurrently with the underlying hedged transaction. The gains or losses relating to the ineffective portion of derivatives hedging operative items (e.g. foreign currency denominated sales and purchase transactions) are reported in profit or loss. Both the ineffective portion and the reclassification from Equity are reported either in Net sales and Cost of goods sold or under Other operating income and expenses on a case-by-case basis. Net loss from foreign exchange related to operative items was EUR -1 million in 2025 (EUR -21 million). Respectively, the ineffective portions of derivatives hedging non-operative items (e.g. interest-bearing financial assets and liabilities, and other items related to the Group's funding) are reported under Financial income and expenses in profit or loss. Ineffectiveness arising from application of hedge accounting during the reporting period was insignificant. Should a hedged transaction no longer be expected to occur, any cumulative gain or loss previously recognized under Equity is reclassified through OCI to profit or loss.

When hedging for changes in foreign currency denominated firm commitments or highly probable forecasted sale and purchase transactions, the currency component of forward exchange contracts has been designated as hedging instrument in hedge accounting relationships in every case. In addition, based on a

case-by-case designation, the interest component of forward exchange contracts can also be designated as hedging instrument in hedge accounting relationships. In cases where the interest component is not designated as part of Valmet's hedge accounting relationships, it is recognized in profit or loss.

Valmet has designated interest rate swaps as hedging instruments to hedge future changes in cash flows arising from Valmet's floating rate loans from financial institutions. Interest arising from interest rate swaps is reported under Financial income and expenses concurrently with interest expense arising from hedged floating rate loans from financial institutions.

For highly probable forecasted purchases of electricity, the Group has designated the system-price component of electricity purchases as hedged risk and electricity forward contracts as hedging instruments to hedge accounting relationships. The realized gains and losses related to the effective portion of the electricity forward contracts are recognized in the Consolidated statement of income under Cost of goods sold.

Valmet has designated certain nickel commodity swaps as hedging instruments in hedge accounting relationship to hedge risk of changes in the nickel price component in highly probable forecasted purchase transactions from its suppliers. The realized gains and losses related to the effective portion of the nickel average price swap contracts are recognized in the Consolidated statement of income under Cost of goods sold concurrently with the underlying hedged transaction.

#### Fair value hedge accounting

Valmet applies fair value hedge accounting to certain fixed-rate loans. These fixed-rate loans create an exposure to fixed interest payments and the hedging instruments, interest rate swaps, receives fixed interest payments. There is an expectation that the value of the hedging instrument and the underlying hedged risk move in opposite direction. The change in fair value of the interest rate swap hedging the loan is recognized in Financial

income and expenses in profit or loss concurrently with the change in value of the underlying hedged fixed-rate loan.

### Derivatives at fair value through profit or loss

Certain forward exchange contracts, foreign exchange options and commodity derivatives do not qualify for hedge accounting and change in fair value is recorded through profit or loss. Gains or losses arising from derivatives hedging operative items are recognized case-by-case either in Net sales and Cost of goods sold or in Other operating income and expenses. When the foreign exchange derivatives hedge exchange rate risk arising from foreign currency denominated non-operative items, gains and losses are recognized in Financial income and expenses in profit or loss.

### Critical accounting estimates and judgments

#### Financial instruments

In accordance with the disclosure requirements on financial instruments, the management is obliged to make certain assumptions of the related future cash inflows and outflows associated with different financial assets and liabilities. Management assumes that the fair values of derivatives, especially fair values of forward exchange contracts, materially reflect the present values of future cash inflows or outflows to be realized from such instruments.

### Hedging of foreign currency denominated firm commitments or highly probable forecasted sale and purchase transactions

Under Valmet’s treasury policy, all Valmet entities are required to hedge their foreign currency risk when they have become engaged in a firm commitment denominated in a currency different from their functional currency. The commitment can be between Valmet entities or external to Valmet Group. In addition, certain highly probable forecasted sales and purchases are hedged in co-operation with the Group treasury. When revenue for a customer contract is recognized over time, the entity applies cash flow hedge accounting to both foreign currency denominated sales and purchases and recognizes the effect from the hedging instruments in the OCI until the hedged sales and/or purchases are recognized in the Consolidated statement of income. Although the exposure hedged by Valmet entities has been clearly defined in Valmet treasury policy, the final realization of the hedged items depends also on factors beyond management’s control, which cannot be foreseen when initiating the hedge relationship. Such factors include change in the market environment causing the other party to postpone or cancel the commitment or highly probable forecasted sale or purchase. Management tries to the extent possible to include clauses in the related contracts to reduce the impact of such adverse events to the Consolidated statement of income.



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**Notional amounts and fair values of derivative financial instruments as at December 31:**

EUR million	2025				2024			
	Notional amount	Fair value, assets	Fair value, liabilities	Fair value, net	Notional amount	Fair value, assets	Fair value, liabilities	Fair value, net
Forward exchange contracts <sup>1</sup>								
Under hedge accounting (cash flow hedge)	2,910	51	-33	17	2,416	17	-28	-11
Not designated for hedge accounting	1,418	9	-10	-1	1,137	9	-7	2
Total	4,327	60	-44	16	3,553	26	-35	-9
Foreign exchange options (bought) <sup>1</sup>								
Not designated for hedge accounting					150	—	—	—
Electricity forward contracts <sup>2</sup>								
Under hedge accounting (cash flow hedge)	184	—	—	—	160	—	-1	-1
Nickel commodity swaps <sup>3</sup>								
Under hedge accounting (cash flow hedge)					371	—	-1	-1
Not designated for hedge accounting	402	—	—	—	1,112	—	—	—
Total	402	—	—	—	1,483	—	-1	-1
Steel scrap commodity swaps <sup>3</sup>								
Not designated for hedge accounting	829	—	—	—	1,303	—	—	—
Interest rate swaps <sup>1</sup>								
Under hedge accounting (cash flow hedge)	610	2	-3	-1	550	2	-6	-4
Under hedge accounting (fair value hedge)	100	1	—	1	100	2	—	2
Total	710	3	-3	—	650	4	-6	-2
<b>Total</b>		<b>63</b>	<b>-47</b>	<b>16</b>		31	-43	-13
Netting fair values of derivative financial instruments subject to ISDAs <sup>4</sup>		-40	40	—		-28	28	—
<b>Total, net</b>		<b>24</b>	<b>-8</b>	<b>16</b>		2	-15	-13

1 Notional amount in EUR million.

2 Notional amount in GWh.

3 Notional amount in metric tons.

4 The Group's derivatives are carried out under International Swaps and Derivatives Association's Master Agreements (ISDA). In case of an event of default under these Agreements the non-defaulting party may request early termination and set-off of all outstanding transactions. These agreements do not meet the criteria for offsetting in the Statement of financial position.


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**Maturities of financial derivatives as at December 31:**

	2025						2024					
	2026	2027	2028	2029	2030 and later	Total	2025	2026	2027	2028	2029 and later	Total
<b>2025</b>												
Notional amounts												
Forward exchange contracts <sup>1</sup>	3,937	387	4	—	—	4,327	3,033	519	1	—	—	3,553
Foreign exchange options <sup>1</sup>	—	—	—	—	—	—	150	—	—	—	—	150
Electricity forward contracts <sup>2</sup>	122	52	9	—	—	184	105	46	9	—	—	160
Nickel commodity swaps <sup>3</sup>	402	—	—	—	—	402	1,375	108	—	—	—	1,483
Steel scrap commodity swaps <sup>3</sup>	829	—	—	—	—	829	1,303	—	—	—	—	1,303
Interest rate swaps <sup>1</sup>	200	170	130	140	70	710	120	200	170	60	100	650
Fair values, EUR million												
Forward exchange contracts	15	1	—	—	—	16	-5	-4	—	—	—	-9
Foreign exchange options	—	—	—	—	—	—	—	—	—	—	—	—
Electricity forward contracts	—	—	—	—	—	—	—	—	—	—	—	-1
Nickel commodity swaps	—	—	—	—	—	—	-1	—	—	—	—	-1
Steel scrap commodity swaps	—	—	—	—	—	—	—	—	—	—	—	—
Interest rate swaps	-1	-1	—	1	—	—	—	-1	-1	-1	2	-2

1 Notional amount in EUR million.

2 Notional amount in GWh.

3 Notional amount in metric tons.

The notional amounts presented in the tables above give an indication of the volume of derivative contracts entered into, but do not provide an indication of the exposure to risk.



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## 10 | Financial income and expenses

EUR million	2025	2024
Dividends received	—	—
Interest income on financial assets at amortized cost	15	20
Interest income on financial assets at fair value through other comprehensive income (excl. derivatives)	3	2
Net gain from foreign exchange	—	2
<b>Financial income total</b>	<b>18</b>	<b>24</b>
Interest expenses on financial liabilities measured at amortized cost (excl. leases)	-49	-69
Interest expenses on lease liabilities	-11	-8
Net interest from defined benefit plans	-4	-4
Net loss from foreign exchange	-3	—
Interest component from forward contracts	-6	-4
Other financial expenses	-8	-4
<b>Financial expenses total</b>	<b>-80</b>	<b>-90</b>
<b>Financial income and expenses, net</b>	<b>-62</b>	<b>-65</b>

Interest expenses on financial liabilities at amortized cost (excl. leases) includes interest expenses on interest-bearing loans and interest rate swaps.

### Exchange rate differences included in financial income and expenses:

EUR million	2025	2024
Exchange rate differences from interest-bearing financial assets and liabilities, and other items related to Group's funding	-2	-3
Exchange rate differences from derivative financial instruments	—	5
<b>Net gain or loss from foreign exchange</b>	<b>-3</b>	<b>2</b>



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## 11 | Provisions

### Accounting policies

A provision is recognized when Valmet has a present legal or constructive obligation as a result of a past event, payment is probable, and Valmet is able to estimate the amount of the obligation reliably. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate or reversed if they are no longer needed. Long-term provisions are discounted to their present value based on the expected timing of cash outflows when the effect of the time value of money is significant.

### Warranty provisions

The Group typically issues contractual product warranties under which it generally guarantees the mechanical functioning of equipment delivered during the agreed warranty periods, ranging from 12 to 24 months. The main principle in measuring the warranty provision is to book a certain percentage, based on past experience, of total revenue of a deliverable as a provision for expected warranty work. For sales involving new technology and long-term delivery contracts, additional warranty provision may be established on a case-by-case basis to take into account the potentially increased risk. The actual warranty costs of each project are booked against the warranty provision and thus the remaining warranty provision of each project can be followed.

Actual warranty costs incurred on projects are monitored regularly in order to assess the need for amending the percentage based on which warranty provisions are recognized going forward.

### Restructuring provisions

A provision for restructuring costs is recognized only when general recognition criteria for provision are met and after management has prepared and approved a formal plan to which it is committed, and it has raised a valid expectation in those affected by the measures that it will carry out the restructuring by starting to implement that plan or announcing its main features.

The costs included in a provision for restructuring are those costs that are either incremental or incurred as a direct result of the plan or are the result of a continuing contractual obligation with no continuing economic benefit to Valmet or a penalty incurred to cancel the contractual obligation. Restructuring and capacity adjustment expenses are recognized in either Cost of goods sold or Selling, general and administrative expenses depending on the nature of the expense. Restructuring costs may also include other costs incurred as a result of a restructuring plan, which are recorded under Other operating income and expenses, such as asset impairment charges.

### Provisions for onerous contracts

A provision for an onerous contract is recognized when the Group has a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is either the cost of fulfilling contractual obligations or penalties arising from the failure to fulfill those obligations.

### Other provisions

Other provisions include provisions related to environment, personnel, legal and tax related processes. These provisions are recognized when general provision recognition criteria are met.

### Critical accounting estimates and judgments

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the reporting day, taking into account related risks and uncertainties, management judgment supplemented by experience with similar transactions and future events when there is sufficient evidence that they will occur and affect the amount of payment.

Under contractual warranty clauses, Valmet generally guarantees the performance of products delivered for a certain warranty period. The warranty provision is based on historical realized warranty costs for deliveries of standard products. The warranty period typically commences from the date of customer acceptance of the delivered equipment. For more complex contracts, including long-term projects, the warranty reserve is calculated contract by contract and updated regularly to ensure its appropriateness.

Provisions for restructuring costs are recognized when the requirements for recognition are satisfied. For reasons beyond the control of management the final costs may differ from the initial amount for which the provision has been established.

Valmet recognizes a provision for losses associated with environmental remediation obligations when such losses are probable, and a reliable estimate of amounts can be made. Following initial recognition, the amount of provision is adjusted later if further information is obtained or circumstances change.



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## Specification of changes in provisions:

EUR million	2025				Total
	Warranty provisions	Restructuring provisions	Provisions for onerous contracts	Other provisions	
Balance at beginning of the period	153	7	15	14	190
Translation differences	-1	—	—	—	-1
Additions charged to profit or loss	129	54	5	3	190
Acquired in business combinations	6	—	—	—	6
Provisions used	-84	-36	-3	-5	-129
Unused provisions reversed	-25	-7	-11	-1	-44
<b>Balance at end of the period</b>	<b>178</b>	<b>18</b>	<b>6</b>	<b>11</b>	<b>212</b>
Non-current	18	—	—	1	20
Current	159	17	6	10	192

On March 31, 2025, Valmet announced plans to renew its operating model. The restructuring provisions in 2025 include an addition of EUR 52 million related to the change negotiations out of which EUR 31 million has been used. The remaining restructuring provision balance for operating model renewal amounted to EUR 16 million as at December 31, 2025.

Provisions for expected contract losses relate primarily to long-term projects. The Group did not have material environmental or product liabilities as at December 31, 2025, or December 31, 2024.



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## 12 | Other current assets

EUR million	As at December 31	
	2025	2024
Accrued income and prepaid expenses	49	65
VAT, GST and withholding tax receivables	117	133
Other receivables	22	28
<b>Other current assets total</b>	<b>189</b>	<b>226</b>

## 13 | Other current liabilities

EUR million	As at December 31	
	2025	2024
Accrued personnel costs	222	223
Accrued project costs	86	110
VAT and withholding tax liabilities	55	66
Accrued expenses and deferred income	98	111
Accrued interest	12	17
Other payables	35	33
<b>Other current liabilities total</b>	<b>508</b>	<b>559</b>

The maturity of payables is largely determined by local trade practices and individual agreements between Valmet and its suppliers and rarely exceeds six months. Accrued personnel costs, which include holiday pay, are settled in accordance with local laws and stipulations.



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## 14 | Personnel expenses and number of personnel

### Personnel expenses:

EUR million	2025	2024
Salaries and wages	1,093	1,093
Pension costs, defined contribution plans	109	110
Defined benefit plan costs <sup>1</sup>	6	6
Other post-employment benefits	12	12
Share-based payments <sup>2</sup>	7	8
Other indirect employee costs	168	164
<b>Total</b>	<b>1,395</b>	<b>1,393</b>

<sup>1</sup> For more information, see Note 16.

<sup>2</sup> For more information, see Note 15.

## 15 | Share-based payments

### Accounting policies

Valmet's share-based incentive plans are part of the remuneration and retention program for Valmet's key personnel. In majority of the jurisdictions where key employees participating in the Group's long-term incentive (LTI) plans reside, Valmet has an obligation to withhold an amount for the key employee's tax obligations associated with the share-based payment rewards, and transfer that amount directly to the tax authorities on the key employee's behalf. Thus, the arrangements

carry a net settlement feature and both equity and cash settled portions of the plans are accounted for against equity.

Non-market vesting conditions, such as Comparable EBITA as a percentage of net sales, ESG Index, and orders received growth in the stable business, are used for calculating the number of shares related to the Group's LTI plans that are expected to vest. These estimates are revised at the end of each reporting period and impact of the revision to previous estimate is recognized through profit or loss with corresponding adjustment to equity.

### Granted share amounts of the share-based incentive plans, as rounded to thousands:

	Plan 2022–2024	Plan 2023–2025	Plan 2024–2026	Plan 2025–2027
<b>2025</b>				
At beginning of the period	29,000	48,000	442,000	—
Maximum number of shares to be granted	—	-2,000	-18,000	550,000
Changes due to achievement criteria	—	—	—	-75,000
Actual number of shares granted	-29,000	-2,000	-235,000	—
Shares returned by plan participants	—	2,000	2,000	—
Shares transferred to treasury shares	—	-2,000	-2,000	—
<b>At end of the period</b>	<b>—</b>	<b>44,000</b>	<b>189,000</b>	<b>474,000</b>

### Number of personnel:

	2025	2024
Personnel at end of the period	18,487	19,310
Average number of personnel during the period	18,982	19,297

The compensation expense for the shares is recognized as an employee benefit expense evenly during the required service period whereas the compensation expense resulting from the cash portion is recognized as an employee benefit expense on accrual basis between grant and payment date. Valuation of the related expenses is based on the number of shares expected to vest, remaining vesting period at the reporting date and Valmet's closing share price as at the grant date.



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**Long-term incentive plans – Performance  
Share Plan and Deferred Share Plan**

**Long-term incentive plans commenced  
2021–2024**

The Board of Directors of Valmet Oyj decided in December 2020 on share-based long-term incentive plans; a Performance Share Plan and a Deferred Share Plan for Valmet's key employees. The Performance Share Plan is directed to Valmet's Executive Team and the Deferred Share Plan is directed to other key employees in management positions, and management talents.

The Performance Share Plan includes a three-year performance period parallel to a one-year performance period. The Deferred Share Plan includes a one-year performance period. Valmet's Board of Directors decides on the predefined performance measures and targets in the beginning of each performance period.

In case the rewarded shares are paid after the one-year performance period from both the Performance Share Plan and the Deferred Share Plan those may not be transferred during a two-year restriction period. Should a key employee's employment or service end during the restriction period, he or she must, as a rule, gratuitously return the shares given as reward to the Company.

The Board has the right to cancel the reward or re-collect paid rewards that are subject to the Transfer Restriction, fully or partly, if the LTI plan participant has acted against the law or against the ethical guidance of the Company or otherwise unethically.

**Long-term incentive plans from 2025  
onwards**

The Board of Directors of Valmet Oyj decided in December 2024 on establishment of a new long-term share incentive plan; a Performance Share Plan, for Valmet's executives and selected key employees. The Performance Share Plan consists of annually

commencing performance share plans, with a three-year performance period, within which its participants have the opportunity to earn shares of the Company based on achievement of the performance measures. The performance measures and their target ranges are set separately for each commencing plan.

Regarding all Valmet LTI plans, as a rule, no reward is paid if the key employee's employment or service at Valmet ends before the reward payment. The earning under the Performance Share Plan is limited by a pay cap determined by the Board of Directors in order to avoid unexpectedly high pay-outs resulting from share price volatility. Additionally, the Board has the right to re-collect paid rewards after the plan has ended if the LTI plan participant has caused a misstatement of the information based on which the reward was paid.

The tables below summarize the key attributes of the long-term incentive plans that existed during the current or previous period:



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## Performance Share Plans and Deferred Share Plans:

	Long-term incentive plans 2022–2024		Long-term incentive plans 2023–2025	
Plan name	Performance Share Plan and Deferred Share Plan	Performance Share Plan	Performance Share Plan and Deferred Share Plan	Performance Share Plan
Performance period	2022	2022–2024	2023	2023–2025
Performance measures	Comparable EBITA as a percentage of net sales, and orders received growth in the stable business <sup>1</sup>	ESG Index, targets linked to implementing Valmet's Climate Program and Sustainability Agenda	Comparable EBITA as a percentage of net sales, and orders received growth in the stable business <sup>1</sup>	Development of a valuation multiple of Valmet's share in comparison to peer group
Reward payment	In spring 2023	In spring 2025	In spring 2024	In spring 2026
Participants				
Performance Share Plan	14	11	15	13
Deferred Share Plan	114		117	
Total gross number of shares earned	Approximately 176,000 shares	Approximately 29,000 shares	Approximately 151,000 shares	Approximately 44,000 shares
Valmet's closing share price as at the grant date	33.63	33.63	28.77	28.77
Vesting period	February 2022 to March 2025	February 2022 to March 2025	February 2023 to March 2026	February 2023 to March 2026

	Long-term incentive plans 2024–2026		Long-term incentive plan 2025–2027	Long-term incentive plan 2026–2028
Plan name	Deferred Share Plan	Performance Share Plan	Performance Share Plan	Performance Share Plan
Performance period	2024	2024, 2024–2026	2025–2027	2026–2028
Performance measures	Comparable EBITA as a percentage of net sales, and orders received growth in the stable business <sup>1</sup>	Comparable EBITA as a percentage of net sales, and orders received growth in the stable business <sup>1</sup>	Comparable EBITA, organic orders received growth (%) of the stable business <sup>1</sup> , and ESG Index	Absolute Total Shareholder Return, organic net sales growth and emission reduction in own operations
Reward payment	In spring 2025	In spring 2027	In spring 2028	In spring 2029
Participants				
Performance Share Plan		16	163	~200
Deferred Share Plan	192			
Total gross number of shares earned	Approximately 235,000 shares	Approximately 189,000 shares	As at December 31, 2025, approximately 474,000 shares were allotted to participants	The reward to be paid will correspond to a maximum total of approximately 767,000 shares
Valmet's closing share price as at the grant date	25,65	25,65	25,79	
Vesting period	February 2024 to March 2027	February 2024 to March 2027	March 2025 to March 2028	February 2026 to March 2029

<sup>1</sup> Stable business refers to Process Performance Solutions and biomaterial services.



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## Restricted share pool

As part of total remuneration, for example for retention purposes, the Board of Directors decided on an additional incentive element in December 2018, the restricted share pool, from which shares can be granted to selected key employees. Restricted share pools are intended to be annually commencing, and the annual restricted share pool is subject to separate approval by the Board of Directors. In 2025, approximately 100,000 shares were allocated from the restricted share pool. In 2026, 115,000 Company shares can be allocated to possible participants in the restricted share pool. As a rule, the restriction period for these shares is three years. Plan nominations as well as detailed terms of allocation will be proposed by the President and CEO to the Chairman of the Board of Directors for approval. A precondition for the payment of the share reward based on the restricted shares pool is that a threshold of Valmet Comparable EBITA is exceeded and that the employment relationship of the individual participant with Valmet continues until the payment date of the reward.

## Shareholding obligation

To recognize and highlight the importance and value of the members of Valmet's Executive Leadership Team owning and holding Company shares, the Board of Directors has approved in December 2025 a shareholding obligation for Valmet's Executive Leadership Team members. The Executive Leadership Team members are obligated to hold 100 percent of the shares received from the plans, until the value of the Executive Leadership Team member's total shareholding in Valmet equals to their annual base salary for the calendar year preceding the payment of the reward. Such number of Valmet Corporation shares must be held as long as the membership in the Executive Leadership Team continues.

## Costs recognized for the share ownership plans

The compensation expense for the shares is recognized as an employee benefit expense evenly during the required service period with corresponding entry in equity. The compensation expense resulting from the cash portion is recognized as an employee benefit expense on an accrual basis between the grant and payment date with a corresponding entry made to equity. The valuation of the related expenses is based on the number of shares expected to vest, the remaining vesting period at the reporting date and Valmet's closing share price as at the grant date.

### Costs arising from share-based payments plans:

EUR thousand	2025	2024
Plan 2021–2023	—	-409
Plan 2022–2024	-272	-1,065
Plan 2023–2025	-818	-1,543
Plan 2024–2026	-2,152	-4,723
Plan 2025–2027	-3,141	—
Restricted share pool	-1,015	-325
<b>Total</b>	<b>-7,398</b>	<b>-8,066</b>



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## 16 | Employee benefit obligations

### Accounting policies

#### Pensions and coverage of pension liabilities

Valmet has various employee benefit schemes in place in line with local regulations and practices in the countries in which Valmet operates. In certain countries, the schemes involve defined benefit plans with retirement, disability, death, and other post-retirement benefits such as health benefits and termination income benefits. Defined benefit plans are post-employment benefit plans other than defined contribution plans. In defined benefit plans, the benefits are usually based on the number of service years and the salary levels of the final service years. The schemes are generally funded through payments to insurance companies or to trustee-administered funds as determined by periodic actuarial calculations.

In addition, certain entities within Valmet Group have multi-employer pension arrangements, classified as defined contribution plans. The contributions to defined contribution plans and to multi-employer and insured plans are charged to profit or loss concurrently with the payment obligations. In defined contribution plans, the Group pays fixed contributions into a separate entity, and the Group has no legal or constructive obligation to pay further contributions.

In the case of defined benefit plans, the net defined benefit liability recognized from the plan is the present value of the defined benefit obligation at the end of the reporting period, reduced by the fair value of the plan assets. Independent actuaries calculate the defined benefit obligation by applying the projected unit credit method under which the estimated future cash flows are discounted to their present value using a duration-specific discount rate. The cost of providing pension and other employee benefits is charged to profit or loss concurrently with the service rendered by the employees. The service cost is recorded as part of personnel expenses in profit or loss, and the net interest is recorded under financial income and expenses. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and actual return on plan assets (excluding interest income on plan assets) are recognized through OCI in equity.

### Critical accounting estimates and judgments

The benefit expense and liabilities arising from defined benefit arrangements are calculated based on assumptions that include the following:

- The discount rates used to discount employee benefit obligations (both funded and unfunded): These rates are determined by reference to market yields at the end of the reporting period on high-quality corporate bonds. In countries where there is no deep market in such bonds, the market yields (at the end of the reporting period) on government bonds have been used. The currency and term of the corporate bonds or government bonds are consistent with the currency and duration of the post-employment benefit obligations.
- Estimated rates of future pay increases, which include general pay rise expectations, as well as merit increases. Actual increases may not reflect estimated future increases.

Due to the significant uncertainty of the global economy, these estimates are difficult to project.

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**Amounts recognized in the Consolidated statement of financial position as at December 31:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Present value of obligation	188	152	340	211	152	363
Fair value of plan assets	-216	—	-216	-236	—	-236
<b>Asset (-) / liability (+)</b>	<b>-27</b>	<b>152</b>	<b>124</b>	<b>-25</b>	<b>152</b>	<b>126</b>
Amounts in the Consolidated statement of financial position						
Liabilities	4	152	156	5	152	157
Assets	31	—	31	31	—	31
<b>Net liability</b>	<b>-27</b>	<b>152</b>	<b>124</b>	<b>-25</b>	<b>152</b>	<b>126</b>

**Amounts recognized in the Consolidated statement of income:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Employer's current service cost	1	4	6	2	4	6
Net interest on net surplus/deficit	-1	5	4	-1	5	4
<b>Total expenses</b>	<b>—</b>	<b>10</b>	<b>10</b>	<b>1</b>	<b>9</b>	<b>10</b>

**Changes in the present value of the defined benefit obligation during the period:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Present value of obligation at beginning of the period	211	152	363	214	152	366
Acquired in business combinations	—	—	—	2	—	2
Employer's current service cost	1	4	5	2	4	6
Interest expense	10	5	15	10	5	15
Actuarial gain (-) / loss (+) due to change in financial assumptions	3	-10	-8	-9	-2	-11
Actuarial gain (-) / loss (+) due to experience	—	2	2	-3	2	-1
Benefits paid from the arrangements	-14	—	-14	-14	—	-14
Benefits paid directly by employer	—	-7	-7	—	-6	-7
Translation differences	-22	5	-17	10	-3	7
<b>Present value of defined benefit obligation at end of the period</b>	<b>188</b>	<b>152</b>	<b>340</b>	<b>211</b>	<b>152</b>	<b>363</b>
- of which related to active members			115			130
- of which related to deferred members			53			49
- of which related to pensioner members			171			183

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**Changes in the fair value of the plan assets during the period:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Fair value of plan assets at beginning of the period	236	—	236	220	—	220
Acquired in business combinations	—	—	—	2	—	2
Interest income on assets	11	—	11	11	—	11
Return on plan assets excluding interest income	2	—	2	1	—	1
Employer contributions	5	—	5	5	—	5
Benefits paid from the arrangements	-14	—	-14	-14	—	-14
Translation differences	-25	—	-25	12	—	12
<b>Fair value of plan assets at end of the period</b>	<b>216</b>	<b>—</b>	<b>216</b>	<b>236</b>	<b>—</b>	<b>236</b>

**Remeasurement of the net defined benefit liability/asset reported in other comprehensive income:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Experience gain (-) / loss (+) on assets	-2	—	-2	-1	—	-1
Actuarial gain (-) / loss (+) on liabilities due to change in financial assumptions	3	-10	-7	-9	-2	-11
Actuarial gain (-) / loss (+) on liabilities due to experience	—	2	2	-3	2	-1
<b>Total gain (-) / loss (+)</b>	<b>—</b>	<b>-8</b>	<b>-8</b>	<b>-14</b>	<b>1</b>	<b>-13</b>

**The major categories of plan assets as a percentage of total plan assets of Valmet's defined benefit plans:**

As at December 31	2025			2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Equities	6%	—	6%	10%	—	10%
Bonds	84%	—	84%	80%	—	80%
Other	2%	8%	10%	1%	8%	10%
<b>Total</b>	<b>92%</b>	<b>8%</b>	<b>100%</b>	<b>92%</b>	<b>8%</b>	<b>100%</b>

On December 31, 2025, there were no plan assets invested in affiliated companies or property occupied by affiliated companies.

**The principal actuarial assumptions used to determine the defined benefit obligation (expressed as weighted averages):**

As at December 31	2025			2024		
	Funded	Unfunded	All plans	Funded	Unfunded	All plans
Discount rate	5.0%	4.0%	4.6%	5.2%	3.7%	4.6%
Salary increase	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Pension increase	1.0%	2.0%	1.4%	1.1%	2.0%	1.4%
Medical cost trend rates	—	4.5%	4.5%	—	4.5%	4.5%



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## The weighted average life expectancy used for the major defined benefit plans:

Expressed in years	Life expectancy at age 65 for a male participant currently aged 65		Life expectancy at age 65 for a female participant currently aged 65	
	2025	2024	2025	2024
Sweden	22	22	24	24
Canada	22	22	24	24
USA	21	21	23	23
Finland	21	21	26	26

Expressed in years	Life expectancy at age 65 for a male participant currently aged 45		Life expectancy at age 65 for a female participant currently aged 45	
	2025	2024	2025	2024
Sweden	22	24	24	26
Canada	23	23	25	25
USA	23	23	25	24
Finland	24	24	28	28

Life expectancy is allowed for in the assessment of the defined benefit obligation using mortality tables, which are generally based on experience within the country in which the arrangement is located, with an allowance made for anticipated future improvements in longevity in many cases.



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**Sensitivity analysis of present value of the defined benefit obligation as at December 31:**

EUR million	2025			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Discount rate						
Increase of 0.25%	-4	-6	-10	-5	-6	-11
Decrease of 0.25%	4	6	10	5	6	11
Salary increase rate						
Increase of 0.25%	—	3	4	—	4	4
Decrease of 0.25%	—	-3	-3	—	-3	-4
Pension increase rate						
Increase of 0.25%	—	4	4	—	4	4
Decrease of 0.25%	—	-4	-4	—	-4	-4
Medical cost trend						
Increase of 1%	—	—	—	—	—	—
Decrease of 1%	—	—	—	—	—	—
Life expectancy						
Increase of one year	5	5	10	6	5	11
Decrease of one year	-5	-5	-10	-6	-5	-11

The table above presents the changes in the value of the defined benefit obligation when major assumptions are changed, while holding the others constant.



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## Weighted average duration of the defined benefit obligation as at December 31:

Expressed in years	2025			2024		
	Funded	Unfunded	All plans	Funded	Unfunded	All plans
Weighted average duration	9	17	13	9	18	13

Valmet sponsors both defined contribution and defined benefit arrangements. Valmet operates various defined benefit pension and other long-term employee benefit arrangements pursuant to local conditions, practices and collective bargaining agreements in the countries in which it operates. The majority of Valmet's defined benefit liabilities relate to arrangements that are funded through payments to either insurance companies or to independently administered funds based on periodic actuarial calculations. Other arrangements are unfunded, with benefits being paid directly by Valmet as they fall due. All arrangements are subject to local tax and legal restrictions in their respective jurisdictions. Valmet's defined benefit arrangements in the USA, Canada and Sweden together represent 85 percent of Valmet's defined benefit obligation and 91 percent of its pension assets. These arrangements provide income in retirement, which is substantially based on salary and service at or near retirement.

In the USA and Canada, annual valuations are carried out to determine whether cash funding contributions are required in accordance with local legislation.

Defined benefit pension arrangements in Sweden are offered in accordance with collective labor agreements and are unfunded. The liability recorded on Valmet's balance sheet and cash contributions to funded arrangements are sensitive to the assumptions used to measure the liabilities, the extent to which actual experience differs from the assumptions made and the returns on plan assets. Therefore, Valmet is exposed to the risk that balance sheet liabilities and/or cash contributions will increase due to these impacts.

The assets of Valmet's funded arrangements are managed by external fund managers. The allocation of assets is reviewed regularly by those responsible for managing Valmet's arrangements based on local legislation, professional advice and consultation with Valmet, based on acceptable risk tolerances.

The expected contributions to defined benefit type arrangements in 2026 are EUR 0.1 million in respect of Finnish plans and EUR 5 million in respect of foreign plans. Valmet paid contributions of EUR 109 million (EUR 110 million) to defined contribution arrangements during 2025.



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## 17 | Income taxes

### Accounting policies

Tax expense in the profit or loss comprises current and deferred taxes. Taxes are recognized in profit or loss unless they are associated with items recognized in the Consolidated statement of comprehensive income or directly in equity.

Current taxes are calculated on the taxable income based on the tax rates enacted or substantively enacted for each country as at the balance sheet date. Additionally, non-recoverable foreign taxes on financing transactions or transactions with shareholders that are not based on taxable profits are reported in Current tax expenses. Non-recoverable withholding taxes and foreign taxes on operative items are reported in Other operating income and expenses. These non-recoverable foreign taxes include taxes paid that are not creditable based on the applicable Double Tax Treaty. Taxes are adjusted for taxes of previous financial periods if applicable. Interest calculated for the unpaid tax amounts is reported under Financial expenses.

Management evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The tax provisions recognized in such situations are based on evaluations by management of the probability that the items subject to interpretation reported to the tax authorities can be substantiated on examination.

Deferred taxes are calculated on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred taxes have been calculated using the statutory tax rates or the tax rates enacted or substantively enacted as at the reporting date. Deferred tax assets are only recognized to the extent that it is probable that a future taxable profit will be available against which the temporary differences can be utilized.

The most significant temporary differences arise from differences in revenue recognition methods applied for tax purposes, depreciation differences relating to property, plant and equipment, treatment of costs arising from defined benefit pension plans, provisions deductible at a later date, fair value measurement of assets and liabilities in connection with business combinations, and unused tax losses. Deferred taxes are not recognized on initial recognition of an asset or liability in a transaction other than a business combination that does not affect accounting or tax profit and does not give rise to equal taxable and deductible temporary differences. Deferred 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 income tax assets and liabilities are related to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The legislation implementing the OECD Pillar Two model rules was enacted in Finland in 2023 and came into effect from January 1, 2024. Valmet applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. There were no material current tax impacts in 2025 from Pillar Two taxes.

### Critical accounting estimates and judgments

Deferred tax assets and liabilities are recognized for temporary differences. They are expected to be realized through the income statement over extended periods in the future. Valmet management has made certain assumptions regarding future tax consequences and has used certain estimates when calculating differences between carrying amounts of assets and liabilities and their tax bases. Key assumptions underlying tax calculations include the likelihood that recoverability periods for tax loss carryforwards will not change, and that existing tax laws and rates will remain unchanged for the foreseeable future. On each balance sheet date, deferred tax assets are assessed for recoverability, and when circumstances indicate that it is no longer probable that deferred tax assets can be recovered, balances are reduced to their recoverable amounts.

Liabilities and assets are recognized with respect to the income tax amounts management is expecting to pay and recover respectively. Management has chosen not to discount non-current tax balances. Valmet entities are subject to tax audits on an ongoing basis. Complex and constantly changing regulations in multiple jurisdictions where Valmet operates create uncertainties related to tax obligations toward the authorities. Changes in the tax authorities' interpretations could have unfavorable impact on Valmet's financials.

The differences between income tax expense computed at the Finnish statutory rate (20 percent in 2025 and 2024) and income tax expense recognized in profit or loss are shown in the table below.

EUR million	2025	2024
<b>Profit before taxes</b>	<b>376</b>	383
Taxes calculated according to tax rate in Finland	-75	-77
Impact of changes in tax rates	—	—
Income tax for previous years	-8	6
Net increase (decrease) in uncertain tax positions	-10	—
Effect of different tax rates in foreign subsidiaries	-10	-15
Utilization of tax losses carried forward	-1	-1
Non-recoverable foreign taxes	-12	-12
Adjustment and revaluation of deferred taxes for previous years <sup>1</sup>	15	1
Effect of tax-free income and non-deductible expenses	1	-3
Other	4	-2
<b>Income tax expense</b>	<b>-96</b>	-103
Effective tax rate, (%)	<b>25.7%</b>	26.8%
Effective tax rate (%), excluding income tax for previous years	<b>20.9%</b>	28.5%

1 In 2025, mainly includes benefit from previously unrecognized deferred tax assets in the USA and change from deferred taxes in Finland.

**Tax effects of components in other comprehensive income:**

EUR million	2025			2024		
	Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Gains and losses on cash flow hedges	15	-3	12	-8	2	-6
Change in fair value reserve	—	—	—	1	—	1
Remeasurement of defined benefit plans	8	-1	6	13	-3	10
Currency translation on subsidiary net investments	-73	—	-73	2	—	2
Share of other comprehensive income of associated companies accounted for using equity method	-1	—	-1	—	—	—
<b>Total comprehensive income for the period</b>	<b>-50</b>	<b>-4</b>	<b>-55</b>	8	-2	6
Deferred tax	—	-4	—	—	-2	—
<b>Total</b>	<b>—</b>	<b>-4</b>	<b>—</b>	—	-2	—



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**Reconciliation of deferred tax balances:**

EUR million	2025						2024					
	Balance at beginning of the period	Translation differences	Charged to income statement	Charged to other comprehensive income	Acquired in business combination	Balance at end of the period	Balance at beginning of the period	Translation differences	Charged to income statement	Charged to other comprehensive income	Acquired in business combination	Balance at end of the period
<b>Deferred tax assets</b>												
Tax losses carried forward	8	—	-1	-1	—	5	5	—	2	—	—	8
Fixed assets	9	—	—	—	—	8	8	—	1	—	—	9
Leases	32	-1	6	—	—	37	31	—	—	—	1	32
Inventory	21	-1	3	—	-1	21	16	—	-2	—	5	21
Provisions	35	-1	3	—	1	39	41	-3	-4	—	—	35
Accruals	10	-1	5	1	—	15	11	—	-2	—	—	10
Employee benefits	1	1	-2	-1	—	-1	6	—	-2	-4	1	1
Other	42	—	—	-3	—	39	28	—	8	2	5	42
<b>Total deferred tax assets</b>	<b>158</b>	<b>-4</b>	<b>14</b>	<b>-4</b>	<b>-1</b>	<b>163</b>	148	-3	2	-2	13	158
Offset against deferred tax liabilities <sup>1</sup>	-64	—	—	—	—	-67	-59	—	—	—	—	-64
<b>Net deferred tax assets</b>	<b>94</b>	—	—	—	—	<b>96</b>	90	—	—	—	—	94
<b>Deferred tax liabilities</b>												
Purchase price allocations	293	-4	-31	—	—	258	292	2	-19	—	18	293
Fixed assets	11	-1	—	—	—	10	9	—	1	—	—	11
Leases	34	-1	5	—	—	38	33	—	—	—	1	34
Other	11	-1	-3	—	—	7	7	—	3	—	—	11
<b>Total deferred tax liabilities</b>	<b>348</b>	<b>-6</b>	<b>-28</b>	<b>—</b>	<b>—</b>	<b>313</b>	341	3	-16	1	20	348
Offset against deferred tax assets <sup>1</sup>	-64	—	—	—	—	-66	-58	—	—	—	—	-64
<b>Net deferred tax liabilities</b>	<b>284</b>	—	—	—	—	<b>246</b>	283	—	—	—	—	284

<sup>1</sup> Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets against tax liabilities, and when the deferred income taxes relate to the same fiscal authority.

A deferred tax liability on undistributed profits of Valmet's legal entities located in countries where distribution generates tax consequences is recognized when it is likely that earnings will be distributed in the near future. For the years ended December 31, 2025 and 2024, earnings of EUR 64 million and EUR 67 million respectively would have been subject to recognition of a deferred tax liability had Valmet regarded a distribution in the near future as likely.

A deferred tax asset is recognized for tax loss carryforwards to the extent that the realization of the related tax benefit through future taxable profits is probable. There were no material tax loss carryforwards for which a deferred tax asset had not been recognized. Valmet has tax loss carryforwards of EUR 11 million (EUR 15 million) that will expire within the next five years.



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## 18 | Equity

### Share capital and number of shares

	2025	2024
Share capital at end of the period, EUR	140,000,000	140,000,000
Number of shares at end of the period	184,529,605	184,529,605
Treasury shares at end of the period	297,175	364,258
Shares outstanding at end of the period	184,232,430	184,165,347
Average number of shares outstanding during the financial year	184,203,699	184,159,071

Valmet Oyj has one series of shares. The shares of Valmet Oyj do not have a nominal value.

### Board authorizations regarding shares

Valmet Oyj's Annual General Meeting 2024 authorized Valmet's Board of Directors to decide on the repurchase of a maximum number of 9,200,000 of the Company's own shares in one or several tranches. This corresponds to approximately 5.0 percent of all the shares in the Company. Under the authorization, Valmet repurchased 115,000 of the Company's own shares in 2025.

Valmet Oyj's Annual General Meeting 2025 authorized Valmet's Board of Directors to decide on the repurchase of a maximum number of 9,200,000 of the Company's own shares in one or several tranches. This corresponds to approximately 5.0 percent of all the shares in the Company.

The Annual General Meeting 2025 also authorized Valmet's Board of Directors to decide on the issuance of shares and the issuance of special rights entitling to shares in one or several tranches. Based on this authorization, a maximum number of 18,500,000 shares may be issued, corresponding to approximately 10.0 percent of all the shares in Valmet.

### Treasury shares

As at December 31, 2025, Valmet Oyj held 297,175 (364,258) of its own shares. These shares have been acquired through purchase on the Helsinki Stock Exchange (Nasdaq Helsinki Ltd). The total amount paid to acquire Valmet's own shares during the reporting period, including transaction costs, was EUR 3 million (EUR 3 million), and it has been deducted from Retained earnings in Equity. Own shares have been acquired for the purposes of Valmet's long-term incentive plans.

### Dividends

The Board of Directors proposes that a dividend of EUR 1.35 per share be paid based on the Consolidated statement of financial position to be adopted for the financial year ended December 31, 2025, and that the remaining part of the Retained earnings be carried forward in Valmet Oyj's unrestricted equity. These financial statements do not reflect this dividend payable of EUR 249 million.

In compliance with the resolution of the Annual General Meeting, Valmet paid out dividend of EUR 249 million for 2024, corresponding to EUR 1.35 per share. The dividend was paid in two installments, the first corresponding to EUR 0.68 per share and the second corresponding to EUR 0.67 per share. The first installment, EUR 125 million, was paid on April 8, 2025. The second installment, EUR 123 million, was paid on October 7, 2025.

### Reserve for invested unrestricted equity

The reserve for invested unrestricted equity includes other equity-related investments and share subscription prices to the extent not designated to be included in share capital. The reserve for invested non-restricted equity fund in Valmet's Consolidated statement of financial position consists of the fund held by the parent company Valmet Oyj.

### Hedge and other reserves

The hedge reserve includes effective portion of fair value movements related to derivative financial instruments, which qualify for hedge accounting.

The fair value reserve includes changes in fair values of interest-bearing financial assets classified as fair value through other comprehensive income.

The legal reserve consists of restricted equity, which has been transferred from distributable funds under the Articles of Association, local company law or by a decision of the shareholders.

### Cumulative translation adjustments

Cumulative translation adjustments consist of currency translation differences, which relate to the translation of foreign operations from their functional currencies to Valmet Group's reporting currency euro.



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## 19 | Selling, general and administrative expenses

### Selling, general and administrative expenses:

EUR million	2025	2024
Marketing and selling expenses	498	495
Research and development expenses, net	126	123
Administrative expenses	361	383
<b>Selling, general and administrative expenses total</b>	<b>986</b>	<b>1,000</b>

### Research and development expenses:

EUR million	2025	2024
Research and development costs	146	140
Recognized in fixed assets	-16	-15
Grants received	-9	-7
Depreciation and amortization	5	5
<b>Research and development expenses total</b>	<b>126</b>	<b>123</b>



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## 20 | Other operating income and expenses

EUR million	2025	2024
Gain on sale of fixed assets	2	1
Reversal of allowance for doubtful receivables and contract assets	4	4
Net gain from foreign exchange	—	—
Interest component from forward contracts	—	—
Commodity derivatives	—	—
Insurance compensation <sup>1</sup>	—	6
Income related to tax and customs duty adjustments	2	2
Other income <sup>2</sup>	16	13
<b>Other operating income, total</b>	<b>25</b>	<b>25</b>
Impairment of fixed assets and right-of-use assets	-6	-13
Net loss from foreign exchange	-3	-10
Interest component from forward contracts	-8	-8
Commodity derivatives	-1	—
Non-recoverable foreign taxes	-2	-8
Allowance for doubtful receivables and contract assets	-16	-10
Other expenses <sup>2</sup>	-15	-9
<b>Other operating expenses, total</b>	<b>-53</b>	<b>-59</b>
<b>Other operating income and expenses, net</b>	<b>-28</b>	<b>-34</b>

1 Insurance compensation in 2024, EUR 6 million, mainly relates to income compensating the costs of a fire that happened in May 2022 at Valmet's Rautpohja factory site in Jyväskylä.

2 Includes in 2025 a settlement agreement in the Biomaterial Solutions and Services segment, following a delivery made earlier. The delivery required corrective actions and led to a commercial dispute, which has been resolved.

### Exchange rate differences included in Other operating income and expenses:

EUR million	2025	2024
Exchange rate differences from trade receivables and payables	-23	-14
Exchange rate differences from derivative financial instruments	20	4
<b>Net gain/loss from foreign exchange</b>	<b>-3</b>	<b>-10</b>

## 21 | Business combinations

Valmet made no acquisitions or divestitures during the financial year 2025.

On December 22, 2025, Valmet announced it has entered into an agreement to acquire an industrial valve company Severn Group. The acquisition is estimated to be completed during the second quarter of 2026, subject to customary closing conditions.

### Acquisition of Process Gas Chromatography business from Siemens

The acquisition of the Process Gas Chromatography & Integration business from Siemens AG, announced on July

17, 2023, was completed on April 2, 2024. The business combination accounting was finalized on March 31, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024. The final goodwill recognized was EUR 29 million.

### Acquisition of FactoryPal

Valmet and Körber have on August 1, 2024, closed the agreement for Valmet to acquire majority shares in FactoryPal GmbH, an undertaking of Körber. Following the transaction, Valmet owns 75.1 percent of the shares in the company. The business combination accounting was finalized on June 30, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024.

## 22 | Financial risk management

As a global Group, Valmet is exposed to a variety of business and financial risks. Financial risks are managed centrally by the Group treasury (hereafter Treasury) under annually reviewed written policies approved by Valmet’s Board of Directors. Treasury identifies, evaluates and hedges financial risks in close co-operation with the subsidiaries. Treasury functions as counterparty to the subsidiaries, manages centrally external funding and is responsible for the management of financial assets and appropriate hedging measures. The objective of financial risk management is to mitigate potential adverse effects of financial risks on Valmet’s financial performance.

Lease liabilities recognized in the Consolidated statement of financial position are part of Valmet’s interest-bearing liabilities. To present information focused on the Group’s long-term funding and related financial risks, figures presented in this note regarding liquidity and refinancing risk, capital structure and interest rate risk management, exclude the impact of lease liabilities. More information regarding leases is presented in Note 5.

### Sensitivity analysis

Sensitivity analysis presented in connection with various financial risks is based on the risk exposures at the end of the reporting period.

Sensitivities are calculated by assuming a change in one of the risk factors of a financial instrument, such as interest or currency rate. Sensitivity calculations are based on the changes in the relevant risk variable that are reasonably possible. The reasonably possible changes are assumed to be a variation of 1 percentage point (100 basis points) in interest rates, and a 10 percent change in foreign exchange rates and in commodity prices.

### Liquidity and refinancing risk management

Liquidity or refinancing risk arises when a company is not able to arrange funding at terms and conditions corresponding to its creditworthiness. Cautious maturity distribution of interest-bearing debt and sufficient cash, short-term investments and committed and uncommitted credit facilities are maintained to protect short-term liquidity and to manage refinancing risk.

## Acquisition of Demuth

On August 2, 2024, Valmet completed the acquisition of Demuth in Brazil. The business combination accounting was finalized on June 30, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024.

Diversification of funding among different markets and an adequate number of financial institutions are used to safeguard the availability of liquidity at all times. Treasury monitors bank account structures, cash balances and forecasts of the subsidiaries and manages the utilization of the consolidated cash resources.

At the end of the reporting period Cash and cash equivalents amounted to EUR 535 million (EUR 482 million) and current interest-bearing financial assets managed centrally by Treasury to EUR 22 million (EUR 30 million). Due to the global nature of operations, some of the Valmet subsidiaries are located in countries in which currency is subject to limited exchangeability or capital controls. Given Valmet’s total liquidity position, balances in such countries are immaterial.

In 2025, new loans worth EUR 281 million were drawn, all of which related to the EUR 375 million Schuldschein loan transaction. The Schuldschein loan transaction consists of 11 tranches with both fixed and floating interest rate structures and offers a diversified maturity profile of three, five, seven and ten years, with an average maturity of nearly six years.



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In 2025, Valmet signed a new EUR 450 million committed multi-currency revolving credit facility agreement. The facility has a tenor of five years with two one-year extension options subject to the lenders' approval. The new facility refinances the earlier EUR 300 million revolving credit facility dated October 2021. The facility was undrawn at the end of the reporting period. Liquidity was additionally secured by an uncommitted commercial paper program worth of EUR 300 million, of which EUR 10 million was outstanding at the end of the reporting period and undrawn overdraft limits of EUR 15 million.

Net working capital management is an integral part of the liquidity risk management. Treasury monitors and forecasts net

working capital fluctuations in close co-operation with the subsidiaries. Net working capital decreased to EUR 29 million (EUR 134 million) as at December 31, 2025.

Group's refinancing risk is managed by balancing the proportion of current and non-current interest-bearing debt and average maturity of non-current interest-bearing debt. The average maturity of non-current interest-bearing debt, including current portion, as at December 31, 2025, was 3.3 years (3.4 years). The amount of current interest-bearing debt, including current portion of non-current interest-bearing debt, was 10 percent (8%) of total debt portfolio. As at December 31, 2025, Valmet's interest-bearing liabilities consist of debt and lease liabilities, and

debt portfolio includes loans from financial institutions, issued bonds and commercial papers.

The table below presents undiscounted cash flows on the repayments and interests on Valmet's financial liabilities (excl. lease liabilities and derivatives) as at December 31, 2025 and 2024 by the remaining maturities from the balance sheet date to the contractual maturity date. The remaining maturities of lease liabilities are presented in Note 5, and correspondingly remaining maturities of derivatives in Note 9.

EUR million	2025					2024				
	2026	2027	2028	2029	2030 and later	2025	2026	2027	2028	2029 and later
Loans from financial institutions										
Repayments	99	249	127	85	492	94	49	349	377	296
Interests	32	27	21	19	24	47	44	36	17	24
Bonds										
Repayments	—	—	—	200	—	—	—	—	—	200
Interests	8	8	8	8	—	8	8	8	8	8
Trade payables and other current financial liabilities	533	—	—	—	—	481	—	—	—	—
<b>Total</b>	<b>672</b>	<b>284</b>	<b>156</b>	<b>312</b>	<b>516</b>	<b>630</b>	<b>101</b>	<b>393</b>	<b>402</b>	<b>528</b>

The information presented in above table excludes the impact of lease liabilities and derivatives.

## Capital structure management

Valmet's capital structure management aims to safeguard the continuity of business operations, ensure flexible access to capital markets and secure adequate funding at competitive rates. The Company's capital structure consists of both equity and interest-bearing debt. As at December 31, 2025, total equity was EUR 2,590 million (EUR 2,614 million) and the amount of interest-bearing debt was EUR 1,285 million (EUR 1,387 million).

Valmet's objective is to maintain a strong capital structure that supports the confidence of customers, investors, creditors and the market. In 2025, Valmet disclosed new 2030 financial targets of which one is to target a gearing level below 50%. The capital structure is assessed regularly by the Board of Directors and managed operationally by Treasury. Loan facility agreements include customary covenants and Valmet is in clear compliance with the covenants at the end of the reporting period. Valmet had no credit rating at December 31, 2025.

## Capital structure as at December 31

EUR million	2025	2024
Interest-bearing debt	1,285	1,387
Cash and cash equivalents	535	482
Interest-bearing financial assets	44	55
Interest-bearing net debt	706	850
Total equity	2,590	2,614

The information presented in above table excludes the impact of lease liabilities.



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## Interest rate risk management

Interest rate risk arises when changes in market interest rates and interest margins influence finance costs, returns on financial investments and valuation of interest-bearing items. The interest rate risk is managed and controlled by Treasury. The interest rate risks are managed through balancing the ratio between fixed and floating interest rates and duration of interest-bearing debt and interest-bearing financial assets. Additionally, Valmet may use derivative instruments such as forward rate agreements, swaps, options and futures contracts to mitigate the risks arising from interest-bearing assets and liabilities. The ratio of fixed rate debt of the total debt portfolio is required to stay within the 10–60 percent range including the interest rate derivatives. The duration of the non-current interest-bearing debt, including the current portion, and the interest rate derivatives is allowed to deviate between 6–42 months.

The fixed rate interest portion was 50 percent (49%), the duration was 1.5 years (1.2 years) and the EUR denominated debt of the total debt portfolio was 98 percent (99%) at the end of 2025. The basis for the interest rate risk sensitivity analysis is an aggregate Group level interest rate exposure, composed of interest-bearing financial assets, interest-bearing liabilities (excl. leases) and interest rate swaps, which are used to hedge the underlying exposures. The sensitivity analysis does not include the interest component of foreign exchange derivatives since the impact of a one percentage point change in interest rates is not significant, assuming similar change in all currency pairs at the same time. For all interest-bearing debt, assets and interest rate derivatives to be fixed during the next 12 months a change of one percentage point upwards or downwards in interest rates with all other variables held constant would have following effect, net of taxes:

EUR million	2025	2024
Profit for the period	-/+ 1.7	-/+ 2.2
Equity	+/- 6.3	+/- 6.9

The information presented in above table excludes the impact of lease liabilities.

Valmet has used interest rate derivatives to hedge the interest rate risk of its debt portfolio. All interest rate swaps have been

designated to either cash flow or fair value hedge accounting relationships. The nominal and fair values of the outstanding interest rate derivative contracts are presented in Note 9.

## Foreign exchange rate risk management

Valmet operates globally and is exposed to foreign exchange risk in several currencies, although the geographical diversity of operations decreases the significance of any individual currency. Substantial proportion of Valmet's net sales and costs are generated in euros (EUR), US dollars (USD), Swedish kronas (SEK) and Chinese yuans (CNY).

## Transaction exposure

Foreign exchange transaction exposure arises when a subsidiary has commercial or financial transactions and payments in another currency than its own functional currency and when related cash inflow and outflow amounts are not equal or concurrent.

In accordance with Valmet's treasury policy, subsidiaries are required to hedge in full the foreign currency exposures on the Consolidated statement of financial position and other firm commitments. Cash flows denominated in a currency other than the functional currency of the subsidiary are hedged with internal forward exchange contracts with Treasury for periods, which do not usually exceed two years. Subsidiaries also carry out hedging directly with the banks in countries where the regulation does not allow corporate internal cross-border contracts. Treasury monitors the net position of each currency and decides to what extent a currency position is to be closed. Treasury is responsible for entering into external forward transactions corresponding to the internal forwards whenever a subsidiary applies hedge accounting. Valmet's treasury policy defines upper limits on the open currency exposures managed by Treasury; limits have been calculated on the basis of their potential profit or loss impact. To manage the foreign currency exposure Treasury may use forward exchange contracts and foreign exchange options. Valmet is exposed to foreign currency risk arising from both on and off-balance sheet items. The foreign currency exposure is composed of all assets and liabilities denominated in foreign currencies and

their counter values in local currencies. Calculation includes external and internal short- and long-term sales and purchase contracts, projected cash flows for unrecognized firm commitments and financial items, net of respective hedges.



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The following table illustrates Group's outstanding foreign currency risk as at December 31:

EUR million	2025					2024				
	EUR	SEK	USD	CNY	Others	EUR	SEK	USD	CNY	Others
Operational items	-6	343	-284	-201	149	239	-363	343	-228	9
of which trade receivables and other current assets	-70	83	-119	62	44	-22	-168	120	49	21
of which trade payables and other current liabilities	-9	-27	56	-43	23	-8	49	-16	-45	19
Financial items	547	-354	-182	-119	107	101	-92	13	-153	131
Hedges	-583	46	477	323	-263	-326	449	-330	357	-151
under hedge accounting	-524	175	220	228	-99	-323	257	-231	252	46
not qualifying for hedge accounting	-59	-129	258	94	-164	-2	192	-99	105	-196
<b>Total exposure</b>	<b>-43</b>	<b>35</b>	<b>12</b>	<b>2</b>	<b>-7</b>	<b>14</b>	<b>-6</b>	<b>26</b>	<b>-24</b>	<b>-10</b>

This Group level currency exposure is the basis for the sensitivity analysis of foreign exchange risk. Assuming euro to appreciate or depreciate 10 percent against all other currencies, the impact as at December 31 on cash flows, net of taxes, would be:

EUR million	2025					2024				
	SEK	USD	CNY	Others	Total	SEK	USD	CNY	Others	Total
EUR +/- 10% change	<b>-/+ 2.8</b>	<b>-/+ 0.9</b>	<b>-/+ 0.2</b>	<b>+/- 0.5</b>	<b>-/+ 3.4</b>	+/- 0.5	-/+ 2.1	+/- 1.9	+/- 0.8	+/- 1.1

The sensitivity analysis as required by IFRS 7, includes financial instruments, such as trade and other receivables, trade and other payables, interest-bearing liabilities, deposits, cash and cash equivalents and derivative financial instruments.

The table below presents the effects, net of taxes, of a +/- 10 percent change in EUR against all other currencies:

EUR million	2025	2024
Profit for the period	-/+ 0.1	+/- 5.4
Equity	-/+ 41.9	-/+ 25.9

Changes in fair value of derivative contracts that qualify for cash flow hedge accounting are recorded in equity. The effect in profit or loss is the change in fair value for all other financial instruments exposed to foreign exchange risk.

The nominal and fair values of the outstanding forward exchange contracts are presented in Note 9.

### Translation or equity exposure

Foreign exchange translation exposure arises when goodwill or fair value step-ups, or the equity of a subsidiary, is denominated in a currency other than the functional currency of the parent company. As at December 31, 2025, the total non-EUR denominated goodwill and fair value step-ups, and equity of the subsidiaries, was EUR 1,000 million (EUR 1,073 million). The major translation exposures were in 2025 EUR 334 million in USD and EUR 201 million in CNY, and respectively in 2024 EUR 428 million in USD and EUR 234 million in CNY. Valmet is currently not hedging any equity exposure.

### Commodity risk management

Valmet is exposed to risks arising from fluctuations in the prices of raw materials and of supplies, including energy. Subsidiaries identify their commodity price hedging needs and the related hedges have been executed centrally by Treasury using approved counterparties and instruments. Separate overall hedging limits are defined and approved for managing commodity risks. Hedging is performed on a rolling basis, with a declining hedging level over time. Electricity exposure in the Nordic subsidiaries has been hedged with electricity forwards and fixed price physical contracts. Hedging is focused on the estimated energy consumption for the next two-year period with some contracts extended to approximately five years. The execution of electricity

hedging has been outsourced to an external broker. As at December 31, 2025, Valmet had outstanding electricity forwards amounting to 184 GWh (160 GWh) and 175 GWh (175 GWh) under fixed price purchase agreements.

To reduce its exposure to the volatility caused by the surcharge for certain metal alloys (Alloy Adjustment Factor) comprised in the price of stainless steel charged by its suppliers, Valmet may enter into average-price swap agreements for nickel. The Alloy Adjustment Factor is based on monthly average prices of its components of which nickel is the most significant. Also, to reduce steel scrap price risk in Valmet’s own foundry operations, Valmet can hedge steel scrap prices using average price swap agreements. As at December 31, 2025, Valmet had 402 metric tons outstanding average price swap agreements for nickel (1,483 metric tons) and 829 metric tons for steel scrap (1,303 metric tons).

The following table presenting the sensitivity analysis of the commodity prices comprises the net aggregate amount of commodities bought through forward contracts and swaps but excludes the anticipated future consumption of raw materials and electricity. A 10 percent change upwards or downwards in commodity prices would have the following effects, net of taxes:

EUR million	2025	2024
Electricity - effect in equity	+/- 0.3	+/- 0.4
Nickel - effect in profit for the period	+/- 0.4	+/- 1.3
Nickel - effect in equity	—	+/- 0.4
Steel scrap - effect in profit for the period	+/-0.0	+/- 0.0

Cash flow hedge accounting has been applied to electricity forward contracts and to certain nickel forward agreements and the change in fair value is recognized in equity. Hedge accounting is not applied to remaining nickel agreements nor any steel scrap agreements and the change in the fair value is recorded through Consolidated statement of income.

### Credit and counterparty risk management

Credit or counterparty risk is defined as the possibility of a customer, subcontractor or a financial counterparty not fulfilling its commitments towards Valmet. Subsidiaries are primarily responsible for credit risks pertaining to sales and procurement activities. The subsidiaries assess the credit standing of their customers, by taking into account their financial position, past experience and other relevant factors. Advance payments, letters of credit and third-party guarantees are actively used to mitigate credit risks. Treasury provides centralized services related to trade, project and customer financing and seeks to ensure that the principles of Valmet’s treasury policy are adhered to with respect to terms of payment and required collateral. Valmet has no significant concentrations of credit risks due to the large number and geographic dispersion of companies that comprise the Group’s customer base.

The maximum credit risk equals the carrying value of trade and other receivables, together with contract assets related to contracts for which revenue is recognized over time. The credit risk quality is evaluated both on the basis of aging of the trade receivables and also on the basis of customer specific analysis. The aging structure of trade receivables is presented in Note 8. Management considers investments at fair value through other comprehensive income to have low credit risk as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Counterparty risk arises also from financial transactions agreed upon with banks, financial institutions and corporations. The risk is managed by careful selection of banks and other counterparties and by applying counterparty specific limits and netting agreements such as ISDA (Master agreement of International Swaps and Derivatives Association), see Note 9. All financial institutions Valmet associates with have investment grade status. When measuring the financial credit risk exposure, all open exposures such as cash at bank accounts, investments, deposits and other financial transactions, for example derivative contracts, are included. The compliance with financial counterparty limits is regularly monitored by the management.



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## 23 | Investments in associated companies

### Valmet Group has the following associated companies:

Company name	Place of incorporation and principal place of business	Share of ownership		Measurement
		Dec 31, 2025	Dec 31, 2024	
Nanjing SAC Valmet Automation Co., Ltd.	China	21.95%	21.95%	Equity method
Valpro gerenciamiento de obras Ltda	Brazil	51.0%	51.0%	Equity method

Nanjing SAC Valmet Automation Co., Ltd. (SAC) is a company established in 2011 between Metso Automation Co., Ltd. and Guodian Nanjing Automation Co., Ltd. Guodian Nanjing Automation Co., Ltd is a public company, of which the majority is owned by Huadian Power International Corporation Limited, part of one of the five biggest power producing companies in China. The ownership of Metso Automation Co., Ltd. was transferred to Valmet when the Group completed its acquisition of Process Automation Systems on April 1, 2015. Nanjing SAC Valmet Automation Co., Ltd. concentrates on developing new technology, products and solutions for digital power plant concepts by combining the resources of the parties. The associated company focuses especially on the Chinese market.

Valpro gerenciamiento de obras Ltda is classified as a joint venture, because Valmet has, together with the other shareholder, joint power to govern the company.

Nanjing SAC Valmet Automation Co., Ltd. and Valpro gerenciamiento de obras Ltda are private companies, and there are no quoted market prices available for their shares. There are no contingent liabilities related to Valmet's interest in Nanjing SAC Valmet Automation Co., Ltd or Valpro gerenciamiento de obras Ltda.

Summarized financial information for Nanjing SAC Valmet Automation Co., Ltd. is presented below. The summarized financial information below represents amounts shown in Nanjing SAC Valmet Automation Co., Ltd.'s most recent financial statements. The current and non-current assets and liabilities, revenues, and results of Valpro gerenciamiento de obras Ltda are not material and are therefore not presented in the below tables.

### Summarized financial information

EUR million	SAC	
	2025	2024
<b>Balance sheet</b>		
Non-current assets	16	17
Current assets	180	157
Non-current liabilities	4	1
Current liabilities	106	94
Net assets	86	79
Valmet's share of net assets	19	17
<b>Income statement</b>		
Revenue	175	132
Profit or loss	22	11
Total comprehensive income	21	11

Valmet had no material transactions with its associated companies in 2025 or 2024, or material receivables or liabilities as at December 31, 2025, or December 31, 2024.



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## Reconciliation to carrying values in Valmet Group:

EUR million	SAC	
	2025	2024
Net assets at beginning of the period	79	74
Translation differences	-6	3
Profit for the period	22	11
Other comprehensive income for the period	-1	—
Dividends paid	-9	-8
Net assets at end of the period	85	79
Valmet's share of net assets	19	17
<b>Carrying value at end of the period</b>	<b>19</b>	<b>17</b>

## Changes in investments in associated companies during the period:

EUR million	2025	2024
<b>Historical cost</b>		
Historical cost at beginning of the period	8	8
Historical cost at end of the period	8	8
<b>Equity adjustments</b>		
Equity adjustments at beginning of the period	10	9
Profit for the period	5	2
Other comprehensive income for the period	-1	—
Dividends received	-2	-2
Equity adjustments at end of the period	11	10
<b>Carrying value at end of the period</b>	<b>19</b>	<b>17</b>



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## 24 | Audit fees

In 2025, the Annual General Meeting of Valmet Oyj elected Authorised Public Accountants PricewaterhouseCoopers Oy as Valmet Oyj's auditor. The table below presents fees for audit and other services provided by PricewaterhouseCoopers Oy and its affiliates (PwC) to Valmet Group.

EUR million	2025	2024
Audit fees	2.9	3.0
Audit-related assignments	0.2	0.4
Tax assignments	—	—
Other services	—	0.2
<b>Total</b>	<b>3.1</b>	<b>3.6</b>

PricewaterhouseCoopers Oy has provided non-audit services totalling EUR 0.0 million (EUR 0.2 million) to entities of Valmet Group during 2025, which includes minor amount related to tax services and other services. Audit-related services include sustainability assurance services of EUR 0.2 million (EUR 0.3 million).

## 25 | Contingencies and commitments

Valmet Oyj, with its subsidiaries, and financial institutions have guaranteed commitments arising from the ordinary course of business of Valmet Group up to a maximum of EUR 1,029 million and EUR 1,100 million as at December 31, 2025, and 2024, respectively.

On October 15, 2024, Valmet announced that Metsä Fibre Oy has filed a request for arbitration against Valmet Technologies Oy, which is a subsidiary of Valmet. The arbitration concerns Metsä Fibre's bioproduct mill in Kemi, Finland, which came into operation as planned on September 20, 2023.

Valmet Technologies Oy disputes the claims brought by Metsä Fibre and will also actively pursue claims of its own against Metsä Fibre. Metsä Fibre's monetary claims put forward after Statement of Claim amount to EUR 48.7 million. In addition, Metsä Fibre has also reserved the right to present certain other claims based on contractual relationships between Metsä Fibre and other parties, which are still unresolved. Estimation of the total amount of such claims is not included in the Statement of Claim.

Valmet's management does not expect to the best of its current understanding any material adverse impacts on its operations or financial position due to this arbitration. This assessment takes into account the grounds currently presented, provisions made, insurance coverage in force, and the extent of Valmet's total business activities.

Several lawsuits, claims and disputes based on various grounds are pending against Valmet in various countries, including product liability lawsuits and claims as well as legal disputes related to Valmet's deliveries. Valmet is also a plaintiff in several lawsuits. Although some of the claims are substantial, Valmet's management does not expect to the best of its present understanding that the outcome of these lawsuits, claims and disputes will have a material adverse effect on Valmet in view of the grounds currently presented for them, provisions made, insurance coverage in force and the extent of Valmet's total business activities.



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**26 | Related party information**

Valmet's related parties include Valmet Group companies (see Note 27) and associated companies and joint ventures (see Note 23) as well as the members of Valmet's Board of Directors and Executive Leadership Team. Transactions with related parties have been conducted under normal market terms and conditions and at market prices.

**Remuneration of Chief Executive Officer and other Executive Leadership Team members**

The table below presents the expenses related to management compensation that have been recognized in profit or loss. More information about share-based payments is presented in Note 15.

EUR thousand	Salaries and other short-term benefits	Performance bonuses	Share-based payments	Post-retirement benefits	Resignation benefits	Total
<b>2025</b>						
President and CEO	919	662	1,121	394	—	<b>3,097</b>
Other Executive Leadership Team members	3,218	1,132	3,410	1,060	—	<b>8,820</b>
<b>Total</b>	<b>4,137</b>	<b>1,795</b>	<b>4,531</b>	<b>1,454</b>	<b>—</b>	<b>11,916</b>
<b>2024</b>						
President and CEO from August 12, 2024	332	506	331	121	—	1,290
President and CEO until August 11, 2024	568	278	650	279	—	1,775
Other Executive Leadership Team members	3,231	1,115	2,565	1,117	91	8,119
<b>Total</b>	<b>4,130</b>	<b>1,899</b>	<b>3,546</b>	<b>1,517</b>	<b>91</b>	<b>11,184</b>

Pension arrangements for the President and CEO follow local market practice and legislation. Other Executive Leadership Team members belong to the pension systems of their country of residence and have a statutory retirement age. The President and CEO and members of the Executive Leadership Team may belong to supplementary defined contribution pension plans.

Contributions to the plans are 15–20 percent of the employee's annual salary for those belonging to the plans. Expenses are included in the post-retirement benefits together with the statutory pension benefits presented in the table above. The final benefit received by the employee depends on the return on the plan's investments.



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## Remuneration paid to members of the Board of Directors

EUR thousand	2025	2024
Pekka Vauramo, Chair <sup>1</sup>	170	—
Annika Paasikivi, Vice Chair <sup>4</sup>	108	83
Bernd Eikens, Member <sup>1</sup>	89	—
Jonas Gustavsson, Member <sup>1</sup>	82	—
Anu Hämäläinen, Member	97	99
Pekka Kempainen, Member	88	91
Annareetta Lumme-Timonen, Member	88	84
Monika Maurer, Member	96	95
Mikael Mäkinen, Chair <sup>2</sup>	5	178
Jaakko Eskola, Vice Chair <sup>2</sup>	3	106
Per Lindberg, Member <sup>2</sup>	—	87
Aaro Cantell, Member <sup>3</sup>	—	4
Eriikka Söderström, Member <sup>3</sup>	—	6
Juha Pöllänen, Personnel Representative	9	8
<b>Total</b>	<b>836</b>	<b>840</b>

1 From March 26, 2025.

2 Until March 26, 2025.

3 Until March 21, 2024.

4 Vice Chair from March 26, 2025, previously Member.

As at December 31, 2025, the aggregate shareholding of the Board of Directors, the President and CEO, and other Executive Leadership Team members was 262,824 shares (352,105 shares as at December 31, 2024).

Valmet has no loan receivables from the Executive Leadership Team or the members of the Board of Directors. No pledges or other commitments have been given on behalf of management or shareholders.



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## 27 | Subsidiaries

Company name	Country of incorporation and place of business	Parent holding, %	Group ownership interest, %
Valmet Pty Ltd	Australia	—	100.0
Valmet GesmbH	Austria	—	100.0
Valmet Belgium BV	Belgium	—	100.0
Valmet Celulose, Papel e Energia Ltda.	Brazil	—	100.0
Valmet Engraving Solutions Ltda.	Brazil	—	100.0
Valmet Fabrics Tecidos Técnicos Ltda.	Brazil	—	100.0
Valmet Flow Control Ltda.	Brazil	—	100.0
Valmet Tissue Converting Ltda.	Brazil	—	100.0
Valmet Ltd.	Canada	—	100.0
Valmet Flow Control SpA	Chile	—	100.0
Valmet S.A.	Chile	—	100.0
Neles (China) Investment Co., Ltd.	China	100.0	100.0
Valmet (China) Co., Ltd.	China	—	100.0
Valmet Automation (Shanghai) Co., Ltd.	China	—	100.0
Valmet Fabrics (China) Co., Ltd.	China	—	100.0
Valmet Flow Control (Jiaxing) Co., Ltd.	China	—	100.0
Valmet Flow Control (Shanghai) Co., Ltd.	China	—	100.0
Valmet Paper (Shanghai) Co., Ltd.	China	—	100.0
Valmet Paper Machinery (Changzhou) Co., Ltd.	China	—	100.0
Valmet Paper Technology (China) Co., Ltd.	China	—	100.0
Valmet Paper Technology (Guangzhou) Co., Ltd.	China	—	100.0
Valmet Paper Technology (Xi'an) Co., Ltd.	China	—	75.0
Valmet Technologies Co., Ltd.	China	—	100.0
Valmet Tissue Converting (Nantong) Co., Ltd.	China	—	100.0
Valmet Tissue Converting (Shanghai) Co., Ltd.	China	—	100.0
Valmet d.o.o.	Croatia	—	100.0
Valmet s.r.o.	Czech Republic	—	100.0
Valmet Automation Oy	Finland	100.0	100.0
Valmet Flow Control Oy	Finland	100.0	100.0
Valmet Kauttua Oy	Finland	—	100.0
Valmet Technologies Oy	Finland	100.0	100.0
Valmet Automation SAS	France	—	100.0
Valmet Flow Control SAS	France	—	100.0
Valmet SAS	France	—	100.0
FactoryPal GmbH	Germany	—	75.1
Gas Chromatography Systems MAXUM GmbH	Germany	—	100.0
Valmet Deutschland GmbH	Germany	—	100.0
Valmet Flow Control GmbH	Germany	—	100.0
Valmet GmbH	Germany	—	100.0

Company name	Country of incorporation and place of business	Parent holding, %	Group ownership interest, %
Valmet Flow Control Private Limited	India	—	100.0
Valmet Technologies Private Limited	India	—	100.0
PT Valmet	Indonesia	—	100.0
PT Valmet Automation Indonesia	Indonesia	—	100.0
PT Valmet Technology Center	Indonesia	—	100.0
Valmet Engraving Solutions S.r.l.	Italy	—	100.0
Valmet Flow Control S.p.A.	Italy	—	100.0
Valmet S.p.A.	Italy	—	100.0
Valmet Tissue Converting S.p.A.	Italy	—	100.0
Valmet Tissue Converting S.r.l.	Italy	—	100.0
Valmet K.K.	Japan	—	100.0
Valmet Sdn. Bhd.	Malaysia	—	100.0
Valmet Flow Control SA de C.V.	Mexico	—	100.0
Valmet Technologies S. de R.L. de C.V.	Mexico	—	100.0
Valmet B.V.	Netherlands	—	100.0
Valmet AS	Norway	—	100.0
Valmet Flow Control S.A.C. <sup>1</sup>	Peru	—	100.0
Valmet Automation Sp. z o.o.	Poland	—	100.0
Valmet Flow Control Sp. z o.o.	Poland	—	100.0
Valmet Services Jelenia Góra Sp. z o.o.	Poland	—	100.0
Valmet Services Sp. z o.o.	Poland	—	100.0
Valmet Technologies and Services S.A.	Poland	—	100.0
Valmet, Unipessoal Lda.	Portugal	—	100.0
Valmet Flow Control, Unipessoal Lda	Portugal	—	100.0
Valmet Trading and Contracting W.L.L. <sup>2</sup>	Qatar	—	49.0
Valmet Flow Control Co., Ltd.	Republic of Korea	—	100.0
Valmet Inc.	Republic of Korea	—	100.0
Valmet Flow Control S.R.L.	Romania	—	100.0
Valmet Flow Control Industrial LLC	Saudi Arabia	—	70.0
Gas Chromatography Systems MAXUM Pte. Ltd.	Singapore	—	100.0
Valmet Flow Control Pte. Ltd.	Singapore	—	100.0
Valmet Pte. Ltd.	Singapore	—	100.0
Valmet Flow Control South Africa Pty Ltd	South Africa	—	100.0
Valmet South Africa (Pty) Ltd	South Africa	—	100.0
Valmet Technologies, S.A.U.	Spain	—	100.0
Valmet Technologies Zaragoza, S.L.	Spain	—	81.0
Valmet AB	Sweden	100.0	100.0
Valmet Co., Ltd.	Thailand	—	100.0
Valmet Flow Control Turkey Dis Ticaret A.S.	Turkey	—	100.0



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Company name	Country of incorporation and place of business	Parent holding, %	Group ownership interest, %
Valmet Selüloz Kagit ve Enerji Teknolojileri A.S.	Turkey	—	100.0
Valmet Flow Control LLC <sup>2</sup>	United Arab Emirates	—	49.0
Valmet FZE	United Arab Emirates	—	100.0
Valmet Process Technologies and Services LLC <sup>2</sup>	United Arab Emirates	—	49.0
Neles UK Ltd <sup>1</sup>	United Kingdom	—	100.0
Valmet Limited	United Kingdom	—	100.0
Gas Chromatography Systems MAXUM LLC	USA	—	100.0
Neles-Jamesbury, Inc.	USA	100.0	100.0
Valmet, Inc.	USA	48.7	100.0
Valmet Flow Control Inc.	USA	—	100.0
Valmet Co., Ltd.	Vietnam	—	100.0

1 Under liquidation.

2 Based on contractual arrangement, the Group has full control of the company and is consolidating the entity 100%.



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## 28 | Events after the reporting period

There has been no subsequent events after the reporting period that required recognition or disclosure.

## 29 | New accounting standards

### New IFRS Accounting Standards adopted

Valmet Group has applied new standards, amendments and interpretations published by IASB that are effective for the first time for financial reporting periods commencing on January 1, 2025. These standards, amendments and interpretations did not have a material impact on the results or financial position of Valmet Group, or the presentation of financial statements.

### New IFRS Accounting Standards not yet adopted

Valmet Group has not identified any new standards, amendments or interpretations published by IASB that apply for the first time to financial reporting periods commencing on or after January 1, 2026, that are expected to have a material impact on the results or financial position of Valmet Group, or the presentation of financial statements, except for IFRS 18 Presentation and Disclosure in Financial Statements published in April 2024.

IFRS 18 sets out requirements for the presentation and disclosure of information in financial statements and it will replace IAS 1 Presentation of Financial Statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted.

Valmet is assessing the impact of IFRS 18 on its consolidated financial statements, but as it does not impact the recognition and measurement requirements it is not expected to have any significant impact other than on the presentation of financial information, and mainly on the presentation of the Consolidated statement of income, the Consolidated statement of cash flows and the notes to the consolidated financial statements.

IFRS 18 sets out a concept of “useful structured summary” and guidance to group income and expenses in new categories. The new categories in the Consolidated statement of income will have an impact on how the operating profit is calculated and reported. Based on management’s current assessment and current circumstances, the impact is not expected to be material. In the consolidated statement of cash flows the starting point for calculating cash flows from operating activities will change to operating profit.

Valmet does not expect a significant change in the information currently disclosed in the notes. To meet the new disclosure requirements, Valmet will include a new note for Management defined performance measures (MPMs) and information on operating expenses by nature in its notes to the financial statements.

Valmet will apply the new standard from its mandatory effective date January 1, 2027 with retrospective application. The comparative information for the financial year ending December 2026 will therefore be restated in accordance with IFRS 18.



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## Parent company statement of income, FAS

EUR thousand	Note	2025	2024
Net sales		20,149	15,073
Personnel expenses	2	-21,533	-23,795
Depreciation and amortization	7	-618	-749
Other operating income and expenses, net	3, 4	-29,765	-15,110
<b>Operating profit</b>		<b>-31,767</b>	<b>-24,580</b>
Financial income and expenses, net	5	244,390	265,881
<b>Profit before appropriations and taxes</b>		<b>212,622</b>	<b>241,301</b>
Group contributions		76,745	107,231
Income taxes	6	-4,600	-15,637
<b>Profit for the period</b>		<b>284,767</b>	<b>332,896</b>



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## Parent company statement of financial position, FAS

### Assets

EUR thousand	Note	2025	2024
<b>Non-current assets</b>			
Intangible assets	7	—	360
Property, plant and equipment	7	3,492	3,714
Equity investments	8	2,270,939	2,270,938
Non-current receivables	10, 11	76,954	532,660
<b>Total non-current assets</b>		<b>2,351,384</b>	2,807,673
<b>Current assets</b>			
Current receivables	10, 11	1,002,083	655,691
Cash and cash equivalents		321,188	242,303
<b>Total current assets</b>		<b>1,323,271</b>	897,994
<b>Total assets</b>		<b>3,674,656</b>	3,705,666

### Equity and liabilities

EUR thousand	Note	2025	2024
<b>Equity</b>			
Share capital	12	140,000	140,000
Reserve for invested unrestricted equity		492,200	486,993
Hedge and other reserves		-447	-2,670
Retained earnings		848,624	767,650
Profit for the period		284,767	332,896
<b>Total equity</b>		<b>1,765,144</b>	1,724,869
<b>Provisions</b>			
Other provisions		378	—
<b>Liabilities</b>			
Non-current liabilities	11, 13	1,163,787	1,286,975
Current liabilities	11, 14	745,346	693,823
<b>Total liabilities</b>		<b>1,909,134</b>	1,980,798
<b>Total equity and liabilities</b>		<b>3,674,656</b>	3,705,666



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## Parent company statement of cash flows, FAS

EUR thousand	2025	2024
<b>Cash flows from operating activities</b>		
Profit before appropriations and taxes	212,622	241,301
Adjustments		
Depreciation and amortization	618	749
Financial income and expenses, net	-244,390	-265,881
Other non-cash items	15,025	-3,289
Total adjustments	-228,746	-268,421
Change in working capital	584	10,584
Interest and other financial expenses paid	-80,408	-96,659
Dividends received	267,139	296,392
Interest and other financial income received	52,627	64,513
Income taxes paid	-13,042	-26,451
<b>Net cash provided by (+) / used in (-) operating activities</b>	<b>210,775</b>	<b>221,259</b>
<b>Cash flows from investing activities</b>		
Investments in tangible and intangible assets	-36	-8
Net increase (-) / decrease (+) in loan receivables from Group companies	16,509	-26,561
<b>Net cash provided by (+) / used in (-) investing activities</b>	<b>16,472</b>	<b>-26,569</b>
<b>Cash flows from financing activities:</b>		
Purchase of treasury shares	-3,220	-2,560
Issue of treasury shares to Group companies	3,992	2,102
Dividends paid	-248,702	-248,630
Group contribution received	107,357	199,594
Proceeds from non-current debt	281,000	374,742
Repayments of current portion of non-current debt	-394,440	-289,978
Net proceeds from (+) / repayments of (-) current debt	9,962	-44,219
Net proceeds from (+) / repayments of (-) debt from Group companies	11,164	-16,263
Net increase (+) / decrease (-) in Group pool accounts	84,526	-106,684
<b>Net cash provided by (+) / used in (-) financing activities</b>	<b>-148,361</b>	<b>-131,896</b>
Net increase (+) / decrease (-) in cash and cash equivalents	78,885	62,795
Cash and cash equivalents at beginning of the period	242,303	179,509
<b>Cash and cash equivalents at end of the period</b>	<b>321,188</b>	<b>242,303</b>



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# Notes to parent company financial statements

## 1 | Accounting principles

The parent company's financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS).

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

### Non-current assets

Tangible and intangible assets are measured at historical cost, less accumulated depreciation according to plan. Land and water areas are not depreciated.

Depreciation and amortization are calculated on a straight-line basis over the expected useful lives of the assets as follows:

Intangible assets	10 years
Buildings and structures	12–30 years
Machinery and equipment	5–10 years
Other tangible assets	20 years

Investments in subsidiaries and other companies are measured at cost less impairment loss.

### Financial instruments

Valmet's financial risk management is carried out centrally by the Group treasury (hereafter Treasury) under annually reviewed written policies approved by Valmet's Board of Directors. Treasury functions in co-operation with the operating units to minimize financial risks to both the parent company and the Group.

Forward exchange derivative contracts are used to hedge foreign exchange rate risk, and these instruments are measured at fair

value (fair value level 2). The change in the fair value of derivative instruments used to hedge operative items (e.g., foreign currency denominated sales and purchase transactions) is reported under Other operating income and expenses in profit or loss. The change in the fair value of derivatives used to hedge non-operative items (e.g., interest-bearing financial assets and liabilities, and other items related to funding) are reported under Financial income and expenses in profit or loss. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

Cash flow hedge accounting is applied to interest rate swaps hedging future changes in cash flows arising from floating rate debt. The fair value of the interest rate swaps is calculated as the present value of the estimated future cash flows arising from the contract. The gain or loss related to the ineffective portion of hedging instruments is expensed immediately and is reported under Financial income and expenses. Interest arising from interest rate swaps is reported under Financial income and expenses concurrently with interest expense arising from hedged floating rate debt.

Fair value hedge accounting is applied to certain fixed-rate loans. These fixed-rate loans create an exposure to fixed interest payments and the hedging instruments, interest rate swaps, receives fixed interest payments. There is an expectation that the value of the hedging instrument and the underlying hedged risk move in opposite direction. The change in fair value of the interest rate swap hedging the loan is recognized in Financial income and expenses in profit or loss concurrently with the change in value of the underlying hedged fixed-rate loan.

The derivative contracts used to hedge the commodity risk related to electricity and nickel are measured at fair value, and the changes in fair values are recognized in Other operating income

and expenses in profit or loss. The fair value of commodity derivatives is based on quoted market prices at the balance sheet date.

Interest-bearing financial investments managed centrally by the Treasury are measured at fair value. The change in the fair value is recognized in fair value reserve within Equity in the Statement of financial position. The fair values of the interest-bearing financial assets are determined using prevailing market rates at the balance sheet date.

Further details on financial instruments are presented in Note 22 of the Consolidated financial statements.

### Pensions

An external pension insurance company manages the parent company's statutory and voluntary pension plans, which are all defined contribution in nature. Contributions are expensed to the Statement of income as incurred.

### Deferred taxes

A deferred tax liability or asset has been calculated for all temporary differences between tax bases of assets and liabilities and their amounts in financial reporting, using the tax rates enacted or substantially enacted by the balance sheet date. The deferred tax liabilities are recognized in the Statement of financial position in full, and the deferred tax assets are recognized when it is probable that there will be sufficient taxable profit against which the asset can be utilized.

### Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the individual transaction. Foreign

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currency denominated monetary items recognized in the Statement of financial position have been translated into the functional currency at the exchange rates prevailing at the balance sheet date. Exchange rate gains and losses related to operative items are reported under Other operating income and expenses in the Statement of income, whereas exchange rate gains and losses related to non-operative items are reported under Financial income and expenses.

## Receivables

Receivables are initially recognized at nominal amounts. Subsequently, they are measured at amortized cost, less provision for impairment.

## Share-based incentive plan

Rewards arising from share-based incentive plans are settled partly in shares and partly in cash. The shares to be transferred as part of the plan are obtained in public trading. The acquisition of shares is recognized as a decrease in Retained earnings and transfer of shares as an increase in Reserve for invested unrestricted equity and Personnel expenses. The part settled in cash is recognized in the Statement of income under Personnel expenses at the time of payment.

## Leasing

Lease payments have been recognized as rental expenses in the Statement of income.

## Related parties

The parent company's related parties include Valmet Group companies, associated companies and joint ventures as well as the members of Valmet's Board of Directors and Executive Team. Transactions with related parties have been conducted under normal market terms and conditions and at market prices. The parent company has loans to Valmet Group companies with maximum maturity of five years. The parent company does not have loans to associated companies, joint ventures, Valmet's Board of Directors or Executive Team. Further details on related parties are presented in Note 26 of the Consolidated financial statements.

## 2 | Personnel expenses

EUR thousand	2025	2024
Salaries and wages	-18,196	-20,333
Pension costs	-2,933	-3,118
Other indirect employee costs	-404	-344
<b>Total</b>	<b>-21,533</b>	<b>-23,795</b>

### Remuneration to management:

EUR thousand	2025	2024
President and CEO from 12 August 2024	-2,667	-1,290
President and CEO until 11 August 2024		-1,775
Members of the Board	-836	-840
<b>Total</b>	<b>-3,503</b>	<b>-3,906</b>

Pension arrangements for the President and CEO follow local market practice and legislation. The President and CEO belongs to a supplementary defined contribution plan. The contribution to the plan is 20 percent of his annual salary.

Expenses are included in the remuneration to management table above. Additional information about management remuneration is presented in Note 26 of the Consolidated financial statements.

### Number of personnel:

	2025	2024
Personnel at end of the period	110	153
Average number of personnel during the period	135	150

## 3 | Other operating income and expenses

EUR thousand	2025	2024
Change in fair value of derivatives	772	—
<b>Other operating income, total</b>	<b>772</b>	<b>—</b>
Consulting and other services	-25,094	-13,421
IT	-995	-1,056
Change in fair value of derivatives	—	-232
Other	-4,447	-401
<b>Other operating expenses, total</b>	<b>-30,537</b>	<b>-15,110</b>

## 4 | Audit fees

EUR thousand	2025	2024
Audit fees	-1,099	-596
Audit-related assignments	-167	-314
Tax assignments	—	—
Other services	-4	-100
<b>Total</b>	<b>-1,270</b>	<b>-1,009</b>

## 5 | Financial income and expenses

EUR thousand	2025			2024		
	Group companies	Others	Total	Group companies	Others	Total
Dividends received	266,938	201	<b>267,139</b>	296,100	291	296,392
Interest income	43,941	5,601	<b>49,542</b>	51,952	11,420	63,372
Interest expenses	-16,922	-46,919	<b>-63,841</b>	-22,410	-66,836	-89,246
Net gain/loss from foreign exchange	-1,960	2,455	<b>495</b>	506	-100	406
Interest component from forward contracts	72	-5,621	<b>-5,549</b>	1,626	-3,920	-2,294
Other financial expenses	—	-3,397	<b>-3,397</b>	—	-2,748	-2,748
<b>Total</b>	<b>292,069</b>	<b>-47,679</b>	<b>244,390</b>	327,774	-61,893	265,881

## 6 | Income taxes

EUR thousand	2025	2024
Income tax for the financial period	-4,287	-15,619
Income tax for previous periods	-3	6
Change in deferred taxes	-309	-24
<b>Total</b>	<b>-4,600</b>	<b>-15,637</b>



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**7 | Intangible assets and property, plant and equipment**

EUR thousand	Intangible assets	Land areas	Buildings and structures	Machinery and equipment	Other tangible assets	Tangible assets total	Total
<b>2025</b>							
Acquisition cost at beginning of the period	2,739	809	9,534	632	603	11,577	14,316
Additions	—	—	24	—	11	35	35
Acquisition cost at end of the period	2,739	809	9,558	632	614	11,613	14,351
Accumulated depreciation at beginning of the period	-2,379	—	-6,928	-602	-332	-7,863	-10,241
Depreciation	-360	—	-223	-8	-27	-258	-618
Accumulated depreciation at end of the period	-2,739	—	-7,152	-610	-359	-8,121	-10,860
<b>Carrying value at end of the period</b>	<b>—</b>	<b>809</b>	<b>2,406</b>	<b>21</b>	<b>255</b>	<b>3,492</b>	<b>3,492</b>

EUR thousand	Intangible assets	Land areas	Buildings and structures	Machinery and equipment	Other tangible assets	Tangible assets total	Total
<b>2024</b>							
Acquisition cost at beginning of the period	2,739	809	9,526	632	603	11,570	14,308
Additions	—	—	8	—	—	8	8
Acquisition cost at end of the period	2,739	809	9,534	632	603	11,577	14,316
Accumulated depreciation at beginning of the period	-1,895	—	-6,698	-594	-305	-7,598	-9,493
Depreciation	-484	—	-230	-8	-27	-265	-749
Accumulated depreciation at end of the period	-2,379	—	-6,928	-602	-332	-7,863	-10,241
<b>Carrying value at end of the period</b>	<b>360</b>	<b>809</b>	<b>2,605</b>	<b>29</b>	<b>271</b>	<b>3,714</b>	<b>4,075</b>



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## 8 | Investments

EUR thousand	2025			2024		
	Shares in Group companies	Other shares	Investments total	Shares in Group companies	Other shares	Investments total
Acquisition cost at beginning of the period	2,269,282	1,656	<b>2,270,938</b>	2,269,282	1,656	2,270,938
Additions	—	1	<b>1</b>	—	—	—
Acquisition cost at end of the period	2,269,282	1,657	<b>2,270,939</b>	2,269,282	1,656	2,270,938
<b>Carrying value at end of the period</b>	<b>2,269,282</b>	<b>1,657</b>	<b>2,270,939</b>	2,269,282	1,656	2,270,938

## 9 | Subsidiaries

Company name	Domicile	Ownership %
Valmet Technologies Oy	Finland	100.0
Valmet Automation Oy	Finland	100.0
Valmet Flow Control Oy	Finland	100.0
Valmet AB	Sweden	100.0
Valmet, Inc.	USA	48.7
Neles-Jamesbury Inc.	USA	100.0
Neles (China) Investment Co., Ltd.	China	100.0

## 10 | Specification of receivables

### Non-current receivables as at December 31:

EUR thousand	2025	2024
Loan receivables from Group companies	65,607	518,397
Deferred tax assets	719	1,576
Derivatives from Group companies	3,320	6,422
Derivatives from others	7,307	6,265
<b>Non-current receivables total</b>	<b>76,954</b>	<b>532,660</b>

### Current receivables as at December 31:

EUR thousand	2025			2024		
	From group companies	From others	Total	From group companies	From others	Total
Trade receivables	14,631	8	14,639	13,784	—	13,784
Loan receivables	553,499	—	553,499	133,012	—	133,012
Group pool accounts	220,292	—	220,292	310,304	—	310,304
Prepaid expenses and accrued income	125,779	87,627	213,406	149,169	47,819	196,989
Other receivables	—	246	246	—	1,602	1,602
<b>Current receivables total</b>	<b>914,202</b>	<b>87,881</b>	<b>1,002,083</b>	<b>606,269</b>	<b>49,422</b>	<b>655,691</b>

### Specification of prepaid expenses and accrued income as at December 31:

EUR thousand	2025	2024
Prepaid expenses and accrued income from Group companies		
Group contribution receivables	76,745	107,357
Accrued interest income	11,255	11,427
Derivatives	37,378	30,011
Other	401	374
<b>Total</b>	<b>125,779</b>	<b>149,169</b>
Other prepaid expenses and accrued income		
Derivatives	55,371	23,797
Other	32,256	24,022
<b>Total</b>	<b>87,627</b>	<b>47,819</b>



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## 11 | Financial assets and liabilities recognized at fair value

### Notional amounts and fair values as at December 31:

EUR thousand	Notional amount	Fair value, assets	Fair value, liabilities	Fair value, net	Changes in fair value recognized in profit or loss	Changes in fair value recognized in hedge reserve
<b>2025</b>						
Forward exchange contracts						
With Group companies	3,813,781	40,736	-56,931	-16,195	-23,200	—
Others	4,254,029	59,321	-42,848	16,473	27,824	—
Interest rate swaps <sup>1</sup>						
Others	710,000	3,015	-3,208	-193	656	-1,050
Electricity forward contracts <sup>2</sup>						
Others	184	207	-398	-191	412	—
Nickel commodity swaps <sup>3</sup>						
With Group companies	402	123	-258	-135	7,308	—
Others	402	258	-123	135	-7,308	—
Steel scrap commodity swaps <sup>3</sup>						
With Group companies	829	20	—	20	57	—
Others	829	—	-20	-20	-57	—
EUR thousand	Notional amount	Fair value, assets	Fair value, liabilities	Fair value, net	Changes in fair value recognized in profit or loss	Changes in fair value recognized in hedge reserve
<b>2024</b>						
Forward exchange contracts						
With Group companies	3,267,809	35,497	-23,522	11,975	30,933	—
Others	3,507,296	25,263	-34,085	-8,822	-31,476	—
Foreign exchange options						
With Group companies (sold)	149,576	—	-126	-126	8	—
Others (bought)	149,576	126	—	126	-8	—
Interest rate swaps <sup>1</sup>						
Others	650,000	4,235	-6,463	-2,228	477	-3,980
Electricity forward contracts <sup>2</sup>						
Others	160	415	-1,019	-604	-592	—
Nickel commodity swaps <sup>3</sup>						
With Group companies	1,483	916	-3	913	1,121	—
Others	1,483	3	-916	-913	-1,121	—
Steel scrap commodity swaps <sup>3</sup>						
With Group companies	1,303	40	—	40	75	—
Others	1,303	—	-40	-40	-75	—

1 All interest rate swaps have been designated either to cash flow or fair value hedge accounting relationships.

2 Notional amount in GWh.

3 Notional amount in metric tons.



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**Maturities of financial derivatives as at December 31:**

	2025						2024					
	2026	2027	2028	2029	2030 and later	Total	2025	2026	2027	2028	2029 and later	Total
<b>2025</b>												
<b>Notional amounts</b>												
Forward exchange contracts <sup>1</sup>	7,290,892	769,694	7,225	—	—	8,067,811	5,724,819	1,047,581	2,706	—	—	6,775,106
Foreign exchange options <sup>1</sup>	—	—	—	—	—	—	299,151	—	—	—	—	299,151
Electricity forward contracts <sup>2</sup>	122	52	9	—	—	184	105	46	9	—	—	160
Nickel commodity swaps <sup>3</sup>	804	—	—	—	—	804	2,750	216	—	—	—	2,966
Steel scrap commodity swaps <sup>3</sup>	1,658	—	—	—	—	1,658	2,606	—	—	—	—	2,606
Interest rate swaps <sup>1</sup>	200,000	170,000	130,000	140,000	70,000	710,000	120,000	200,000	170,000	60,000	100,000	650,000
<b>Fair values, EUR thousand</b>												
Forward exchange contracts	232	44	1	—	—	277	3,050	103	—	—	—	3,153
Foreign exchange options	—	—	—	—	—	—	126	—	—	—	—	126
Electricity forward contracts	-246	38	16	—	—	-191	-497	-91	-15	—	—	-604
Nickel commodity swaps	—	—	—	—	—	—	—	—	—	—	—	—
Steel scrap commodity swaps	—	—	—	—	—	—	—	—	—	—	—	—
Interest rate swaps	-521	-746	-411	231	1,253	-193	-318	-1,306	-1,339	-1,016	1,751	-2,228

1 Notional amount in EUR thousand.

2 Notional amount in GWh.

3 Notional amount in EUR thousand.



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## Classification of financial assets and liabilities as at December 31:

EUR thousand <sup>1</sup>	2025				2024			
	At amortized cost	At fair value through hedge reserve	At fair value through profit and loss	Carrying value	At amortized cost	At fair value through hedge reserve	At fair value through profit and loss	Carrying value
<b>Non-current financial assets</b>								
Equity investments	2,269,282		1,657	<b>2,270,939</b>	2,269,282		1,656	2,270,938
Loan receivables	65,607			<b>65,607</b>	518,397			518,397
Derivative financial instruments		2,953	7,675	<b>10,628</b>		3,913	8,774	12,687
<b>Total</b>	<b>2,334,889</b>	<b>2,953</b>	<b>9,332</b>	<b>2,347,174</b>	<b>2,787,679</b>	<b>3,913</b>	<b>10,430</b>	<b>2,802,022</b>
<b>Current financial assets</b>								
Loan receivables	553,499			<b>553,499</b>	133,012			133,012
Group pool accounts	220,292			<b>220,292</b>	310,304			310,304
Trade receivables	14,639			<b>14,639</b>	13,784			13,784
Derivative financial instruments		62	92,686	<b>92,748</b>		322	53,487	53,809
Cash and cash equivalents	321,188			<b>321,188</b>	242,303			242,303
<b>Total</b>	<b>1,109,618</b>	<b>62</b>	<b>92,686</b>	<b>1,202,366</b>	<b>699,403</b>	<b>322</b>	<b>53,487</b>	<b>753,212</b>
<b>Non-current financial liabilities</b>								
Loans from financial institutions	952,703			<b>952,703</b>	1,070,604			1,070,604
Bonds <sup>2</sup>	200,661			<b>200,661</b>	201,557			201,557
Derivative financial instruments		2,625	7,576	<b>10,201</b>		5,823	8,776	14,599
<b>Total</b>	<b>1,153,364</b>	<b>2,625</b>	<b>7,576</b>	<b>1,163,565</b>	<b>1,272,161</b>	<b>5,823</b>	<b>8,776</b>	<b>1,286,761</b>
<b>Current financial liabilities</b>								
Loans from financial institutions	98,901			<b>98,901</b>	94,440			94,440
Interest-bearing liabilities	31,247			<b>31,247</b>	14,484			14,484
Group pool accounts	496,004			<b>496,004</b>	501,490			501,490
Trade payables	6,653			<b>6,653</b>	75,354			75,354
Derivative financial instruments		583	92,720	<b>93,303</b>		640	50,961	51,601
<b>Total</b>	<b>632,805</b>	<b>583</b>	<b>92,720</b>	<b>726,108</b>	<b>685,768</b>	<b>640</b>	<b>50,961</b>	<b>737,368</b>

<sup>1</sup> Carrying values presented in the table approximate fair values.

<sup>2</sup> The bonds have been measured at amortized cost, adjusted by the fair value to the extent that fair value hedge accounting is applied.

## 12 | Statement of changes in equity

EUR thousand	2025	2024
Share capital at beginning of the period	140,000	140,000
Share capital at end of the period	140,000	140,000
Reserve for invested unrestricted equity at beginning of the period	486,993	484,128
Share-based payments	5,208	2,865
Reserve for invested unrestricted equity at end of the period	492,200	486,993
Hedge and other reserves at beginning of the period	-2,670	-290
Change in hedge and other reserves	2,223	-2,379
Hedge and other reserves at end of the period	-447	-2,670
Retained earnings at beginning of the period	1,100,546	1,018,839
Dividends paid	-248,702	-248,630
Purchase of treasury shares	-3,220	-2,560
Retained earnings at end of the period	848,624	767,650
Profit for the period	284,767	332,896
<b>Total equity at end of the period</b>	<b>1,765,144</b>	<b>1,724,869</b>

### Statement of distributable funds as at December 31:

EUR	2025	2024
Reserve for invested unrestricted equity	492,200,360.61	486,992,527.44
Hedge and other reserves	-446,949.40	-2,669,760.31
Retained earnings	848,623,639.60	767,650,126.06
Profit for the period	284,767,437.27	332,895,633.84
<b>Total distributable funds</b>	<b>1,625,144,488.08</b>	<b>1,584,868,527.03</b>

## 13 | Non-current liabilities

EUR thousand	2025	2024
Loans from financial institutions	952,703	1,070,604
Bonds	200,661	201,557
Derivatives from Group companies	4,205	2,333
Derivatives from others	5,996	12,267
Other non-current liabilities	222	214
<b>Non-current liabilities total</b>	<b>1,163,787</b>	<b>1,286,975</b>

### Maturities of financial liabilities as at December 31:

EUR thousand	2026	2027	2028	2029	2030 and later
Loans from financial institutions	98,901	248,901	126,679	85,333	491,791
Bonds				200,000	
Trade payables and other financial liabilities	37,911				
<b>Total</b>	<b>136,812</b>	<b>248,901</b>	<b>126,679</b>	<b>285,333</b>	<b>491,791</b>

EUR thousand	2025	2026	2027	2028	2029 and later
Loans from financial institutions	94,440	48,901	348,901	376,679	296,123
Bonds	—	—	—	—	200,000
Trade payables and other financial liabilities	19,848	—	—	—	—
<b>Total</b>	<b>114,288</b>	<b>48,901</b>	<b>348,901</b>	<b>376,679</b>	<b>496,123</b>

The information presented in the above maturity tables excludes the impact of derivatives.

## 14 | Current liabilities

EUR thousand	As at December 31, 2025			As at December 31, 2024		
	To group companies	To others	Total	To group companies	To others	Total
Current portion of non-current loans	—	98,901	<b>98,901</b>	—	94,440	94,440
Trade payables	1,715	4,939	<b>6,653</b>	2,387	2,977	5,364
Accrued expenses and deferred income	53,122	58,934	<b>112,056</b>	21,747	53,607	75,354
Other current interest-bearing debt	21,286	9,962	<b>31,247</b>	14,484	—	14,484
Group pool accounts	496,004	—	<b>496,004</b>	501,490	—	501,490
Other liabilities and provisions	—	485	<b>485</b>	—	2,691	2,691
<b>Current liabilities total</b>	<b>572,127</b>	<b>173,220</b>	<b>745,346</b>	540,108	153,715	693,823

### Specification of accrued expenses and deferred income as at December 31:

EUR thousand	2025	2024
Accrued expenses and deferred income to Group companies		
Accrued interest expenses	<b>148</b>	421
Derivatives	<b>52,825</b>	21,326
Other	<b>149</b>	—
<b>Total</b>	<b>53,122</b>	21,747
Accrued expenses and deferred income to others		
Accrued interest expenses	<b>12,324</b>	16,777
Derivatives	<b>40,478</b>	30,275
Accrued salaries, wages and social costs	<b>4,413</b>	5,806
Other	<b>1,718</b>	749
<b>Total</b>	<b>58,934</b>	53,607

## 15 | Contingencies and commitments

### Guarantees as at December 31:

EUR thousand	2025	2024
Guarantees on behalf of Group companies	<b>1,028,632</b>	1,099,819
Guarantees on own behalf	<b>211</b>	211
<b>Total</b>	<b>1,028,844</b>	1,100,030

### Lease commitments as at December 31:

EUR thousand	2025	2024
Payments in the following year	<b>899</b>	916
Payments later	<b>1,675</b>	2,457
<b>Total</b>	<b>2,574</b>	3,373



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## List of account books used in parent company

Voucher description	Voucher class	Voucher format
General journal and general ledger		In electronic format
Specifications of accounts receivable and payable		In electronic format
Fixed assets transactions	756, 770, 774, 778, 782, 783, 786, 905, 906	In electronic format
Bank transactions	424-426, 500-692, 694, 699, 950, 960, 970	In electronic format
Sales invoices	300, 305, 310, 320, 330, 340-341, 350, 400, 410, 491-499, 802, 815, 825-828, 834, 841, 930, 935, 940	In electronic format
Purchase invoices	100-101, 110-111, 115, 120, 130, 140, 150, 160, 190-191, 290-294, 297-299, 737, 801, 814, 824, 830, 832, 854, 855, 860-861, 895, 910, 915	In electronic format
Travel invoices	755	In electronic format
Salary transactions	750	In electronic format
Journal vouchers	700, 710, 715, 720, 722, 725, 730, 737, 740, 767, 793, 865, 881, 900, 975, 980, 985, 990	In electronic format
Financial transactions	760, 765-766, 768	In electronic format
Opening balance	791, 792	In electronic format



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# Signatures of Board of Directors' Report, including Sustainability Statement, and Financial Statements

## Statements by the Board of Directors and President and CEO

The financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union give a true and fair view of the assets, liabilities, financial position and profit or loss of Valmet Oyj and the undertakings included in the consolidation taken as a whole. The Board of Directors' Report includes a fair review of the development and performance of the business and the position of Valmet Oyj and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face. The Sustainability Statement included in the Board of Directors' Report has been prepared in accordance with the reporting standards mentioned in chapter 7 in the Finnish Accounting Act and with Article 8 in the Taxonomy Regulation.

Espoo, February 5, 2026

**Pekka Vauramo**  
Chair of the Board

**Annika Paasikivi**  
Vice Chair of the Board

**Bernd Eikens**  
Member of the Board

**Jonas Gustavsson**  
Member of the Board

**Anu Hämäläinen**  
Member of the Board

**Pekka Kempainen**  
Member of the Board

**Annareetta Lumme-Timonen**  
Member of the Board

**Monika Maurer**  
Member of the Board

**Thomas Hinnerskov**  
President and CEO

## The Auditor's Note

Our auditor's report has been issued today.

Helsinki, February 5, 2026

PricewaterhouseCoopers Oy  
Authorised Public Accountant Firm

**Pasi Karppinen**  
Authorised Public Accountant



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# Auditor's Report (Translation of the Finnish Original)

To the Annual General Meeting of Valmet Oyj

## Report on the Audit of the Financial Statements

### Opinion

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 IFRS Accounting Standards 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 to the Audit Committee.

### What we have audited

We have audited the financial statements of Valmet Oyj (business identity code 2553019-8) for the year ended 31 December 2025.

The financial statements comprise:

- consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and notes to the consolidated financial statements, which include material accounting policy information and other explanatory information
- the parent company's statement of financial position, statement of income, statement of cash flows and notes.

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 24 to the Financial Statements.

## Our Audit Approach

### Overview



- Overall group materiality: EUR 19 million, which represents approximately 5% of profit before tax
- We conducted audit work in all major countries covering all key reporting units. The focus of our work was on the most significant reporting units in Finland, Sweden, USA, Brazil, China and Italy.
- Accounting for long-term projects and long-term service contracts
- Goodwill valuation

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

**Materiality**

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	EUR 19 million (previous year EUR 19 million)
How we determined it	Approximately 5% of profit before tax
Rationale for the materiality benchmark applied	Profit before tax is a generally accepted benchmark. We chose 5%, which is within the range of acceptable quantitative materiality thresholds in auditing standards.

**How we tailored our group audit scope**

We tailored the scope of our audit, taking into account the structure of Valmet Group, the accounting processes and controls, and the industry in which the group operates.

We conducted audit work in all key countries covering all key reporting units. The group audit scope was focused on the most significant reporting units in Finland, Sweden, USA, Brazil, China and Italy, where we performed an audit of the complete financial information due to their size and their risk characteristics. Additionally, we performed audits of one or more financial statement line items or specified audit procedures at

other reporting components based on our overall risk assessment and materiality. We also carried out specific audit procedures over group functions and areas of significant judgement, including taxation, goodwill and material litigations. For the remaining reporting units, we performed other procedures to confirm there were no significant risks of material misstatement in the group 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.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

**Key audit matter in the audit of the group**

**Accounting for long-term projects and long-term service contracts**

*Refer to note 3 to the consolidated financial statements for the related disclosures.*

Over time revenue recognition for long-term projects and long-term service contracts is significant to the financial statements based on the quantitative materiality and the degree of management judgment required to account for revenue recognition. The complexity and judgments are mainly related to the estimation of project cost, which serves as a basis for the determination of the percentage of completion, which the group applies for recognizing revenues and for the assessment of provisions for projects and potential loss-making contracts.

The total amount of revenue and profit to be recognized under long-term projects and long-term service contracts can be affected by changes in conditions and circumstances over time, such as:

- modifications and scope changes to the original contract due to changes in client specifications
- uncertainties and risks relating to assumptions utilized in the estimation of project cost, components delays, overruns or other circumstances that impacts the project cost of completion.

This matter is a significant risk of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014.

**How our audit addressed the key audit matter**

Our procedures included understanding of the end-to-end revenue recognition process relating to long-term projects and long-term service contracts. We identified and tested certain key internal controls and IT systems supporting revenue recognition and project management and accounting.

We have met and discussed regularly with business area and corporate management to identify new significant and high-risk projects, existing projects with significant fluctuations in gross margins, and potentially loss-making projects, including those with ongoing disputes and litigations.

We have performed detailed procedures on individually significant and high-risk projects. This includes assessing the reasonableness of estimated project cost of completion by obtaining an understanding of the cost model and key assumptions utilised in the estimates, and challenging management's judgments and estimates. In addition, we have also inspected pricing and sales forecasts, and other relevant supporting evidences utilised in the development of cost estimates such as historical data, price quotations, and engineering specifications.

In addition, we have discussed the progress of projects with business area management and certain project management representatives.

Further, we have performed a lookback analysis by comparing actual project outcomes to their related cost estimates to obtain perspective on the accuracy of the estimation process.

With the outcome of those discussions and the results of our audit procedures, we assessed management's assumptions in the determination of the project cost estimate.

### **Goodwill valuation**

*Refer to notes 4 and 21 to the consolidated financial statements for the related disclosures.*

At 31 December 2025 the group's goodwill balance is valued at EUR 1,800 million.

Under IFRS the company is required to annually test goodwill for impairment. Goodwill valuation was important to our audit due to the size of the goodwill balance and because the assessment of the value in use of the group's Cash Generating Units is complex, involving judgement about the future results of the business by estimating future, EBITDAs and inflation rates and determining the discount rate for the calculations. We focused on the risk that goodwill may be overstated.

Based on the annual goodwill impairment test management concluded that no goodwill impairment was needed.

### **How our audit addressed the key audit matter**

For the business combinations, we assessed the methodology adopted by management for calculating the purchase price, fair values of the acquired assets and liabilities, and the resulting goodwill. We also tested the key assumptions in the valuation models.

We evaluated management's future cash flow forecasts and the process by which they were drawn up, including comparing them to the latest Board approved budgets, and testing the underlying calculations. We evaluated and challenged the company's future cash flow forecasts in a discussion with management of the business involved, and the process by which they were drawn up, and tested the underlying value in use calculations. We compared

the current year actual results to those included as estimates in the prior year impairment testing to corroborate the reliability of management's estimates.

We evaluated and challenged the discount rate used.

We assessed the sensitivity analysis that had been performed by management around the key drivers of the cash flow forecasts, which were:

- the projected EBITDAs
- the discount rates

to identify how much each of these key drivers needed to change, either individually or collectively, before the goodwill was impaired.

We also evaluated the likelihood of such a movement in those key assumptions that would require for goodwill to be impaired.

We assessed the adequacy of the disclosures in note 4, by checking that they were compliant with IFRS Accounting Standards and that their presentation was consistent with our understanding of the key issues and sensitivities in the valuation.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the parent company financial statements.

### **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 to 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 these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism 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



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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 Appointment

We were first appointed as auditors by the annual general meeting on 26 March 2014. Our appointment represents a total period of uninterrupted engagement of 12 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 Financial Statements and Report of the Board of Directors 2025 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 Financial Statements and Report of the Board of Directors 2025 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 Statements based on Law

### Registration of the Income Tax Report

Our responsibility is to, based on our audit, express an opinion on the registration and publication of the income tax report required in Chapter 7 b of the Accounting Act.

The Board of Directors and the Managing Director are responsible for the registration and the publication of the income tax report.



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In our opinion, the company has not been obliged to register and publish an income tax report referred to in Chapter 7 b of the Accounting Act for the financial year immediately preceding the financial year.

Helsinki 5 February 2026

PricewaterhouseCoopers Oy  
Authorised Public Accountants

Pasi Karppinen  
Authorised Public Accountant (KHT)



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# Independent auditor's report on the ESEF financial statements of Valmet Oyj

(Translation of the Finnish Original)

## To the Board of Directors of Valmet Oyj

We have performed a reasonable assurance engagement on the financial statements 213800D9O7FUQDH83V62-2025-12-31-fi.zip of Valmet Oyj (business identity code 2553019-8) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year 1 January - 31 December 2025.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of the Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

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 ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

### Auditor's independence and quality management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the 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.

### Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Valmet Oyj 213800D9O7FUQDH83V62-2025-12-31-fi.zip for the financial year 1.1.-31.12.2025 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.



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Our opinion on the audit of the consolidated financial statements of Valmet Oyj for the financial year 1 January – 31 December 2025 has been expressed in our auditor's report dated 5 February 2026. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 5 February 2026

PricewaterhouseCoopers Oy  
Authorised Public Accountants

Pasi Karppinen  
Authorised Public Accountant (KHT)



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# Assurance report on the Sustainability Statement (Translation of the Finnish Original)

## To the Annual General Meeting of Valmet Oyj

We have performed a limited assurance engagement on the group sustainability report (Sustainability Statement) of Valmet Oyj (business identity code 2553019-8) 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 reporting period 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 report 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 Valmet Oyj 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 report 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 report 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 Authorised 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.

### Authorised 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 authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised 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 Valmet Oyj are responsible for:

- the group sustainability report 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 report 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 report that is free from material misstatement, whether due to fraud or error.

### Inherent Limitations in the Preparation of a Group Sustainability Report

In reporting forward-looking information in accordance with ESRS, management of the Company is required to prepare the forward-looking information on the basis of assumptions that have been disclosed in the sustainability statement about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.



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## Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report 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 report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability report, 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 example the following:

- We interviewed the company's management and the individuals responsible for collecting and reporting the information contained in the group sustainability report at the group level to gain an understanding of the sustainability reporting process and the related internal controls and information systems.
- We familiarised ourselves with the background documentation and records prepared by the company where applicable, and assessed whether they support the information contained in the group sustainability report.
- We assessed the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided about the assessment process complies with the ESRS standards.
- We assessed whether the sustainability information contained in the group sustainability report complies with the ESRS standards.
- Regarding the EU taxonomy information, we gained an understanding of the process by which the company has identified the group's taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided with the regulations.
- We performed site visits at the company's sites in Lucca, Italy and Jyväskylä, Finland

Helsinki 5 February 2026

PricewaterhouseCoopers Oy  
Authorised Sustainability Auditors

Pasi Karppinen  
Authorised Sustainability Auditor



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## Board of Directors



**Pekka Vauramo**

born 1957, Finnish citizen

Valmet Chair of the Board and Board Member since 2025  
Member of the Board's People and Remuneration Committee  
Independent of the company and independent of significant shareholders  
M.Sc. (Tech.), Mining Engineering  
Chair of the Board in Huhtamäki Corporation and Arctial Group Oy  
Board Member of Barrick Mining Corporation and Millennium Technology Prize Support Group



**Annika Paasikivi**

born 1975, Finnish citizen

Valmet Board member since 2024, and Vice Chair of the Board since 2025  
Member of the Board's People and Remuneration Committee  
Independent of the company and not independent of significant shareholders due to role as Chair of the Board at Oras Invest Oy B.A.  
M.Sc. (Global Politics)  
Chair of the Board in Oras Invest Oy and Kemira Oyj  
Board Member of Georg Fischer Ltd and Finnish Foundation for Share Promotion



**Pekka Kemppainen**

born 1954, Finnish citizen

Valmet Board Member since 2018  
Member of the Board's Audit Committee  
Independent of the company and independent of significant shareholders  
Lic.Sc. (Tech.)  
Board Member of Bittium Oyj and Junttan Oy



**Monika Maurer**

born 1956, German citizen

Valmet Board Member since 2018  
Member of the Board's People and Remuneration Committee  
Independent of the company and independent of significant shareholders  
Diploma in Physics and Chemistry, the University of Stuttgart, Germany  
Diploma in Pedagogy, State University for Pedagogic, Stuttgart, Germany  
Board Member, and Vice Chair and Member of the HR and Remuneration Committee in Nokia Shanghai Bell, Co. Ltd.



**Annareetta Lumme-Timonen**

born 1967, Finnish citizen

Valmet Board Member since 2024  
Member of the Board's Audit Committee  
Independent of the company and not independent of significant shareholders due to role as Investment Director at Solidium Oy  
M.Sc. (Eng.)  
D.Sc. (Tech.)  
Board Member of Anora Group Plc



**Anu Hämäläinen**

born 1965, Finnish citizen

Valmet Board Member since 2022  
Chair of the Board's Audit Committee  
Independent of the company and independent of significant shareholders  
M.Sc. (Econ.)  
Executive Vice President, CFO in Kesko Corporation  
Chair of the Board in Vähittäiskaupan Takaus Oy  
Board Member of K-Tilipalvelu Oy  
Deputy Board Member of Kesko Pension Fund



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### Bernd Eikens

born 1965, German citizen

Valmet Board Member since 2025  
Member of the Board's Audit Committee  
Independent of the company and independent of significant shareholders  
Ph.D. (Chemical Engineering)  
M.Sc. (Mechanical Engineering)  
M.Sc. (International Logistics and Supply Chain Strategy)  
Group CEO of Meyer Shipyards  
Board Member and Deputy Chair of the Supervisory Board of  
Johann Bunte Bauunternehmung SE  
Member of the Advisory Board of Koehler Paper SE



### Jonas Gustavsson

born 1967, Swedish citizen

Valmet Board Member since 2025  
Member of the Board's People and Remuneration Committee  
Independent of the company and independent of significant shareholders  
M.Sc. (Mechanical Engineering)  
Chief Executive Officer of MacGregor  
Deputy Chair and Board Member, and Member of the Technology and  
Investment Committee in Fortum Oyj  
Member of the Royal Swedish Academy of Engineering Sciences (IVA)



### Personnel representative

#### Juha Pöllänen

born 1968, Finnish citizen

Personnel representative since 2021  
Carpenter  
Chief shop steward  
Employed by Valmet since 1998  
Personnel representative will participate as an invited expert in meetings of  
the Board of Directors.  
Board Member of Industrial Union



More information about Valmet's Board of Directors: [www.valmet.com/management](http://www.valmet.com/management)



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## Executive Team



**Thomas Hinnerskov**  
born 1971

President and CEO  
M.Sc. (Econ.)  
Danish citizen  
With Valmet since 2024



**Katri Hokkanen**  
born 1981

CFO  
M.Sc. (Econ.)  
Finnish citizen  
With Valmet since 2006



**Emilia Torttila-Miettinen**  
born 1979

Executive Vice President,  
Automation Solutions  
M.Sc. (Eng.)  
Finnish citizen  
With Valmet since 2003



**Simo Sääskilahti**  
born 1971

Executive Vice President,  
Flow Control  
M.Sc. (Eng.)  
M.Sc. (Econ.)  
Finnish citizen  
With Valmet since 2011



**Petri Rasinmäki**  
born 1974

Executive Vice President,  
Packaging and Paper  
M.Sc. (Eng.)  
EMBA  
Finnish citizen  
With Valmet since 2004



**Sami Riekkola**  
born 1974

Executive Vice President,  
Pulp, Energy and Circularity  
M.Sc. (Eng.)  
Finnish citizen  
With Valmet since 1998



**Jon Jested-Rask**  
born 1980

Executive Vice President,  
Tissue  
M.Sc. (Econ.)  
Danish citizen  
With Valmet since 2025



**Aki Niemi**  
born 1969

Executive Vice President,  
Global Supply  
M.Sc. (Eng.)  
Finnish citizen  
With Valmet since 1994



**Celso Tacla**  
born 1964

Executive Vice President,  
Latin America  
MBA  
Production Engineer  
Chemical Engineer  
Brazilian citizen  
With Valmet since 2008



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**Xiangdong Zhu**

born 1967

Executive Vice President,  
China Chair  
B.Sc. (Eng.)  
MBA  
Chinese citizen  
With Valmet since 1998



**Anu Pires**

born 1970

Executive Vice President,  
People, Communications and Culture  
M.Sc. (Econ.)  
Finnish citizen  
With Valmet since 2024



**Olli Hänninen**

born 1980

Executive Vice President,  
Strategy and Transformation  
M.Sc. (Eng.)  
Finnish citizen  
With Valmet since 2024



**Rasmus Oksala**

born 1970

Executive Vice President,  
Legal, and General Counsel  
LL.M.  
Finnish citizen  
With Valmet since 2000

Tero Kokko was President, EMEA until June 30, 2025.

Petri Paukkunen was President, Asia Pacific until June 30, 2025.

Janne Pynnönen was Senior Vice President, Operational Development until June 30, 2025.



More information about Valmet's Board of Directors: [www.valmet.com/management](http://www.valmet.com/management)



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# Information for investors

## TRADING OF SHARES IN 2025

### Trading of Valmet shares on Nasdaq Helsinki

- Number of shares traded: 85,571,314
- Total Value, EUR million: 2,335
- Highest share price, EUR: 32.15
- Lowest share price, EUR: 21.00
- Volume-weighted average price, EUR: 27.27
- Closing price on the final day of trading, EUR: 28.33
- Market capitalization, December 31, EUR million: 5,228

## BASIC INFORMATION ON VALMET SHARE

- Votes per share: 1
- Listed: Nasdaq Helsinki (since January 2, 2014)
- Trading currency: EUR
- Segment: Large
- Industry: Industrial Goods and Services
- Trading code: VALMT
- ISIN code: FI4000074984



## 2030 FINANCIAL TARGETS

- 5% / Organic Growth CAGR over the cycle
- 15% / Comparable EBITA margin
- 20% / Comparable ROCE
- <50% / Gearing

### Process Performance Solutions:

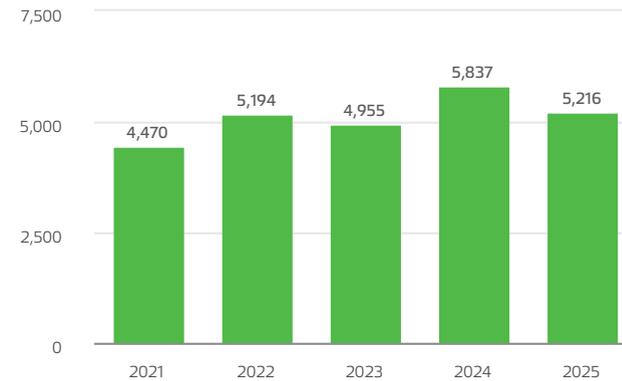
- Accelerate organic growth rate to over double the market rate
- Reach 20 percent Comparable EBITA margin

### Biomaterial Solutions and Services:

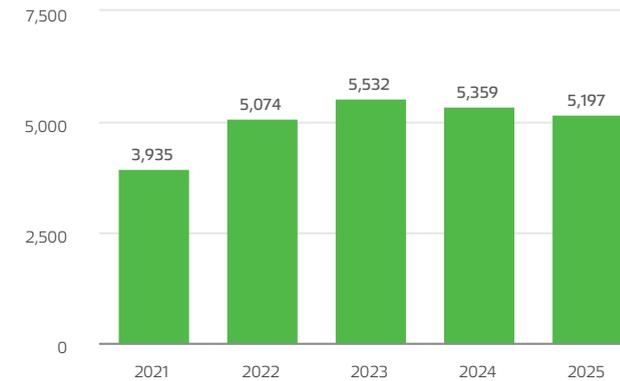
- Double the organic growth rate in biomaterial services to 8 percent
- Reach 14 percent Comparable EBITA margin

**Dividend policy:** At least 50 percent of profit for the period

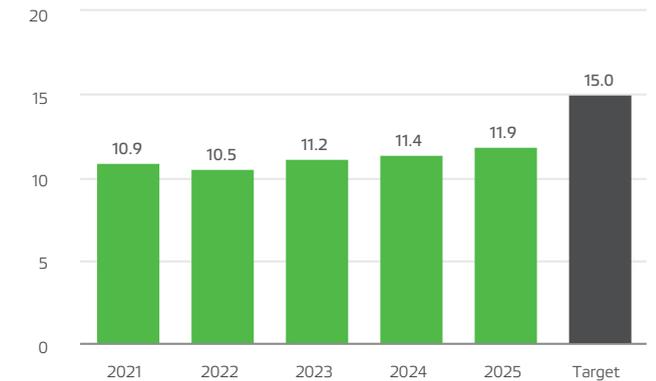
**Orders received, EUR million**



**Net sales, EUR million**



**Comparable EBITA, % of net sales margin**





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## Share capital and share data<sup>1</sup>

	2025	2024	2023
Share capital, December 31, EUR million	140	140	140
Number of shares, December 31:			
Number of outstanding shares	184,232,430	184,165,347	184,161,105
Treasury shares held by the Parent Company	297,175	364,258	368,500
Total number of shares	184,529,605	184,529,605	184,529,605
Average number of outstanding shares	184,203,699	184,159,071	184,151,827
Average number of diluted outstanding shares	184,203,699	184,159,071	184,151,827
Trading volume on Nasdaq Helsinki Ltd. <sup>2</sup>	85,571,314	108,778,549	103,147,588
% of total shares for public trading	46.4	59.1	56.0
Earnings per share, EUR	1.52	1.52	1.94
Earnings per share, diluted, EUR <sup>3</sup>	1.52	1.52	1.94
Dividend per share, EUR	1.35 <sup>4</sup>	1.35	1.35
Dividend, EUR million	249 <sup>4</sup>	249	249
Dividend payout ratio	89% <sup>4</sup>	89%	70%
Effective dividend yield	4.8% <sup>4</sup>	5.8%	5.2%
Price to earnings ratio (P/E)	18.7	15.4	13.5
Equity per share, December 31, EUR	13.55	14.15	13.93
Highest share price, EUR	32.15	30.11	32.99
Lowest share price, EUR	21.00	21.37	19.64
Volume-weighted average share price, EUR	27.27	25.03	26.35
Share price, December 31, EUR	28.33	23.33	26.11
Market capitalization, December 31, EUR million	5,228	4,305	4,818

<sup>1</sup> The formulas for calculation of the figures are presented in the section 'Formulas for Calculation of Indicators'.

<sup>2</sup> In addition to Nasdaq Helsinki Ltd., Valmet shares are also traded on other market places, such as Cboe DXE, Turquoise, BATS, Chi-X and Frankfurt. A total of approximately 46 million of Valmet's shares were traded on these five alternative marketplaces in 2025. (Source: [www.valmet.com/investors/valmet-share/trading-volumes/](http://www.valmet.com/investors/valmet-share/trading-volumes/)).

<sup>3</sup> As Valmet currently has no dilutive instruments outstanding, diluted earnings per share is the same as basic earnings per share.

<sup>4</sup> Board of Directors' proposal.



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**Development of Valmet's share price, January 1–December 31, 2025**



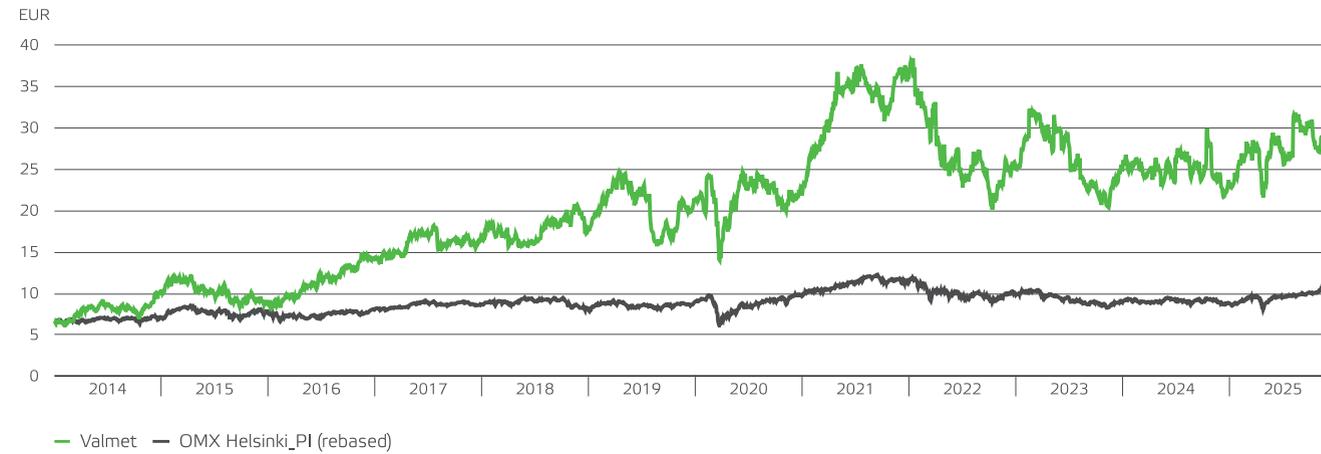
	Q1	Q2	Q3	Q4			
<b>Feb 12</b>	Financial Statements Review 2024	<b>Apr 8</b>	The first installment of the dividend paid	<b>July 23</b>	Half Year Financial Review, January–June 2025	<b>Oct 7</b>	The second installment of the dividend paid
<b>Feb 18</b>	Virtual CEO roadshow	<b>Apr 23</b>	Interim Review, January–March 2025	<b>Sep 4</b>	Roadshow in Milan	<b>Oct 30</b>	Interim Review, January–September 2025
<b>Mar 26</b>	Annual General Meeting						
	<b>Major orders booked in Q1:</b>	<b>Major orders booked in Q2:</b>	<b>Major orders booked in Q3:</b>	<b>Major orders booked in Q4:</b>			
	<ul style="list-style-type: none"> <li>A large recovery boiler</li> <li>A new bleach plant, and an evaporation and wash plant rebuild to India</li> <li>3-year Service Agreement to a paper machine line in the UK</li> <li>Orders for the new DNAe DCS in Canada and Finland</li> </ul>	<ul style="list-style-type: none"> <li>A biomass boiler and flue gas handling to Sweden</li> <li>Key pulp mill technology including cooking and fiber line, recovery boiler and ash crystallization to China</li> <li>a Valmet DNA DCS to a bio-based process plant in Portugal</li> </ul>	<ul style="list-style-type: none"> <li>A state-of-the-art tissue line to Canada, which is the largest full-scope tissue delivery in Valmet's history</li> <li>A mission-critical automation solution for a hydrogen fuel cell power facility in South Korea</li> <li>A high-end sack and kraft paper machine together with automation and services to China</li> </ul>	<ul style="list-style-type: none"> <li>Valmet's largest-ever energy order for a biomass power plant in Berlin</li> <li>A boiler fuel conversion to Poland</li> <li>A new waste-to-energy boiler to help decarbonize a pulp mill's energy production in Taiwan</li> </ul>			



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**Development of Valmet's share price since listing, January 2, 2014–December 31, 2025**



**Shareholders**

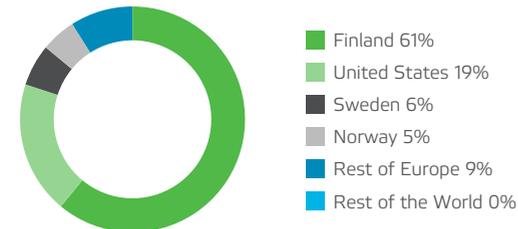
The number of registered shareholders at the end of December 2025 was 103,259 (105,217).

**Distribution of shareholding by sector, %**



On December 31, 2025. Source: Euroclear.

**Geographical distribution of ownership, %**



On December 31, 2025. Source: Modular Finance, indicative.

More information on shareholders





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## Largest shareholders on December 31, 2025

	Shares	% of shares capital
1 Oras Invest Ltd	19,200,000	10.40%
2 Solidium Oy	18,640,665	10.10%
3 Capital Group	7,436,278	4.03%
4 Swedbank Robur Fonder	7,029,204	3.81%
5 Varma Mutual Pension Insurance Company	6,422,768	3.48%
6 Ilmarinen Mutual Pension Insurance Company	6,261,818	3.39%
7 Vanguard	6,267,625	3.40%
8 Incentive AS	2,190,316	1.19%
9 BlackRock	4,689,001	2.54%
10 Dimensional Fund Advisors	3,814,971	2.07%
11 State Street Investment Management	3,319,276	1.80%
12 Elo Mutual Pension Insurance Company	2,854,000	1.55%
13 Nordea Funds	2,232,572	1.21%
14 Handelsbanken Fonder	2,582,160	1.40%
15 BNP Paribas Asset Management	2,499,041	1.35%

Source: Modular Finance AB

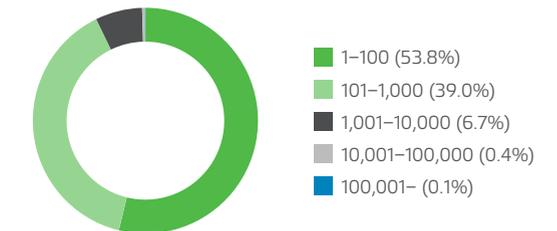
## Flagging notifications in 2025

In the financial year 2025 Valmet received the following flagging notification referred to in the Securities Market Act:

Transaction date	Shareholder	Threshold	% of shares and voting rights		Total, %
			Direct	Through financial instruments	
February 14, 2025	Swedbank Robur Fonder AB	Below 5%	4.77%	-	4.77%

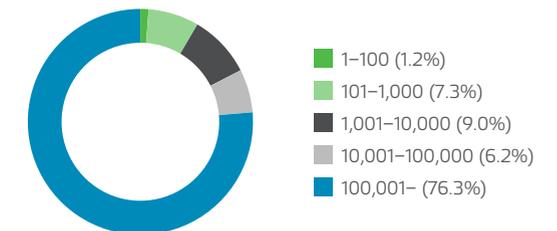
More information on flagging notifications is available on [www.valmet.com/flagging-notifications](http://www.valmet.com/flagging-notifications).

## Distribution of shareholders by number of shares held, %



On December 31, 2025. Source: Euroclear.

## Distribution of voting rights, shareholders grouped by number of shares held, %



On December 31, 2025. Source: Euroclear.

## Shareholdings of the Board of Directors in Valmet Oyj on December 31, 2025

		Shares
Vauramo, Pekka	Chair of the Board	2,368
Paasikivi, Annika	Vice Chair of the Board	2,755
Kemppainen, Pekka	Member of the Board	7,574
Maurer, Monika	Member of the Board	7,574
Lumme-Timonen, Annareetta	Member of the Board	2,621
Eikens, Bernhard	Member of the Board	1,039
Hämäläinen, Anu	Member of the Board	5,235
Gustavsson, Jonas	Member of the Board	1,039
<b>Total</b>		<b>30,205</b>
<b>% of outstanding shares</b>		<b>0.02%</b>

## Shareholdings of the Executive Team in Valmet Oyj on December 31, 2025

		Shares
Hinnerskov, Thomas	President and CEO	0*
Hokkanen, Katri	CFO	9,793
Torttila-Miettinen, Emilia	EVP, Automation Solutions	2,884
Sääskilähti, Simo	EVP, Flow Control	8,170
Rasinmäki, Petri	EVP, Packaging and Paper	2,929
Riekkola, Sami	EVP, Pulp, Energy and Circularity	24,455
Jested-Rask, Jon	EVP, Tissue	0
Tacla, Celso	EVP, Latin America	80,116
Zhu, Xiangdong	EVP, China Chair	39,406
Niemi, Aki	EVP, Global Supply	46,098
Pires, Anu	EVP, People, Communications and Culture	0
Hänninen, Olli	EVP, Strategy and Transformation	1,400
Oksala, Rasmus	EVP, Legal, and General Counsel	17,368
<b>Total</b>		<b>232,619</b>
<b>% of outstanding shares</b>		<b>0.13%</b>

\*Thomas Hinnerskov has an allocation of 61,037 shares in restricted share pool. A precondition for the payment is that the employment relationship of Thomas Hinnerskov with Valmet continues until the payment date of the reward in March 2027. Shares in long-term incentive plan PSP (Performance Share Plan) 2024–2026 and PSP 2025–2027 have also been allocated to Thomas Hinnerskov in 2024 and 2025, with rewards from these plans will be paid to participants in spring 2027 and 2028 respectively.



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# Investor Relations

## Mission and goal

The main task of Valmet's Investor Relations is to ensure that the markets have correct and sufficient information for determining the value of Valmet's share. Investor Relations is responsible for planning and executing financial and investor communications and takes care of Valmet's investor interaction. In addition to Financial Statements, Interim Reviews, the investor website, stock exchange releases and press releases, Valmet's investor communication involves investor meetings, seminars, webcasts, site visits and general meetings. Valmet also arranges regular Capital Markets Days.

## Valmet's investor website and social media channels

Valmet's investor website provides a comprehensive set of information about Valmet's business environment, strategy, segments, and financial performance. In addition to financial reports, presentations, webcast recordings and interactive share and ownership tools, the website features videos and the Investor Relations blog for more topics tailored to investors' interests.

Valmet's main social media channel for investors is @valmet\_sijoituskohteena in Instagram (for the Finnish speaking audience). There, Valmet's Investor relations publishes for example videos of quarterly highlights, targeted at the retail investor community. The number of social media impressions continues to grow, with Valmet continuing its collaboration with Finnish social media influencers such as STNX by Sijoituskästi, whose Valmet related short form videos gathered over 215,000 impressions in 2025.

## Investor relations in 2025

In 2025, Valmet held ca. 200 investor meetings and conference calls, which were participated by ca. 310 institutional investors. The highlight of the year was Valmet's Capital Markets Day which was held on June 5th in Tampere – the home of Valmet's Automation Solutions. This year the CMD was a particularly special occasion, as Valmet officially launched its new strategy, "Lead the Way", which marked the beginning of an exciting new chapter for the company. The primary objective of this year's Capital Markets Day was to present Valmet's new strategy and new financial targets, designed to deliver a step-up improvement in Valmet's financial performance, growth, and ability to transform industries towards a regenerative tomorrow. Valmet also introduced its new operating model as of July 1, 2025, with two reporting segments, Biomaterial Solutions and Services; and Process Performance Solutions, as well as the Global Supply unit.

More information regarding the CMD is available on Valmet's Investor relations page: [www.valmet.com/investors/events-and-calendar/capital-markets-day/2025/](http://www.valmet.com/investors/events-and-calendar/capital-markets-day/2025/).

## Silent period

Valmet observes a 21-day silent period prior to the publication of financial results. During this time, Valmet does not comment on the company's financial situation, markets, outlook, or recent development.



Valmet's CMD 2025 was held on June 5th in Tampere, Finland.

## FREQUENTLY ASKED QUESTIONS

### What are the market drivers for Valmet's businesses?

Global trade and e-commerce as well as a shift away from plastic packaging increase board and paper consumption, while rising living standards drive the demand for tissue. Pulp is a raw material for paper, board, and tissue, so the demand for pulp is also growing over time. Energy transition and supply security as well as emission control drive growth for Valmet's energy solutions. In the biomaterial services, automation solutions and flow control businesses, the market drivers include customer demand for sustainability, efficiency, reliability, and digitalization, as well as the large and aging installed base.

### What are Valmet's 2030 Financial targets?

Valmet's 2030 Financial targets are: 5 percent organic net sales (CAGR) growth over the cycle, 15 percent comparable EBITA margin, comparable ROCE of 20 percent and gearing below 50 percent. Additionally, Valmet has distinct targets for its two segments:

### Process Performance Solutions:

- Accelerate organic growth rate to over double the market rate
- Reach 20 percent Comparable EBITA margin

### Biomaterial Solutions and Services:

- Double the organic growth rate in biomaterial services to 8 percent
- Reach 14 percent Comparable EBITA margin

### How will Valmet reach the 15 percent Comparable EBITA target?

The improvement is driven by a combination of profitable growth and structural efficiency. First, we target faster organic growth in Process Performance Solutions and biomaterial services. Second, we are executing EUR 100 million of structural cost savings in the Global Supply unit to enhance margins and competitiveness. Third, the new operating model simplifies the organization and is expected to deliver approximately EUR 80 million cost savings.

INVESTOR  
RELATIONS IN 2025

~200

MEETINGS AND  
CONFERENCE CALLS

~310

INVESTORS  
PARTICIPATED

16

ROADSHOWS



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## Analyst coverage

According to Valmet's knowledge, the following analysts have regular coverage on Valmet share:

### Company

BNP Paribas  
DNB Carnegie  
Danske Bank  
Handelsbanken  
Inderes  
Nordea Markets  
OP Corporate Bank  
SEB  
UBS

### Analyst

Christoph Blieffert  
Tom Skogman  
Panu Laitinmäki  
Timo Heinonen  
Antti Viljakainen  
Mikael Doepel  
Henri Parkkinen  
Antti Kansanen  
Sven Weier

Analyst contact information and consensus estimates are available on [Valmet's investor website](#). Valmet does not take any responsibility for the content, accuracy or completeness of the views of the capital market representatives.

## Financial calendar 2026

<b>March 25, 2026</b>	Annual General Meeting
<b>April 7, 2026</b>	Silent period begins
<b>April 28, 2026</b>	Interim Review for January–March 2026
<b>July 3, 2026</b>	Silent period begins
<b>July 24, 2026</b>	Half Year Financial Review for January–June 2026
<b>October 7, 2026</b>	Silent period begins
<b>October 28, 2026</b>	Interim Review for January–September 2026

The calendar is available on  
Valmet's investor website.



## Valmet Investor Relations



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## Valmet reports 2025



### FINANCIAL STATEMENTS AND REPORT OF THE BOARD OF DIRECTORS 2025

The report includes Valmet's Financial Statements, the Report of the Board of Directors' and the CSRD Sustainability Statement for 2025.



### ANNUAL REVIEW 2025

The report covers Valmet's progress in its strategy, operations, and sustainability in 2025.



### CORPORATE GOVERNANCE STATEMENT 2025

The report covers Valmet's governance principles and activities, Board of Directors and management in 2025.



### REMUNERATION REPORT 2025

The report covers Valmet's remuneration principles and remuneration in 2025.

## Contacts

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 [facebook.com/valmetcorporation](https://facebook.com/valmetcorporation)

 [instagram.com/valmetglobal](https://instagram.com/valmetglobal)

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