

Metsä Board
Sustainability Review 2023



Together with our customers we develop fossil free and circular packaging solutions.



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Sustainability reporting in 2023



This Sustainability Review summarises Metsä Board's key sustainability topics and achievements in 2023.



Metsä Board's full Sustainability Statement is available as part of the Report of the Board of Directors. GRI and SASB Content Index and Climate-related financial disclosures (TCFD) are available on Metsä Board's website.



This is Metsä Board



Forerunner in premium lightweight paperboards

Metsä Board is a leading European producer of premium lightweight paperboards. Our product range covers lightweight folding boxboards, food service boards and white kraftliners.

Used in consumer and retail packaging, our paperboards are made from fully traceable fresh wood fibre coming from responsibly managed forests that are either certified or meet the criteria of controlled origin.

The Metsä Board portfolio offers solutions for demanding packaging end uses, such as food and beverages, food service, consumer electronics, beautycare, healthcare and graphic applications.

As part of Metsä Group, a Finnish forest industry group, we benefit from a unique value chain from pure Northern European wood fibre to high-quality end products. We help our customers reduce their carbon footprint through resource-efficient materials and packaging solutions that are easy to recycle and promote the circular economy.

We work to mitigate climate change

By the end of 2030 our mills will have zero fossil-based CO₂ emissions and our products will be made entirely from fossil free materials.



No1

- in folding boxboards and white kraftliners in Europe
- in coated white kraftliners in the world

2,300

employees

1.9

EUR bn.
Sales in 2023

Our operations

8

Our highly efficient production units in Finland and Sweden are located close to the forests that are the source of our most important raw material: high-quality wood fibres.

100

We deliver to approximately 100 countries on all continents.

2.3

Mt

Annual paperboard production capacity



1.7

Mt

Annual production capacity of high-yield (BCTMP) and chemical pulp



On the road to fossil free production and regenerative forestry

The resources on our planet are finite. As urbanisation and population growth continue to boost the need for packaging, we all need to think about how to make things smarter and in line with the circular economy.

Mitigating climate change, promoting biodiversity, using resources efficiently, and developing a responsible corporate culture and supply chain are at the core of our sustainability efforts.

To achieve results that make a difference, sustainability targets must be ambitious. At Metsä Board, we aim to achieve fossil free production and products by the end of 2030. Currently, 90% of the energy and 99% of the raw materials used at our mills are fossil free.

To save valuable resources, we continuously invest in the most efficient production processes. We have detailed roadmaps for the climate and water measures we're taking to achieve our 2030 sustainability targets. These roadmaps describe the completed and planned investments, and their impact on reducing our fossil-based CO₂ emissions and process water use.

Resource efficiency is at the core of our product development work. Based on lifecycle assessments, our paperboards have a lower carbon footprint compared to many corresponding packaging materials. This also helps our customers to reduce their carbon footprint.

When talking about sustainability, just aiming at minimising the negative impacts on the environment is not enough. We need to take things further and aim higher.

To take our efforts to the next level, the entire Metsä Group adopted regenerative forestry principles in spring 2023. The goal is to ensure forests are transferred from one generation to the next in a vibrant, diverse and climate-resilient condition, and to verify positive impacts on forest biodiversity by 2030 at the latest.

In promoting social responsibility, our core areas of focus are ethical corporate culture, employee wellbeing and safety at work. We advance diversity, equality and inclusion with the Metsä for all vision, and measure our progress through the targets set. For example, we've adopted anonymous recruitment as our main recruitment method, in order to offer all job applicants equal opportunities.

Transparency is the cornerstone of all sustainability work. That is why we've prepared this Sustainability Review. It covers the most relevant information on environmental, social, and governance issues and summarises our key sustainability topics and their progress in 2023.

We also provide a comprehensive Sustainability Statement as part of the Report of the Board of Directors 2023 as preparation for the upcoming Corporate Sustainability Reporting Directive.

These reports are available for anyone interested in understanding our journey and goals towards a sustainable future. I hope they will provide you with useful and relevant information and show that we are on the common road towards a positive change.

Mika Joukio
CEO

Our sustainability highlights 2023

From new packaging design innovations open to all, to fine-tuning sustainable solutions together with our customers. From calculating the environmental impact reduction possibilities of packaging, to improving the energy efficiency of our own mills. 2023 was full of great steps toward a more circular future.

Here are a few examples of our sustainability highlights:



An ultralight innovation for pizza deliveries

We collaborated with the best professionals in the industry to design a pizza box that is, possibly, the lightest in the world. Compared to traditional solutions, this corrugated e-flute box, designed to require less material and less ink, is up to 38% lighter and has a carbon footprint up to 50% lower than pizza boxes made with conventional paperboards. The concept was awarded in 2024 WorldStar packaging competition.

Kemi mill reduces its energy and water use

The development programme at our Kemi board mill was completed in the autumn 2023 in parallel with the startup of Metsä Fibre's new bioproduct mill. In addition to increasing the board mill's capacity, the upgrade will reduce the mill's energy consumption by 5% and water use by around 40% per tonne produced.

Innovating for circularity

Altogether 46 co-creation workshops were held in 2023 at Metsä Board's state-of-the-art Excellence Centre, to help innovate new packaging solutions with customers and partners. As an example, our 360 Services team combined forces with the Nordic cosmetics brand Lumene and the folding carton converter VG Kadra Pak, member of the Van Genechten Packaging Group, to create a lightweight and easily recyclable advent calendar.



Share of fossil free energy at Metsä Board

90%

Share of certified wood fibre at Metsä Board

91%



Husum board mill got an upgrade, improving efficiency

The capacity expansion project at our Husum mill was completed in November, making the folding boxboard machine BM1 the largest and most modern in Europe. It also has excellent sustainability credentials, currently run with approximately 98% of renewable energy and aiming at 100%.

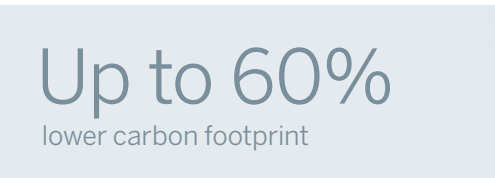
Recognitions for systematic work for sustainability

We achieved excellent scores in several ESG ratings, including CDP A List in Climate change and Water security and A- in Forests; the highest Platinum level and high scores in each of the four themes assessed by Ecovadis; and an A- rating in the Ellen MacArthur Foundation's Circulytics® circular economy assessment. These and other ratings provide important information to our stakeholders of Metsä Board's sustainability ambition and help us to further improve our operations (page 10).



Reducing carbon footprint in pharmaceutical packaging

We conducted several lifecycle calculations of the climate impact of different paperboard grades. For example, based on the assessments, switching from conventionally used grades to fresh fibre paperboard can cut the carbon footprint of a pharmaceutical packaging by up to 60%. With our products and services we support our customers in their sustainability actions (pages 24–25).



Fresh fibre paperboards support the circular economy

Metsä Board follows the principles of circular economy by using renewable resources, ensuring efficient and fossil free operations and keeping materials in use and in circulation for as long as possible.



Fresh fibres help maintain the recycling loop

Pure and strong fresh wood fibres improve the quality of fibres in circulation and they can be recycled multiple times. This makes fresh fibre paperboards an excellent material for the circular economy. In addition, they compensate for the materials not returned to circulation.



Designed to be recycled

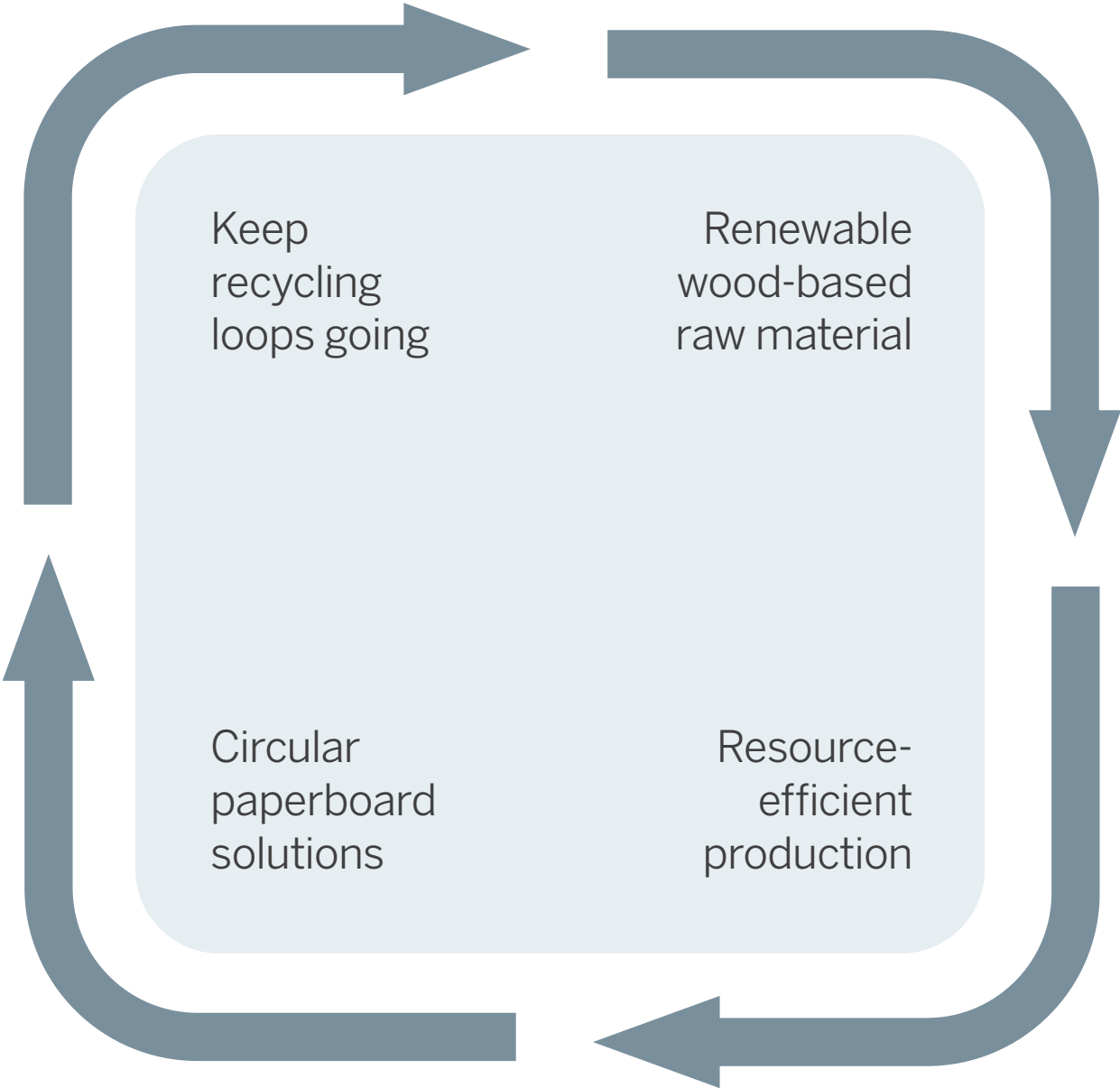
All our paperboards are recyclable, depending on the local recycling systems. All Metsä Board paperboards except for the PE coated grades are also certified as industrially compostable in accordance with the DIN EN 13432 and/or ASTM D6400 standards and home compostable in accordance with the NF T 51–800 standard. By joint design guidelines and cross-industry collaboration, such as 4evergreen alliance, we support the recyclability or compostability of our products after use.



Sustainable solutions by cooperation

Metsä Board 360 Services help our customers to improve the functionality and recyclability of their packaging, decrease the use of plastics, and reduce raw material use and the environmental impact of the packaging solution. The Excellence Centre in our Äänekoski site provides an inspirational co-creation platform for our customers and partners worldwide.

With a recycling rate of over 80%, paper and paperboard packaging is the most recycled packaging material in the EU and the US
(Source: Eurostat, EPA)



Diverse and vibrant forests

We are committed to regenerative forestry that enhances biodiversity and strengthens the state of nature. We use only traceable wood of certified or controlled origin. We also ensure that forests grow more than is harvested so that the forests can continue to act as a carbon sink. Forestry operations do not cause deforestation in our wood supply area.



Alternatives to plastics

Renewable fresh fibre is our main raw material, and we have a systematic development programme for replacing the remaining fossil-oil-based raw materials still used. Our paperboards, such as the dispersion coated barrier paperboard, help our customers reduce the use of plastics in packaging.



Minimising environmental impact

We continue to focus on the efficient use of raw materials, water and energy. We follow the environmental impact of all our paperboards with life cycle assessments based on the requirements set out in the ISO 14025 and ISO 14040/14044 standards. The light weight of our paperboards and the high share of fossil free energy used reduce the environmental impact of our paperboards.



Materials are used in the best possible way

As part of Metsä Group, we use 100% of the sourced wood raw material, and nothing goes to waste. We are also seeking new ways to reuse our production side streams. For example, Soilfood, a Finnish circular economy company, produces wood-based soil improvement fibres from fractions produced as side streams at Metsä Board's board mills.



Sustainability targets for 2030



Our targets highlight our commitment to safeguarding natural biodiversity, mitigating climate change, and promoting the sustainable use of natural resources, healthy workplace communities and ethical operations.



E Environment

- We safeguard biodiversity.
- We mitigate climate change.
- We decrease emissions.
- We use raw materials efficiently.
- We decrease the amount of waste.

S Social


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

G Governance

- We promote ethical corporate culture.
- We know the origin of our raw materials.
- We favour responsible suppliers in our procurement.

Our commitment to sustainability relies on our strategy

Sustainable operations are the foundation of Metsä Board’s business. Our sustainability targets are based on our strategy, the materiality assessment of sustainability matters and the entire Metsä Group’s sustainability targets.



WE SUPPORT

We are implementing our strategy to grow in fibre-based packaging materials and renew industrial operations with investments to meet the globally increasing demand for recyclable packaging materials that can reduce the use of plastic. To support this, we have defined five strategic programmes, which are interlinked with our sustainability targets.

Our sustainability targets, which extend to 2030, contribute, for our part, to the realisation of the UN’s Sustainable Development Goals. Since 2003, we have supported the UN Global Compact and its principles on human rights, labour, the environment and anti-corruption. We have also signed the UN

Global Compact’s CEO Water Mandate initiative, in which we are committed to continuously improving water responsibility and understanding and managing water-related risks. As part of Metsä Group, we belong to the global circular economy network of the Ellen MacArthur Foundation, which supports our goal of being a forerunner in a fossil free circular economy.

Our sustainability performance is continuously assessed in several ESG ratings, and we actively participate in those ratings that we see as the most important in terms of providing fact-based information and further improving the sustainability of our operations.

Our strategic programmes <ul style="list-style-type: none">Premium supplierEffective innovationSafe and efficient operations and organic growthLeader in sustainabilityMotivated people	Our vision <p>Preferred supplier of innovative and sustainable fibre-based packaging solutions, creating value for customers globally.</p>	Our purpose <p>Advancing bioeconomy and circular economy by efficiently and sustainably processing northern wood into first-class products.</p>
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Metsä Board actively participates in the following ESG ratings

ESG rating provider and rating	Score	Previous score ¹⁾	Scale ²⁾	Updated
CDP, Climate Change	A	A	D–A	02/2024
CDP, Water Security	A	A	D–A	
CDP, Forests	A-	A	D–A	
Ellen MacArthur Foundation, Circulytics®	A-	B	E–A	07/2023
ISS, ESG Corporate Rating	B- Prime	B- Prime	D- – A+, Not Prime – Prime	12/2022
ISS, QualityScore, Environment	2	2	10–1	12/2023
ISS, QualityScore, Social	3	6	10–1	
ISS, QualityScore, Governance	3	3	10–1	
EcoVadis, Sustainability Rating ³⁾	87 Platinum	87 Platinum	0–100, Platinum the highest medal	05/2023
Moody’s Analytics, ESG Overall Score ⁴⁾	70	68	0–100	12/2023
MSCI, ESG Rating ⁵⁾	AA	AAA	CCC–AAA	06/2023
S&P Global, CSA Score ⁶⁾	57	54	0–100	12/2023
Sustainalytics, ESG Risk Rating ⁷⁾	14.1	14.6	100–0	11/2023

¹⁾ Score reported in Metsä Board’s Annual and Sustainability Report 2022. S&P Global’s CSA Score was not included in the report in 2022.

²⁾ Scale from the weakest score to the highest possible score.

³⁾ Metsä Board is among the top 1% of companies assessed in the manufacture of corrugated paper and paperboard and containers of paper and paperboard industries.

⁴⁾ In Metsä Board’s sector, Forest Products & Paper Europe, the sector average is 58.

⁵⁾ Metsä Board was moved by MSCI from Paper & Forest Products industry to Containers & Packaging industry in 2023.

⁶⁾ As of 15 March 2024, Metsä Board achieved the eighth highest CSA score out of 62 companies assessed in the Materials – FRP Paper & Forest Products industry in the S&P Global Corporate Sustainability Assessment.

⁷⁾ Metsä Board is considered to be at low risk of experiencing material financial impacts from ESG factors.

Progress towards our 2030 sustainability targets

Our seven sustainability themes and related targets and indicators were updated in 2023. The actuals and progress are summarised in the table below.



THEME AND TARGET	2030 TARGET	2023 ACTUAL	2023 PROGRESS	UN SDG
E – ENVIRONMENT				
1. Safeguarding biodiversity and the ecological sustainability of forest use				
MG: Retention trees on regeneration felling sites, %	100	96	●	13, 15
MG: High biodiversity stumps on harvesting sites, %	100	92	●	13, 15
MG: Spruce as the only tree species after young stand management, %	0	25	●	13, 15
MG: Measures promoting biodiversity, number	10,000	816	●	13, 15
2. Mitigating climate change and reducing emissions				
Improvement in energy efficiency from the 2018 level, %	+10	-5.8	●	7, 12, 13
Fossil-based carbon dioxide emissions (Scope 1 and Scope 2 market-based), t	0	184,713	●	12, 13
Share of target group suppliers with targets set in accordance with the SBTi by 2024 (Scope 3), %	70	19	●	13
Fossil free raw materials and packaging materials, share of dry tonnes, %	100	98.8	●	9, 12
MG: Amount of forest regeneration and young stand management from the 2018 level, %	+30	+14	●	13, 15
MG: Amount of forest fertilisation from the 2018 level, %	+50	-26	●	13, 15
MG: Share of continuous cover forestry in peatland forest regeneration, %	30	17	●	13, 15
MG: Amount of carbon stored in wood products from the 2018 level, %	+30	-21	●	12, 13
3. Resource efficiency and sustainable production				
Reduction in process water use per produced tonne from the 2018 level, %	-35	+2.0	●	6, 12
Process waste delivered to landfills, t	0	1,164	●	12
S – SOCIAL RESPONSIBILITY				
4. Respecting everyone and doing the right thing				
Anonymous recruitment for vacancies open to all, %	100	72	●	5, 8
Women in management positions, %	>30	21	●	5, 8
5. Promoting safety and wellbeing at work				
Total recordable incident frequency, own employees (TRIF) ¹⁾	0	6.1	●	8
Employee job satisfaction	AAA	A+	●	5, 8
G – SUSTAINABILITY GOVERNANCE				
6. Innovation and open-minded cooperation and 7. The significance of forest-based bioeconomy to society				
Implementation of ethics barometer measures, %	100	100	●	5, 8
Traceability of raw materials, share of total purchases, %	100	97	●	9, 12
Share of certified wood fibre, %	>90	91	●	15
Suppliers’ commitment to the Supplier Code of Conduct, share of total purchases, %	100	99.0	●	8, 12
Supplier assessments and audits of core suppliers, %	100	68	●	8, 12
MG: Joint sustainability targets with partner suppliers, %	100	100	●	12, 13

MG: The target has been set at the level of Metsä Group

Targets will be reached by the end of 2030. For example, fossil fuels will be abandoned by 31 December 2030.

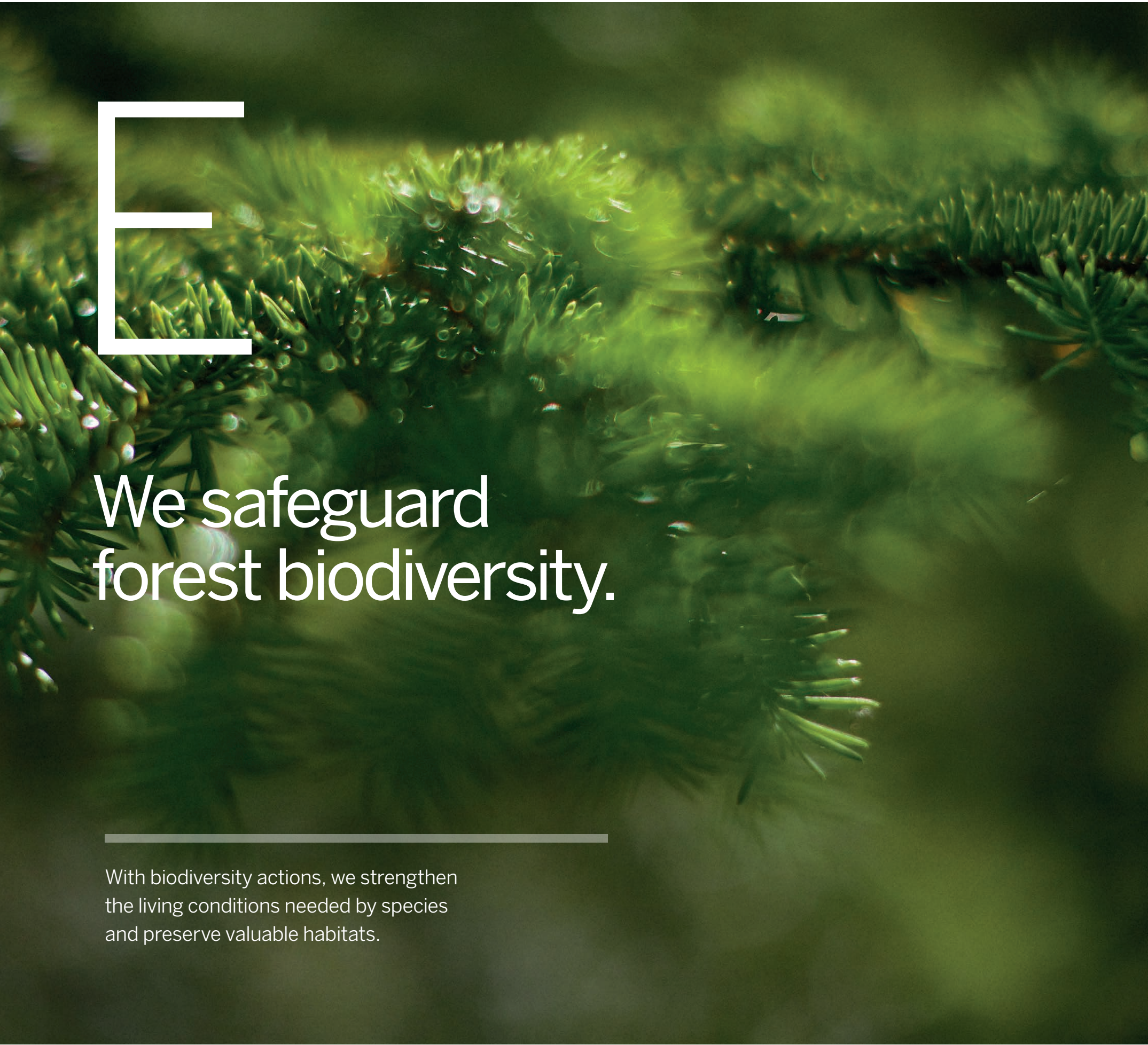
¹⁾ Metsä Board’s target of “0 accidents at work” also applies to service suppliers. In future, service suppliers will be included in the performance figure.

Progress in 2023 compared with the previous year.

Exceeds target (significant progress) ●

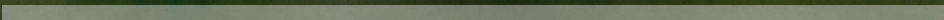
On target (progress as planned) ●

Short of target (no progress or weaker progress) ●



E

We safeguard forest biodiversity.



With biodiversity actions, we strengthen the living conditions needed by species and preserve valuable habitats.

Measures for the 2030 targets

- We add decaying wood to forests
- We diversify tree species in forests
- We protect valuable habitats for threatened species

Targets and indicators		Actual 2023
100%	of regeneration felling sites have retention trees (MG)	96%
100%	of harvesting sites have high biodiversity stumps (MG)	92%
0%	of young stand management sites have spruce as the only tree species (MG)	25%
10,000	measures promoting biodiversity (MG)	816

(MG) The target is set at Metsä Group level.

Regenerative forestry goes beyond conventional sustainability measures

E Metsä Board's products are manufactured from pure, fresh wood fibre sourced from sustainably managed Northern European forests. The aim is to manage these forest areas even better.

In our Environmental policy, we commit to obtaining wood raw material from sustainable forest sources and to paying attention to the economic, social and environmental aspects of forest management and wood supply. To develop this even further, Metsä Group, which is responsible for our wood supply, adopted ambitious regenerative forestry principles in the spring of 2023.

The goal of the regenerative forestry principles is to strengthen biodiversity while using forests, and to ensure that forests transfer in an even more vibrant and diverse condition from one generation and owner to the next. Greater diversity also makes forests more resilient to climate change. In addition, regenerative forestry supports carbon sinks for mitigating climate change while simultaneously supporting the overall forest ecosystem, including aspects such as timber, berry and mushroom growth, pollinators and forests' health benefits on people.

The key practices of regenerative forestry include diversifying the tree species and the structure of forests, as well as increasing

the amount of decaying wood in the forests. With these practices we can improve the habitats of around 10,000 species living in commercial forests.

In Metsä Group's regenerative forestry principles, forest management and use is based on the most common native tree species in the area. There are approximately 30 native tree species in Finland, of which we process only four industrially. During forest operations, other tree species are left to grow and boost biodiversity in the forest.

Protective thickets, i.e. dense stands of trees and bushes, are left to diversify the structure of forests and provide hiding places for animals. To increase the amount of decaying wood, retention trees and two-to-five-metre high biodiversity stumps are left standing on the harvested sites. All these measures are important for preserving forest biodiversity.



Verifying positive change is a key element of regenerative forestry principles.

Regenerative forestry enables economy and biodiversity to strengthen simultaneously

According to **Timo Lehesvirta**, Metsä Group's Leading Nature Expert, adopting regenerative forestry principles involves a systemic change, which will enable the economy and biodiversity to grow and strengthen simultaneously.

"Historically, economic systems have created wellbeing at nature's expense. In many forms of land use, production is still based on first erasing the original forest ecosystem. Finnish forestry, and especially regenerative forestry, is about production processes that verifiably do not harm the environment," Lehesvirta says.

To be able to verify the positive change is vital. Metsä Group jointly monitors the development of the state of forest nature with research institutions in the field. Our goal is to verifiably measure and follow-up the strengthening of forest biodiversity by 2030.

"Various ideologies and approaches are prominent in public forest discussion, so we want to ensure that the impact of our actions can be measured using scientific methods. Working with our external stakeholders, we aim to develop verified measurements that demonstrate environmental impact across a product's value chain, from forests to consumers", Lehesvirta adds.

Metsä Group Plus service takes forest management to a new level

In June 2023, Metsä Group launched the Metsä Group Plus service as part of its regenerative forestry principles. Metsä Group Plus is a forest management model that follows the principles of regenerative forestry and is offered to the owner-members of Metsäliitto Cooperative, Metsä Group's parent company.

The model's measures for supporting and improving forest biodiversity are more comprehensive than those of current standard practices based on legislation and forest certification. For example, the number of retention trees and high biodiversity stumps left in the forest is higher in the Metsä Group Plus service

than is required by today's forest certification standards. The measures are agreed jointly with forest owners in connection with forest management services and wood trade.

The potential of the Metsä Group Plus programme is considerable, as the members of Metsäliitto Cooperative own about half of Finland's private forests.

Read more about our wood procurement and traceability on page 34 and topical forest-related regulations on pages 36–37.

➔ Read more about these topics in the Sustainability Statement 2023.



E

We mitigate climate change.

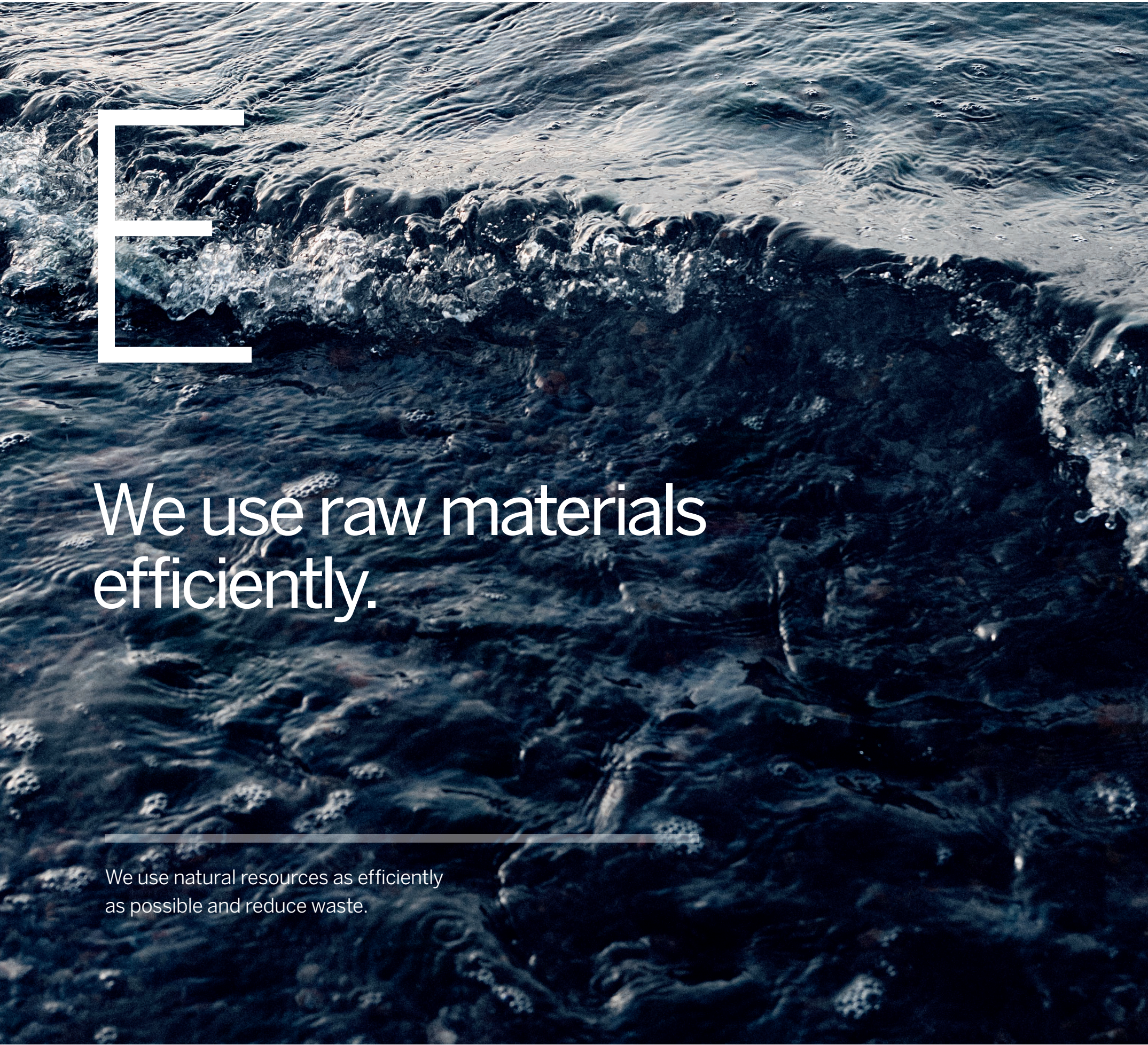
We reduce fossil-based carbon dioxide emissions and the use of fossil-based raw materials and packaging materials. We ensure that carbon is stored in forests and wood products.

Measures for the 2030 targets

- We only use fossil free fuels and purchase fossil free electricity
- We only use fossil free raw materials and packaging materials
- We promote forest management
- We recommend continuous cover forestry in peatlands
- We increase the production of wood products that store carbon for a long time

Targets and indicators		Actual 2023
0 t	fossil-based carbon dioxide emissions, Scope 1 and 2	184,713 t
70%	of target group suppliers have set SBTi targets by 2024, Scope 3	19%
100%	fossil free raw materials and packaging materials	99%
+30%	forest regeneration and young stand management* (MG)	+14%
+50%	forest fertilisation* (MG)	-26%
+30%	share of continuous cover forestry in peatland forests (MG)	17%
+30%	amount of carbon stored in wood products** (MG)	-21%

(MG) The target is set at Metsä Group level.
* hectares, compared to 2018
** CO₂ equivalent compared to 2018



We use raw materials efficiently.

We use natural resources as efficiently as possible and reduce waste.

Measures for the 2030 targets

- We use less water at our mills
- We improve energy efficiency
- We utilise all our process waste

Targets and indicators		Actual 2023
-35%	process water use per produced tonne*	+2.0%
+10%	improvement in energy efficiency*	-5.8%
0 t	process waste delivered to landfills	1,164 t

* compared to 2018

We continuously work towards fossil free and resource-efficient production

E | To mitigate climate change, we are aiming for fossil free production and products. We also focus on resource efficiency in terms of the use of energy, water and materials.

Metsä Board’s environmental operations are guided by the principles of our environmental policy and a certified ISO 9001 quality management system, ISO 14001 environmental management system, ISO 50001 energy management system, and an energy efficiency system (EES), which all our production units have.

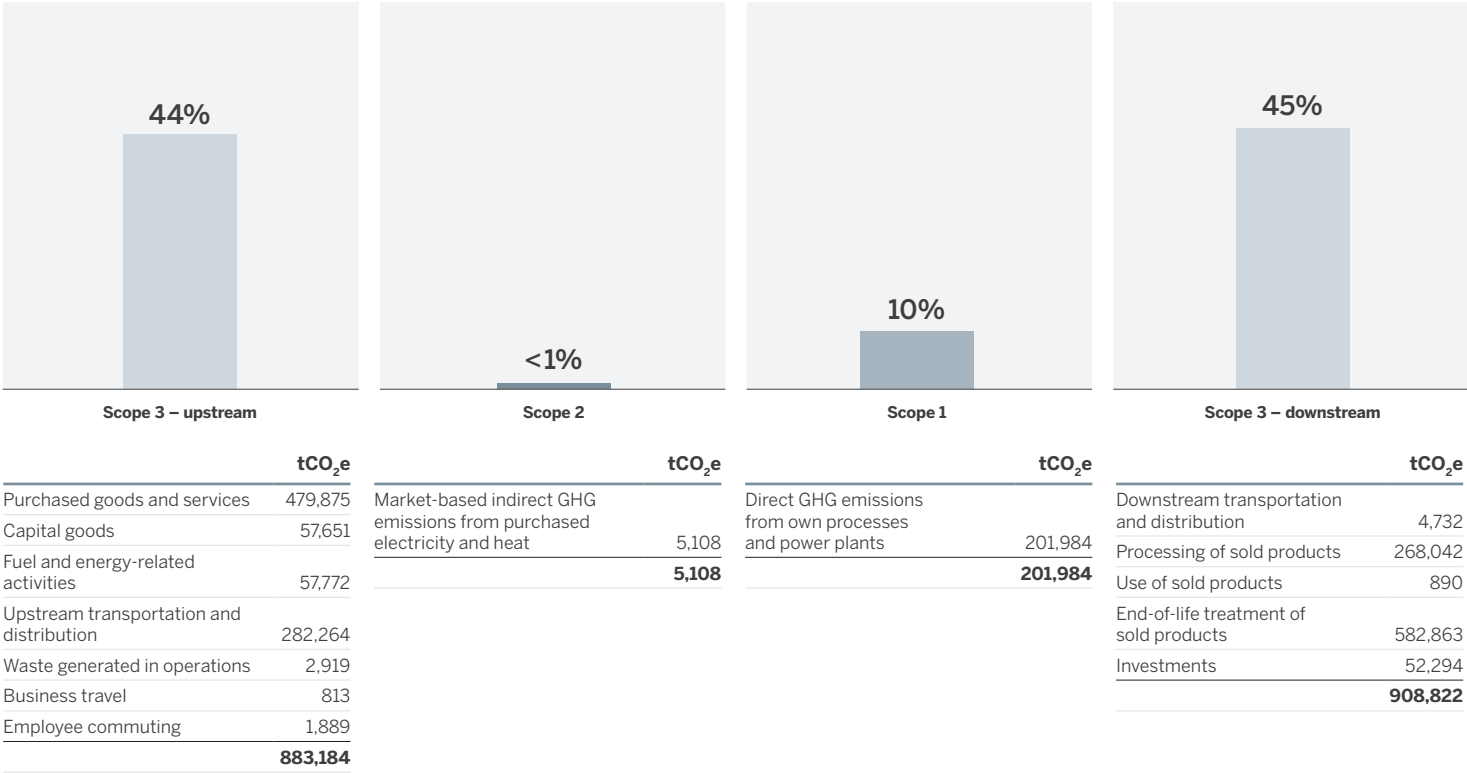
Working towards fossil free production

Metsä Board’s strategy to work towards fossil free production includes action plans for the climate impacts from production, the supply chain and products. An action plan for the carbon balance of forests has also been drawn up for Metsä Group’s wood supply.

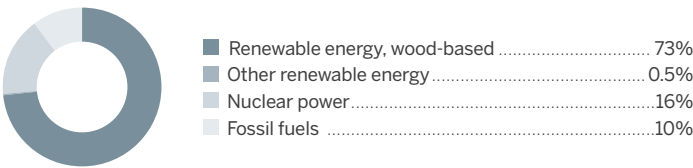
In the production units, our plan for climate change mitigation comprises investments and measures for replacing fossil fuels with renewable fuels and fossil free electricity at all the company’s production units and power plants. The measures apply to the fuels and backup fuels used at power plants and to the process fuels used at production units. We will also shift to fully renewable or fossil free alternatives for purchased energy. Our key measures are presented in the roadmap on page 22.

We are improving energy efficiency through continuous enhancements in areas such as drying and heat recovery, and through investments. In addition to the development project at Kemi board mill we completed, in 2023, energy efficiency actions

TOTAL GREENHOUSE GAS EMISSIONS 1,999,098 TONNES CO₂e (SCOPES 1, 2, 3)



90% OF OUR ENERGY USE IS FOSSIL FREE



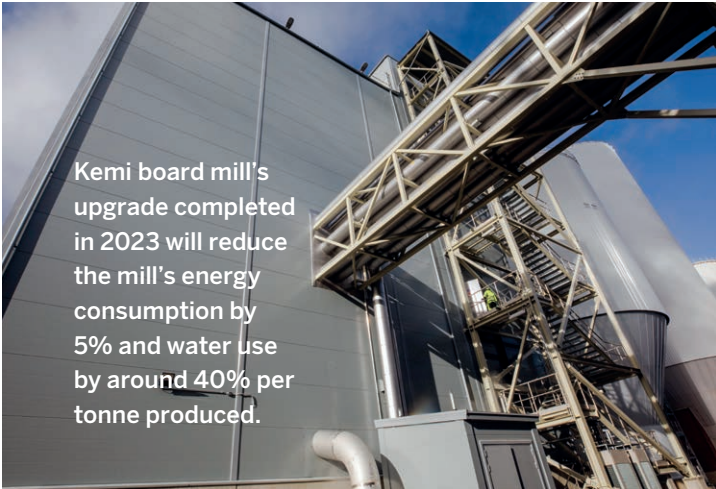
on a smaller scope, including the optimisation of energy use in drying at the Joutseno BCTMP mill and the Äänekoski board mill.

Greenhouse gas emissions in our value chain are curbed by Metsä Group wood supply’s target of reducing fossil-based carbon dioxide emissions from wood supply in Finland by 30 per cent from the 2022 level by 2030. Greenhouse gas emissions are also reduced through emissions reduction targets jointly set by Metsä Group and its partner suppliers. For example, the joint 2030 target of Metsä Group and VR, a logistics group, will halve emissions from transportation covered by the cooperation. VR handles Metsä Board’s rail transports in Finland. We also encourage all our suppliers to set GHG emission reduction targets, in line with the Science Based Targets initiative for example.

Carbon footprints of our products are discussed on pages 24–25.

Reducing water use

Our actions to reduce process water use include investments in processes and wastewater treatment, as well as adjustments to and optimisation of water use. The actions improve water recycling and reduce water withdrawal from waterbodies. Our key



54%

reduction of fossil-based CO₂ emission per product tonne in 2018–2023. (Scope 1 and 2 market-based)

measures are presented in the roadmap on page 23. Reducing water use is also a way of mitigating climate change, as process water use and wastewater treatment consume energy, causing greenhouse gas emissions.

All Metsä Board’s production units are located in areas that have large surface water reserves. None of the production units are located in areas of high water stress or high overall water risk (WRI Aqueduct Water Risk Atlas).

Surface water accounts for nearly 100% of Metsä Board’s water withdrawals. A small amount of groundwater is used mainly for hygiene and laboratory purposes. Production processes account for roughly half Metsä Board’s water use, and the cooling process accounts for the rest. Process water is carefully treated before it is returned into waterbodies. The cooling water circulates in a separate system and does not need to be treated. However, the cooling water returned to waterbodies has a local heating impact.

Our water consumption is very small in proportion to our total water use, as we return around 96% of the water to waterbodies after use. The remaining 4% either evaporates during the process or is bound to products.

Minimising waste

We make use of most of the production side streams. Wood-based waste and by-products, including sludge, ash and lime, are used for soil improvement and landscaping, fertilisers, chemicals industry applications, and in energy generation. Only 1% of process waste is delivered to the landfill, and the target is zero.

In addition to by-products and process waste, our operations generate smaller volumes of other non-hazardous waste, such as municipal waste and construction waste, and some hazardous waste.

➔ Read more about these topics in the Sustainability Statement 2023.

GREENHOUSE GAS EMISSIONS 2018–2023

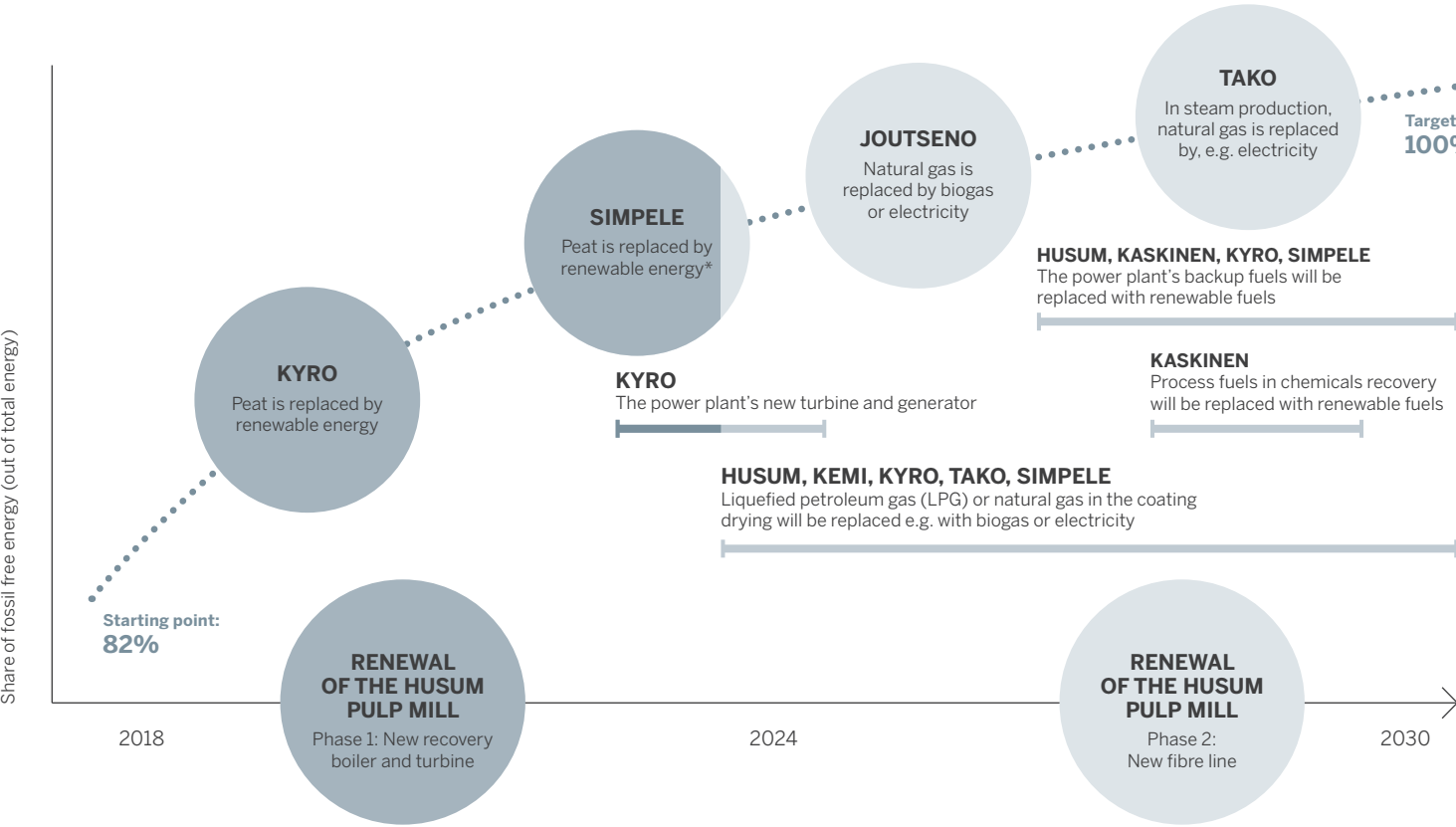
	2023	2022	2021	2020	2019	2018
Direct fossil-based carbon dioxide emissions (Scope 1), tCO ₂ ¹⁾	181,096	244,139	255,467	240,036	250,259	288,579
Indirect fossil-based carbon dioxide emissions (Scope 2 market-based), tCO ₂ ¹⁾	3,617	147,081	184,028	282,236	262,442	275,048
Direct GHG emissions (Scope 1), tCO ₂ e	201,984	264,961	-	-	-	310,232
Indirect GHG emissions (Scope 2 market-based) tCO ₂ e	5,108	155,287	-	-	-	296,282
Indirect GHG emissions (Scope 2 location-based) tCO ₂ e	300,726	300,491	-	-	-	441,065
Indirect GHG emissions in the value chain (Scope 3), tCO ₂ e	1,792,006	2,274,825	1,854,840	1,847,773	1,026,896	1,058,455
Biogenic carbon dioxide emissions, tCO ₂	1,984,088	1,937,318	1,715,681	1,812,952	1,815,179	1,812,793

¹⁾ The emissions that are covered by Metsä Board's 2030 target.
The Scope 1 and Scope 2 GHG emissions were reported for the first time in 2023. The GHG emissions have been retroactively calculated for 2022 and 2018.
The Scope 3 calculation methodology was updated for 2022–2023.
Some of the figures have been retroactively adjusted from previous reporting due to additional information.
The reporting principles for metrics are presented in the Sustainability Statement.



Roadmap to fossil free mills by the end of 2030

Key measures, according to plan, for reducing fossil-based carbon dioxide emissions to zero. Some of the projects still lack a final investment decision and the times shown are indicative. The purchasing of power and heat will shift to fossil free energy sources. See also our interactive roadmaps on our website.



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

Estimated time frame for the project

A darker shade indicates measures already taken

WATER USE 2018–2023

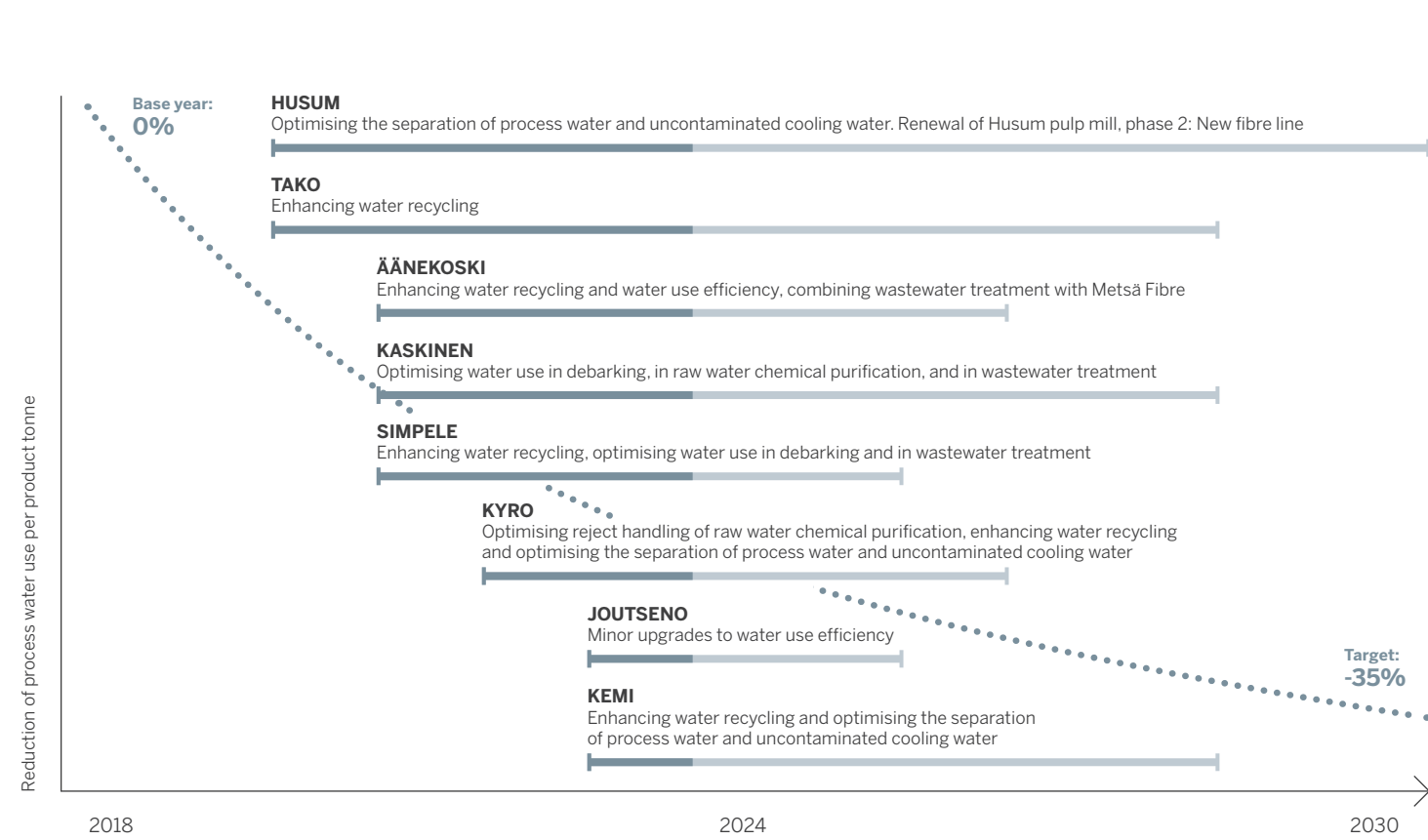
	2023	2022	2021	2020	2019	2018
Water withdrawals, 1,000 m ³	101,943	114,465	115,095	113,633	109,087	105,921
Surface water, 1,000 m ³	101,884	114,401	115,034	113,565	109,025	105,867
Groundwater, 1,000 m ³	58	65	61	68	62	55
Of water withdrawal used as cooling water, 1,000 m ³	49,079	60,186	59,551	62,037	59,381	67,495
Of water withdrawal used as process water, 1,000 m ³	54,441	56,629	57,486	54,69	53,352	54,804
Wastewater discharges generated from process water, 1,000 m ³	45,380	58,740	58,738	60,119	59,326	67,133
Water consumption, 1,000 m ³	3,874	4,579	-	-	-	-

Some of the figures have been retroactively adjusted from previous reporting due to additional information.
The reporting principles for metrics are presented in the Sustainability Statement.
Water consumption was not reported in 2018–2021.



Roadmap for reduced process water use by the end of 2030

Key measures, according to plan, for reducing process water use. Up to 50% of total process water use reductions per product tonne will be due to the planned renewal of Husum pulp mill. Some of the projects still lack a final investment decision and the times shown are indicative. See also our interactive roadmaps on our website.



..... Reduction of process water use per product tonne

Estimated time frame for the project

A darker shade indicates measures already taken.

Packaging solutions with environmental benefits

E | As a pioneer in premium lightweight paperboards, we have the ambition to continue developing better solutions. Our paperboards are produced resource efficiently and help our customers reduce use of plastic and lower the carbon footprint of packaging.

Metsä Board’s product range covers lightweight folding boxboards, food service boards and white kraftliners. Our folding boxboards are mainly used to package consumer products, such as food and pharmaceuticals, while our white kraftliners provide options for a variety of packaging needs in the retail sector, including point-of-sale applications, and retail-ready and shelf-ready packaging. In addition, we produce chemical pulp and high-yield pulp (BCTMP), which are used in our own paperboard production, with some sold as market pulp.

A smaller carbon footprint through lightweighting and fossil free energy

Lightweighting is one of our focal areas in product development. A lighter weight, together with a high share of fossil free energy used in production, has a key role in reducing the carbon footprint of packaging, as shown by carbon footprint calculations as part of our life-cycle assessments (LCA).

We calculate the carbon footprint of all our paperboards by following specific product category rules for processed paper and paperboard, which are based on the requirements set out in the ISO 14025 and ISO 14040/14044 international standards.

We have conducted multiple studies to demonstrate the carbon footprint reduction potential of our paperboard materials. For example, in pharma packaging, switching from solid bleached board to Metsä Board folding boxboard can reduce the carbon footprint of packaging by over 40%, and a switch from white lined chipboard to Metsä Board folding boxboard can provide a 60% reduction or even more. The LCA report with comparative assertions has been verified by IVL Swedish Environmental Research Institute. The full documents are available on our website.

Helping our customers to reduce the use of plastic

The development of bio-based barrier coating for end-uses in food packaging is another focal area in our product development. In the biobarrier programme, we are studying new, alternative solutions for reducing the use of plastic in packaging, and we are exploring the most promising products for piloting and commercialisation.

Our dispersion coated barrier paperboard, MetsäBoard Prime FBB EB provides a medium barrier against grease and moisture and offers an alternative to PE coated paperboard and plastic packaging for end uses in food packaging, for example.



To support plastic reduction and recycling, we also offer PE coated paperboard grades with reduced PE coating.

We aim to replace all our fossil-based raw materials and packaging materials with fossil free alternatives by the end of 2030. In 2023, the share of fossil free raw materials and packaging materials (in dry tonnes) was already almost 99%. A raw material is considered fossil free if none of its main raw materials contains fossil-based oil. Replacing fossil-based binders used in our paperboard coatings with bio-based alternatives was a key focus of pilot and mill trials in 2023.

Ensuring recyclability is of key importance

All our paperboards are recyclable, depending on the local recycling systems. If packaging material is stained by food, then composting with biowaste is an option. All our paperboards, except for the PE coated grades, are certified as industrially compostable in accordance with the DIN EN 13432 and/or ASTM

D6400 standards and home compostable in accordance with the NF T 51–800 standard.

360 Services complement our product portfolio

Through Metsä Board 360 Services, we offer our customers expertise and support beyond paperboard in topics such as packaging design and sustainability. We provide life-cycle assessments, data-based comparisons of the environmental impacts of different materials, and fit-for-purpose packaging solutions to help customers reduce the carbon footprint and use of plastic and improve the recyclability and material efficiency of the packages. The Excellence Centre in our Äänekoski site offers an active and state-of-the-art collaboration platform for the research, innovation and testing of packaging materials and solutions.

➔ Read more about these topics in the Sustainability Statement 2023.



S

We do the right thing.

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

Measures for the 2030 targets

- We promote a culture of doing the right thing and employee engagement
- We recruit anonymously
- We support the opportunities of women to advance to leader positions
- We promote safety at work

Targets and indicators		Actual 2023
AAA	job satisfaction at very good level	A+
100%	anonymous recruitment for vacancies open to all	72%
>30%	women in management positions	21%
0	accidents at work (TRIF)	6.1

Advancing employee engagement

S | **Metsä Board is committed to respecting human rights and developing a responsible corporate culture in which everyone has the opportunity to be accepted and succeed.**

Metsä Board’s social responsibility is guided by Metsä Group’s Code of Conduct, Human Resources and Equality policies, and *Metsä for all* vision. We require our suppliers to comply with our Supplier Code of Conduct.

Advancing diversity, equality and inclusion

Metsä Board wants to ensure that personal characteristics – such as gender, age, sexual orientation, disability, ethnic background and nationality – have no impact on an individual’s opportunity to succeed at work. The *Metsä for all* vision sums up our commitment to developing a responsible corporate culture in which diversity, equality and inclusion (DEI) are realised.

We have changed our job titles to gender-neutral and adopted anonymous recruiting as our main recruitment method. A separate module on DEI is included in all supervisor and leadership training. With the aid of our equality targets, we strive to increase the proportion of women in top management, rectify unjustified differences in pay and promote equality.

To increase awareness of the *Metsä for all* vision and strengthen its implementation, a workshop-based programme has been launched for local management. In the workshops,

development measures are defined based on the results of the DEI surveys carried out among local employees. Key areas of development identified in the DEI surveys carried out by the end of 2023 include distribution of the workload, equal treatment of employees and work-life balance. The workshops will continue in the first half of 2024.

Ensuring a skilled workforce with anonymous recruitment

As part of Metsä Group’s equality programme and the implementation of the *Metsä for all* vision, we have adopted anonymous recruitment as our main recruitment method in order to offer all job applicants equal opportunity. Anonymous recruitment reduces the influence of unconscious bias on the recruitment decision and supports workforce diversity.

In anonymous recruitment, information about the personal characteristics of applicants is hidden during the application screening phase. The anonymised review of applications supports the recruiting manager and HR to base selection on criteria relevant to the position. It also directs the applicant to bring out the skills they have that are essential for the task.

Diversity	Equal opportunities and gender equality	Inclusion and cultural change
<ul style="list-style-type: none">Recruitment practices that promote diversity, e.g. anonymous recruitmentEnsuring international talent in the organisation	<ul style="list-style-type: none">Increasing the number of women at different organisational levelsEnsuring pay equalityIntroducing gender-neutral job titles	<ul style="list-style-type: none">Increasing the competence and awareness of personnelSupporting cultural change via communicationPromoting work-life balance



Encouraging employees’ competence, development and motivation

Metsä Board’s success in implementing the strategy depends on our personnel’s competence and motivation. Under the Motivated people strategic programme, we develop competencies, ensure resourcing and strengthen good leadership. We offer flexible working hours and remote working whenever a job function allows it. We enable a long career by offering various solutions such as job rotation. At the end of 2023, we introduced a year-long trial period of the individual working time model for shift work, which supports employees’ work ability at Metsä Board’s production units in Finland by improving opportunities to influence their working hours.

Metsä Group’s mentoring programme offers our personnel an opportunity to develop their competencies through discussion with a colleague. The mentor pairs discuss pre-agreed topics in a goal-oriented way. Mentoring supports professional growth and responds, among other things, to development needs identified in PDA discussions. The mentoring discussions are confidential and help the mentor and mentee develop and learn.

The Future Leaders Programme supports participants to achieve their personal leadership development targets through mentoring. The programme is based on mentoring and facilitated group discussions about leadership and DEI topics. The programme’s target is to support DEI in Metsä Group’s leadership culture.

Metsä Group Academies provide long-term and continuous development of our critical skills. Academies are built according to a common framework and cover our core processes. Currently, there are five academies: Finance, Leadership, Procurement, Sales and Sustainability.

Almost half of summer workers at Tako board mill were women

Breaking the forest sector’s traditional male dominance has been identified as a key theme in Metsä Board’s social responsibility. In addition to the company’s strategic target (>30% of women in management positions), efforts are made to increase the proportion of women at all organisational levels.

The proportion of female applicants among those applying for jobs in mills is still relatively low, which is why it was pleasing to see that 14 out of 31 summer workers at Metsä Board Tako board mill in 2023 were women.

“In the forest industry, professions are not gender specific. Our goal is to encourage more women to apply for jobs at the mill, and that’s why it’s great to share these good examples,” says **Jaakko Ikonen**, VP of the Tako board mill.

➔ Read more about these topics in the Sustainability Statement 2023.

Promoting safety at work

S | Safety is our top priority in everything we do and everyone at Metsä Board has the right to a safe workplace. We aim for zero accidents.

Metsä Board’s occupational safety is guided by the safety management system, comprising the Corporate Security policy and the safety principles, standards, processes and work instructions. The safety management system takes into account each country’s legislation, for example, the Occupational Safety and Health Act in Finland. In addition, all our mills comply with the ISO 45001 standard for occupational health and safety.

Preventing hazards and risks

In Metsä Board, safety management is based on the prevention of hazards and risks. Risks are assessed regularly, and the employees complete a safety induction in the potential risks of the work environment. Accidents are prevented with common occupational safety standards, safety improvements and proactive measures, such as risk assessments, safety observations, safety walks and safety training.

Our risk assessment and management is supported by the HSEQ system. All accidents and hazardous situations are investigated, with the target to avoid similar situations and to identify any shortcomings in safety management.

The focal areas of safety development

Metsä Board’s zero accidents target is supported by focal areas for safety. The focus is on implementing common safety



standards, boosting personal risk assessments, and improving hand and crane safety.

In 2023, our safety work prioritised personal commitment, which was carried out by setting individual targets for personal hazard identification and preparing the safety coaching concept. Personal risk assessment boost resulted in 79% of targeted employees completing the targeted number of assessments. Implementation of safety standards included training on work area limitation, chemical safety, vehicle safety and visitor safety. In 2024, internal audits on the safety standards will be carried out. The hand safety programme included training for blue-collars and preparing standard operating procedure instructions. The most typical accidents at Metsä Board are hand and foot injuries. The overhead crane safety study will continue until the agreed improvements are made.

In 2023, we progressed towards the zero accidents target. Unfortunately, some of the accidents were serious and despite all the preventive actions, one fatal accident took place at Simpele board mill. The emphasis on proactive safety work and preventing serious work-related accidents must and will continue.

→ Read more about these topics in the Sustainability Statement 2023.

Kemi is Metsä Board’s safest mill

The Kemi board mill achieved a remarkable milestone with 456 consecutive safe working days at the end of the 2023. “The robust safety development is the outcome of long-term efforts, built on good industrial safety, compliance with safety standards, and active, participative leadership,” emphasises **Timo Ahonen**, VP, Kemi Board mill. The Kemi board mill was selected as Metsä Board’s safest mill for 2023.

Ensuring consumer safety

S | The main function of packaging is to ensure that the packaged product, such as food, stays safe for consumers and reduces food waste.

Metsä Group Code of Conduct includes the commitment to ensure product safety across the value chain. In addition to traceable fresh wood fibre, the other raw materials we use come from reliable suppliers, who comply with the Supplier Code of Conduct and meet the requirements for product safety.

Metsä Board complies with legislation protecting the health of people and the environment, including the EU regulation on the registration, evaluation, authorisation and restriction of chemicals (REACH), the CLP Regulation on the classification, labelling and packaging of chemicals, legislation on the use of biocides, and product requirements concerning food safety. Metsä Board assures the safety of its products in compliance with the applicable legislation in its market areas in Europe, the Americas and Asia.

Product safety procedures ensure that our paperboards are safe for consumers

Naturally pure and fully traceable fresh wood fibre is the best option for safety-critical end-uses, such as food packaging. As Metsä Board’s paperboards are part of the food supply chain, the product safety practices in production are as stringent as those followed in the food industry. All our mills that produce paperboards for the food industry are certified according to FSSC 22000, the same safety standard the food industry uses.

→ Read more about these topics in the Sustainability Statement 2023.

Product safety in our production



Product safety starts with high quality raw materials

All the wood raw material comes from controlled or certified forests and is traceable. The chemicals are carefully chosen and safe for use. Chemicals suppliers are required to respond to our product safety questionnaire every year.



Hygienic production conditions

The mills operate according to Good Manufacturing Practice (GMP) and have certified ISO 22000 and FSSC 22000 food safety systems in place, the status of which is annually audited externally and internally. Subcontractors and suppliers are required to meet equal standards so that the purity and safety of products for consumers and end-users can be ensured.



Compliance assessment of the product

The products are tested regularly in accredited laboratories to ensure their quality and safety for various end uses, including food packaging. The laboratory analyses together with detailed internal risk analyses form the basis for our Product Safety Statement, which includes product-specific information about product safety and compliance.

Product safety during transportation, converting and packing



Preventing contamination during transportation

Careful packaging, requirements on the supply chain, and regular audits ensure the purity and safety of our products during transport and storage.



Consistent quality enables smooth converting and packing

Premium paperboards guarantee high performance and quality in converting. Uninterrupted production reduces product safety risks at all different stages of converting and processing.

30

METSÄ BOARD SUSTAINABILITY REVIEW 2023 31



Open-minded cooperation

We promote ethical corporate culture.
We know the origin of our raw materials.
We channel purchases to suppliers that are proven to act responsibly.

Measures for the 2030 targets

- We address grievances across our value chain
- We determine the origin of our raw materials
- We increase the share of certified wood fibre in our operations
- We favour responsible suppliers
- Shared sustainability targets with our most important suppliers

Targets and indicators		Actual 2023
100%	implementation of ethics barometer measures	100%
100%	traceable raw materials	97%
>90%	share of certified wood fibre	91%
100%	suppliers' commitment to the Supplier Code of Conduct	99%
100%	supplier assessments and audits of core suppliers	68%
100%	joint sustainability targets with partner suppliers (MG)	100%

(MG) The target is set at Metsä Group level.

Sustainability across the operations

G | We aim to have a culture of doing the right thing in our own operations and to also ensure the sustainability of our suppliers, customers and other partners.

The sustainability of Metsä Board's business conduct is guided by applicable legislation as well as our values, Metsä Group's Code of Conduct and various policies approved by Metsä Board's Board of Directors. In the Code of Conduct we are committed to acting in compliance with the UN Guiding Principles on Business and Human Rights and respecting internationally recognised human rights, as declared in the UN Universal Declaration of Human Rights and ILO Labour Standards.

Our wood supply is ensured by Metsä Group's Wood Supply and Forest Services. The procurement of other raw materials and services are centrally handled by Metsä Group's Procurement and Logistics unit. These procurement processes seek to ensure that our partners operate sustainably to minimise any risks in the supply chain related to matters such as the environment, health, corruption, the use of child labour and human rights violations.

Ensuring the sustainable origin of wood

Our main raw material is wood from the Northern European forests. Wood and purchased pulp account for 93% of our raw material consumption.

Metsä Group has wood supply organisations in Finland, Sweden, Estonia and Latvia, and works in close cooperation with local contract entrepreneurs in harvesting, transport and forestry work. All the countries from which wood is procured have issued legislation requiring forests to be renewed after regeneration felling.

Responsible procurement of other raw materials and services

Metsä Board only selects suppliers that are committed to the Supplier Code of Conduct and pass our background checks. In the Know Your Business Partner process, we check the business partner's background for any risks related to trade sanctions, corruption, money laundering, human rights violations and other misconduct before a binding agreement is concluded, as well as during the business relationship.

More detailed supplier assessments focus on the core suppliers and on suppliers operating in industries with identified potential risks related to human rights, corruption, or the environment. Suppliers' sustainability and supplier-related risks are assessed with questionnaires, the Ecovadis tool and supplier audits.

Metsä Group, an external HSEQ cluster and another external party if required, conduct annually supplier audits focusing on ethics, environmental responsibility, occupational safety and quality. The supplier assessments and audits are used as the basis for making development proposals and monitoring any corrective action taken.

Metsä Group's target is to agree joint sustainability targets and measures and to achieve them with all its partner suppliers.

➔ Read more about these topics in the Sustainability Statement 2023.

All the wood fibre we use is traceable

All parties involved in the processing of wood and pulp in our value chain comply with the requirements of the PEFC and FSC® chains of custody. The wood fibre we use is therefore fully traceable. In addition to sustainable forest sites, we choose our partners in the value chain responsibly.

The wood procurement practices are annually assessed by Metsä Group's internal and third-party audits. The audits focus on matters related to environmental and social responsibility in the operations of wood suppliers and harvesting contractors, as well as on the traceability of wood fibre.



PEFC/02-31-92

Promoting Sustainable Forest Management

www.pefc.org



FSC

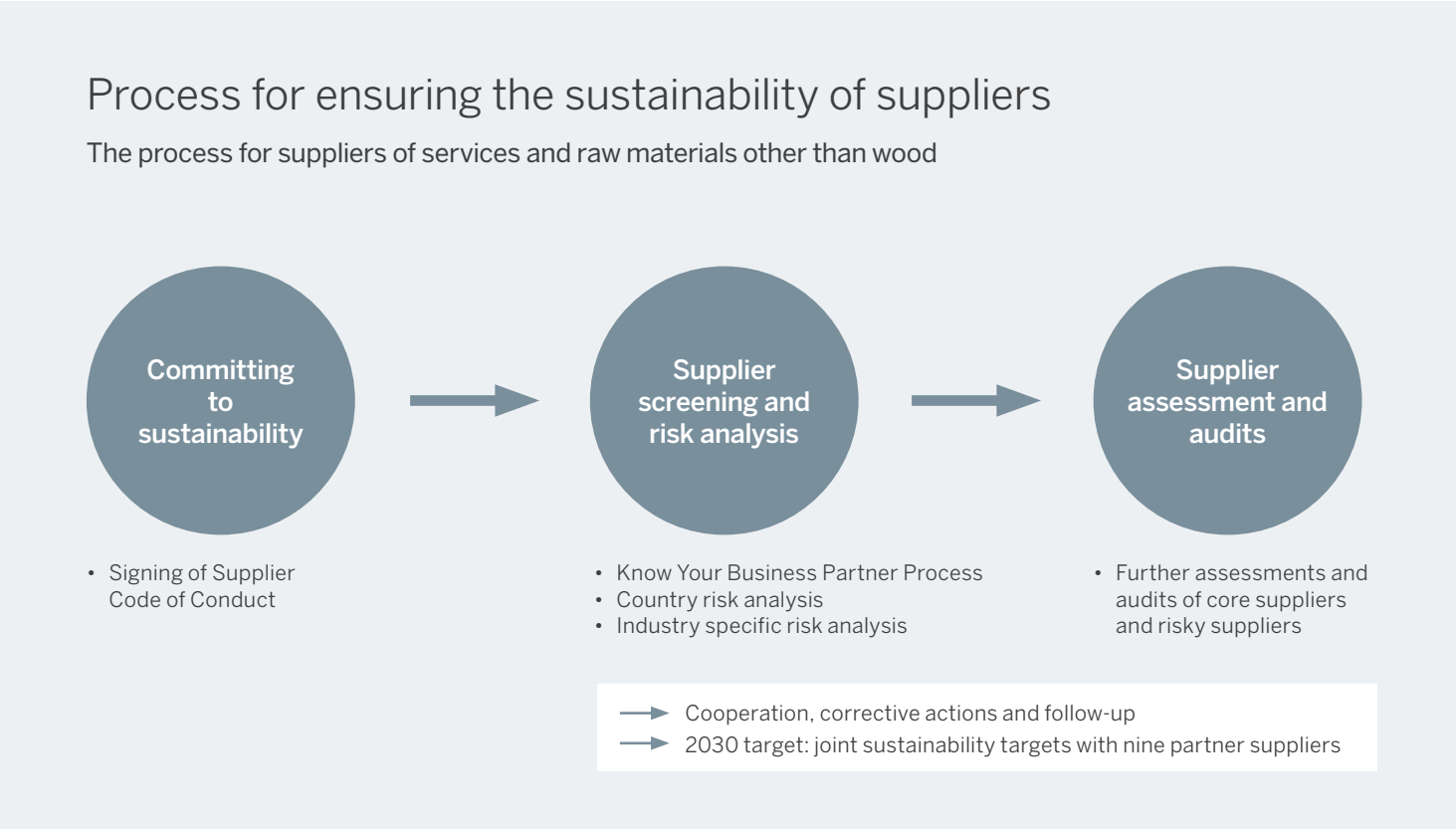
www.fsc.org

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PEFC/02-31-92

FSC®-C001580

 Customer	 Paperboard, pulp and high-yield pulp mills	 Wood supply and forest services	 Forest owners
Forest certification and our Chain of Custody system give our customers the opportunity to tell their own clients about a product's sustainability. Certification and traceability ensure that the wood used in a product comes from sustainably managed forests.	The pulp used in paperboard production is manufactured in Metsä Board's own high-yield pulp and pulp mills or the associated company Metsä Fibre's pulp mills. These mills purchase all their wood from Metsä Group's wood supply. The mills record the volume, origin and certification of the wood they purchase, and ensure through calculations that the volume of certified products they sell corresponds with the volume of inbound certified wood. The certification details are shown in the orders and the related documents.	All wood can be traced with the help of maps, the details entered in data systems, and various documents. Metsä Group's wood supply calculates the share of certified wood and sells a corresponding volume of certified wood to the mills. We also require a sustainable origin from non-certified wood, and the wood always meets at least the requirements of PEFC Controlled Sources and FSC Controlled Wood.	Most of the wood we use comes from PEFC or FSC-certified Northern European forests. The forest owners have agreed to the requirements of forest certification. Metsä Group and external auditors also verify sustainable forest management by auditing harvesting sites, for example.



We promote circular bioeconomy and influence key initiatives

G We advance the role of the forest industry and wood-based products in mitigating climate change and securing biodiversity. We also increase the understanding of fresh fibre as an enabler of the fibre cycle, the benefits of wood fibre-based packaging materials, and product and food safety.

Metsä Board participates in advocacy as part of Metsä Group at the European Union and at a national level, especially in Finland, Sweden and Germany. Metsä Group follows and participates in discussions about forests and biodiversity and influences policy questions related to the bioeconomy and products. Metsä Group has actively influenced several legal initiatives in the EU, including the deforestation regulation, nature restoration regulation, packaging and packaging waste regulation, and sustainable product policy. The company supports EU’s environmental targets and the 2050 climate neutrality target.

- Metsä Board’s advocacy efforts as part of Metsä Group focus on:
- Promoting the recyclability of wood fibre-based packaging and the role of renewable fresh fibre in enabling the fibre cycle.
 - Increasing the understanding of the role of fresh fibre in product safety and the advantages of sustainable fibre-based food packaging in terms of the environment and health.
 - Supporting a comprehensive approach to laws that influence forestry practices and the availability of wood raw material as part of the joint production of forest-based ecosystem services.
 - Energy-related topics in the EU, such as reducing dependence on fossil-based fuels, the opportunities provided by biogenic carbon dioxide capture, and defining renewable energy targets based on something other than the direct energy use of convertible wood biomass.

As part of Metsä Group, we are an active member of the Confederation of European Paper Industries (Cepi). Metsä Board has representatives in the 4evergreen alliance’s steering group and in its public affairs and advocacy workstream. 4evergreen represents the entire value chain of fibre-based packaging and its target is to raise the recycling rate of fibre-based packaging to 90 per cent by 2030. Metsä Board also participates in the activities of the European Paper Packaging Alliance (EPPA). This alliance represents the sustainability of wood fibre-based food and food service packaging and the circular economy. Metsä Board is also a member of several national trade and industrial organisations.

During 2023 Metsä Board has been preparing its operations to meet the anticipated new EU regulations.

Deforestation and forest degradation regulation

The aim of the EU’s Deforestation and forest degradation regulation is to combat deforestation and forest degradation globally. This seeks to ensure that the commodities placed in, or exported from the EU market, do not cause deforestation or forest degradation as well as seeking to reduce the EU’s contribution to global greenhouse gas emissions and biodiversity loss.

The regulation lays down the rules for production of seven commodities that are causing most of the global deforestation.

One of the commodities is wood, including paperboard, packaging and boxes. The regulation entered into force in all member states on the 29th of June 2023 and will be operational from the 30th of December 2024 onwards.

According to the regulation, the forest-based value chain must prove that the products are deforestation-free and do not cause forest degradation, are covered by a due diligence statement, and are produced according to national legislation. The regulation concerns most parties in the wood-based value chain from forests to the product manufacturers.

Nature restoration regulation

The objective of the Nature restoration regulation is to ensure the recovery of biodiverse and resilient nature across the European Union territory by setting area-based restoration measures. These measures will cover a minimum 20% of land and sea areas in the EU by 2030, and all ecosystems in need of restoration by 2050. All habitat types, which are not in good condition, shall be improved to a good condition. Member states must thus prepare national restoration plans to carry out the required actions and

submit these within two years after the regulation enters into force. The regulation is expected to enter into force in spring 2024.

Packaging and packaging waste regulation

The European Commission published its proposal to revise the European Packaging and packaging waste regulation in November 2022. Its main targets are to reduce packaging waste as well as to avoid unnecessary packaging, to make all packaging reusable or recyclable by 2030 and to increase recycled content in plastic packaging. The regulation proposal includes several measures affecting the packaging industry, both the materials used and the type of packaging, in order to reduce packaging waste in the member states.

An in-principle political agreement was founded on a final version of the regulation at the beginning of March 2024. The text should become applicable 18 months after its entry into force, which is planned for the end of 2024.

Sustainable product policy

The target of the EU’s Sustainable product policy & ecodesign is to have a framework for setting ecodesign performance and information requirements for products on the EU market. The policy will cover products of all categories, including intermediate products (except food and medical). The European Commission will establish ecodesign requirements to improve several product aspects when relevant to the product group concerned, including durability, reusability, possibility of recovery of materials, presence of substances of concern, and carbon and environmental footprints of a product.

Products will have to comply with the policy to be placed on the EU market. The products shall comply with the ecodesign requirements and have a digital product passport (DPP) which provides information to consumers, businesses and investors. The requirements will be set gradually, for the most part per product category. The policy also sets a framework for green public procurement and a framework to prevent the destruction of unsold goods.

A first working plan will be published in 2024. Textiles, paper, board, and tissue products are included in the policy. However, paper, board, and tissue products are likely not to be included in the first working plans.



[→ Read more about these topics in the Sustainability Statement 2023.](#)



**Together we make
the perfect package**

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