

Metsä Board  
Sustainability Review 2025





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For us, sustainability means delivering measurable impact that creates long-term value for our customers.

### Sustainability reporting in 2025



**This Sustainability Review 2025** summarises Metsä Board's key sustainability topics and achievements for the year in a customer-oriented format.

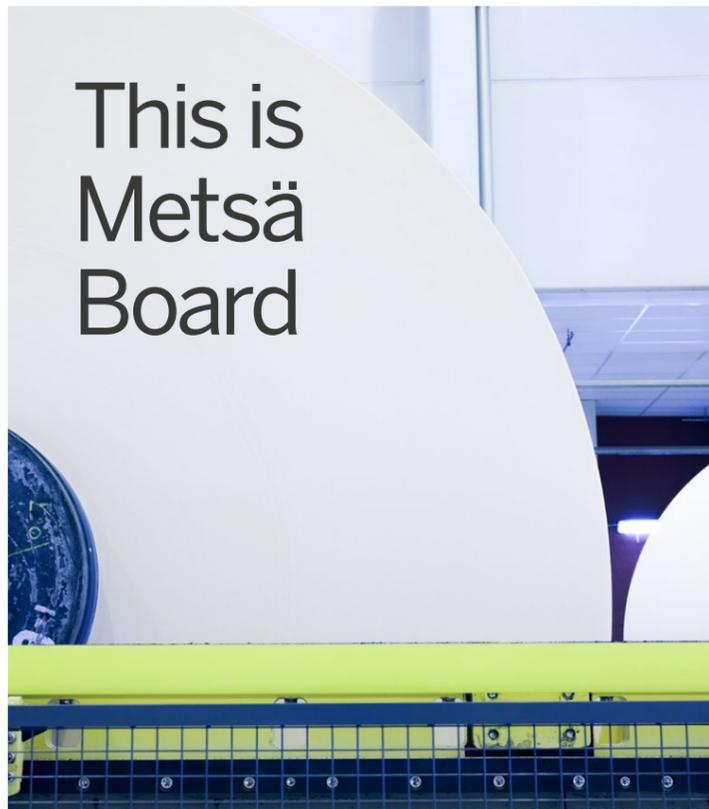


**The Sustainability statement 2025** complies with the reporting requirements of the EU Corporate Sustainability Reporting Directive (CSRD). It has been assured by an independent third party and has been published as part of the Annual Review.

SASB Content Index, Climate-related Financial Disclosures TCFD and Nature-related Financial Disclosures TNFD are available separately on Metsä Board's website: [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard).



➔ Read more in the Sustainability statement 2025



# This is Metsä Board

Metsä Board is a leading European producer of premium lightweight paperboards.

Our lightweight folding boxboards, food service boards, and white kraftliners are used in consumer and retail packaging worldwide. As part of Metsä Group, a Finnish forest industry company, we benefit from a unique value chain that includes renewable and recyclable raw materials, tailor-made pulps, and high-quality end products for packaging.

## Nº 1

- in folding boxboards and white kraftliners in Europe
- in coated white kraftliners worldwide

### Key figures in 2025

1.8

Sales in billion euros

2.1

Annual paperboard capacity in million tonnes

7

Production units and a global sales network

1,900

Personnel

93%

Share of fossil-free energy in production

92%

Share of certified wood fibre

Metsä Board is listed on the Nasdaq Helsinki stock exchange. Its major shareholder, Metsä Group's parent company, is a cooperative owned by around 90,000 Finnish forest owners, which ensures high access to strong Northern European fresh wood fibres.

### Our production units

1. Kemi board mill
2. Husum board and pulp mill
3. Äänekoski board mill
4. Kaskinen BCTMP mill
5. Kyro board mill
6. Simpele board mill
7. Joutseno BCTMP mill



Metsä Board closed the Tako board mill in June 2025.

### Values



Reliability



Cooperation



Responsible profitability



Renewal

### Our commitment to sustainability

We help our customers reach their sustainability goals through lightweight materials and resource-efficient packaging solutions that promote a circular economy.



Reducing carbon footprint



Enabling easy recycling



Reducing fossil-based materials



Ensuring product safety

### Independent proof of our strong carbon performance

According to data from the FisherSolve® Carbon Benchmark, Metsä Board ranks among the top three performers in Europe for greenhouse gas emissions when compared to other major cartonboard producers. Metsä Board also ranks among the top three white linerboard producers in Europe for low GHG emissions.

Metsä Board uses the FisherSolve® benchmarking tool to objectively compare the carbon footprints of different paperboard producers. The benchmarking provides an objective view of relative carbon performance across producers and supports data-driven discussions with stakeholders.

**Read more on [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard).**

### Metsä Board actively participates in several ESG ratings

Each year, we participate in several third-party assessments and ratings that evaluate our environmental, social, and governance (ESG) practices and risk management. In 2025, Metsä Board was also recognised as one of Europe's Climate Leaders by the Financial Times. Consistently high results in several ratings year after year confirm our systematic approach to sustainability.

ESG rating provider and rating	Score	Scale from lowest to highest	Comment	Updated
CDP, Climate Change	A	D–A	In 2025, Metsä Board was included on CDP's Triple A List for the fourth time. For climate change and water security, Metsä Board has already been on the A List ten times.	12/2025
CDP, Water Security	A	D–A		
CDP, Forests	A	D–A		
EcoVadis, Sustainability Rating	91 Platinum	0–100 No medal – Platinum	The score places Metsä Board in the top 1% for the paper and paperboard industry.	07/2025
ISS, ESG Corporate Rating	B- Prime	D- – A+ Not Prime – Prime	The score places Metsä Board in the first decile for the paper and forest products industry.	08/2025
ISS, QualityScore, Environment	1	10–1	The decile rank indicates ESG risks and disclosure practices relative to peers.	12/2025
ISS, QualityScore, Social	2	10–1		
ISS, QualityScore, Governance	9	10–1		
MSCI, ESG Rating	AA	CCC–AAA	The score indicates exposure to ESG risks and the ability to manage the risks relative to peers.	05/2025
Sustainalytics, ESG Risk Rating	14.2	100–0	The current score indicates a low risk of experiencing material financial impacts from ESG factors.	06/2025



## Redefining packaging: From compliance to strategic value

**Packaging is increasingly shaped by tightening regulatory frameworks, yet its role extends far beyond compliance. Packaging decisions carry weight and should be strategic, shaping brand identity and elevating the consumer experience from the very first touch. When life cycle thinking is embedded from the start, packaging becomes a signal of quality, care, and foresight.**

Fibre-based packaging stands out for its ability to combine functionality and recyclability with design flexibility, enabling premium brand experiences. As a renewable alternative to plastic, it opens new opportunities across diverse applications. Real progress, however, requires collaboration across the value chain to scale these solutions effectively.

At Metsä Board, our approach is rooted in Nordic fresh fibre, the light weight of our paperboards and a commitment to continuous innovation. Transparent supply chains, regenerative forestry, 93% fossil-free energy, and advanced design underpin a packaging ecosystem that not only meets regulatory and certification requirements but strives to go beyond them.

External assessments and transparent reporting reinforce our commitment to climate action, water stewardship, and forest biodiversity. Recognitions, such as the CDP Triple A

ratings for Climate, Forests, and Water, place Metsä Board among global leaders in disclosure and progress.

We have already reached the greenhouse gas emission reduction level aligned with the Paris Agreement's 1.5 °C target ahead of schedule. Our production units are among the lowest in carbon footprint globally, as confirmed by independent benchmarks such as FisherSolve®.

We have maintained a clear and consistent focus on reducing both direct and indirect Scope 1 and Scope 2 fossil-based emissions across all our mills. In 2025, the Äänekoski board mill operated entirely on fossil-free energy. In addition, the EUR 60 million modernisation of the Simpele board mill, completed in 2025, enabled the mill to achieve 98% fossil-free energy use in production.

We will continue to conduct material comparisons and third-party verified life cycle assessments to support informed decisions. All this is critical not only for mitigating climate change but also for our role in the value chain. Our paperboards are part of our customers' Scope 3 emissions, and by reducing our own, we help them meet their sustainability targets.

The journey toward a future-ready packaging industry is more than reducing impact; it's about creating value at every stage and becoming the preferred choice for customers and consumers alike. Together, we can shape a future where packaging is strategically designed end-to-end to deliver value at every stage.

**Esa Kaikkonen**  
CEO

# Packaging regulations worldwide increasingly favour fibre-based packaging

**Globally, packaging regulations aim to safeguard consumer health, protect the environment, and mitigate climate change. Metsä Board's products and 360 Services help customers stay ahead of evolving regulations.**

The EU's new **Packaging and Packaging Waste Regulation (PPWR)** takes effect on 12 August 2026, and prohibits the placement of non-conforming packaging on the market thereafter. For example, limits will be imposed for substances of concern as of that date. In addition, harmonised pictogram labels will be introduced to facilitate consumer sorting as of August 2028. Packaging weight and volume will also need to be optimised for functionality, and all packaging will have to be recyclable by January 2030.

With an **87% recycling rate** (Eurostat, 2023), paper and cardboard packaging is the most recycled packaging material in the EU, already exceeding the PPWR targets for 2025 (75%) and 2030 (85%), and it is well on its way to reaching the 4evergreen alliance's ambitious target of 90% by 2030.

**Extended Producer Responsibility (EPR)** regulations and schemes are increasingly being adopted around the world, not just in the EU. In the US, seven states have enacted packaging EPR laws since 2021, and similar bills are being considered in over 10 additional states.

EPR legislation drives a market preference for sustainable packaging by setting variable fees based on a material's environmental impact. As monomaterial paper and board typically incur the lowest fees, our lightweight, low-carbon products offer customers a crucial financial advantage. For our extruded products, we actively work to reduce the amount of plastic applied without compromising grease and water barrier performance. We are also engaging with customers and brands to calculate their EPR cost exposure and maximise fee reduction by using our paperboards.

**Extended Producer Responsibility (EPR)** is an approach under which a producer's responsibility for a product, including its packaging, extends to the post-consumption stage of the product's life cycle. This is also known as the "polluter pays" principle. In practice, it requires organising or collectively paying for waste collection and recycling.

The **EU Deforestation Regulation (EUDR)** was postponed by one year and it will come into effect on 30 December 2026 at the earliest. The regulation applies to commodities such as wood, cattle, cocoa, coffee, palm oil, soy, rubber, and many derived products like chocolate, leather, furniture, and paper. Metsä Board's transparent wood value chain is fully prepared to comply with the upcoming requirements of the EUDR.

Beyond regulatory requirements, brand owners and retailers are setting **ambitious company-level targets** to reduce their environmental footprint, adopt recyclable packaging materials, and achieve net zero emissions. Through strategic cooperation with our customers, Metsä Board supports the creation of smarter packaging choices.

## Metsä Board paperboards – Made to perform, designed for circularity

- **Lightweight and strong**  
Reduces material use and minimises recycling waste
- **Low-carbon**  
Provides opportunities for carbon footprint reduction
- **Food-safe**  
Designed to meet the highest standards for direct food contact
- **Fully recyclable**  
Supports circular economy goals
- **Plastic alternative**  
Renewable solution that reduces reliance on fossil-based packaging

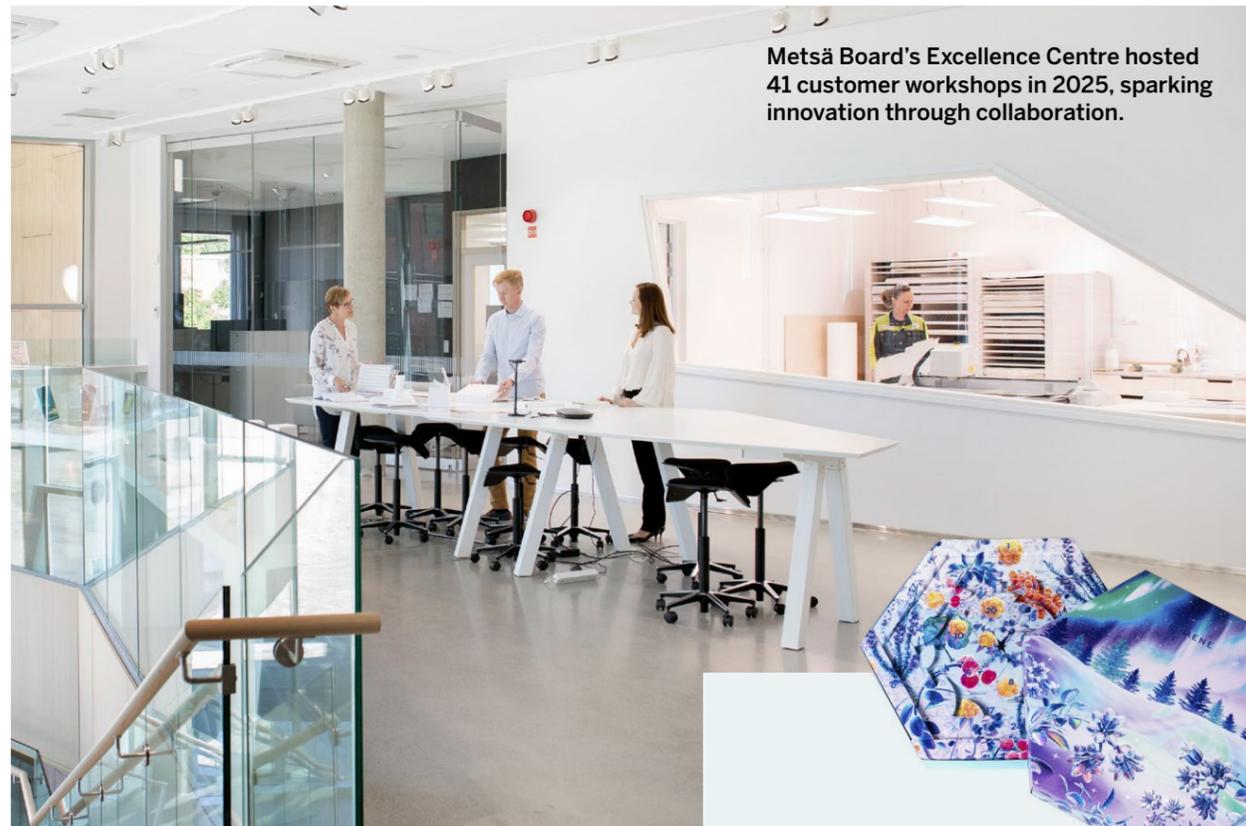


# Our sustainability highlights in 2025

In 2025, our focus areas included phasing out the use of fossil energy, collaborating closely with customers to develop recyclable and low-carbon packaging solutions, and supporting them in navigating the evolving regulatory landscape.

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

Read more on page 29.



Metsä Board's Excellence Centre hosted 41 customer workshops in 2025, sparking innovation through collaboration.



## Award-winning cosmetics collaboration

LUMENE's 2024 Beauty Advent Calendar won the prestigious **Carton of the Year 2025** and **ScanStar 2025** packaging awards. The calendar is the result of close collaboration between LUMENE, Metsä Board's Excellence Centre, and VG Kvadra Pak, part of Van Genechten Packaging Group. It features an innovative three-dimensional structure and lightweight, recyclable folding boxboard made from renewable wood fibres.

## Helping customers navigate packaging legislation and circularity

Metsä Board has published a comprehensive **Material Circularity Statement**, which compiles essential information and guidance on product end-of-life management and circularity in one document. The statement helps customers comply with key global legislation and standards in the fields of packaging and packaging waste, and it also addresses Extended Producer Responsibility in the UK and recyclability claims in the US. The statement is available to customers in Metsä Board Online portal.

## Recyclable and home-compostable takeaway cup



Starbucks launched a new version of its iconic white cup in Europe, offering customers an alternative when they don't have a reusable cup. The renewed hot cup is widely recyclable and certified home-compostable by DIN CERTCO. The cup, designed and manufactured by Transcend Packaging, is made from Metsä Board's fresh fibre paperboard and features a mineral-based coating developed by Qwarzo®. Metsä Board contributed R&D and sustainability expertise through its 360 Services to support the joint development of the new solution.

## Case studies show switching to paperboard has climate benefits

Based on **Metsä Board's carbon footprint case studies\*** of berry and takeaway food packaging, packaging solutions made from Metsä Board's paperboard have a significantly smaller carbon footprint compared to certain types of plastic packaging. The results have been verified by independent experts from the Swedish research institute RISE and SimaPro UK.

\*Technical background report and verification report available on [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard)



## Highest-level recognition in CDP and EcoVadis ratings



Metsä Board was among an exceptionally select group of companies worldwide to achieve a place on **CDP's Triple A List**, excelling in climate action, forest stewardship, and water security. Additionally, Metsä Board renewed its **Platinum rating from EcoVadis** with an outstanding score of 91/100, placing the company among the top 1% in the paper, paperboard, and packaging manufacturers category.

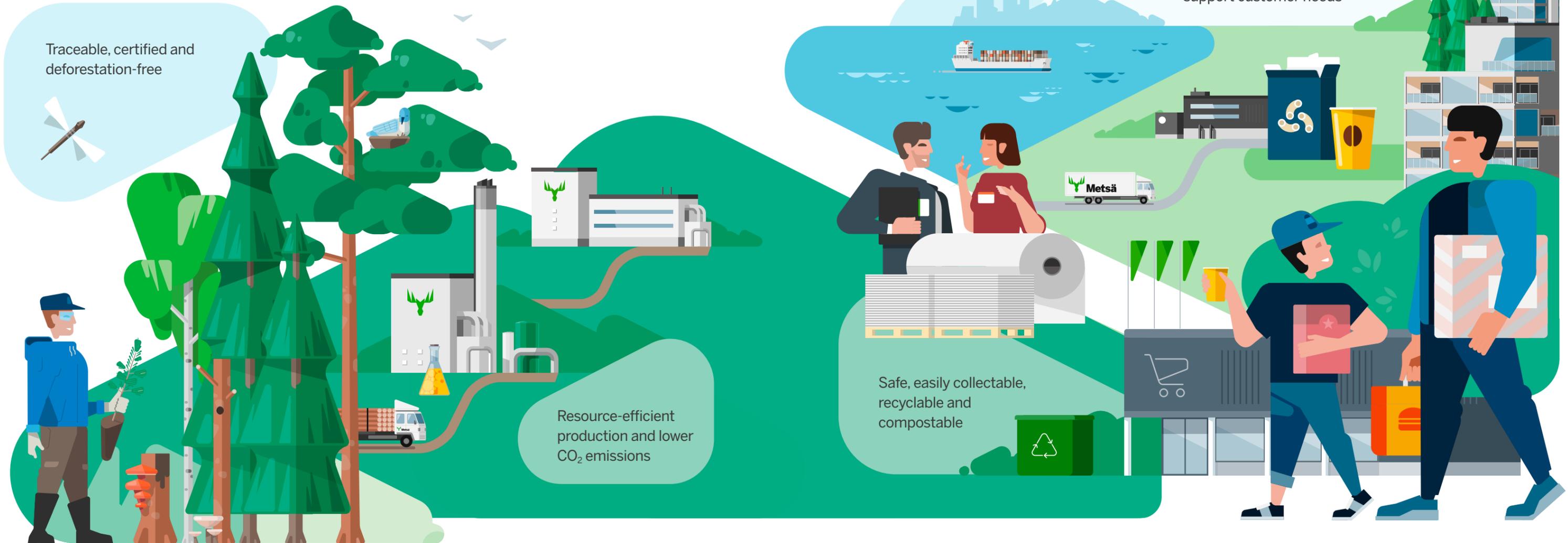


## Simple mill upgrade advances shared climate goals

The **EUR 60 million investment in the Simple board mill** was completed in late 2025. The upgrade introduced state-of-the-art technology to improve print quality and brand visibility, further strengthening Metsä Board's competitiveness in food and healthcare packaging. The share of fossil-free energy used in production increased from 89% to 98%, supporting customers' climate goals and Metsä Board's 2030 climate targets.

# A unique value chain benefiting customers worldwide

Metsä Board is part of Metsä Group, with a value chain that spans from Northern European wood fibre to high-quality end products – including premium recyclable fresh fibre paperboards mainly used in consumer product packaging.



## 1 | Fresh fibres from Northern European forests

- Sourced from northern forests with an ownership base of approximately 90,000 private forest owners, ensuring a steady supply of high-quality fresh fibre.
- Traceability of origin: All wood we use is either certified (92%) or meets controlled origin requirements (8%).
- Metsä Group's regenerative forest management practices aim to actively enhance biodiversity and forest wellbeing.

## 2 | Pulp self-sufficiency and efficient production

- Our BCTMP and pulp production, together with a 24.9% ownership in Metsä Fibre, ensure superior consistency and tailor-made properties for packaging.
- A high share of fossil-free energy used in production (93%), with the aim of phasing out the use of fossil energy by 2030.
- Product excellence across our mills provides backup and delivery reliability.

## 3 | Strong yet lightweight fresh fibre paperboards

- Consistent fibre quality enables high converting efficiency and reduces waste.
- Opportunities to reduce packaging carbon footprint through lightweighting and a high share of fossil-free production energy.
- Excellence Centre collaboration and 360 Services: From LCAs to packaging design, we create recyclable and material-efficient solutions that reduce waste, plastic use, and CO<sub>2</sub> across the supply chain.

## 4 | A safe choice for brands and consumers

- Compliance with direct food contact regulations, ensuring hygiene and consumer safety.
- Our strong fresh fibre material helps maintain form and integrity throughout a packaging's life cycle, reducing damage and waste.
- Fully recyclable and certified for both industrial and home composting.
- We support our customers' compliance and help them respond effectively to tightening regulation.

# Circular packaging solutions that meet stringent requirements

At Metsä Board, we believe the circular economy is built on the use of primarily renewable and fossil-free resources, resource-efficient operations, and keeping materials in circulation for as long as possible. Our aim is to help customers meet increasingly stringent regulatory requirements.



## Keeping packaging materials in circulation

Packaging made from strong, fresh wood fibres is recyclable, and the fibres can be recycled multiple times in their lifetime. In addition, they improve the quality of existing materials already in circulation and compensate for those that have not returned to circulation. Through joint design guidelines and cross-industry collaboration, such as the 4evergreen alliance, Metsä Board is committed to supporting the improvement of paperboard recycling.



## Paperboard is superior for recycling

Our paperboards are tested and confirmed to be recyclable<sup>1)</sup>. Ultimately, recyclability depends on the local recycling infrastructure. All Metsä Board paperboards, except for the PE-coated grades, are certified as industrially compostable and home compostable<sup>2)</sup>.

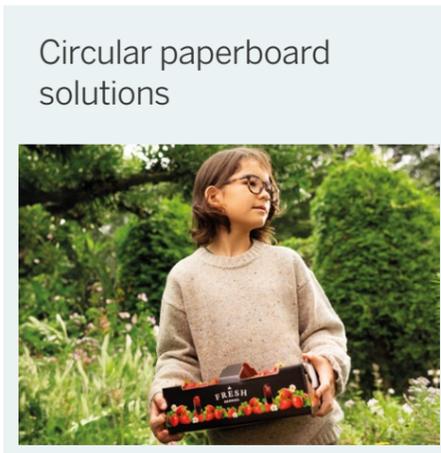


## Developing resource-efficient solutions through cooperation

Metsä Board's 360 Services experts, together with our Excellence Centre in Äänekoski, provide an excellent co-creation platform for our customers and partners worldwide. By working closely with our customers, we can improve the functionality and recyclability of their packaging, helping them reduce plastic, use less raw material and create lighter packaging solutions with a lower environmental impact.



Keep recycling loops going



Circular paperboard solutions



Renewable wood-based raw material



Resource-efficient production

## Ensuring diverse forests that sequester carbon

Regenerative forestry aims to enhance biodiversity and strengthens the state of nature. Metsä Board only uses traceable wood of certified or controlled origin. Our wood procurement does not cause deforestation, and we will comply with the Regulation on Deforestation-free Products (EUDR) when it enters into application.



## Reducing the use of plastics

Renewable fresh fibre is our main raw material. Our customers can reduce or eliminate the use of plastics and composites in their packaging by using paperboard. This can help customers to meet regulatory requirements, such as the EU's Packaging and Packaging Waste Regulation (PPWR), and may also lower their Extended Producer Responsibility (EPR) fees.



## Efficient production minimises environmental impact

We focus on the efficient use of raw materials, water, and energy, and we monitor the environmental impact of all our paperboards through life cycle assessments. Based on third-party verified results, the light weight of our paperboards and the high share of fossil-free energy used in production help reduce the carbon footprint of paperboard packaging<sup>3)</sup>.



## Aiming for zero process waste in landfills

We benefit from Metsä Group's internal value chain, where all sourced wood raw material is used for the most valuable end uses. We are also seeking new ways to reuse production side streams in various applications, such as for soil improvement.



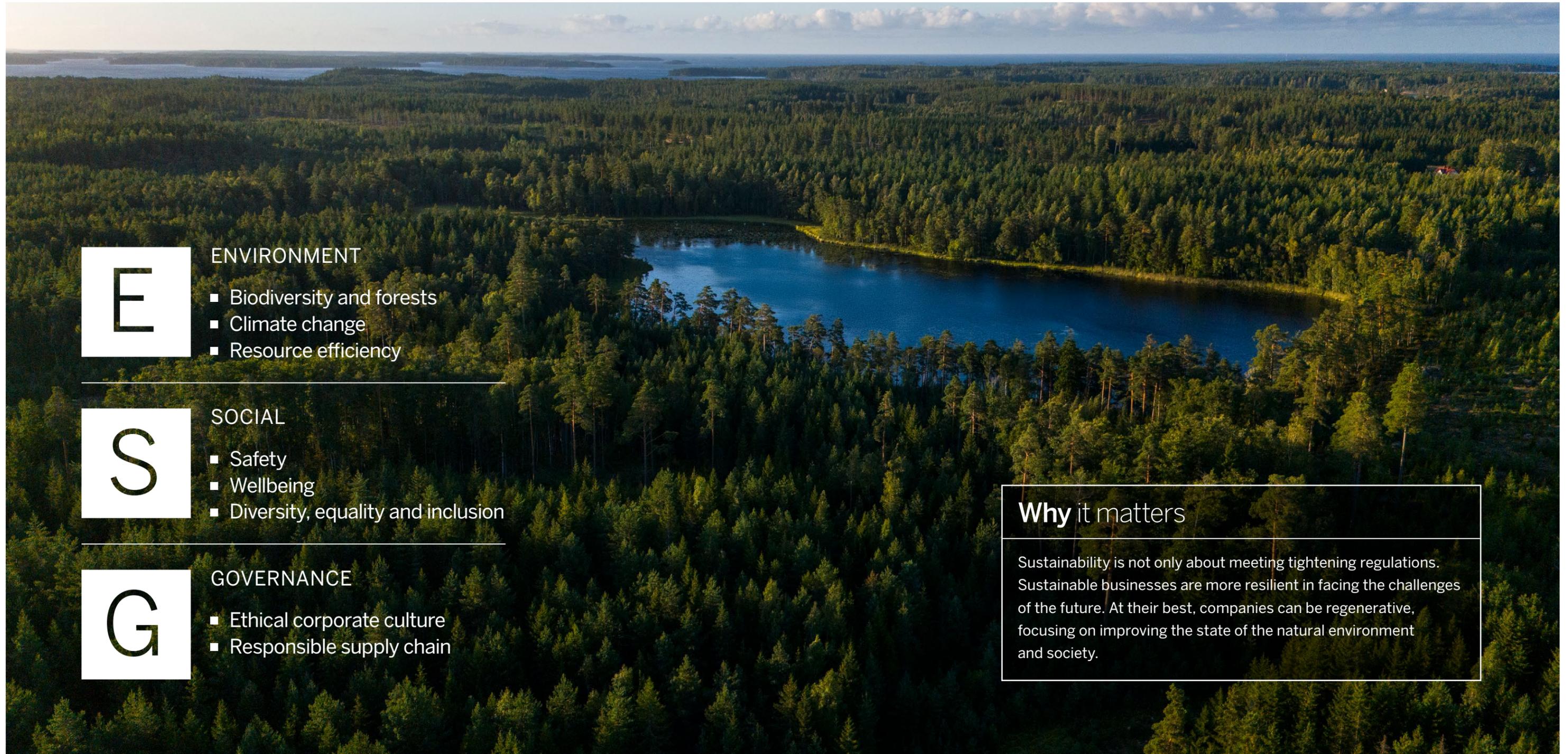
<sup>1)</sup> Cepi Recyclability Laboratory Test Method for standard or specialised mill recycling (Version of Oct 2022 or Feb 2025)  
<sup>2)</sup> Industrially compostable according to the DIN EN 13432 and/or ASTM D6400 standards and home compostable according to the NF T 51-800 standard

<sup>3)</sup> Life cycle assessments are based on requirements set out in specific product category rules (EPD International PCR 2010:14 Processed paper and paperboard, 3.1) and in accordance with the ISO 14040 and ISO 14044 standards. Documents on third-party verification are available on Metsä Board's website [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard).

# 2030 sustainability targets



Sustainability provides a strong foundation to the value we provide for our customers. Advancing our sustainability targets also helps our customers meet their own sustainability objectives.



## ENVIRONMENT

- Biodiversity and forests
- Climate change
- Resource efficiency



## SOCIAL

- Safety
- Wellbeing
- Diversity, equality and inclusion



## GOVERNANCE

- Ethical corporate culture
- Responsible supply chain

### Why it matters

Sustainability is not only about meeting tightening regulations. Sustainable businesses are more resilient in facing the challenges of the future. At their best, companies can be regenerative, focusing on improving the state of the natural environment and society.

# Sustainability targets and progress in 2025



## Key milestones at a glance



## Progress in the 2030 targets

TARGETS AND METRICS	2030 TARGET	2025 ACTUAL	2025 PROGRESS	UN SDG
<b>E – ENVIRONMENT</b>				
<b>1. Mitigating climate change and adapting to it in own operation and value chains</b>				
Improvement in energy efficiency from the 2018 level, %	+10	-7.2	●	7, 12, 13
Fossil-based carbon dioxide emissions (Scope 1 and Scope 2 market-based), t	0	121,252	●	12, 13
Greenhouse gas emissions from logistics purchased by Metsä Board from the 2022 level (Scope 3, category 4), %/tkm	-30	-5.8	●	13
MG: Amount of forest regeneration and young stand management from the 2018 level, %	+30	+14	●	13, 15
MG: Amount of forest fertilization from the 2018 level, %	+50	+126	●	13, 15
MG: Share of continuous cover forestry in peatland forest regeneration, %	30	18	●	13, 15
<b>2. Continuous improvement in resource-efficiency in production</b>				
Reduction in process water use per produced tonne from the 2018 level, %	-35	-8.0	●	6, 12
Process waste delivered to landfills, t	0	111	●	12
<b>3. Enhancing the state of forest nature</b>				
MG: Retention trees on regeneration felling sites, %	100	96	●	13, 15
MG: High biodiversity stumps on harvesting sites, %	100	100	●	13, 15
MG: Spruce as the only tree species after young stand management, %	0	25	●	13, 15
MG: Measures promoting biodiversity, number	10,000	10,616	●	13, 15

MG: The target is set at the Metsä Group level.

The previously reported reduction in process water use has been revised from -6.4% to -8.0%. The corrected figure will be incorporated into the 2026 reporting.

Progress in 2025 is compared with the previous year.

- Exceeds target (significant progress)
- On target (progress as planned)
- Short of target (no progress or weaker progress)

## Our sustainability targets are built on strategy and materiality

Metsä Board's sustainability targets are grounded in its corporate strategy, a double materiality assessment of sustainability matters and Metsä Group's sustainability targets. Each year, the double materiality assessment identifies Metsä Board's sustainability-related material impacts, risks, and opportunities, in alignment with the company's risk management principles. This assessment incorporates the company's internal analysis, third-party assessments, and stakeholder perspectives.

Based on the findings, Metsä Board's key sustainability focus areas include:

- Climate change
- Biodiversity
- Environmental impacts of products
- Occupational safety of own workforce and value chain workers

[→ Read more in the Sustainability statement 2025](#)

TARGETS AND METRICS	2030 TARGET	2025 ACTUAL	2025 PROGRESS	UN SDG
<b>S – SOCIAL</b>				
<b>4. Accident-free work environment</b>				
Total recordable incident frequency, own employees (TRIF)	0	4.8	●	8
Total recordable incident frequency, contractor employees (TRIF)	0	5.2	●	8
<b>5. Continuous improvement in engagement and wellbeing of employees</b>				
Employee engagement, index (scale 0–100)	AAA	A	●	5, 8
The implementation of the measures defined based on the employee survey, %	100	100	●	5, 8
<b>6. Promoting diversity, equality and inclusion (DEI)</b>				
Women in leadership roles, %	35	25	●	5, 8
Employee experience on diversity, equality and inclusion (DEI) implementation, "Metsä for all" index (scale 0–100)	100	72	●	5, 8
Anonymous recruitment for vacancies open to all, %	100	100	●	5, 8
<b>G – GOVERNANCE</b>				
<b>7. Promoting ethical corporate culture</b>				
Employee experience on ethical corporate culture implementation, Ethics index (scale 0–100)	100	79	●	5, 8
<b>8. Promoting sustainable and ethical practices in our supply chain</b>				
Share of certified wood fibre, %	100	92	●	15
Traceability of raw materials, share of total purchases, %	100	95	●	9, 12
Suppliers' commitment to the Supplier Code of Conduct, share of total purchases, %	100	99.5	●	8, 12
Supplier assessments and audits of core suppliers, %	100	77	●	8, 12
MG: Joint sustainability target with partner suppliers, %	100	100	●	12, 13



# Forests

We are committed to developing regenerative forest management practices that aim to enhance biodiversity and help forests adapt to climate change.

## Why it matters

The best way to help forests thrive in a changing climate is to manage them in a way that boosts their biodiversity. By creating more mixed forests with a variety of species, we make them stronger and more resilient to future changes, ensuring they stay healthy and vibrant for generations to come.

	Target 2030	Actual 2025
<b>Safeguarding biodiversity and the ecological sustainability of forest use</b>		
Retention trees on regeneration felling sites, %	100	96 ●
High biodiversity stumps on harvesting sites, %	100	100 ●
Spruce as the only tree species after young stand management, %	0	25 ●
Measures promoting biodiversity, number	10,000	10,616 ●
<b>Mitigating climate change and adapting to it in own operation and value chains</b>		
Amount of forest regeneration and young stand management from the 2018 level, %	+30	+14 ●
Amount of forest fertilization from the 2018 level, %	+50	+126 ●
Share of continuous cover forestry in peatland forest regeneration, %	30	18 ●

All these targets are set at the Metsä Group level.

# Enhancing biodiversity of forest nature

**E** | Regenerative forestry provides means to strengthen the state of forests and to manage their ecosystems and health comprehensively, thereby improving climate resilience and promoting the long-term availability of wood as a raw material.

## Customer benefits

- Fully traceable wood and a transparent, responsibly managed value chain minimise sourcing risk
- Enhanced biodiversity and climate resilience through regenerative forestry practices, supporting forest health and securing wood supply for the future

## In focus

- Strengthen forest biodiversity and health through regenerative forestry practices supported by the Metsä Group Plus service model
- Review of due diligence practices and development of systems to meet the requirements of the EU Deforestation Regulation (EUDR) before it enters into application
- Support forest owners with a carbon calculator to verify the impacts of wood procurement and forest management on the carbon balance of forests

Regenerative forest management aims to enhance the vitality, biodiversity, and climate resilience of commercial forests.

## Actions

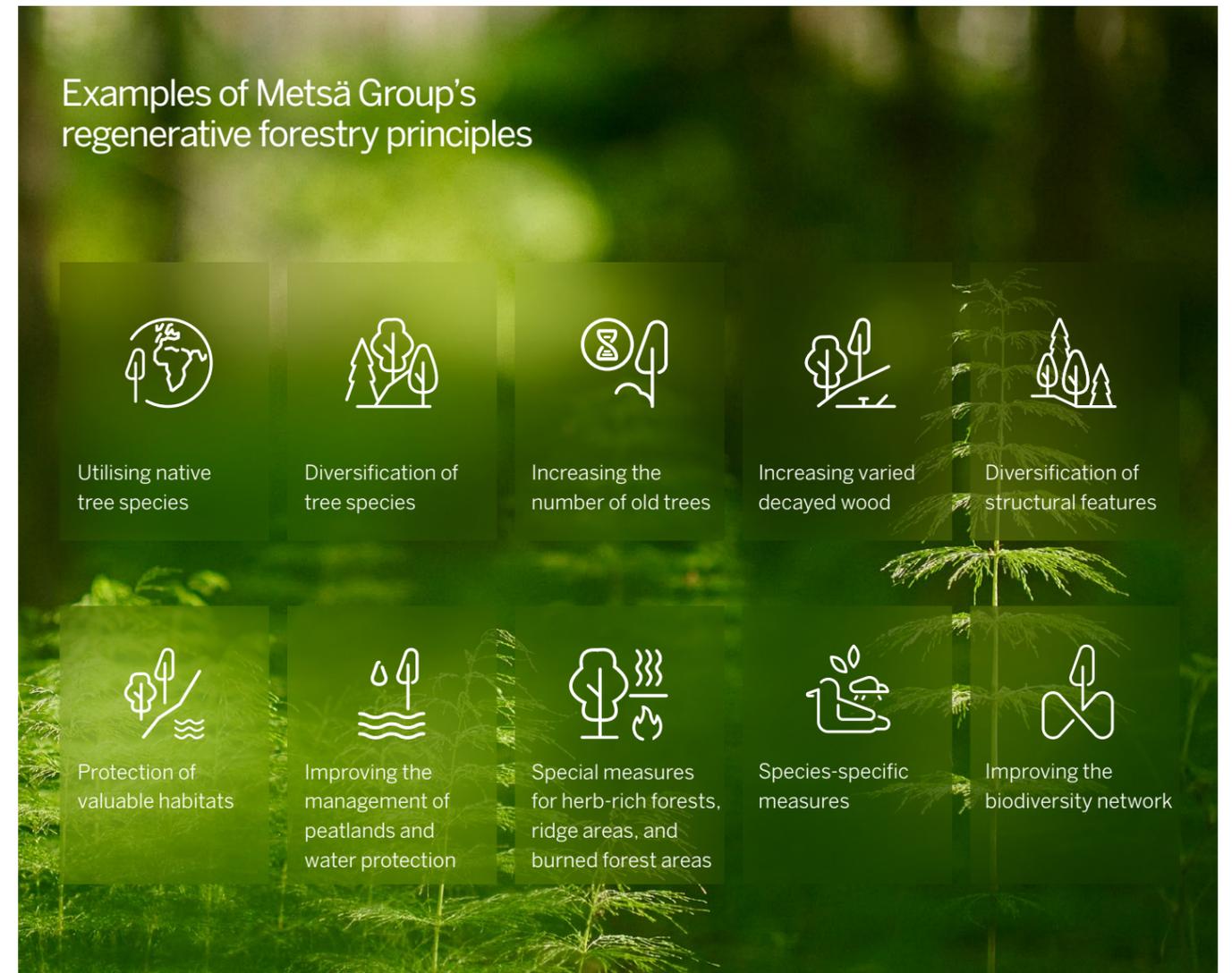
### Responsibility in wood sourcing

Metsä Group is responsible for sourcing all wood used by Metsä Board. Metsä Group has publicly available **principles for forest use and management** that guide all forestry operations. Metsä Group's forestry measures are guided by legislation, official guidelines, the requirements of forest certification schemes, and Metsä Group's own regenerative forestry guidelines. Wood is procured from commercial forests in Northern Europe, and Metsä Group does not source wood from old-growth forests or forests defined as primary forests.

### Wood from Northern European forest

Wood from Northern European forests is used in the production of Metsä Board's products. The majority of the wood used by Metsä Board comes from Finland, Sweden and the Baltic countries. In all sourcing countries, there is a legal obligation to ensure forest regeneration takes place after harvesting. Forestry in these regions is semi-natural, meaning that wood production is integrated into the natural ecosystem and native tree species serve as commercial tree species. Compared to plantation forestry, this means no land-use conversion and supports a higher level of biodiversity. Thanks to regeneration obligations and good forest management practices in all Metsä Group's wood-sourcing countries, forestry operations do not cause deforestation in these areas.

→ Read more in our Sustainability statement 2025, E4 – Biodiversity and ecosystems



### Regenerative forestry

In recent years, increased research data and a better understanding have broadened the range of good forest management practices. Metsä Group launched its regenerative forestry strategy in 2023. The goal is to verifiably enhance the state of forest nature and increase forest biodiversity as well as forests' ability to adjust to climate change by 2030. Metsä Group's planned forest actions are based on the most recent scientific research on forest management and biodiversity.

Regenerative forest management aims to enhance the vitality, biodiversity, and climate resilience of commercial forests while increasing both growing stock and species diversity. The diversity of forests is increased through various practical measures. Metsä Group's goal is to strengthen the value of natural capital, alongside the economic value generated by forests, as commercial forests also produce numerous vital natural benefits for both people and the environment. Nature benefits, or so-called ecosystem services,

include, for example, clean water, pollinators, berries and mushrooms, recreational use, and carbon sinks.

On a practical level, regenerative forestry takes place in the forest areas belonging to members of Metsäliitto Cooperative, Metsä Group's parent company, who own over half of Finland's privately-owned forests. Therefore, the measures carried out in these forests are essential for forest ecosystems throughout Finland.

Monitoring the achievements of regenerative forestry measures needs to be verified with measurements. This entails a significant investment in developing forest biodiversity indicators and monitoring methods. These indicators and monitoring systems are also currently being developed in active collaboration with our network of universities and other research institutions.

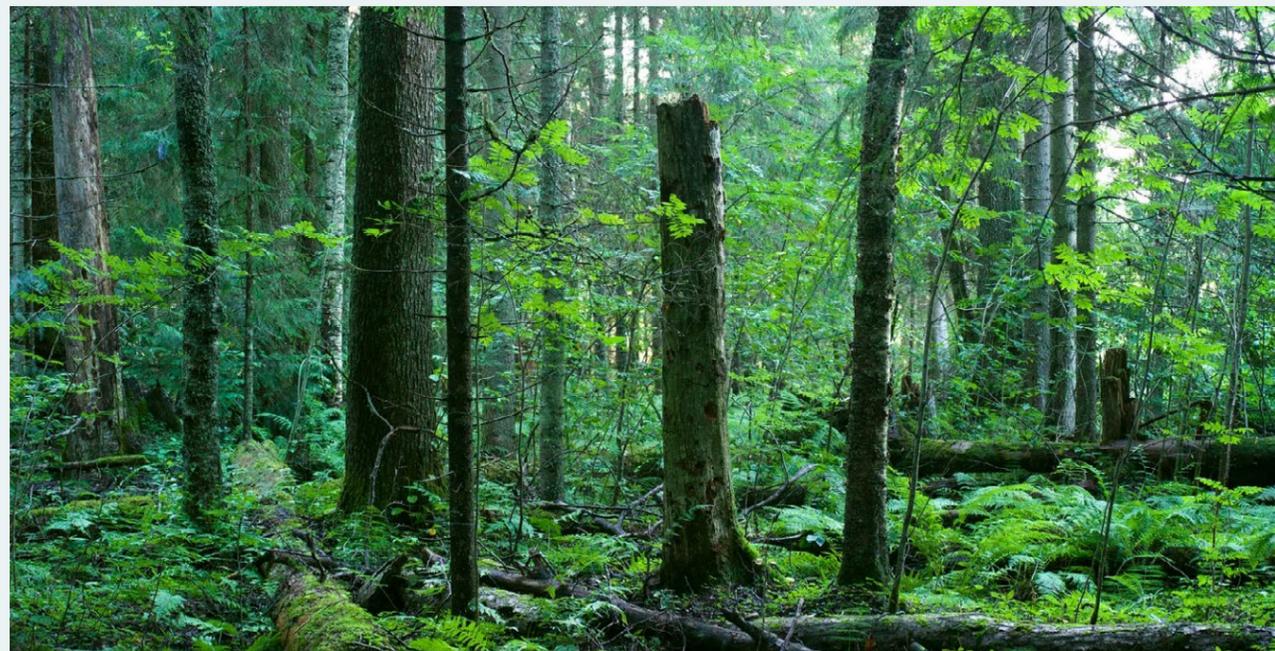
The impacts of the measures on various species are also investigated in separate monitoring projects. As an example,

Metsä Group is taking part in a co-funded, four-year doctoral research project with the University of Jyväskylä in Finland on regenerative forestry that started in the beginning of 2026.

### Habitats for native species

There are approximately 30 native tree species in Finland. Our wood procurement in Finland will continue to be based on five naturally occurring tree species: spruce, pine, silver birch, white birch and aspen, all of which spread to the area after the Ice Age.

In Metsä Group's forest operations in Finland the other, more than 20 native tree species are left in the forests to grow and support their biodiversity. Naturally occurring trees also provide living conditions for native species such as tree root fungi, mosses and lichens growing on tree trunks, insect larvae, and decaying forest litter.



## Metsä Group establishes a forest conservation foundation

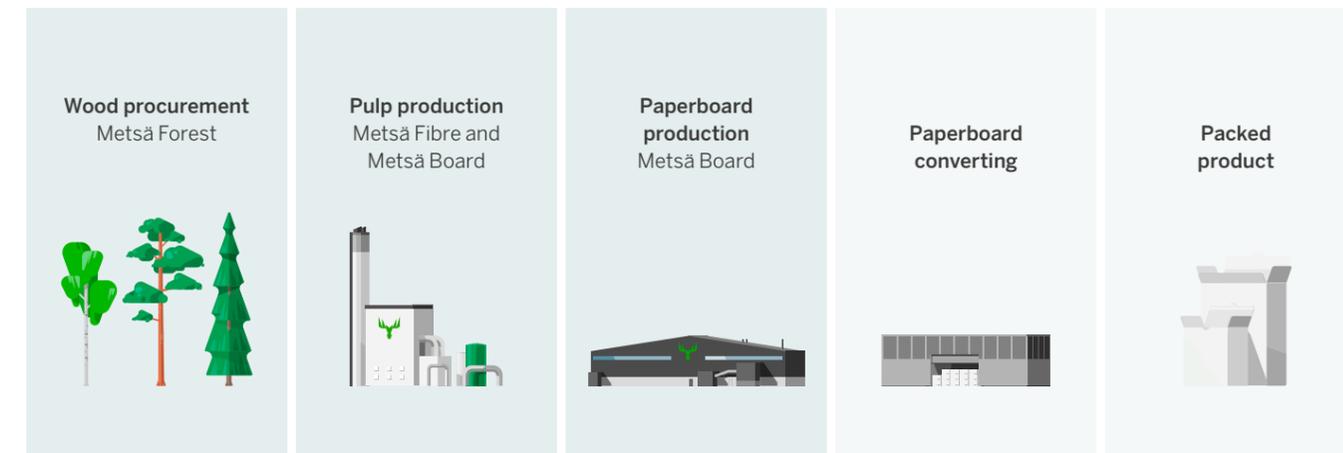
There is a need for additional protection of forests with significant nature values. By establishing a conservation foundation, Metsä Group aims to complement the existing conservation network and provide compensation to forest owners for forest sites with conservation value.

The foundation was established in 2025, and its operations started during 2026. The conservation foundation supplements Metsä Group's services, supporting forest owners in strengthening the biodiversity of their forests. The conservation foundation focuses on

the permanent protection of forests with high biodiversity value and thus supports the development of the forest conservation network.

The foundation enables the forest owner to receive financial compensation even for forests sites that are not suitable for selling wood. The conservation criteria are drawn up on nature conservation grounds, and the conservation decisions will be permanent. Protection can be applied everywhere in Finland, and protection measures are not limited to the forests belonging to Metsä Group's owner-members.

## At Metsä Board, our entire wood value chain exists within Metsä Group, from wood procurement to our ready-made paperboards



### Decaying wood: a building block of forest biodiversity

Decaying wood is important, as up to 5,000 forest species in Finland depend on it. These species include enemies of pest insects. Decaying sturdy trunk wood is relatively rare in commercial forests. However, it can be increased by leaving high biodiversity stumps and retention trees that decay over time, and by retaining trees that have died naturally. Unmanaged protective thickets can also be left in forests, producing decayed wood in the long term.

### Metsä Group Plus

Metsä Group Plus is a forest management model that follows regenerative forestry principles and increasingly pays close attention to forest biodiversity in the implementation of forest operations. The model includes measures that safeguard and improve forest biodiversity above and beyond the current standard practices. The use of these measures is agreed with the forest owner in connection with wood trade and orders for young stand management. Under this service model, for example, more retention trees and high biodiversity stumps are left in the forest than usual, and buffer zones along waterways are wider. The Metsä Group Plus service is offered to Metsä Group's owner-members in Finland, and an additional bonus per hectare is paid to forest owners who adopt the model.

In 2025, approximately 30% of all Metsä Group's wood trade purchases were made under the Metsä Group Plus service model.

### Promoting biodiversity outside commercial forests

Metsä Group's funding programme for nature projects was initially launched in 2021. The ten-year programme finances development projects in Finland that improve biodiversity or

the state of nature outside commercial forests. It is a non-remunerated programme operating outside Metsä Group's own impacts and value chains. Project selections are made once a year. As of Q4 2025, more than 88 different projects across Finland have received funding, totalling approximately EUR 2.4 million.

In addition, Metsä Group has a regenerative land use initiative to boost biodiversity in built environments. The Kemi mill site served as the first pilot and its biodiversity plan was developed with a Finnish NGO. The aim is to also utilise the best practices at other appropriate locations at a later stage.

### A wood value chain our customers can trust

Metsä Board's entire wood value chain is within Metsä Group, from wood procurement to ready-made paperboard. This makes the wood value chain transparent and simplifies the process of ensuring the traceability of the wood we use.

All wood used in Metsä Board's products comes either from certified forests or from forest sources that meet the requirements for controlled origin (PEFC Controlled Sources, FSC® Controlled Wood). The origin of all purchased wood is always known and all wood is fully traceable.

Wood sourcing for Metsä Board's products always complies with existing legislation, and traceability is ensured through practices that meet the requirements of the PEFC Chain of Custody and FSC Chain of Custody (PEFC/02-31-92 and FSC-C001580). Therefore, the wood used can be traced back to its origin in Northern European forests.

Certification systems comprehensively account for biodiversity in forestry operations. Biodiversity is protected by setting requirements to preserve valuable habitats, maintaining retention trees, and protecting water bodies, among other measures.

## EU Deforestation Regulation – EUDR

The EU deforestation regulation entered into force on 29 June 2023. It aims to ensure that products consumed in the EU do not cause deforestation or forest degradation globally. At the same time, the regulation seeks to reduce greenhouse gas emissions and biodiversity loss.

The commodities included in the scope of EUDR are cattle, wood, cocoa, soy, palm oil, coffee, and rubber, which are linked to the expansion of agricultural land, the main driver of global deforestation.

EUDR is planned to enter into application on 30 December 2026, replacing the current EU Timber regulation (EUTR). The European Commission is expected to complete a review by 30 April 2026 to streamline the regulation and clarify reporting obligations across different stages of the value chain.

The regulation requires operators and traders to have a due diligence system in place to ensure that their products come from legal sources, do not originate from recently deforested land, and have not contributed to forest degradation, and comply with all requirements of the regulation.

In 2025, Metsä Board, as part of Metsä Group, evaluated its wood value chain and assessed the risks across all its

wood-sourcing countries. The results were aligned with the EU authorities' Global Forest Risks Assessment, which classifies all countries which Metsä Board sources wood as low-risk countries.

For packaging producers and brand owners, supplier compliance with EUDR provides further proof of responsibility in the wood value chain.

### Carbon balance of forests

Metsä Group's regenerative forestry practices guide wood procurement and forest services toward measures that strengthen the state of forest nature. In addition to enhancing forest biodiversity, these measures aim to increase forests' capacity to sequester carbon and their ability to adapt to climate change. Together with forest owners and other partners, Metsä Group has developed a forest carbon calculator to verify the impacts of wood procurement and forest management on the carbon balance of forests. The calculator has been available to forest owners since 2025 as an online service that helps them manage their forest assets and make climate-smart forest management decisions.



## 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.

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

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

Metsä Group's Wood Supply and Forest Services have strategic sustainability targets for these actions, and they are presented in the table on page 17.

### Reducing emissions from wood procurement

Metsä Group's goal is to cut fossil-based carbon dioxide emissions from wood procurement in Finland by 30% by 2030, compared to 2022 levels. In wood logistics, the company is developing new solutions based on electricity and biogas. For example, a pilot project has been launched to test the use of an electric truck for timber transport between the Kemi bioproduct mill and timber terminals. Charging infrastructure for electric trucks is also being built at the Kemi bioproduct mill.

Metsä Group and Risutec have developed an accessory that allows a forwarder to prepare soil while collecting logging residues. Combining these tasks eliminates an extra machine transfer, reducing emissions in the wood procurement chain.

Transitioning to plant-based oils as lubricants in harvester chains and using biological control methods in stump treatment helps reduce fossil carbon dioxide emissions from timber harvesting.



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 are tools intended to support transparency about the origin of wood and the forest management practices involved.

The pulp used in paperboard production is manufactured at Metsä Board's own pulp and high-yield pulp mills or our 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 our 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, for example, by auditing harvesting sites.



# Climate

We are committed to transitioning away from fossil-based energy and reducing the carbon footprint of packaging.

## Why it matters

Climate change causes a wide range of negative impacts on nature and living conditions globally. Human activity, such as the use of fossil fuels, is one of the main reasons for this. Reducing the use of fossil-based materials and energy helps mitigate climate change and enhances the resilience of companies in line with the requirements of a low-carbon economy.

	Target 2030	Actual 2025
<b>Mitigating climate change and adapting to it in own operation and value chains</b>		
Improvement in energy efficiency from the 2018 level, %	+10	-7.2 ●
Fossil-based carbon dioxide emissions (Scope 1 and Scope 2 market-based), t	0	121,252 ●
Greenhouse gas emissions from logistics purchased by Metsä Board from the 2022 level (Scope 3, category 4), %/tkm	-30	-5.8 ●

Forest-related climate targets are reported on page 17.

# Our climate transition plan

**E** Advancing towards fossil-free energy use and lower product carbon footprint, supporting a bio-based, resource-efficient circular economy, and collaborating with our suppliers and customers all play key roles in our climate transition plan.

## Customer benefits

- Lightweight, recyclable paperboard packaging solutions made from renewable wood fibre and produced primarily with fossil-free energy help reduce carbon footprint, replace plastic, and meet regulatory requirements
- A reliable packaging material supplier with a comprehensive approach to climate change mitigation and resilience

## In focus

- Metsä Board's climate transition plan presents our strategic ambition in climate matters, as well as the climate-related investments and actions in the areas of production and value chain, products and services, and business conduct
- The climate transition plan has also been published in accordance with the European Sustainability Reporting Standards (ESRS) requirements in our Sustainability statement 2025

## Actions – Production and value chain

### Environmental responsibility

Metsä Board's environmental operations are guided by Metsä Group's environmental policy, the certified ISO 9001 quality management system, the ISO 14001 environmental management system, the ISO 50001 energy efficiency management system and an energy efficiency system (EES). All our production units are certified according to these management systems.

### Key climate targets

- Our emissions reduction target to have zero fossil-based CO<sub>2</sub> emissions by 2030 (Scope 1 and 2) is approved by the Science Based Targets initiative (SBTi) and meets the Paris Climate Agreement requirements, which aim to limit global warming to 1.5°C.
- With respect to the value chain (Scope 3), we are in the process of updating our SBTi-aligned target.
- In addition, we aim to reduce greenhouse gas emissions from logistics purchased by Metsä Board by 30% per tonne-kilometre from the 2022 level by 2030.

- Currently, we do not have any post-2030 emissions reduction targets, but planning of the 2050 1.5°C net zero pathway in accordance with the Paris Agreement is underway.
- For energy efficiency, the improvement target is 10% from 2018 to 2030.

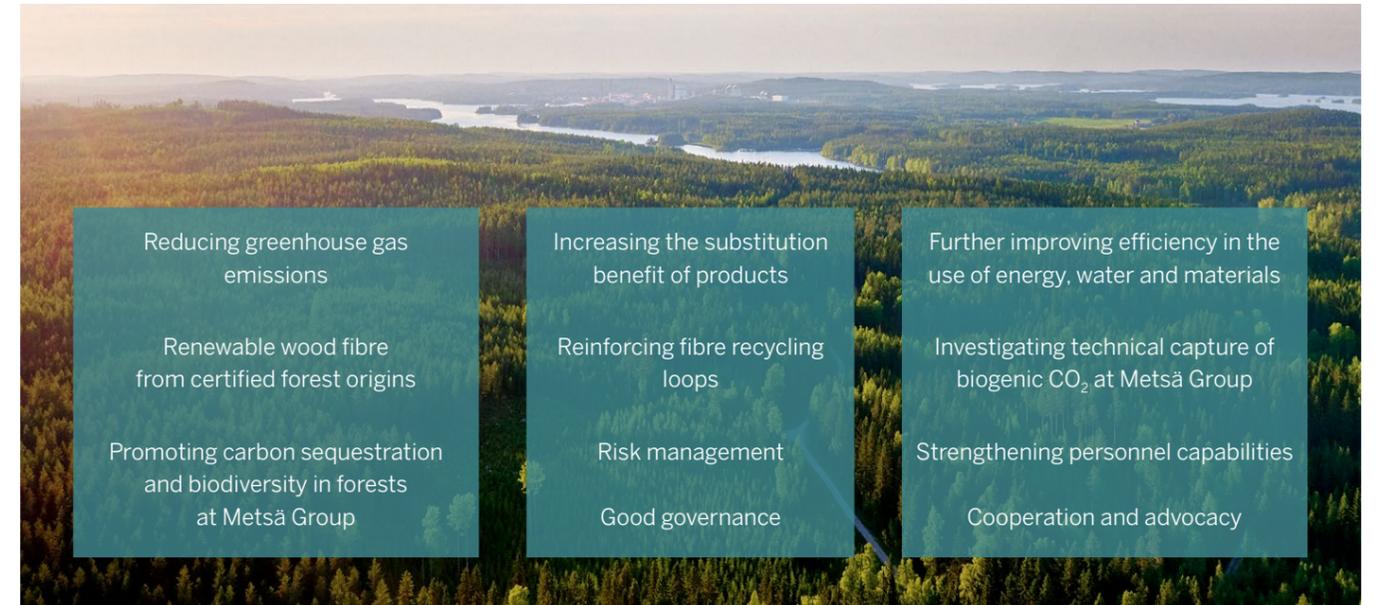
### Promoting the use of fossil-free energy

Metsä Board's plan towards fossil-free operations in production units and their power plants comprises of investments and development measures to replace fossil-based energy sources with renewable fuels and fossil-free electricity.

The measures apply to the fuels and backup fuels used at power plants and to the process fuels used in the production process. The plan also includes a shift to fossil-free alternatives for purchased electricity and heat, and measures to improve energy efficiency. In 2025, 93% of all the energy used by Metsä Board was fossil-free.

To achieve the current emissions reduction targets, we focus on emissions reductions at source, and no carbon credits are currently used to compensate for or balance Metsä Board's emissions. Commonly, carbon credits play a role in balancing residual emissions to reach net zero goals.

## Our operating areas in climate matters – Climate change, circular economy and sustainable forestry are intertwined



While Metsä Board's fossil-free target includes only fossil-based CO<sub>2</sub> emissions, combusting wood-based biomass also produces relatively small amounts of methane and nitrous oxide which, according to the GHG Protocol, are counted as Scopes 1 and 2 emissions along with fossil-based greenhouse gas emissions. According to our estimate, Metsä Board's Scopes 1 and 2 emissions from biogenic CH<sub>4</sub> and N<sub>2</sub>O will be approximately 30,000 tonnes in 2030.

### Enhancing energy efficiency

We aim to improve energy efficiency through continuous development and investments, primarily in drying and heat recovery.

Continuous and stable production is essential for energy-efficient operations. Production interruptions and lower production rates usually reduce the energy efficiency of operations. In 2025, shutdowns at mills due to the market conditions and investments weakened the efficiency, and we still remained behind our energy efficiency target despite previous measures taken.

### Cooperating with the value chain

To reduce value chain emissions, we encourage our suppliers to set emissions reduction targets. The recommendation is part of Metsä Group's Supplier Code of Conduct and is monitored in supplier assessments and audits.

In 2025, we began updating our SBTi-aligned Scope 3 target as the previous target period ended. In addition, we started the preparation of action plans in line with our goal to reduce GHG emissions from logistics. Value chain emissions are also curbed

by Metsä Group's joint emissions reduction targets with partner suppliers, such as VR, a Finnish logistics group, and Royal Wagenborg, a Dutch maritime logistics company.

In our wood supply chain, Metsä Group's regenerative forestry actions aim to increase forests' biodiversity, carbon sequestration and ability to adapt to climate change. Read more about the forests' role in climate change mitigation on pages 22–23.

### Adapting to changing climate

Adapting to climate change requires addressing both acute threats, such as extreme weather events, and chronic risks arising from climate impacts on water availability in production units, harvesting conditions, growth of different tree species, and forests' vulnerability to snow, storms, drought, wildfires, insects, and fungal damage.

Metsä Group's principles of regenerative forestry and sustainable forest management services promote biodiversity and support forests' adaptation to climate change.

In production units, examples of measures include managing water levels through dam systems and ensuring electricity distribution in exceptional situations. In the supply chain, preparations are made for alternative transport routes or partners.

Based on climate risk analysis conducted by an external partner, Metsä Board's production units do not have any significant physical climate risks, and their location supports our competitiveness in a changing climate.

The financial effects of climate change and climate-related costs and financing are described in the transition plan published in the Sustainability statement 2025.

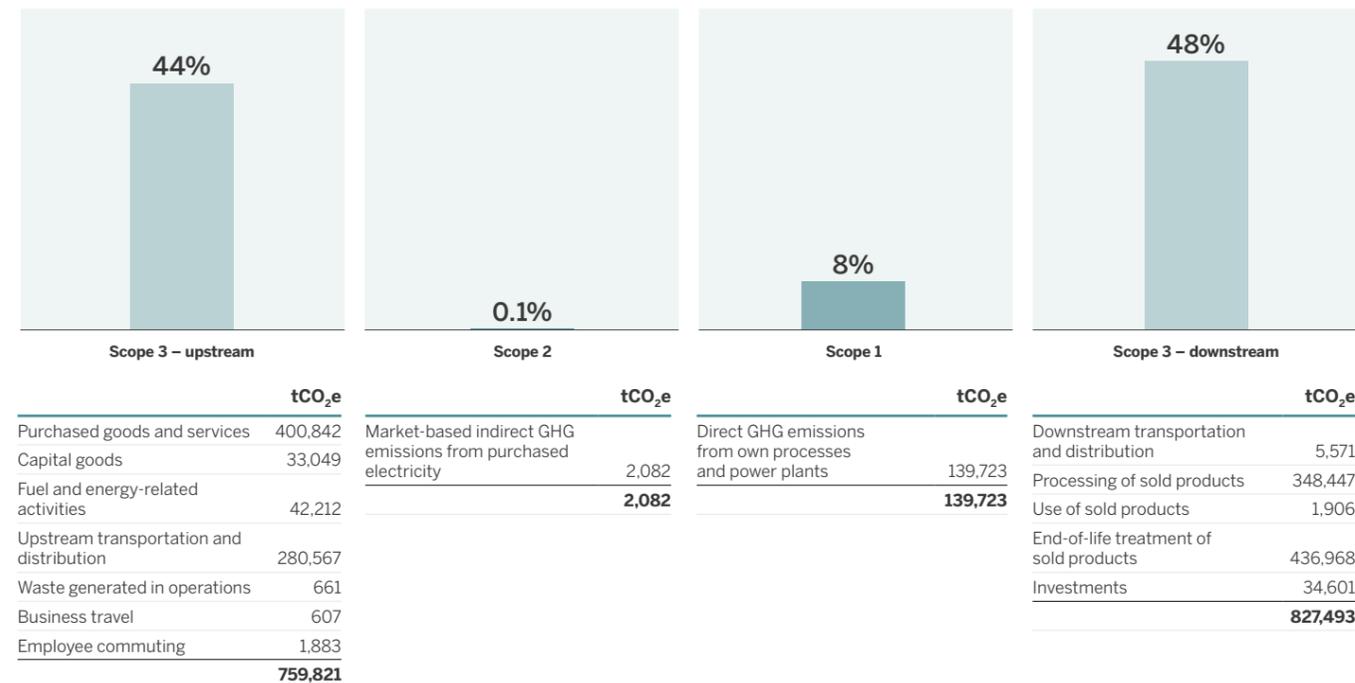
→ Read more in our Sustainability statement 2025, E1 – Climate change

## GREENHOUSE GAS EMISSIONS 2023–2025 COMPARED TO 2018

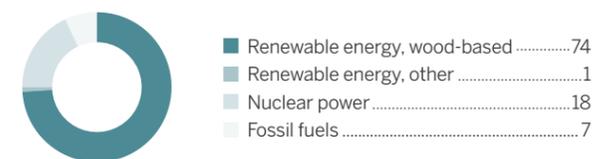
	2025	2024	2023	2018
Direct fossil-based carbon dioxide emissions (Scope 1), tCO <sub>2</sub>	121,041	169,429	181,339	288,579
Indirect fossil-based carbon dioxide emissions (Scope 2 market-based), tCO <sub>2</sub>	211	82,279	2,261	289,296
Direct GHG emissions (Scope 1), tCO <sub>2</sub> e	139,723	192,098	202,227	310,232
Indirect GHG emissions (Scope 2 market-based), tCO <sub>2</sub> e	2,082	84,990	3,747	296,282
Indirect GHG emissions (Scope 2 location-based), tCO <sub>2</sub> e	143,634	259,496	299,365	441,065
Indirect GHG emissions in the value chain (Scope 3), tCO <sub>2</sub> e	1,587,316	1,789,138	1,792,006	1,058,455 <sup>1)</sup>
Biogenic carbon dioxide emissions, tCO <sub>2</sub>	1,803,590	2,154,777	1,984,088	1,812,793

<sup>1)</sup> The spend-based Scope 3 accounting methodology used in 2018 is not fully comparable with the activity-based and supplier-specific inventory accounting in 2023–2025.

## TOTAL GREENHOUSE GAS EMISSIONS CA. 1.7 MILLION TONNES CO<sub>2</sub>e (SCOPES 1, 2, 3)



## 93% OF OUR ENERGY USE IS FOSSIL-FREE



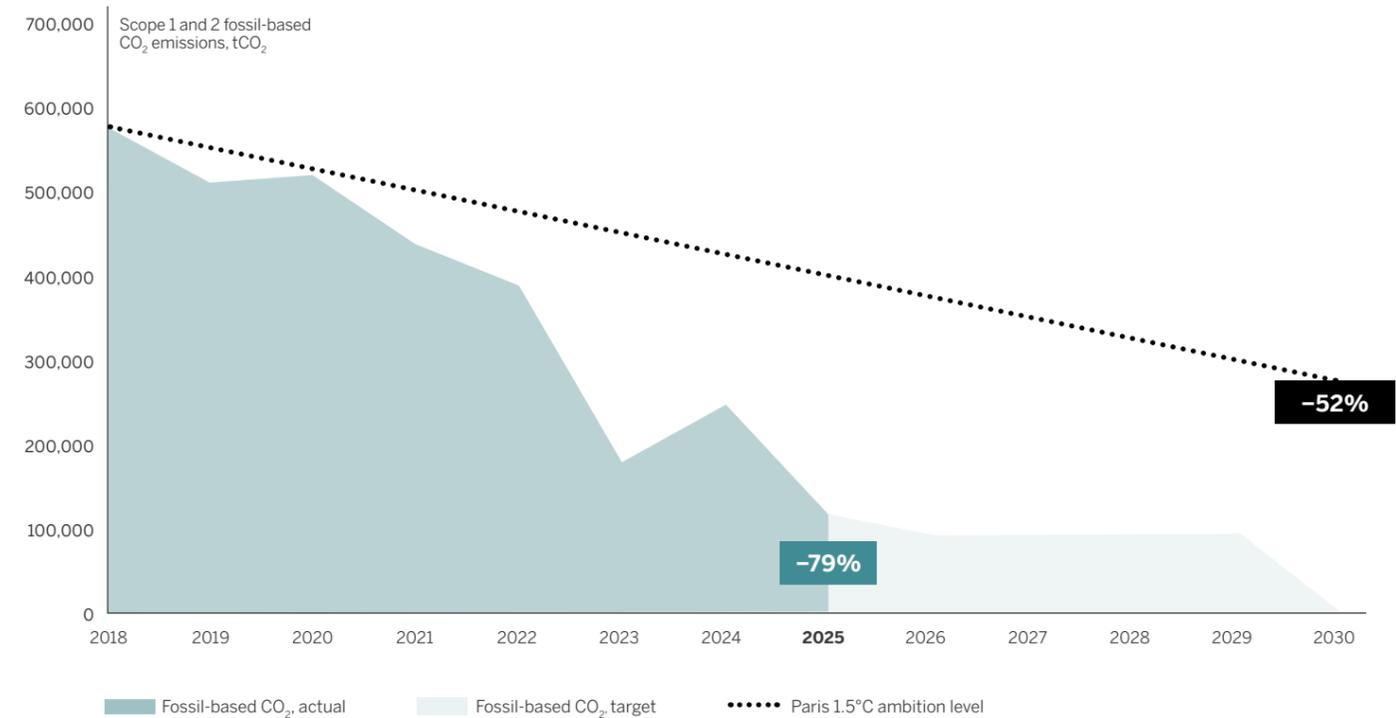
The market conditions, investment shutdowns, and completed key actions reduced GHG emissions in 2025.

## Key milestones in 2025

- The modernisation of the folding boxboard machine at the Simpele mill improved product quality and performance, and the fossil process fuel, LPG, was replaced with electricity. This, and the replacement of peat with renewable fuels at the power plant as of 2024, rose the share of fossil-free energy at the mill to 98%.
- The Äänekoski board mill sources more than half of its energy from the adjacent Metsä Group bioproduct mill, and operated entirely on fossil-free energy in 2025.
- The closure of the Tako board mill in June 2025 reduced total emissions.
- In 2025, all purchased electricity used in production was fossil-free, significantly reducing Scope 2 emissions.

## Roadmap for phasing out the use of fossil energy in our production by 2030

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



### Actions completed 2018–2025

#### Power plant and process fuels

- Peat replaced with renewable fuel
- Other fossil-based fuels partly replaced with renewable fuels and electricity
- Increased self-sufficiency in electricity based on renewable energy sources and increased share of fossil-free electricity through ownership in Pohjolan Voima Oyj and Metsä Fibre Oy

#### Energy efficiency

- Production process optimisation
- Heat recovery solutions
- Reduced water use, which also lowers energy demand

#### Purchased energy

- Primarily fossil-free purchased heat and electricity

### Actions needed 2026–2029

#### Power plant and process fuels

- Replacing fossil-based fuels by renewable fuels in power plants
- Switching to renewable fuels or fossil-free electricity in the production process, e.g. in the coating drying

#### Energy efficiency

- Production process optimisation
- Heat recovery solutions
- More efficient use of waste heat in production
- Electrification of steam production
- Reducing water use, which also lowers energy demand

#### Purchased energy

- Sourcing fossil-free heat and electricity

Some of the projects still lack a final investment decision and the timeline and actions shown are indicative. In late 2025, Metsä Board announced that it has decided to discontinue significant investment projects in the pre-engineering phase which do not offer adequate profitability in the current market situation. The reduction level in line with the Paris Agreement is based on the IPCC estimate of a 48% decrease in global fossil-based CO<sub>2</sub> emissions between 2019 and 2030, corresponding to a 52.4% reduction when applied linearly from 2018.

## Actions – Products and services

### Lightweight paperboards help reduce climate impact and improve packaging circularity

As a producer of premium, lightweight, fresh fibre paperboards, we have the ambition to further develop packaging solutions to meet our customers' needs. We strive for resource efficiency and help our customers in reducing the use of plastic and minimising the carbon footprint of packaging. Ensuring and developing the recyclability and compostability of paperboards is of key importance.

### A lower carbon footprint through lightweight fresh fibre paperboards

Lightweighting is one of the key areas of Metsä Board's product development. Lightweight paperboards provide the same strength, stiffness, and performance as conventional heavier grades but with lower basis weights and less raw materials.

A lighter weight, together with a primarily renewable raw material, high share of fossil-free energy used in production, and high recyclability of products, have a key role in reducing the carbon footprint of packaging.

We calculate the carbon footprint of all our paperboards by following specific product category rules (EPD International PCR 2010:14 Processed paper and paperboard, 3.1). These product category rules are in accordance with the ISO 14040 and ISO 14044 standards.

We have conducted several third-party verified studies demonstrating our paperboard's carbon footprint reduction potential for different packaging solutions.

### Helping our customers reduce their plastic use

Developing bio-based barrier coating for end-use products such as food and food service packaging is another key product development area for Metsä Board. We are studying alternative barrier solutions that can potentially help reduce plastics in packaging. We explore barrier solutions that are SUP-D compliant and we actively cooperate with our partners. Read more about our recent cooperation with Starbucks and Qwarzo® on page 7.

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



### Fresh fibre paperboards for demanding end-uses

Metsä Board's product range covers lightweight folding boxboards, foodservice boards and white kraftliners.

Folding boxboards are mainly used to package a wide range of consumer goods like food and pharmaceutical products, and other branded consumer goods. Our

foodservice boards can be formed into cups, trays, and other packaging for takeaway.

White kraftliners provide options from lightweight micro-flute to heavy-duty corrugated solutions for various packaging needs in the retail sector, including point-of-sale applications, as well as retail-ready and shelf-ready packaging.

In addition to paperboards, we produce chemical pulps and bleached chemi-thermo mechanical pulp (BCTMP), which are used as raw materials in our own paperboard production and sold as market pulp.

We can help our customers lighten their packaging, reduce their carbon footprint and plastic use, improve recyclability, and ensure product safety.



PE-extruded paperboards are also part of Metsä Board's portfolio. To comply with the Packaging and Packaging Waste Regulation (PPWR), we actively work to reduce the amount of plastic in our PE-coated paperboards, thus, supporting plastic reduction and increased recyclability. The majority of one-side extruded PE-grades with 11 g/m<sup>2</sup> are considered as monomaterials under the PPWR.

Almost all (99%) of our raw materials and product packaging materials are already fossil-free. Going forward, our priority is to reduce the carbon footprint of our products rather than simply aiming for a fossil-free status.

### Ensuring recyclability

Our paperboards are recyclable, depending on the local recycling systems. The recyclability of our paperboard products has been tested using the Capi Recyclability Laboratory Test Method. Based on the test results, all tested products were defined to be suitable for standard or specialised mill recycling.

If a packaging material is stained with food, for example, composting with biowaste is an option to dispose of the packaging. 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.

Lightweight and easily recyclable paperboards can offer cost advantages in Extended Producer Responsibility (EPR) fees. To quantify this, Metsä Board has launched a new tool to estimate potential fee impacts.

### 360 Services complement our product portfolio

Through Metsä Board's 360 Services, we offer our customers expertise and support beyond paperboard for topics such as

packaging design, sustainability, product safety, and supply chain efficiency.

We provide carbon footprint assessments and compare the environmental impacts of different packaging materials and solutions. We can help our customers with fit-for-purpose packaging solutions when the goal is to lighten the packaging, reduce its carbon footprint, improve recyclability, provide alternatives to plastic and ensure product safety, for example.

Metsä Board's Excellence Centre, located at our Äänekoski mill, offers an active and state-of-the-art collaboration platform for researching, innovating, and testing packaging materials and solutions.



A lighter weight, use of renewable raw material and fossil-free energy, and high recyclability, are key in reducing the carbon footprint of packaging.

## New verified carbon footprint case studies compared paperboard and plastic packaging

Choosing Metsä Board's lightweight paperboard can advance brand owners' climate goals. Our latest third-party **verified carbon footprint case studies\*** compared paperboard trays to berry trays made of fossil-based PET and recycled R-PET plastics and takeaway trays made of fossil-based PP plastics. The cradle-to-grave studies covered multiple end-of-life scenarios, such as regional recycling and full incineration.

In a simplified scenario where all trays were incinerated at the end of their life cycle the carbon footprint of paperboard trays was 87–91% lower than that of trays made of plastic. This scenario did not take into account the notably higher recycling rates of paperboard which further underline the climate benefits of paperboard.

The study included both biogenic carbon sequestration and biogenic carbon emissions, and it was verified by independent reviewers from RISE and SimaPro UK.

The studies complement our previous verified carbon footprint case studies, which demonstrated that the carbon footprint of healthcare, perfume, and tea packaging made from Metsä Board's fresh fibre paperboard was up to 40–60% lower than that of a packaging made of recycled fibre or solid bleached board of equivalent stiffness and representing the European market. The results of these assessments have been verified by the Swedish research institute IVL Svenska Miljöinstitutet.

\* Technical background report and verification report available on [metsagroup.com/metsaboard](https://metsagroup.com/metsaboard)

## Explore Metsä Group's comprehensive climate transition plan, demonstrating how we work across the value chain to reduce climate impacts.

[Read more on metsagroup.com](https://metsagroup.com)

## Actions – Business conduct

### Climate resilience of our strategy

At Metsä Board, climate change mitigation and adaptation are integrated into business operations, strategic goals and investments.

The Board of Directors oversees sustainability and climate-related matters, the CEO is in charge of the implementation of sustainability measures, and both the executive management and all employees have sustainability-linked incentives. All employees receive sustainability training.

Metsä Board's climate-related risks have been assessed as part of Metsä Group's climate risk analysis, which utilised several climate scenarios and covered physical risks, transition risks and opportunities in own operations and the value chain. The ability of our strategy to respond to climate change has been assessed in a climate resilience analysis, which was, along with other sources, utilised in preparing the climate transition plan.

### Circular economy, climate and forests as a focus in advocacy

Our climate efforts are reinforced through advocacy, which Metsä Board undertakes as part of Metsä Group at both the EU and national levels, with a particular focus on Finland and Sweden. Metsä Group promotes a circular bioeconomy and emphasises the role of forests and wood-based products in climate change mitigation, and the safeguarding of biodiversity. From Metsä Board's perspective, key topics include:

- the recyclability of wood fibre-based packaging
- the understanding of the role of fresh fibre in product safety
- the advantages of sustainable fibre-based food packaging in terms of the environment and health
- laws influencing forestry practices and wood availability
- energy-related topics, such as reducing dependence on fossil-based fuels and focusing on the opportunities provided by biogenic carbon dioxide capture

## Developing technical capture of bio-based CO<sub>2</sub>

Metsä Group is exploring the possibility of building a facility to capture wood-based carbon dioxide from bioproduct mill flue gases. The capture process was piloted at our associated company Metsä Fibre's site in Rauma, Finland, in 2025.

Bio-based carbon dioxide is an untapped raw material that can replace fossil-based carbon sources in the production of various chemicals, liquid fuels and plastics. Its capture and storage can also serve as a technical carbon sink.

Profitable business requires significant investments and further development of capture technology, value chains and market demand. Metsä Group's next goal is a plant capable of capturing 30,000–100,000 tonnes of carbon dioxide and developing the overall concept together with partners.





# Resource efficiency

We are committed to use natural resources as efficiently as possible and to reduce waste from our operations.

## Why it matters

Using resources efficiently and finding new alternatives for waste reduction reduces pressure on the planet's finite natural resources and can improve both the environment and living conditions globally.

	Target 2030	Actual 2025
Process water use per produced tonne from the 2018 level, %	-35	-8.0 ●
Process waste delivered to landfills, t	0	111 ●

The previously reported reduction in process water use has been revised from -6.4% to -8.0%. The corrected figure will be incorporated into the 2026 reporting.

# Resource efficiency

**E** Reducing process water use and eliminating waste are Metsä Board's key focus areas for more resource-efficient operations.

## Customer benefits

- Stronger circular economy performance through reduced water use and the elimination of landfill waste in the supply chain
- Reduced water-related sourcing risks through a supplier with access to abundant freshwater reserves and active water-use reduction measures, ensuring stable and responsible production over the long-term

## Reducing process water use

Reducing process water use requires investments and developments to increase the internal recycling rate of process water in pulp and paperboard production. By improving water recycling, it is possible to reduce the amount of freshwater removed from water bodies.

In 2025, mill shutdowns due to the market conditions and investments weakened water use efficiency, although water recycling was increased, for example, at the Kemi and Simpele paperboard mills. At the Kemi mill, recycled water from the paperboard mill is used in the production of unbleached pulp. At the Simpele mill, the oil-separation pit was renewed, and water streams were redirected. These measures aim to reduce water intake and the volume of wastewater sent to the

## In focus

- Reducing process water use by increasing the internal water recycling at mills
- Enhancing circular economy performance through recycling and value chain collaboration, finding alternative uses for process waste, and minimising the amount of waste sent to landfills

wastewater treatment plant. In addition, the new oil separation pit reduces the risk of oil discharges. At the Joutseno BCTMP mill, the treatment of rejects from the wood chip washing stage was developed to reduce raw material losses and the solids load and chemical oxygen demand (COD) entering wastewater treatment.

Other measures to improve water efficiency were implemented through changes in operating methods and personnel training. Reducing process water also contributes to climate change mitigation, as water usage and wastewater treatment use energy, generating greenhouse gas emissions.

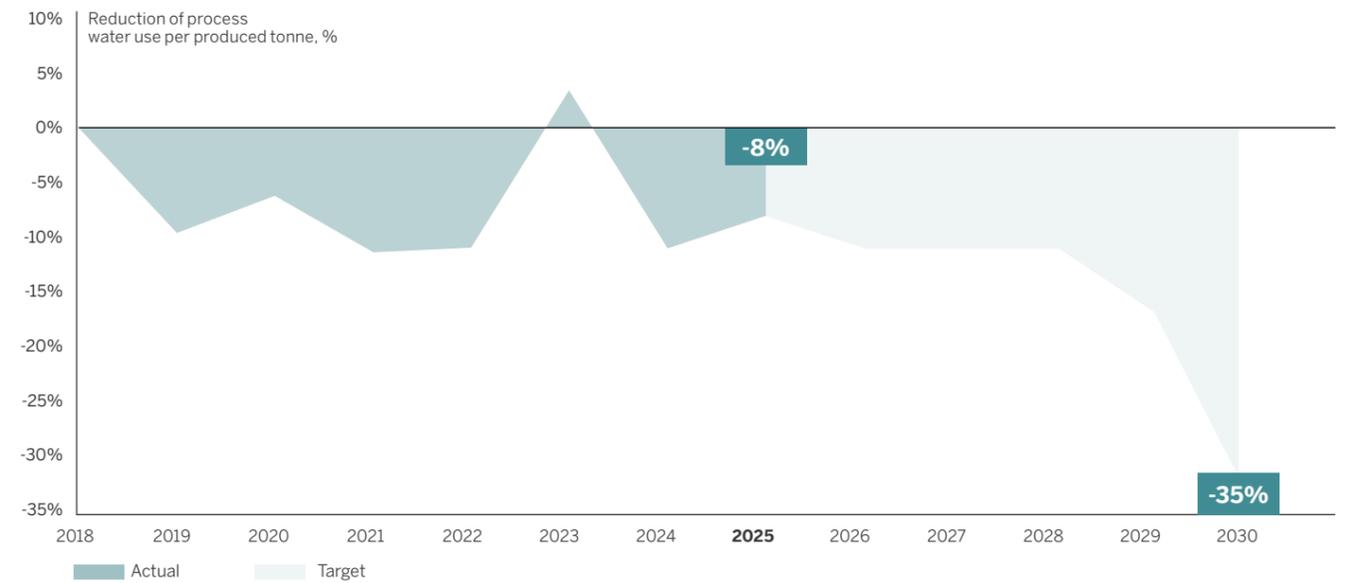
Metsä Board's key measures across all production units are presented in the roadmap on page 37.

## WATER USE 2023–2025 COMPARED TO 2018

	2025	2024	2023	2018
Water withdrawals, 1,000 m <sup>3</sup>	84,965	105,829	101,943	105,921
Surface water, 1,000 m <sup>3</sup>	84,938	105,796	101,884	105,867
Groundwater, 1,000 m <sup>3</sup>	27	33	58	55
Of water withdrawal used as cooling water, 1,000 m <sup>3</sup>	45,628	59,395	54,441	54,804
Of water withdrawal used as process water, 1,000 m <sup>3</sup>	43,681	48,501	49,079	66,515
Wastewater discharges generated from process water, 1,000 m <sup>3</sup>	44,460	48,540	45,380	67,133
Water consumption, 1,000 m <sup>3</sup>	4,333	5,189	3,874	-

Water consumption was not reported in 2018.

## Roadmap for reduced process water use by 2030



Some of the projects still lack a final investment decision and the timeline and actions shown are indicative.

### Actions completed 2018–2025

#### Power plant and process fuels

- Improved water use efficiency based on new technology
- Enhanced water recycling
- Improvements in keeping process water and cooling water separately

### Actions needed 2026–2029

#### Power plant and process fuels

- Enhanced water recycling in board mills
- Improvements in wastewater treatment
- Modernisation investments in chemical pulp production

## Close to abundant freshwater reserves

Metsä Board's production units are located in Finland and Sweden, in areas with large freshwater reserves. None of the 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 for hygiene and laboratory purposes. Production accounts for roughly half of Metsä Board's water use, and cooling processes account for the other half. Process water is carefully treated at wastewater treatment plants before being returned to water bodies. Cooling water circulates in a separate system and does not require treatment. When cooling water is returned to water bodies, it can have a warming effect on the water locally.

Metsä Board's water consumption is very low in proportion to its total water use. Around 95% of the water is returned to water bodies after use, and the remaining 5% is consumed, either through evaporation or by becoming bound to the product.

## Minimising waste

Minimising waste starts with optimising all raw materials and developing recovery methods to avoid waste generation in pulp and paperboard production. Finding ways to use all production side streams is key to reaching our target of no process waste to landfills by 2030. In 2025, 111 tonnes, which represent only 0.1% of total process waste, were delivered to landfills. Production side streams are reused and recycled whenever possible. Wood-based waste and by-products, including sludge, ash and lime, are used for soil improvement, landscaping, fertilisers, chemicals, and energy generation. The biggest challenge is to find an alternative use for green liquor dregs from the chemical pulp process.

Metsä Board's operations generate small volumes of non-hazardous waste, such as municipal and construction waste, and some hazardous waste. These fractions are disposed of according to local waste management guidelines.

→ Read more in our Sustainability statement 2025, E3 – Water and marine resources



# S

## Social

We are committed to respecting human rights, fostering a safe and engaging workplace and ensuring safe products.

### Why it matters

The company's location in the Nordic countries creates a strong foundation for high-level working conditions. Compliance with local legislation, common guidelines and advanced processes is essential to ensure human and labour rights are upheld globally across all operations and affected communities.

	Target 2030	Actual 2025
<b>Accident-free work environment</b>		
Total recordable incident frequency, own employees (TRIF)	0	4.8 ●
Total recordable incident frequency, contractor employees (TRIF)	0	5.2 ●
<b>Continuous improvement in engagement and wellbeing of employees</b>		
Employee engagement, index (scale 0–100)	AAA	A ●
The implementation of the measures defined based on the employee survey	100	100 ●
<b>Promoting diversity, equality and inclusion (DEI)</b>		
Women in leadership roles, %	35	25 ●
Employee experience on diversity, equality and inclusion (DEI) implementation, "Metsä for all" index (scale 0–100)	100	72 ●
Anonymous recruitment for vacancies open to all, %	100	100 ●

# Social responsibility in our operations and beyond

**S** Even one accident is one too many, and that's why we continually strive for our goal of zero accidents. At the same time, we promote a responsible corporate culture across our own operations and throughout the value chain.

## Customer benefits

- Safe and responsible operations and skilled personnel are critical pillars for delivery reliability, credibility, and reputation

## In focus

- Our zero accidents target is supported by long-term safety priorities, including the deployment of common safety standards, personal risk assessments and the development of hand safety
- As an annual priority, the Fair & Just safety culture standard was introduced company-wide in 2025
- As part of a larger transition programme, Metsä Board carried out change negotiations at the Tako and Kyro mills in spring 2025, and across the entire company later in the autumn. The aim was to adjust the cost structure, improve cash flow, enhance operations and customer centricity, and strengthen the foundation for sustainable growth. The first negotiations resulted in a reduction of 208 positions at the Tako and Kyro mills, and the subsequent negotiations led to an additional 310 job role reductions along with the reorganisation of roles. For those affected, we provided transition security and re-employment support that exceeded legal requirements

## Tako mill closure – supporting new career paths

Operations at the Tako mill concluded in June 2025 to strengthen Metsä Board's profitability and cost competitiveness. The production of Tako's products was transferred to the Kyro mill, ensuring uninterrupted customer deliveries.

A comprehensive support programme was implemented for the mill's 191 employees, which included recruitment days with other Metsä Group mills,

## Actions

### Safety is a priority

At Metsä Board, all our production units comply with the ISO 45001 safety management system requirements and safety management is based on preventing hazards and risks.

Accidents are prevented through common safety standards and proactive measures such as risk assessments, long-term and annual safety priorities, safety observations, safety walks and safety training, along with safety-related investments.

The Fair & Just safety culture standard aims to ensure that all personnel consistently follow occupational safety practices and instructions to prevent accidents. The approach also standardises procedures for addressing any deviations and outlines follow-up actions in the event of an incident.

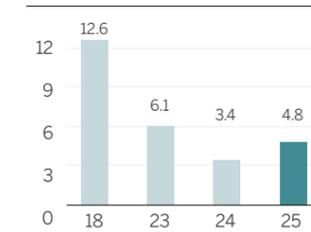
Our service providers are required to undergo a safety induction and obtain a work permit before working at our sites. They must also assess the risks, prepare a safety plan, and participate in safety walks.

Metsä Board's Supplier Code of Conduct also requires suppliers to provide a safe and healthy working environment, and they must have an occupational health and safety management system in accordance with ISO 45001 or an equivalent standard.

cooperation with employment authorities and companies, as well as re-employment training and coaching. Together with an external partner, we organised a recruitment event that connected Tako employees with companies and educational institutions, resulting in numerous on-site interviews.

By the time the mill's production ended, 95 employees had found new employment either within Metsä Group or externally.

### TOTAL RECORDABLE INJURY FREQUENCY (TRIF) per million hours worked



Figures include own employees.

### EMPLOYEES BY COUNTRY

Finland	53%
Sweden	35%
Poland	5%
United States	3%
Other countries	4%

## Strengthening skills and workplace culture

The focal points of the "Metsä for all" vision are diversity, equality and inclusion (DEI). The vision is supported by targets such as increasing the share of women in leadership roles, anonymous recruitment, and an annual equal pay survey.

Anonymous recruitment helps to ensure that all applicants have an equal opportunity to be selected, regardless of their background.

Metsä Board encourages its employees to actively develop their skills and participate in training sessions. Everyone is provided with a personal development plan to support their personal growth and development.

The company conducts an annual employee survey to measure employee commitment, the quality of leadership and employees' experiences with DEI and business ethics.

## Respect for human rights

Metsä Board's social responsibility is guided by applicable legislation, Metsä Group's Code of Conduct and policies, the "Metsä for all" vision and the company's management systems.

As part of our Code of Conduct, we are committed to acting in accordance with the UN Guiding Principles on Business and Human Rights and to respecting internationally recognised human rights in accordance with the UN's Universal Declaration of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work.

Metsä Board also supports the UN Global Compact initiative and its principles on human rights and labour.

We are committed to ensuring that no child or forced labour, human trafficking or other forms of modern slavery occur in our business operations and supply chain. If any negative human rights impacts occur, we are committed to addressing and correcting them.

→ Read more in our Sustainability statement 2025, S1 – Own workforce

## Driving community impact in the Americas

Metsä Board's strong presence in the Americas led to the creation of our Community Engagement Committee (CEC) in 2025. The CEC's mission is to align our community initiatives with our business model, leveraging our expertise in sustainable packaging and forestry to optimise our impact in local communities.

### 2025 impact highlights:

- Youth education: Completed four school visits under the TICCIT programme, educating over 500 students on sustainable forestry and the papermaking process.
- Volunteerism: CEC members partnered with the Norwalk Land Trust to remove invasive plants at the Farm Creek Preserve in Rowayton, CT.
- Charitable giving: Organised four food and toy drives, and launched an initiative to collect reusable bags for donation to non-profit partners.
- Material donations: Donated 38,400 paperboard takeout containers to Homes with Hope, a local homeless provider, following our 2024 effort in which we donated 72,200 containers that were distributed across eight local organisations.

The CEC's successful inaugural year underscores our commitment to strategic, measurable social responsibility in our communities.



Metsä Board educates students in forestry as part of the TICCIT programme.

# Product safety brands and consumers can rely on

**S** | We help our customers navigate complex packaging regulations and ensure safe products.

## Customer benefits

- Choosing fresh fibre ensures packaging is free from traces of prior use, such as residues originating from printing inks or varnishes
- Compliance with the highest food safety standards, such as ISO/FSSC 22000
- Packaging made of high-strength material protects the product, reducing damage and waste
- Metsä Board's 360 Services offering provides tailored support for compliance in customer-specific cases

## In focus

- Well-defined product safety processes and clear communication, promoting compliance, transparency, and responsiveness
- In 2025, Metsä Board implemented an updated HACCP (Hazard Analysis and Critical Control Points) framework across its mill operations to strengthen risk identification and control measures

## Actions

### Fresh fibre is a safe choice

Fresh fibre is a good choice for sensitive end uses, such as food and pharmaceutical packaging, as it does not contain residues from prior use, such as printing inks, adhesives, or lacquers that might be harmful to human health. The use of fresh fibres, together with Metsä Group's unique "forest to pulp and board mill" value chain, helps ensure that no unknown chemicals end up in Metsä Board's paperboards.

### Legal compliance and management systems

Meeting legislative requirements for sensitive end uses and complying with chemical regulations for raw materials requires strong expertise. Metsä Board uses a well-defined product

safety process to verify that its paperboards comply with widely accepted legislation and recommendations in its key market areas. The process can be divided into three parts: detailed raw material evaluation, strict hygiene and safety standards in production, and an extensive compliance evaluation of the final material.

At Metsä Board mills, product safety and hygiene are ensured through compliance with the ISO 22000 international food safety standard. Mills producing paperboards for direct food contact also operate under certified FSSC 22000 food safety systems. As more than half of our paperboard volumes are used for food end uses, product safety is an integral part of the daily work carried out by our professionals.

Legal compliance and strict management systems form the foundation to ensure the safety of our products and to communicate effectively about safety to our customers.

### Meeting customer needs

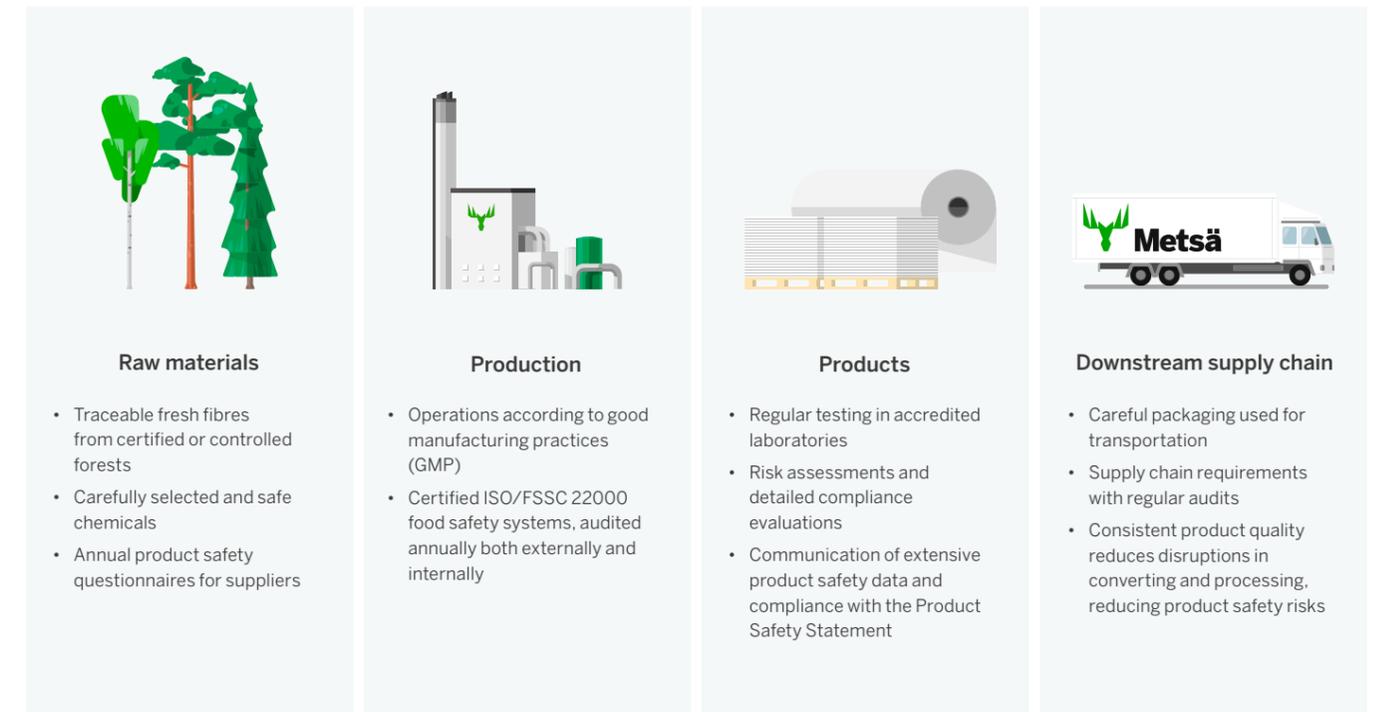
In addition to legal compliance, our customers are increasingly requiring their partners to fulfil specific requirements. These can include company-specific standards, lists of banned substances, and requests for detailed product data. Metsä Board's product safety team regularly reviews such requirements to ensure that our paperboard products meet customer needs and secure consumer safety. As part of our 360 Services, we collaborate closely with customers, for example, by providing additional data for specific end uses when needed. We also provide our customers with advice, guidance, and training on product safety.

### Product safety is built on value chain teamwork

In the value chain, each actor performs their own safety evaluation using information provided by suppliers. Effective communication across the supply chain is essential to ensure that our customers can perform compliance evaluations for their products. This is why we publish compliance information for all our products in the comprehensive Product Safety Statement, which is available for all our customers to facilitate their regulatory work.

→ Read more in our Sustainability statement 2025, S4 – Consumers and end-users

## Metsä Board product safety process



## Two classics working together

The famous Italian pasta company Barilla uses MetsäBoard Classic FBB to package many of its products. The purity and safety of the high-quality Nordic fresh fibre are the main reasons Barilla chose the MetsäBoard Classic FBB product, but its recyclability and excellent print quality are also important.

Barilla has been packing its products in paperboard boxes since the 1950s. For more than ten years, many of the famous blue pasta boxes have been made from MetsäBoard Classic FBB.

"We're always looking for the best-performing packaging materials, and Nordic fresh fibre is a great raw material," says Barilla's Purchasing Director Packaging, **Leonardo Mirone**. "Above all, food packaging needs to protect the content from contamination to keep the food safe."

Today, 99.7% of Barilla's packages globally are designed for recycling. "We aim to get rid of unnecessary plastic packaging, and fibre-based packaging is a great option for many of our products. The recyclable MetsäBoard Classic FBB is safe to use for direct food contact and provides protection at low basis weights, which helps us reduce the amount of packaging material."





# Governance

We are committed to promoting responsible practices in our own operations and value chain, and to confirming the origin of our raw materials.

## Why it matters

Clear and well-defined responsibilities, policies, and processes for sustainability are crucial to ensuring that ethical, social, and environmental principles are integrated into decision-making and everyday operations alongside financial profitability.

	Target 2030	Actual 2025
<b>Promoting ethical corporate culture</b>		
Employee experience on ethical corporate culture implementation, Ethics index (scale 0–100)	100	79 ●
<b>Promoting sustainable and ethical practices in our supply chain</b>		
Share of certified wood fibre, %	100	92 ●
Traceability of raw materials, share of total purchases, %	100	95 ●
Suppliers' commitment to the Supplier Code of Conduct, share of total purchases, %	100	99.5 ●
Supplier assessments and audits of core suppliers, %	100	77 ●
MG: Joint sustainability target with partner suppliers, %	100	100 ●

MG: The target is set at the Metsä Group level

# Promoting responsibility in everything we do

**G** Sustainability is embedded in our strategy, risk management, and both long-term and annual planning. Our daily efforts are guided by key policies, clearly defined processes, and proven best practices.

## Customer benefits

- A trustworthy business relationship based on good business conduct, a responsible value chain, and traceable raw materials

## In focus

- The sustainability of our business conduct is guided by applicable legislation, our values, Metsä Group's Code of Conduct, and various policies approved by the Board of Directors of Metsä Board
- Procurement processes seek to ensure that all our partners operate sustainably and responsibly to minimise any risks in the supply chain related to matters such as the environment, safety, corruption, the use of child labour, and human rights violations

## Actions

### Sustainability and responsibility in our own operations

The Board of Directors, CEO, and Corporate Leadership Team are responsible for sustainability matters at Metsä Board.

Sustainability is incorporated into our strategy, long-term business and investment plans, risk assessments, and annual action plans approved by the Board of Directors.

In accordance with the Code of Conduct, we are committed to complying with the UN Guiding Principles on Business and Human Rights and respecting internationally recognised human rights, as set out in the UN Universal Declaration of Human Rights and the International Labour Organization (ILO)'s labour standards.

As part of Metsä Group, we have supported the UN Global Compact initiative and its principles on human rights, labour, the environment, and anti-corruption since 2003.

### Ensuring the origin of wood

Wood from Northern European forests is the main raw material of our products. Wood and purchased pulp account for 90% of our raw material consumption by weight.

Metsä Board's wood supply is ensured by Metsä Group's Wood Supply and Forest Services, Metsä Forest.

Metsä Group has wood supply organisations in Finland and Sweden. In all wood procurement countries, we have a close cooperation with forest owners and local contract entrepreneurs who harvest, transport, and do forestry work. In addition, all the countries have legislation in place to ensure the renewal of forests after regeneration felling.

All the wood we use is traceable and meets the requirements of the PEFC Chain of Custody and FSC Chain of Custody. In 2025, 92% of the wood used by Metsä Board originated from certified forests, and the remaining 8% were from forests that met the requirements of FSC Controlled Wood and PEFC Controlled Sources.

Read more about forest-related topics on pages 16–23.

WOOD PROCUREMENT BY COUNTRY, %	2025
Finland	55
Sweden	35
Baltic countries	11
Others	0.001



All the wood we use is traceable, and we work closely with forest owners and local entrepreneurs who handle harvesting, transport, and forestry work.

## KEY POLICIES AND PRINCIPLES

<b>Code of Conduct</b>	Defines our commitment to ethical behaviour, the prevention of corruption and misconduct, respect for human rights, the promotion of equality and safety, continuous improvement in environmental performance, and ensuring product safety.
<b>Supplier Code of Conduct</b>	Outlines the core elements of ethical business practices, including prevention of corruption and bribery, respect for human rights and fundamental labour principles, a safe and non-discriminatory workplace, and environmental responsibility.
<b>Environmental policy</b>	Defines a commitment to sustainable forestry, consideration of environmental impacts in operations and the supply chain, continuous improvement of environmental efficiency, transition to fossil-free production, and active stakeholder collaboration.
<b>Human resources policy</b>	Covers principles related to responsible conduct, leadership, and resource planning, as well as recruitment, compensation, rewards, and the development of personnel and organisations.
<b>Equality policy</b>	Defines the stance on equality and non-discrimination in all work-related activities, and commitment to treating everyone equally, fairly, and respectfully.
<b>Anti-Corruption Principles</b>	Outlines our commitment to compliance and prohibition of corruption in any form, and describes the process for raising concerns and the possible consequences of breaches.
<b>Principles for forest use and management</b>	Defines our commitment to regenerative forestry, enhancing biodiversity, sustainable wood supply, stakeholder engagement, climate action, and compliance with legislation and certifications.

Our public policies and Anti-Corruption Principles are available on [metsagroup.com](https://metsagroup.com), and the Principles for forest use and management are available on [metsagroup.com/metsaforest](https://metsagroup.com/metsaforest).

# Processes to ensure the sustainability and responsibility of suppliers

	Committing to sustainability	Supplier screening and risk analysis	Supplier assessment and audits
<b>Wood raw material</b>	<ul style="list-style-type: none"> <li>• Agreement</li> <li>• Sustainability assurance, with sustainability requirements and obligations for the wood supplier and forest owner</li> <li>• Supplier Code of Conduct and Metsä Group wood origin appendix for industrial partners</li> <li>• Chain of custody certificate for all wood</li> <li>• Forest management certification for certified wood</li> </ul>	<ul style="list-style-type: none"> <li>• Practices and due diligence processes aligned with the requirements of the PEFC Chain of Custody, FSC Chain of Custody, the EU Timber Regulation (EUTR), and the EU Deforestation Regulation (EUDR), once it enters into application</li> <li>• Know Your Business Partner process for industrial partners</li> </ul>	<ul style="list-style-type: none"> <li>• Cooperation with forest owners and local contract entrepreneurs in harvesting, transport, and forestry work</li> <li>• Compliance questionnaires and assessments for industrial partners</li> <li>• Internal and third-party audits onsite and offsite</li> </ul>
<b>Other raw materials and services</b>	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct</li> <li>• An agreement may contain, for example, further sustainability requirements regarding the environment, product safety, and certification</li> </ul>	<ul style="list-style-type: none"> <li>• Know Your Business Partner process</li> <li>• Country risk analysis</li> <li>• Industry-specific risk analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Further assessments of core suppliers and risky suppliers</li> <li>• Internal and third-party audits onsite and offsite</li> </ul>

## Procurement of other raw materials

The procurement of services and raw materials other than wood is centrally handled by Metsä Group's Procurement and Logistics organisation.

All Metsä Board's suppliers are expected to commit to the Metsä Group Supplier Code of Conduct or their own equivalent principles, and must pass background checks to be selected as our suppliers.

In the Know Your Business Partner process, the supplier's background is checked for any risks related to trade sanctions, corruption, money laundering, human rights violations, and other misconduct before a binding agreement is concluded. The same checks are also conducted regularly during the ongoing business relationship.

More detailed supplier assessments focus on core suppliers and other suppliers operating in areas and industries with potential risks identified related to human rights, corruption, or the environment.

Assessment tools include EcoVadis assessments, specific questionnaires, and audits focusing on ethics, environmental responsibility, occupational safety, and quality.

Supplier assessments and audits are used to make development proposals, if needed, and to monitor any agreed corrective actions.

Metsä Group has set joint sustainability targets with its partner suppliers. The cooperation continues with more detailed planning and implementation to achieve our joint targets.



**Our procurement practices are designed to minimise supply chain risks, including those related to the environment, health, corruption, and human rights.**

**Metsä Board** is a producer of lightweight and high-quality folding boxboards, foodservice boards and white kraftliners. The fresh wood fibres we use in our products are a renewable and recyclable resource, that can be traced back to Northern European forests. We aim to phase out the use of fossil energy in our production by 2030. We promote a culture of diversity, equality and inclusion. Metsä Board's shares are listed on the Nasdaq Helsinki.

In 2025, our sales totalled EUR 1.8 billion, and we employ about 1,900 people. Metsä Board is part of Metsä Group, whose parent company Metsäliitto Cooperative is owned by approximately 90,000 Finnish forest owners. Total sales of Metsä Group were EUR 5.8 billion.

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Metsä Board's annual reporting for 2025 includes the Annual Review and the Sustainability Review.  
[metsagroup.com/metsaboard](https://metsagroup.com/metsaboard)



Metsä Board Annual Review 2025



Metsä Group Annual Review 2025

→ Read more in our Sustainability statement 2025, G1 – Business conduct



# Growth, with a future