

Metsä Board  
Corporate governance statement 2023



# Corporate governance statement

## ■ Introduction

This Corporate Governance Statement of Metsä Board Corporation (“Metsä Board” or the “Company”) has been prepared in accordance with the Finnish Corporate Governance Code 2020 (the “Corporate Governance Code”), published by the Finnish Securities Market Association, and has been issued separately from the Report of the Board of Directors and published simultaneously with the Company’s financial statements and the Board of Directors’ Report. The Corporate Governance Code is available at <https://cgfinland.fi/en/corporate-governance-code/>.

Metsä Board is a Finnish public limited company whose A and B series shares are publicly traded on the official list of NASDAQ Helsinki Ltd (Helsinki Stock Exchange). The governance of Metsä Board is based on, in particular, the Finnish Limited Liability Companies Act (“Companies Act”), the Company’s Articles of Association and regulations issued under the Finnish laws, the rules and recommendations of Helsinki Stock Exchange applicable to listed companies, as well as the regulations and guidelines issued by the Finnish Financial Supervisory Authority. Metsä Board complies with the Corporate Governance Code and does not currently deviate from any specific recommendations of the Code.

This Statement has been reviewed by the Audit Committee of the Board of Directors. The Company’s auditor has verified that this Statement has been issued, and that the description of the main features of the internal control and risk management systems relating to the financial reporting process contained in the report is consistent with the financial statements.

## ■ Corporate governance in Metsä Board

The Company’s statutory bodies are the General Meeting, the Board of Directors and the CEO, whose duties and responsibilities are determined in accordance with the Companies Act. The coordination of the Company’s operations and operational management is also ensured by a Management Team assisting the CEO, whose members (including the CEO) are not members of the Board of Directors.

### General Meeting

The General Meeting is the highest decision-making body, at which shareholders exercise their decision-making power. Each shareholder has the right to participate in the General Meeting by following the procedure described in the notice of the General Meeting. The General Meeting decides on the matters that fall within

the competence of General Meeting under the Companies Act and the Articles of Association, such as:

- approval of the financial statements;
- distribution of profits;
- granting discharge to the members of the Board of Directors and the CEO;
- election of the members of the Board of Directors and the remuneration of the members of the Board of Directors;
- advisory approval of the remuneration policy and the remuneration report;
- the appointment and remuneration of the auditor and the sustainability auditor;
- other matters proposed to the General Meeting.

A shareholder has the right to have a matter before the General Meeting of Shareholders if they request the Board of Directors in writing in sufficient time to allow the matter to be included in the notice of the meeting. In 2024, the deadline was 12 January 2024. The Annual General Meeting of the Company is held no later than June each year. The notice of the Annual General Meeting shall be given no earlier than three months and no later than three weeks before the meeting, but at least nine (9) days before the record date of the Annual General Meeting, by means of a stock exchange release and publication on the Company’s website and in full or in summary in at least one newspaper published in Finland.

An Extraordinary General Meeting will convene if the Board of Directors considers it necessary, or if the auditor or shareholders representing at least 10% of all shares request it in writing to deal with a specific matter.

### Board of Directors

The duties of Metsä Board’s Board of Directors are determined in accordance with the Finnish Limited Liability Companies Act, the Company’s Articles of Association and the written rules of procedure approved by the Board of Directors. Metsä Board’s Board of Directors is responsible for the management of the Company and the proper organisation of its operations. The Board of Directors is responsible for the proper organisation of the Company’s financial management and accounting control. The Board is also

## METSÄ BOARD’S GOVERNANCE MODEL



responsible for the direction and supervision of Metsä Board Group. Taking into account the scope and nature of the Company's activities, the Board of Directors is responsible for matters that are economically, commercially or principally significant and far-reaching and thus not part of the day-to-day management of the business. Among other things, the Board decides on the Company's strategy, major investments, organisational structure and important financial matters. The Board of Directors ensures that the Company operates responsibly and takes the interests of the Company's other stakeholders, as well as the collective interests of shareholders, into account.

Metsä Board's Board of Directors has written rules of procedure for its activities. Accordingly, the Board of Directors shall, among other things:

- nominate and dismiss the CEO and the deputy CEO and decide on the CEO's terms of engagement;
- organise the Company's accounting, financial and risk management, and the supervision of the financial and sustainability reporting process, as well as analyse the risks that are the most significant for the group;
- supervise the CEO's management of the Company's operative management in line with the Board's instructions and orders;
- adopt the Company's values and the Board's diversity policy;
- monitor and guide the Company's contribution to sustainable development;
- review and adopt the Company's long-term action plan, strategy, annual action plan and budget;
- decide on significant investments, corporate transactions, and take decisions on acquisitions, mergers, divestments and closures of business operations;
- decide on significant financing arrangements, including debt financing, the provision of securities and subsidiary capitalisation;
- decide on the assignment or pledging as securities of the Company's significant fixed assets;
- decide on the granting of donations to the extent that they do not fall within the competence of the General Meeting;
- decide on the delegation of its powers, subject to express limits of approval and rules of delegation, and the granting and revoking of representation rights;

- convene an Annual General Meeting and supervise the implementation of resolutions it passes;
- sign and present to the Annual General Meeting the financial statements and the Board of Directors' annual review, including the sustainability statement, and prepare a proposal for dividend distribution;
- approve and publish a financial statement bulletin, half-year financial report and interim reports for each quarter;
- adopt the key policies guiding the Company's business operations; insider guidelines and disclosure policy governing communications, and supervise their application;
- decide on remuneration schemes, their criteria and conditions, as well as monitor their implementation.

The Board of Directors' rules of procedure are available in their entirety on the Company's website at <https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-board-working-order.pdf>. The Board of Directors may delegate within its general competence to the CEO and, conversely, may take a decision on a matter within the general competence of the CEO.

On an annual basis, the Board of Directors assesses its own operation and the Company's corporate governance principles and makes any necessary changes to them.

### **Composition, diversity and independence of the Board of Directors**

The composition and number of members of the Board of Directors must enable it to carry out its duties effectively. The composition of the Board of Directors takes into account the stage of development of the Company, the ownership base, the specific requirements of the industry and the needs of the Company's operations. The Board's objective is to create a diverse Board, but with the proviso that those elected to the Board must have the necessary qualifications and be able to devote the time required to perform their duties. The Board of Directors is composed of female and male members.

The Board of Directors has adopted a Diversity Policy, which is available on the Company's website. The Board of Directors recognises the benefits that a diverse Board composition brings to the Company and its shareholders. Diversity

supports the Board's open working atmosphere, independent role and decision making. The Board's key role is also to proactively and consistently support and challenge the Company's executive management from a wide range of perspectives. The successful performance of the duties of the Board and its Committees requires a diversity of composition, skills and experience, as well as consideration of the personal qualities of individual Board members. Furthermore, diversity must support the current stage of development of the Company and meet its future needs and business development.

Metsä Board has identified experience in different industries and the international operating environment as essential for the diversity of the Board of Directors, in addition to knowledge of the Company's industry. The Board members' complementary educational backgrounds, management experience in different areas of the business, and diverse age and gender distribution have also been identified as factors contributing to diversity. Metsä Board's objective is to have both women and men represented on the Board. The Nomination and HR Committee of the Board takes the diversity principles into account when proposing the composition of the Board to the Annual General Meeting each year. The achievement of the Board's diversity objectives is monitored as part of the normal activities of the Board and its Nomination and HR Committee.

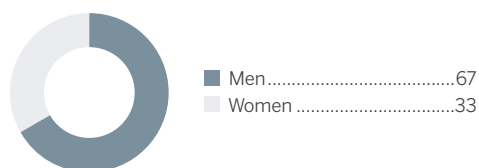
According to the Articles of Association, the Board of Directors shall consist of at least five and at most ten ordinary members elected by the shareholders at the Annual General Meeting for a term of office starting from the end of the General Meeting that elected the member and continuing until the end of the next Annual General Meeting. There is no limit to the number of consecutive terms of office. The Board of Directors shall elect a Chair and Vice Chair from among its members.

In 2023, the Board of Directors had nine (9) members, of whom 66.67% were men (6) and 33.33% were women (3). The age range of the Board members was 44–68 years.

Of the nine (9) members of the Board of Directors, 88.89% of the members (8) were independent of the Company, and 66.67% (6) were independent of a major shareholder of the Company.

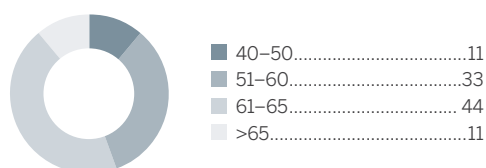
## GENDER DISTRIBUTION

%



## AGE DISTRIBUTION

%



No members of the Board of Directors are executive officers of the Company.

The representation of employees in the management of the Company is organised so that the management team of each of the Company's production facility includes one employee representative.

The Board as a whole has extensive experience in good corporate governance, international business and management, either in operational or fiduciary positions in various industries, including the forest industry, forestry, engineering, the food industry and auditing. In addition, the majority of the Board members have experience in pulp, board and/or paper products. The Board also has years of experience in managing sustainability issues and assessing the risks and opportunities involved. The composition of the Board of Directors and a summary of the Board members' work history and positions of trust can be found below in the Board members' introduction and on the Company's website, <https://www.metsagroup.com/metsaboard/investors/corporate-governance/board-of-directors/>.

In financial year 2023, the Board held a total of 14 meetings. Board members attended 97% of the meetings (97% attendance in 2022 and 99% in 2021).

## Attendance at Board and committee meetings by member

Member of the Board of Directors	Number of Board meetings	Attendance rate (%)	Independence from the Company	Independence from the major shareholder
<b>Ilkka Härmälä</b> (Chair of the Board)	14/14	100	No	No
<b>Jussi Linnaranta</b>	14/14	100	Yes	No
<b>Hannu Anttila</b>	13/14	92	Yes	Yes
<b>Raija-Leena Hankonen-Nybohm</b>	13/14	92	Yes	Yes
<b>Erja Hyrsky</b>	14/14	100	Yes	Yes
<b>Mari Kiviniemi</b>	14/14	100	Yes	Yes
<b>Mikko Mäkimattila</b> (as of 23 March 2023)	14/14	100	Yes	No
<b>Jukka Moisio</b>	11/11	100	Yes	Yes
<b>Timo Saukkonen</b> (until 23 March 2023)	3/3	100	Yes	No
<b>Veli Sundbäck</b> (until 23 March 2023)	3/3	100	Yes	Yes
<b>Juha Vanhainen</b> (as of 23 March 2023)	11/11	100	Yes	Yes

## Board of Directors' Committees

The Board of Directors may decide to set up committees, if necessary, to prepare and discuss matters falling within its competence, with the assistance of the Board of Directors. The Board has appointed an Audit Committee and a Nomination and HR Committee from among its members. The Board of Directors appoints the chair and members of each committee annually after the Annual General Meeting. The Board and its committees may also be assisted by external advisors.

Based on the proposals of the committees, the final decisions on matters within the scope of the committees' duties are taken by the Board of Directors, with the exception of proposals on the composition and remuneration of the Board of Directors made directly to the General Meeting by the Nomination and HR Committee.

## Audit Committee

The role of the Audit Committee is to assist the Board in ensuring the accuracy, balance, transparency and clarity of the Company's financial reporting, accounting methods, financial statements, and other financial information as well as sustainability reporting disclosed by the Company. The Audit Committee regularly reviews the internal control and governance systems and monitors the progress of the reporting of

financial and sustainability risks and the financial and sustainability audit. The Audit Committee assesses the effectiveness and scope of internal audit, the Company's risk management, key risk areas, and compliance with laws and regulations. It assesses the independence of the auditor and audit firm and makes a recommendation to the Board on the election of the Company's auditor. The Audit Committee also reviews the internal audit's half-yearly action plans and reports on significant audits.

The members of the committee must have sufficient expertise in accounting and financial reporting. The Audit Committee meets regularly, at least four times a year. In connection with its meetings, the committee shall consult the Company's auditor. The Chair of the committee shall report to the Board of Directors on each meeting of the Audit Committee. The duties and responsibilities of the Audit Committee are set out in its charter, which is approved by the Board of Directors (<https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-rules-of-procedure-for-audit-committee.pdf>).

The Company's auditor, the CEO and CFO, as well as other management representatives and external advisors, are also represented at the Audit Committee meetings when invited by the committee.

The board members listed below have acted as members of the Audit Committee since the Annual General Meeting 2023. The members of the Audit Committee are independent of the Company and its major shareholder.

The Audit Committee met five times during 2023. The attendance rate of Committee members was 92% (100% in 2022 and 2021).

Audit Committee member	Number of meetings	Attendance rate (%)
Raija-Leena Hankonen-Nyblom (Chair)	5/5	100
Hannu Anttila	5/5	100
Mari Kiviniemi	5/5	100
Jukka Moisio	4/5	80
Juha Vanhainen (as of 23 March 2023)	4/4	100

## Nomination and HR Committee

The purpose of the Nomination and HR Committee is to assist the Board of Directors in matters related to the appointment and remuneration of the Company's CEO, any Deputy CEO and senior management, and prepare matters related to the incentive schemes for management and employees. In addition, the committee prepares a proposal for the Annual General Meeting on the number of Board members, the Board composition and the remuneration for Board members. The committee also recommends, prepares and presents for the Board's approval the appointment of the CEO (and any Deputy CEO), as well as their salary and compensation. The committee also prepares and provides recommendations to the Board and the CEO concerning matters related to the remuneration and incentive schemes of management and employees.

The committee consists of five Board members. It convenes on a regular basis, at least four times a year. The Chair of the committee presents the committee's proposals to the Board. The tasks and responsibilities of the Nomination and HR Committee are specified in the committee's rules of procedure approved by the Board of Directors (<https://www.metsagroup.com/globalassets/metsa-board/documents/investors/corporate-governance/en/general/metsa-board-nomination-and-hr-committee-charter.pdf>).

The board members listed below have acted as members of the Nomination and HR Committee since the Annual General Meeting 2023.

The Nomination and HR Committee met four times during 2023. All members attended all meetings (100% attendance also in 2022 and 2021).

Members of the Nomination and HR Committee	Number of meetings	Attendance rate (%)
Ilkka Hämälä (Chair)	4/4	100
Erja Hyrsky	4/4	100
Jussi Linnaranta	4/4	100
Timo Saukkonen (until 23 March 2023)	1/1	100
Veli Sundbäck (until 23 March 2023)	1/1	100
Mikko Mäkimattila (as of 23 March 2023)	3/3	100

## Chief Executive Officer

Chief Executive Officer Mika Joukio (born in 1964), M.Sc. (Eng.), MBA, is responsible for the daily management of the Company's administration in accordance with the guidelines and instructions provided by the Board. The CEO is also responsible for ensuring that the Company's accounting has been carried out in

accordance with applicable legislation, and that asset management has been organised in a reliable manner. The CEO manages the Company's daily business and is responsible for controlling and steering the businesses.

The CEO has a written CEO contract approved by the Board of Directors. The Board of Directors supervises the CEO's performance

and provides a performance evaluation once a year. The CEO is covered by the Employees Pensions Act, which provides for a pension compensation based on service years and earnings. In the Finnish earnings-related pension system, basic salary, remuneration and taxable fringe benefits are included in earned income, whereas income from options and share-based incentive schemes for management are not. The Company has commissioned an extra pension insurance policy for the CEO, entitling the CEO to retire at the age of 62. The maximum level of the CEO's pension is 60% of the total salary under the Employees Pensions Act, calculated on the basis of the five-year period preceding retirement.

The Board of Directors appoints and dismisses the CEO. The CEO may be discharged by the Board of Directors' without a specific reason. The CEO can also resign from their assignment. The mutual period of notice is six months. However, the Board may decide to discharge the CEO without a notice period. If the Board terminates the CEO's contract, the CEO is entitled to discharge compensation equal to their 12-month salary.

## Deputy to the CEO

The Board of Directors may appoint a deputy to the CEO. The Deputy CEO shall be responsible for the duties of the CEO in the event of the CEO's absence. Currently, no deputy has been appointed for the CEO.

## Corporate Management Team

In the operative management of Metsä Board, the CEO is assisted by the Corporate Management Team, which consists of Mika Joukio, CEO, with function heads Markku Leskelä (Development), Jussi Noponen (Sales and Supply Chain), Harri Pihlajaniemi (Production and Technology), Henri Sederholm (Finance) and Camilla Wikström (Human Resources), who all report to the CEO. Ari Kiviranta, the Company's Chief Technology Officer, retired on 31 October 2023. Ari Kiviranta's responsibilities were transferred to Harri Pihlajaniemi as of 1 November 2023.

The tasks and responsibilities of the Corporate Management Team include investment planning, the development and preparation of the Company's strategic guidelines, the allocation of resources, the supervision of day-to-day operations and the preparation of several matters for the Board of Directors. As a rule, the Corporate Management Team meets once a

month at the invitation of the CEO, and whenever necessary.

The members of the Corporate Management Team have written employment or service contracts. With the exception of the CEO, they have no pension arrangements other than the statutory pension scheme. The period of notice for members of the Executive Board is six months on either side.

## ■ Internal control, internal audit and risk management

Effective business requires that operations are monitored continuously and effectively. Metsä Board's internal management and control procedure is based on the Companies Act, other laws and regulations applicable to listed companies, the Articles of Association, the rules and recommendations of the Helsinki Stock Exchange, the recommendations of the Good Corporate Governance Code and the Company's own approved policies and principles. The effectiveness of internal control is assessed by the Company's Internal Audit function. Internal control is implemented throughout the organisation. Internal control methods include internal guidelines and reporting systems that support controls. External control is the responsibility of Metsä Board's auditor and the authorities. Metsä Board's internal control, risk management and internal audit principles, operational objectives, and responsibilities are described below. Internal control and risk management for sustainability reporting is described in the Sustainability Report included in the Company's Annual Review in the Risk management and internal control for sustainability reporting section.

### Internal control

At Metsä Board, internal control includes financial reporting, sustainability reporting and other operational controls. Internal control is carried out by the Board of Directors and the acting management, as well as the entire staff. Internal control aims to ensure the achievement of the Company's goals and objectives, the economical, appropriate and efficient use of resources, the reliability and accuracy of financial and other management information and sustainability data, compliance with external regulations and internal procedures, adequate safeguarding of operations, data and assets, and adequate and properly organised manual and IT systems to support operations.

Internal control is divided into (i) preventive control such as establishing the Company's values, general operating and business principles, (ii) day-to-day control such as directing and monitoring activities, including operating systems and work instructions, and (iii) ex-post control such as management assessments and reviews, and comparisons and verifications to ensure the achievement of objectives and to monitor compliance with agreed operating and control principles. The Company's corporate culture, management style and approach to control together form the basis of the overall internal control framework.

### Monitoring of the financial reporting process, credit control and authorisation rights

The financial organisations of the different functions and central administration are responsible for financial reporting. The units report their financial figures each month. The units' controller functions check their units' monthly performance and submit a performance report to central administration. The functions' profitability development and business risks and opportunities are discussed at monthly meetings attended by the Company's and each function's management. The result is reported to the Board and Corporate Management Team monthly. The Board presents the financial statements to the Annual General Meeting for approval, approves the financial statement bulletin and interim reports, and decides on their publication. The rules for reporting and control, as well as the reporting process, are described in greater detail in the Company's internal guidelines.

Credit control in Metsä Board has been centralised to a Credit Committee, which convenes at least quarterly. Credit controllers monitor the trend in trade receivables in each sales company under the supervision of the Metsä Group's Director, Credit Management. Counterparty-specific credit limits are set within the boundaries of the credit policy confirmed by the Board in cooperation with centralised credit control, sales and financial management. The development of credit risks is regularly reported to the Board of Directors.

Authorisation rights concerning expenses, significant contracts and investments have been specified progressively for different organisation levels according to the decision-making authority policy confirmed by the Board and

the authority separately granted by the CEO and other management personnel. Investment follow-up is carried out by the Metsä Group's financial administration in accordance with the investment policy confirmed by the Board. After pre-approval, investments are handled by the functions' Management Teams and the Corporate Management Team within the framework of the annual investment plan. The most significant investments are separately submitted to the Board for approval. Investment follow-up reports are compiled quarterly.

### Internal auditing

Internal auditing is an independent and objective assessment, assurance and consulting activity designed to add value to Metsä Board and improve its operations.

Internal auditing assists the Board of Directors in its supervisory role and supports Metsä Board and its management in achieving the Company's objectives by providing a systematic approach to assessing and improving the effectiveness of risk management, control, governance and management processes.

Metsä Board's internal auditing is carried out by Metsä Group's internal audit unit. Audit work is carried out in compliance with the internal audit guidelines approved by the Audit Committee. The internal audit function reports to the Audit Committee on operations and to Metsä Group's President and CEO on administration.

Internal auditing draws up a six-monthly action plan which is approved by the Audit Committee. Auditing is risk-based and focuses on the Company's activities and units that are considered to be key to achieving the objectives set for operations. In cooperation with the audit function, internal auditing sees to the coordination of plans to ensure adequate coverage of auditing and avoid overlapping work. Similarly, cooperation is carried out with Metsä Group's other assurance functions such as risk management, internal controls and compliance.

The results of the audit are compiled in an audit report, which is shared with Metsä Board's CEO and CFO, the management of the audited entity, and the persons in charge. The audit reports are submitted to Metsä Group's President and CEO, CFO, auditor and to other Group management if required for the purposes of information.

Internal auditing provides the Audit Committee with a six-monthly summary report on the audits carried out, the main findings and

recommendations, and the management action plans and their implementation. The Chair of the Audit Committee and the Audit Director also meet regularly without the presence of management.

## Risk management

Risk management is an essential part of Metsä Board's standard business planning and leadership. Risk management is part of daily decision making, operations follow-up and internal control, helping promote and ensure the achievement of the Company's objectives.

The effective coordination of business management and risk management is based on the operating principles approved by the Board of Directors, which are designed to keep the overall risk management system clear, understandable and sufficiently practical. Risks and their evolution are regularly reported to the Audit Committee of the Board of Directors.

The key objective of risk management is to identify and evaluate the risks, threats and opportunities that may have an impact on the implementation of the strategy and the achievement of short- and long-term objectives. The businesses regularly evaluate and monitor the risk environment and related changes as part of their normal operational planning. The risks identified and their management are reported to the Audit Committee and the Board at least twice a year. Business risks also involve opportunities, and they can be capitalised on within the boundaries of the agreed risk limits. Conscious risk-taking decisions must always be based on an adequate evaluation of the risk-bearing capacity and the profit/loss potential, among other matters. Such an evaluation must be conducted before any pre-engineering and execution phases of projects and investments.

Responsibilities for risk management are shared between the different governing bodies. The Board of Directors is responsible for risk management and approves the risk management policy, while the Audit Committee assesses the Company's risk management levels and practices and key risk areas and makes proposals to the Board of Directors in this regard.

The CEO and the Corporate Management Team are responsible for defining and implementing risk management policies and are also responsible for ensuring that risks are taken into account in the Company's planning processes, and that they are adequately and appropriately development of Metsä Board's risk management process are coordinated by Metsä Board's Risk Committee. Based on the risk mapping conducted twice a year, the Risk Committee compiles a summary of the key risks, which the CEO presents to the Board of Directors after it has been handled by the Corporate Management Team. The business and support functions identify and assess the material risks in their respective areas of responsibility in their planning processes, prepare for them, take the necessary preventive measures and report on the risks as agreed.

The key elements of Metsä Board's risk management include implementing a comprehensive risk management process that supports the entire business, protecting assets and ensuring business continuity, corporate security and its continuous improvement, as well as crisis management and continuity and recovery plans. In line with the Risk Management Policy and Principles, adequate risk assessment is part of the pre-appraisal and implementation phases of projects that are financially or otherwise significant.

Metsä Board's risk management function is to:

- ensure that all identified risks affecting personnel, customers, products, property, information assets, corporate image, corporate responsibility or operational capacity are managed in accordance with the law and on the basis of the best available information;

- ensure the achievement of the objectives set for the Company;
- meet the expectations of stakeholders;
- protect assets and ensure business continuity;
- optimise the profit/loss potential ratio; and
- ensure the management of the Company's overall risk exposure and the minimisation of overall risks.

The most significant risks and uncertainties known to the Company are described in the Report of the Board of Directors.

## Auditing

According to Metsä Board's Articles of Association, the Company has one auditor, which must be an auditing firm approved by the Finnish Patent and Registration Office, with the principal auditor being a Chartered Accountant. The auditor is elected annually by the General Meeting of Shareholders at the Annual General Meeting. The Company's audit services have been tendered for the financial years 2011 and 2021 under the guidance of the Audit Committees of the Company and the parent company Metsäliitto Cooperative. Based on the 2011 tender, PricewaterhouseCoopers Oy, the Company's long-term auditor, was replaced by KPMG Oy Ab at the Annual General Meeting in the spring of 2012. The audit was put out to tender in 2021, and in accordance with the decision of the Annual General Meeting in the spring of 2023, the Company's auditor will be KPMG Oy Ab, which appointed Kirsi Jantunen, KHT, as its principal auditor. The Audit Committee oversees the auditor selection procedure and makes recommendations to the Board of Directors on the proposal to the Annual General Meeting regarding the selection of the auditor and the auditor's remuneration.

In 2023, audit fees were paid as follows:

Audit fees	2023	2022
Audit fees to KPMG Oy Ab	EUR 260,000	EUR 232,000
International fees	EUR 251,000	EUR 223,000
For services unrelated to the audit proper, incl. certification of the sustainability report	EUR 32,000	EUR 0
<b>Total</b>	<b>EUR 543,000</b>	<b>EUR 455,000</b>
To other audit firms than KPMG Oy Ab	EUR 12,000	EUR 11,000
<b>Total</b>	<b>EUR 555,000</b>	<b>EUR 466,000</b>

## Insider administration

For insider matters, Metsä Board and its group companies comply with Finnish laws, especially the Securities Markets Act, Regulation No 596/2014 of the European Parliament and of the Council on market abuse (MAR) and supporting orders and regulations, as well as the insider guidelines of NASDAQ Helsinki Ltd (Helsinki Stock Exchange) (<https://www.nasdaq.com/market-regulation/nordics/helsinki>). Based on the above provisions, the Company has approved its own insider guidelines.

Pursuant to MAR Article 14 and Chapter 51 of the Criminal Code, a person who possesses inside information shall not (i) engage or attempt to engage in insider trading by acquiring or transferring financial instruments on their own account or on behalf of a third party, (ii) recommend that another person engage in insider trading or induce another person to engage in insider dealing, and (iii) unlawfully disclose inside information to another person unless such disclosure is made as part of carrying out normal work duties. The goal of insider administration is to enable people considered the Company's insiders to openly hold shares in the Company while maintaining public trust in the trading and price formation involving the Company's securities. The Company recommends only long-term investments. Insiders are provided with instructions and training at regular intervals.

The Company does not maintain a permanent company-specific insider register. If necessary, the Company will, by decision of the Chair of the Board of Directors, establish an insider project, which will include all persons involved in the preparation of a specific project containing insider information. The Company's directors subject to the disclosure requirement include the members of the Board of Directors and the CEO. The ownership of these persons and of natural and legal persons related to them is public, as each of them has an independent duty of disclosure to the Company and the Supervisory Authority in respect of their transactions in Metsä Board shares and other financial instruments. Metsä Board publishes the notifications of transactions it receives in the form of stock exchange releases.

Directors who are required to report are prohibited from trading in the Company's shares and other financial instruments during the

period between the end of the reporting period and the end of the publication date of the interim report (but always for at least 30 calendar days – the "closed window").

Metsä Board maintains a list of persons who, in the course of their duties, are involved in the preparation and communication of interim reports, the financial statements release and the annual financial statements and thus may receive inside information. These persons are covered by the Company's closed window and are therefore subject to the trading restriction mentioned above.

## Related party transactions

The Board of Directors has defined the principles for monitoring and evaluating related party transactions. The Company has contractual relationships with the parent company Metsäliitto Osuuskunta and its sister companies Metsä Fibre Oy and Metsä Tissue Oyj in the normal course of business. The most significant of these are related to the procurement of raw materials such as wood and pulp and the operation of joint integrated mill sites.

The Board of Directors decides on contractual relations with related parties unless the matter is related to the normal business of the Company and is of minor importance. In situations in which the Board of Directors deals with a business or other contractual relationship or a relationship with Metsäliitto Cooperative or a related company, the Board of Directors acts in principle without its members who are dependent on Metsäliitto Cooperative or the related company in question. The Audit Committee of the Board of Directors regularly monitors and evaluates the transactions and contractual relationships of the Company and its related parties.

To assess the independence and integrity of directors, directors must disclose to the Company any matters that may affect their ability to act free of conflicts of interest. As of 31 December 2023, the members of the Board of Directors, the CEO and the other members of the Corporate Management Team had no financial loans from the Company or its subsidiaries, and no collateral arrangements existed between them. There were no significant business relationships between these persons or their related parties (as defined in IAS 24) and the Company during 2023.



# Board of Directors of Metsä Board

The Annual General Meeting 2023 elected the following persons as members of the Board of Directors:



## HANNU ANTTILA

1955

M.Sc. (Econ), Teollisuusneuvos (Finnish honorary title)

Member of the Board since 2018

Independent of the Company and its significant shareholder

### Primary working experience:

**Metsä Group**, Executive Vice President, Strategy (2006–2017)

**M-real Corporation** (now Metsä Board Corporation), CEO (2005–2006)

**Metsäliitto Group**, Chief Financial Officer (2003–2004)

**Metsä Tissue Corporation**, CEO, (1998–2003)

**Oy Metsä-Botnia Ab** and **Metsä Serla Corporation** (now Metsä Fibre Oy and Metsä Board Corporation), various management positions

### Positions of trust:

**Metsä Tissue Corporation**, Member of the Board (2004–2018)

**Metsä Fibre Oy**, Member of the Board (2004–2017)

**Pohjolan Voima Oyj**, Member of the Board (2007–2017)

**Teollisuuden Voima Oyj**, Member of the Board (2007–2017)

Shares owned: 52,627 B shares



## RAIJA-LEENA HANKONEN-NYBOM

1960

M.Sc. (Econ.), Authorised Public Accountant degree

Member of the Board since 2021

Independent of the Company and its significant shareholder

### Primary working experience:

#### KPMG Oy Ab:

Chair of the Board (2016–2018)

CEO (2010–2016)

Lead Audit Partner of Large Corporates in Financial Services, Manufacturing and Retail Industry (2006–2019)

Head of Audit (2006–2010)

Various audit and IFRS client engagements in Finland and abroad (1987–2005)

### Positions of trust:

**Cargotec Corporation**, Member of the Board and Chair of the Audit and Risk Management Committee (2023–)

**Danske Bank A/S**, Chair of the Audit Committee (2021–), Member of the Board (2020–) and Member of Remuneration Committee (2020–2021)

**Posti Group Oyj**, Member of the Board and Chair of the Audit, Risk and Sustainability Committee (2020–)

**Helsinki Deaconess Institute Foundation sr**, Member of the Board (2020–) and Chair of the Audit Committee (2022–)

**Directors' Institute Finland ry**, Member of the Board (2021–)

**Savonlinna Opera Festival Support Association ry**, Member of the Board (2018–)

**Jalmari and Rauha Ahokas Medical Foundation sr**, Chair of the Supervisory Board (2018–2022), Member of the Supervisory Board (2013–2017), Chair of the Board (2008–2012), Member of the Board (2005–2007), Member of the Delegation (1999–2004)

Shares owned: 13,131 B shares



## ERJA HYRSKY

1979

M.Sc. (Econ.)

Member of the Board since 2021

Independent of the Company and its significant shareholder

### Primary working experience:

**Unilever Nordics**, Ice Cream Lead, Nordics (2021–)

**Unilever PLC**, Strategy Director, Global Markets (2019–2021)

**Unilever Finland Oy**, Managing Director, Sales Director (2013–2019)

**Procter & Gamble Oy**, various managerial positions in sales (2006–2013)

**Hewlett Packard Oy**, various positions in sales and marketing (2004–2006)

### Positions of trust:

**Finnish Food and Drink Industries' Federation (ETL)**, Member of the Board (2016–2019)

**Polaris Pension Fund**, Chair of the Board (2016–2019)

Shares owned: 14,508 B shares



## ILKKA HÄMÄLÄ

1961

M.Sc. (Engineering)

Vuorineuvos, (Finnish honorary title)

Chair of the Board since 2018

Not independent of the company or its significant shareholder

### Primary working experience:

**Metsä Group**, CEO and President (2018–)

**Metsäliitto Cooperative**, CEO (2018–)

**Metsä Fibre Oy**, CEO (2008–2017)

**Oy Metsä-Botnia Ab** (now Metsä Fibre Oy), previously various management positions

### Positions of trust:

**Metsä Fibre Oy**, Chair of the Board (2018–)

**Metsä Spring Oy**, Chair of the Board (2018–)

**Metsä Tissue Corporation**, Chair of the Board (2018–)

**Finnish-Swedish Chamber of Commerce**, Member of the Council (2023–)

**China Office of Finnish Industries Oy**, Member of the Board (2022–)

**Confederation of European Paper Industries (CEPI)**, Member of the Steering Committee (2020–), Member of the Board (2018–)

**Finnish Forest Industries Federation**, Vice Chair of the Board and the Board's Working Committee (2021–), Chair of the Election Committee (2021–), Member of the Board (2012–),

**Ilmarinen Mutual Pension Insurance Company**, Chair of the Supervisory Board (2021–), Member of the Supervisory Board (2009–),

**Finnish Business and Policy Forum EVA**, Member of the Board (2021–)

**ETLA Economic Research**, Member of the Board (2021–)

**Jyväskylän yliopiston varainhallintatoimikunta**, member (2021–)

**Finnish Chambers of Commerce**, Member of the Delegation (2018–)

**Helsinki Region Chamber of Commerce**, Member of the Delegation (2018–)

**Finnish Quality Association**, Chair of the Board (2020–), Member of the Board (2018–), Member of the Advisory Board (2008–)

**Pohjolan Voima Oyj**, Deputy Member of the Board (2009–)

Shares owned: 294,814 B shares



## MARI KIVINIEMI

1968

MSocSc. (Econ.)

Member of the Board since 2022

Independent of the Company and its significant shareholder

### Primary working experience:

**Finnish Commerce Federation**, Managing Director (2019–)

**OECD**, Deputy Secretary General (2014–2018)

**Finnish Prime Minister** (2010–2011)

**Minister of Public Administration and Local Government** (2007–2010)

**Minister for Foreign Trade and Development and Minister for European Affairs** (2005–2006)

**Member of Parliament**, Finland, (1995–2014)

### Positions of trust:

**The Finnish Fare Foundation**, Member of the Board (2024–)

**Vaasa University**, Chair of the Board (2022–)

**Asian Infrastructure Investment Bank**, International Advisory Panel (2021–)

**Savonlinna Opera Festival's Board of Trustees**, member (2020–)

**Blic Public Affairs**, Member of the Board (2019–2022)

**Messukeskus Helsinki**, Member of Supervisory Board (2019–2021)

**Suomi Mutual**, Member of the Board (2013–2014)

**The Finnish Centre Party**, Leader (2010–2012)

**Helsinki City Council**, member (2005–2012)

**The Finnish Centre Party**, Deputy Party Leader (2003–2008)

**Uusimaa Regional Council**, member (2004–2008)

**Ilkka-Yhtymä Group**, member of Supervisory Board (2006–2007)

**Finnish National Opera Foundation**, Member of the Board (2004–2007 and 2013–2014)

**Lännen Tehtaat Oyj**, Member of Supervisory Board (1996–2005)

**Alko Inc.**, member of Supervisory Board (2002–2003)

**Leonia Bank**, Member of Supervisory Board (1997–2000)

**VR Group Ltd**, Member of Supervisory Board (1995–1997)

Shares owned: 8,685 B shares



## JUSSI LINNARANTA

1972

M.Sc. (Agriculture and Forestry), Agronomist

Member of the Board since 2017, Vice Chair of the Board since 2020

Independent of the Company. Not independent of the Company's significant shareholder

### Primary working experience:

**Thermal entrepreneur** (2003–)

**Forest and Agricultural entrepreneur** (2001–)

**Ministry of Agriculture and Forestry**, Information and Research Centre, various positions (1997–2007)

### Positions of trust:

**Metsäliitto Cooperative**, Member of the Supervisory Board (2004–2016), Member of the Board (2017–), Vice Chair of the Board (2019), Chair of the Board (2020–)

**Pellervo Coop Center**, Member of the Board (2020–)

**Pohjois-Savo Cooperative Bank**, Member of the Representative Council (2014–2017)

**The Central Union of Agricultural Producers and Forest Owners (MTK)**, Member of the Energy Committee (2007–2008, 2014–2016)

Shares owned: 36,211 B shares



## JUKKA MOISIO

1961

M.Sc. (Econ), MBA

Member of the Board since 2020

Independent of the Company and its significant shareholder

### Primary working experience:

**Nokian Tyres plc**, President and CEO (2020–)

**Huhtamäki Oyj**, President and CEO (2008–2019)

**Ahlström Oyj**, various duties (1991–2008), President and CEO (2004–2008)

**McKinsey & Company**, Associate (1989–1991)

### Positions of trust:

**Paulig Oy**, Member of the Board of Directors (2019–), Chair of the Board of Directors (2020–)

**Sulapac Oy**, Chair of the Board of Directors (2019–)

**Atria Oyj**, Member of the Board of Directors (2014–2022)

**Neles Corporation**, Chair of the Board of Directors (2020–2021)

Shares owned: 17,283 B shares



## MIKKO MÄKIMATTILA

1971

M.Sc. (Agriculture and Forestry), Agronomist

Member of the Board since 2023

Independent of the Company. Not independent of the Company's significant shareholder

### Primary working experience:

**RockRobot Oy**, CEO (2021–)

**Forestry and agriculture entrepreneur** (1994–)

**Potila Tuotanto Oy**, CEO (2017–2020)

**Dometal Oy**, CEO, partner (2011–2021)

**Multiva Magyarország Kft.**, CEO of the Hungarian subsidiary (2013–)

**Farmit Website Oy**, CEO (2005–2010)

**Lännen Tehtaat Oyj**, Development manager (2003–2005)

**Suomen Gallup Elintarviketieto Oy**, Research manager (2001–2003)

**Pellervo taloudellinen tutkimuslaitos**, Researcher (1998–2001)

### Positions of trust:

**Metsäliitto Cooperative**, Member of the Board (2020–), Vice Chair of the Board (2023–)

**Pellervo Coop Center**, Member of the Delegation (2023–)

**LähiTapiola Loimi-Häme Regional Mutual Insurance Company**, Member of the Board (2008–2022)

**LocalTapiola General Mutual Insurance Company**, Member of the Supervisory Board (2014–2023)

**Dometal Oy**, Member of the Board (2012–2021)

**Potila Tuotanto Oy**, Member of the Board (2013–2020)

**Lähivakuutus Cooperative**, Member of the Supervisory Board (2011–2014)

**Forestry Management Association Loimijoki**, Member of the Delegation (2005–2019)

Shares owned: 17,283 B shares



## JUHA VANHAINEN

1961

M.Sc. (Process Technology)

Member of the Board since 2023

Independent of the Company and its significant shareholder

### Primary working experience:

**Apetit Plc**, CEO 2015–2019

**Stora Enso Oyj**, EVP and Country Manager of Finland (several different areas of responsibility) 2007–2015

**Stora Enso Oyj**, several director and manager positions 1990–2007

**Kemi Oy**, engineer 1988–1990

### Other positions of trust:

**EKE-Construction Ltd.**, Member of the Board of Directors (2022–)

**Koskisen Corporation Plc**, Chair of the Board of Directors (2020–2023)

**Ponssie Plc**, Member of the Board of Directors (2018–)

**Wihuri Group**, Member of the Board of Directors (2018–2021)

**Ekokem Oyj** (now Fortum Waste Solutions Oy), Chair of the Board of Directors (2015–2016), Member of the Board of Directors and Remuneration Committee (2014–2015)

**FoodDrinkEurope**, Member of the Board of Directors (2018–2019)

**Finnish Food and Drink Industries' Federation (ETL)**, Member of the Board of Directors and Working Committee (2015–2019)

**Sucros Ltd**, Vice Chair of the Board of Directors (2015–2019)

**Pohjolan Voima Oy**, Vice Chair of the Board of Directors and Member of the Remuneration Committee (2008–2015)

**Finnish Forest Industries Federation**, Chair of the Board of Directors and Working Committee (2012–2013), Vice Chair of the Board and Working Committee (2008–2011)

**Confederation of European Paper Industries (CEPI)**, Member of the Board of Directors (2012–2013)

**Stora Enso Suzhou Paper (Suzhou) Co., Ltd.**, Chair of the Board of Directors (2012–2014)

**Ilmarinen Mutual Pension Insurance Company**, Member of Supervisory Board (2009–2015)

**Efora Oy**, Chair of the Board of Directors (2013–2015), Member of the Board of Directors (2009–2013)

**Stora Enso Huatai Paper (Shandong) Co., Ltd.**, Chair of the Board of Directors (2009–2014)

**Stora Enso Arapoti Industria De Papel S.A.**, Member of the Board of Directors (2009–2014)

**Fortek Oy**, Chair of the Board of Directors (2003–2008), Member of the Board of Directors (1999–2003)

Shares owned: 9,460 B shares

The shareholdings also take into account any shares held by controlling entities on 31 December 2023.

# Management Team of Metsä Board

Members of the Company's Management Team:



## MIKA JOUKIO

1964  
Chief Executive Officer  
M.Sc. (Tech.), MBA

Metsä Group employee since 1990. Metsä Board Corporation's Chief Executive Officer since 2014.

### Main positions:

**Metsä Tissue Corporation**, CEO (2012–2014)

**Metsä Board Corporation**, Head of Consumer Packaging (2006–2012)

**Metsä Board Corporation**, Vice President and Mill Manager, Metsä Board Kyro and Metsä Board Tako (2006)

**Metsä Board Corporation**, Vice President and Mill Manager, Metsä Board Kyro (2005–2006)

**Metsä Board Corporation**, Senior Vice President, Corporate Logistics and Supply Chain (2004–2005)

**Metsä Board Corporation**, Vice President and Mill Manager, Metsä Board Äänekoski (2001–2004)

**Various management positions in Metsä Board Corporation since 1990.**

### Positions of trust:

**Husum Pulp AB**, Chair of the Board (2021–)

**Metsä Fibre Oy**, Board of Directors, member (2014–)

**Atria Plc**, Member of the Board (2022–)

**Finnish Forest Industries**, Trade Policy Committee, Chair (2022–)

**Varma Mutual Pension Insurance Company**, Member of the Supervisory Board (2019–)

Shares owned: 315,173 B shares



## MARKKU LESKELÄ

1962  
Senior Vice President, Development  
PhD

Metsä Group employee since 2016. Metsä Board Corporation's Senior Vice President, Development since 2021.

### Main positions:

**Metsä Board Corporation**, Senior Vice President, Development (2021–)

**Metsä Board Corporation**, Vice President, Research and Product Development (2016–2021)

**CLIC Innovation Ltd**, Chief Technology Officer (2012–2015)

**Paperra Oy**, Partner (2010–2012)

**Metsä Wood**, Vice President, R&D (2009–2010)

**Metsä Board Corporation**, Vice President, R&D (2007–2009)

**Metsä Board Corporation**, Vice President, R&D, Head of Technology Centre Kirkniemi (2001–2007)

**Metsä Board Corporation**, various positions in R&D (1991–2001)

**ESPRI/State University of New York**, Syracuse, Visiting Scientist (1990–1991)

**University of Oulu**, Department of Biophysics, Research Scientist (1987–1990)

Shares owned: 23,175 B shares



## JUSSI NOPONEN

1975  
Senior Vice President, Sales and Supply Chain  
M.Sc. (Tech.)

Metsä Group employee since 2000. Metsä Board Corporation's Senior Vice President, Sales and Supply since 2021.

### Main positions:

**Metsä Board Corporation**, Senior Vice President, Sales and Supply (2021–)

**Metsä Board Corporation**, CFO (2016–2021)

**Metsä Group**, Senior Vice President, Group Finance (2009–2016)

**Metsä Board Corporation**, Senior Vice President, Business Control, Graphic Papers (2008)

**Metsä Board Corporation**, Vice President, Group Business Control (2006–2008)

**Metsä Board Corporation**, Business Controller, Folding Cartons (2003–2006)

**Nokia Corporation** (1999–2000) and Metsä Group (2000–2003), SAP system implementation projects in finance

Shares owned: 90,000 B shares



## HARRI PIHLAJANIEMI

1970

Senior Vice President, Production and Technology  
M.Sc. (Tech.)

Metsä Group employee since 2017. Metsä Board Corporation's Senior Vice President, Production and Technology since 2023.

### Main positions:

**Metsä Board Corporation**, Senior Vice President, Production and Technology (2023–)

**Metsä Board Corporation**, Senior Vice President, Production (2017–2023)

**Stora Enso Corporation**, Vice President, Operations Excellence & Investments (2012–2017)

**Stora Enso Corporation**, Mill Director, Publication Paper, Veitsiluoto mill (2011–2012)

**Stora Enso Corporation**, Production Director, Oulu paper mill (2008–2011)

**Stora Enso Corporation**, Production Manager PM 6, Oulu mill (2006–2007)

**Stora Enso Corporation**, Production Manager PM 7, Oulu mill (2004–2005)

**Metsä Board Corporation**, Production Manager PM 3, Kirkniemi mill (2001–2004)

Shares owned: 60,081 B shares



## CAMILLA WIKSTRÖM

1970

Senior Vice President, Human Resources  
M.Sc. (Eng.)

Metsä Group employee since 2002. Metsä Board Corporation's Senior Vice President, Human Resources since 2019.

### Main positions:

**Metsä Board Corporation**, Senior Vice President, Human Resources (2019–)

**Metsä Fibre Oy**, SVP Production, pulp (2018–2019)

**Metsä Fibre Oy**, VP, Äänekoski Mill (2009–2017)

**Oy Metsä Botnia Ab (now Metsä Fibre Oy)**, various positions (2002–2008)

**Herkules Ab**, various positions in sales and customer service (1995–2002)

**Botnia Mill Service Oy**, board member (2018–2019)

Shares owned: 25,015 B shares

No controlling entities of the members of the Corporate Management Team own shares in the Company.



## HENRI SEDERHOLM

1978

Chief Financial Officer  
M.Sc. (Econ.)

Metsä Group employee since 2003. Metsä Board Corporation's Chief Financial Officer since 2021.

### Main positions:

**Metsä Board Corporation**, Chief Financial Officer (2021–)

**Metsä Group**, Senior Vice President, Group Finance (2016–2021)

**Metsä Wood**, Chief Financial Officer (2015–2016)

**Metsä Board Corporation**, Vice President, Finance & Control (2009–2015)

**Metsä Group Treasury**, Long-term Funding (2003–2009)

Shares owned: 50,000 B shares



**Together we make  
the perfect package**

**METSÄ BOARD CORPORATION**  
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