

Metsä Board Oyj

P.O. Box 20, 02020 Metsä, Finland Tel. +358 10 4611

Revontulenpuisto 2 A, 02100 Espoo, Finland Email: firstname.lastname@metsagroup.com

www.metsagroup.com/metsaboard/

TAX STRATEGY OF METSA BOARD UK LIMITED

Metsä Board UK's Tax Strategy is published in accordance with Schedule 19 of the Finance Act 2016.

Tax Risk Management and Governance Arrangements

Metsä Board UK Ltd belongs to Metsä Group. Metsä Group's Tax Policy, approved by the Board of Directors defines the general principles according to which Metsä Group manages tax issues. Group Tax Policy is applicable in all Metsä Group subsidiaries all around the world and all persons involved in handling of Metsä Group's tax issues must follow it.

The ultimate responsibility on Metsä Group's general tax position, tax risk management and tax governance lies with Metsä Group's Chief Financial Officer (CFO). Day-to-day responsibilities for each of these areas lie with the Group's Vice President, Tax, reporting to CFO.

Tax issues of the Group are managed and coordinated by the Tax Department led by VP, Tax of the Group. The Tax Department is in all tax issues the primary contact party and usage of external tax advisory services shall be separately approved by VP, Tax. Material business transactions such as business acquisitions, divestments or reorganisations or changes in business models are to be reviewed beforehand by the Tax Department in order to clarify the related tax impacts and risks. Group tax position, including taxpaying position, tax audits, tax risks and their mitigation and other material tax related issues, is handled regularly in Group Executive Management Team and Board of Director's Audit committee.

Business approach to tax planning and appetite to tax risks

Metsä Group manages its tax costs by active tax risk management and diligent tax compliance. Based on the principles set in our Group Tax Policy, Metsä's appetite for tax risks is low everywhere we operate, including UK.

Metsä Group follows and adheres to each operating country's applicable tax laws and regulations as well as international tax regulations, such as OECD's Transfer Pricing Guidelines. We follow the arm's length principle when setting conditions for the group internal transactions and allocation of taxable income is based on the value-add generated in each Group company. Metsä Group's business models and legal structures shall always be based on business reasons and real substance.

Relationship with the Tax Authorities

According to Metsä's Group Tax Policy we cooperate openly and actively with the tax authorities in all its operating countries. We fulfill our filing and reporting obligations and react to all disclosure or correspondence requests from the tax authorities in a timely manner. Access to relevant information demonstrating the integrity of tax processes, tax returns and tax payments is always available. In order to actively avoid disputes before they occur, we may ask tax authorities' opinion or advice in

advance. In matters of dispute, our aim is to provide resolution through active and transparent discussions with the relevant tax authority before escalating them to potential litigation.

This document is effective for the year ending 31 December 2022 and will remain in effect until any amendments are made to it as a result of periodic review.