

Business ID 0635366-7

The proposals of the Board and its Committees to the Annual General Meeting of Metsä Board Corporation

Adoption of the annual accounts

The Board of Directors proposes that the Annual General Meeting adopts the annual accounts for the year 2022. The Annual and Sustainability Report for 2022, which includes the financial statements, will be published as a stock exchange release and will be available on the Company's website on 23 February 2022.

Consideration of the annual result and resolution on the payment of dividend

The Board of Directors proposes that a dividend of EUR 0.58 per share (approximately EUR 206 million, in total) be distributed for the financial year 2022. The dividend will be paid to shareholders who on the record date for the dividend distribution, 27 March 2023, are recorded in the Company's shareholders' register maintained by Euroclear Finland Oy. The Board of Directors proposes that the dividend to be paid on 5 April 2023.

Adoption of the remuneration report for governing bodies

The Board of Directors proposes that the Annual General Meeting adopts the remuneration report for 2022. The Annual General Meeting's resolution on the adoption of the remuneration report is advisory. The remuneration report will be published as a stock exchange release and will be made available on the Company's website on 23 February 2023.

Resolution on the remuneration of the members of the Board of Directors

The Board of Directors' Nomination and HR Committee proposes to the Annual General Meeting that the annual remuneration for the members of the Board of Directors shall be kept unchanged and that the Chair would be paid EUR 99,000, the Vice Chair EUR 85,000 and ordinary members EUR 67,000 per year. In addition, the Committee proposes that the meeting fee of the Board of Directors will be kept unchanged and that a fee of EUR 800 will be paid for each attended meeting of the Board of Directors and its Committees. The Committee additionally proposes that one half of the annual remuneration will be paid in the Company's B-class shares to be acquired from public trading between 24 March and 14 May 2023 (or at such first available time when the transaction can be executed under applicable law) and half in cash, and that the transfer of shares shall be restricted for a two-year period. The Committee further proposes that an additional monthly remuneration of EUR 900 will be paid to the Chair of the Audit Committee.

Resolution on the number of members of the Board of Directors

The Board of Directors' Nomination and HR Committee proposes to the Annual General Meeting that the number of members of the Board of Directors shall be nine (9).

Election of members of the Board of Directors

The Board of Directors' Nomination and HR Committee proposes current members of the Board Hannu Anttila, Raija-Leena Hankonen-Nybom, Erja Hyrsky, Ilkka Hämälä, Mari Kiviniemi, Jussi Linnaranta and Jukka Moisio to be re-elected and M.Sc. (Agr.) Mikko Mäkimattila and M.Sc. (Process Technology) Juha Vanhainen to be elected as new members of the Board of Directors. Current members Timo Saukkonen ja Veli Sundbäck have announced that they will not be available for re-election.

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Further information on proposed Board members and their independence is available on the company's website. The term of office of the Board members expires at the end of the next Annual General Meeting following the election.

Resolution on the remuneration of the auditor

The Board of Directors proposes, based on the Audit Committee's recommendation, that a fee in accordance with the auditor's reasonable invoice, as approved by the company, shall be paid to the auditor.

Election of the auditor

The Board of Directors proposes, based on the Audit Committee's recommendation, that KPMG Oy Ab be elected as the auditor of the Company. KPMG Oy Ab has notified the Company that Kirsi Jantunen, APA, would be the responsible auditor. The term of office of the auditor expires at the end of the next Annual General Meeting following the election.

Amendment of the Articles of Association

The Board of Directors proposes to amend the Articles of Association to include the possibility by the Board of Directors, at their discretion, to arrange a General Meeting of Shareholders as a hybrid meeting. In addition, the amendment would enable arranging a General Meeting of Shareholders as a virtual meeting without a meeting venue. The Finnish Companies Act requires that shareholders can exercise their full rights in hybrid and virtual meetings, with equal rights to those in customary in-person General Meetings of Shareholders. The amendment would be made to section 6 § (General Meeting of Shareholders) of the Articles of Association.

The amended section is proposed to read as follows (amendments in italics):

"6 § General Meeting of Shareholders

The Annual General Meeting of Shareholders shall be held annually by the end of June on a date determined by the Board of Directors. An Extraordinary General Meeting shall be convened when deemed necessary by the Board of Directors, or at the written request of the auditor or shareholders representing at least one-tenth of all shares for addressing a specific matter. Annual and Extraordinary General Meetings are held in either Helsinki, Finland, or Espoo, Finland, as decided by the Board of Directors. *The Board of Directors may decide that the General Meeting is arranged without a meeting venue in a manner where shareholders exercise their full decision-making powers in real time during the General Meeting by using telecommunications and technical means (virtual meeting). The Board of Directors may also decide that shareholders have the option to participate in the General Meeting in a manner where shareholders exercise their full decision-making powers during the General Meeting by using telecommunications and technical means (hybrid meeting).*

In order to attend a General Meeting, a shareholder must notify the company of his or her intention to do so by the date specified in the notice convening the meeting, which date cannot be earlier than ten (10) days before the meeting."

The section of the Articles of Association currently in force reads as follows:

"6 § General Meeting of Shareholders

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The Annual General Meeting of Shareholders shall be held annually by the end of June on a date determined by the Board of Directors. An Extraordinary General Meeting shall be convened when deemed necessary by the Board of Directors, or at the written request of the auditor or shareholders representing at least one-tenth of all shares for addressing a specific matter. Annual and Extraordinary General Meetings are held in either Helsinki, Finland, or Espoo, Finland, as decided by the Board of Directors.

In order to attend a General Meeting, a shareholder must notify the company of his or her intention to do so by the date specified in the notice convening the meeting, which date cannot be earlier than ten (10) days before the meeting.”

Authorizing the Board of Directors to decide on the issuance of shares and special rights entitling to shares

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide on the issuance of shares, the transfer of own shares held by the Company and the issuance of special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, as follows: the authorization applies to B-shares. By virtue of the authorization, the Board of Directors may issue new shares or treasury shares owned by the Company up to a maximum of 35,000,000 shares, including shares that may be issued by virtue of special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act. This number of shares corresponds to approximately 10 per cent of all shares in the Company. Shares can be issued or transferred in deviation from shareholders' pre-emptive subscription rights in case there are weighty financial reasons from the Company's perspective. Such weighty financial reasons can include the use of shares as consideration in possible corporate transactions, for investment financing or as part of the Company's share-based incentive plan. New shares may be issued and own shares held by the Company may be transferred either against payment or free of charge. A directed share issue may be free of charge only if there are from the Company's and all shareholders' perspective particularly weighty financial reasons. The Board of Directors shall decide on all other terms and conditions of share issues and the issuance of special rights. The authorization is proposed to be effective until 30 June 2024 and it will revoke the authorization granted by the General Meeting on 24 March 2022 to decide on the issuance of shares and special rights entitling to shares.

Authorizing the Board of Directors to decide on the repurchase of own shares

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide on the repurchase of the Company's own B-shares as follows: the number of own shares to be repurchased under the authorization shall not exceed 1,000,000 B-shares, which corresponds to approximately 0.3 per cent of all shares in the Company. Own shares can, pursuant to the authorization, be acquired only with unrestricted equity. The own shares may be acquired at a price determined in public trading on the day of the acquisition or otherwise at a price determined on the market. The Board of Directors decides how the shares are to be repurchased. Own shares can be acquired other than in proportion to shares held by the shareholders (directed share acquisition). Own shares can be acquired to pay for Board remuneration and/or in connection with the Company's incentive plans. The authorization is proposed to be effective until 30 June 2024 and revokes the authorization granted by the General Meeting on 24 March 2022 to decide on the repurchase of own shares.