



**Metsä**

# Metsä Board

Investor presentation

January–March 2024



# Disclaimer

This presentation includes forward-looking statements. The words “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim”, “target”, “might” or in each case, their negative, or any similar expressions identify certain of these forward-looking statements. Others can be identified from the context in which the statements are made. By their nature, forward-looking statements are subject to assumptions, risks and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual results may differ, even materially, from those expressed or implied by these forward-looking statements. We urge presentation participants not to place undue reliance on such statements.

The information and views contained in this presentation are provided as at the date of this presentation and are subject to change without notice. Metsä Board does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Viewers should understand that this presentation does not constitute, and should not be construed as, an offer to buy or subscribe for Metsä Board’s securities anywhere in the world or an inducement to enter into any investment activity relating to the same. No part of this presentation should form the basis of, or be relied on in connection with, any contract or commitment or decision to invest in Metsä Board securities whatsoever. Potential investors are instructed to acquaint themselves with Metsä Board’s annual accounts, interim reports and stock exchange releases, as well as other information published by Metsä Board, to form a comprehensive picture of the company and its securities.

Metsä Board publishes inside information according to the Market Abuse Regulation (MAR) and the rules of Nasdaq Helsinki.

# Contents

<u>This is Metsä Board</u>	4
<u>Investments</u>	15
<u>Results for January–March 2024</u>	21
<u>Cost structure and profit drivers</u>	34
<u>Operating environment</u>	43
<u>Sustainability</u>	46
<u>Innovation and R&amp;D</u>	61
<u>Owners and management</u>	68



# Metsä Board: Investment highlights



## Premium fresh fibre paperboards

- Recyclable and lightweight paperboards from renewable raw materials
- Packaging materials providing an alternative to plastics



## A leading position in a growing market

- Metsä Board is #1 in folding boxboard and white kraftliners in Europe, and
- #1 in coated white kraftliners globally



## Strong focus on sustainability

- Fossil free production and products by the end of 2030
- Resource efficiency and reduced carbon footprint of packaging



## Investing in sustainable and profitable growth

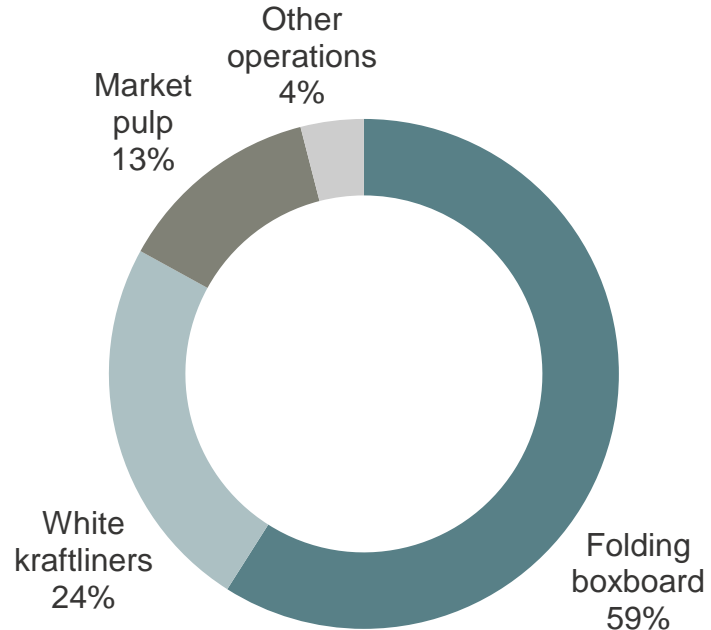
- Recently completed large-scale growth investments
- Planned investments to improve competitiveness and sustainability, and develop new products

## Metsä Board is part of profitable Metsä Group

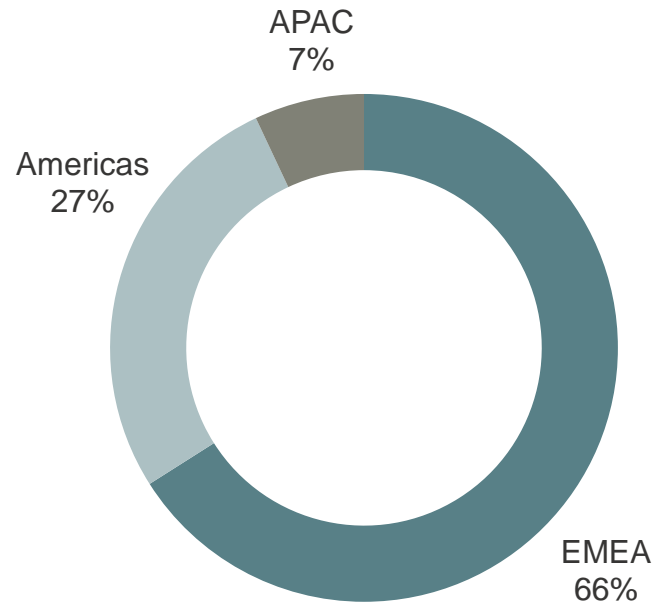
Ensures high availability of Nordic fibres and pulps

# Company in figures

## Split by product

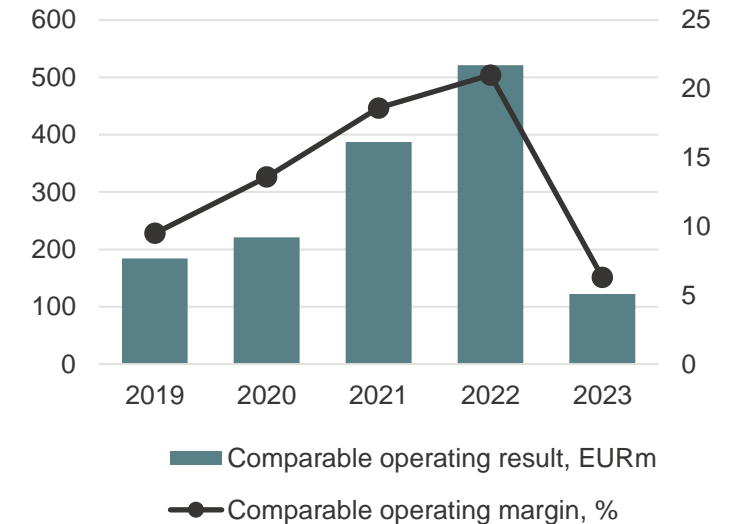


## Split by region



## Comparable operating result

FY2023: EUR 122 million or 6.3% of sales



## Long-term customerships

Diversified customer base in 100 countries including brand owners, converters, manufacturers of corrugated products and merchants

Paperboard capacity

**2.3 million**

tonnes/year

Pulp and BCTMP capacity

**1.7 million**

tonnes/year

Ownership in Metsä Fibre\*

**24.9%**

secures self-sufficiency in pulp

In 2023 paperboard capacity increased by 240,000 tonnes due to the capacity expansions in Husum and Kemi. Additional capacity is expected to be fully in the market in 2026.



# Focus on premium and recyclable fresh fibre paperboards, end-uses mainly in consumer products



Source: Metsä Board's own estimate

# Demand drivers for fresh fibre paperboards



Population growth, urbanisation and rising living standards drive packaging



Regulation and consumer preferences favour fossil free packaging materials



Availability and quality of recycled fibre is declining

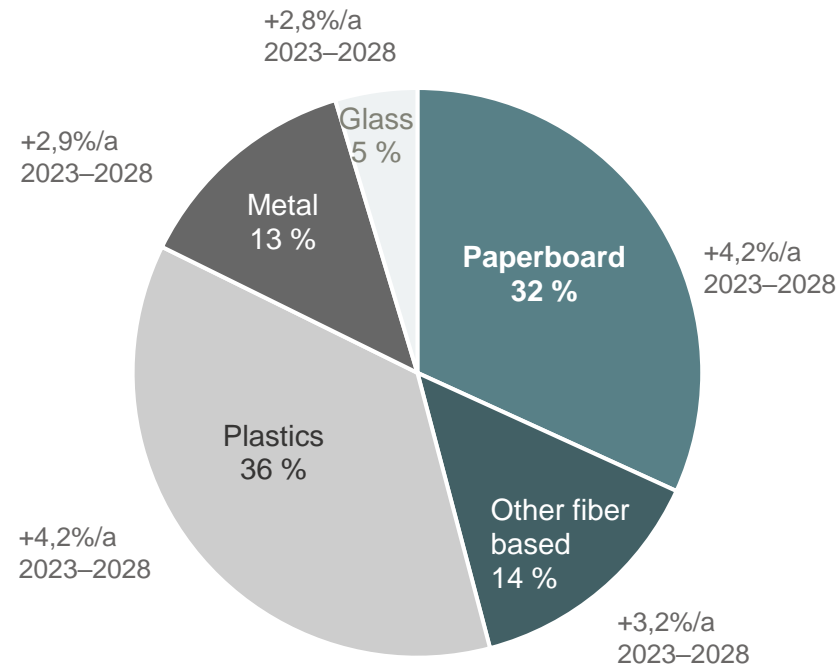


Global e-commerce continues to grow

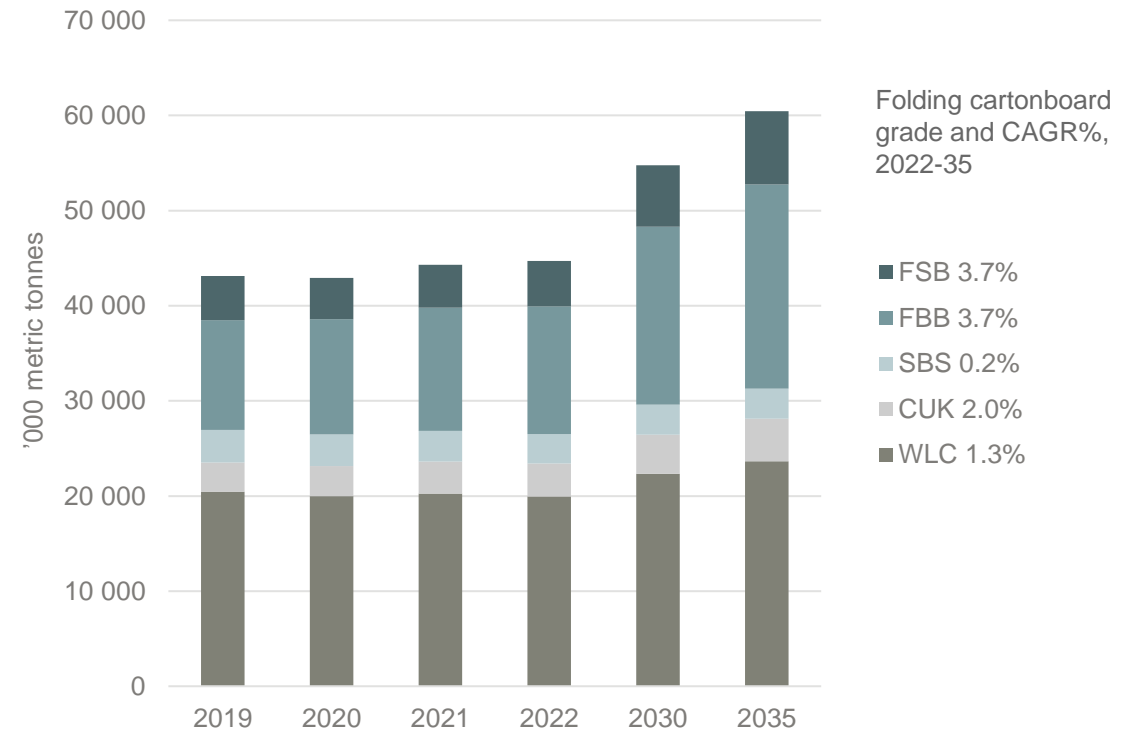
# Global need for packaging is growing

Size of global packaging is USD 1,175 billion and it's growing by ~4% per year

## Paperboard is growing faster than whole packaging



## Folding boxboard and food service boards have fastest growth rate in folding cartonboards





# Our main markets are Europe and North America

Total paperboard deliveries in 2023 were 1.4 million tonnes

## Regional focus on key demand drivers

### Further strengthening our leading market position in EUROPE

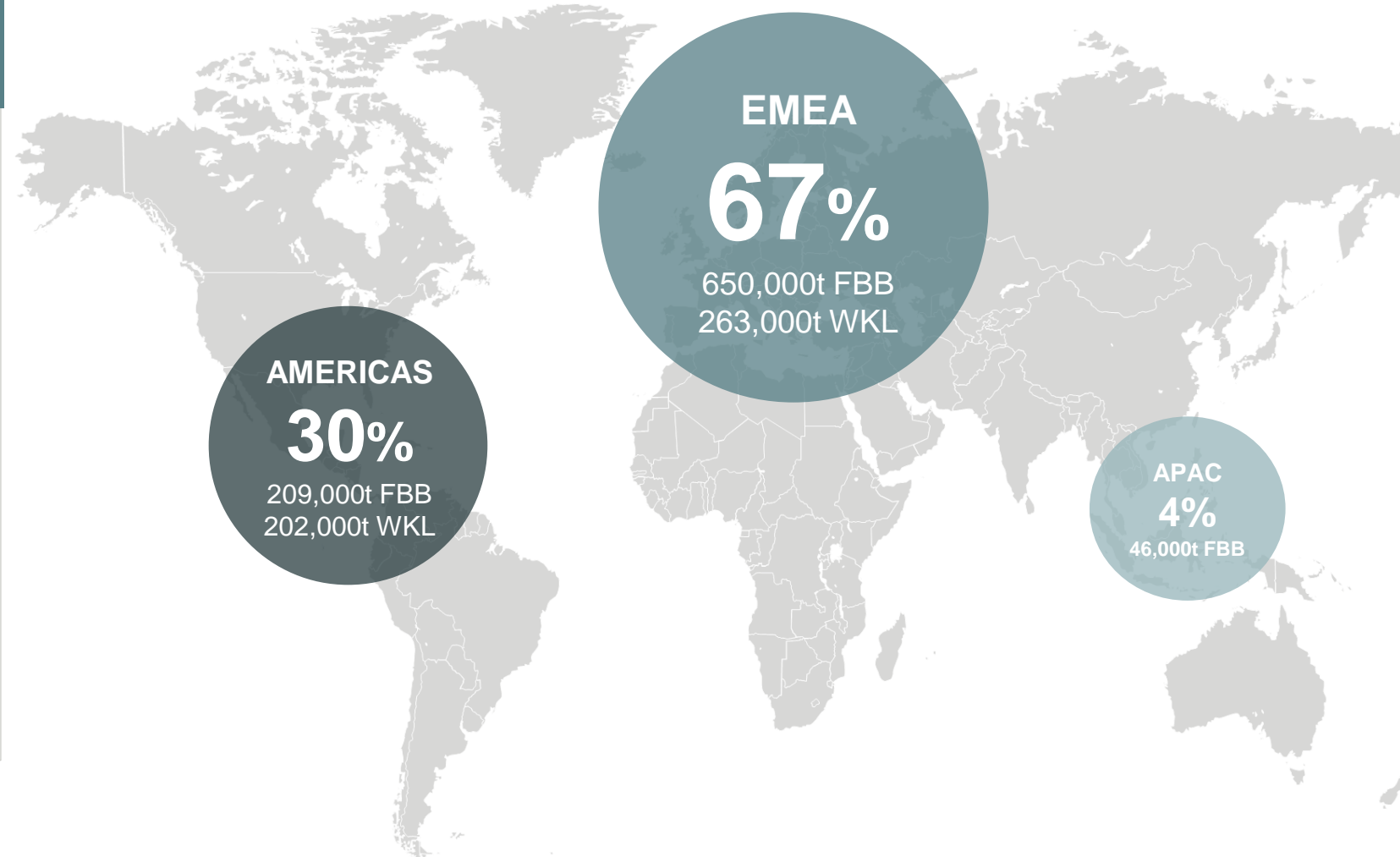
- Environmental awareness and regulatory requirements support recyclable packaging materials
- Trend towards material reduction and lightweighting favours folding boxboard
- Food safety requirements favour pure fresh fibre paperboards
- Weakened availability of high-quality recycled paper

### Continuing growth in NORTH AMERICA

- Limited local availability of high-quality lightweight paperboards
- Growth in sustainable packaging for food and food service
- Product brand promotion and personalization in growing e-commerce

### Focus on high-quality packaging in selected end use segments in APAC

- Middle class growth increases purchasing power and demand for packaged consumer goods



# Metsä Board is part of Metsä Group

Metsä Group's interest is to increase the value of the forest of owner-members by processing northern wood into valuable and sustainable end-products

## METSÄ GROUP

FY2023: Sales EUR 6.1 billion | ROCE 7.2% | Personnel 9,500

Parent company: METSÄLIITTO COOPERATIVE

owned by over 90,000 Finnish forest-owners

### METSÄ FOREST

WOOD SUPPLY AND  
FOREST SERVICES

Holding

Metsäliitto Cooperative 100%

### METSÄ WOOD

WOOD PRODUCTS

Holding

Metsäliitto Cooperative 100%

### METSÄ FIBRE

PULP AND  
SAWN TIMBER

Holding

Metsäliitto Cooperative 50.1%

Itochu Corporation 25.0%

**Metsä Board 24.9%**

### METSÄ BOARD

PAPERBOARD

Holding

Metsäliitto Cooperative 52%

Listed in Nasdaq Helsinki

### METSÄ TISSUE

TISSUE AND  
GREASEPROOF PAPERS

Holding

Metsäliitto Cooperative 100%

### METSÄ SPRING INNOVATION COMPANY



**Metsä Spring's** role is to

- invest worldwide in start-ups and implement Metsä Group's own selected pilot/demo projects
- lead Metsä Group's R&D with the aim of supporting and activating the development of Group's current businesses

# Metsä Board's production is close to the main raw material – northern wood

## Total paperboard capacity:

Folding boxboard (FBB): 1,560,000 t/a  
White kraftliner (WKL): 715,000 t/a

## Total pulp / BCTMP capacity:

BCTMP: 1,660,000 t/a  
Chemical pulp: 910,000 t/a  
24.9% ownership in Metsä Fibre, total pulp capacity ~4Mt

## Production units and annual capacities



<sup>1)</sup> Metsä Fibre's mill  
<sup>2)</sup> Metsä Board 180,000 t/a and Metsä Fibre 1,320,000 t/a

# Self-sufficiency in pulp is secured through ownership of Metsä Fibre

## Metsä Fibre is globally #1 producer in softwood market pulp (NBSK)

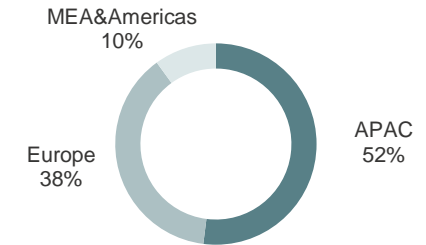
- Roughly 4 million tonnes/year chemical pulp, 80% SW and 20% HW
- 2.1 million m<sup>3</sup>/year sawn timber, 40% spruce and 60% pine sawn timber
- Self-sufficiency in electricity over 200% (total annual production capacity ~5.2 TWh)

## Metsä Board owns 24.9% of Metsä Fibre

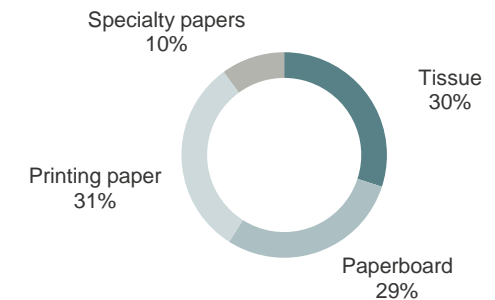
- Other owners Metsäliitto Cooperative 50.1% and Itochu Corporation 25.0%
- Metsä Board consolidates 24.9% of Metsä Fibre's net result into its EBITDA. The annual dividend by Metsä Fibre is typically paid at the end of Q1
- Taking into account the ownership in Metsä Fibre, +/- 10% change in market pulp price has an +/- EUR 40 million impact on Metsä Board's annual operating result



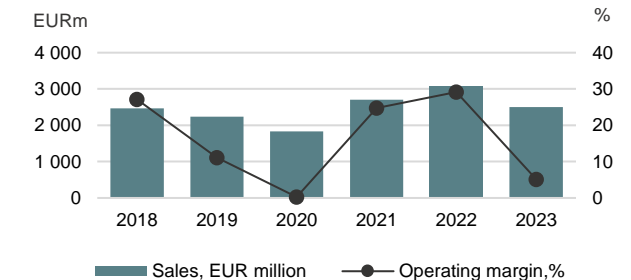
Metsä Fibre's pulp sales split by region 2023



Metsä Fibre's pulp sales split by end-use 2023



Metsä Fibre's sales (EUR million) and operating margin (%)

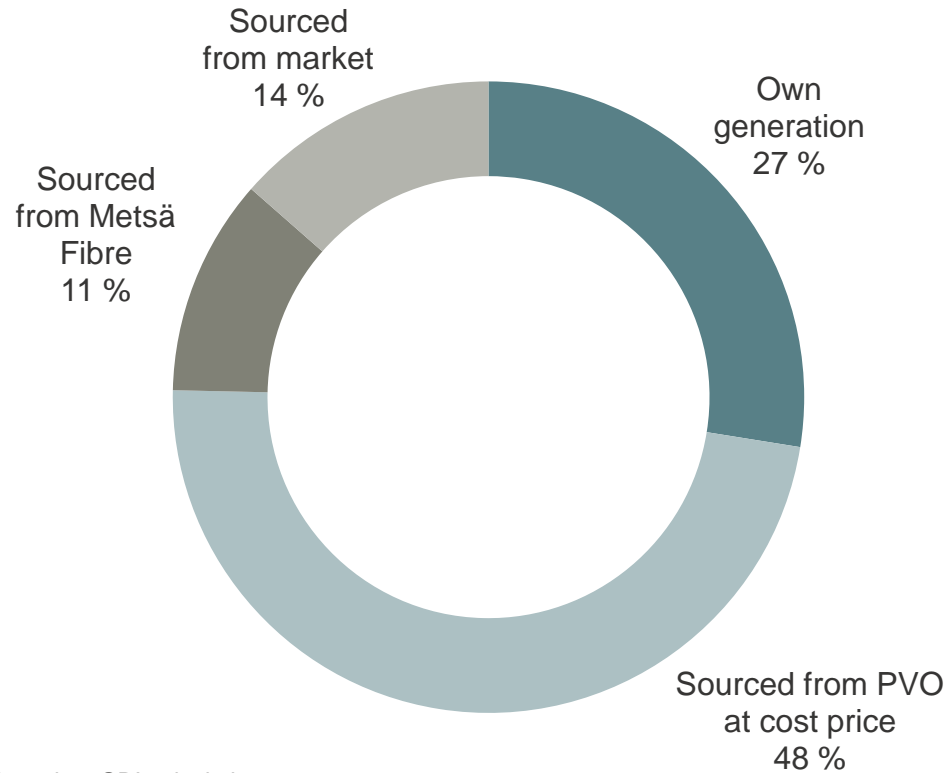


# Our self-sufficiency in energy is 90%

Energy consumption by sourcing method

Electricity

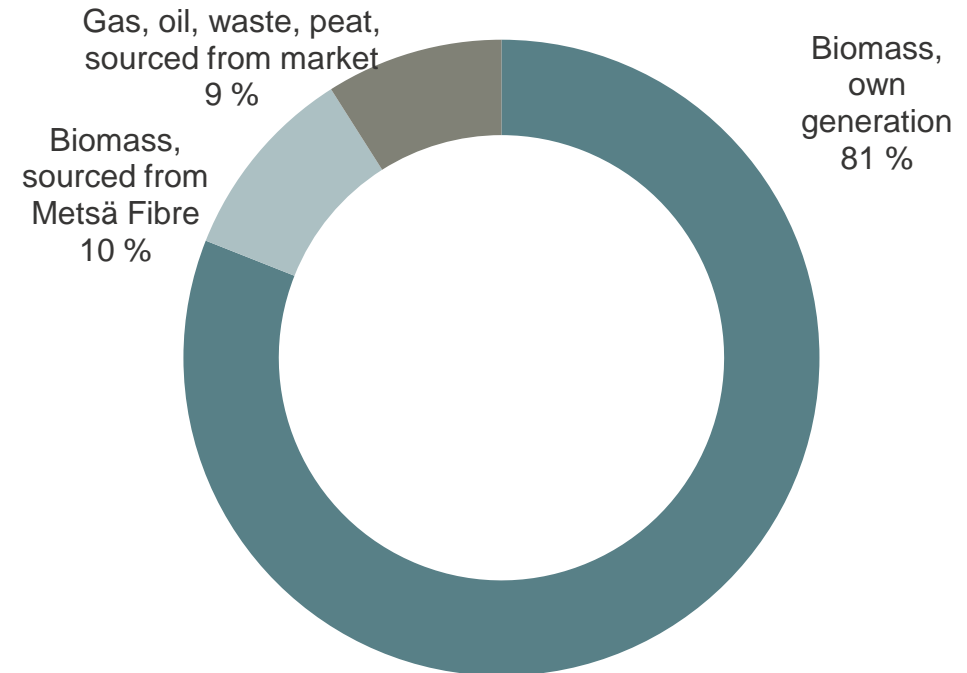
**Total 1.9 TWh**



Based on GRI calculation

Fuels (Heat)

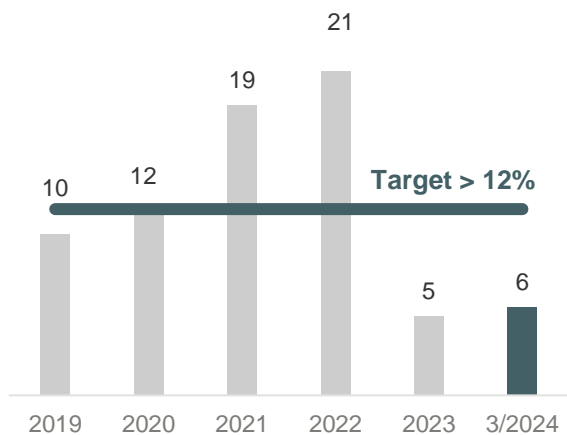
**Total 6.0 TWh**



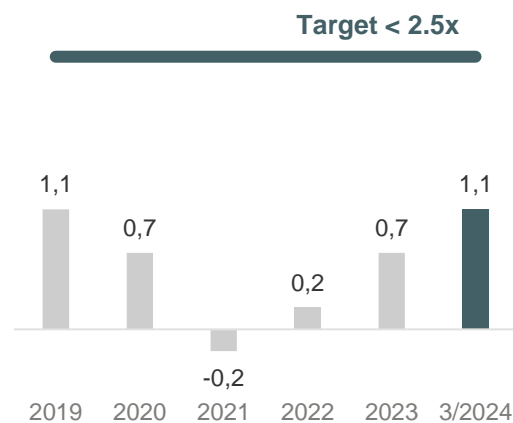
Based on primary energy calculation

# Long-term financial targets and dividend payout

Comparable ROCE, %:

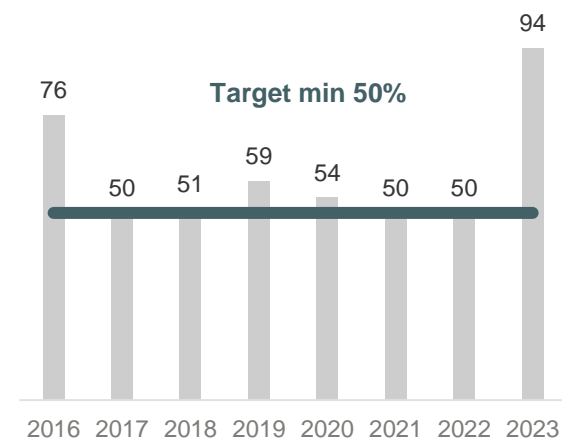


Net debt /  
comparable EBITDA  
(12 months):



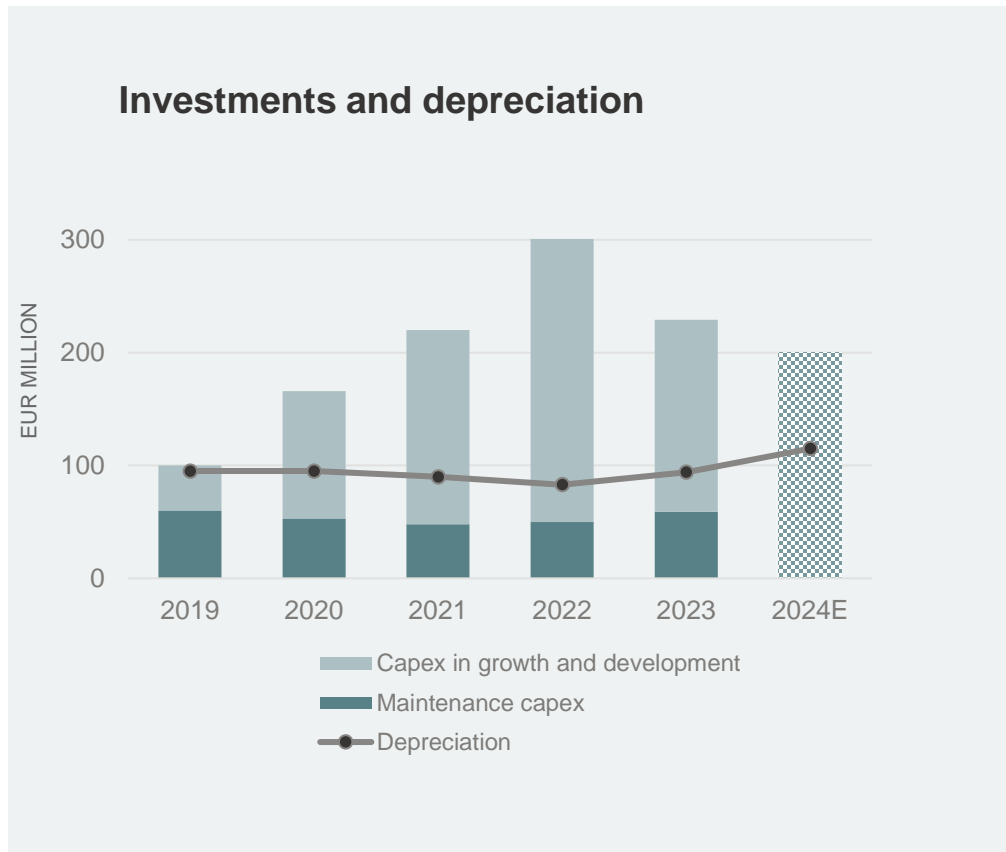
Dividend policy

Pay-out ratio at least 50%  
of net result



# Investments

# Investments and depreciation



## January–March 2024

- Total investments in Q1/2024 were EUR 24 million and depreciation EUR 34 million

## Year 2024

- Total investments in 2024 are estimated slightly lower than in 2023
- Year 2024 includes investments carried over from 2023



# Investments in Husum and Kemi completed



## Husum folding boxboard capacity expansion and port investments, 2021–2023

- Increase of 200,000 t/y folding boxboard
- Total capacity 600,000 t/y, fully available on the market in 2026
- Investment value EUR 230 million

### Ongoing

- Increase in port warehouse capacity, EUR 20 million, est. completion in 2024



## Kemi mill development programme, 2021–2023

- Increase of 40,000 t/y white kraftliner
- Total capacity 465,000 t/y, fully available on the market in 2025
- Decreased water and energy use
- Investment value EUR 110 million

# Metsä Fibre's new bioproduct mill in Kemi

## Kemi bioproduct mill

- Annual pulp capacity: 1,020kt SW pulp, 300kt HW pulp and 180kt\* unbleached pulp
- Annual pulpwood consumption 7.6 m<sup>3</sup>
- Self-sufficiency in electricity 250%, annual maximum capacity 2,000GWh
- Side-stream utilisation 100%
- Investment value EUR 2.02 billion
  - Metsä Board has not invested equity to finance the project
- Started up in Q3 2023, replaced the old Kemi pulp mill (capacity 610,000 t/a)
- Severe explosion at the mill in 21 March 2024. Production shutdown estimated to last until end of June 2024



\* Entirely used in Metsä Board's kraftliner production in Kemi, production line will be transferred to Metsä Board



# Modernisation of Simpele board mill

## Investment decision on 24 April 2024

- Renewal of the paperboard machine
  - enables fossil free production
  - improves the quality of FBB
  - increases production efficiency
  - increases annual FBB production capacity by 10,000 tonnes
- Project start-up in H1 2024, with estimated completion in H2 2025
- Estimated investment value EUR 60 million, divided in 2024–2026

## Simpele board mill

- After the investment, annual capacity will be 310,000 tonnes of premium lightweight folding boxboard
- Main end uses in food and pharma packaging
- Future investments in the mill include renewals in the mechanical pulp production and in the finishing area of paperboard, as well as a new power plant



# Upcoming investments at our current mills

Towards **improved competitiveness, fossil free production** and **new products**  
The timing and scope of the investments will be specified as the plans progress



## Husum pulp mill

- Renewing the fibre line



## Husum board mill, BM2

- Producing new products on the existing white kraftliner production line



## Simpele board mill

- Renewals in paperboard machine and finishing area
- Renewals in mechanical pulp production and new power plant



## Kyro board mill

- Improving the performance of barrier boards and expanding end use areas

# Results for January–March 2024



# Key financials

		Q1/24	Q1/23	Change Q1/24 vs Q1/23	Q4/23	FY/23
Sales	EUR, m	484	542	-11 %	423	1,942
EBITDA*	EUR, m	58	114	-49 %	26	216
Operating result*	EUR, m	32	89	-64 %	1	122
<i>% of sales*</i>	%	6.5	16.4		0.2	6.3
Metsä Fibre's share of operating result*	EUR, m	-6	29		-5	28
Earnings per share	EUR	0.04	0.19	-81 %	0.01	0.27
<i>ROCE*</i>	%	5.7	13.9		0.4	5.1
Total investments	EUR, m	24	57	-58 %	72	229
Cash flow from operations	EUR, m	-8	126	-106 %	124	343
IB Net debt at end of period	EUR, m	176	9		144	144

\*comparable

# Q1 2024 in brief

- Paperboard demand picked up, average sales price of FBB decreased
- Increased pulp demand in Europe with improved market prices (PIX)
- No planned maintenance
- Political strikes led to 2–3 weeks of shutdowns in Finnish mills
- Severe gas explosion in Kemi bioproduct mill. Impacts extended to white kraftliner production
- Metsä Board decided not to invest in FBB mill in Kaskinen. Instead, company is planning investments in existing mills and new products.



## Sales

**484**

**EUR million**

Q1 2023: EUR 542m



## Comparable operating result

**32**

**EUR million**

Q1 2023: EUR 89m

## Paperboard deliveries

**364,000**

**tonnes**

Q1 2023: 381,000

## Paperboard production

**400,000**

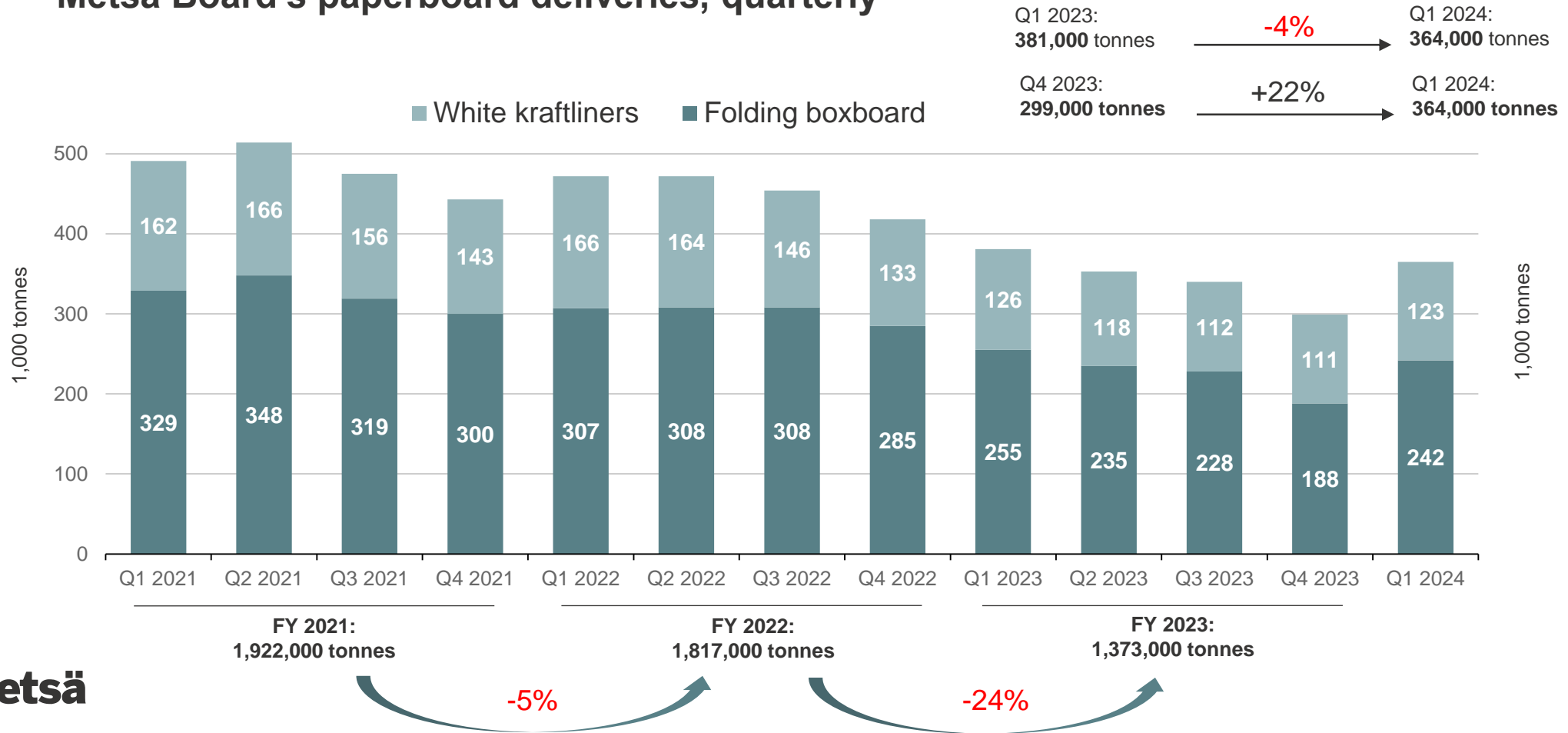
**tonnes**

Q1 2023: 376,000



# A pick-up in paperboard demand after a long downturn

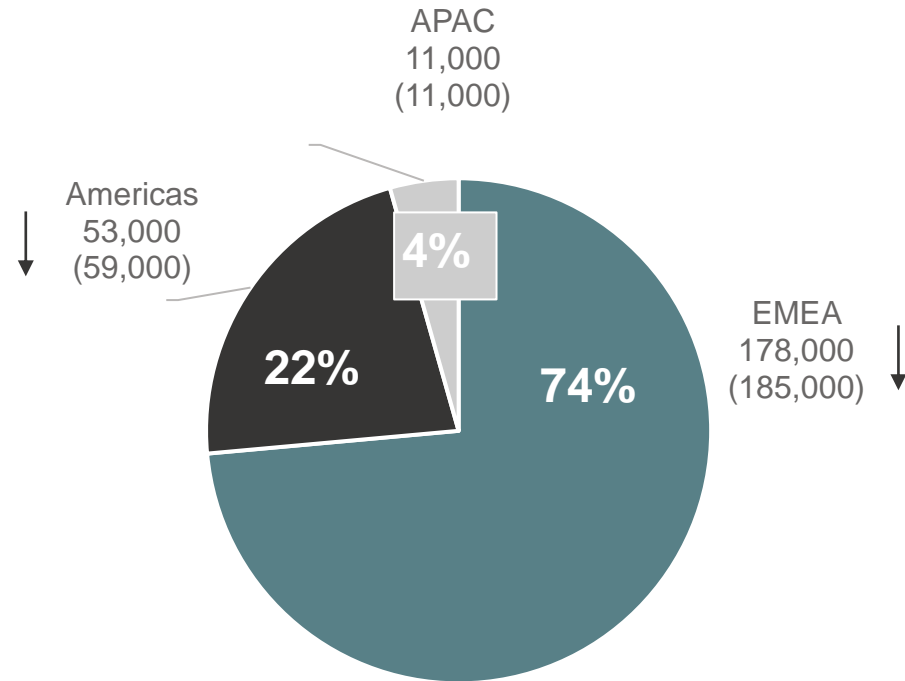
## Metsä Board's paperboard deliveries, quarterly



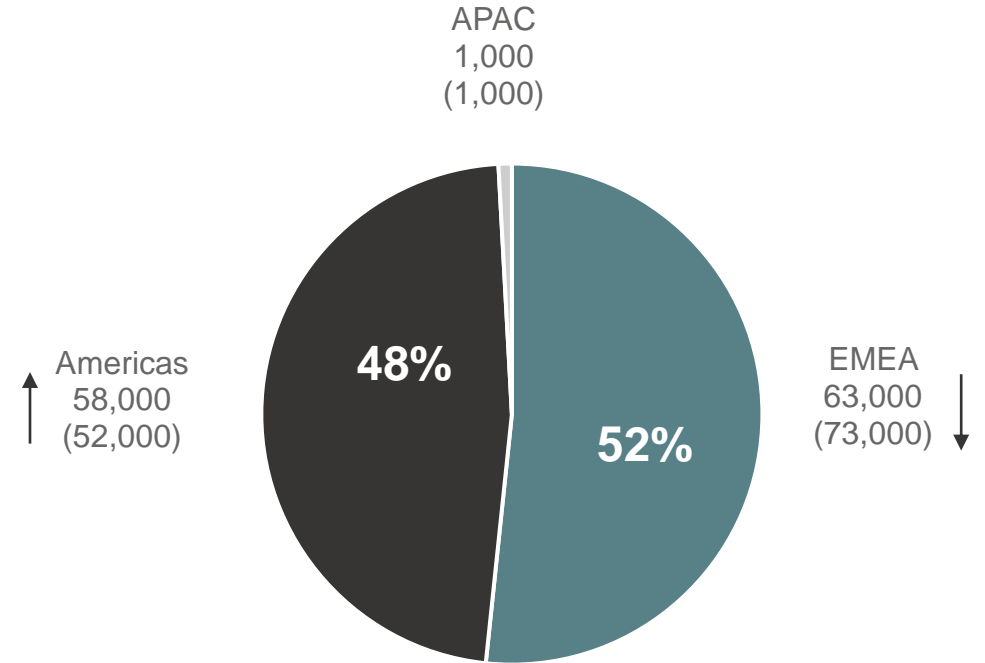


# Paperboard deliveries by region

**FBB deliveries Q1 2024 (Q1 2023)**  
total 242,000 tonnes (255,000)

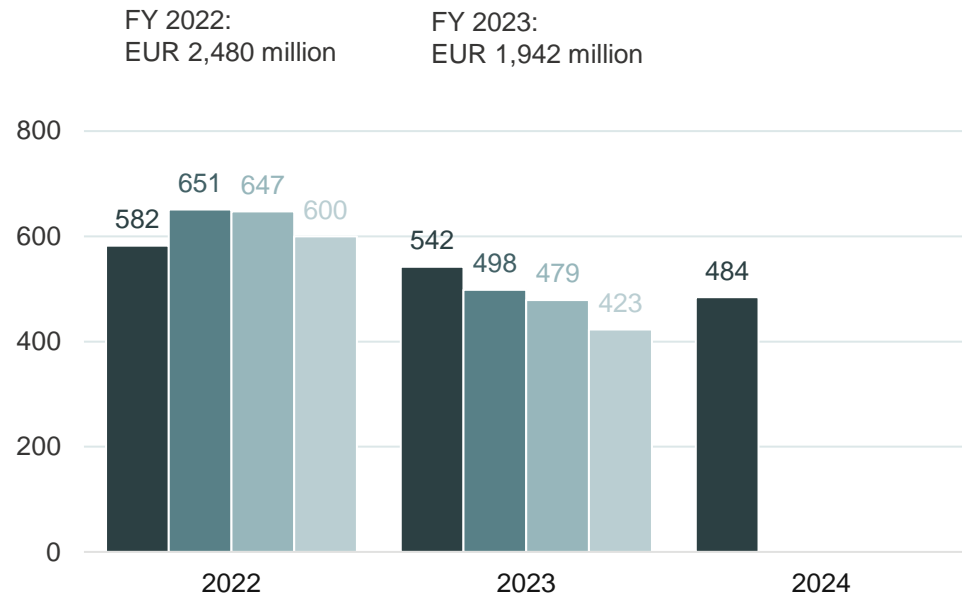


**WKL deliveries Q1 2024 (Q1 2023)**  
total 123,000 tonnes (126,000)

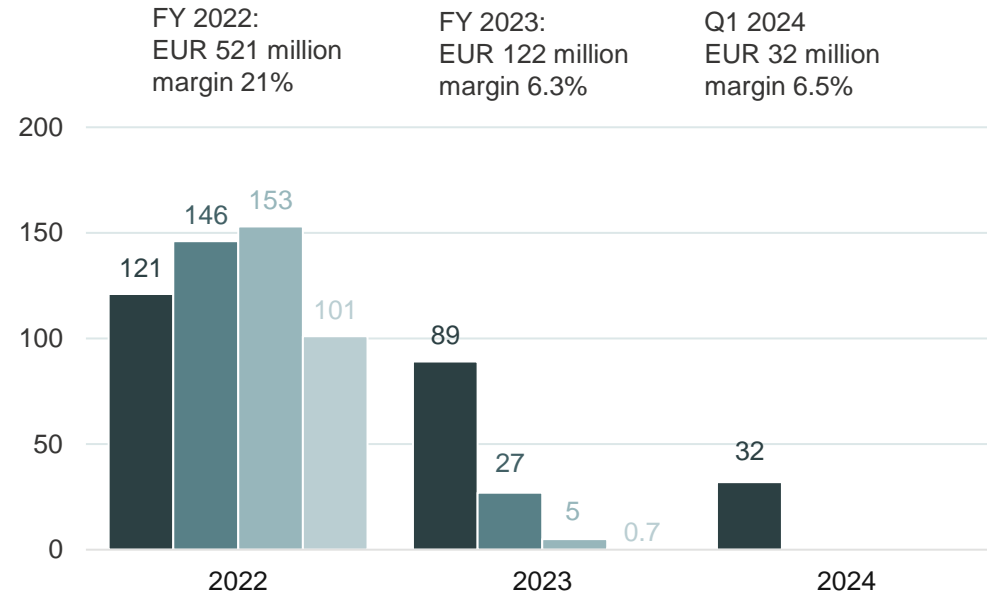


# Q1 2024: Sales EUR 484 million, operating margin at 6.5%

## Sales, quarterly EUR million



## Comparable operating result, quarterly EUR million and % of sales (margin)



Q1 Q2 Q3 Q4

# Main items affecting comparable operating result

## Q1 2024 vs Q1 2023:

EUR 32 million vs 89 EUR million

### Positives:

- ↗ Reduced cost level, except wood costs
- ↗ Increased market pulp volumes
- ↗ FX after hedges, impact EUR +6m

### Negatives:

- ↘ Lower prices in paperboard (FBB) prices and market pulp
- ↘ Result share from Metsä Fibre (EUR -6m vs EUR 29m)
- ↘ Political strikes in Finland, estimated impact 10-15 million
- ↘ Sale of unused emission allowances EUR 5m (Q1/23: EUR 20m)
- ↘ Increased wood costs

## Q1 2024 vs Q4 2023:

EUR 32 million vs 0.7 EUR million

### Positives:

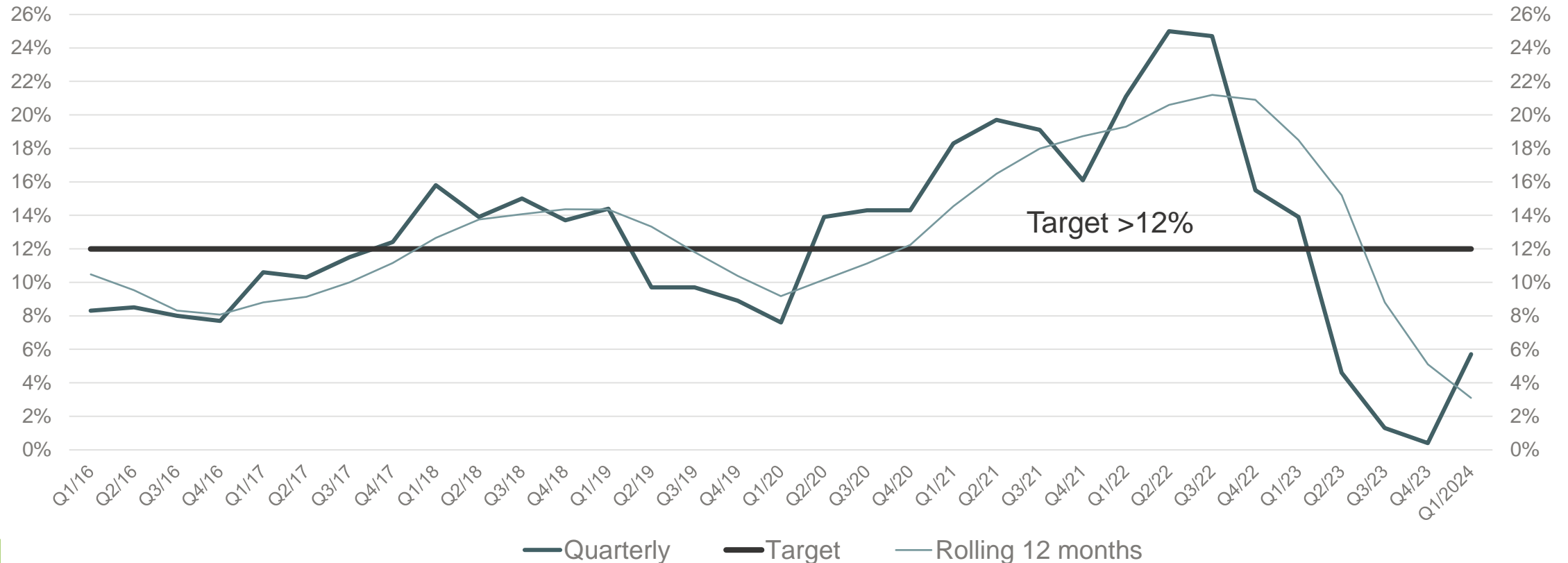
- ↗ Increased paperboard volumes
- ↗ No maintenance
- ↗ Improved operating efficiency, especially in Husum FBB

### Negatives:

- ↘ Lower prices in paperboard (FBB)
- ↘ Political strikes in Finland, estimated impact 10-15 million

# Q1 2024 comparable ROCE 5.7%

Comparable return on capital employed, %  
Quarterly and rolling 12 months



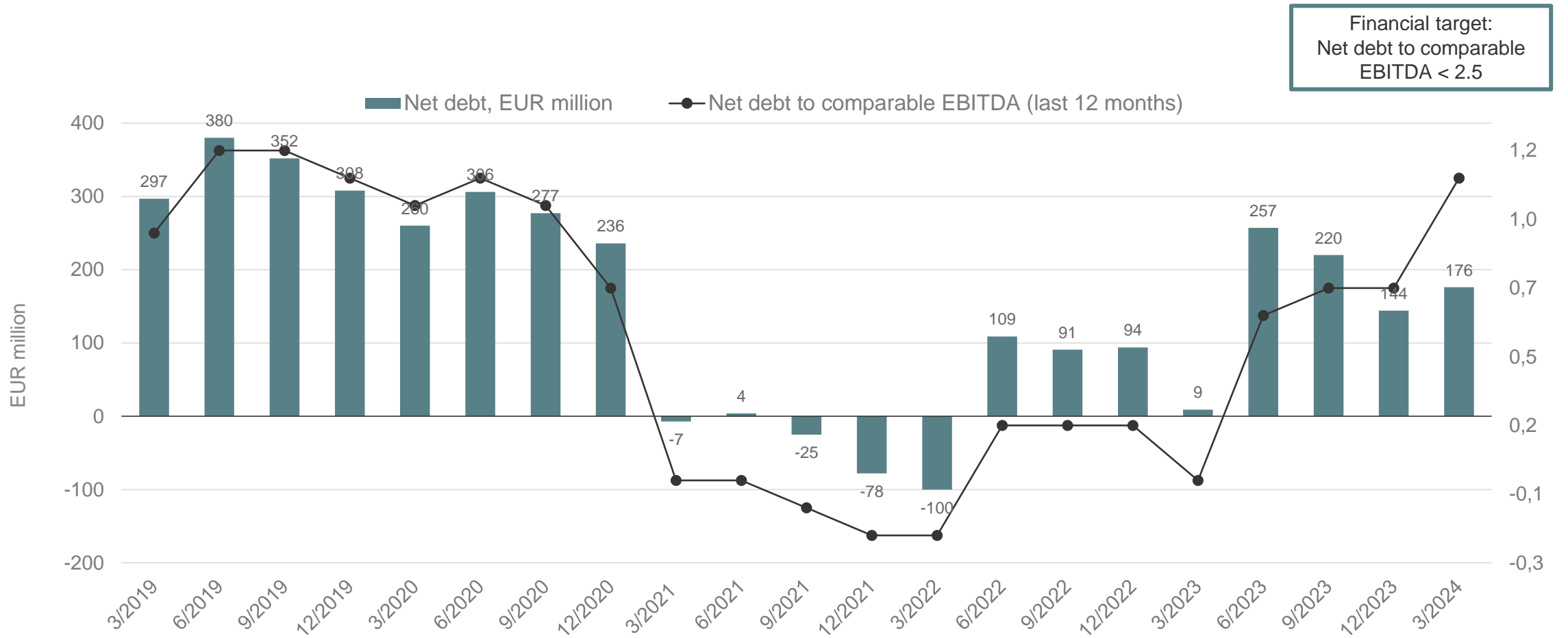
# Increased activity reflected in Q1 working capital

Q1 2024 cash flow includes dividend from Metsä Fibre EUR 10 million (Q1/2023: EUR 83 million)



Free cash flow = cash flow from operations – investments in intangible and tangible assets

# Net debt and leverage

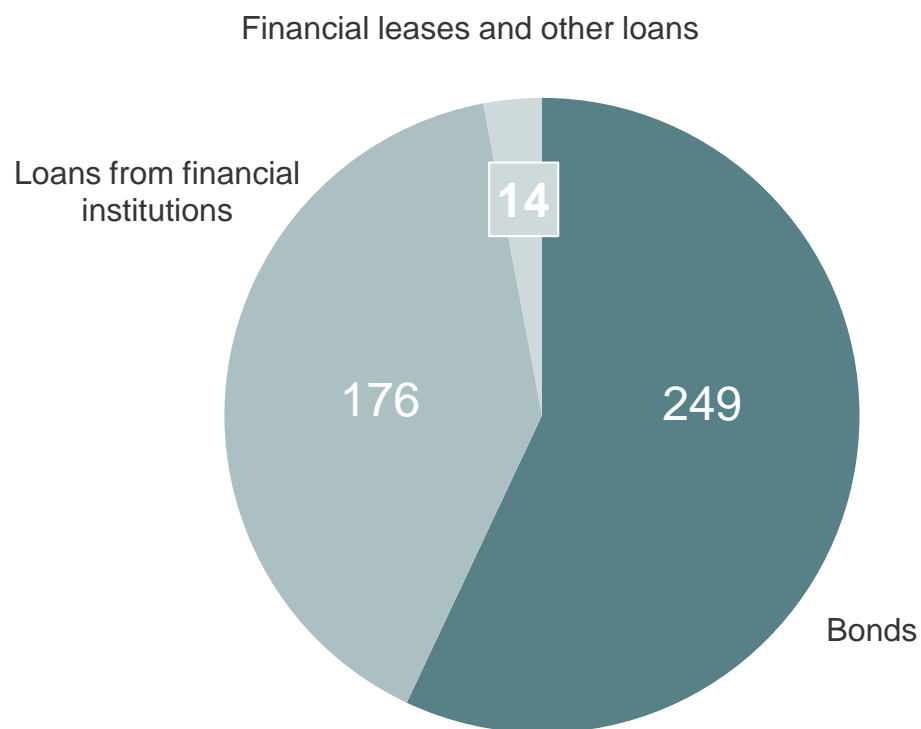


# Debt structure and liquidity

31 March 2024

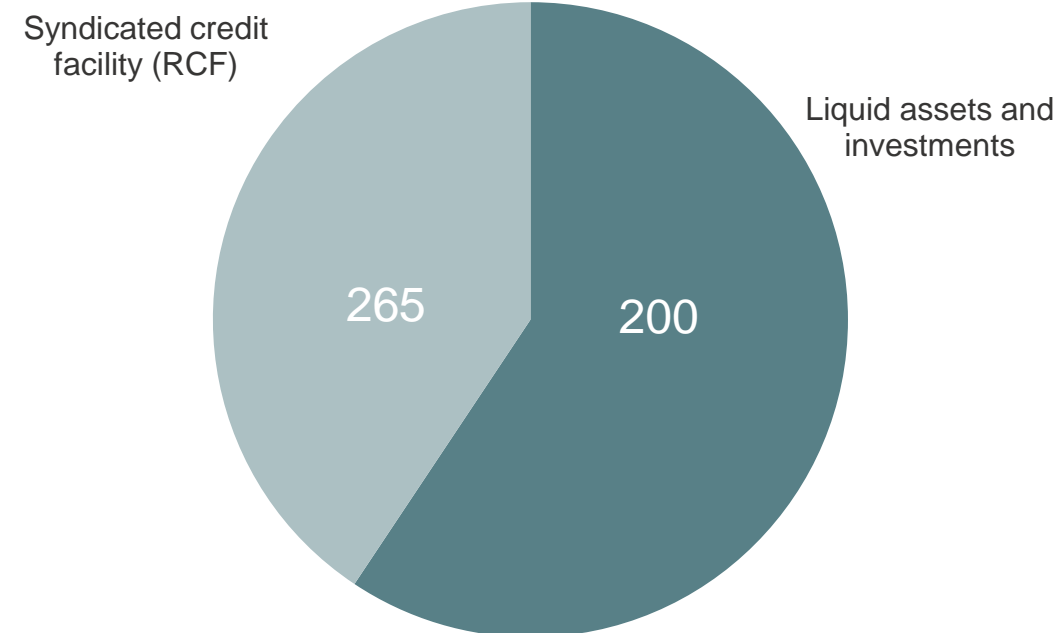
## Interest-bearing debt

EUR 442 million



## Liquidity

EUR 465 million



### Liquidity is complemented by:

- Commercial paper programme of EUR 200 million
- Metsä Group's internal undrawn short-term credit facility of EUR 147 million
- Undrawn pension loans of EUR 230 million

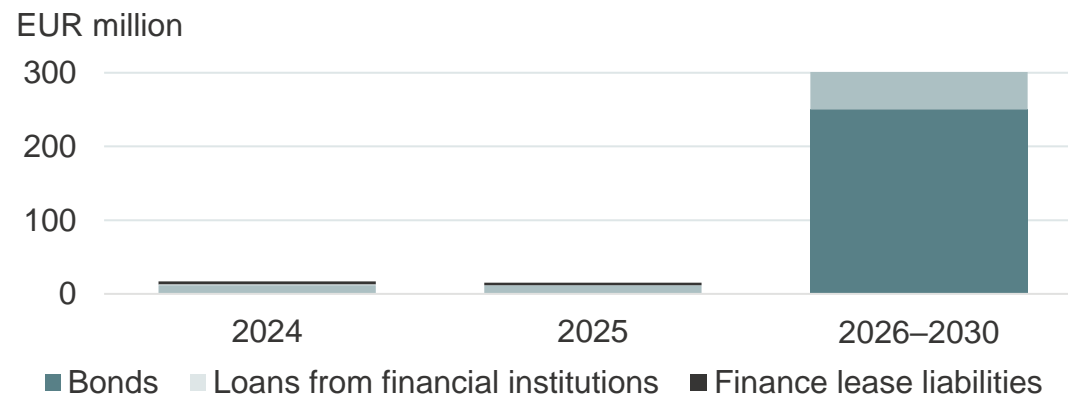
# Debt maturity and credit ratings

## 31 March 2024

- Total interest-bearing debt was EUR 442 million, and net debt was EUR 176 million
- The average interest rate on loans at the end of the review period was 2.6%, and the average maturity of long-term loans was 2.8 years
- Net financial costs, including foreign exchange differences, were:
  - Q1 2024: EUR -2.9 million
  - FY 2023: EUR 0.1 million

## Maturity of interest-bearing debt

Total EUR 442 million



## Metsä Board's credit ratings are *investment grade*

Rating agency	Rating and outlook	Last update on rating
S&P Global	BBB-/stable	02/2018
Moody's Investor Services	Baa2/stable	12/2022



# Near-term outlook

April–June 2024

- Solid paperboard demand is expected to continue in Q2
- Paperboard delivery volumes expected to slightly increase, average sales prices to remain stable
- Total costs, excluding pulp, expected to remain stable; more maintenance compared to Q1
- Notable increase in market pulp prices (PIX) in Europe, tight market situation for long-fibre pulp
- Negative result impact from the strikes in Q2 estimated roughly at the same level as in Q1 (EUR 10-15 million\*)
- Negative result impact from Kemi integrate shutdown estimated at EUR 30-40 million\*

\* includes the impact through Metsä Fibre's result share, but no insurance compensations



# Cost structure and profit drivers

# Cost structure

## FY 2023 (vs FY 2022)

- Year-on-year cost inflation, excluding pulp costs, +4%
- Main increase in wood costs: higher stumpage prices in Finland and Sweden<sup>\*)</sup>

## Q1 2024 (vs Q1 2023)

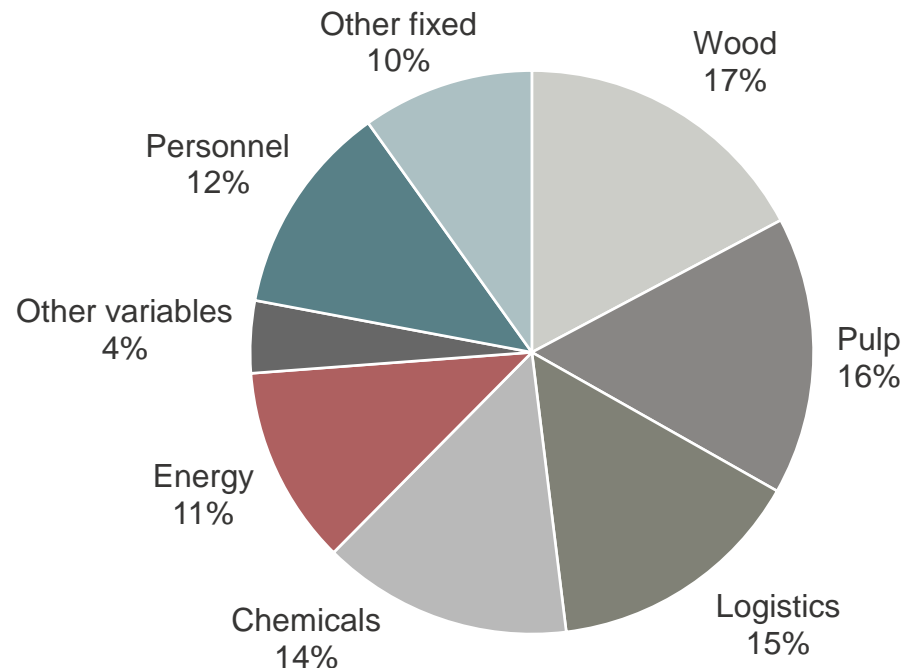
- Cost deflation, excluding pulp costs, -4%
- All other cost items except wood costs decreased or were stable

<sup>\*)</sup> price development on slide 33



## Metsä Board's cost structure in 2023

Total costs EUR 1.7 billion (2.1)



<sup>\*)</sup> **Pulp:** Metsä Board purchases all external pulp from its associated company Metsä Fibre, of which Metsä Board owns 24.9%.  
Metsä Fibre's pulp cost structure in 2023: Wood 56%, Chemicals 13%, Logistics 9%, Personnel 6%, Other 16%.

# Main profit drivers and sensitivities

Component	Unit	Change	Impact on EBIT, approximately
Folding boxboard	Price / tonne	+/- 10%	~EUR 150 million
White kraftliners	Price / tonne	+/- 10%	~EUR 50 million
FX	USD/EUR	+/- 10%	EUR 70 million
	SEK/EUR	+/- 10%	EUR -50 million
Pulp	PIX price of SW/HW per tonne	+/- 10%	EUR 40 million
Wood	Cost, delivered to Finnish mills	+/- 10%	EUR 40 million <sup>1)</sup>
	Cost, delivered to Husum	+/- 10%	EUR 20 million

# Wood is Metsä Board's main raw material

## Wood usage

- Wood represents 25% of Metsä Board's total costs <sup>1)</sup>
- In 2023, Metsä Board used 6.3 million m<sup>3</sup> wood for its products, of which 91% was certified (PEFC, FSC)

## Wood supply

- Metsä Group is responsible for Metsä Board's wood sourcing
- Metsä Group's total annual wood sourcing is ~30 million m<sup>3</sup>
- Majority of wood sourced in Finland comes from the owner members of Metsäliitto Cooperative, roughly 90,000 private forest owners
- In Sweden Metsä Board has a long-term wood supply agreement with Norra Skog, a co-owner with a 30% stake in the Husum pulp mill



# Impacts of FX changes

- Impact including hedges, actual
  - Q1 2024 vs Q1 2023: EUR +6 million
- Estimated impacts, including hedges
  - Q2 2024 vs Q1 2024: slightly positive
  - Q2 2024 vs Q2 2024: slightly positive

## Hedging policy:

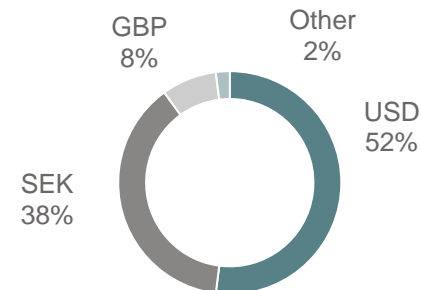
In addition to the balance sheet position of trade receivables and trade payables, 50% of the projected annual net foreign currency exposure at the normal level is hedged.

At the end of the review period, an average of 8.7 months of the net foreign currency exposure was hedged



## Annual FX transaction exposure

total EUR 1.3 billion



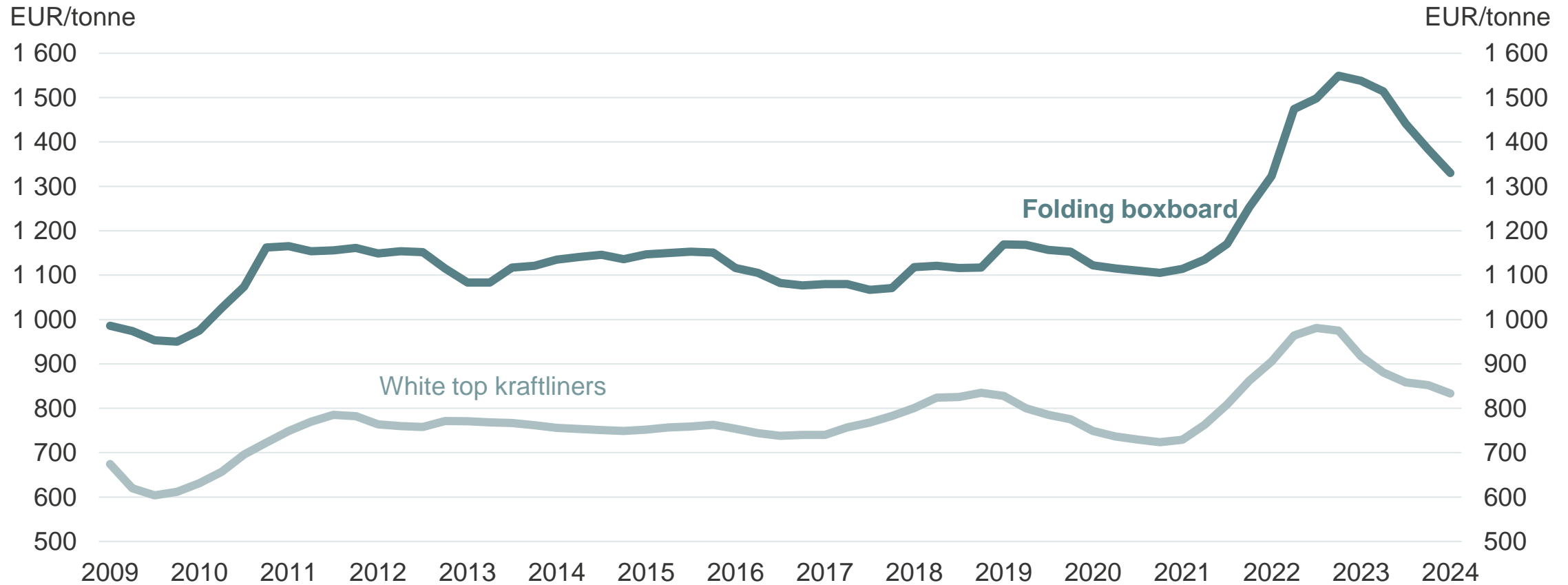
The foreign currency transaction exposure consists of foreign currency denominated sales and costs.

## FX sensitivities, excluding hedges

10% strengthening of foreign currency vs EUR would have an impact on Metsä Board's EBIT in

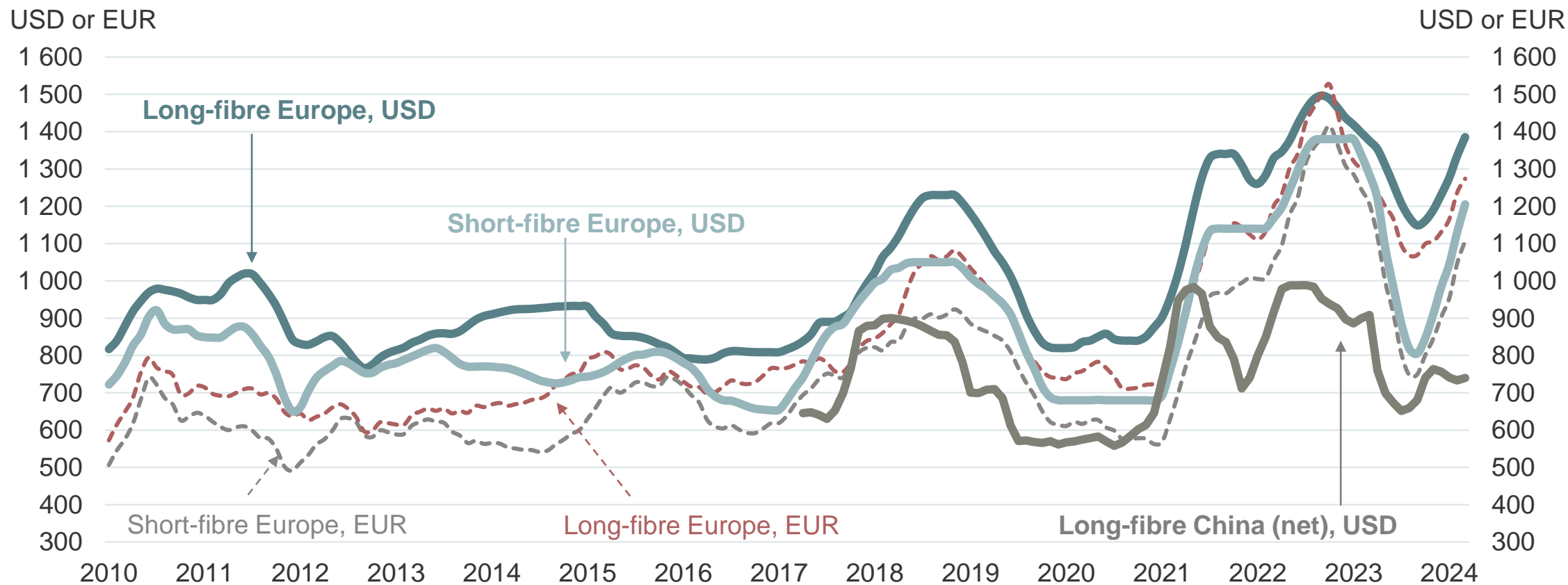
Currency	Next 12 months
USD, \$	EUR +70 million
SEK, kr	EUR -50 million
GBP, £	EUR +10 million

# Price development of folding boxboard and white kraftliners in Europe



# Price development of pulp (PIX)

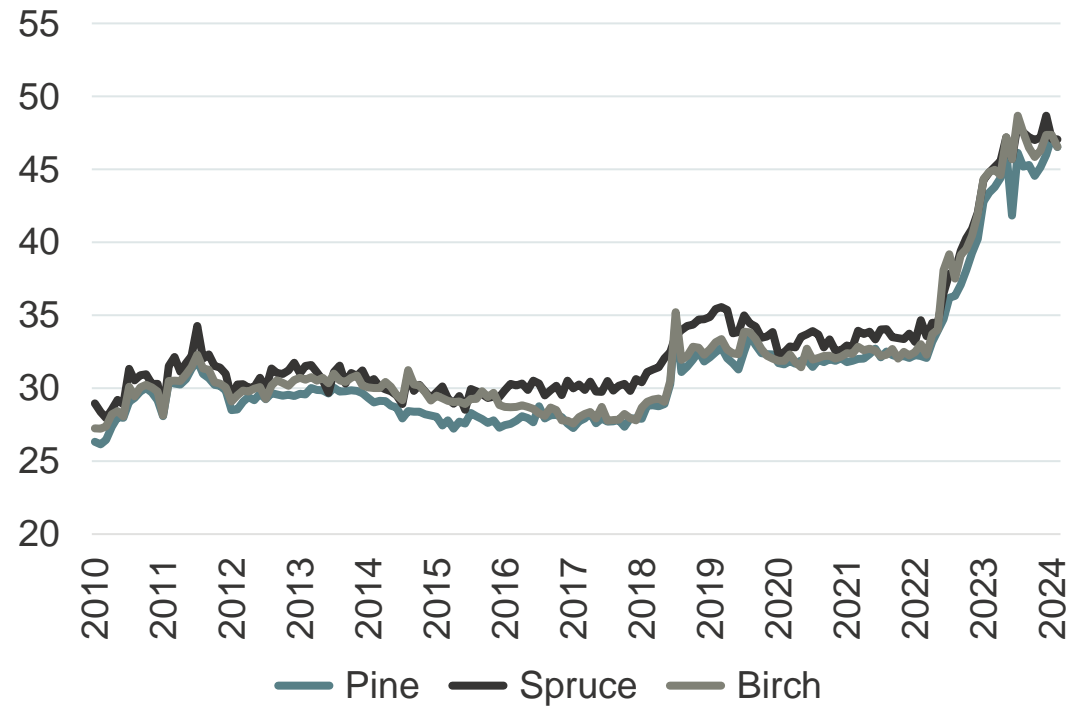
Long-fibre (SW) and short-fibre (HW) pulp



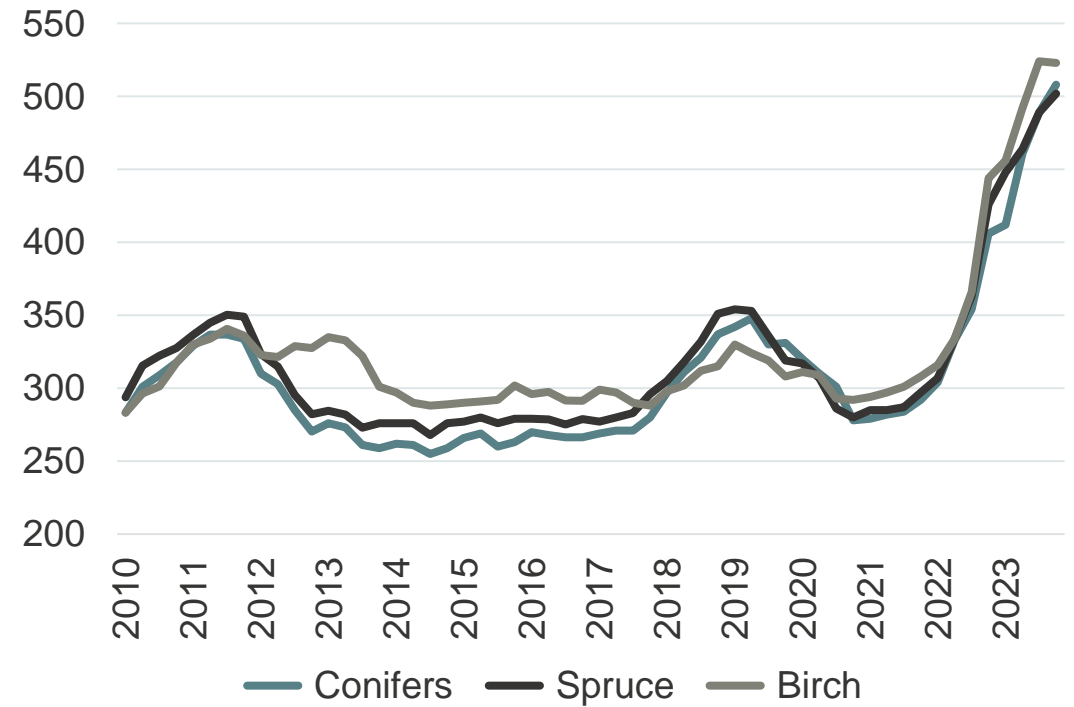


# Price development of pulpwood in Finland and Sweden

## Price (delivery at roadside, on bark) of pulpwood in Finland, EUR/m<sup>3</sup>



## Price (delivery at roadside, under bark) of pulpwood in Sweden, SEK/m<sup>3</sup>



# FX rates development: EUR/USD and EUR/SEK

## EUR/USD

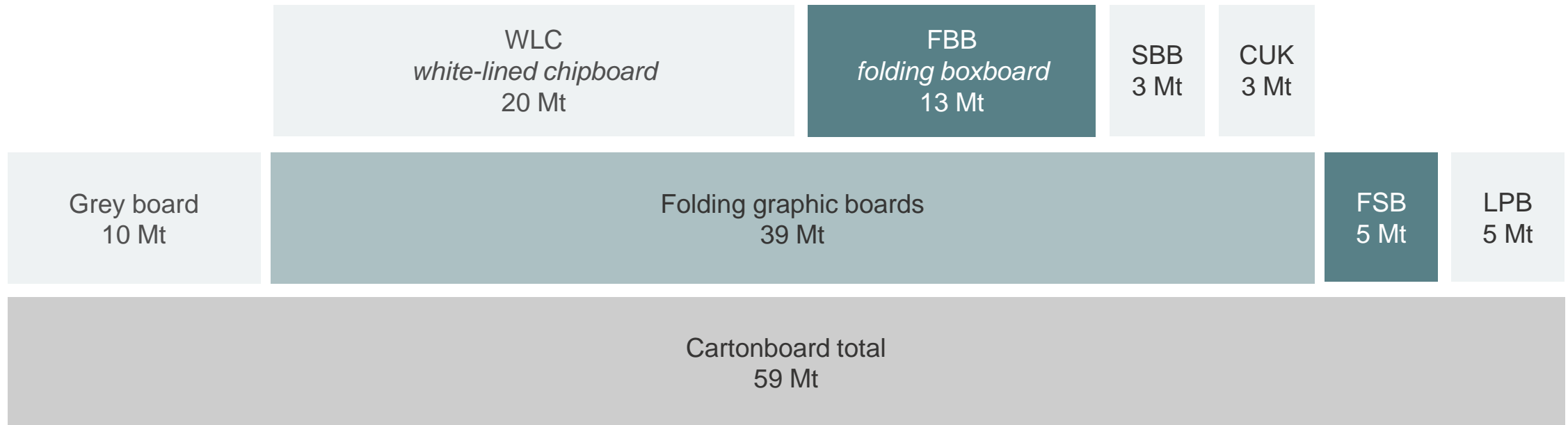


## EUR/SEK



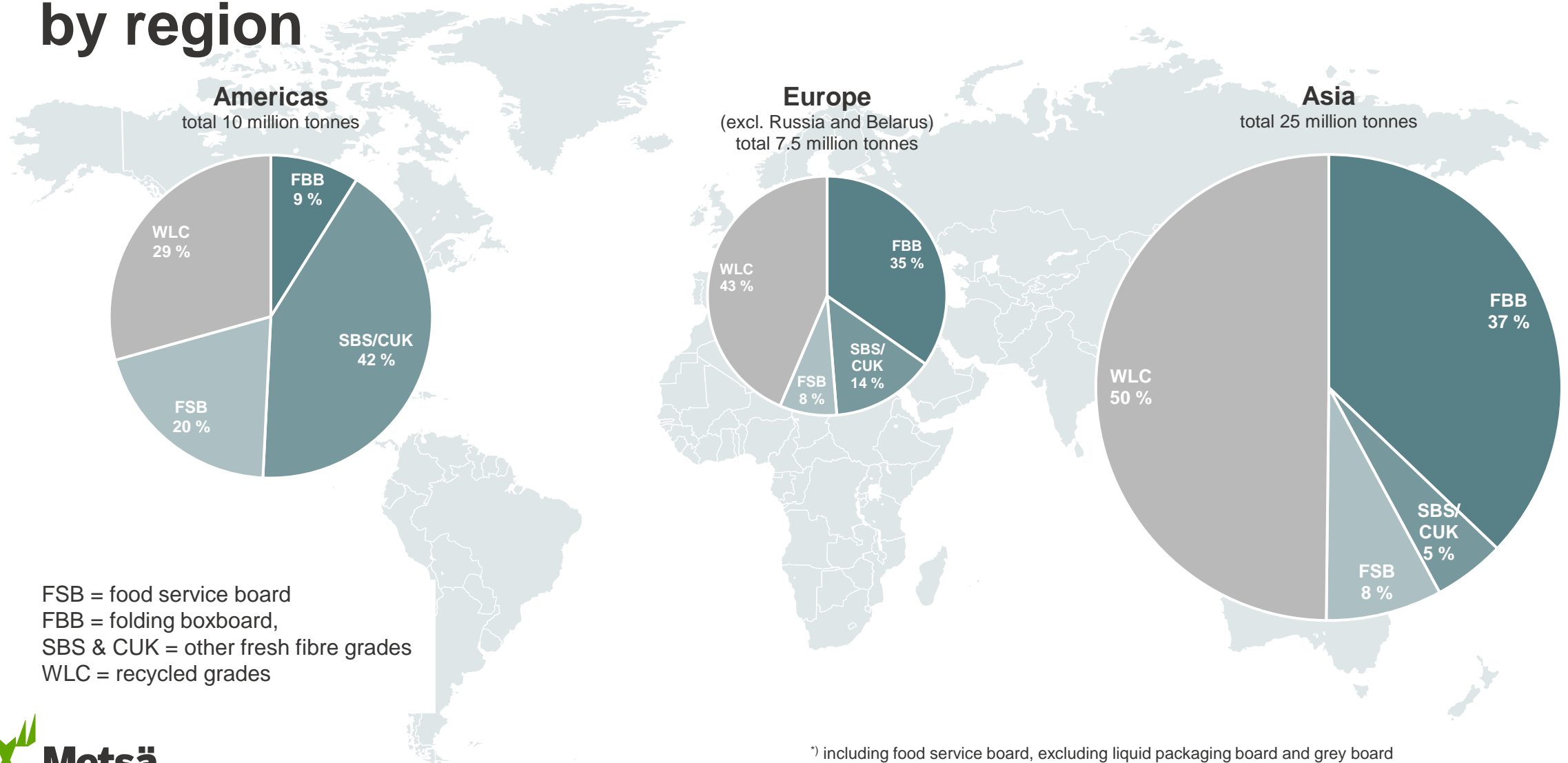
# Operating environment

# Global annual demand for cartonboards



*SBB = solid bleached board  
CUK = coated unbleached kraftboard  
FSB = foodservice board  
LPB = liquid packaging board*

# Global annual demand for folding cartonboard\* by region



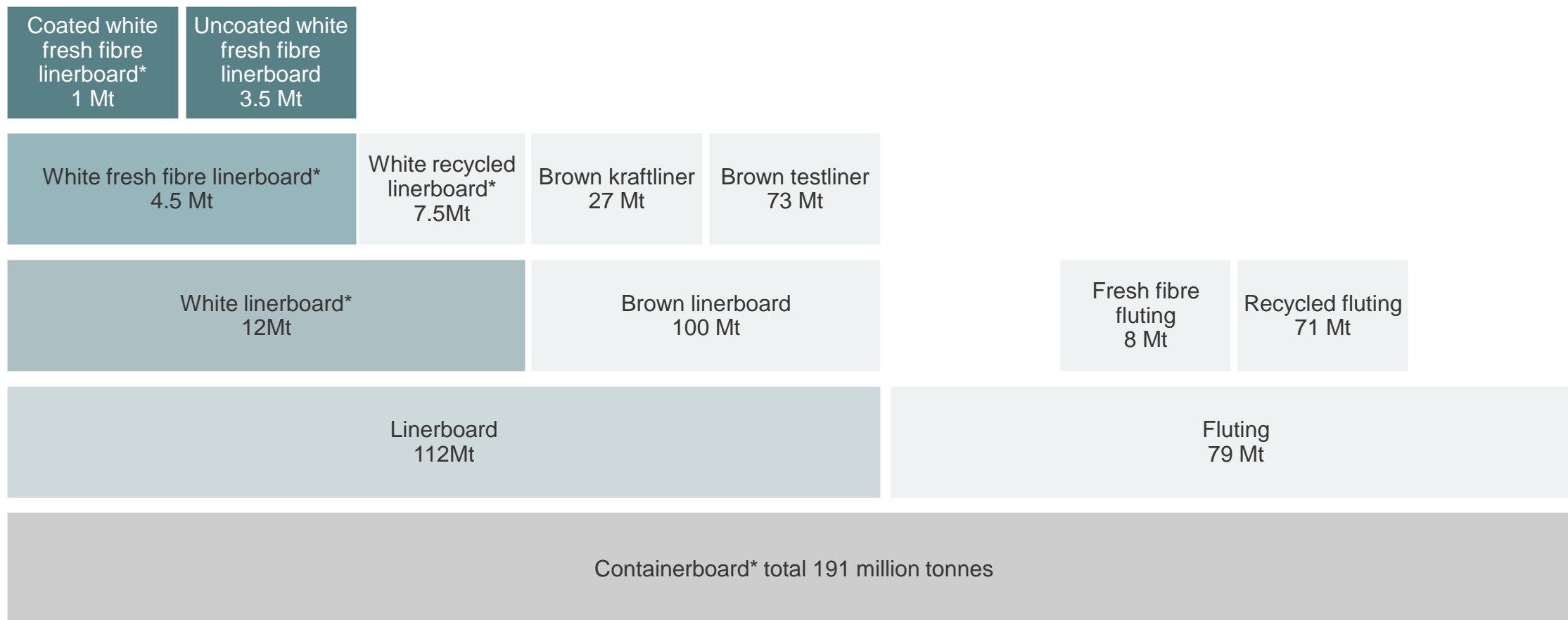
FSB = food service board  
 FBB = folding boxboard,  
 SBS & CUK = other fresh fibre grades  
 WLC = recycled grades



\*) including food service board, excluding liquid packaging board and grey board  
 Source: AFRY Management Consulting

# Global annual demand for containerboards

Metsä Board's linerboards are at the top of the quality pyramid – in a very niche market



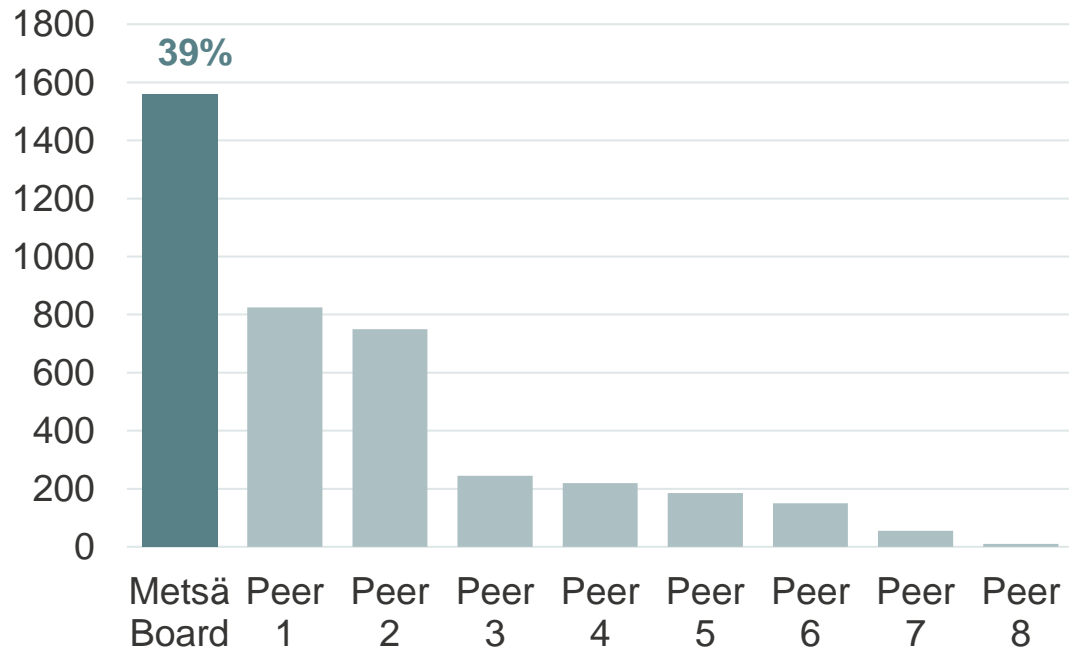
# Folding boxboard and white kraftliner capacity in Europe

(excluding Russian and Belarusian producers)

## FBB producers in Europe

Total capacity 4 million tonnes

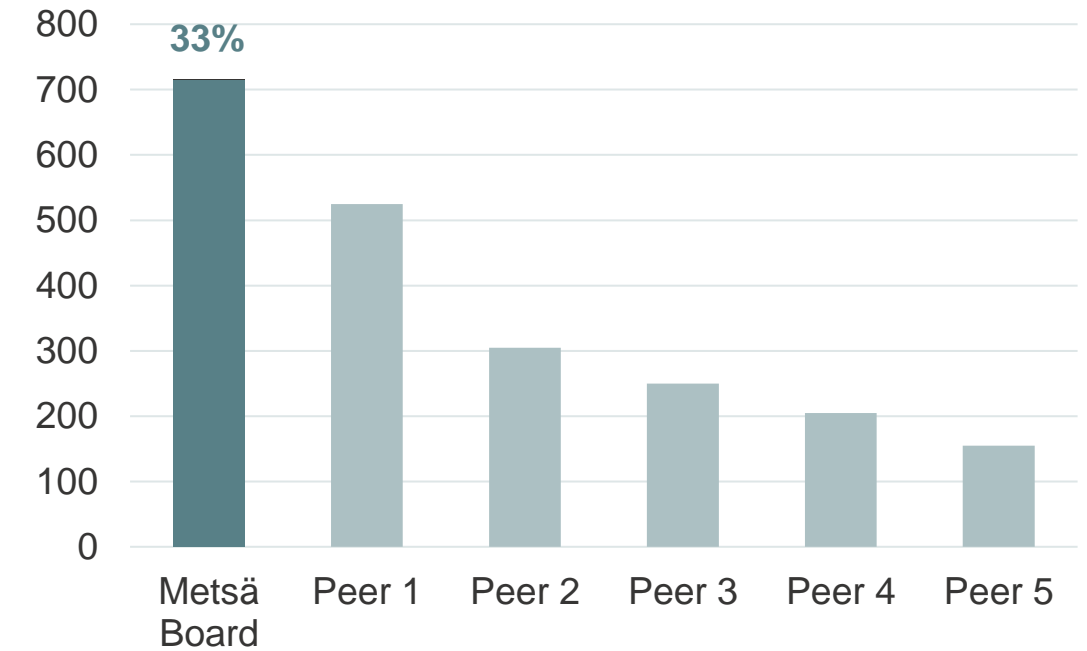
'000 metric tonnes



## WKL producers in Europe

Total capacity 2.2 million tonnes

'000 metric tonnes



Metsä Board's capacities include the capacity expansions from year 2023: 200 000 tonnes FBB (Husum) and 40 000 tonnes WKL (Kemi)  
Source: Metsä Board own estimates

# Sustainability



# Our 2030 sustainability targets



## Environment

We safeguard biodiversity  
We mitigate climate change and reduce emissions  
We use natural resources efficiently and reduce waste



## Social

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



## Governance

We know the origin of our raw materials.  
We favour responsible suppliers in our procurement.

# Forest management plan as part of Metsä Group's regenerative forestry

## Forest management plan for typical forest stands

1

### More diverse tree species composition

- Increasing the proportion of broadleaved trees
- Mixed forests
- 80 % of tree species outside purchase

2

### Increased dead wood volumes

- Retention trees and tree groups
- Buffer zones
- Biodiversity stumps

3

### More diverse forest structure

- Continuous cover harvesting
- Retention tree groups
- Valuable habitats
- Protective thickets

4

### Protected valuable habitats e.g.

- Brooks
- Springs
- Fertile bogs
- Cliffs
- Flood habitats

5

### Habitat restoration at threatened species hot spots

- Herb-rich forests
- Esker sunny slopes
- Fire habitats

Metsä Board's 1.5°C aligned Science Based target

# ZERO FOSSIL CO<sub>2</sub> EMISSIONS

Fossil free production\* and products by the end of 2030



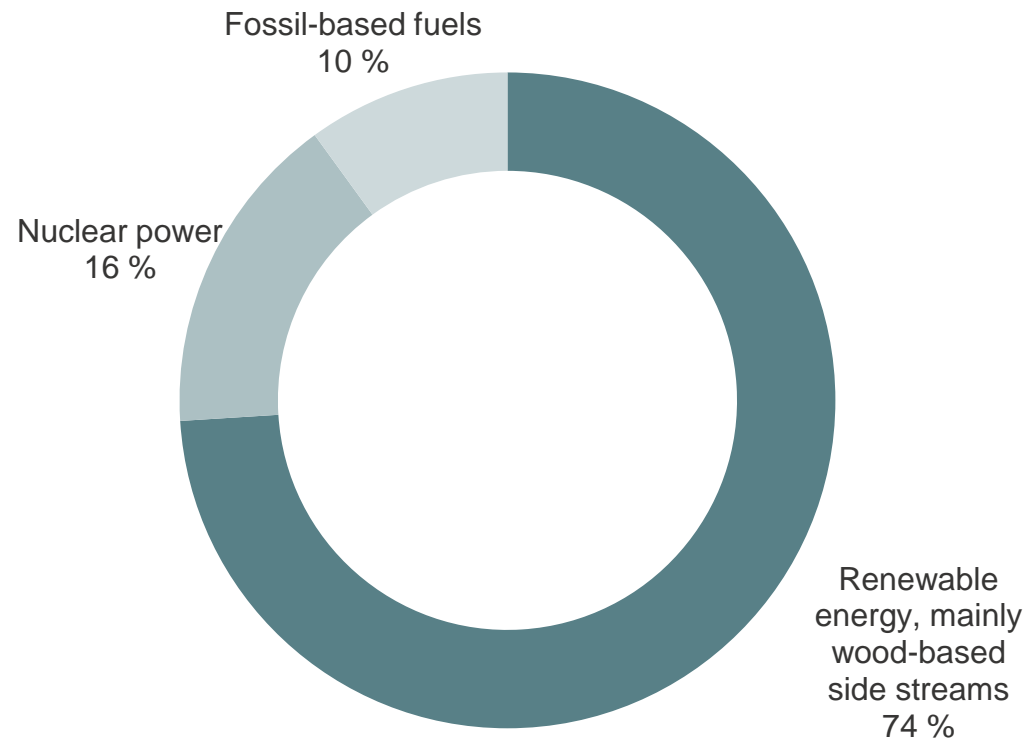
\*including Scope 1 and Scope 2

**BUSINESS  
AMBITION FOR 1.5°C**



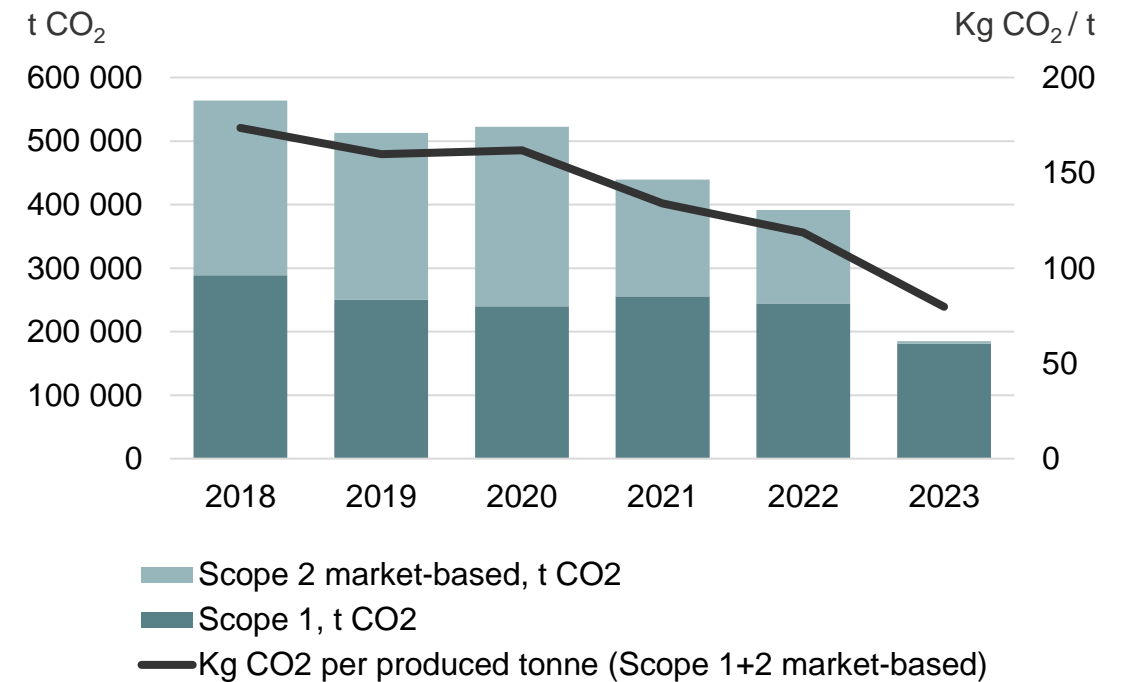
# 90% of our total energy use is fossil free

## Total energy consumed in 2023 7.6 TWh

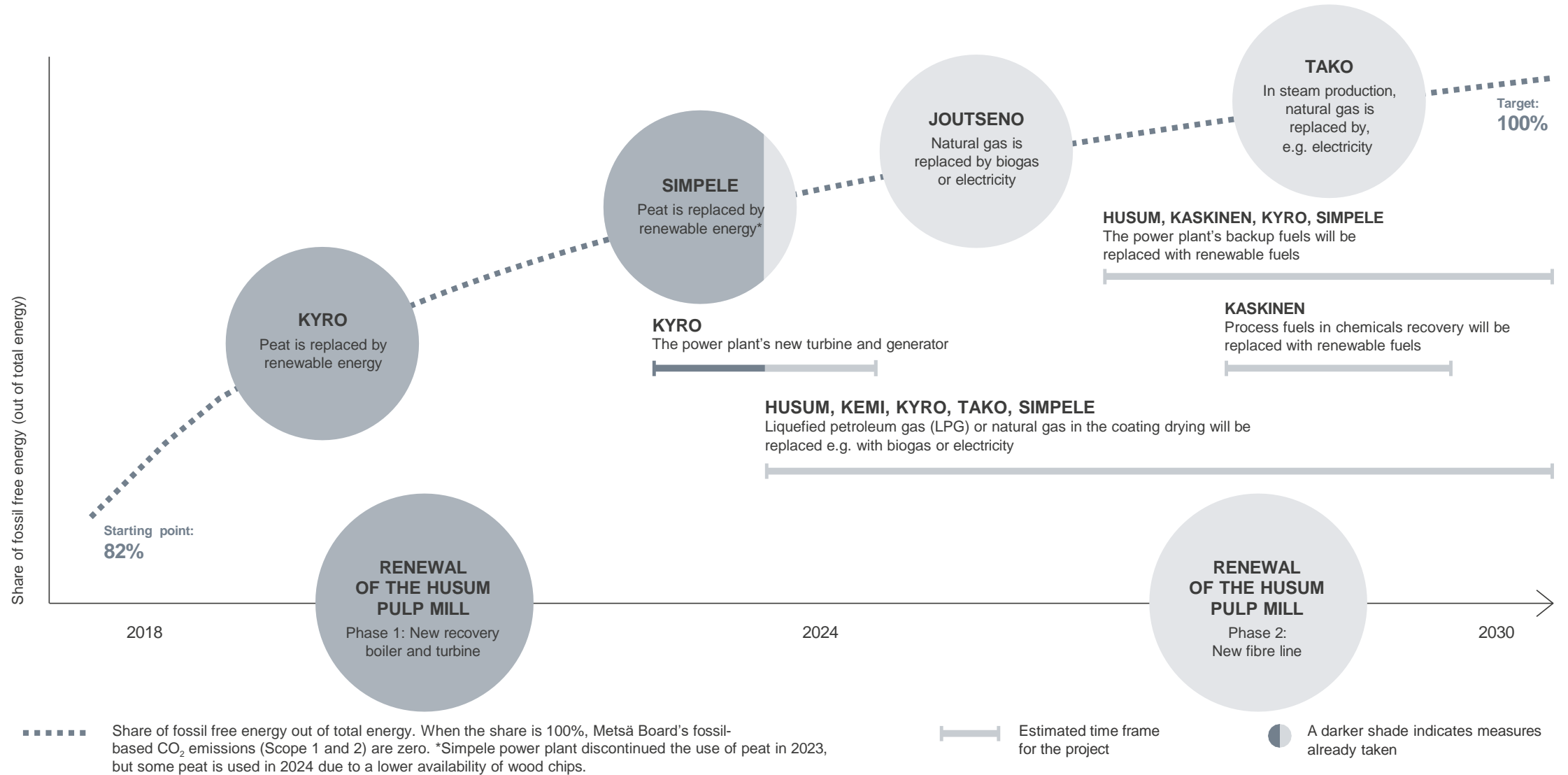


## Fossil-based CO<sub>2</sub> emissions, Scope 1+2

We have reduced our fossil-based CO<sub>2</sub> emissions per tonne by 54% since 2018

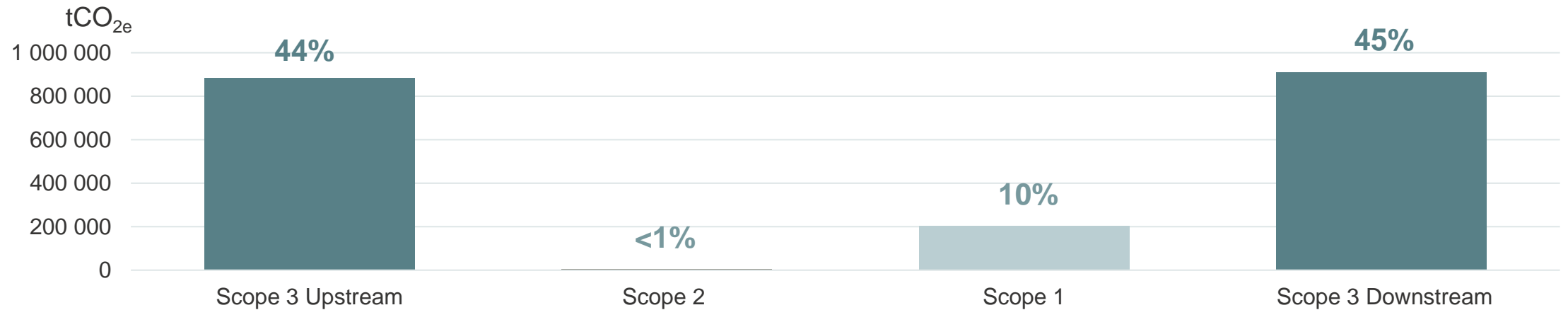


# Roadmap to fossil free mills by the end of 2030



# Value chain emissions are addressed with SBT and joint targets with suppliers

Total greenhouse gas emissions (Scope 1, 2, and 3) ca. 2.0 million tonnes CO<sub>2e</sub>



In 2023:

	tCO <sub>2e</sub>		tCO <sub>2e</sub>		tCO <sub>2e</sub>		tCO <sub>2e</sub>
Purchased goods and services	479 875	Market-based indirect GHG emissions from purchased electricity and heat	5,108	Direct GHG emissions from own processes and power plants	201,984	Downstream transportation and distribution	4 732
Capital goods	57 651					Processing of sold products	268 042
Fuel and energy-related activities	57 772					Use of sold products	890
Upstream transportation and distribution	282 264					End-of-life treatment of sold products	582 863
Waste generated in operations	2 919					Investments	52 294
Business travel	813						
Employee commuting	1 889						
	<b>883,184</b>		<b>5,108</b>		<b>201,984</b>		<b>908,822</b>

# The carbon footprint (CO<sub>2</sub>) of packaging material depends in particular on:

1

## Energy used in production

---

Metsä Board uses 90 per cent **fossil-free energy** in its production

2

## Material and resource efficiency

---

Lightweighting reduces the use of fibre, energy and water - and the **carbon footprint of packaging**

Metsä Board's folding boxboard have a lower carbon footprint compared to several corresponding grades



# Strong commitment from brand owners and retailers to improve sustainability

- Increasing the use of renewable packaging materials
- Reducing material use
- Sustainable supply chain
- Ensuring recycling
- Reducing the carbon footprint of products



Several international brand owners have set a target of

# 100%

reusable, recyclable or compostable packaging





# Paperboard provides an alternative to plastics

## PET

- Made of fossil oil-based materials with fossil-based energy
- Recycling rate of PET is low
- In the EU, recycling rate is 38% for plastic packaging and 82% for paper packaging

(Eurostat, 2020 )



## MetsäBoard Prime FBB EB

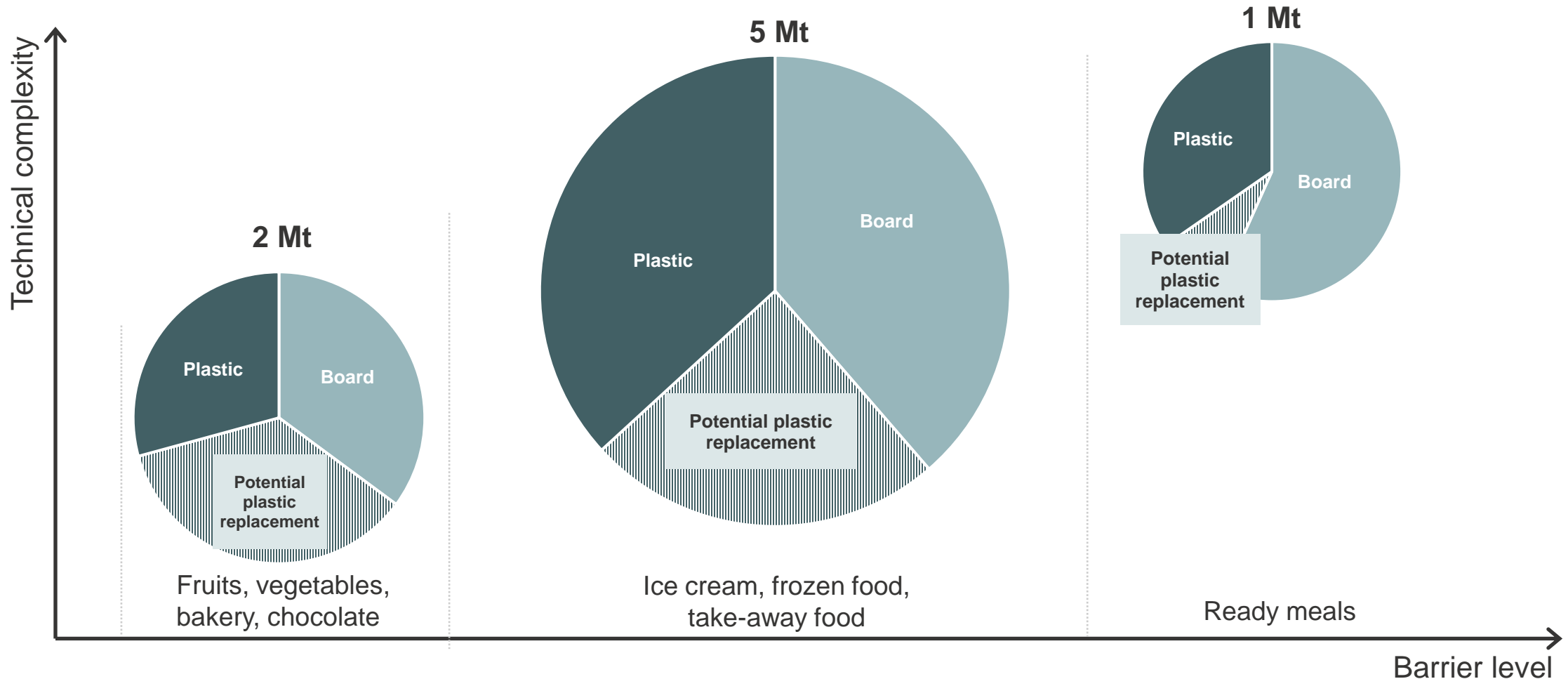
- Made from renewable fresh wood fibre with a high share of fossil free energy
- Easy to recycle, biodegradable and compostable
- The climate impact of a paperboard box for cherry tomatoes is ca. 80% smaller than that of a box made from recycled PET

(Natural Resources Institute Finland, 2019)



# Plastic replacement potential roughly 2 million tonnes

Cartonboard and rigid plastic packaging market size in selected food categories, excluding cupstock and liquid packaging



Source: Metsä Board estimates based on Euromonitor International Limited and Smithers Information Ltd

Barrier level  
(increasing moisture/grease resistance)

# Fresh and recycled fibres are equally good in terms of the circular economy

**82%**

of paper and paperboard packaging is recycled

**100%**

recovery of wood fibres **is not possible** because part of the fibre is lost during a cycle, or is contaminated

**Fresh fibre is needed in the recycling loop to maintain quality and strength, and to keep the loop ongoing**

# External assessments and own commitments



Metsä Board has an “A” score in the Climate and Water and an “A-” in the Forest rating.



Total score 87/100. Metsä Board has achieved the highest rating level every year since 2017.



[Link](#) to ISS website



[Link](#) to MSCI website

The use by Metsä Board of any MSCI ESG Research llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Metsä Board by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



[Link](#) to Ellen MacArthur Foundation website



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Metsä Board's GHG emission reduction targets are approved by the Science Based Targets initiative.



As part of Metsä Group, Metsä Board is committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption. Metsä Board also supports the UN's Sustainable Development Goals, the SDGs.

# Innovation and R&D



# Our R&D work aims to achieve world-class resource efficiency and reduce carbon footprint



1

Light and resource efficient paperboards



2

Developing barrier boards as an alternative to plastics

# High-yield pulp makes the difference between folding boxboard and other grades

## Benefits of lightweighting:



**Lightweight yet strong and stiff**

=

paperboard for cost-efficient, sustainable and sturdy packaging



**Improved yield**

=

more cartons per tonne



**Improved sustainability**

=

less natural resources used, lower carbon footprint

# Resource efficiency in production

Wood consumption depends on right fibre-mix.  
**Less wood needed** in the production of high-yield pulp



**Reduced water use** through a closed water circulation and reduction of process water

New technology, development of energy recovery and AI improve energy efficiency



**Resource and operational efficiency in production** results into lightweight paperboards with less waste





# As part of Metsä Group, we are looking for new growth opportunities

**Metsä Spring\*** invests expertise and financial resources into initiatives with the ambition to reshape the forest-based bioeconomy



Wood-based 3D products




Wood-based textile fibres



Wood composite products



Bioactive products from birch bark

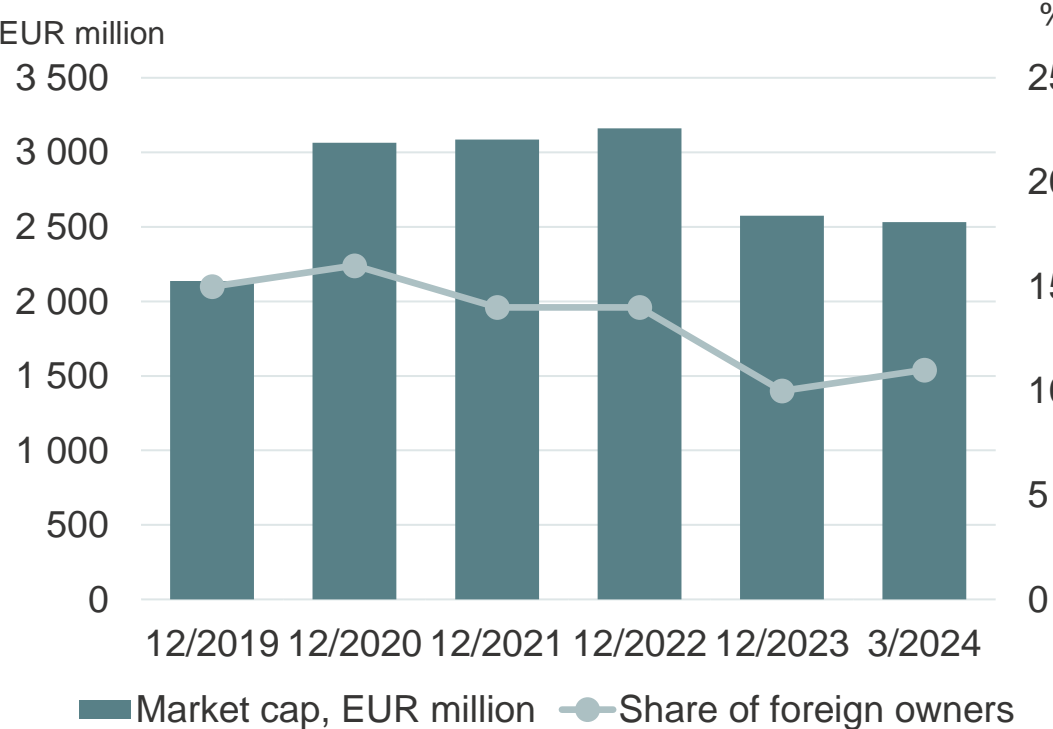
A close-up photograph of a wooden cabinet corner. The cabinet is made of light-colored wood with a visible grain. Below the cabinet, there is a white, textured floor mat. In the bottom right corner, a roll of white paper towels is partially visible. The lighting is bright, creating soft shadows.

# Owners and management

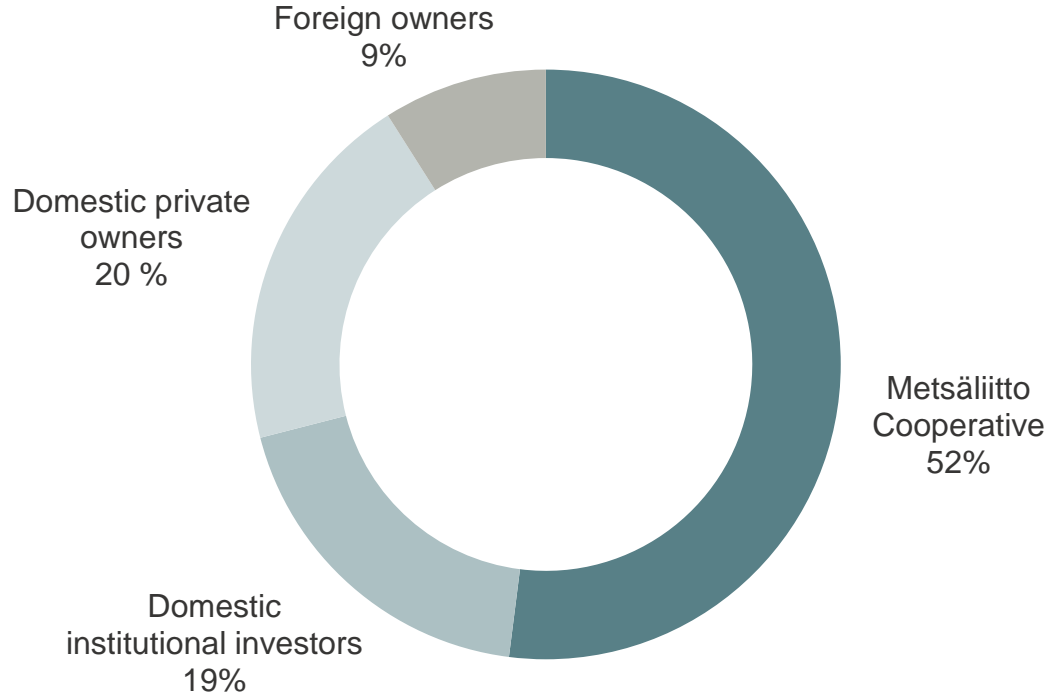
# Market cap and ownership distribution

Metsä Board has two share series, A and B shares

## Market cap and foreign owners



## Ownership distribution 31 March 2024



# Metsä Board Corporate Management Team



**Mika Joukio**  
CEO  
Chair of CMT since 2014  
At Metsä Group since 1990  
Shares: 377,846



**Henri Sederholm**  
CFO  
Member of CMT since 5/2021  
At Metsä Group since 2003  
Shares 61,700



**Markku Leskelä**  
SVP, Development  
Member of CMT since  
October 2021  
At Metsä Group since 1993  
Shares: 32,565



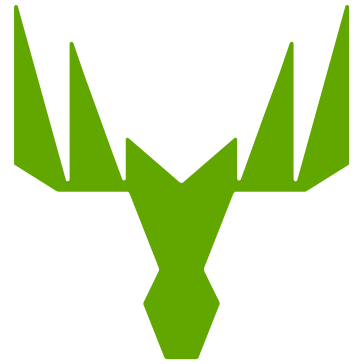
**Jussi Noponen**  
SVP, Sales  
and Supply Chain  
Member of CMT since 2016  
At Metsä Group since 2000  
Shares: 99,806



**Harri Pihlajaniemi**  
SVP, Production and  
Technology  
Member of CMT since 2017  
At Metsä Group in 2001–2004  
and since 2017  
Shares: 56,636



**Camilla Wikström**  
SVP, HR  
Member of CMT since 2019  
At Metsä Group since 2001  
Shares: 32,593



**Metsä**