



**Metsä**

# Investor presentation Q1 2025

Metsä Board

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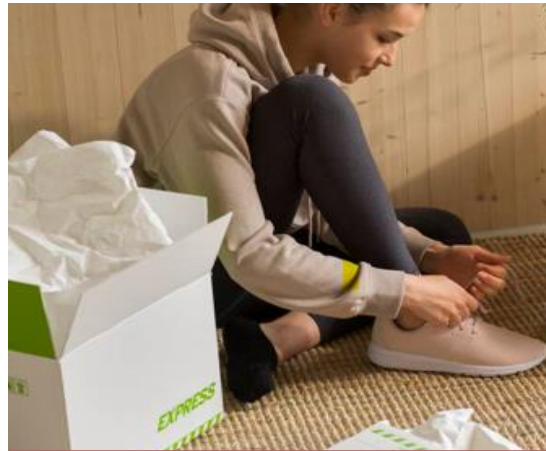


# Investment highlights



## Focus on premium fresh fibre paperboards

- Recyclable and lightweight paperboards from renewable raw materials
- End-uses mainly in food, pharma and cosmetics
- Packaging materials providing an alternative to plastics



## A leading position in a growing market

- Metsä Board is #1 producer in folding boxboard and white kraftliners in Europe
- #1 in coated white kraftliners globally
- Diversified customer base with several long-term relationships



## High level ambition in sustainability

- Focus on resource efficiency and reduced carbon footprint of packaging
- Helps customers to improve their sustainability
- Aiming for fossil-free production and products by 2030



## Investments in sustainable growth

- Recently completed large-scale growth investments
- Solid financial situation
- Continuous improvement in competitiveness of mills and products

## Metsä Board is part of Metsä Group

Group structure ensures high availability of Nordic fibres and enhances Metsä Board's high self-sufficiency in pulp and energy

# Metsä Board is part of Metsä Group

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

All figures based on FY2024

## METSÄ GROUP

Sales EUR 5.7 billion | Operating margin: 3.5% | Personnel 9,000

Parent company: METSÄLIITTO COOPERATIVE  
owned by over 90,000 Finnish forest-owners

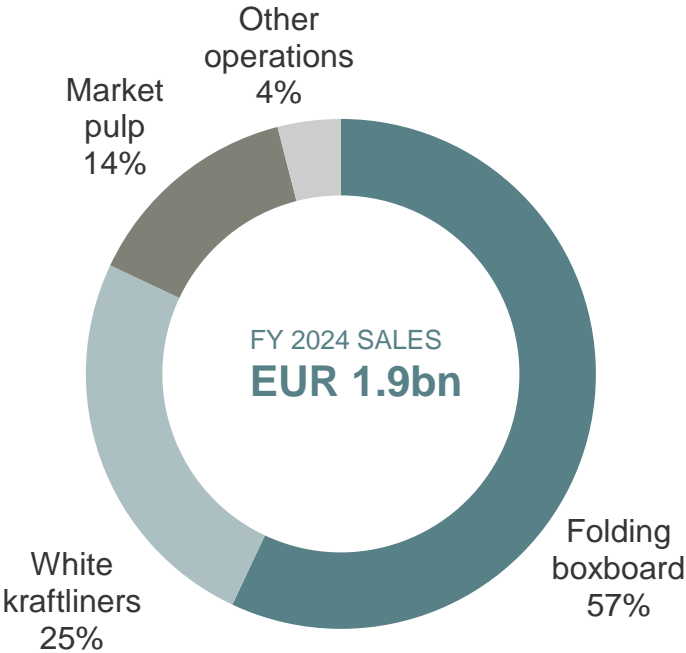
<b>METSÄ FOREST</b> WOOD SUPPLY AND FOREST SERVICES  Sales EUR 2.4 bn Personnel 700  Holding: Metsäliitto Cooperative 100%	<b>METSÄ WOOD</b> WOOD PRODUCTS  Sales EUR 0.6 bn Personnel 1,700  Holding: Metsäliitto Cooperative 100%	<b>METSÄ FIBRE</b> PULP AND SAWN TIMBER  Sales EUR 2.3 bn Personnel 1,500  Holding: Metsäliitto Cooperative 50.1% Itochu Corporation 25.0% <b>Metsä Board 24.9%</b>	<b>METSÄ BOARD</b> PAPERBOARD  Sales EUR 1.9 bn Personnel 2,300  Holding: <b>Listed in Nasdaq Helsinki</b> Metsäliitto Cooperative 52%	<b>METSÄ TISSUE</b> TISSUE AND GREASEPROOF PAPERS  Sales EUR 1.2 bn Personnel 2,600  Holding: Metsäliitto Cooperative 100%
<b>METSÄ SPRING</b> INNOVATION COMPANY				

Metsä Spring invests and supports potential sustainable innovations and technologies that find new purposes and higher value for Nordic wood

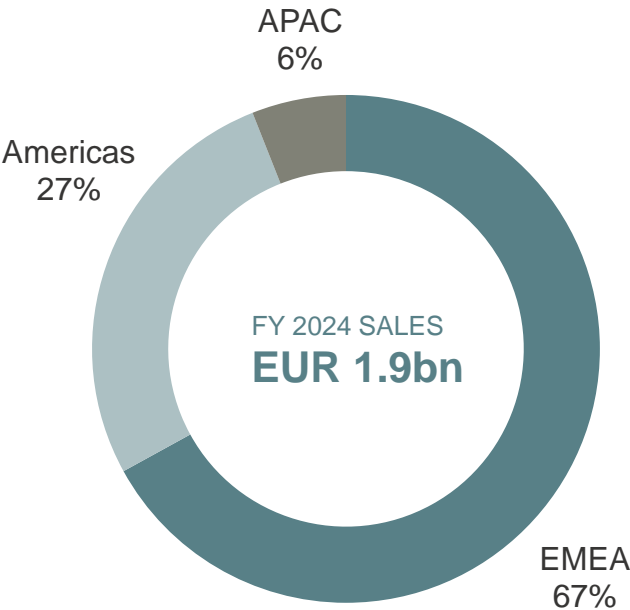


# Company in figures

Sales split by product

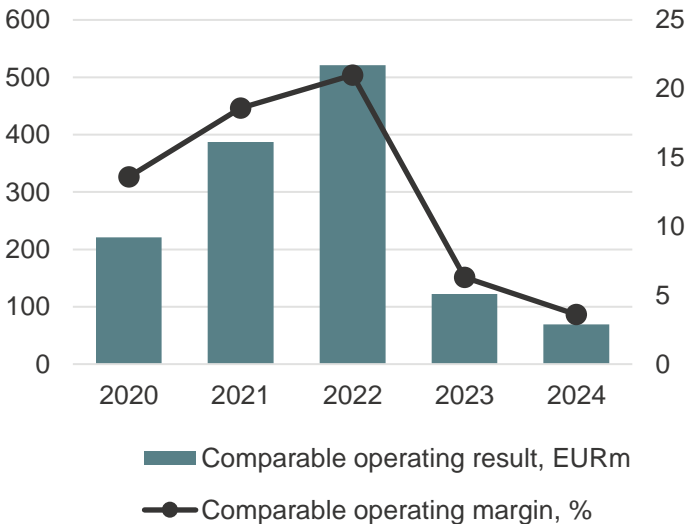


Sales split by region



Comparable operating result

FY2024: EUR 69 million or 3.6% of sales



Long-term customerships

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

Paperboard capacity<sup>1)</sup>

**2.1 million**

tonnes/year

Pulp and BCTMP capacity

**1.7 million**

tonnes/year

Ownership in Metsä Fibre\*

**24.9%**

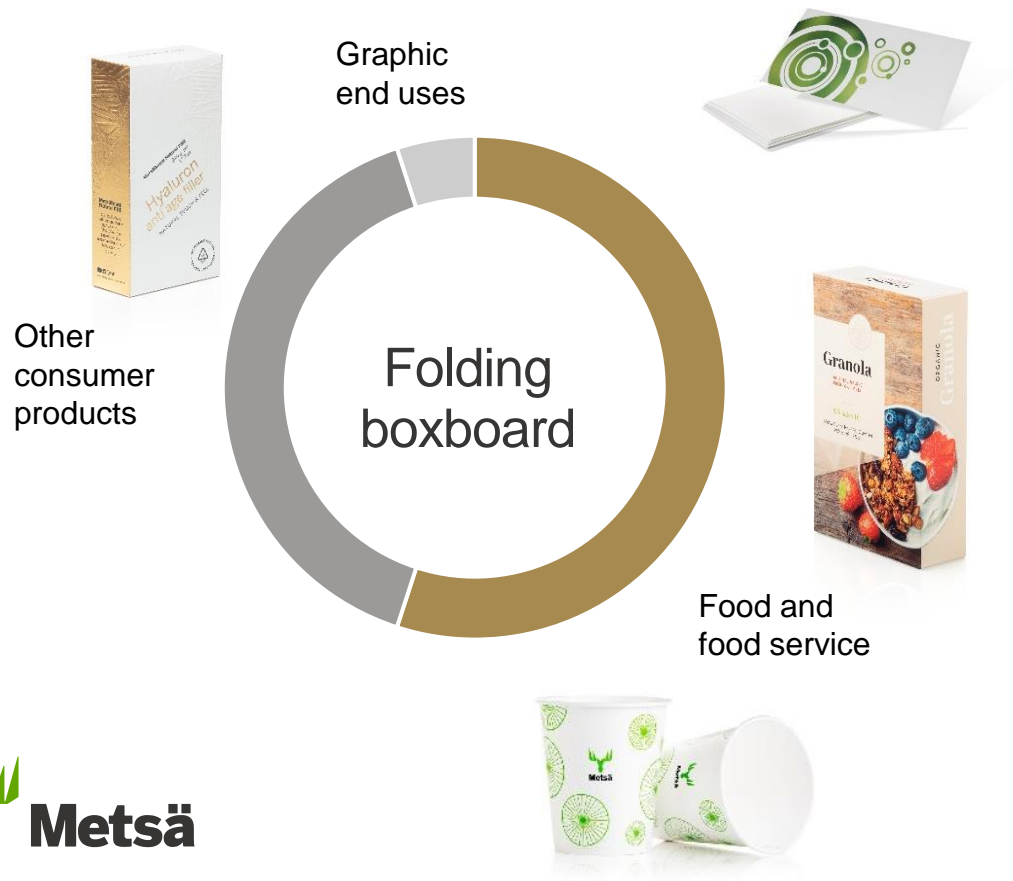
secures self-sufficiency in pulp

<sup>1)</sup> Excluding capacity from Tako mill 210,000 t/a. Including recent capacity additions in Kemi and Husum total 240,000 t/a, fully in the market in 2026

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

Metsä Board's annual capacity in FBB in 1.6 mt

Metsä Board's annual capacity in WKL in 0.7 mt  
- of which 2/3 is coated WKL



# Our main markets are Europe and North America

Total paperboard deliveries in 2024 were 1.5 million tonnes  
(2023: 1.4mt)

## Regional focus on key demand drivers

### Further strengthening our leading market position in **EUROPE**

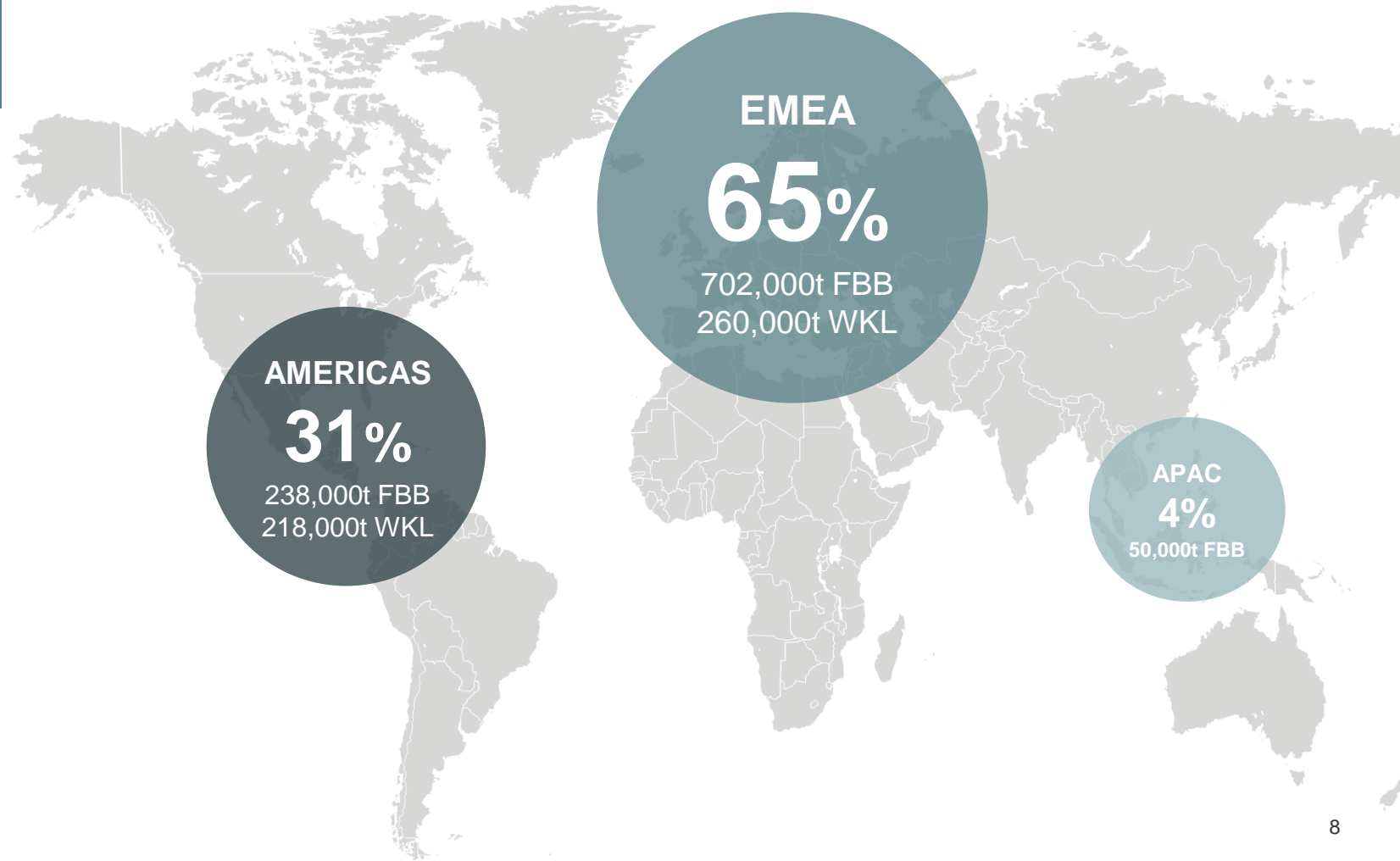
- Environmental awareness and regulatory requirements support recyclable packaging materials
- Trend towards material reduction and lightweighting favours folding boxboard
- Food safety requirements favour pure fresh fibre paperboards
- Weakened availability of high-quality recycled paper

### 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**

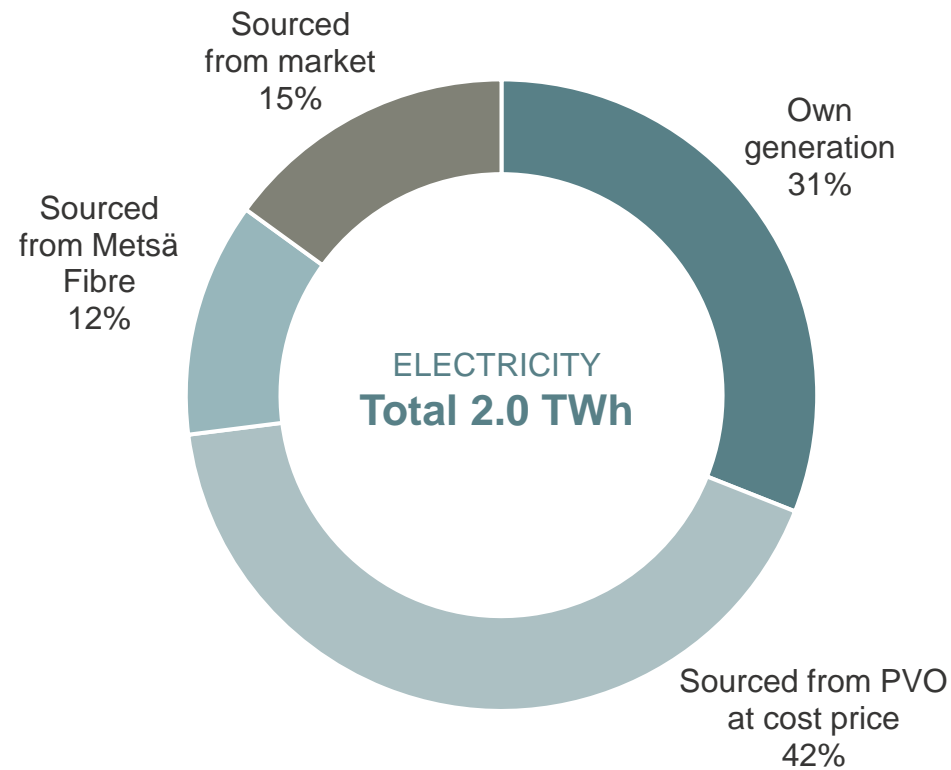
- Middle class growth increases purchasing power and demand for packaged consumer goods



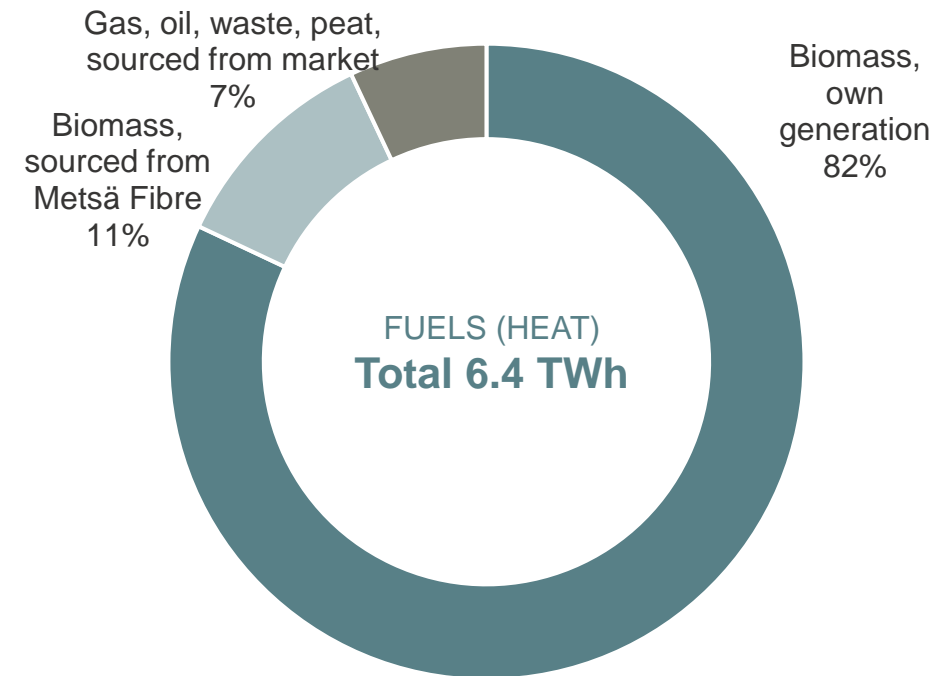


# Self-sufficiency in energy is 90%

Energy consumption by sourcing method



Based on GRI calculation



Based on primary energy calculation

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

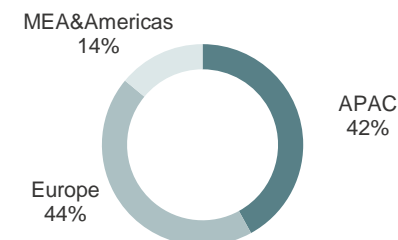
## Metsä Fibre is globally #1 producer in softwood market pulp (NBSK)

- Capacity ~4 million tonnes/year chemical pulp (80% SW, 20% HW)
- 2.1 million m<sup>3</sup>/year sawn timber (40% spruce, 60% pine)
- Self-sufficiency in electricity over 200% (total annual production capacity ~5 TWh)

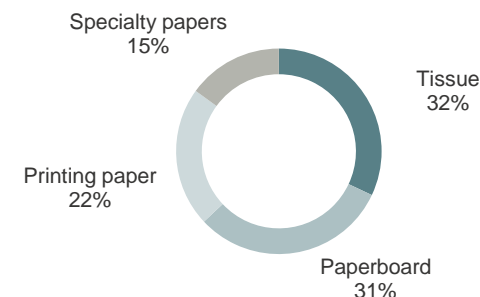
## Metsä Board owns 24.9% of Metsä Fibre

- 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 50 million impact on Metsä Board's annual operating result

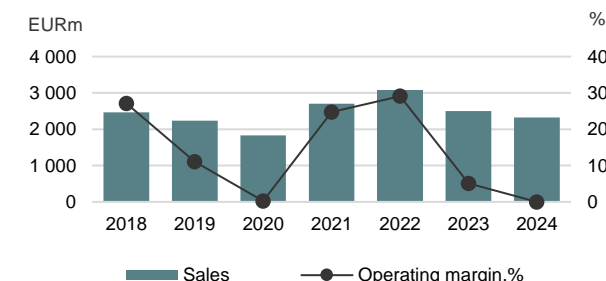
Metsä Fibre's pulp sales split by region 2024



Metsä Fibre's pulp sales split by end-use 2024



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



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

## Production units and annual capacities

### Total paperboard capacity:

Folding boxboard (FBB): 1,560,000 t/a

White kraftliner (WKL): 715,000 t/a

### Total pulp / BCTMP capacity:

BCTMP: 750,000 t/a

Chemical pulp: 910,000 t/a

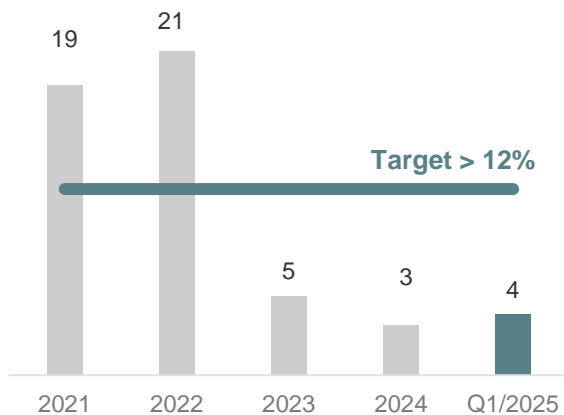
24.9% ownership in Metsä Fibre, total pulp capacity ~4Mt



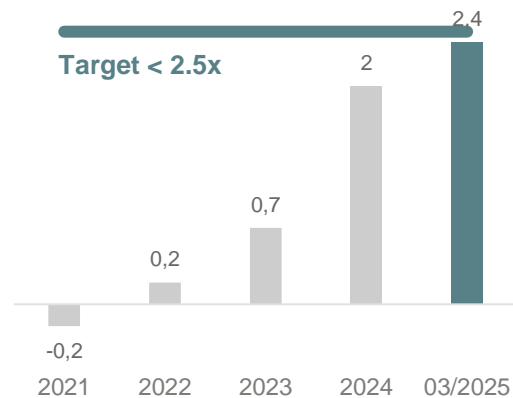
# Financial targets and dividend policy

## Financial targets:

### Comparable ROCE, %:

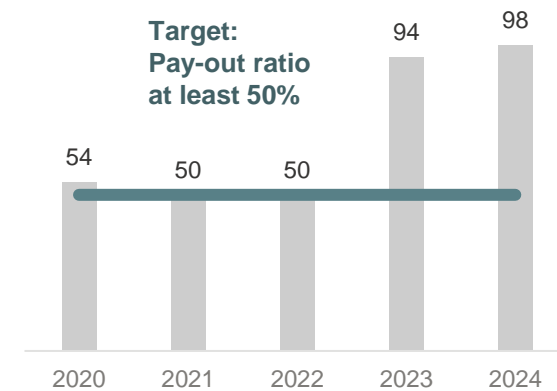


### IB net debt / comparable EBITDA



## Dividend policy:

### Dividend/net result, %





# Investments for sustainable growth and improved competitiveness

COMPLETED

**Kemi development programme**  
EUR 110 million  
+40,000 t/a of coated WKL  
Completed in 09/2023

New capacity fully on the market in 2025



**Husum FBB capacity expansion**  
EUR 230 million  
+200,000 t/a of FBB  
Completed in 11/2023

New capacity fully on the market in 2026

ONGOING

**Simple paperboard machine renewal**  
EUR 60 million  
Start-up Q4 2025



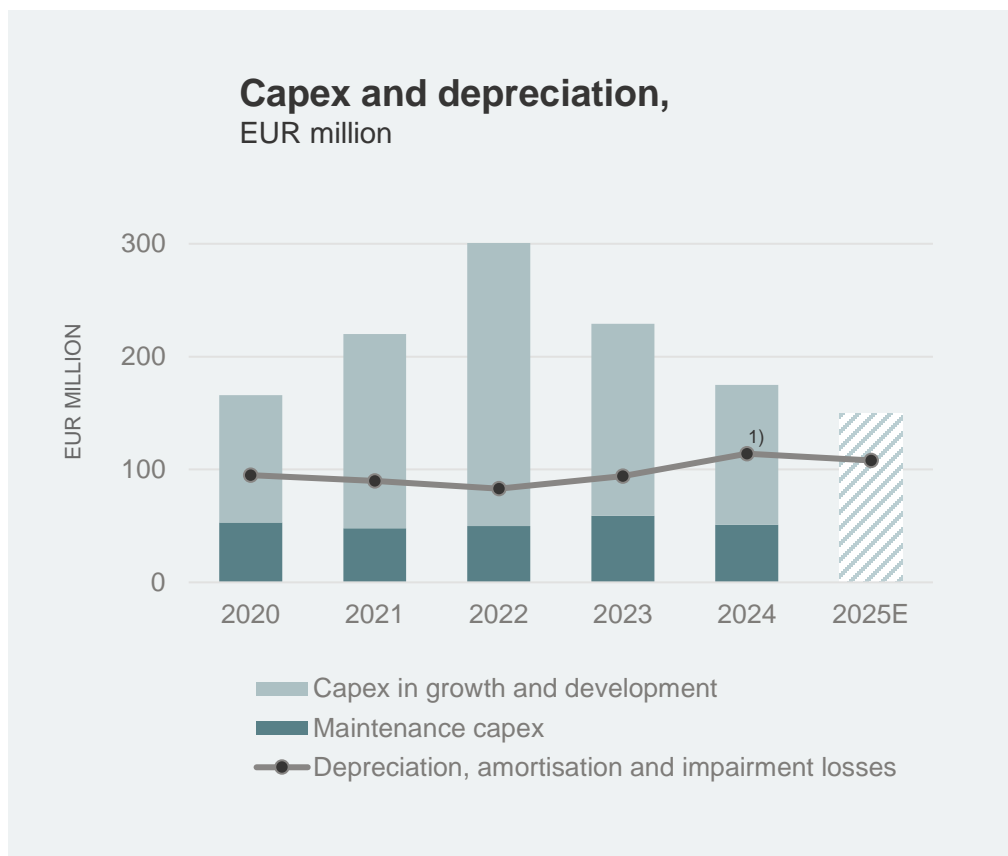
- New technology enhancing the printability of MetsäBoard Classic FBB
- +10,000 t/a of FBB, total annual capacity after investment 310,000 t/a
- Main end uses in food and pharmaceutical packaging
- Reaching 98% fossil-free production

PLANNED

Metsä Board has ongoing pre-engineering projects at Kyrö board mill, Husum board mill and Husum pulp mill



# Capex and depreciation



## January–March 2025

- Total investments were EUR 16 million
- Depreciation, amortisation and impairment was EUR 48 million, incl. EUR 19 million write-down of fixed assets related Tako's closure

## Year 2025, estimated

- The value of 2025 total investments is expected to be in the range of 100–150 million euros
- Depreciation, amortisation and impairment roughly at the level of 2024

## Ongoing and planned investments

- Paperboard machine renewal in **Simpele board mill**, estimated completion in H2/2025, value ~EUR 60 million
- In pre-engineering: New pulp drying machine in **Husum pulp mill** and production conversion of BM2 from white kraftliner to foodservice and greaseproof papers in **Husum board mill**. Barrier boards upgrade in **Kyro board mill**.



# Urbanization and climate change are megatrends driving demand for fresh fibre paperboards



Population growth, urbanisation and rising living standards drive packaging



Regulation and consumer preferences favour fossil-free packaging materials



Brand owners' commitments to recyclable packaging and reduction of plastic

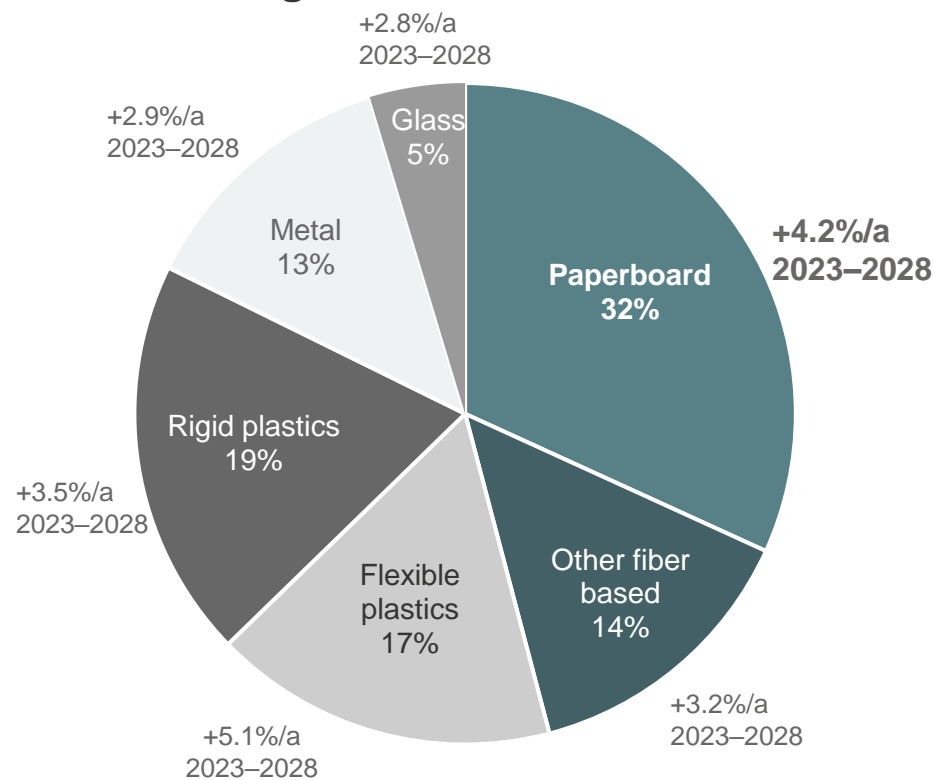


Availability of high-quality recycled fibre for de-inking is declining

# Global need for packaging is growing

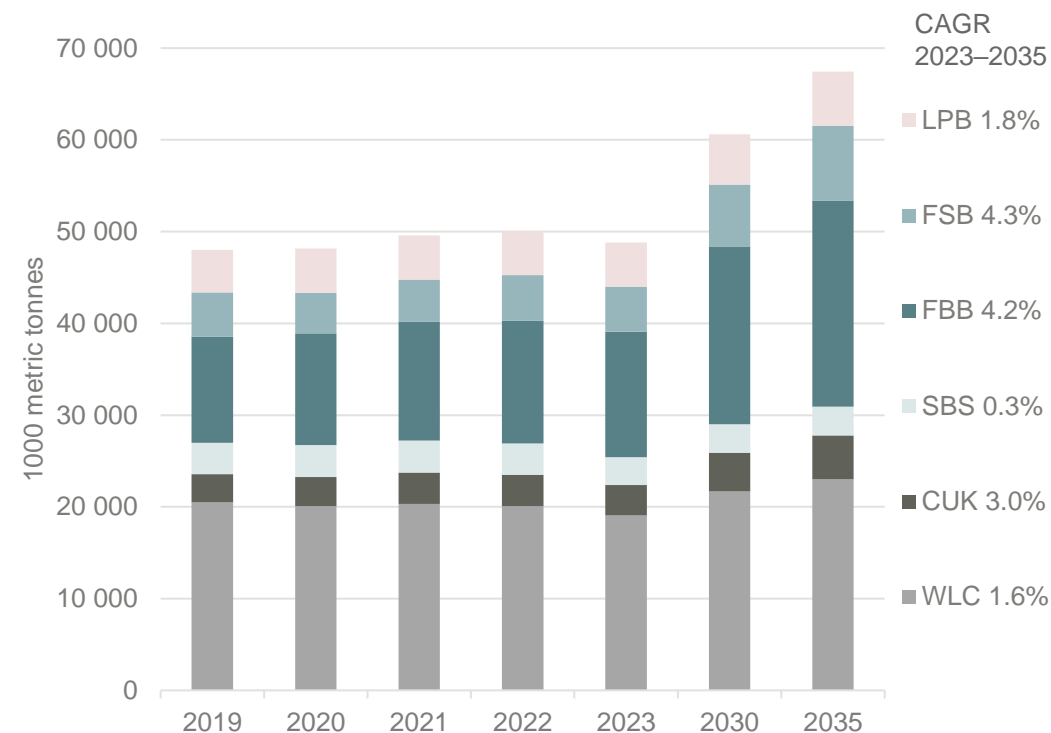
Global packaging market value is USD 1.175 billion and it is growing by 3.9% per year

Paperboard is growing faster than all packaging materials on average



Source: Smithers Information Ltd

Folding boxboard and foodservice board have fastest growth rates of all cartonboards



Source: AFRY



# Cost structure and profit drivers



# Cost structure

## Q1 2025 (vs Q1 2024)

- Increased wood and logistics costs, lower chemical and energy costs

## Year 2024

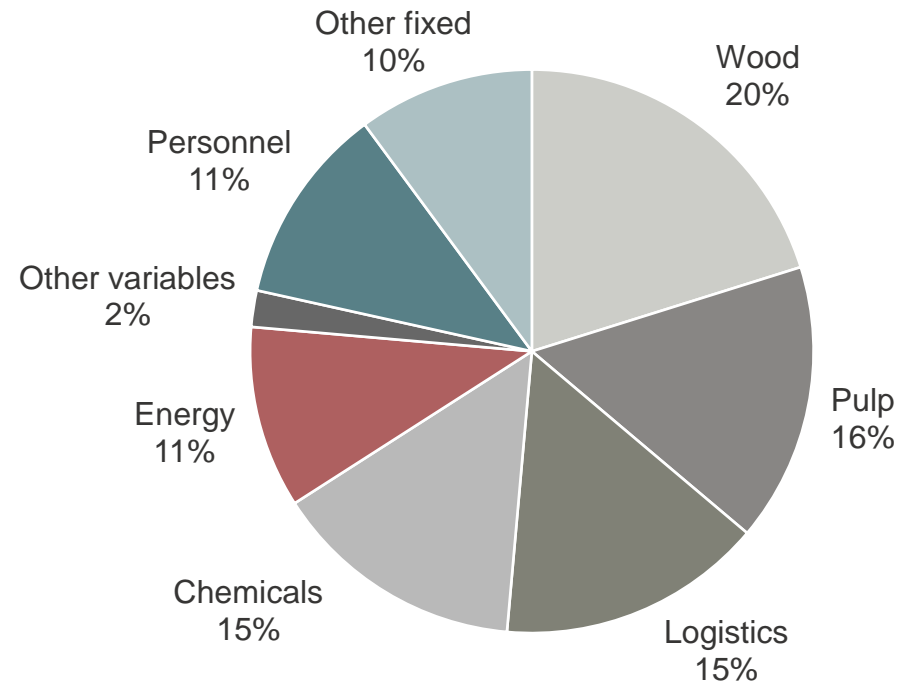
- **Total costs EUR 1.8 billion (1.7)**
- Total cost deflation, excluding pulp, 1%
- Decreased chemical and energy costs, increased wood, logistics and fixed costs.

Wood price development on slide 32



## Metsä Board's cost structure in 2024

Total costs EUR 1.8 billion (1.7)



<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 2024: Wood 57%, Chemicals 11%, Logistics 9%, Energy 5%, Personnel and other fixed 17%.



# Main profit drivers and sensitivities

Component	Unit	Change	Impact on EBIT, approximately
Folding boxboard	Price / tonne	+/- 10%	>EUR 100 million
White kraftliners	Price / tonne	+/- 10%	>EUR 50 million
FX <sup>1)</sup>	USD/EUR	+/- 10%	EUR 80 million
	SEK/EUR	+/- 10%	EUR 45 million
Pulp <sup>2)</sup>	PIX price of SW/HW per tonne	+/- 10%	EUR 50 million
Wood <sup>2)</sup>	Cost, delivered to Finnish mills	+/- 10%	EUR 50 million
	Cost, delivered to Husum	+/- 10%	EUR 20 million

<sup>1)</sup> strengthening (weakening) USD/EUR has positive (negative) EBIT impact  
weakening (strengthening) SEK/EUR has positive (negative) EBIT impact

<sup>2)</sup> sensitivities take into account Metsä Board's 24.9% stake in Metsä Fibre

# Wood is the main raw material

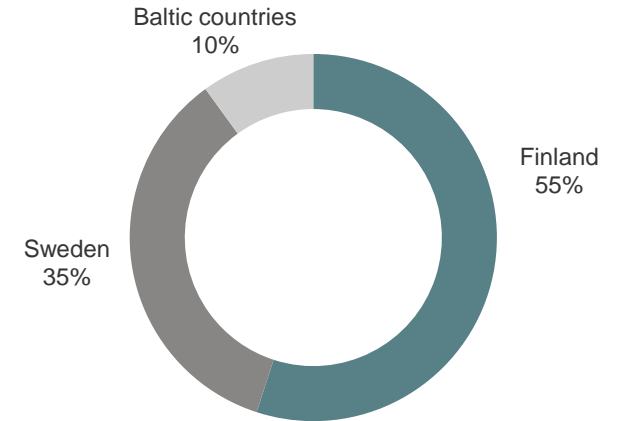
## Wood usage

- In 2024, Metsä Board used<sup>1)</sup> 6.8 million m<sup>3</sup> wood for its products, of which 92% was certified (PEFC, FSC®)
- Wood<sup>1)</sup> represents roughly 30% of Metsä Board's total costs

## 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

## Wood sourcing by region in 2024





# Impacts of FX

- Impact including hedges, actual
  - Q1 2025 vs Q1 2024: EUR +2 million
- Estimated impacts, including hedges
  - Q2 2025 vs Q1 2025: neutral
  - Q2 2025 vs Q2 2024: negative

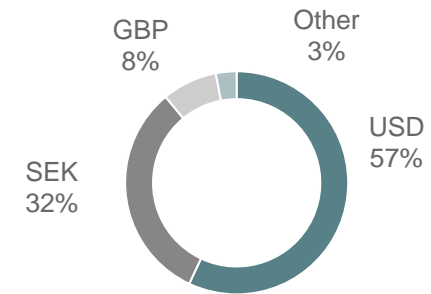
## Hedging policy:

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 8.6 months of the net foreign currency exposure was hedged.



## Annual FX transaction exposure total EUR 1.4 billion



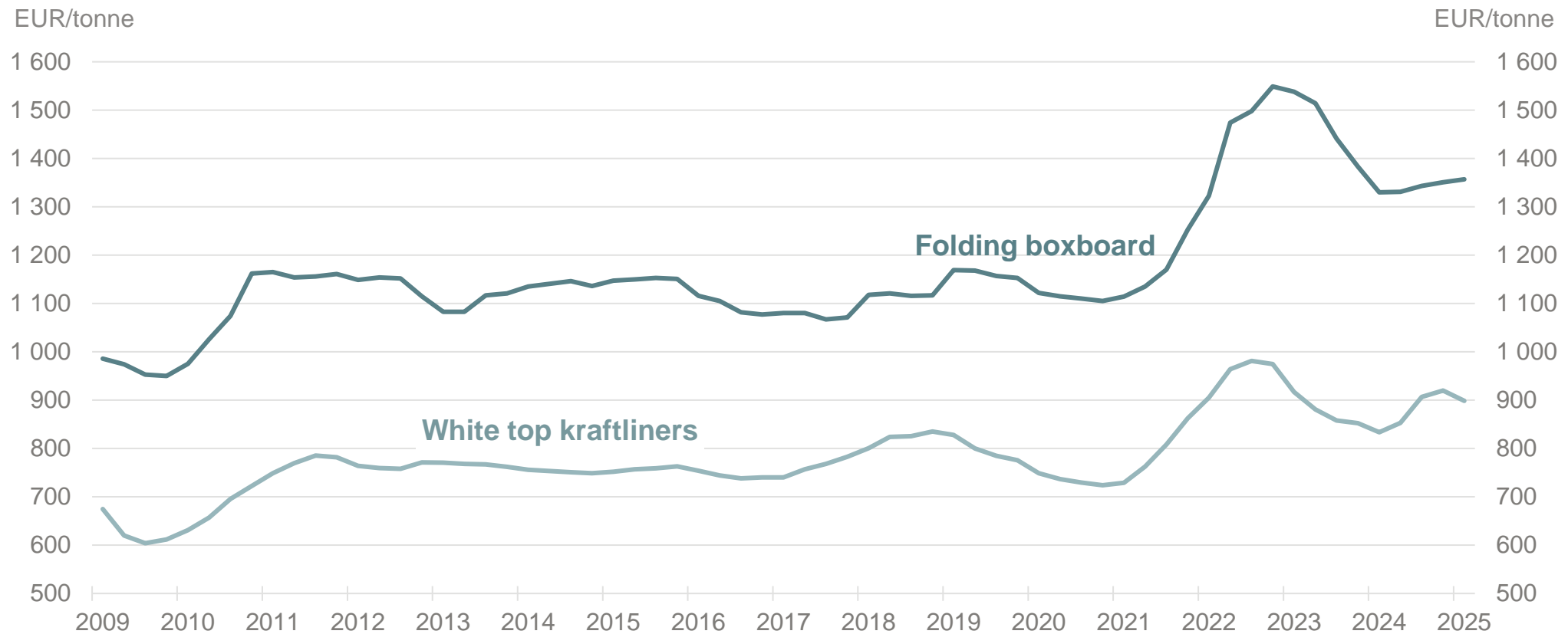
The foreign currency transaction exposure consists of foreign-currency-denominated sales and costs.

## FX sensitivities, excluding hedges

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

Currency	Next 12 months
USD, \$	EUR +80 million
SEK, kr	EUR -45 million
GBP, £	EUR +10 million

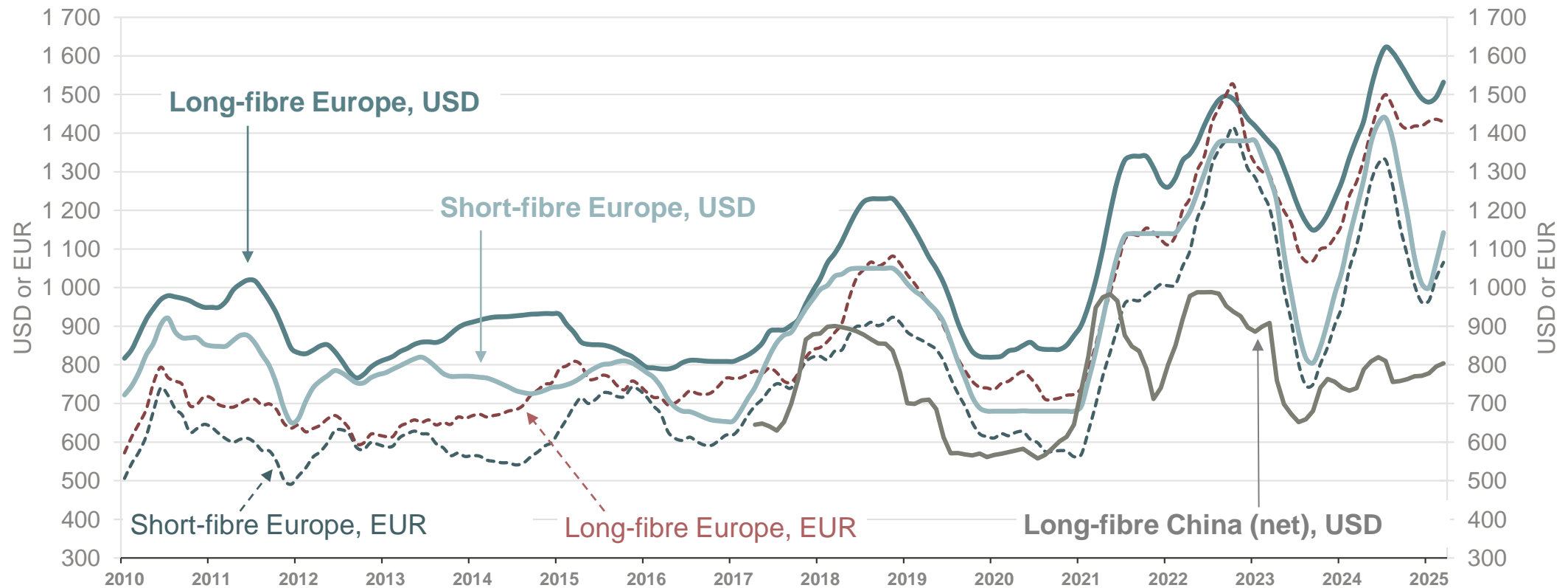
# Price development of folding boxboard and white kraftliners in Europe



Sources: Fastmarkets RISI & Fastmarkets FOEX

# Price development of pulp (PIX)

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

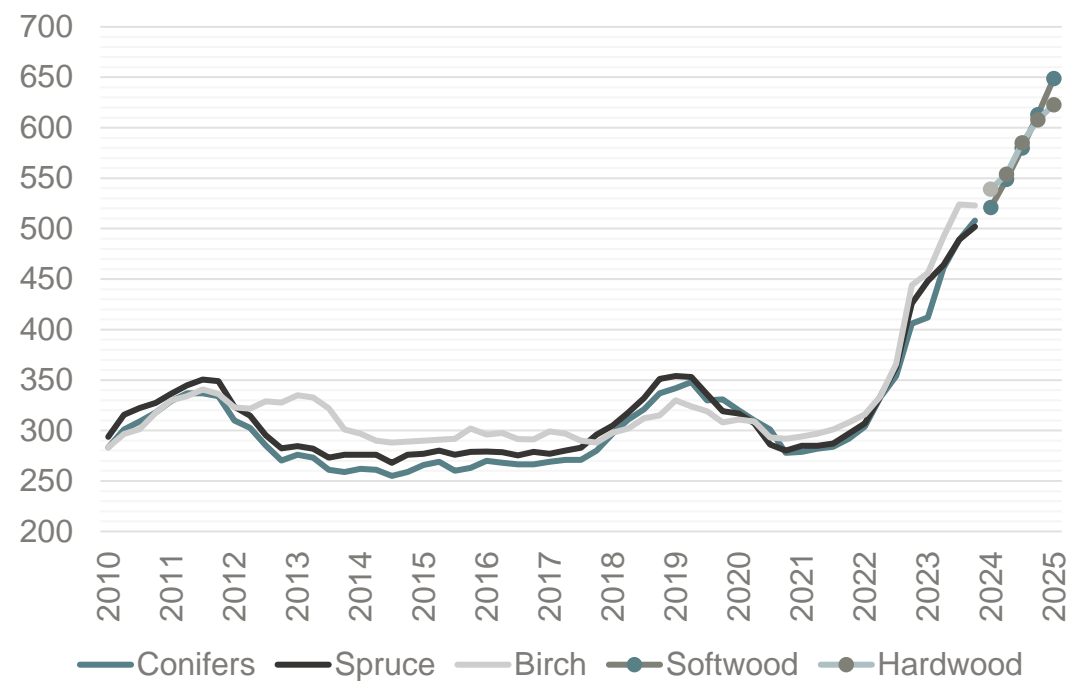


# Price development of pulpwood in Finland and Sweden

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>

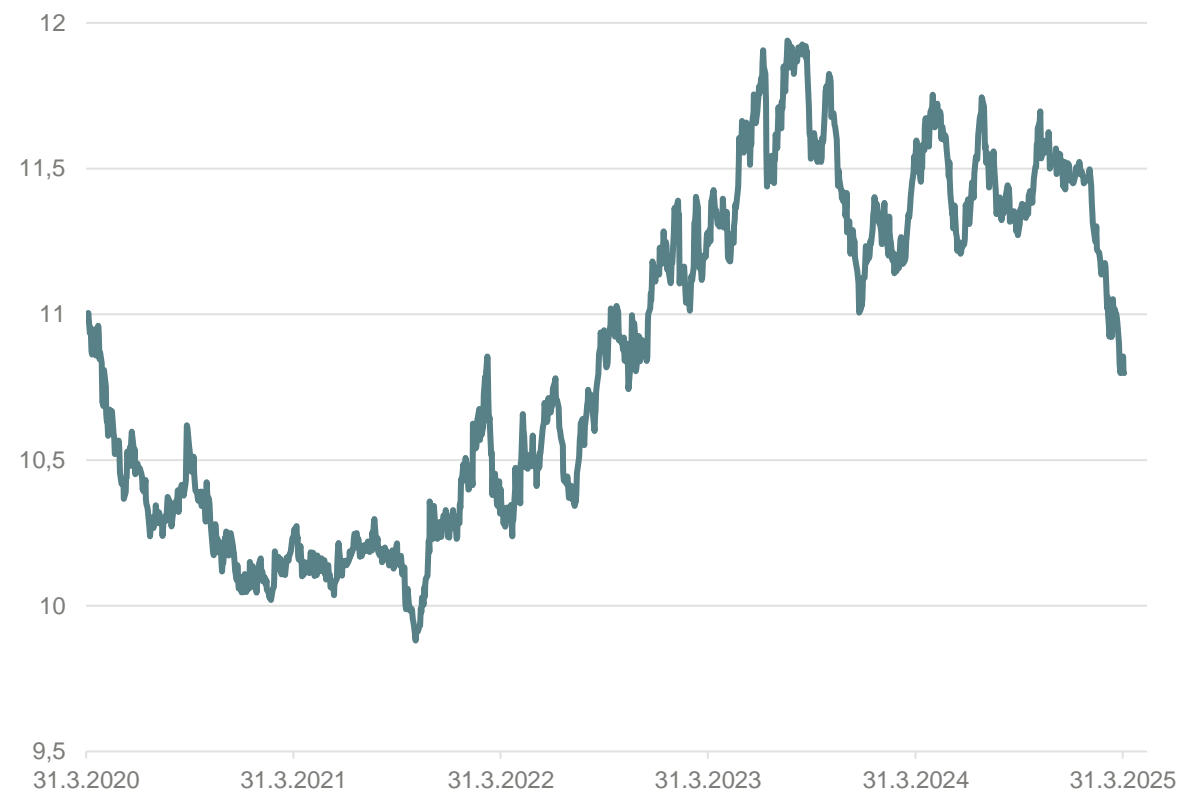


# FX rates development: EUR/USD and EUR/SEK

## EUR/USD



## EUR/SEK

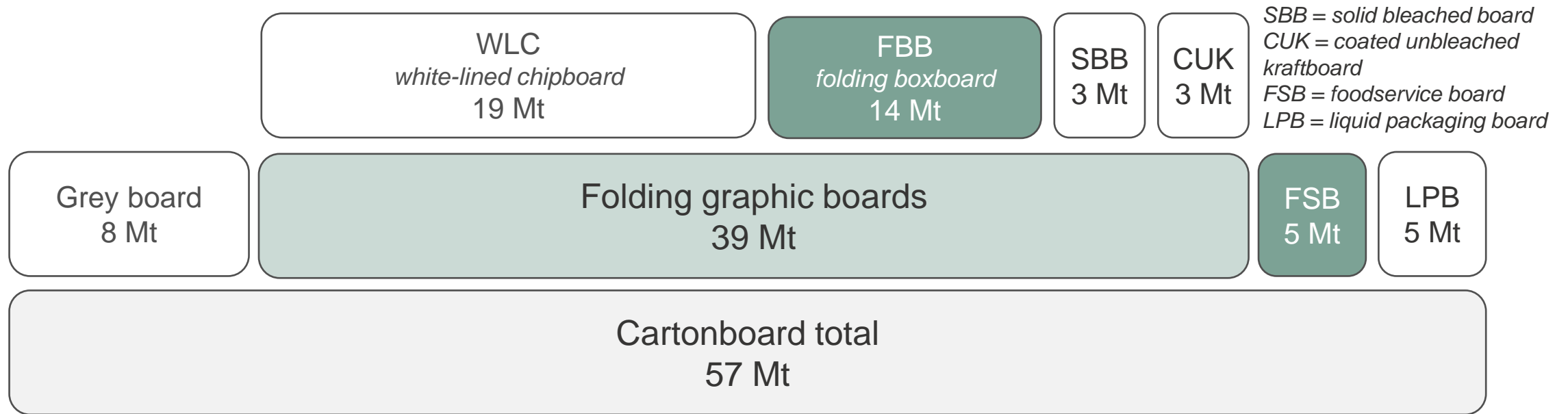




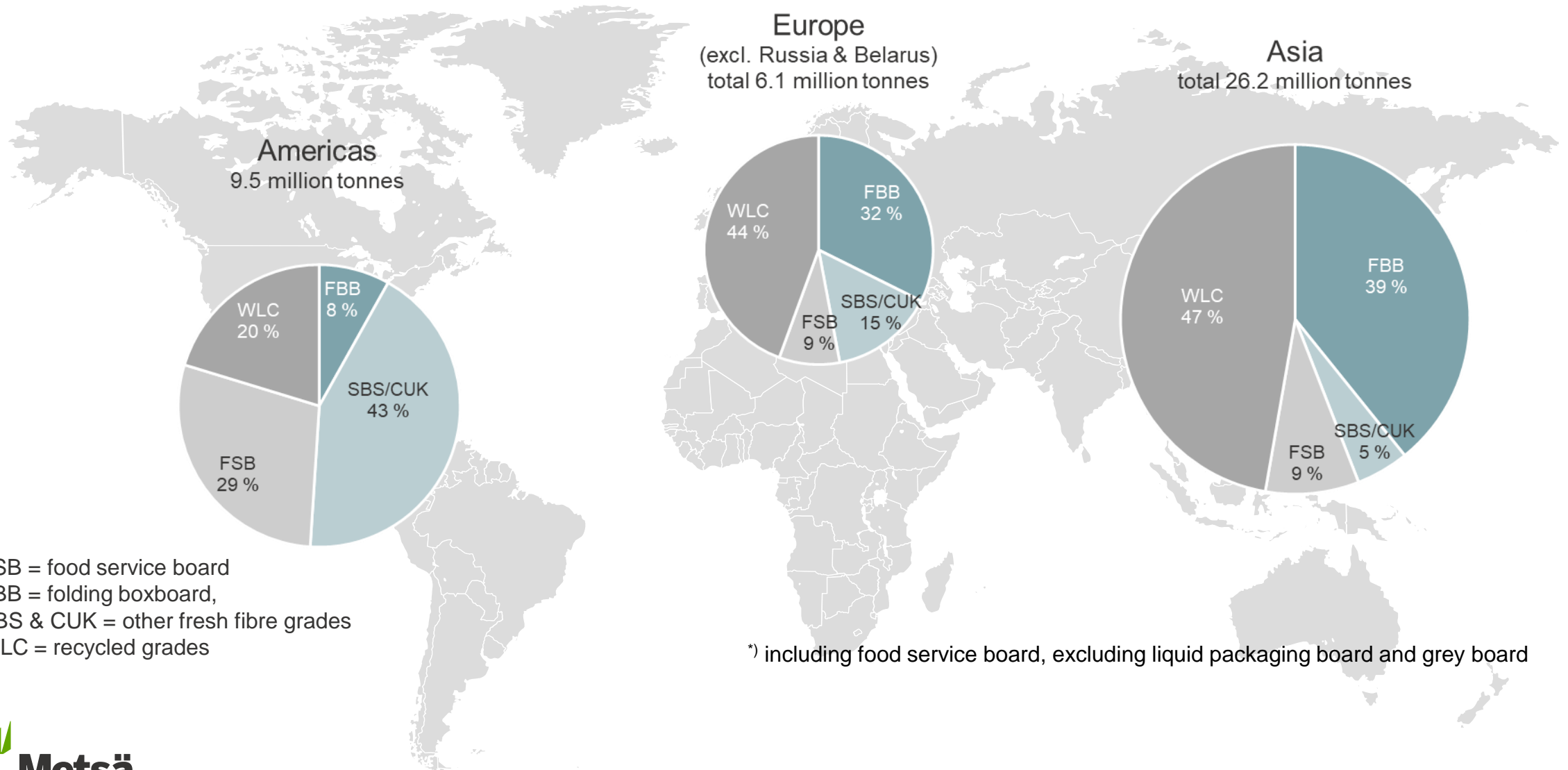
# Operating environment and impacts from regulation



# Global annual demand for cartonboards

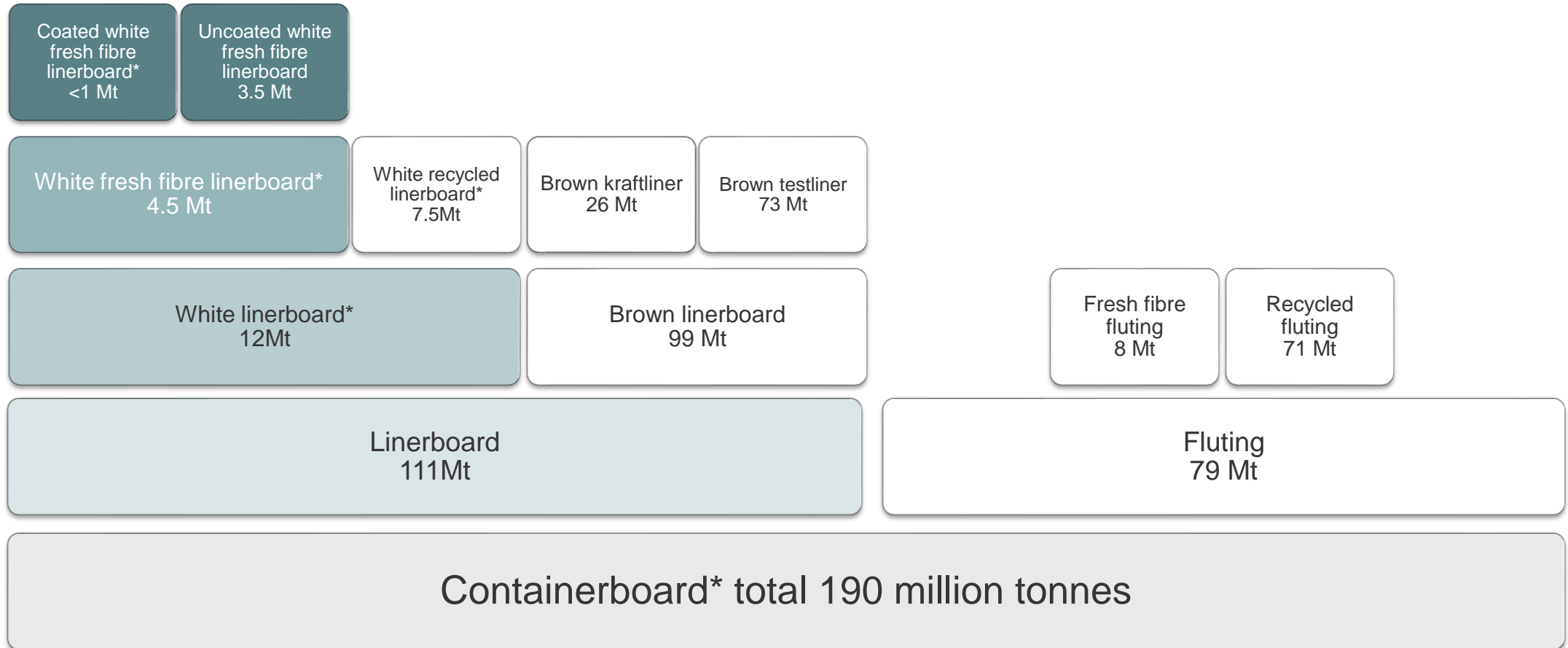


# Global demand for folding cartonboard\*



# Global annual demand for containerboards

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

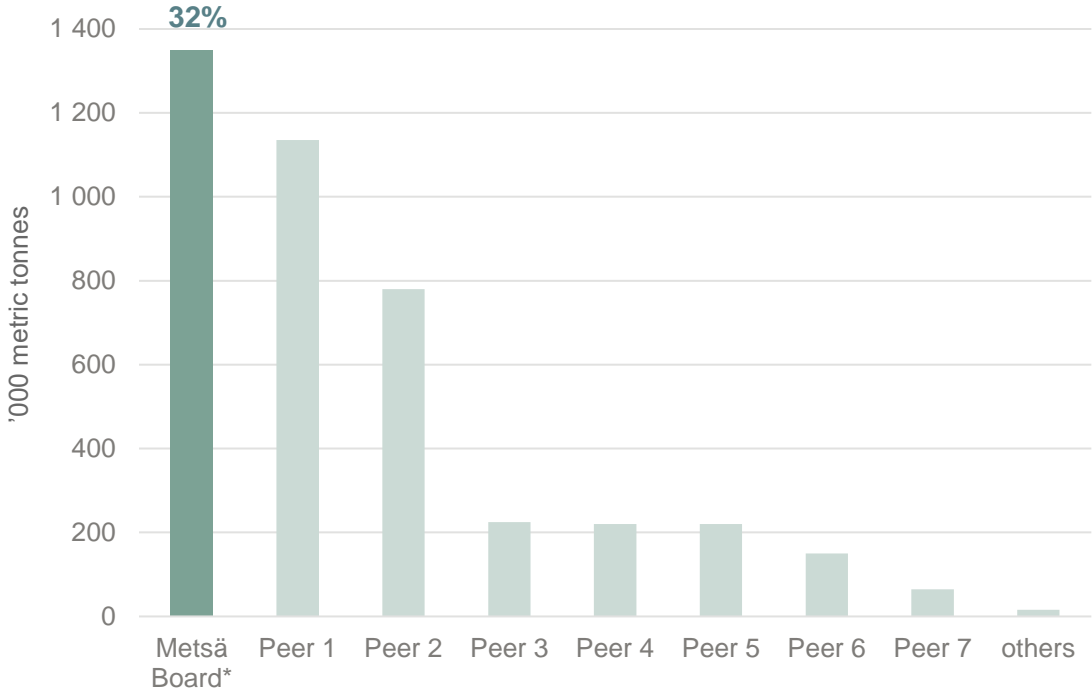




# Folding boxboard and white kraftliner capacity in Europe (excluding Russian and Belarusian producers)

## FBB producers in Europe

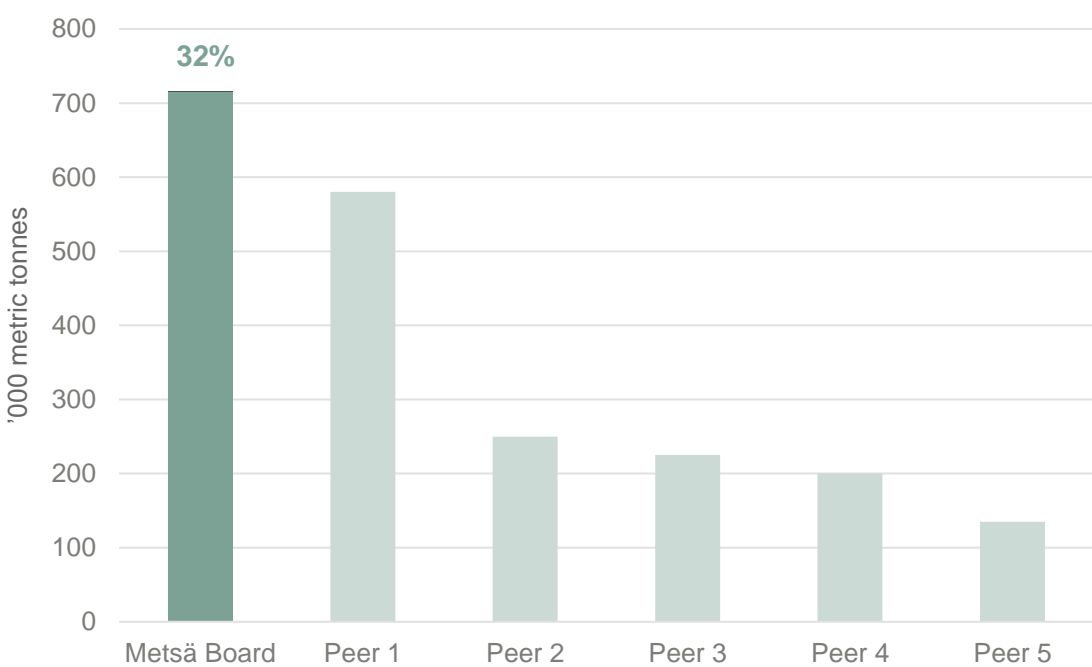
Total capacity 4.2 million tonnes



\*excluding capacity from Tako, 210,000 t/a

## WKL producers in Europe

Total capacity 2.2 million tonnes



Sources: Fastmarkets RISI and Metsä Board's own research

# Recyclable packaging is strongly driven by regulation and brand owners' commitments

- EU Packaging and Packaging Waste Regulation sets further requirements
  - All packaging recyclable by 2030, including reusables
  - Packaging waste reduction, focus on plastic
  - Mandatory recycled content in plastic packaging
  - Limits for substances in packaging
- Ellen MacArthur Foundation's New Plastics Economy inspired brand owners to commit to 2025 targets
  - 100% reusable, recyclable or compostable packaging
  - Multiple companies have now revised their targets, due slower than expected development in plastic recycling

All packaging shall  
be recyclable by 2030

REGULATION (EU) 2025/40

>1000 organisations  
across the world have  
set ambitious 2025  
targets

Ellen MacArthur Foundation,  
The Global Commitment Progress Report (2024)

# Packaging and packaging waste regulation (PPWR)

## Main objectives and status

- Aims to reduce the amount of packaging waste generated in the EU, and promote reusable and recyclable packaging solutions. All packaging has to be recyclable by 2030
- Was formally adopted in 12/2024. Entered into force in 02/2025 and application starts on 08/2026. Replaces Packaging Waste Directive
- Some definitions that still need to be clarified by the European Commission

## Metsä Board's / Metsä Group's approach

- The PPWR recognises climate and environmental benefits of highly recyclable fibre-based packaging, and treats recyclable single-use packing more fairly than the European Commission's original proposal



# Regulation on Deforestation-free products (EUDR)

## Main objectives and status

- Aims to combat deforestation and forest degradation globally
- Ensures that commodities\* placed on or exported from EU market do not cause deforestation or forest degradation
- Creates a reporting obligation to operators to ensure that they comply with the requirements
- Entered into force in 2023. The rules start to apply on 30 December 2025, when they will replace the EU timber regulation (EUTR)

## Metsä Board's / Metsä Group's approach

- Metsä Group fully supports the objectives of the EUDR
- Company's reporting system and internal due diligence system will be finalised to be ready when the reporting obligations start to apply





# Nature Restoration Regulation

## Main objectives and status

- Aims to ensure recovery of biodiverse and resilient nature across EU
- Introduces indicators for forest ecosystems to support nature restoration objectives
- Entered into force on 08/2024
- Member States must prepare national restoration plans. Finland's draft plan expected to be ready by 08/2026
- The Commission reviews the draft plans and can give further guidance. Member States should have the final restoration plans in place in 08/2027 at the latest

## Metsä Board's / Metsä Group's approach

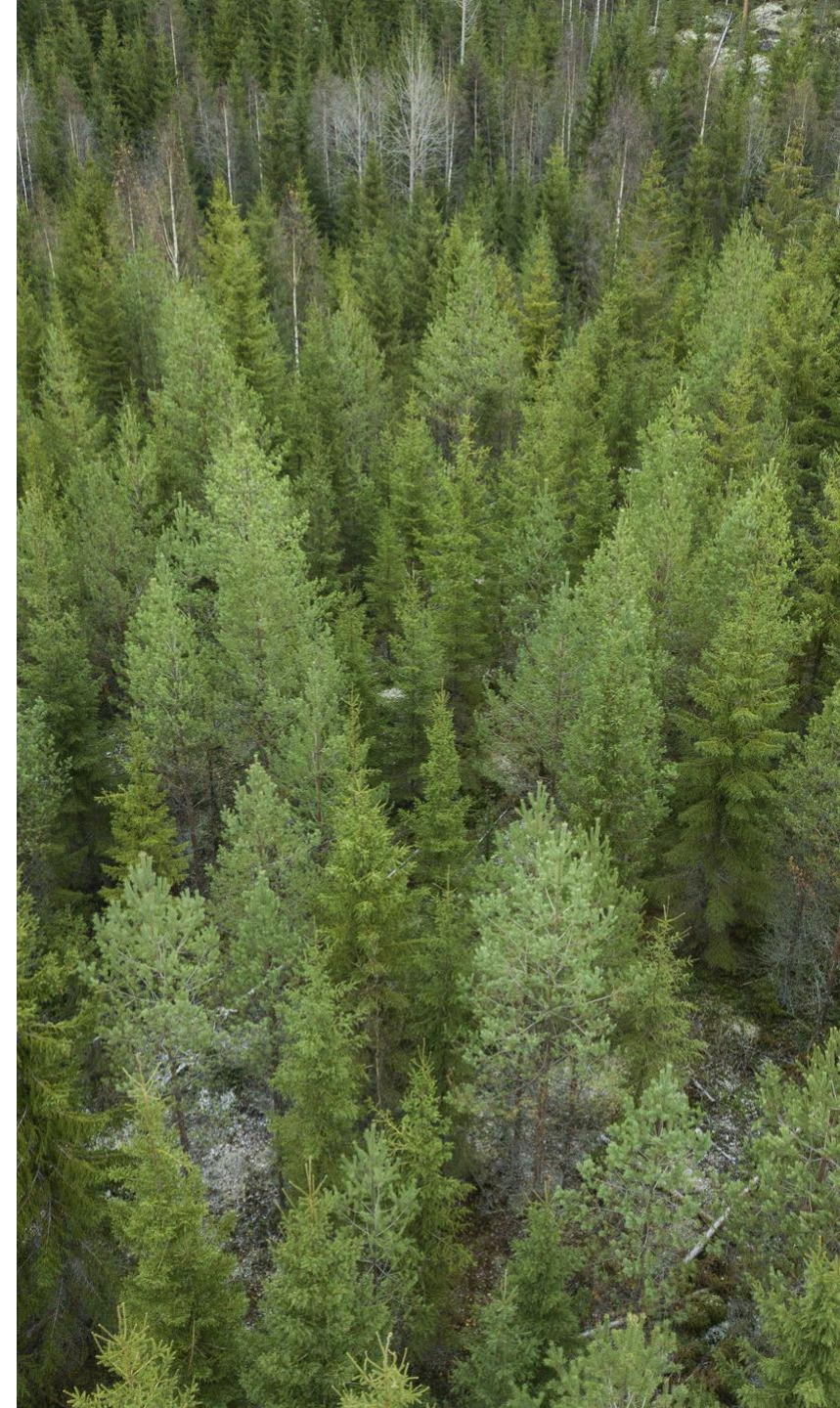
- Fully support the goals of the Nature Restoration Regulation
- Metsä Group's principles of regenerative land use aim to improve the state of nature
- *Metsä Group Plus* -management model for owner-members focus especially on forest biodiversity



More information:

<https://www.metsagroup.com/regenerativeforestry>

<https://www.metsagroup.com/metsaforest/sustainability/regenerative-forestry/metsa-group-plus/>





# Results for January–March 2025



# Key financials

		Q1/25	Q1/24	Change Q1/25 vs Q1/24	Q4/24	FY/24
Sales	EUR, m	481	484	-1%	446	1,939
EBITDA*	EUR, m	51	58	-12%	25	175
Operating result*	EUR, m	23	32	-28%	-4	69
% of sales*	%	4.7	6.5		-0.8	3.6
Metsä Fibre's share of operating result*	EUR, m	6	-6		-3	-10
Earnings per share	EUR	-0.02	0.04	153%	-0.02	0.07
ROCE*	%	3.9	5.7		-0.3	3.2
Total investments	EUR, m	16	24	-33%	55	175
Cash flow from operations	EUR, m	-28	-8	253%	50	38
IB Net debt at end of period	EUR, m	402	176		345	345



**Metsä**

\*comparable

# Q1 2025 in brief

- Paperboard deliveries increased from the previous quarter; average sales prices remained roughly at FY2024 level
- Seasonally higher production volumes
- Cash flow weak due to prolonged low profitability and increased working capital
- To improve company's competitiveness and profitability, Tako mill will be closed, and operational efficiency at Kyro mill will be enhanced
  - Annual EBITDA improvement ~EUR +30 million mainly from Q4 2025 onwards
  - Tako's production will be transferred to other mills, mainly to Kyro
- Metsä Board achieved a "triple-A" in CDP



\*) a global independent environmental disclosure system

## Sales

# 481

EUR million

Q1 2024: EUR 484m  
Q4 2024: EUR 446m



## Paperboard deliveries

# 367,000

tonnes

Q1 2024: 364,000t  
Q4 2024: 342,000t

## Comparable operating result

# 23

EUR million

Q1 2024: EUR 32m  
Q4 2024: EUR -4m

## Paperboard production

# 430,000

tonnes

Q1 2024: 400,000t  
Q4 2024: 356,000t





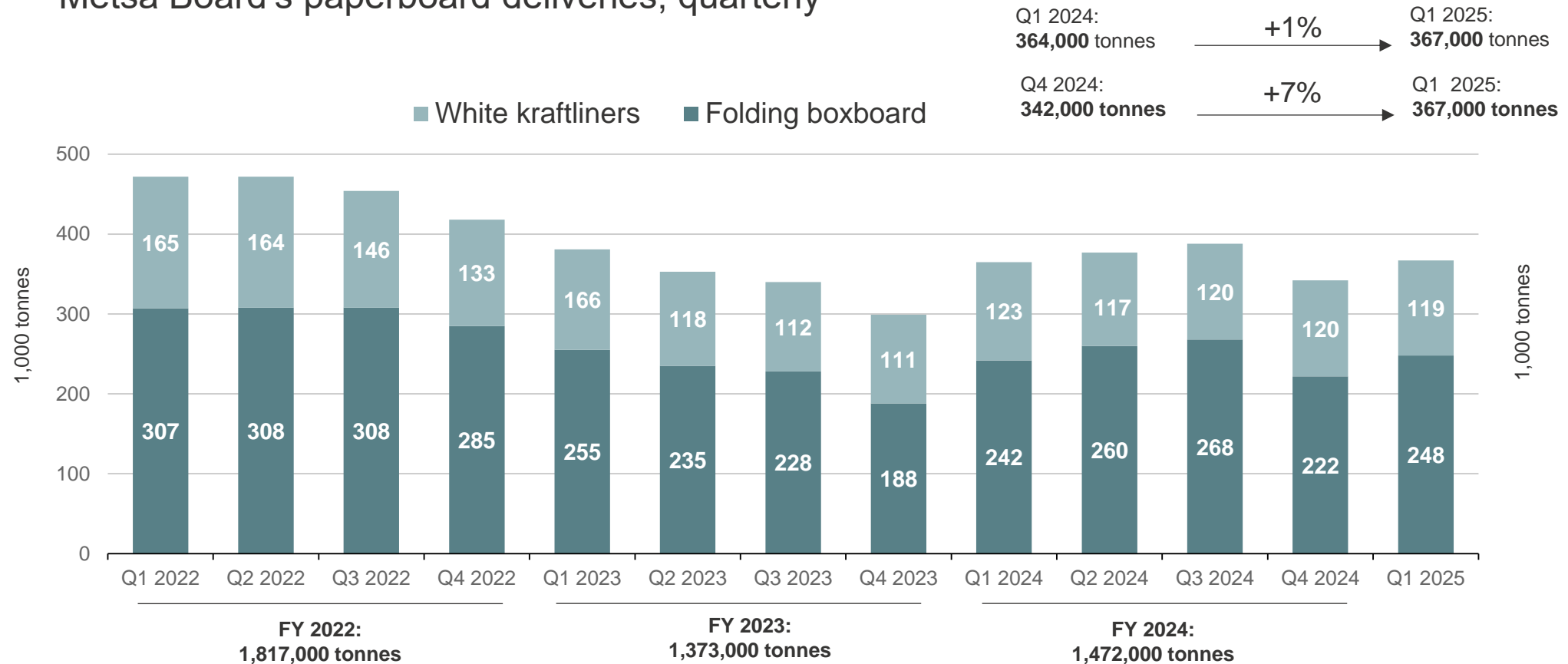
# US tariffs and impacts on Metsä Board

- Metsä Board has an established market position in US in coated white kraftliners (WKL) and folding boxboard (FBB)
- Customers appreciate Metsä Board's premium paperboards, smooth supply chain and comprehensive services
- In 2024, sales to US were EUR 430 million, and deliveries of paperboard were 365,000 tonnes
- Metsä Board is negotiating the impact of tariffs on the prices of its paperboards with customers
- Uncertainty in the amount and duration of tariffs
- Despite the tariffs, Metsä Board aims to maintain business with long-term customers and establish new relationships in the US



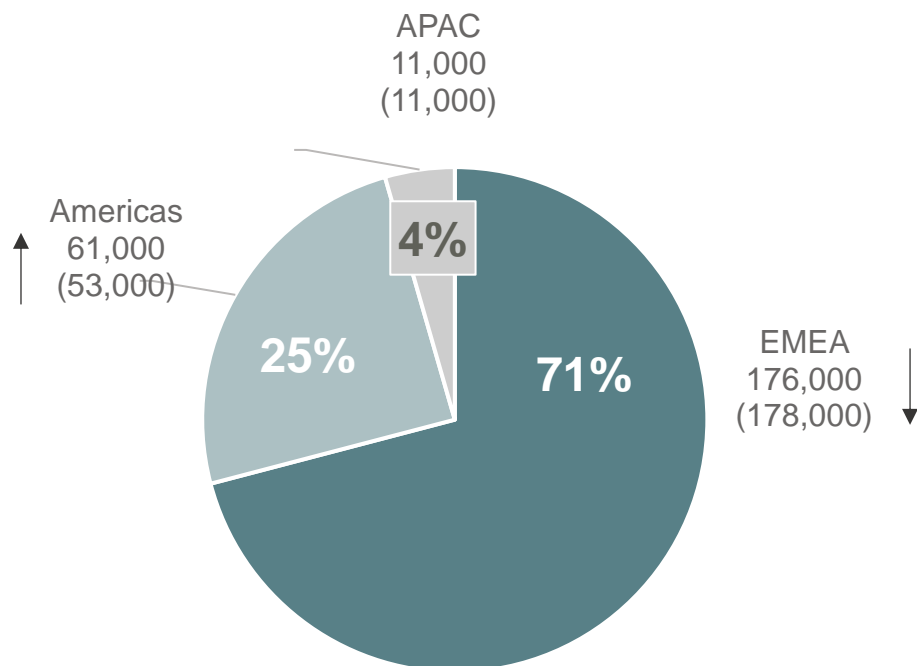
# Paperboard deliveries still below capacity

Metsä Board's paperboard deliveries, quarterly

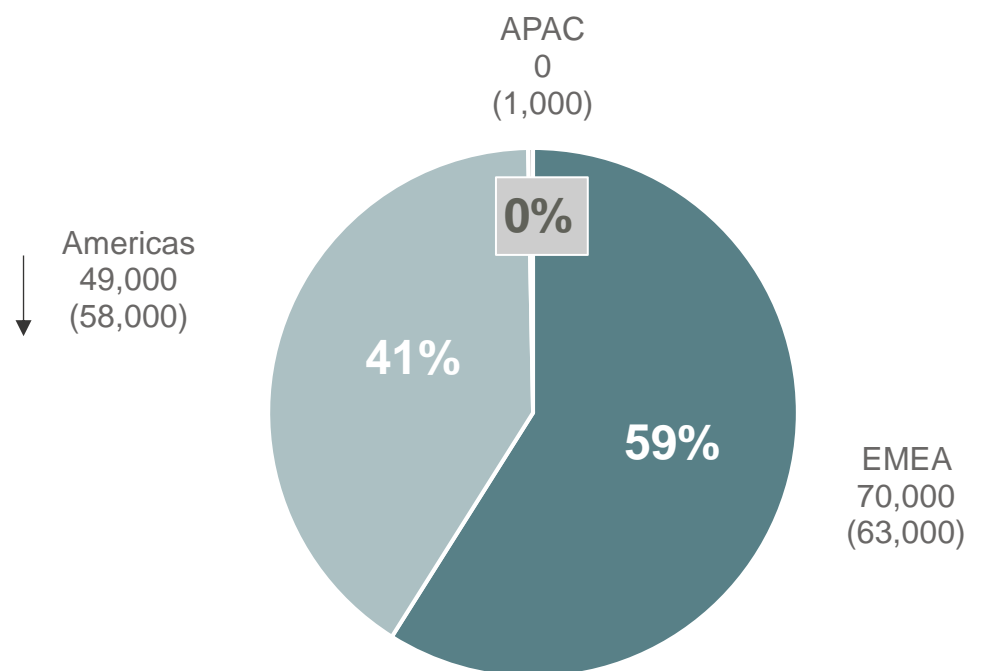


# Paperboard sales by region

**FBB deliveries Q1 2025 (Q1 2024)** **+2%**  
total 248,000 tonnes (242,000)



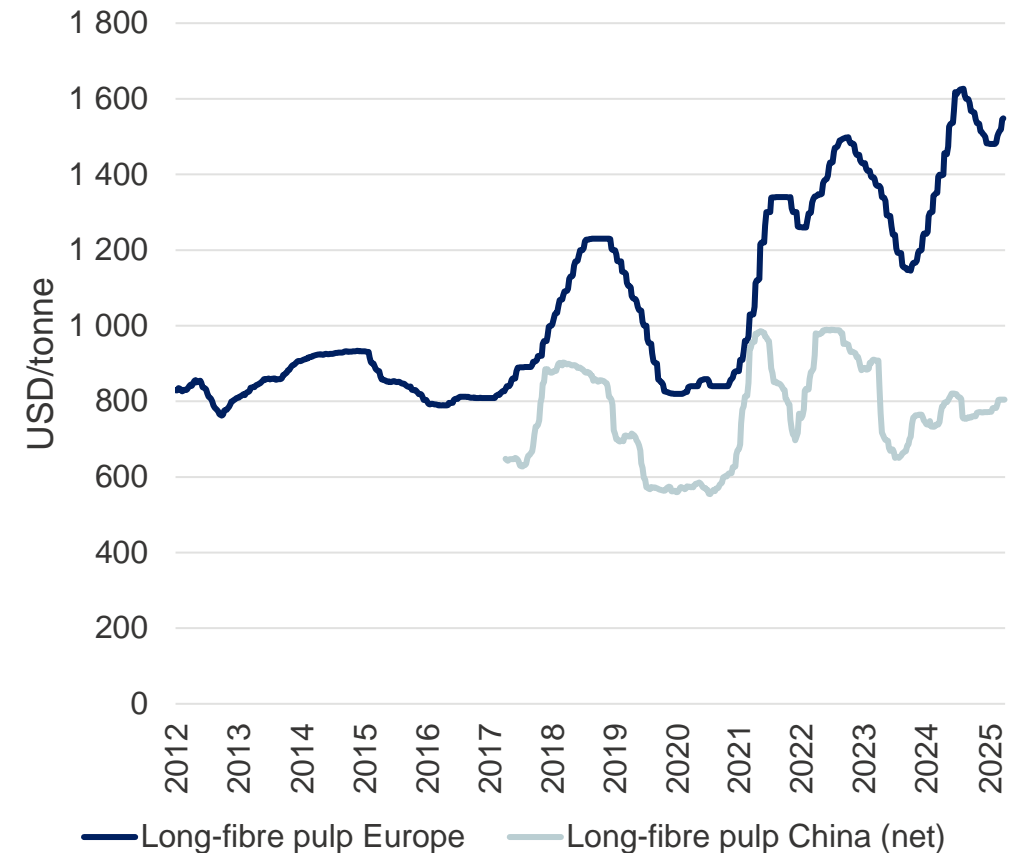
**WKL deliveries Q1 2025 (Q1 2024)** **-3%**  
total 119,000 tonnes (123,000)



# Market pulp

- Market pulp deliveries (Q1 2025 vs Q1 2024)
  - Metsä Board -13%: (100,000t vs 115,000t)
  - Metsä Fibre<sup>1)</sup> +29%: (886,000t vs 686,000t)
- Demand for BCTMP in China has been nearly at a standstill for a year
- In Europe, demand for softwood market pulp remained stable compared to Q4/2024. In China, demand weakened towards end of period.
- Price (PIX) development<sup>2)</sup> in **softwood pulp**
  - Q1 2025 vs Q4 2024: Europe -1%, China +3%
  - Q1/2025 vs Q1/2024: Europe +13%, China +7%

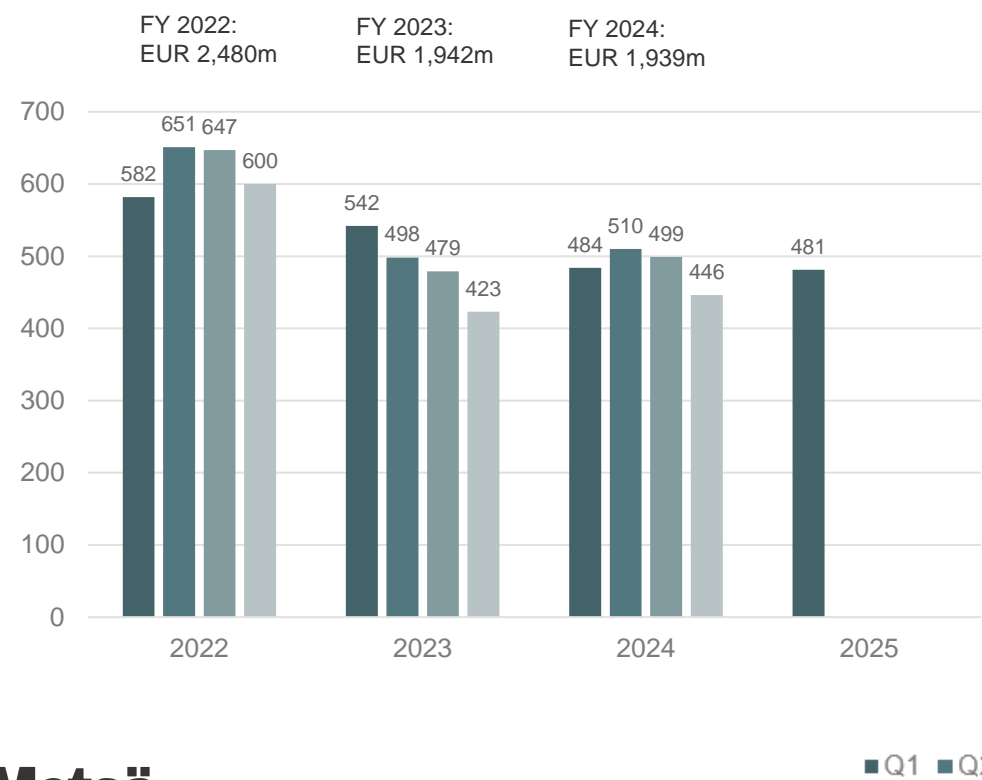
Softwood pulp price (PIX) development in Europe and China



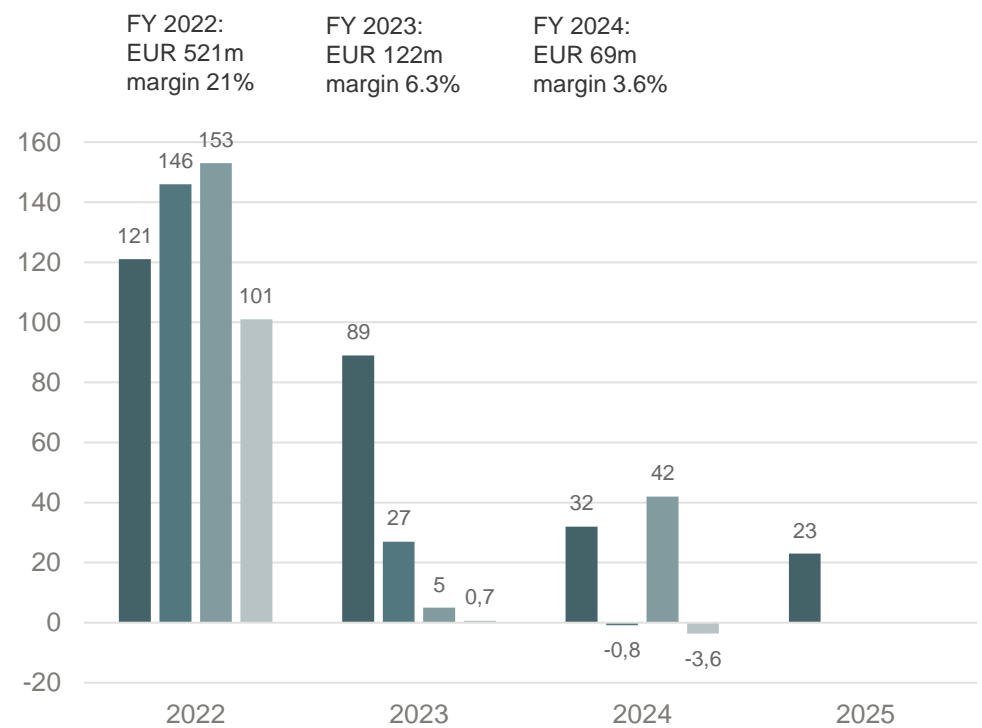


# Consistent sales, profitability still under pressure

Sales, quarterly  
EUR million



Comparable operating result, quarterly  
EUR million and % of sales



# Result comparison

## Comparable operating result and % of sales

Q1/2025: EUR 23 million, 4.7%

Q1/2024: EUR 32 million, 6.5%

*Q1/2024 profitability impacted by political strikes in Finland*

### Positives:

- Higher result share from Metsä Fibre
- Lower energy and chemical costs

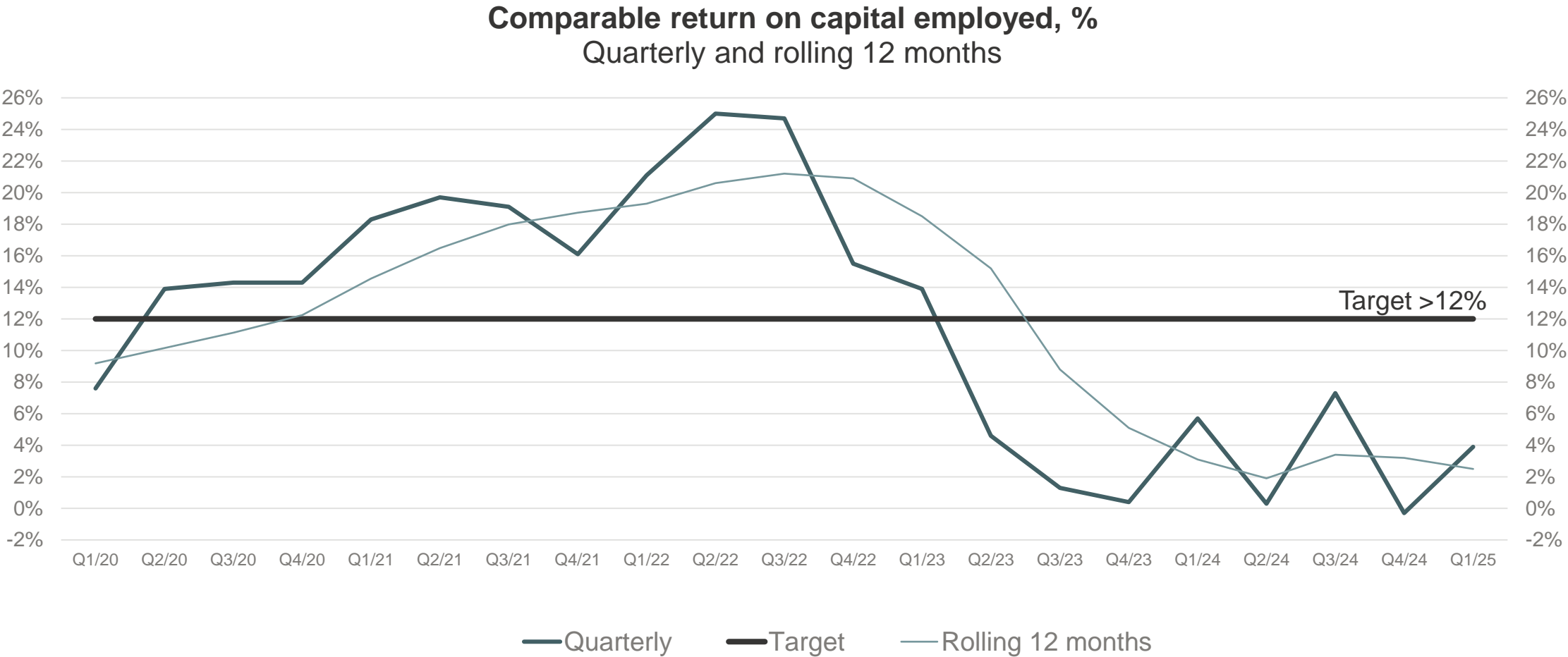
### Negatives:

- Higher wood and logistics costs
- Higher employee costs and depreciation

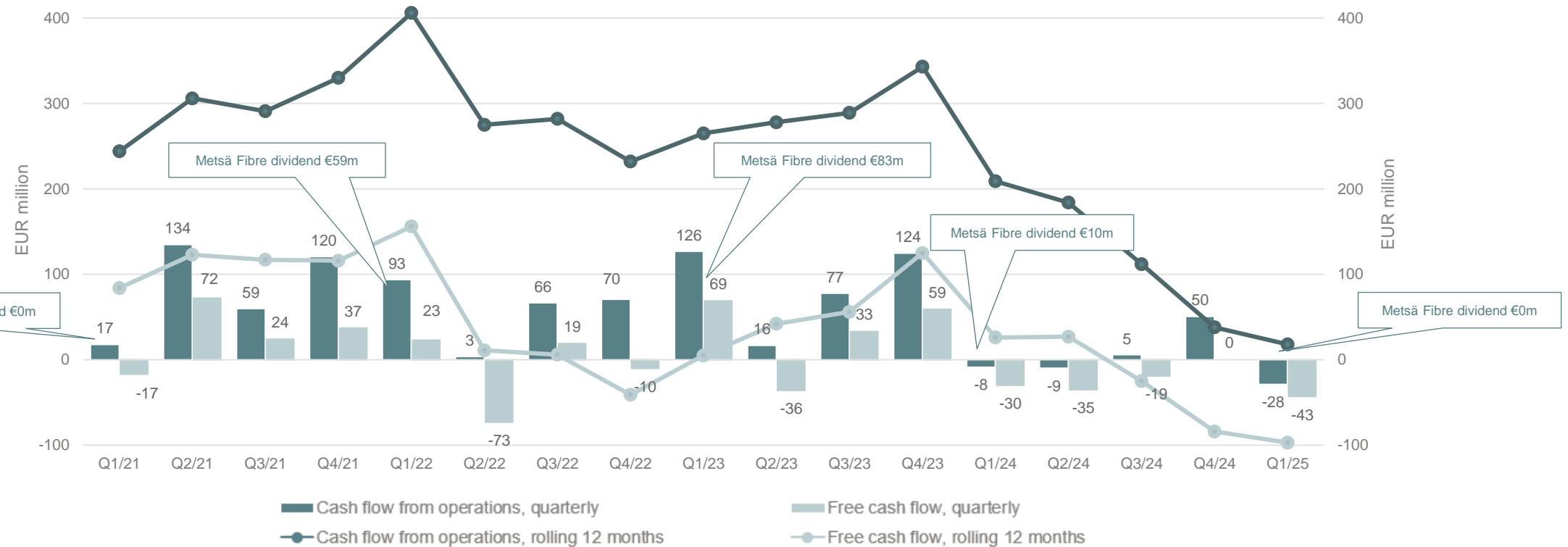
Note: The items affecting comparability in Q1/2025: EUR -27 million, mainly consisting of the write-down of assets of Tako mill



# Q1 2025 ROCE at 4%

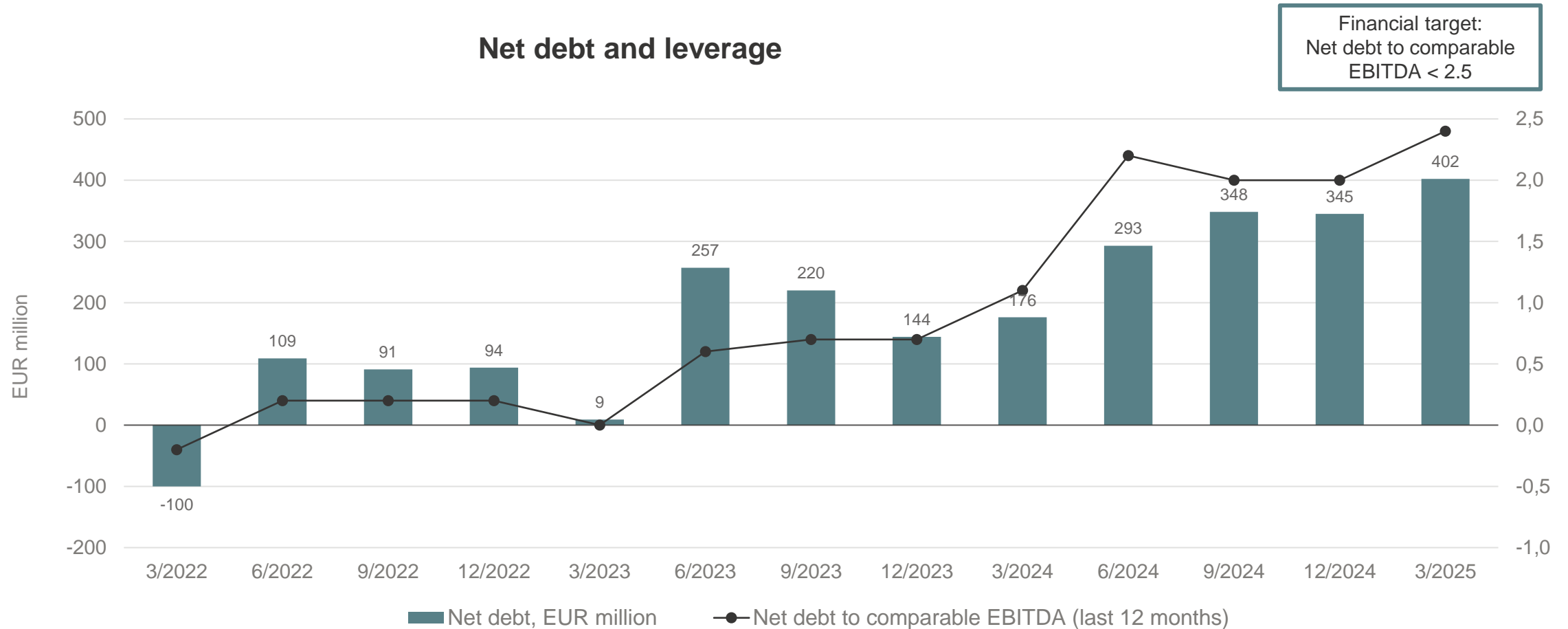


# Rising working capital and low profitability impacted cash flows





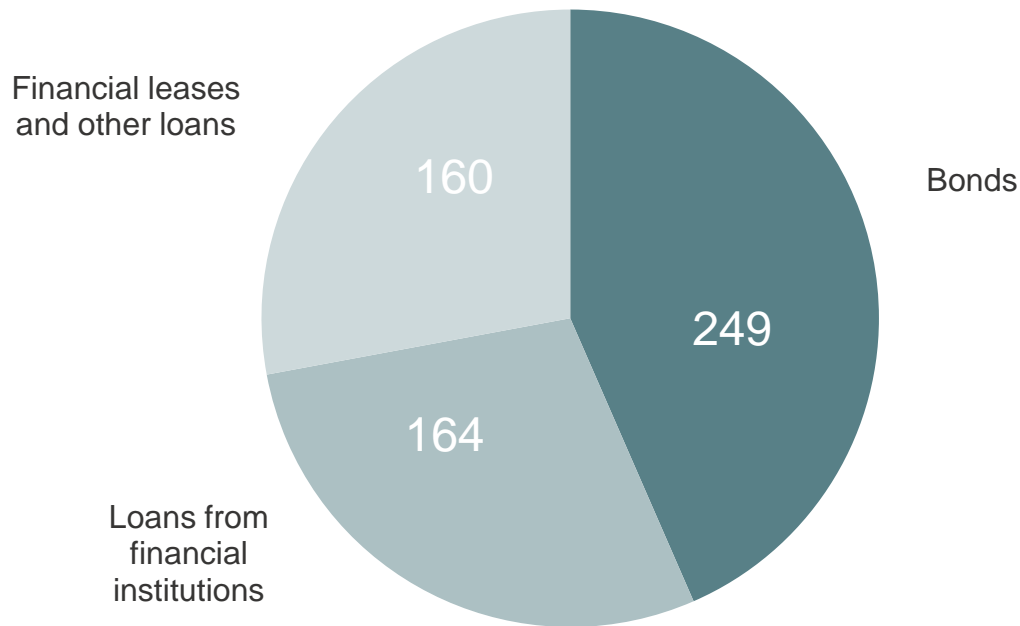
# Solid financial standing despite leverage growth



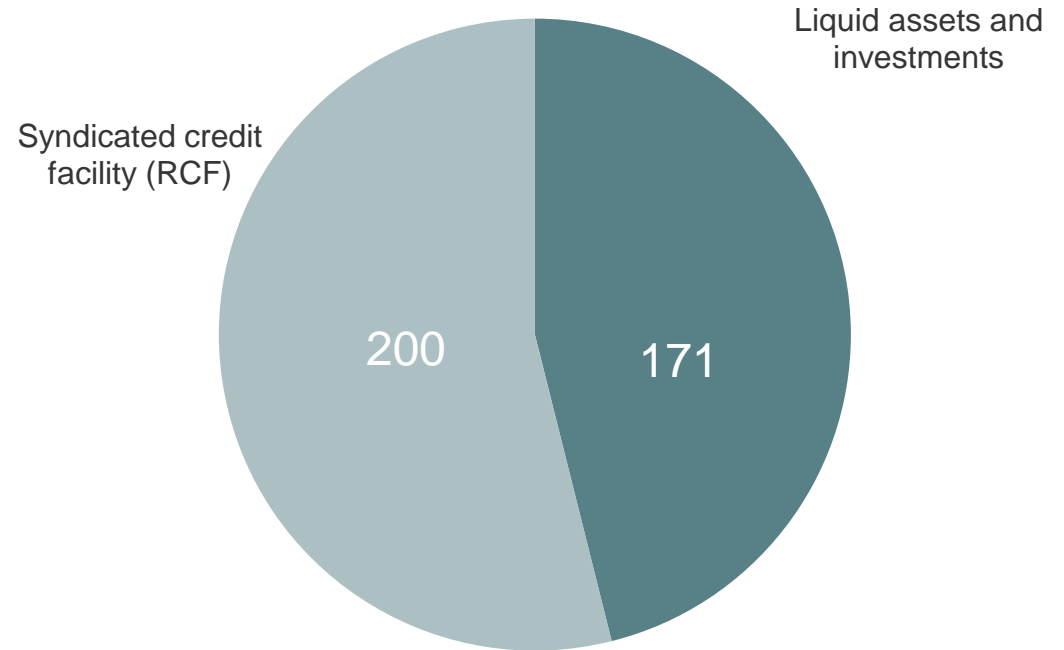
# Interest-bearing debt and liquidity

31 March 2025

## Interest-bearing debt EUR 573 million



## Liquidity EUR 371 million



Liquidity is complemented by:

- Commercial paper programme of **EUR 200 million** (EUR 30 million outstanding)
- Metsä Group's internal undrawn short-term credit facility of **EUR 150 million**

# Near-term outlook

## April–June 2025

- Increased uncertainty due to the US tariffs
- Consumers' cautious buying behaviour reflects in paperboard demand
- Metsä Board's paperboard delivery volumes expected to remain at Q1 level
- Variable costs, excluding pulp, are expected to remain stable
- More planned maintenance shutdowns and market-based production curtailments compared to Q1
- Long reparation shutdown in Metsä Fibre's Kemi bioproduct mill, estimated impact to Metsä Board EUR 10 million
- Metsä Board's comparable operating result in April–June 2025 is expected to be weaker than January–March 2025 (EUR 23 million)





ESG



# Key sustainability figures

**TARGET**  
set for 2030

**ACTUAL**  
Q1 2025

Accidents at work  
**TRIF, TARGET 0**

**ACTUAL 5.6**  
FY 2024: 3.4



Certified wood fibre  
**TARGET >90%**

**ACTUAL 94%**  
FY 2024: 89



Fossil-based CO<sub>2</sub>  
emissions<sup>1)</sup> Scopes 1&2  
**TARGET 0**

**ACTUAL:**  
**Scope 1: 51kt**  
FY2024: 169kt  
**Scope2:**  
FY2024: 82kt



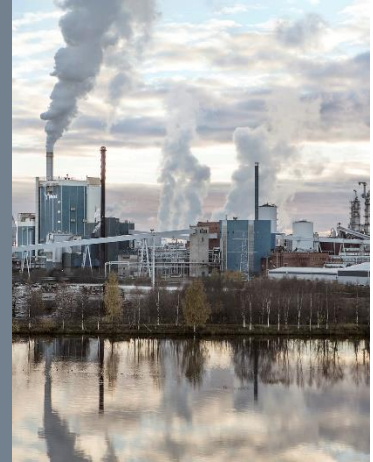
Process water use<sup>2)</sup>  
**TARGET -35%**

**ACTUAL -12%**  
FY2024: -11%



Energy efficiency<sup>2)</sup>  
**TARGET +10%**

**ACTUAL -0.3%**  
FY2024: +0.9%



# 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 2030



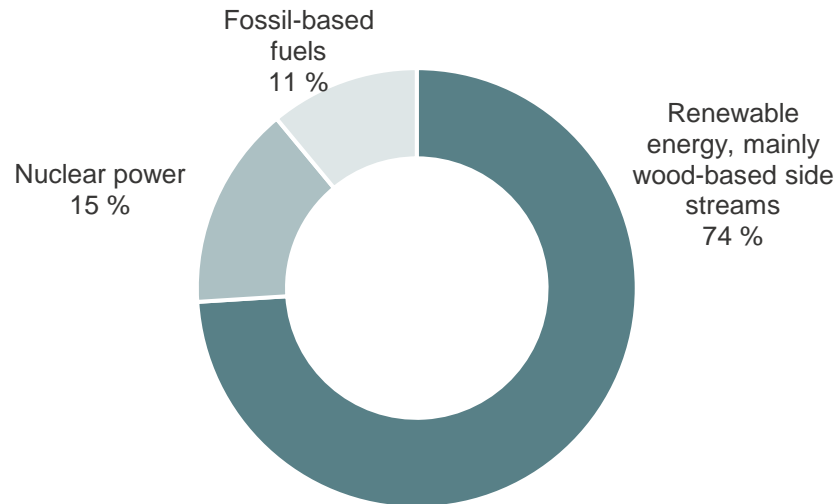
\*including Scope 1 and Scope 2 market-based

**BUSINESS  
AMBITION FOR 1.5°C**



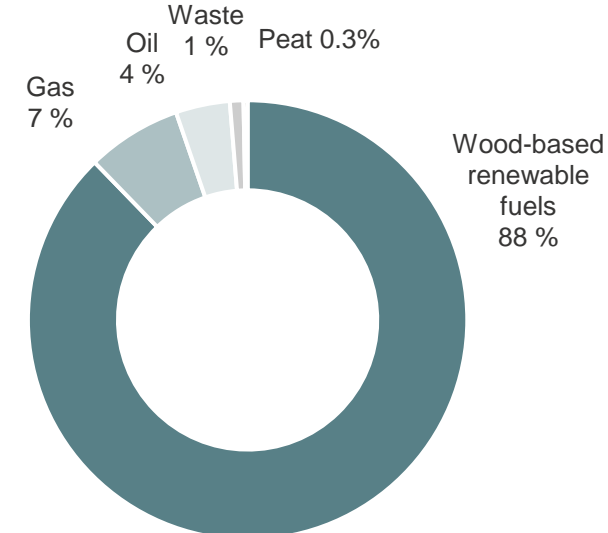
# 89% of total energy use is fossil-free

Total energy consumed in 2024  
Total 8.3 TWh



In 2024, the share of coal of was 0.8% of Metsä Board's total energy consumption. Metsä Board do not use coal in its own energy generation, but a small share of purchased electricity was based on coal.

Fuel consumption in 2024  
Total 6.2 TWh



Fuel consumption includes fuels used in own energy generation and process fuels used in the mills



# Metsä Board has reduced its fossil-based CO<sub>2</sub> emissions by 56% since 2018

Target is to reduce fossil-based CO<sub>2</sub> emissions by 100% by 2030

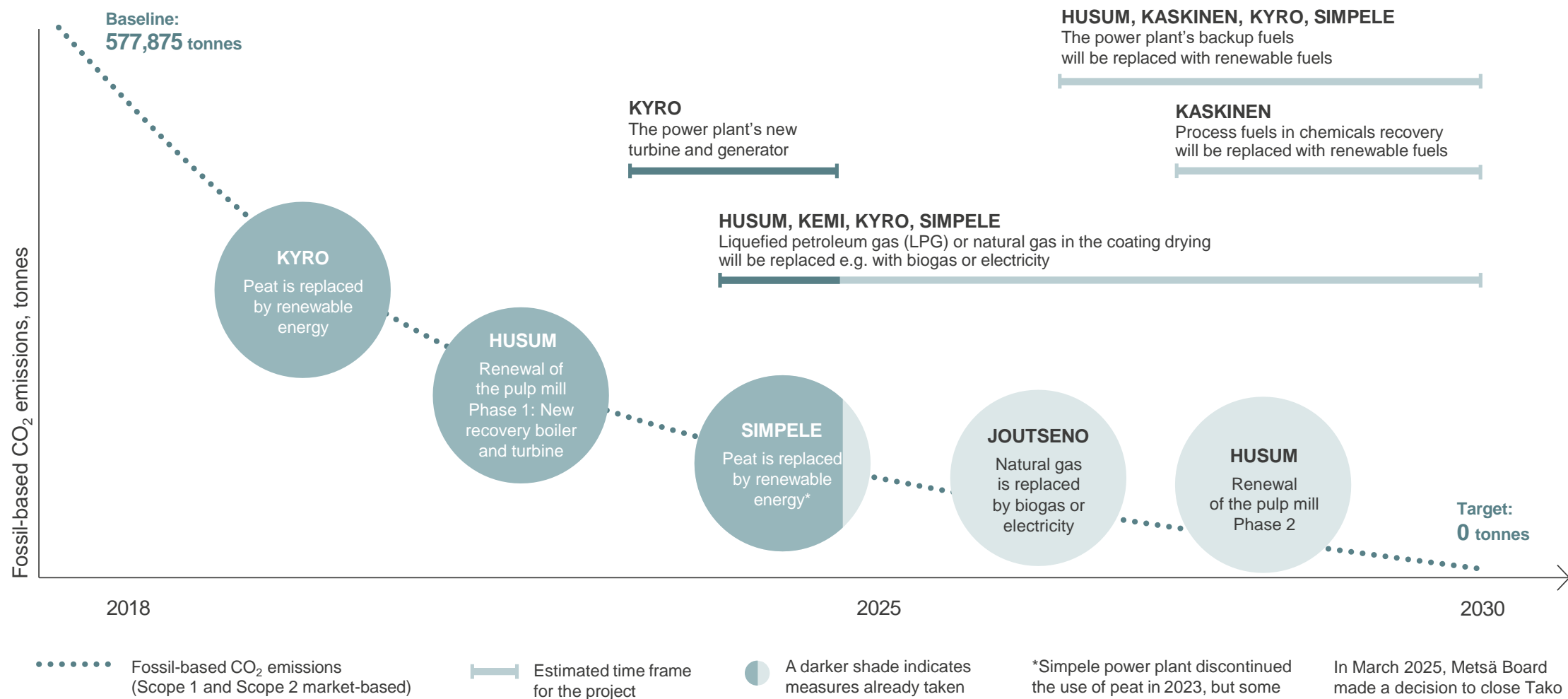
## Fossil-based CO<sub>2</sub> emissions, Scope 1+2



## Emission allowances

- Metsä Board has received emission allowances in accordance with the EU Emissions Trading System
- During the past years, the number of free allowances received have exceeded the company's annual fossil-based CO<sub>2</sub> emissions. The surplus have been partly sold to the market
- Unused emission allowances do not have an impact on income statement or balance sheet. Metsä Board discloses the possible sales of emission allowances in its interim reports
- Due to the Renewable Energy Directive II (RED II) it is expected that granting of free emission allowances under the EU ETS will end after 2025 for production units having more than 95% of greenhouse gas emissions from biomass in 2019–2023

# Transition plan to fossil-free mills by 2030



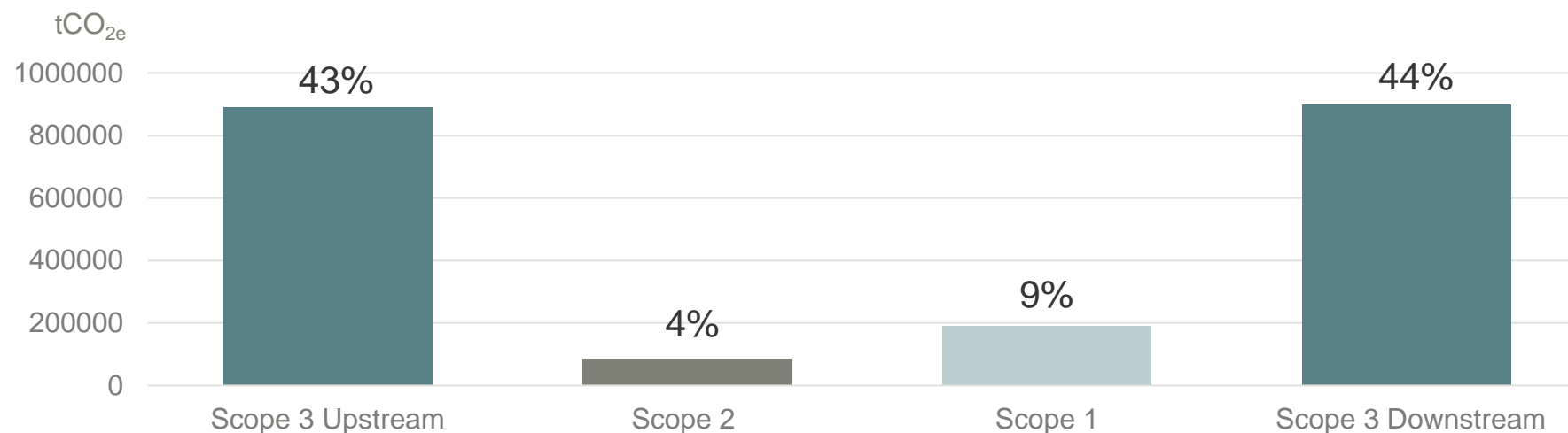
\*Simpele power plant discontinued the use of peat in 2023, but some peat was used in 2024 due to lower availability of wood chips

In March 2025, Metsä Board made a decision to close Tako mill by the end of the second quarter of 2025 at the latest.

# Total greenhouse gas emissions

## Scope 1, 2 and 3

Total greenhouse gas emissions ca. 2 million tonnes CO<sub>2e</sub>



In 2024:

	tCO <sub>2e</sub>		tCO <sub>2e</sub>		tCO <sub>2e</sub>		tCO <sub>2e</sub>
• Purchased goods and services	485 533	• Market-based indirect GHG emissions from purchased electricity and heat	84,989	• Direct GHG emissions from own processes and power plants	192,098	• Downstream transportation and distribution	7,304
• Capital goods	27 746					• Processing of sold products	275,061
• Fuel and energy-related activities	73 778					• Use of sold products	1,846
• Upstream transportation and distribution	300 233					• End-of-life treatment of sold products	563,093
• Waste generated in operations	727					• Investments	50,954
• Business travel	937						
• Employee commuting	1 926						
	<b>890,880</b>		<b>84,989</b>		<b>192,098</b>		<b>898,258</b>

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

1

## Energy used in production

---

Metsä Board uses 89% **fossil-free energy** in its production

2

## Material and resource efficiency

---

**Lightweighting** reduces the use of fibre, energy and water and generates less waste

More information: [The technical background report verified by IVL Swedish Environmental Research Institute](#)





# Paperboard provides an alternative to plastics

Example: cherry tomato box	PET clamshell	Metsä Board Prime FBB EB
Raw material	fossil oil-based	renewable fresh wood fibre
Energy	fossil-based energy	89% fossil-free energy, target 100% by 2030
Recycling rate	41% for plastic packaging in the EU (Eurostat 2022)	83% for fiber based packaging in the EU (Eurostat 2022)
Compostability, biodegradability	No	Yes
Climate impact		ca. 80% smaller for a paperboard box for cherry tomatoes than that of a box made from recycled PET (Natural Resources Institute Finland, 2019)
Market restrictions	ban as of 2030 (Regulation EU 2025/40)	



# Roughly 2 million tonnes global potential for cartonboard\* from plastic reduction in selected food categories

*\*excluding liquid packaging board and cupstock*

**Fruit, vegetables, bakery, confectionery**  
total size 2.5Mt<sup>1)</sup>

Plastic represents roughly 1.5 Mt, of which  
~60% could be replaced with cartonboard

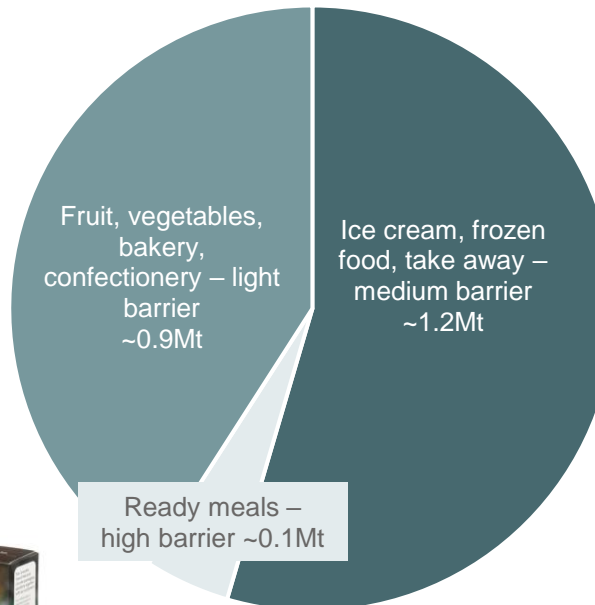


**Ready meals**  
total size 1.0Mt<sup>1)</sup>

Plastic represents roughly 0.5 Mt,  
of which ~20% could be replaced  
with cartonboard



**Potential plastic replacement  
in selected food categories  
and barrier requirement**



**Ice cream, frozen food, take away**  
total size 5Mt<sup>1)</sup>

Plastic represents roughly 3Mt, of which ~40%  
could be replaced with cartonboard



<sup>1)</sup> includes rigid plastic and folding cartons



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

**83%**

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, Forests and Water rating.



Total score 91/100. Metsä Board has achieved the highest rating level every year since 2017.



[Link](#) to ISS website



[Link](#) to MSCI website

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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 resource efficiency and reduce carbon footprint of packaging material



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

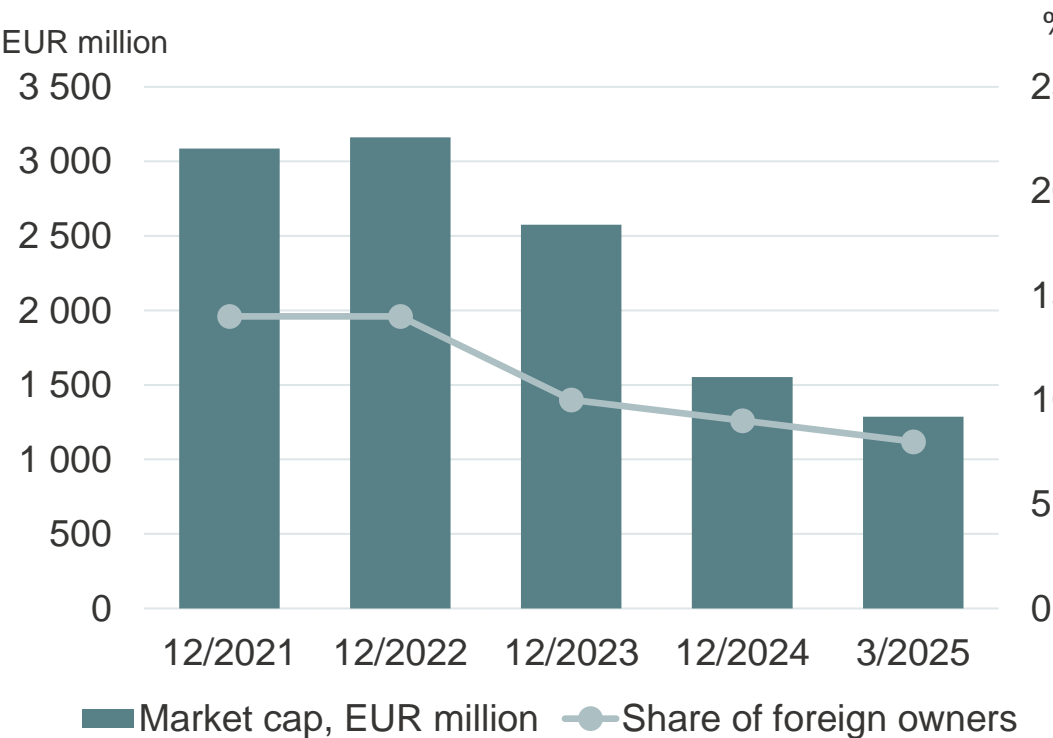
# Owners and management



# Market cap and ownership distribution

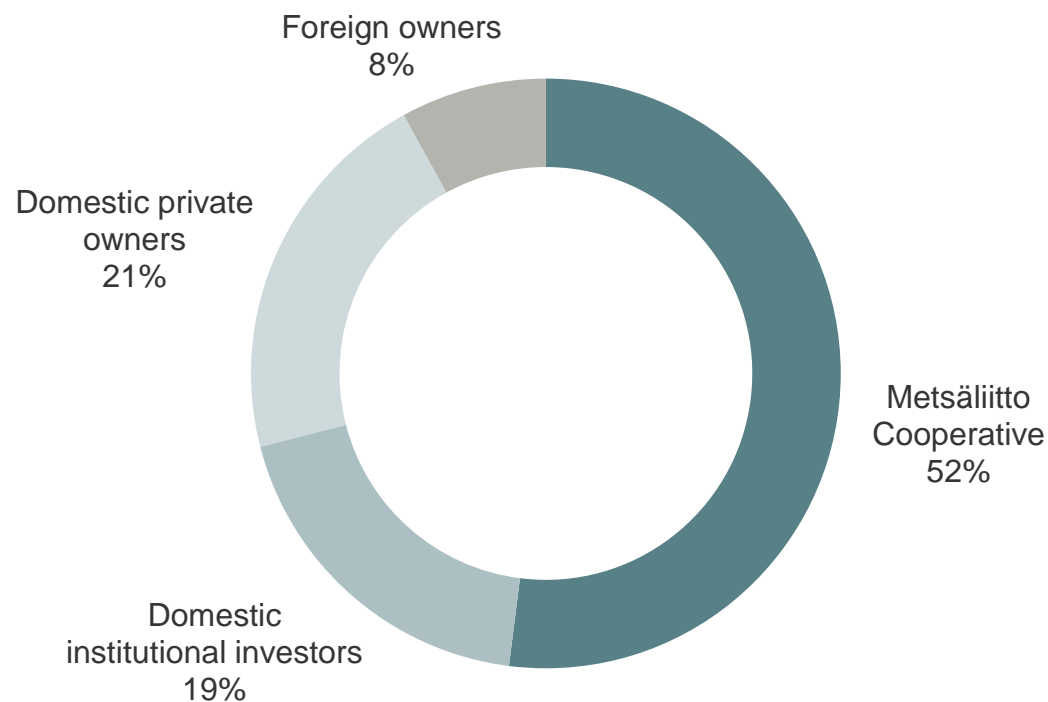
Metsä Board has over 70,000 shareholders, combined amount of A and B shares

## Market cap and foreign owners



## Ownership distribution

31 March 2025



# Metsä Board Corporate Management Team



**Esa Kaikkonen**

CEO  
Chair of CMT since 2025  
At Metsä Group since 1998  
Shares: 49,078



**Henri Sederholm**

CFO  
Member of CMT since 2021  
At Metsä Group since 2003  
Shares: 67,162



**Markku Leskelä**

SVP, Development  
Member of CMT since  
October 2021  
At Metsä Group since 1993  
Shares: 35,307



**Jussi Noponen**

SVP, Sales  
and Supply Chain  
Member of CMT since 2016  
At Metsä Group since 2000  
Shares: 102,304



**Harri Pihlajaniemi**

SVP, Production and  
Technology  
Member of CMT since 2017  
At Metsä Group in 2001–2004  
and since 2017  
Shares: 21,820



**Camilla Wikström**

SVP, HR  
Member of CMT since 2019  
At Metsä Group since 2001  
Shares: 24,031





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