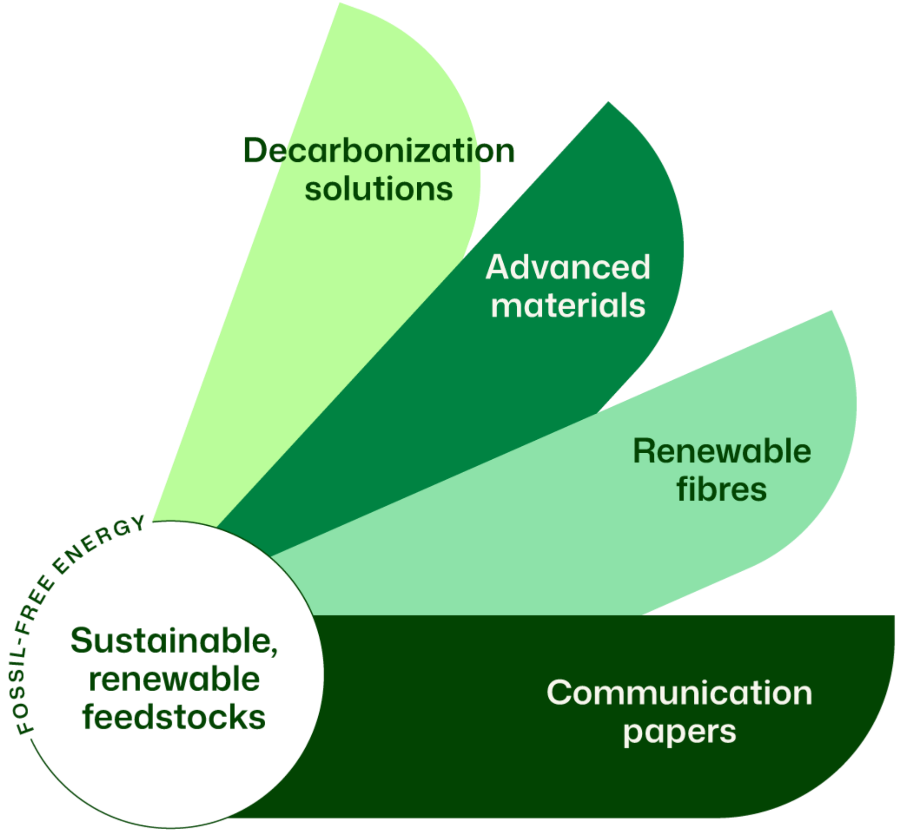
UPM – we renew the everyday

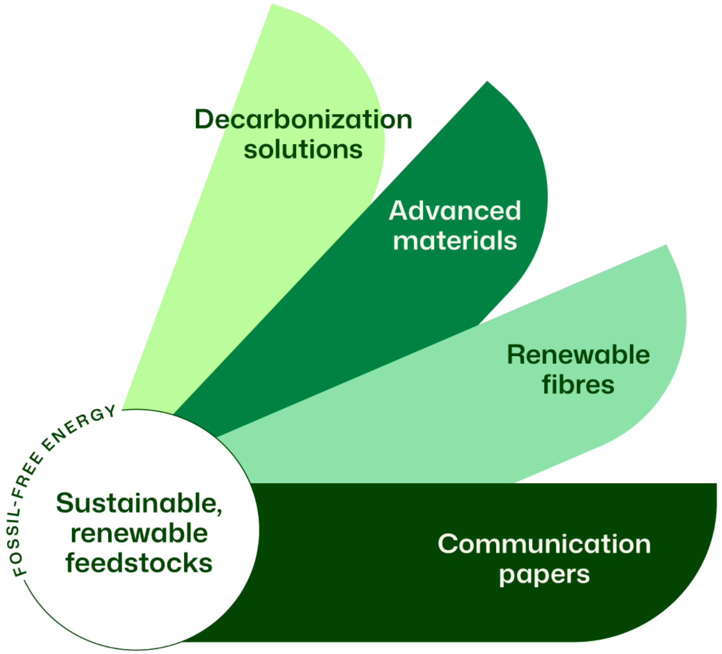
Investor presentation
October 2025

Our portfolio leverages competitive business platforms

- **Decarbonization solutions**
  biochemicals biofuels, CO_2-free energy
- **Advanced materials**
  adhesive materials, specialty papers, plywood
- **Renewable fibres**
  pulp, other bioproducts
- **Communication papers**



Attractive growth opportunities



Market trend growth	5-year average comparable EBIT (*) by product group	5-year comparable EBIT %	Capital intensity
+++	276	32%	High
++	384	11%	Low
+	427	15%	High
-	291	8%	-

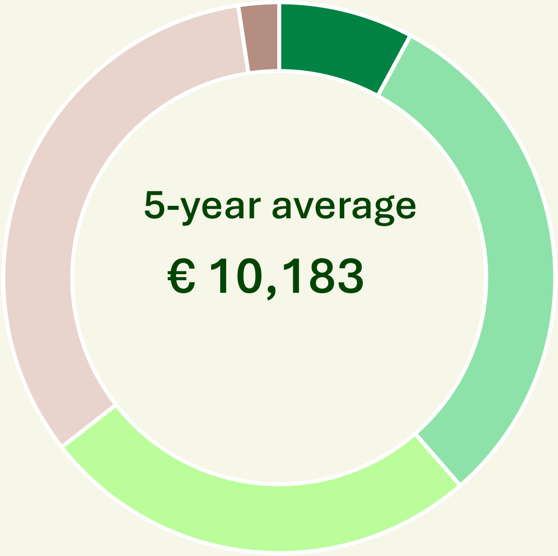
(*) UPM average comparable EBIT 2020–2024 was €1,351m

Our balanced portfolio provides opportunities for growth

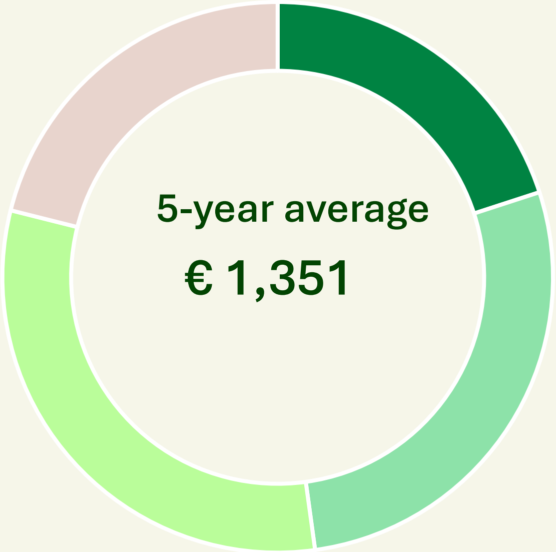
UPM

5-year average

Sales



Comparable EBIT



- Decarbonization solutions
- Renewable fibres
- Advanced materials
- Communication papers
- Other

Total sales 2024

Sales by market

- Europe
- North America
- Asia
- Rest of the World

We seek profitable growth through performance and capitalizing on our major investments

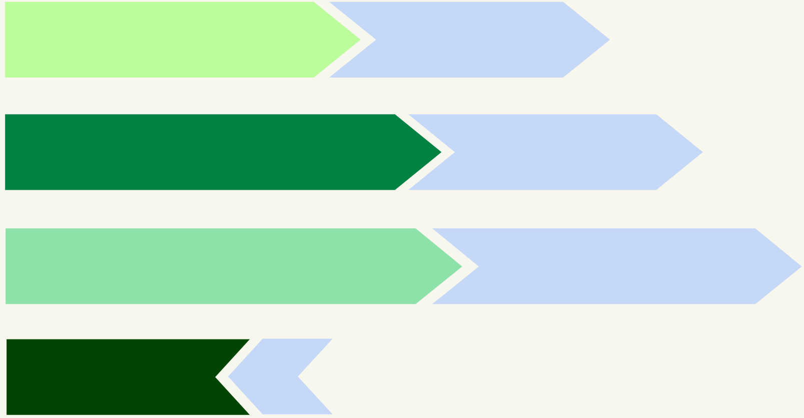
UPM comparable EBIT*

Decarbonization solutions

Advanced materials

Renewable fibres

Communication papers



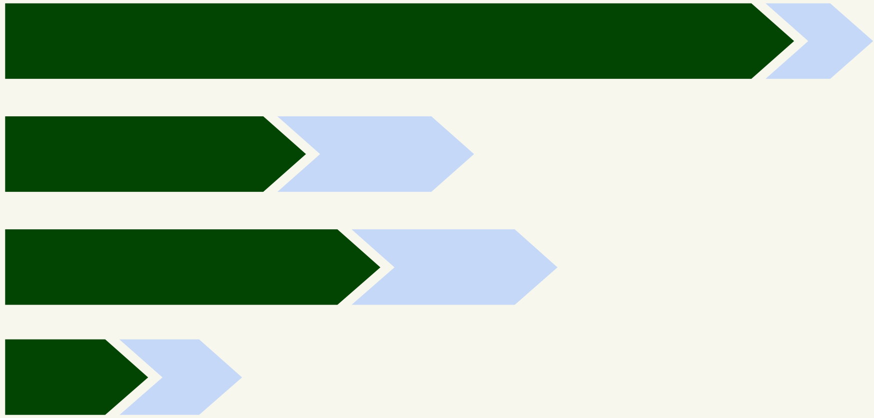
UPM sales*

Europe

Americas

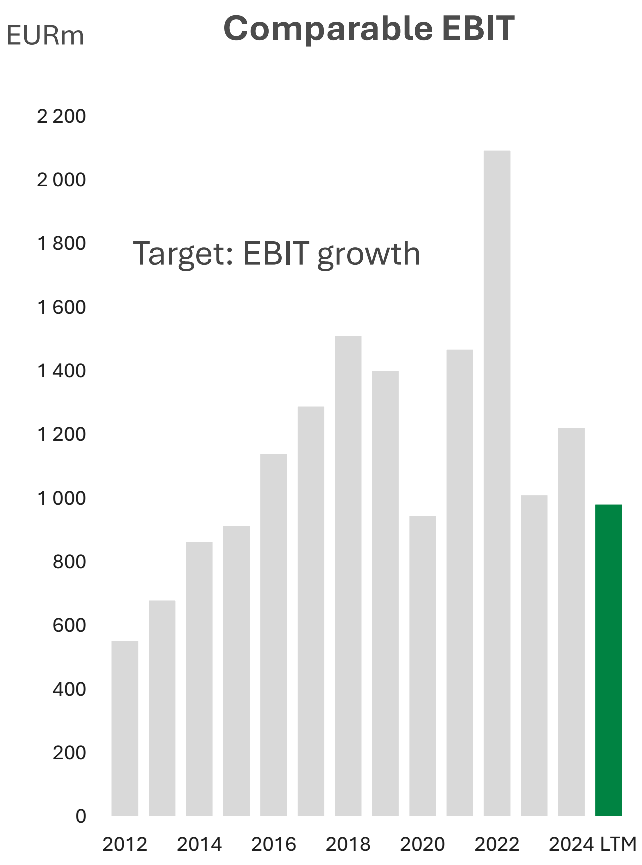
Asia

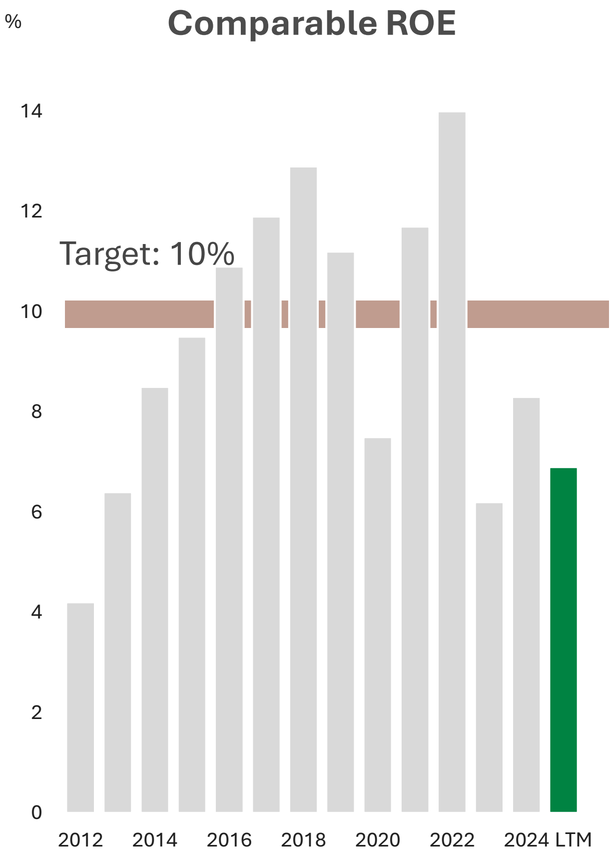
RoW

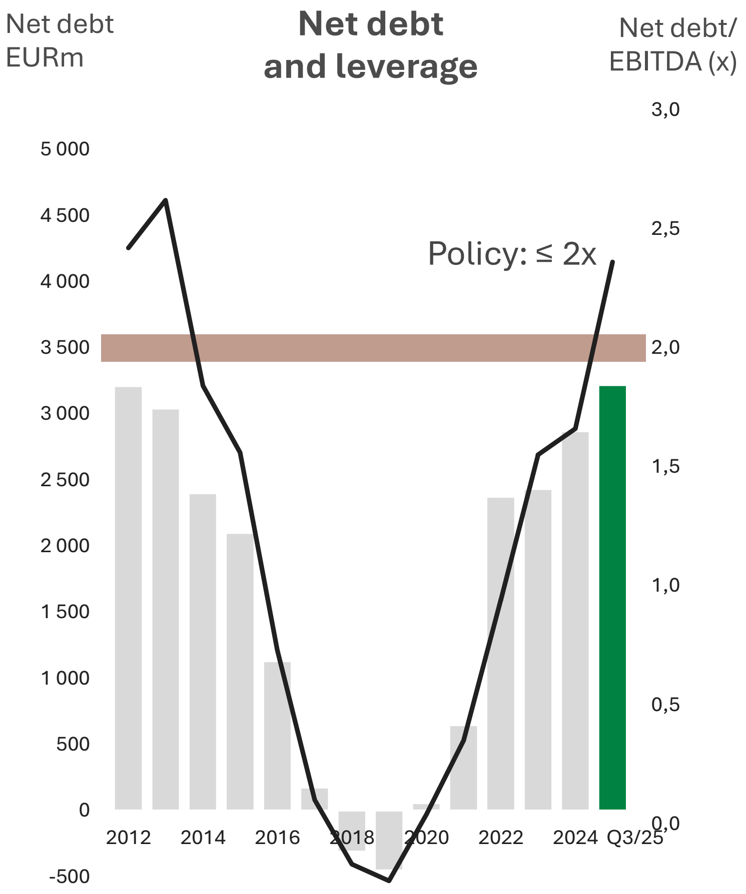


*) The graphs are illustrative, not a forecast

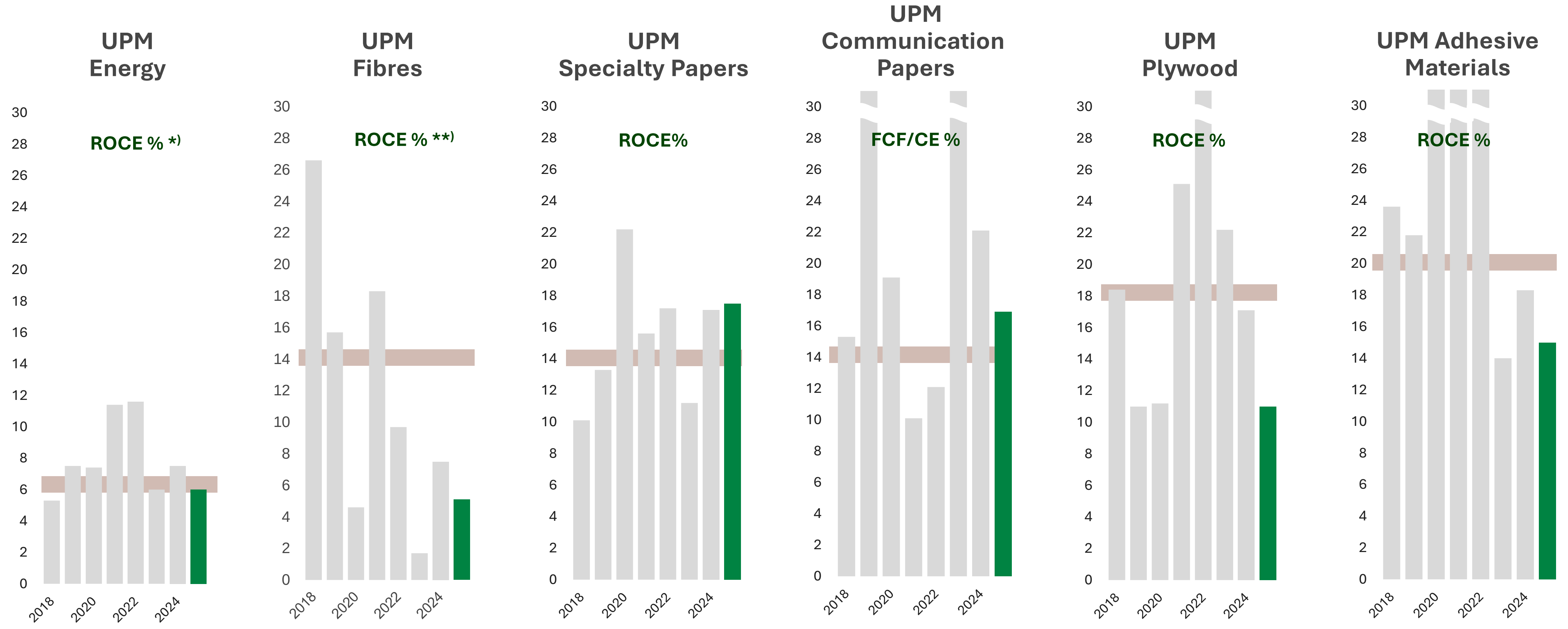
Group financial performance and targets







Business area long-term return targets

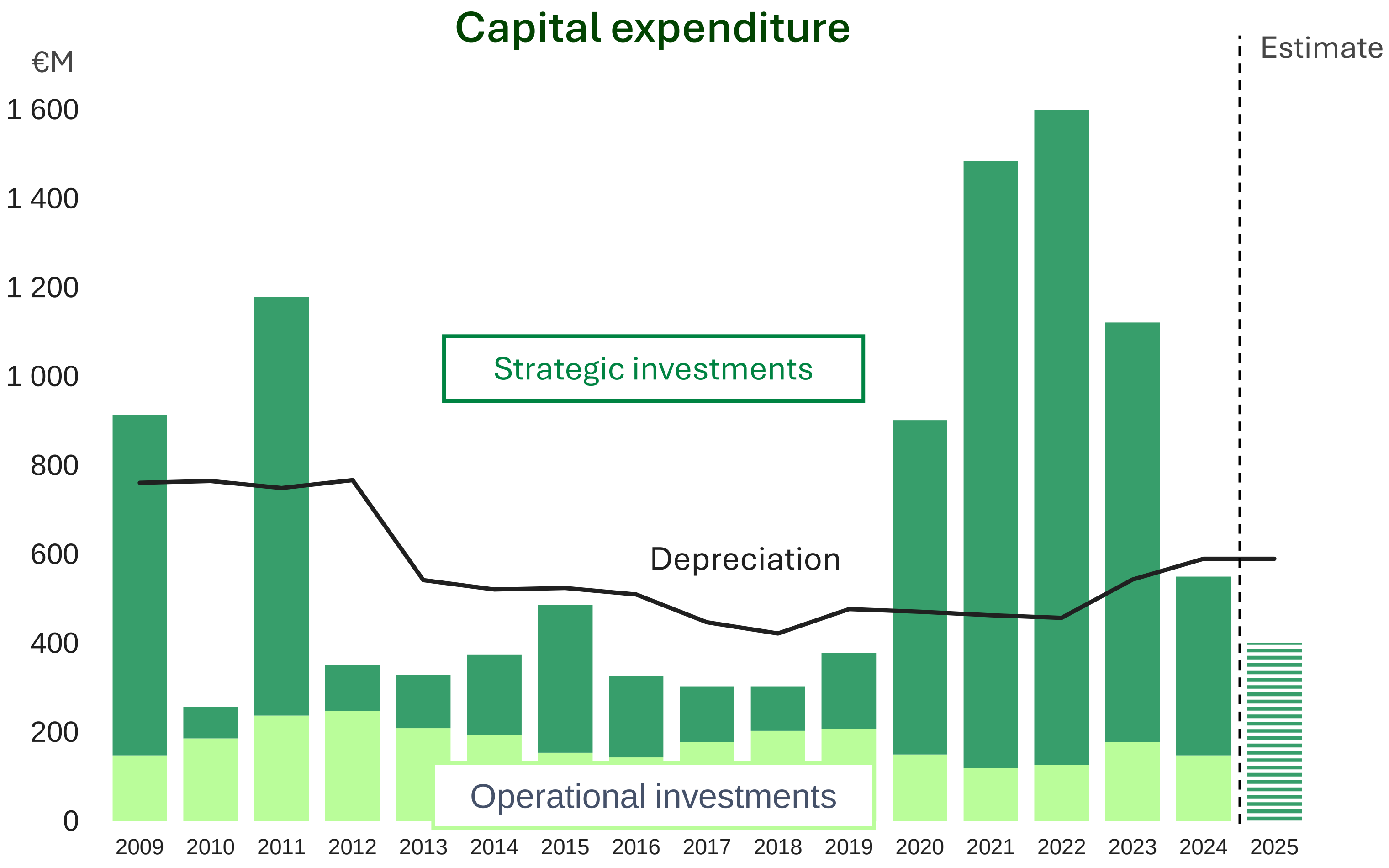


*) Shareholdings in UPM Energy valued at fair value

**) Year 2021 restated , UPM Biofuels moved into Other Operations as of 1 January 2022.

Long-term return target

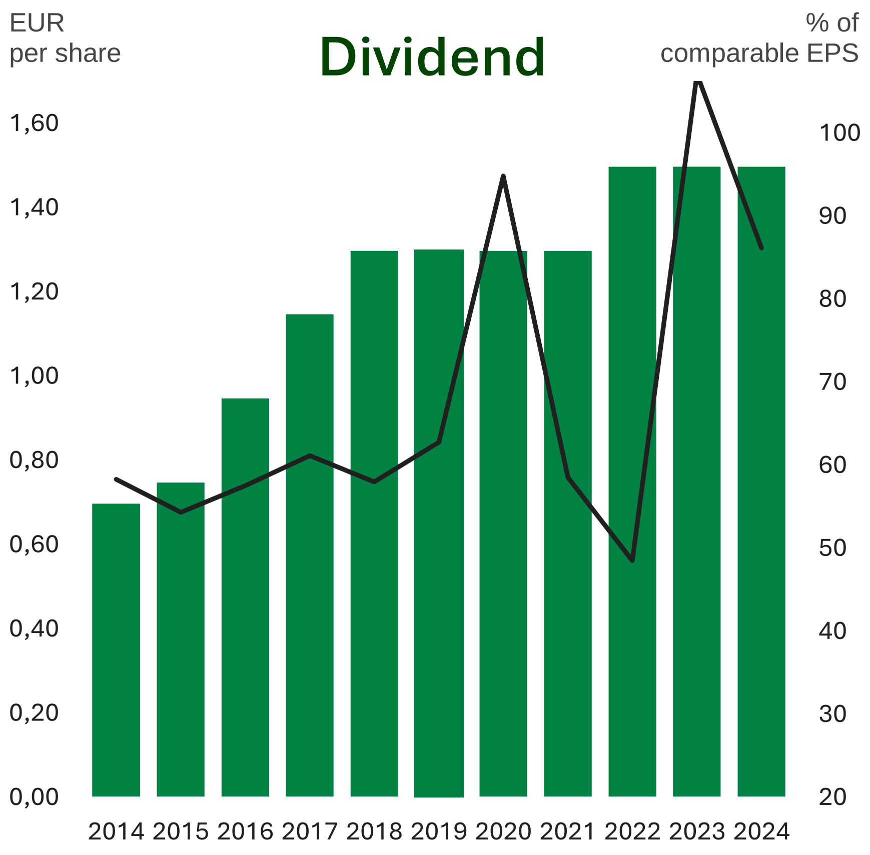
Major investment cycle coming to an end



Capex 2025 estimate

- Capex excluding acquisitions €400m
- Operational investment needs consistently low

Attractive dividend



Dividend policy

- UPM aims to pay attractive dividends, targeting at least half of the comparable earnings per share over time

Dividend for 2024

- EUR 1.50 (1.50) per share
- 86% of 2024 comparable EPS

We act on three fronts

1

Improve competitiveness

2

Focused growth

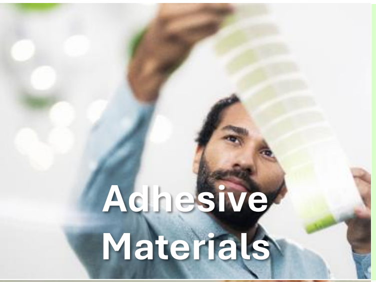
3

World-class businesses

Renewable fibres – capture the full potential in Fibres South, restore profitability in Fibres North

	Improve competitiveness	Focused growth	World-class businesses
 Fibres South	• Optimization of wood sourcing and inbound logistics, as the plantations increasingly reach maturity by 2027	• 2025 is the first year at nominal capacity • Planning capex-efficient debottlenecking to unlock further potential	• 3.4m tonnes euca pulp • World-class low-cost platform • Q3 2025 EBIT of €80m, 22% of sales, low cycle pulp prices
 Fibres North	• Strategic partnership with Versowood to strengthen pulp wood supply in Finland • Flexible operating mode at all mills, fixed cost reductions		• 2.4m tonnes, mainly softwood pulp • Q3 2025 EBIT of €-37m, impacted by the shutdown and maintenance at UPM Kaukas (approx. €-30m), low pulp prices and high wood costs

Advanced materials – sharpen competitiveness and capture focused growth, Plywood strategic review

	Improve competitiveness	Focused growth	World-class businesses
	• Actions to sharpen competitiveness, improve margins, including plan to discontinue production in Nancy, France	• Investments to grow in advanced labels in the U.S. and to strengthen asset base in Southeast Asia • Building position in graphics following recent acquisitions	• #2 globally • Q3 2025 EBIT of €33m, 8% of sales. Resilient performance on slowing labeling markets (Q3: Europe +5%, NA +0% y-o-y)
	• Decreased variable costs, efficiency measures	• Flexible paper-based packaging development	• #1 globally • Q3 2025 EBIT of €34m, 11% of sales. Resilient performance on slowing labeling markets, slow fine paper market in China
	• Normal production	• Strategic review initiated	• #1 in Europe, globally in LNG • Q3 2025 EBIT of €11m, 10% of sales. Good performance on stable markets

UPM Plywood: strong customer-focused business, with clear strategy and resilient performance through cycles

UPM

European market leader with an attractive position across the value chain

- Market leader in mid-to-high end European plywood and in LNG globally
- Attractive end market dynamics
- Well-invested asset base of 4 spruce plywood and 3 birch plywood mills, annual production capacity 805,000 m^3
- Well-built warehouse and sales network

Unique product offering of premium materials

- Comprehensive premium offering through WISA® Plywood brand
- Strong customer partnerships
- High quality service

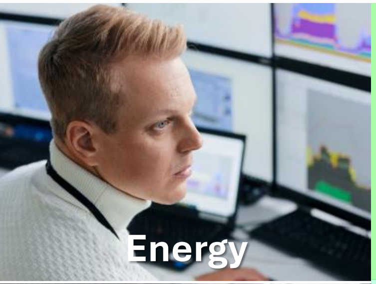
WISA® Plywood

Resilient financial profile through market cycles

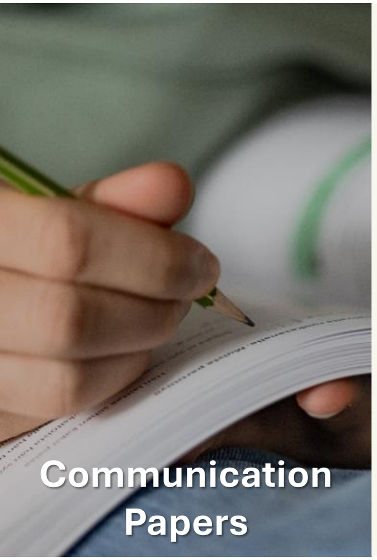
- Consistent performance and cash generation over time
- Commercial and operational excellence
- Proven management team and experienced operational personnel

Sales	EBITDA	ROCE
2024: €430m	2024: €65m	2024: 17%
2023: €422m	2023: €77m	2023: 22%

Decarbonization solutions – business launch, focused growth, maximize value

	Improve competitiveness	Focused growth	World-class businesses
 Energy	• Maximize value in the volatile electricity markets	• Capability to supply CO_2-free electricity to meet growing demand from electrification, data centers, green transition	• #2 in Finland, 12 TWh of CO_2-free electricity, baseload and flexibility • Q3 2025 EBIT €37m, 25% of sales
 Biofuels	• Decreased variable costs • Improved efficiency	• Capex-efficient debottlenecking • Qualification process for SAF • Proprietary feedstock technologies development	• 130,000 tonnes of advanced renewable fuels • Profitability improvement and recovering markets
 Biochemicals	• Sales of industrial sugars and lignin-based products in 2025, glycols in H1 2026	• Entry to new business • Commercial interest confirmed • Gather learnings for next steps	• 220,000 tonnes of pioneering renewable chemicals • Full production and positive EBIT during 2027

Communication papers – focus on performance and cash flow



Improve competitiveness

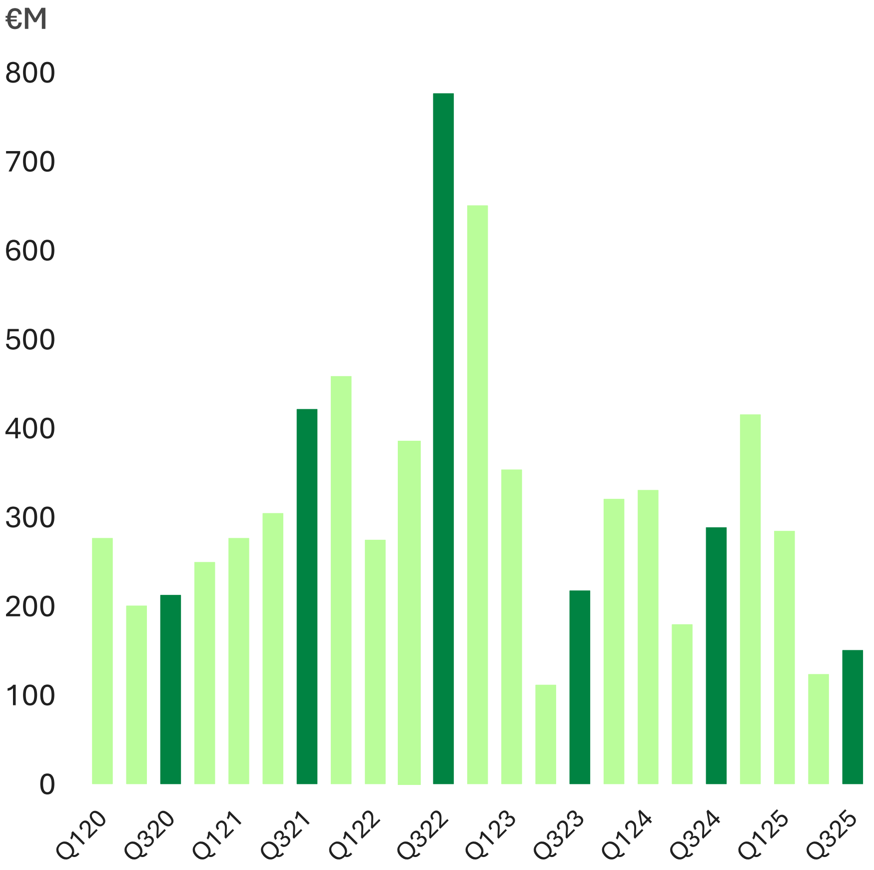
- Decision to close paper production at UPM Kaukas (300,000t) in Finland by the end of 2025
- Plan to close the UPM Ettringen paper mill (270,000t) in Germany and streamline operations
- Combined capacity reduction: 13% of capacity
- Planned annual fixed cost savings €70m
- Sold the earlier closed Plattling paper mill site, Germany, in October, contributing to Q4 2025 cash flow

World-class businesses

- #1 in Europe
- Reliable provider of sustainable communication papers, cost-efficient operations
- Q3 2025 EBIT €14m, 2% of sales. Business affected by the trade uncertainty and weaker U.S. dollar. Q3 demand declined both in Europe (-7% y-o-y) and the U.S.

Q3 2025: UPM business portfolio delivered resilient performance in weak markets

Comparable EBIT



Q3 2025 in brief

- Sales totaled €2,298 million (€2,521 million in Q3 2024)
- Comparable EBIT decreased by 47% to 153 million, 6.7% of sales (€291 million, 11.5%)
- Initiated a strategic review of UPM Plywood to assess options for maximizing its long-term potential
- Signed a strategic partnership with Versowood to strengthen pulp wood supply in the tight Finnish markets
- UPM Adhesive Materials plans to discontinue production in Nancy, France, invests to grow in the U.S., Malaysia, Vietnam
- Decided to end paper production at UPM Kaukas, Finland, sold the earlier-closed Plattling paper mill site, Germany
- Started the first core process of the Leuna biorefinery, achieving stability and industrial-scale production

Q3 2025 brought some clarity to the terms of global trade, but consumer demand remained subdued

North America

Consumer demand growth slowed down, influencing advanced materials

Low pulp prices

Weak demand for communication papers

Trade uncertainties affected customers' decisions

Europe

Slow consumer demand, stable demand for advanced materials

Low pulp prices

Weak demand for communication papers

Solid electricity consumption, increased prices in Finland

Stable plywood demand

Improving market for renewable fuels

Asia

Cautious consumers, stable demand for advanced materials

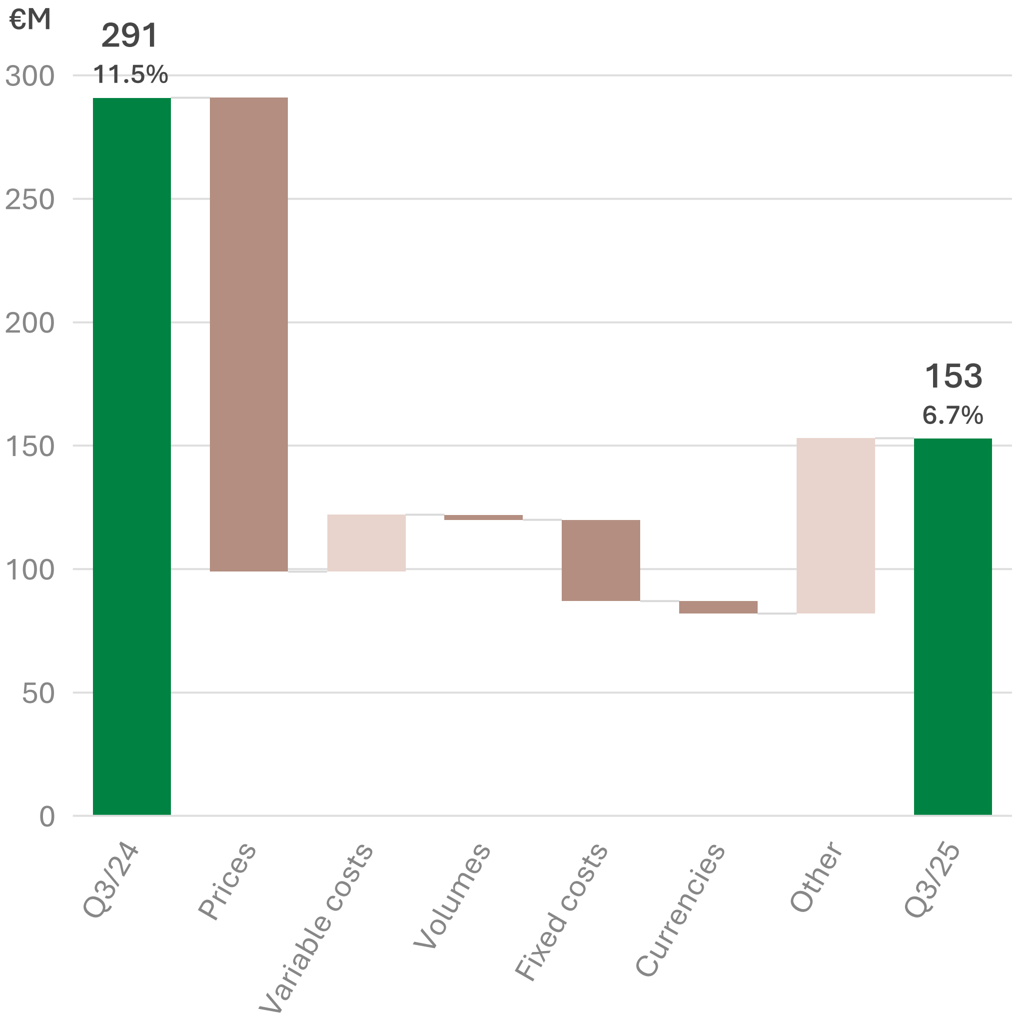
Low pulp prices

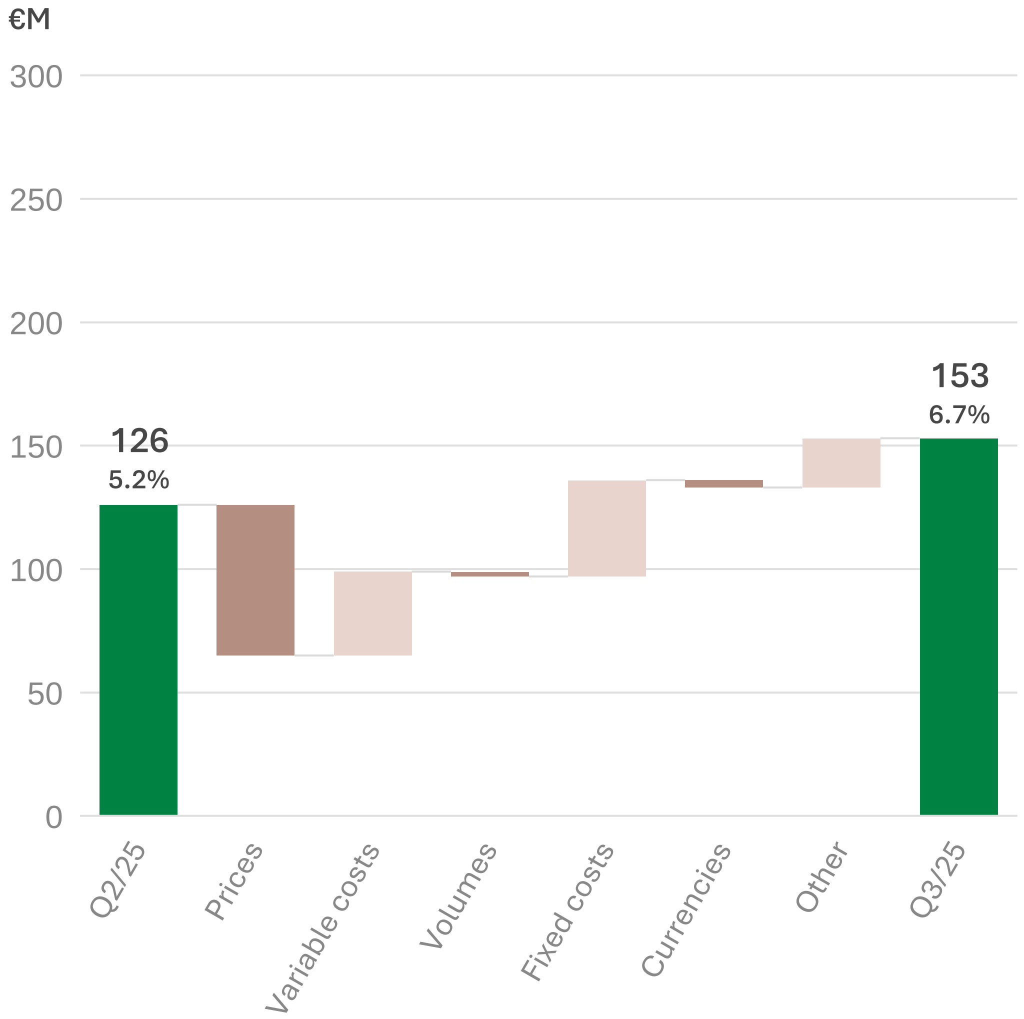
Pulp demand normalized after weak Q2

Fine paper markets seasonally slow

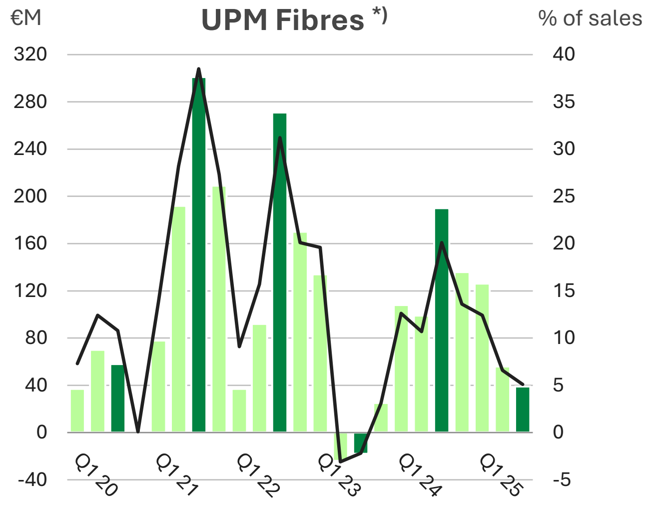
Paper pricing under pressure

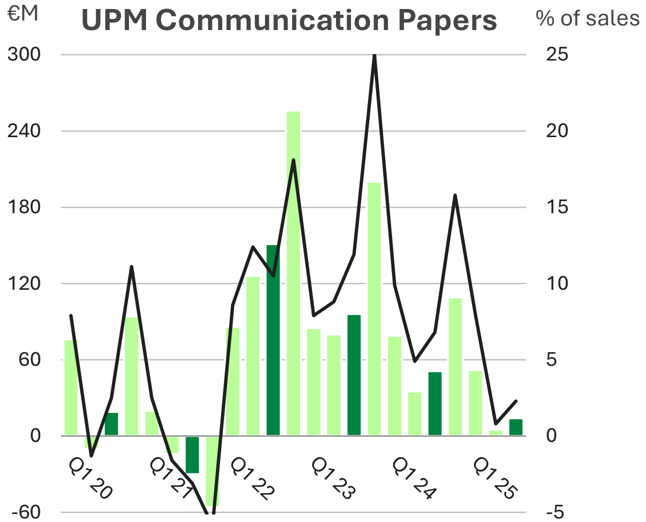
Comparable EBIT in Q3 2025

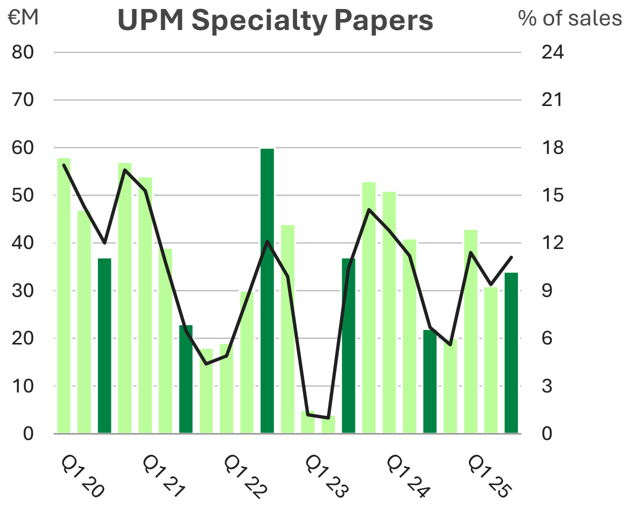


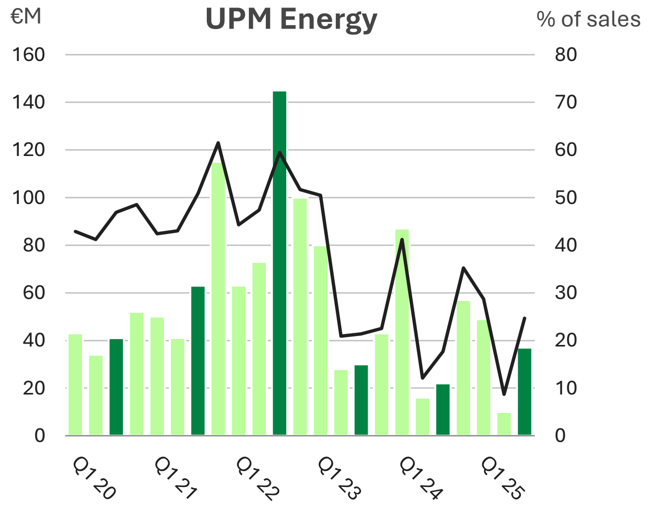


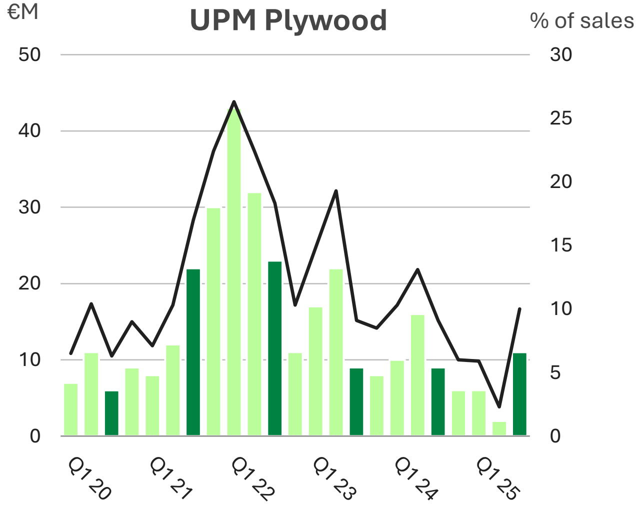
Comparable EBIT by business area

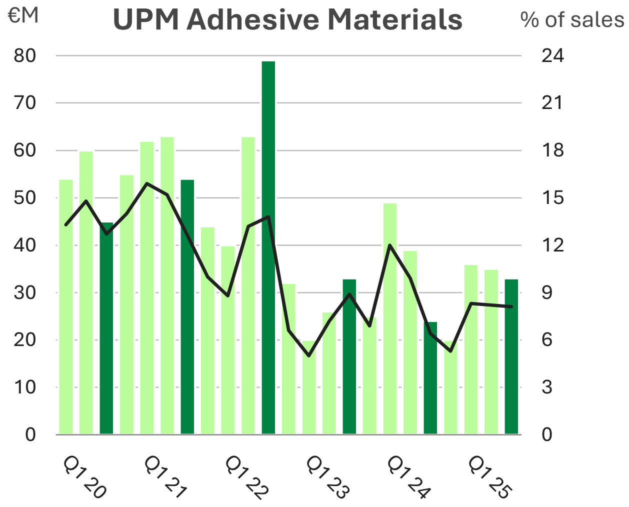






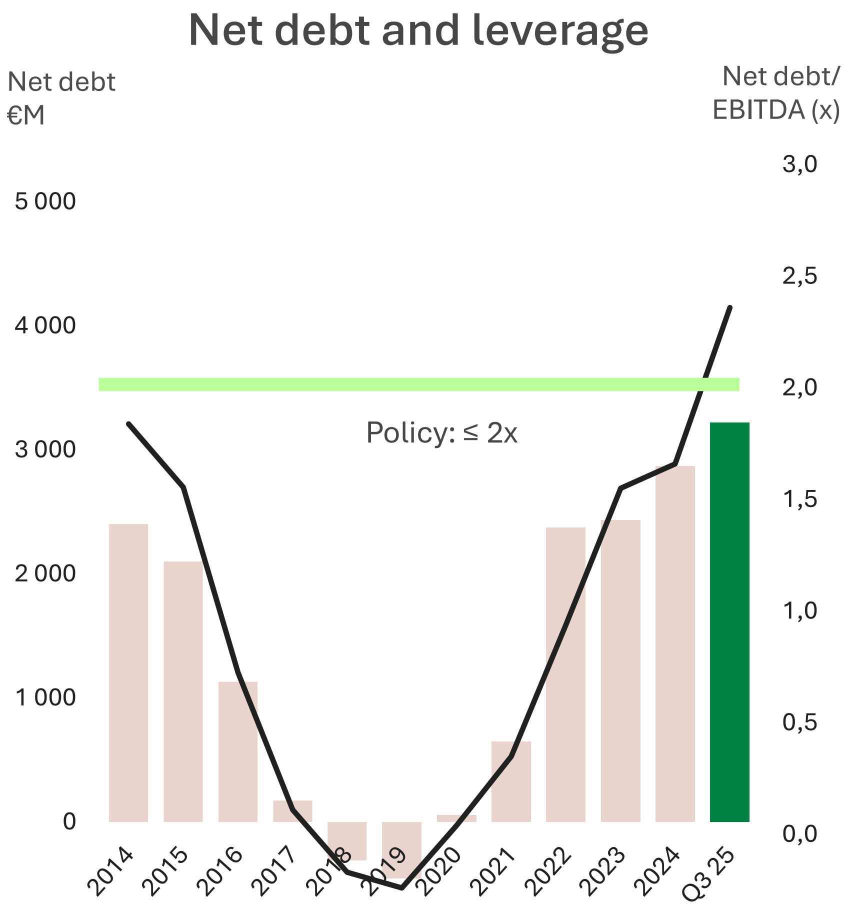






*) Year 2021 restated, UPM Biofuels moved to Other Operations as of January 1, 2022

Solid financial position



- Net debt €3,218 million at the end of Q3 2025
- Net debt / EBITDA 2.36
- Cash funds and committed credit facilities €2.7 billion at the end of Q3 2025
- No financial covenants
- UPM repurchased 6 million shares for a total of approximately €160 million in H1 2025
- The first dividend instalment for year 2024 (€397m) was paid on April 8, 2025, the second will be paid on November 7 (€395m)

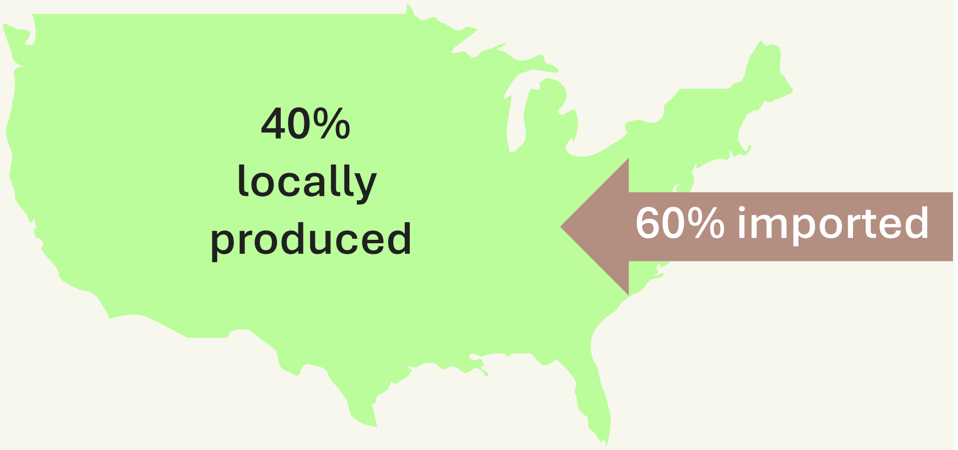
Outlook (*

- **Profit guidance:** UPM's comparable EBIT in H2 2025 is expected to be approximately in the range of €425-650 million (€413 million in H1 2025, and €709 million in H2 2024).
- **Outlook:** In H2 2025, compared with H1 2025, UPM's performance is expected to benefit from lower variable costs, including the timing of the annual energy refunds in Q4, and potentially from moderate fair value change of forest assets in Q4. Performance is expected to be resilient in the advanced materials businesses. Pulp prices have started the second half of the year at a lower level than the realized prices during the first half of the year.
- In H2 2025, compared with H2 2024, UPM's performance is expected to be held back by lower sales margins for pulp, lower deliveries of communication papers, and higher maintenance activity. Performance is expected to improve in the advanced materials businesses.
- The U.S. dollar has been weaker in H2 2025 than during the comparison periods.

(* see UPM Half Year Financial Report 2025 for the full Guidance and Outlook

UPM and tariffs – global trade uncertainties

14% of UPM sales in 2024 was to the U.S.



Indirect impact of the trade uncertainties have been more significant than the direct impact of tariffs

- Global trade uncertainties and the weaker U.S. dollar have affected particularly UPM Fibres and UPM Communication Papers
- Indirectly, tariffs may impact demand and trade flows, cause hesitation among customers and weaken consumer confidence. Such indirect impacts are possible in markets outside the U.S., too
- Direct impact of tariffs has been relatively limited
- UPM produces self-adhesive label materials and communication papers in the U.S.
- UPM exports communication papers, specialty papers and some eucalyptus pulp to the U.S. Current tariffs on these deliveries range between 0%, 10% and 15%

Foreign exchange exposure

UPM

Estimated 12-month net currency cash flow at the end of Q3 2025, before hedging, € million

USD	1,216
UYU	-293
GBP	205
CNY	100
JPY	98
Others	159
Total	**1,483**

UPM hedges an average of 50% of the estimated net currency cash flow on a rolling basis for the next 12 months

- At the end of Q3 2025, UPM's estimated net currency cash flows for the next 12 months totaled approximately € 1,483 billion
- In addition, the earnings of UPM's foreign subsidiaries are translated to euros in reporting. UPM has significant foreign subsidiaries in Uruguay, the U.S. and China
- Currency fluctuations could impact UPM's cash flow, earnings, or balance sheet, and may also affect the relative competitiveness between different currency regions

Leading position in sustainability, leading global standards

UPM

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

MSCI
ESG RATINGS
CCC | B | BB | BBB | A | AA | AAA
AAA

Climate
CDP
A List
2024

PLATINUM Top 1%
ecovadis
Sustainability Rating
AUG 2024

S&P Global
UPM-Kymmene Oyj
Paper & Forest Products
Top 10%
Corporate Sustainability Assessment (CSA) 2024 Score
77/100

World Benchmarking Alliance

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE CLIMATE PLEDGE
Paris... 10 years Early

PROUD TO BE MOVING FORWARD FASTER FOR 2030
FORWARD FASTER

CLEAN WATER AND SANITATION

AFFORDABLE AND CLEAN ENERGY

DECENT WORK AND ECONOMIC GROWTH

RESPONSIBLE CONSUMPTION AND PRODUCTION

CLIMATE ACTION

LIFE ON LAND

Our climate commitment

WE ACT THROUGH FORESTS

Committed to climate-positive forestry and enhancing biodiversity

WE ACT THROUGH EMISSION REDUCTIONS

-65% from own CO_2 emissions

-30% from CO_2 emissions of supply chain

WE ACT THROUGH PRODUCTS

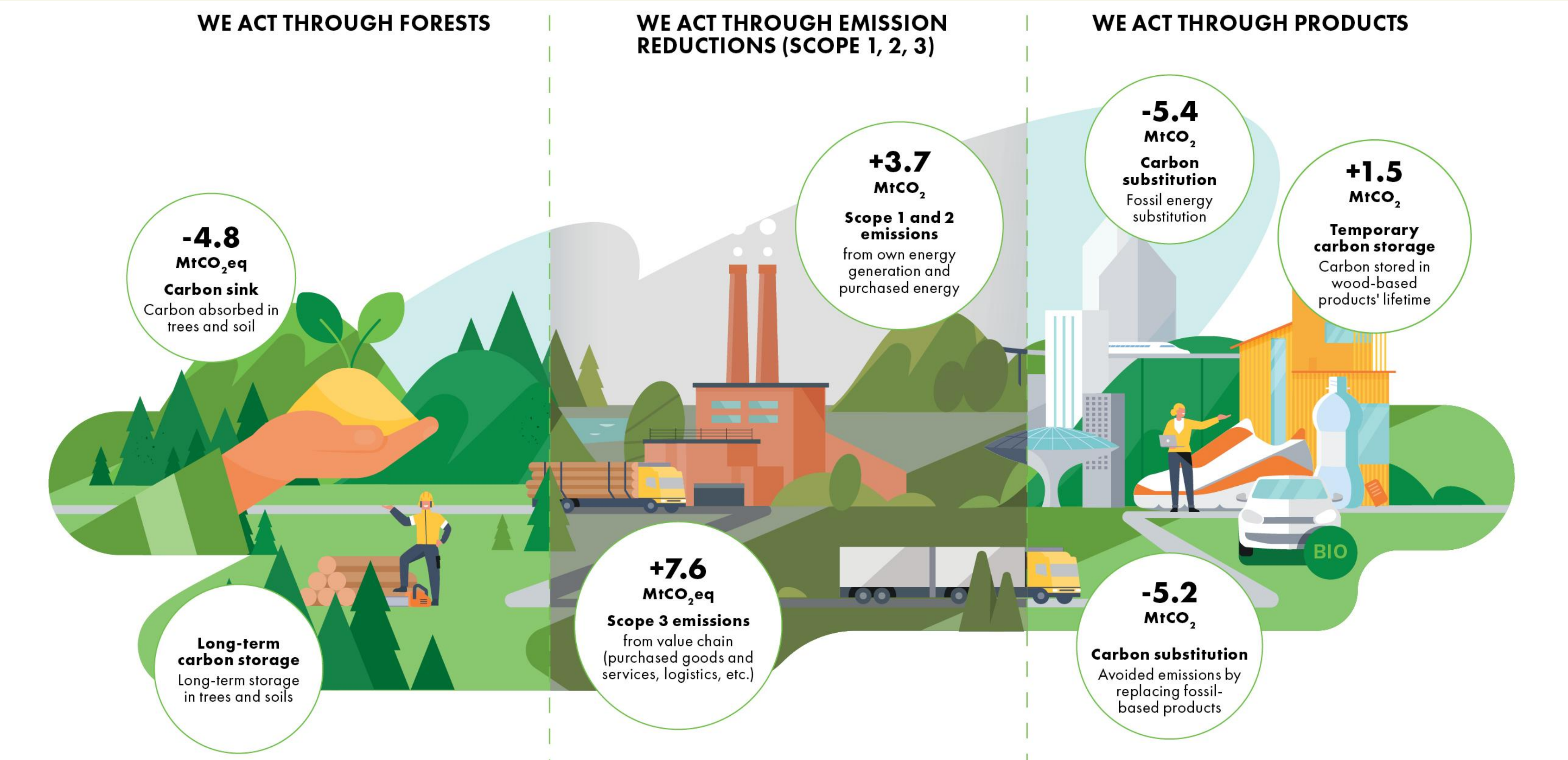
Innovative products

Scientifically verifying the climate impact of all our products

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE CLIMATE PLEDGE Paris... 10 years Early

Towards net-zero emissions (UPM 2023)



Research partners: LUKE, SYKE, IFEU

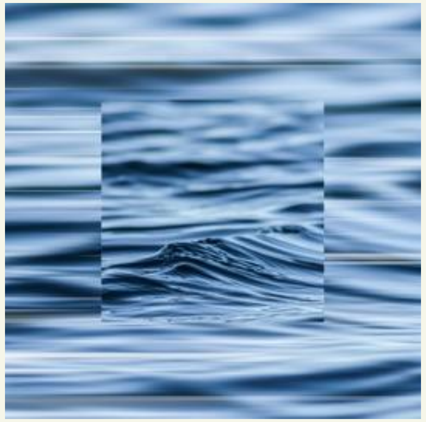
UPM Forest Action

The UPM Forest Action program takes a holistic view, covering the five fundamentals of responsible forestry:

CLIMATE

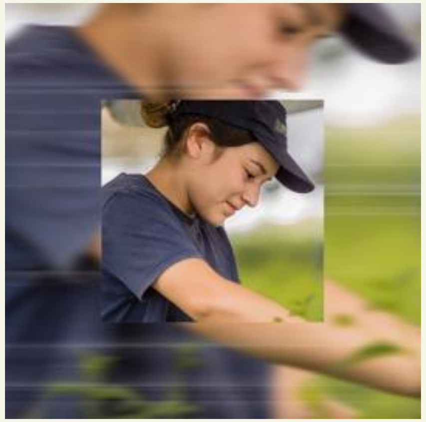
BIODIVERSITY

WATER

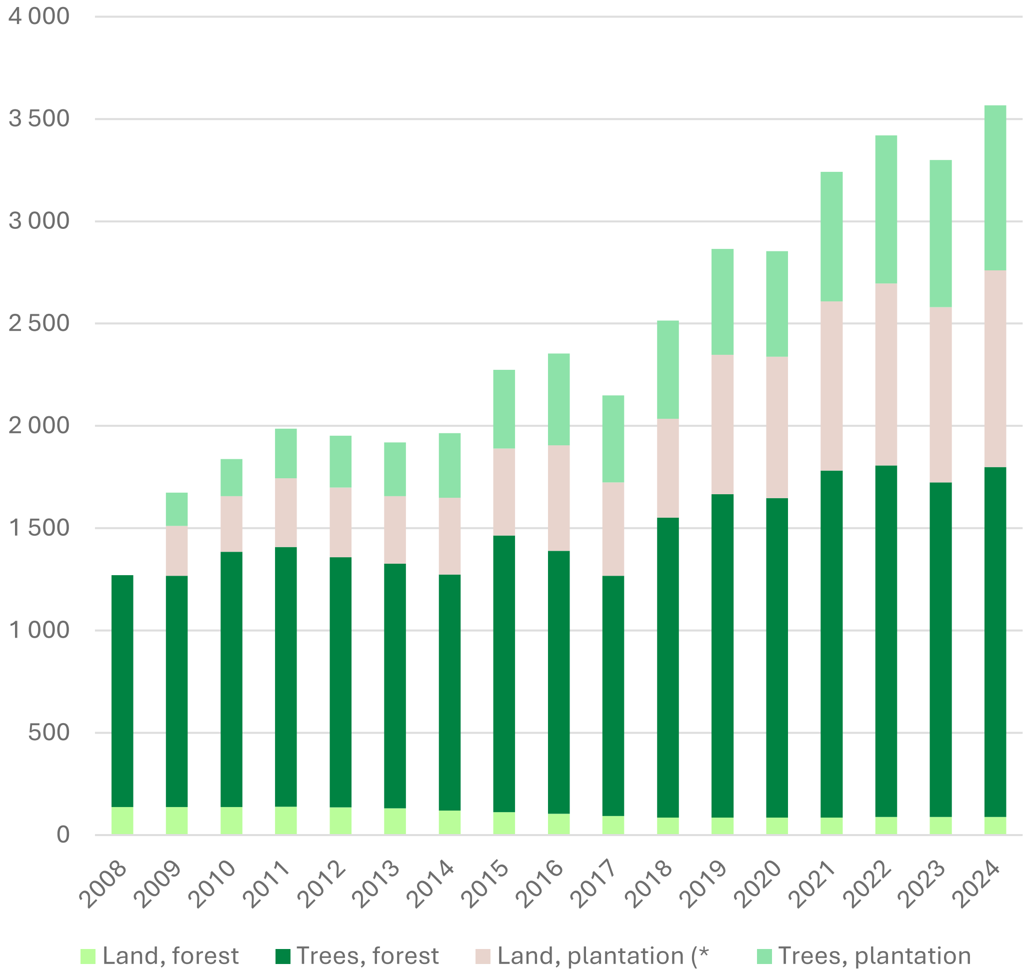


SOIL

SOCIAL CONTRIBUTION



Active forest strategy – UPM's forest assets are increasingly productive and valuable



*) leased land included from 2019

Uruguay plantations

"Fast turnover, low inventory"

- Value €1.8bn
- Continuous productivity improvement (pulp tonnes/ha)
- Investing in strategic forest assets

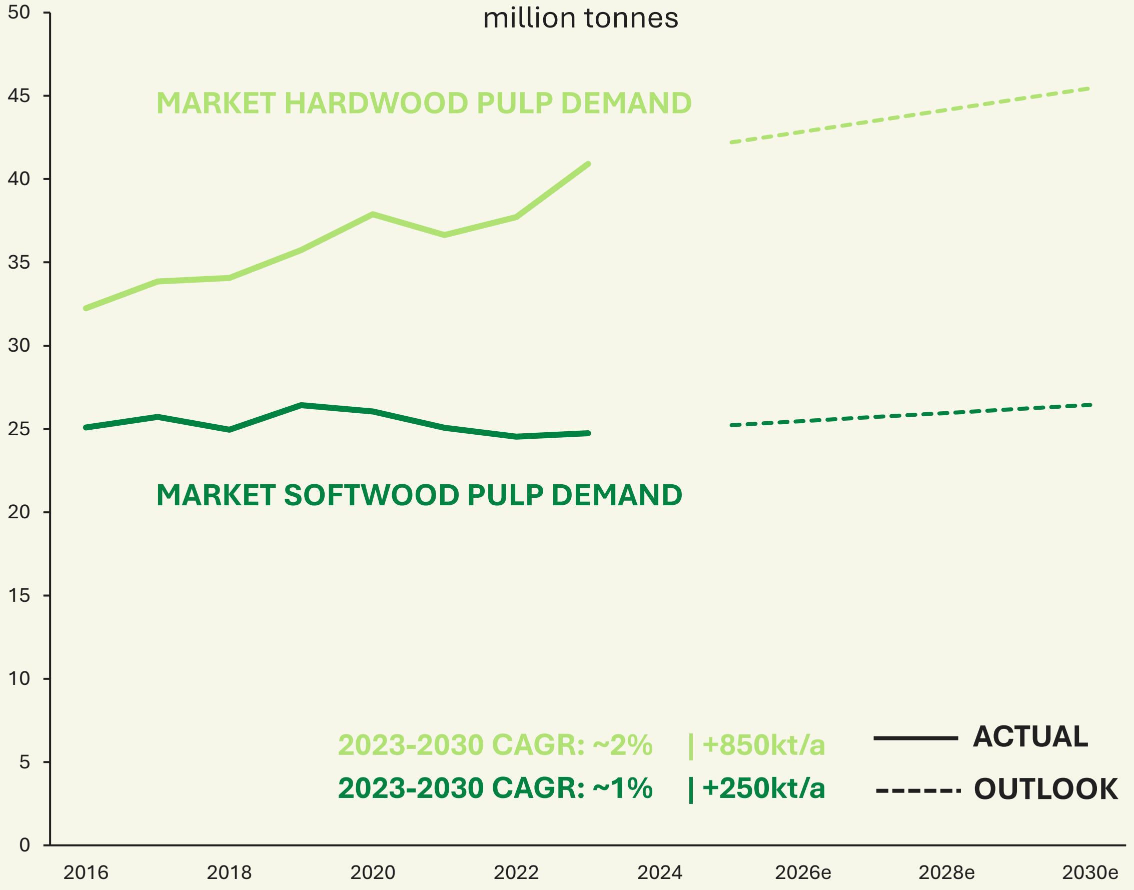
Finland and other northern forests

"Slow turnover, high inventory"

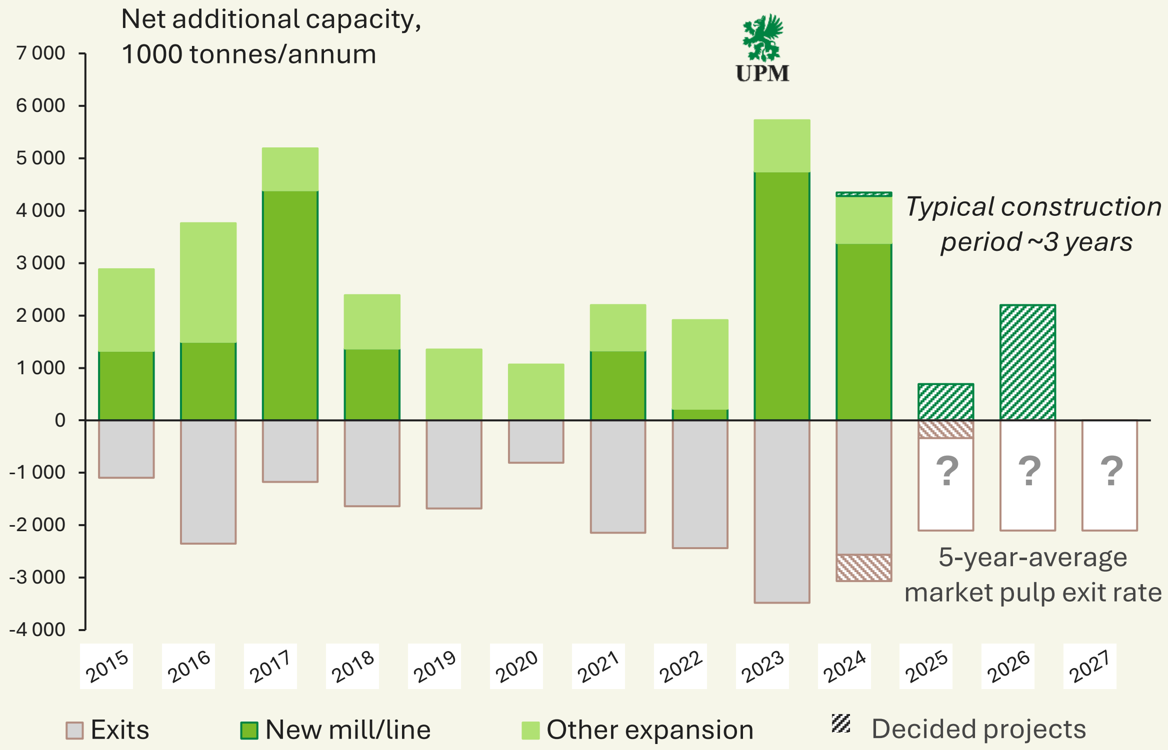
- Value €1.8bn (+42% since 2008, EUR/ha +140%)
- Decreased area (-41% since 2008), focusing on forests close to mills
- Improved growth (m^3/ha)
- Trend price (EUR/m^3)

Robust demand growth outlook for market pulp, limited net capacity addition in the coming years

Market pulp demand trend



Entry of market bleached pulp capacity



Source: AFRY, PPPC, UPM analysis

Note: including BHKP, BSKP, excluding fluff and dissolving

UPM Fibres

Competitive and sustainable fibre supplier for growing global everyday needs

- **Competitive** and **sustainable** operations in hardwood and softwood pulp
- Global presence with **strong market position: #1 multi-fibre** and **#3 market pulp** supplier
- Confidence on **strong returns** over the business and market cycles due to high **Uruguay platform competitiveness**
- Target **ROCE > 14%**
- **Biostreams** generated as part of pulp production can provide raw materials for **new UPM businesses**

- **5 modern pulp mills** with annual production capacity of **5.8 million tonnes** of hardwood and softwood pulp
- Over **500 000 hectares of plantations** in Uruguay under UPM management
- Over **520 000 hectares of forests** owned by UPM in Finland

UPM Fibres

Uruguay: world-leading competitiveness

Highly productive plantations

- Continuous development in plantation productivity
- Optimizing inbound logistics

Best available technologies

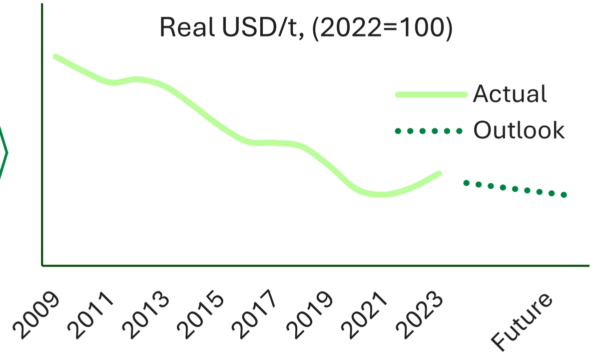
- Efficiencies of scale
- Competitive mill concept
- Biostreams development potential

Efficient logistics

- World-class outbound logistics
- Direct rail connection
- Own port terminal

Competitiveness

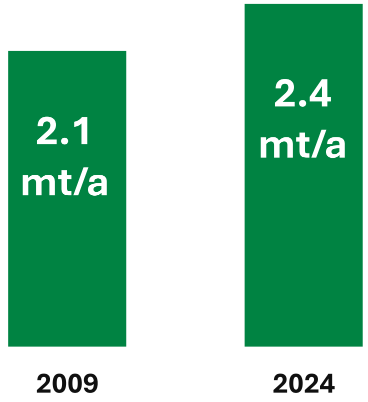
UPM BEKP cash cost development



Average annual cost reduction 2009-2023 nearly -6%

Finland: focus on profitability and value maximization

Well-maintained pulp capacity in Finland



Tight wood market

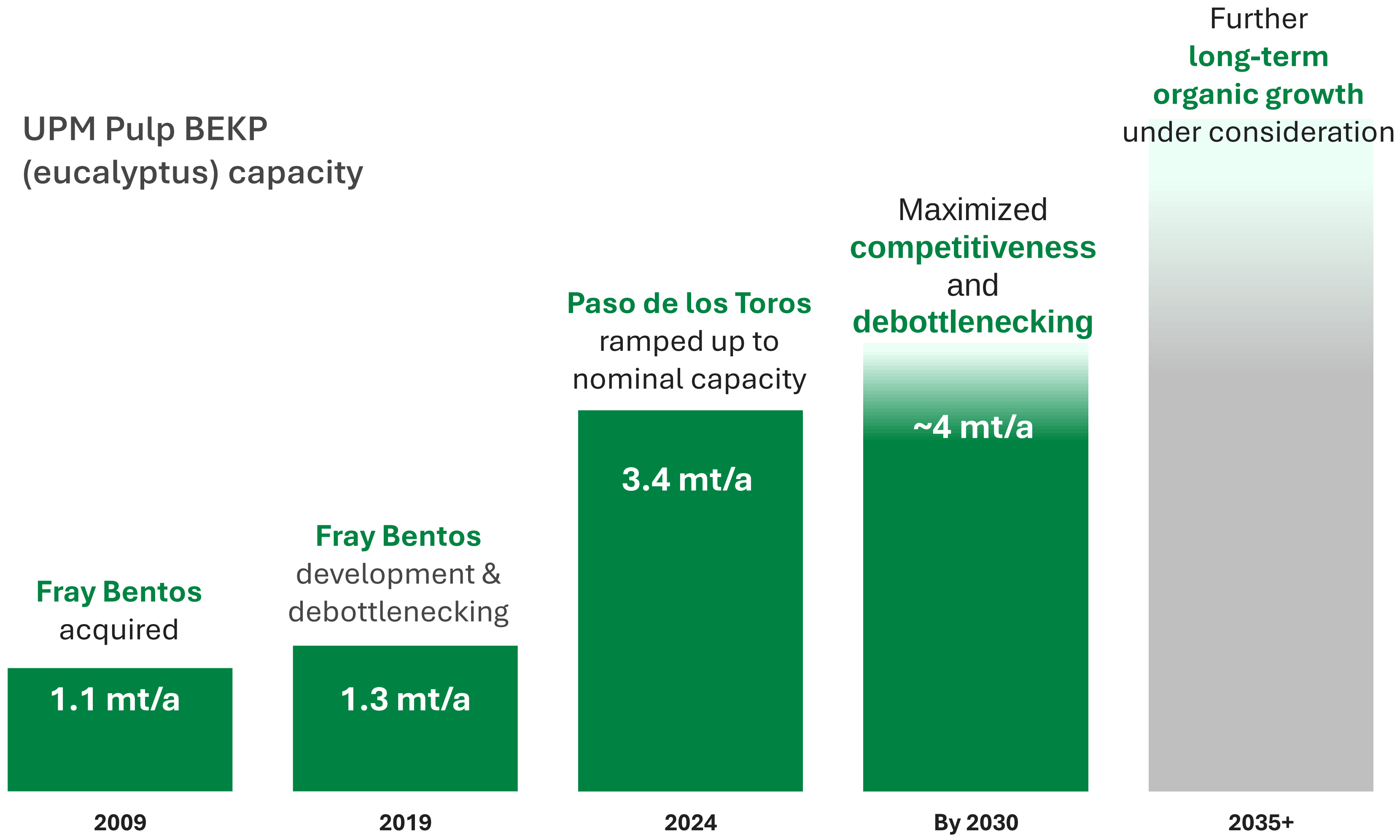
- Nordic forest-based industry is facing tight wood supply and elevated wood costs
- Absence of Russian wood imports and peers' investments created a structurally tight wood market

Focus on competitiveness

- Competitive business platform and margin management are key
- UPM has a strong track record in business turnaround

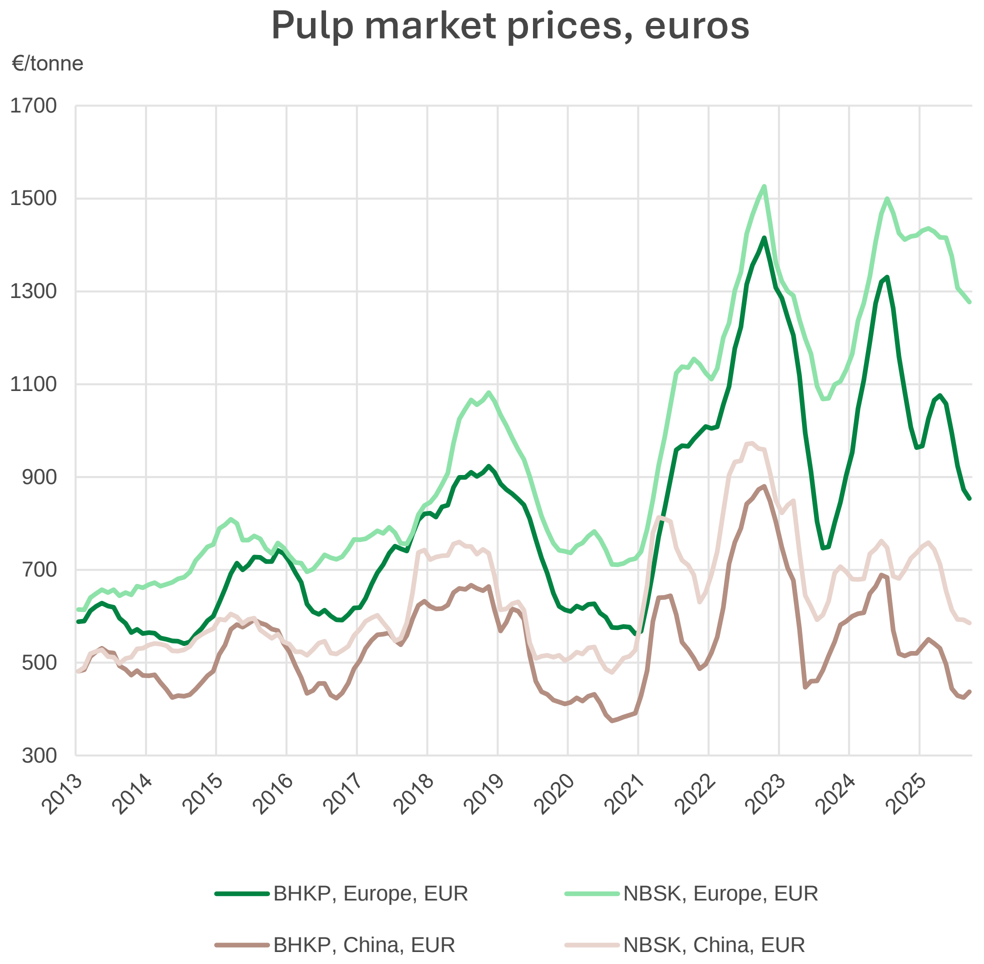
UPM Fibres

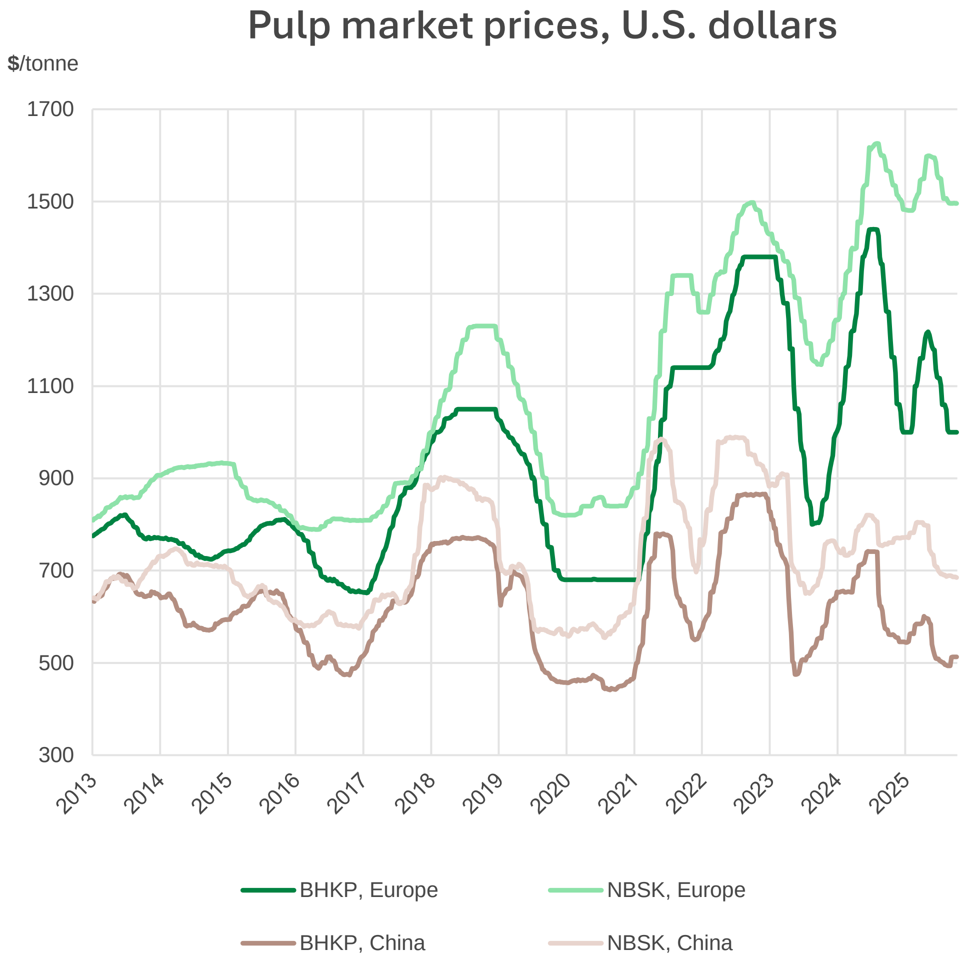
Growth ambition in hardwood pulp



Source: UPM

UPM Fibres: Chemical pulp market prices





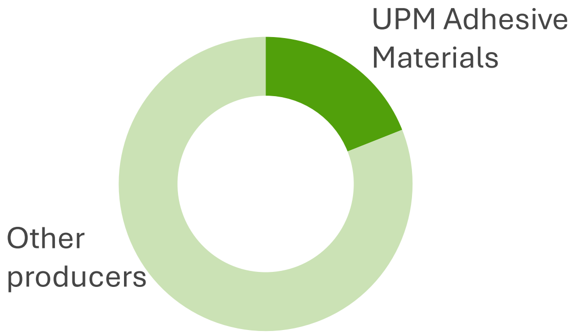
Source: FOEX Indexes Ltd

UPM Adhesive Materials

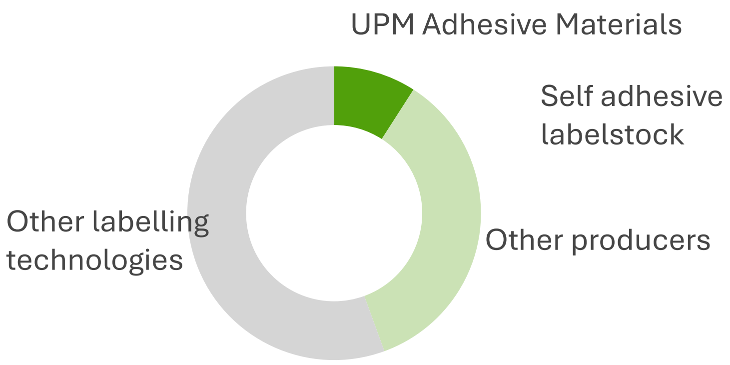
The self-adhesive label stock market

- >EUR 10bn global market
- ~3-4% p.a. growth
- Private consumption driven
- Largest of the labelling technologies
- <25% of total self-adhesive materials markets

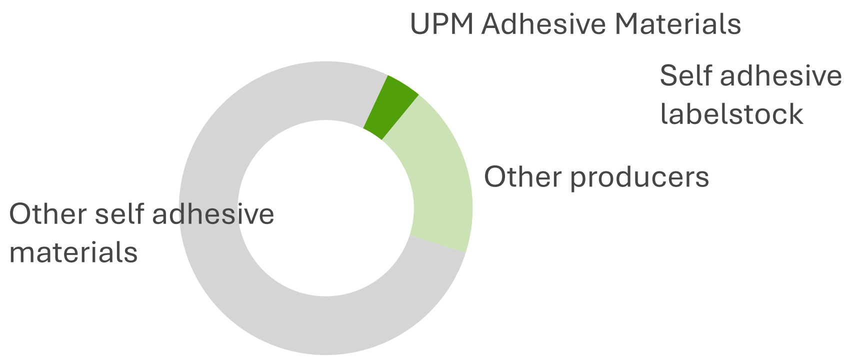
Self-adhesive labelstock market



All labelling technologies

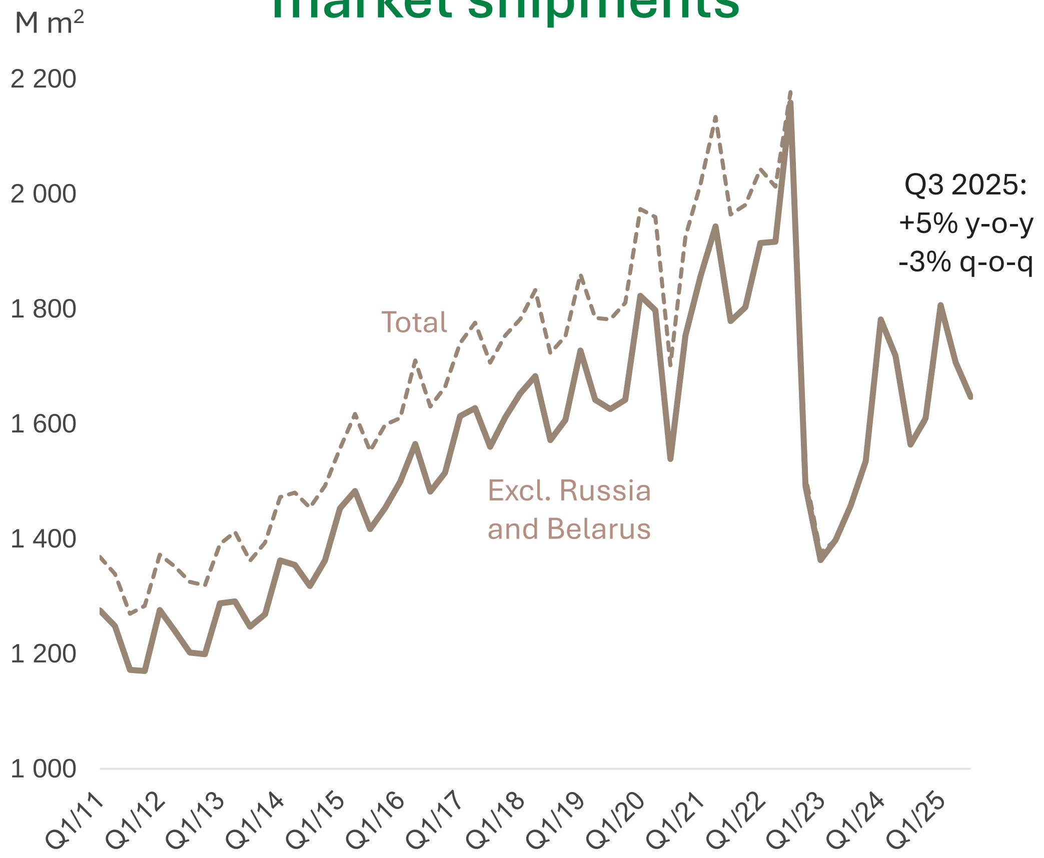


All self adhesive materials



UPM Adhesive Materials: Label materials demand has recovered above pre-covid level

European market shipments



Source: FINAT

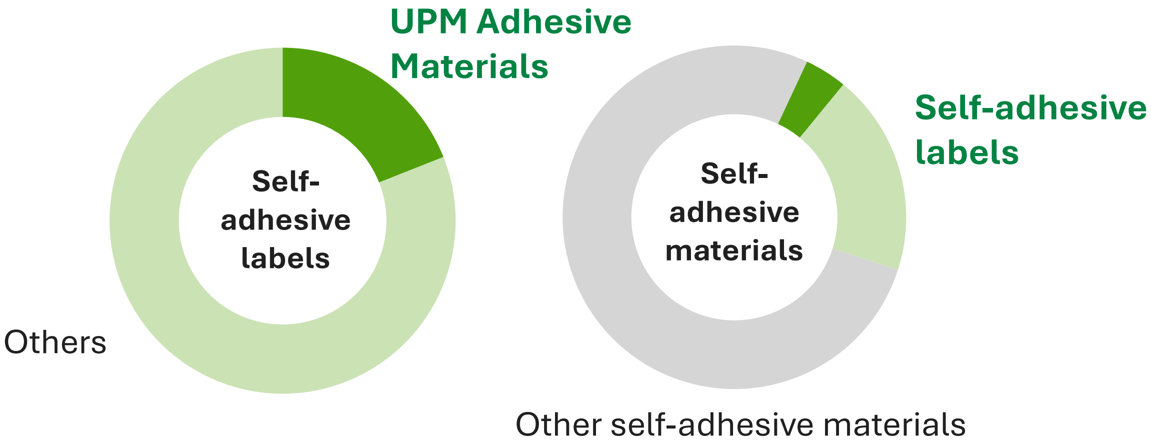
North American market shipments

Source: TLMI

UPM Adhesive Materials

Entering attractive adjacent markets

- Graphics solutions market entry through AMC acquisition
- Expanded product and technology portfolio through Grafityp and Metamark acquisitions
- Further potential in specialty tapes



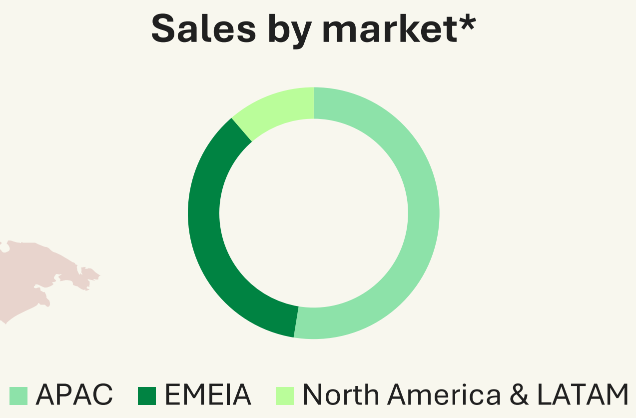
UPM Specialty Papers

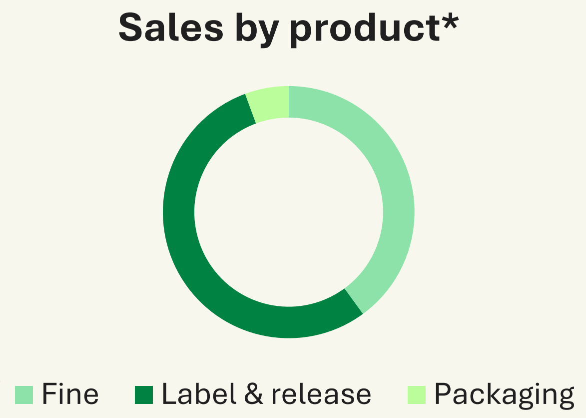
Renewable, recyclable papers for labeling and packaging

Sales
1,467 M€
in 2024

EBITDA
208 M€
in 2024

ROCE
17.1%
in 2024





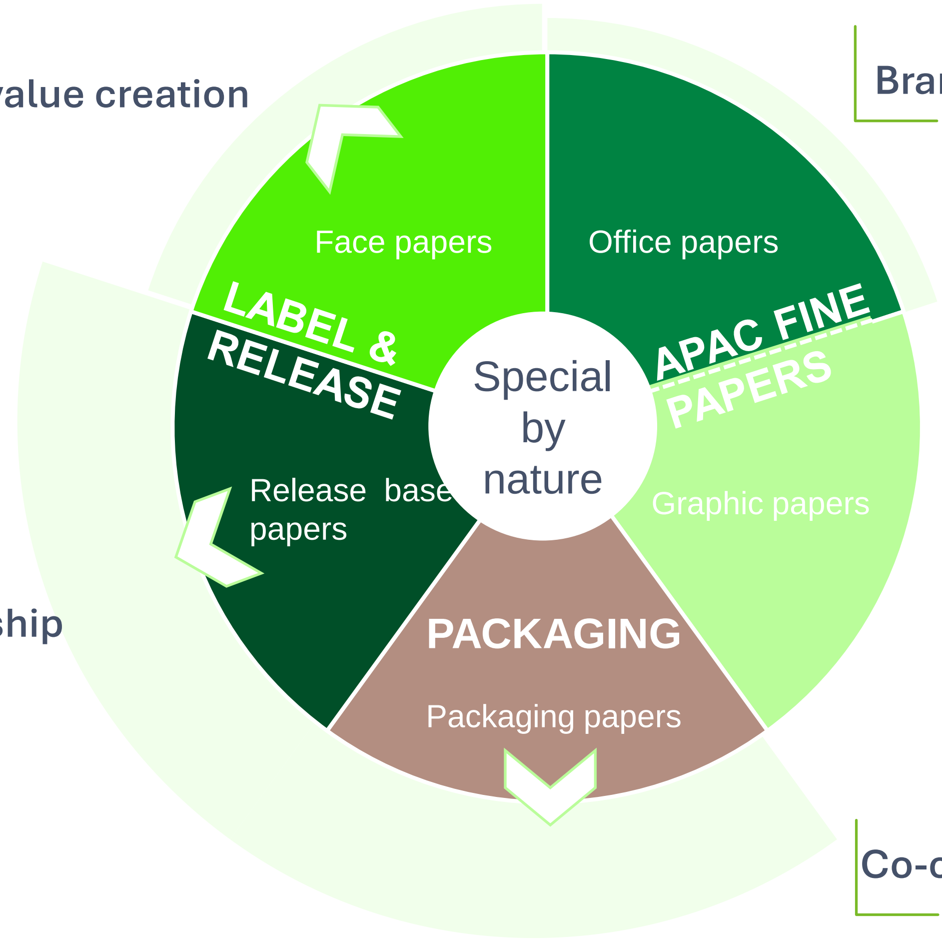
*2021 figures

UPM Specialty Papers

UPM Specialty Papers growth strategy

Committed value creation

Globally recognized leadership



Brand based value

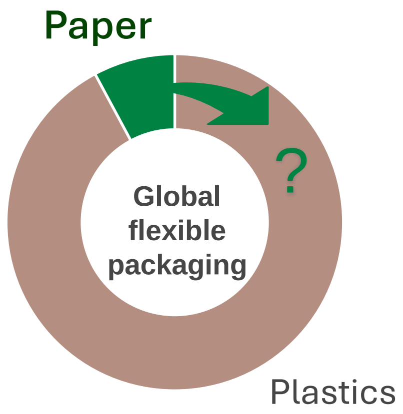
Focused, committed and agile

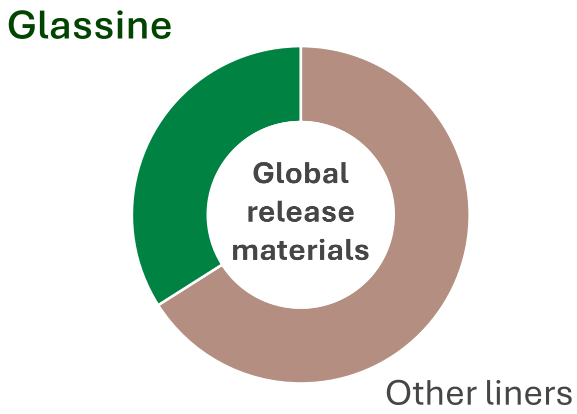
Co-creating remarkable products

UPM Specialty Papers

Entering attractive adjacent markets

- Flexible packaging entered through innovation & co-creation
- Further portfolio expansion in label & release papers





UPM Plywood focuses on three end use segments

Construction

UPM's position and direction

- Leading position in high and medium range standard products in Europe through well established distribution network providing easy access to WISA® plywood
- Uncompromised sustainability, certified products and operations
- New growth sought by strengthening position in selected emerging markets

Vehicle flooring

UPM's position and direction

- Leading position in Europe
- Competitive edge built on smoothly running operations and needs-based product design creating value to both vehicle manufacturers and operators
- Growth sought by expanding to new markets and related end use segments

LNG shipbuilding

UPM's position and direction

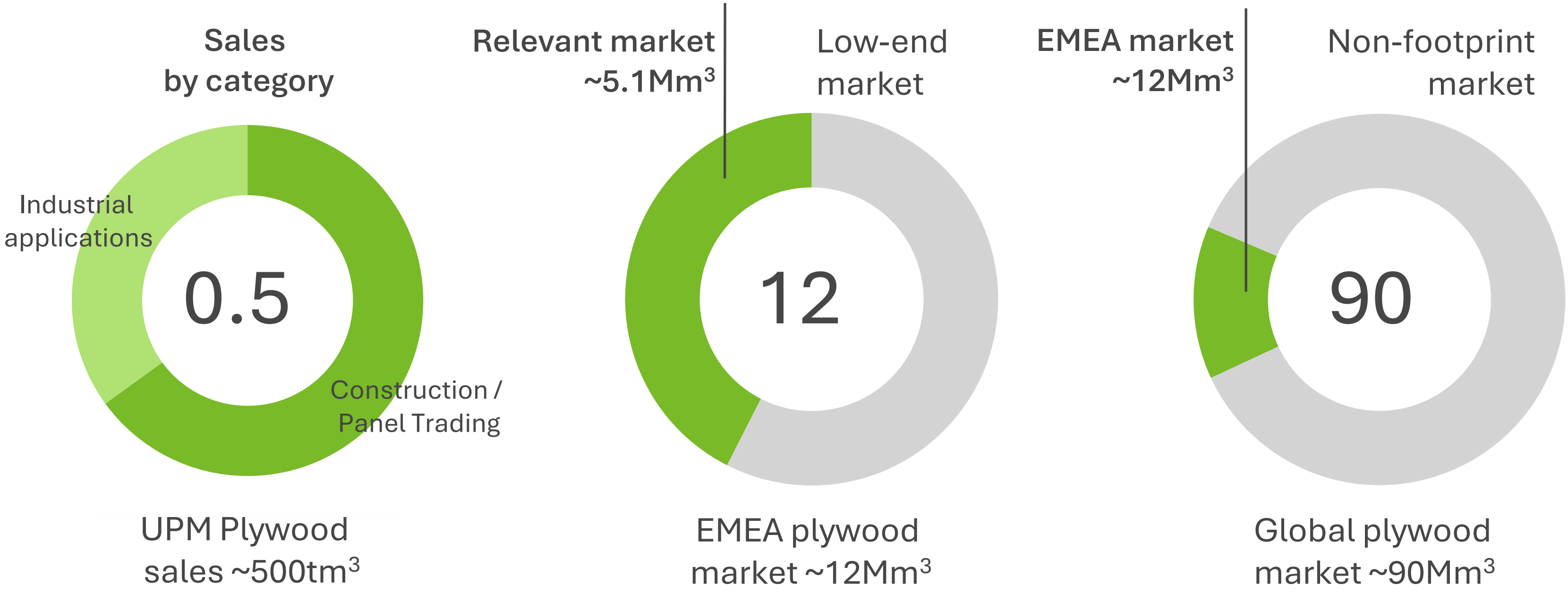
- Leading supplier in LNG plywood
- Competitive edge based on right quality and accurate on-time deliveries
- Long term commitment and benchmark service level
- Focus to secure leading position in LNG carriers and to extend offering into related applications using the same technologies (e.g. land storage tanks)

UPM Plywood

UPM's key markets are in the high and mid segments primarily in EMEA region

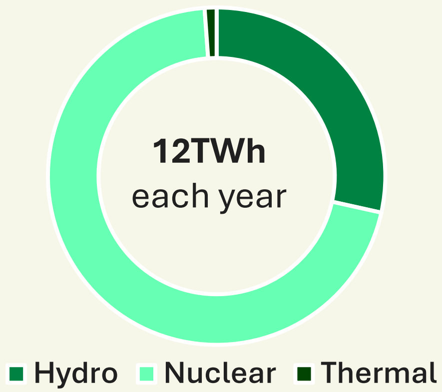
Strategic choices

1. Demanding industrial applications
2. High and medium range standard products
3. Selected customers
4. EMEA region and LNG business globally



UPM's electricity generation portfolio is clean and efficient to match the future needs

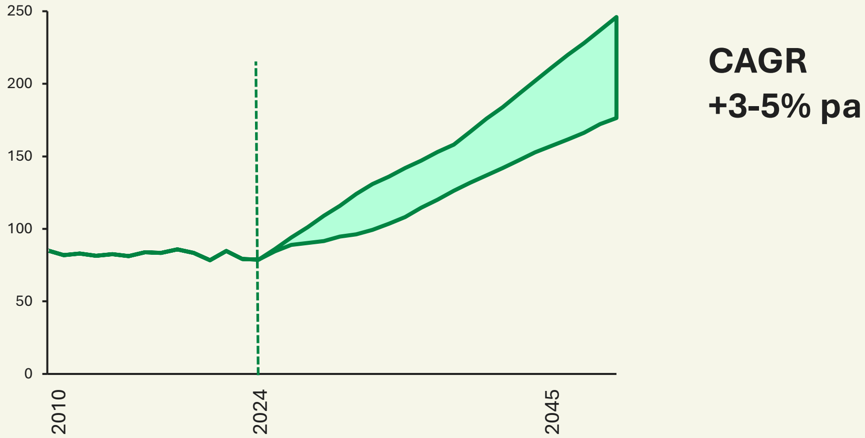
UPM Energy electricity generation is 99% CO_2-free



UPM Energy

- **Flexible hydro** power crucial to balance the volatile energy system
- **Reliable nuclear** power to support the electrification of the society

Electricity demand is expected to grow significantly

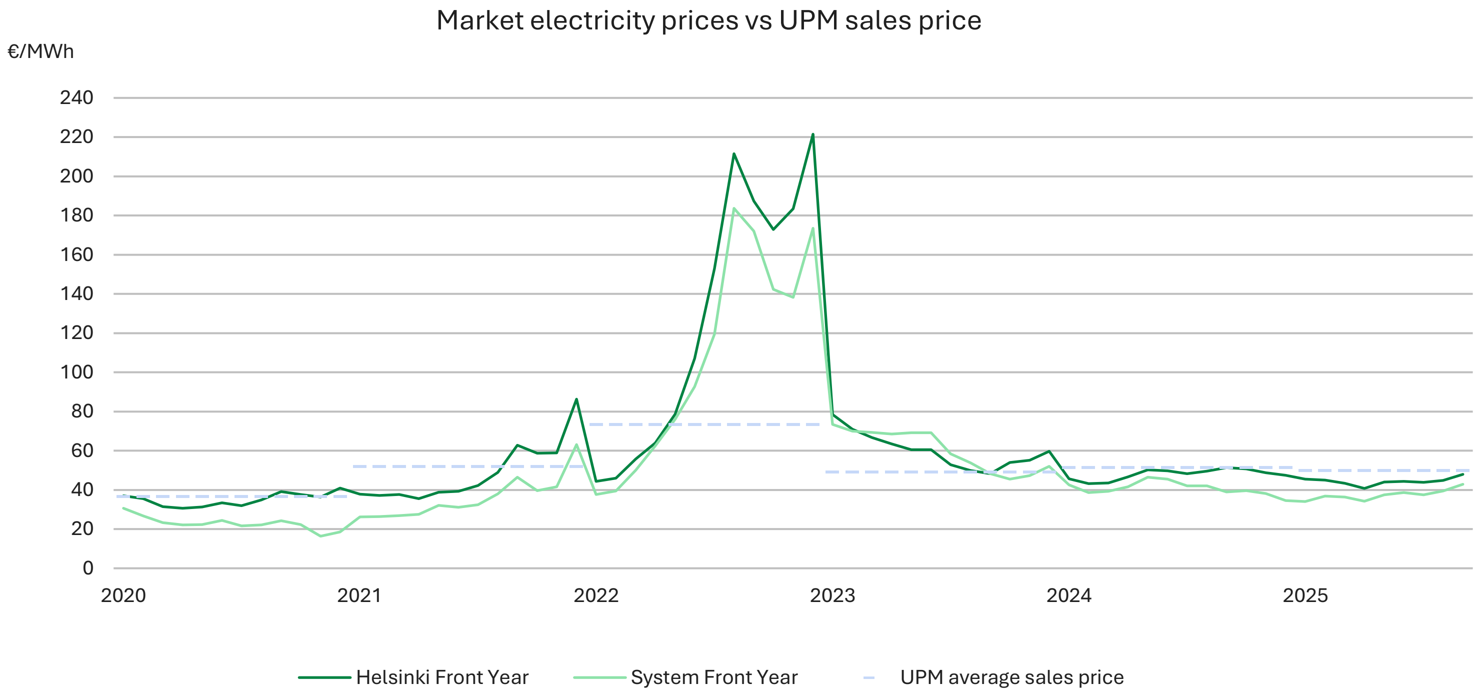


Electricity demand growth requires reliable CO2-free baseload

- **Near term:** electric heating (large scale electric boilers and heat pumps), data centers and traffic
- **Longer term:** industrial decarbonization and electrification

(*) Statistics Finland, Fingrid predictions and UPM analysis

UPM Energy: Electricity market prices

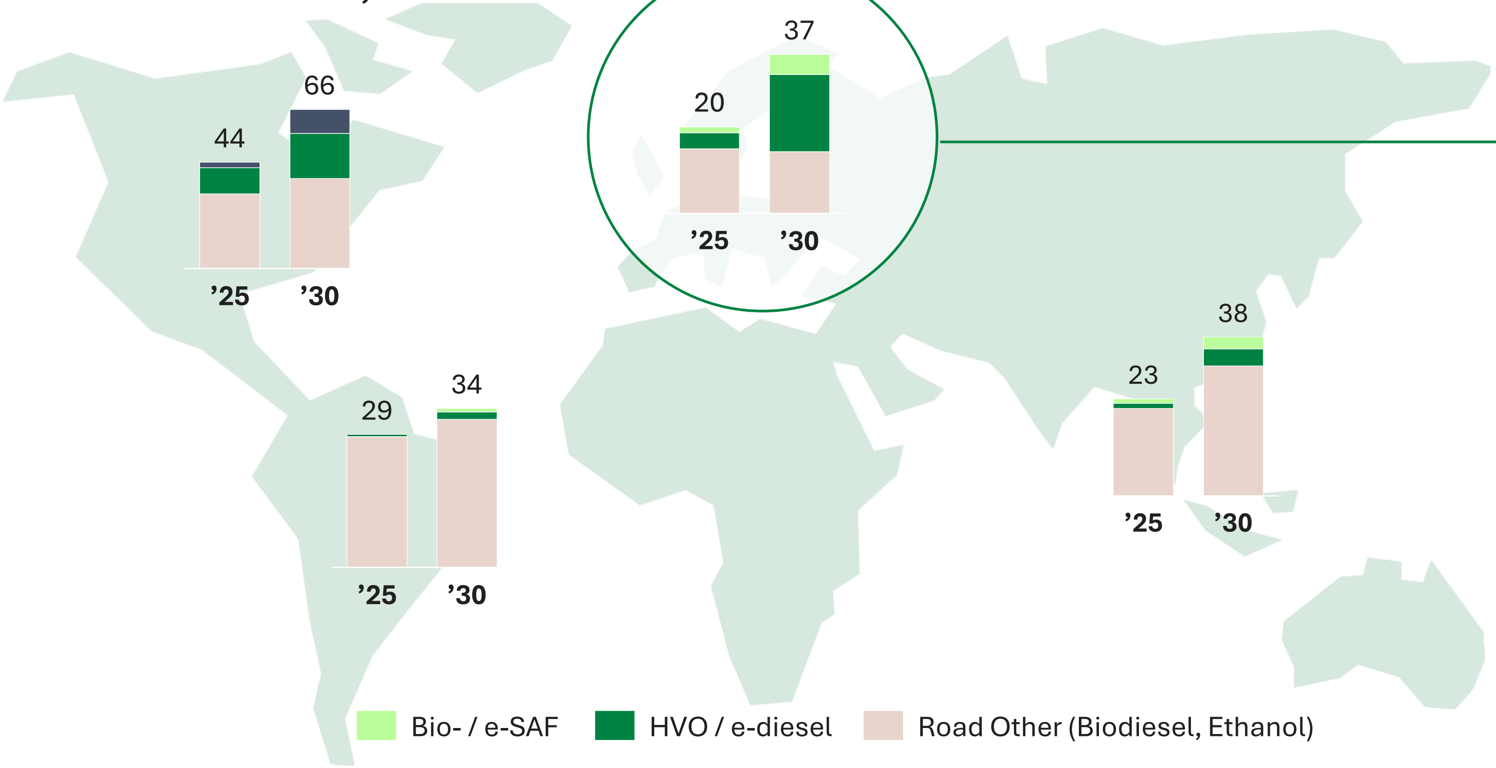


UPM Energy profitability	2020	2021	2022	2023	2024	2025 YTD
Comparable EBIT, EURm	171	270	381	182	181	97
% of sales	45.0	51.3	52.0	29.0	28.9	22.0

UPM Biofuels

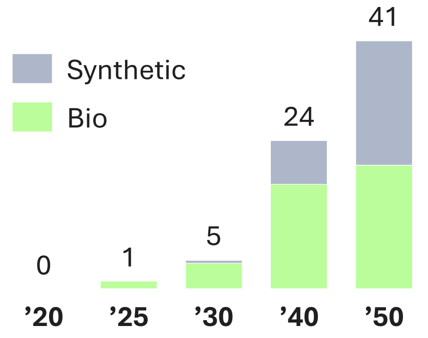
Renewable fuels demand outgrows planned capacity as of 2030

Global sustainable fuels demand, Mtoe



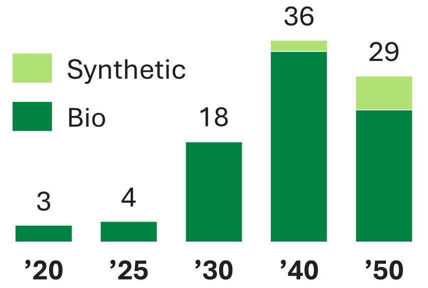
1) Including Norway and UK; Road demand 2030 estimate including upside from RED III implementation – current regulations ~12 Mtoe demand

EU SAF[1], Mtoe



Regulated demand increase accelerating as of 2030

EU Road Renewable Fuels[1], Mtoe



RED III driven demand until 2030 and fleet mix will require low-GHG fuels until well beyond 2050

Source: UPM Analysis based on Bloomberg NEF, Goldman Sachs Research, IEA, McKinsey, Neste, Wood Mackenzie

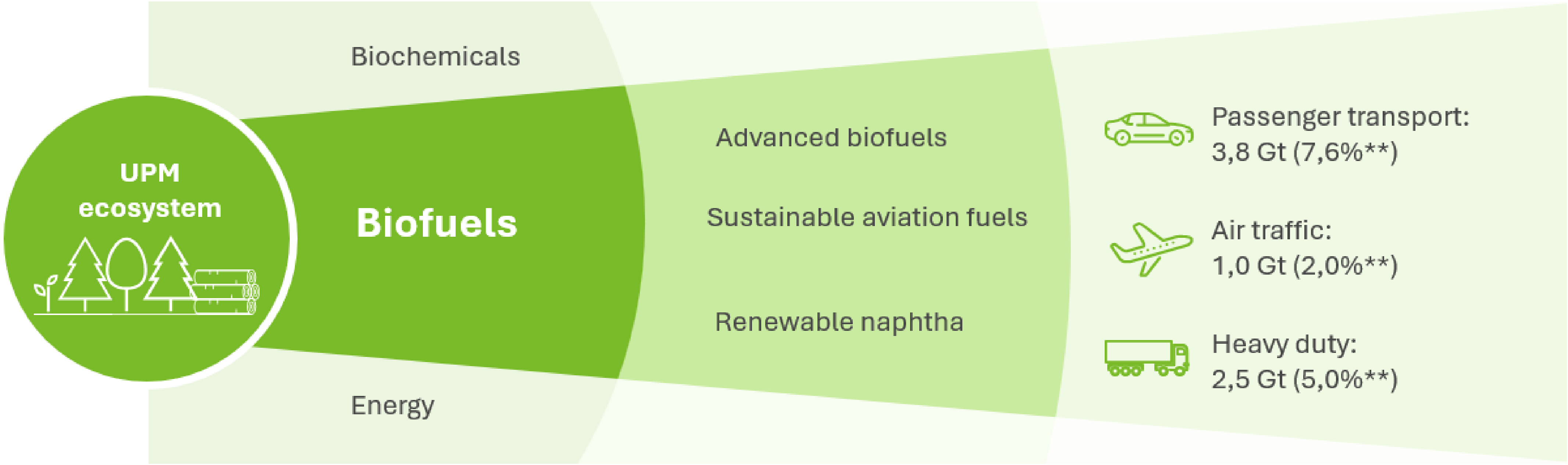
UPM Biofuels differentiation comes from competitive feedstock base and proprietary technology

Strategic access to competitive biomass

Proven technology

High value products

Addressing markets with 7,3 Gt* GHG emissions p/a



* UPM Analysis based on World Resources Institute, 2020 & International Energy Agency, 2020
** Share of global GHG emissions

UPM sharpens its focus on biofuels growth strategy

Evaluating the potential to debottleneck the Lappeenranta Biorefinery

Feedstock technology development to enable the use of additional competitive and sustainable biomass

Qualification of CTO-derived UPM biofuels as Sustainable Aviation Fuel (SAF)

UPM Biochemicals – multiple end-uses

Bio-Monoethylene Glycol (Bio-MEG)




Renewable Functional Fillers (RFF)



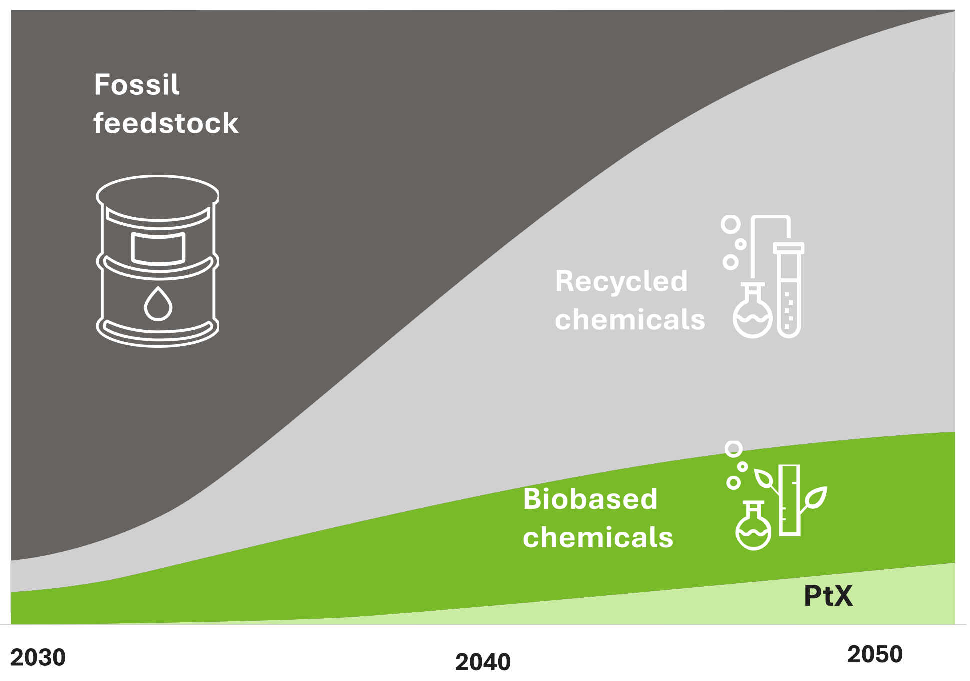

UPM Biochemicals

Biobased chemicals are key to shifting away from high-CO_2 materials

Net-zero commitments of major global brands will reflect on demand for sustainable chemicals

	Scope 3: ***relative*** **-55% by 2030**
	Scope 3: **-30%** by **2030**
patagonia	**2040**
STELLANTIS	**2038**
	2039
BYD	**2060**
Coca-Cola	Scope 3: **-25%** by **2030**
Nestlé	**2050**
pepsi	**2040**
L'ORÉAL	95% non-fossil ingredients by **2030**
Unilever	**2039**
P&G	**2040**

The shift away from fossil feedstocks will rely on bio-based solutions as first option to scale



UPM Biochemicals is a frontrunner in sustainable chemicals offering a distinct product value add

UPM Biochemicals value add

Average sustainable chemical

CO_2 negative from day one*	High **GHG reduction**
Renewable carbon	100% biogenic feedstock
Certified, sustainable biomass	Fully certified and traceable, non-food feedstocks
Regional value chains	**Supply security** and credible **social sustainability**
Enhanced product performance	Additional technical performance

Strategic partnerships **with leading players in various regions and industries confirm high** demand for UPM products

selenis

nokian TYRES

HAERTOL Chemie GmbH

Dong Sung CORP.

* Considering the biogenic carbon from our feedstock & purchasing 100% green electricity

We address markets and segments with high future demand for sustainable solutions

Global **MEG** market

Total demand >35 mt[1]

25 kt
current renewable glycols supply

Leverage strong **future** need for sustainable materials in automotive, packaging, textiles

Global functional filler market

Total demand 16 mt[2]

150 kt
renewable/recycled functional filler supply

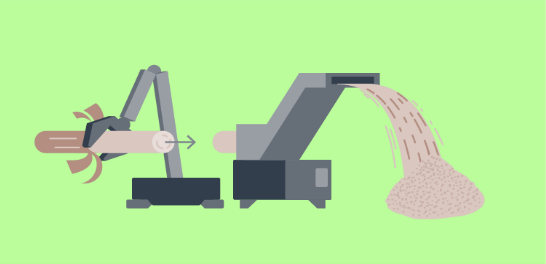
Valorise strong advantage of negative CO_2 product footprint, weight-reduction etc. in various applications, from automotive to packaging

[1] Source: OrbiChem 360 demand database
[2] Source: Notch Consulting: Carbon Black World data book

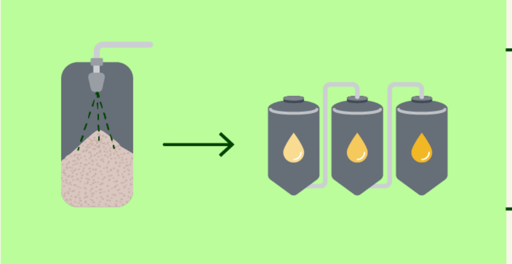
UPM Biochemicals

After reaching full capacity, Leuna will focus on capacity increase, cost optimization and side stream valorization

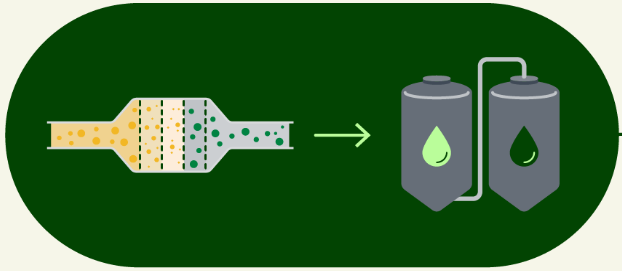
Wood handling



Wood to sugar & lignin

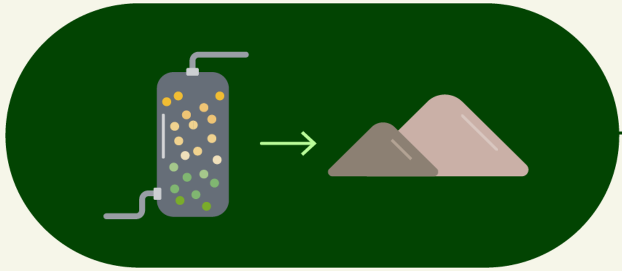


Sugars to chemicals



Bio-Mono-ethylene Glycol (Bio-MEG)

Lignin to RFF

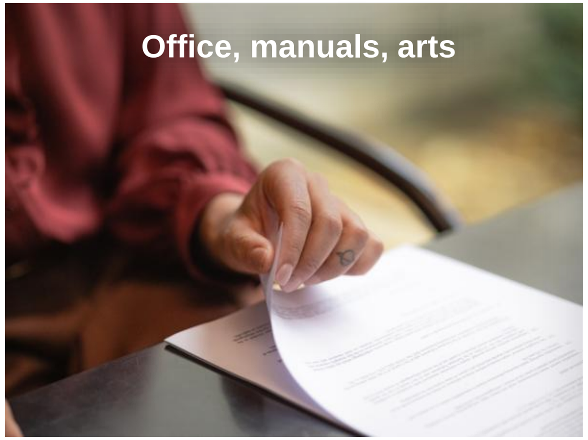


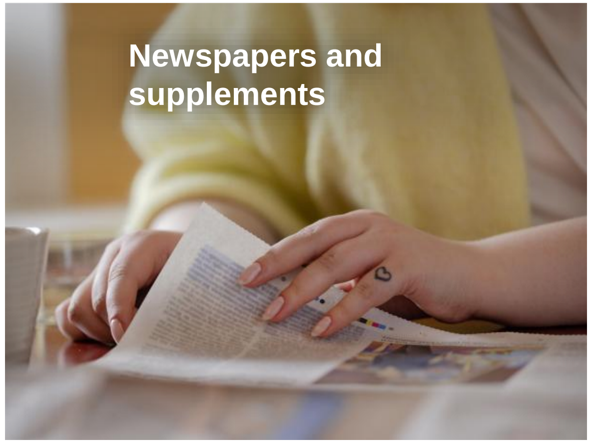
Renewable Functional Fillers (RFF)

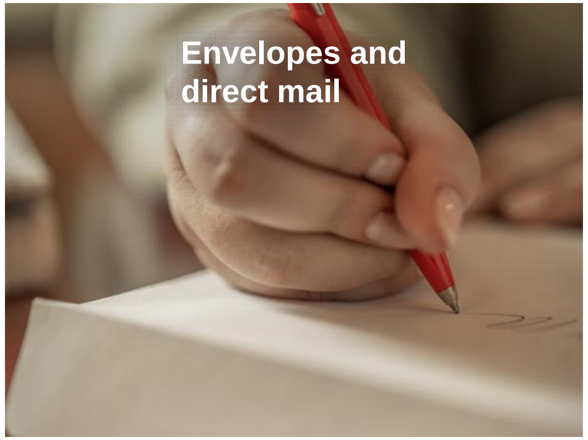
- Commis-sioning and start-up ongoing
- 100% capacity utilization as of 2027
- Positive EBIT in 2027

UPM Communication Papers

The market's widest range of graphic papers, for various end-uses and purposes

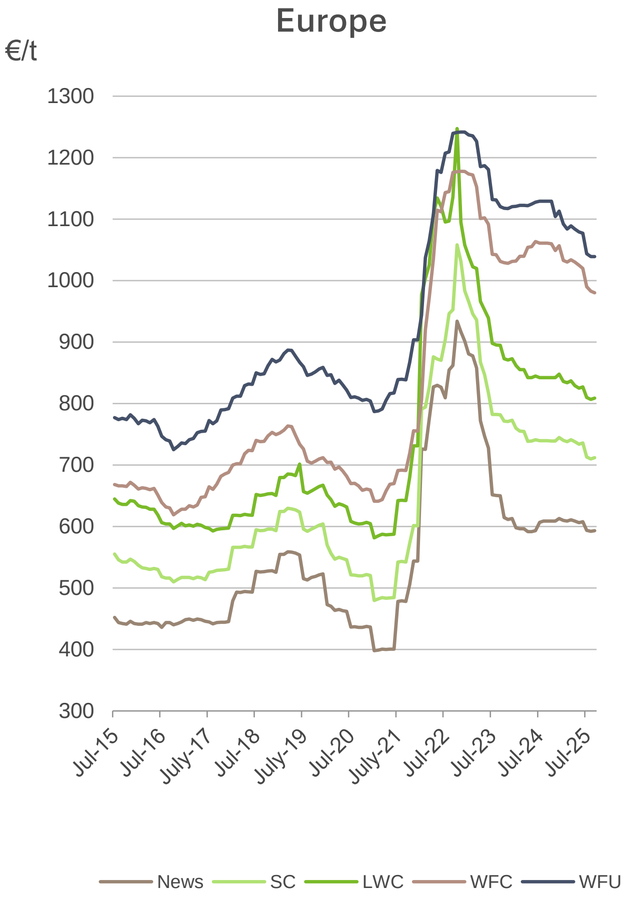


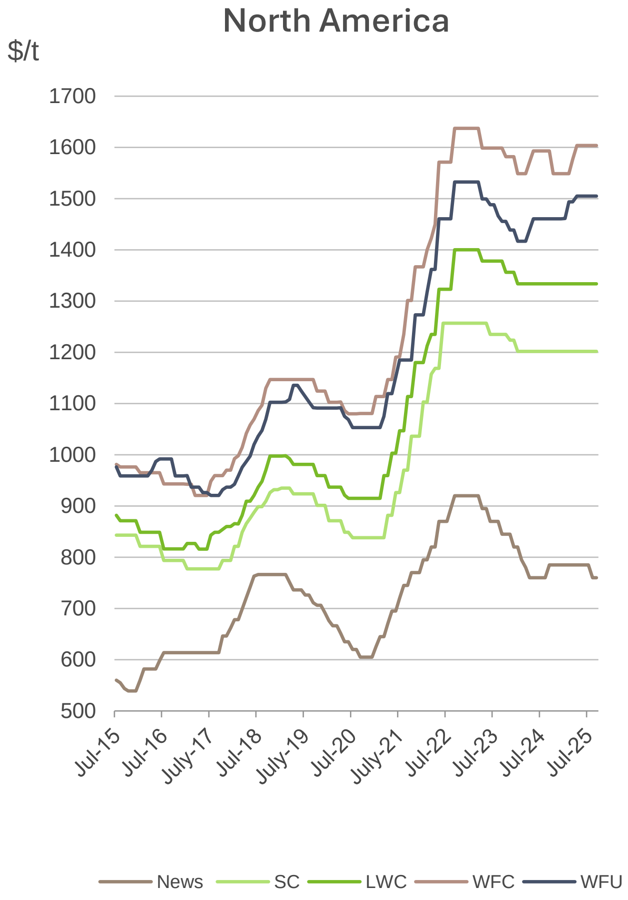


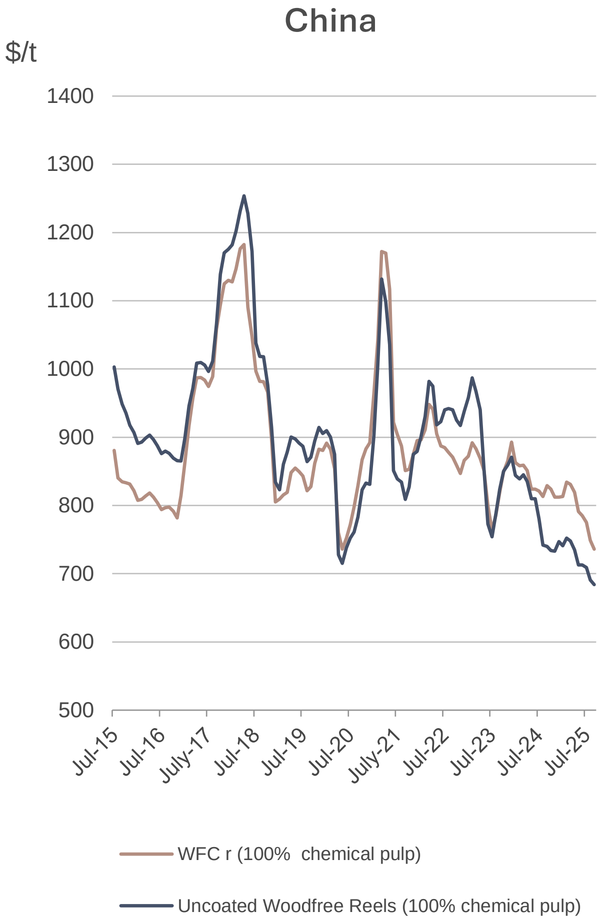


- Fine papers
- News & UMIO
- SC
- Coated mechanical

UPM Communication Papers: Graphic paper prices

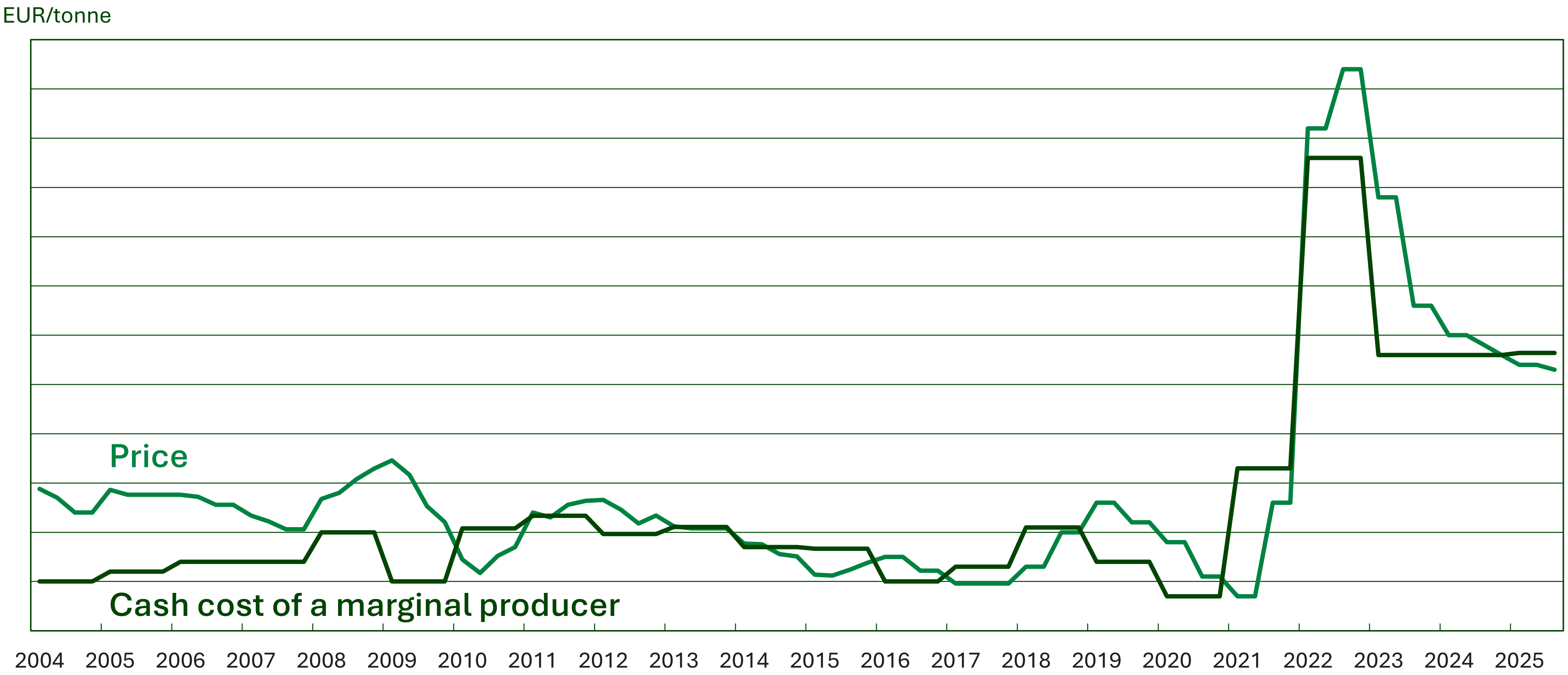






Sources: PPI, RISI

Paper price vs. cash cost of marginal cost producer



Sources: UPM, PPI, Fastmarkets, AFRY

UPM