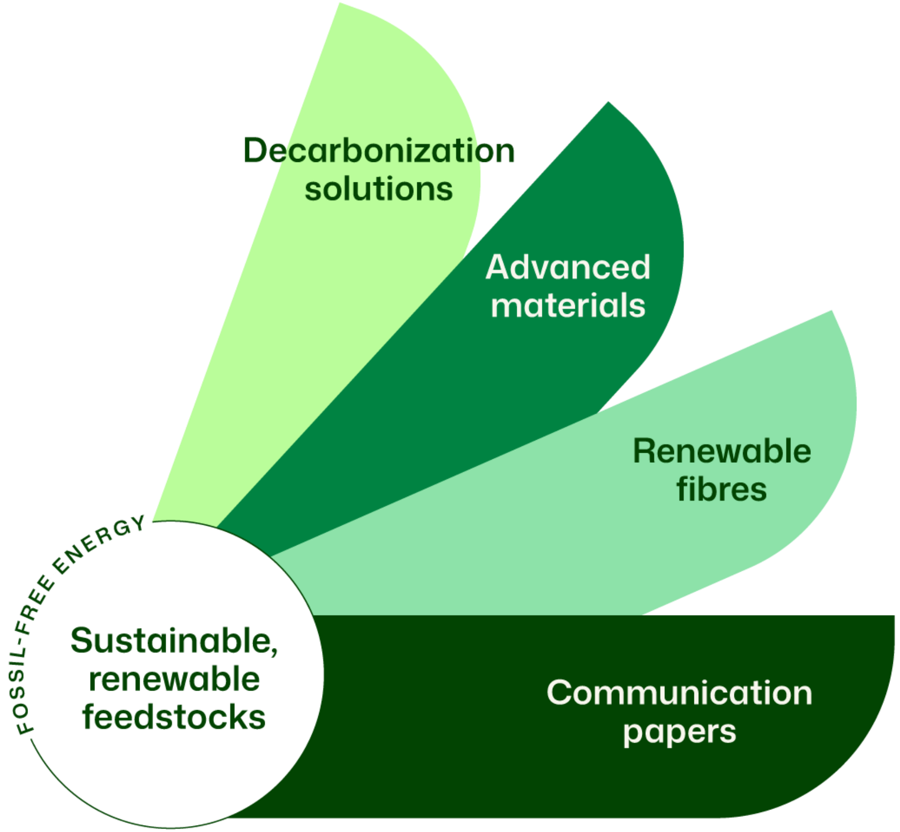
UPM – we renew the everyday

Investor presentation

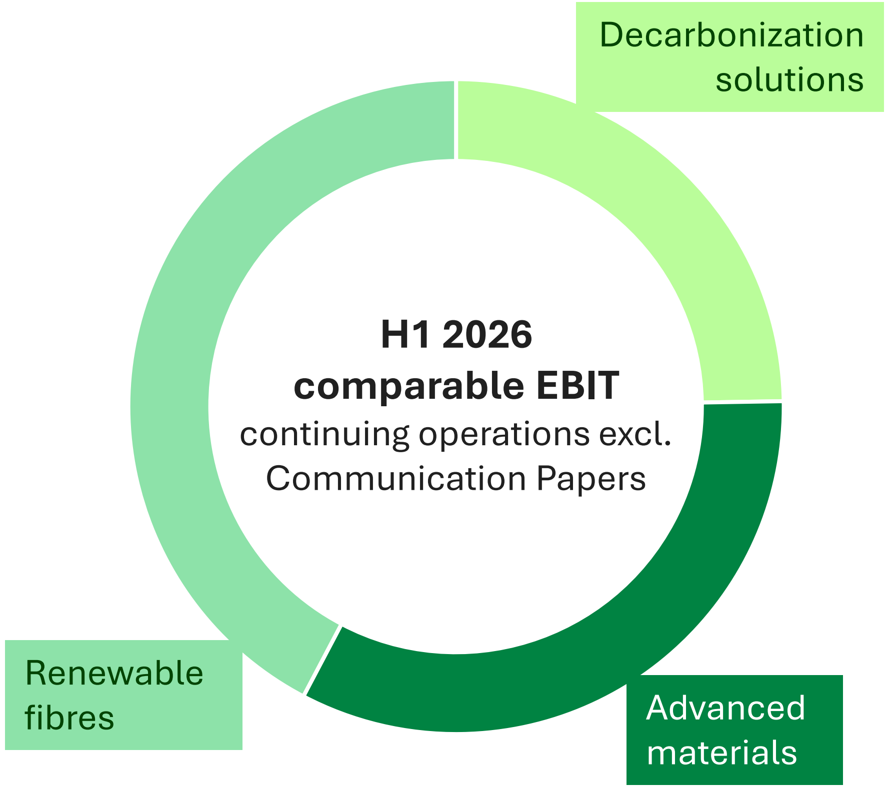
July 2026

Our portfolio leverages competitive business platforms

- **Decarbonization solutions**
  Biochemicals, biofuels, CO_2-free energy
- **Advanced materials**
  Adhesive materials, specialty materials, plywood
- **Renewable fibres**
  Pulp, other bioproducts
- **Communication papers**



With the portfolio initiatives, we change the company profile, increasing its growth potential and margins



High growth potential and unique position

- Unique offering for new large electricity consumers, growth driven by electrification, datacenters and green industries
- Biofuels and Biochemicals help reduce dependence on fossil fuels and decrease CO_2 emissions

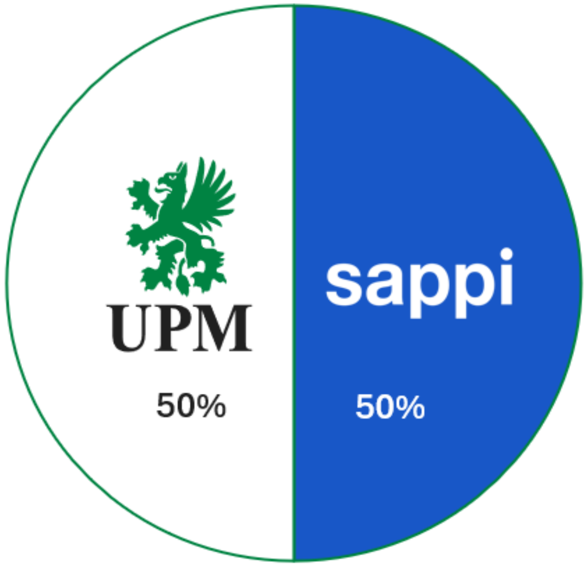
Healthy, predictable and profitable growth

- Accelerate growth in high-performance applications (labels, liners, graphics, recyclable packaging)
- Expansion in higher margin products, higher growth regions

Maximizing value creation and cash flow

- World-class competitive platform in Uruguay, with further cost optimization and capex-efficient debottlenecking potential
- Multi-fibre offering through flexible platform in Finland

Definitive agreement signed and financing secured for the planned graphic paper Joint Venture



- UPM Communication Papers and Sappi's graphic paper business in Europe
- Subject to merger control and other conditions
- Expected to benefit customers and the entire industry by strengthening the resilience of European graphic paper supply in declining markets
- Expected to have a positive impact on UPM's profitability margins, balance sheet and leverage

Independent graphic paper company

Mills

UPM + Sappi

8+4

Anticipated synergies

€ million annually

100

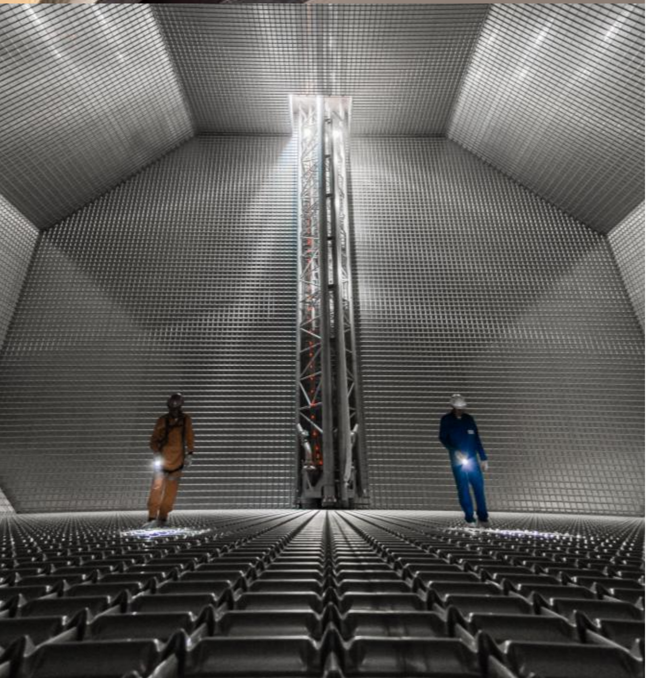
Combined enterprise value, excl. synergies

Enterprise value

€ million

1,420

See the May 28, 2026, stock exchange release for further details

UPM Plywood demerger plan to separate it into a new independent listed company

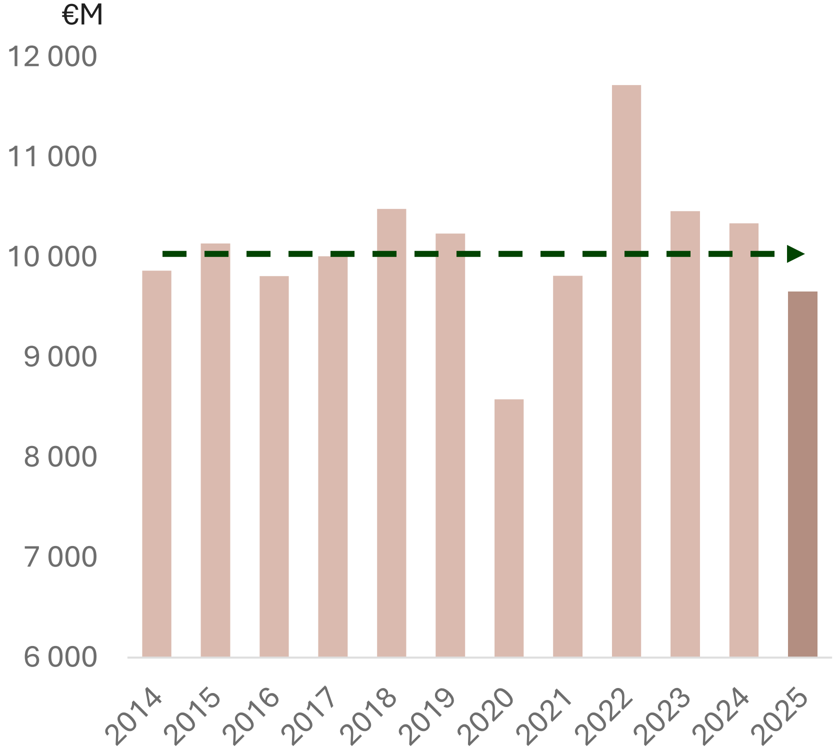
- WISA Group Plc to be listed on Nasdaq Helsinki in early November, with initially the same shareholder base as UPM
- Demerger and listing prospectus available on www.upm.com/demerger
- The EGM to decide on the demerger plan will be held on August 31, 2026

- Financial targets for WISA Group
  - → Sales over €550 million by 2030
  - → Comparable EBIT, 13% of sales by 2030
  - → Net debt / Comparable EBITDA under 1.5x
  - → Dividend policy: around 50% of the profit for the financial year as a dividend

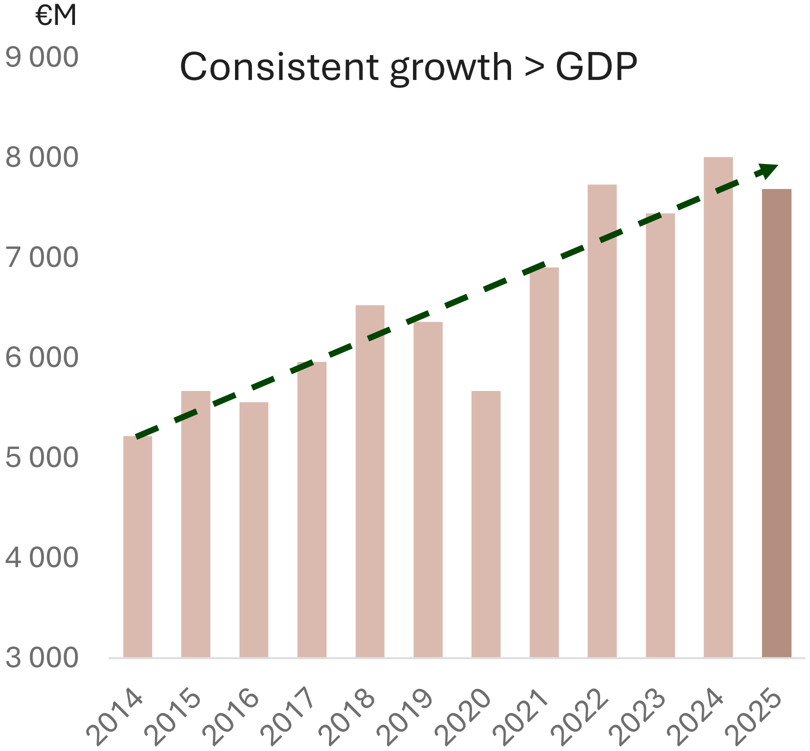
- Increase UPM shareholder value by
  - → WISA Group solely pursuing its own strategic priorities and growth opportunities
  - → Increasing visibility into key value drivers facilitates fair valuation of the business
  - → Enhancing UPM's focus on its core businesses

A focused portfolio to enable accelerated growth in the coming years

UPM sales



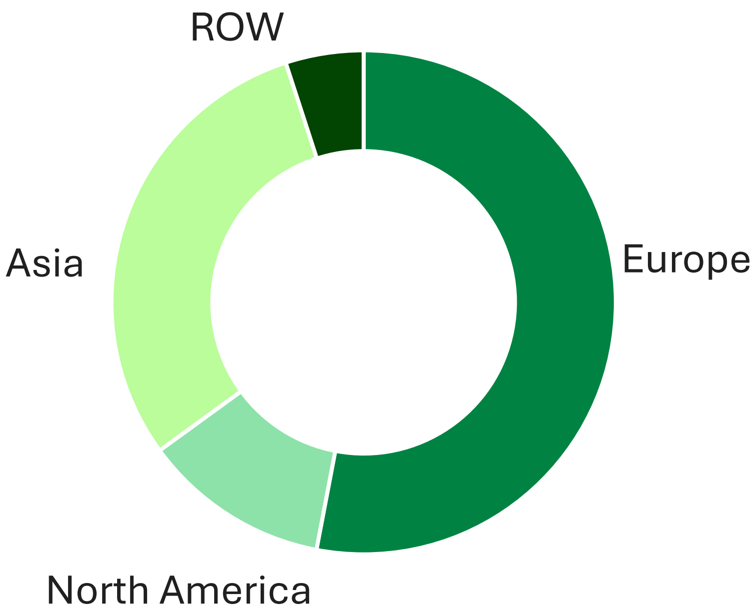
UPM sales(*, excl. Communication Papers and Plywood



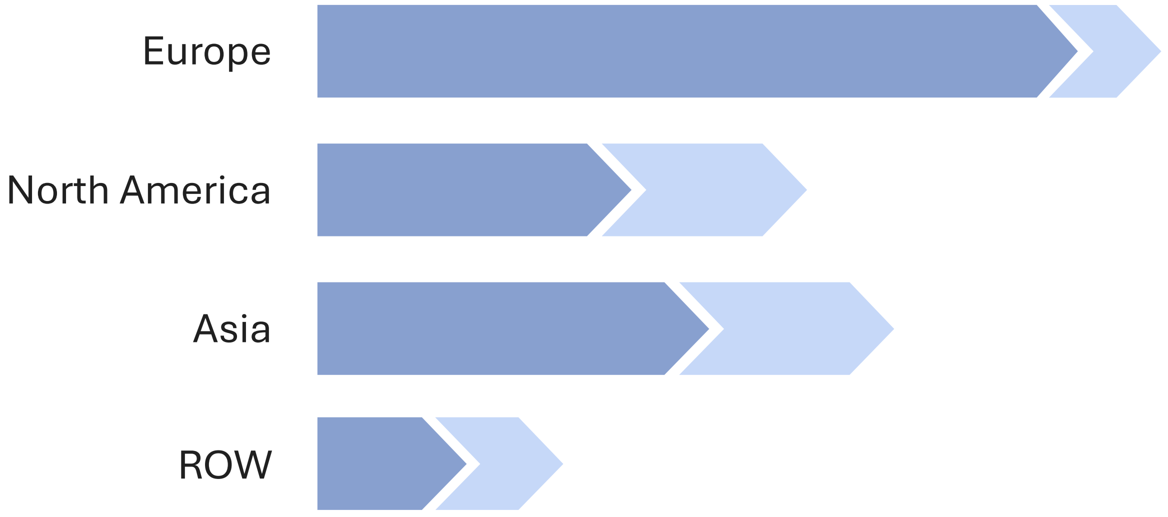
(* unconsolidated

Our global business model has shown resilience
By going more global we aim to accelerate growth

UPM sales geographically, excl. Communication Papers and Plywood



UPM sales in the future(*



(* this is not a forecast

Our dedication to responsible business and environmental leadership will continue

UPM

MSCI
ESG RATINGS
AAA

CCC	B	BB	BBB	A	AA	AAA

PLATINUM
Top 1%
ecovadis
Sustainability Rating
JUN 2026

Supplier
Engagement
Leader
CDP
2025

S&P Global
©S&P Global 2026.
UPM-Kymmene Oyj
Paper & Forest Products
Top 10%
Corporate Sustainability
Assessment (CSA) 2025 Score
78/100
Score date
February 11, 2026
For terms of use, visit www.spglobal.com/yearbook

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

Innovation boosting performance and future growth

R&D Investment (2025)

€404 million

accounting for

28.8%

of operating cash flow

Intellectual property:

Over **5,000** patents

Over **2,000** trademarks

TM

Global research centers:

3 centers located in

Finland, China, Germany

AI is being deployed at scale across our entire organization

25+

ongoing AI projects, cutting across UPM

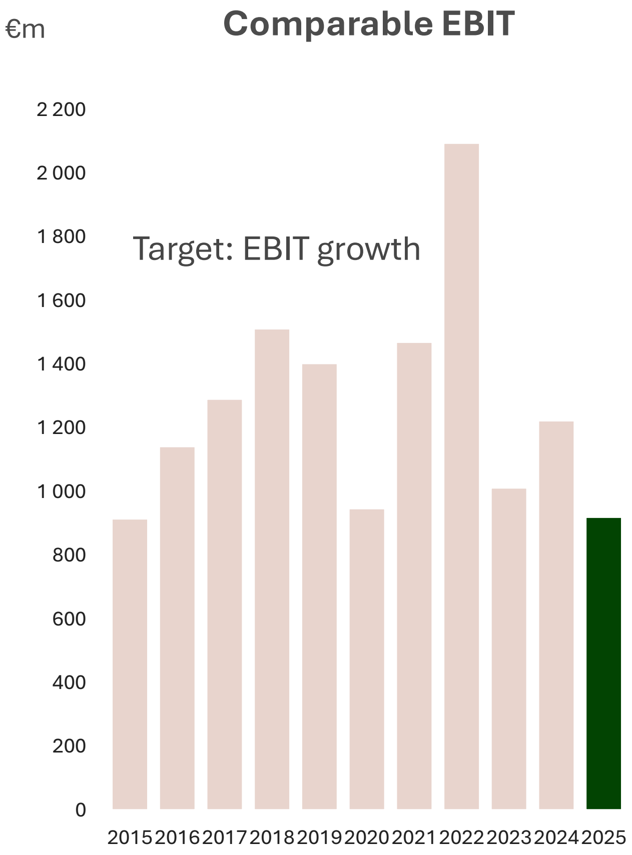
- Sales

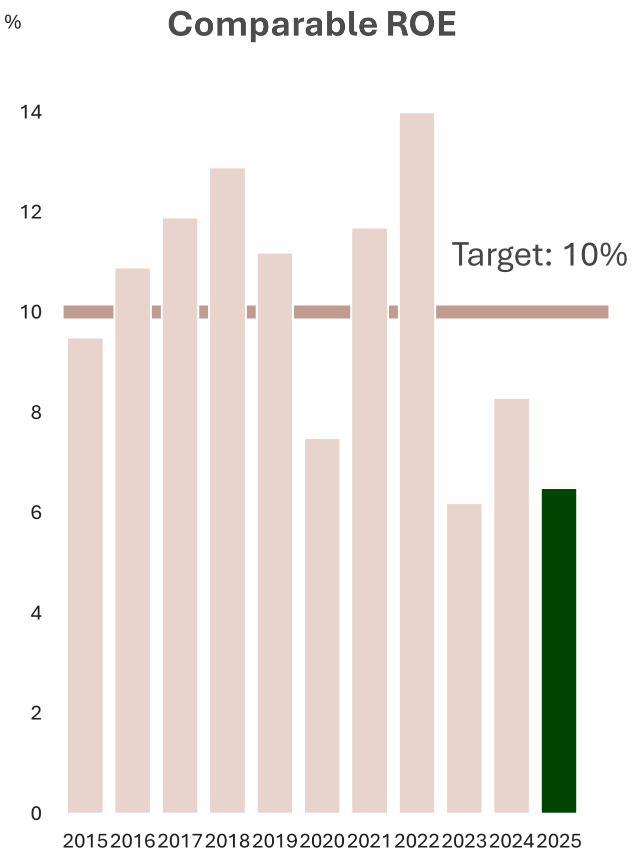

- Logistics

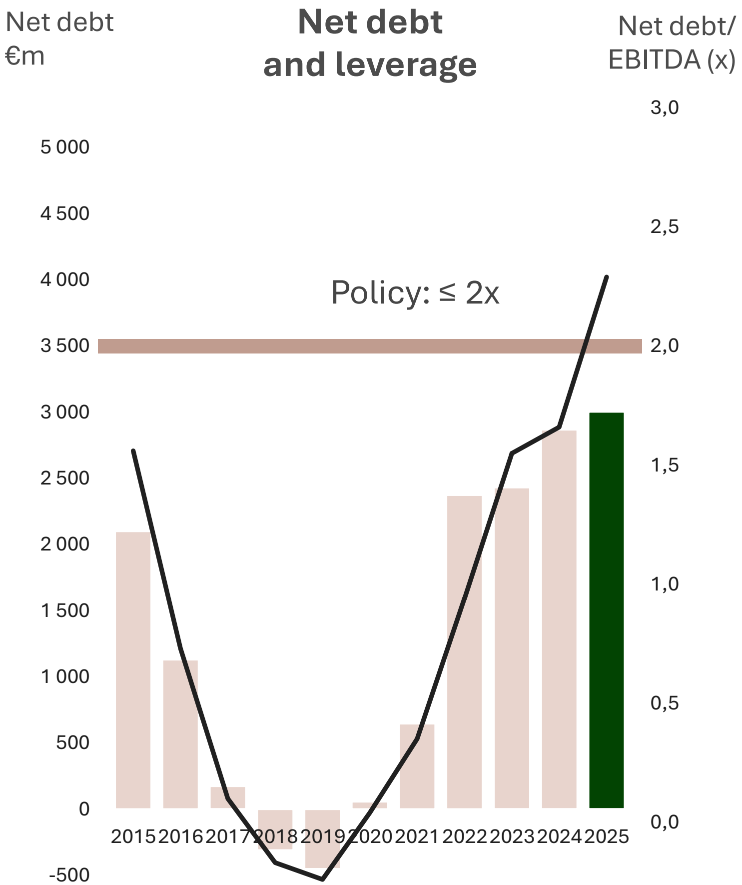

- Operations


- Forests and plantations

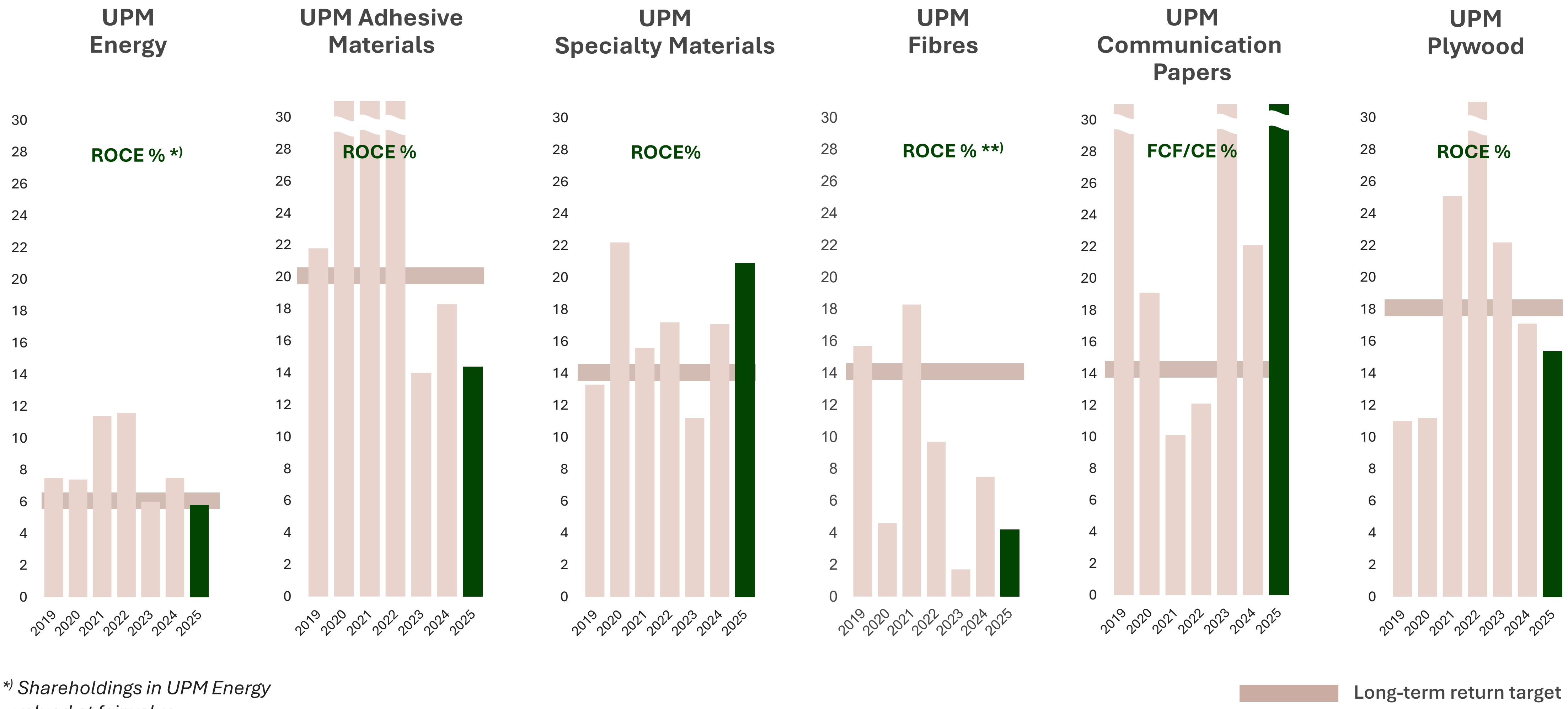

Group financial performance and targets





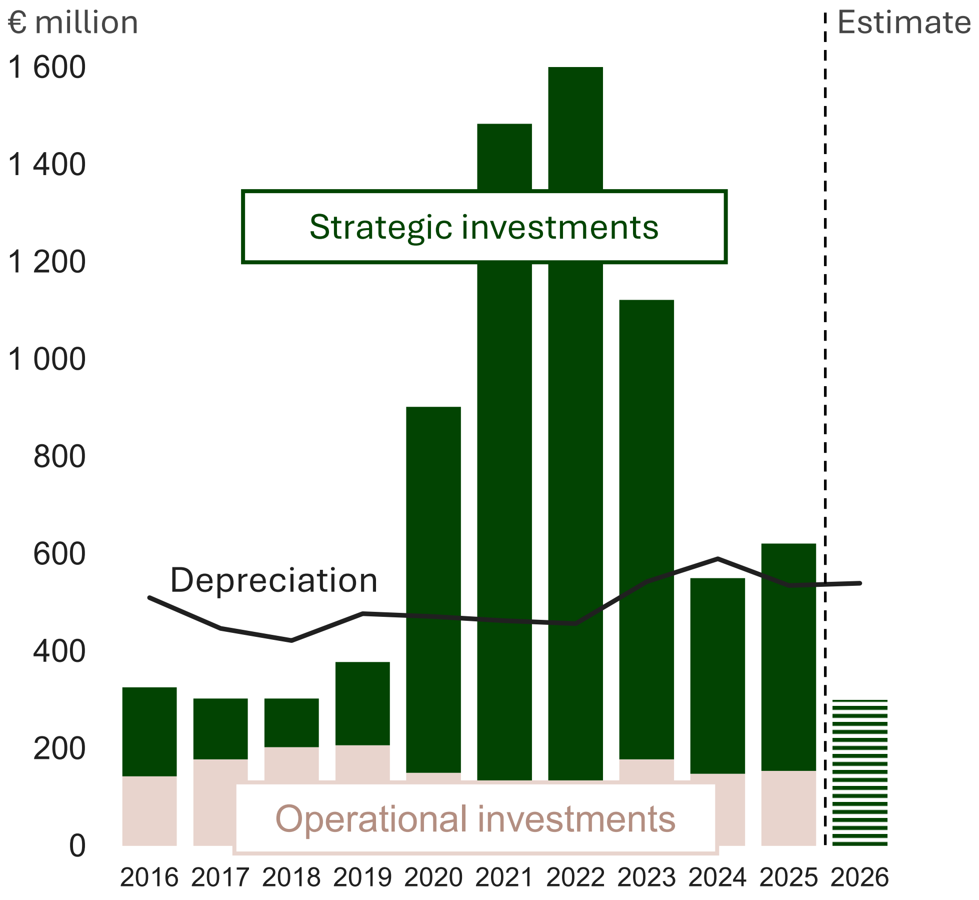


Business area long-term return targets



*) Shareholdings in UPM Energy valued at fair value

Low capital expenditure after the major investment cycle



Capital expenditure

Capex estimate for 2026

excl. acquisitions, € million

300

Operational investment needs consistently low

Consistently attractive dividend

Rewarding shareholders

Dividend policy

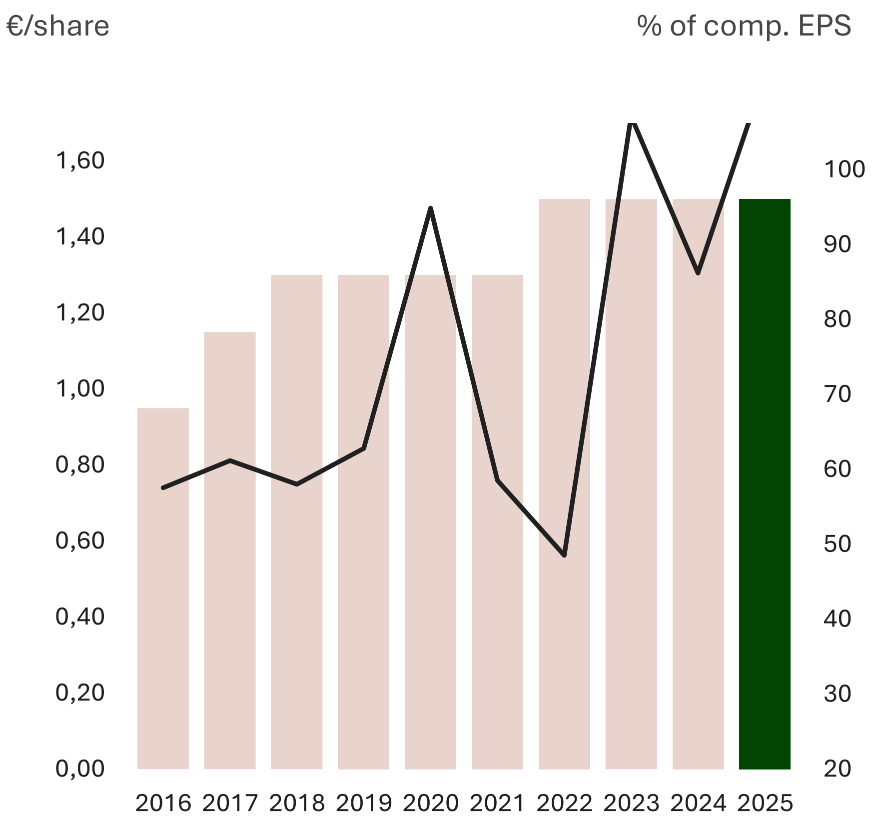
UPM aims to pay attractive dividends, targeting at least half of the comparable earnings per share over time.

Dividend for the financial year 2025

€ / share	€ million
1.50	**791**

Paid in two instalments, Apr 21 and Nov 6, 2026

Dividend 10 years



Q2 2026 – improved results in all businesses, portfolio change progressing

UPM

- Sales from continuing operations totaled €2,355 million (2,341 million in Q2 2025)
- Comparable EBIT from continuing operations increased by 71% to €212 million, 9.0% of sales (124 million, 5.3%)
- All businesses improved their results y-o-y
- UPM and Sappi signed a definitive agreement on the graphic paper Joint Venture
- The Board approved a plan to demerge the Plywood business into a new listed company. The EGM to decide on the demerger plan will be held on August 31, 2026

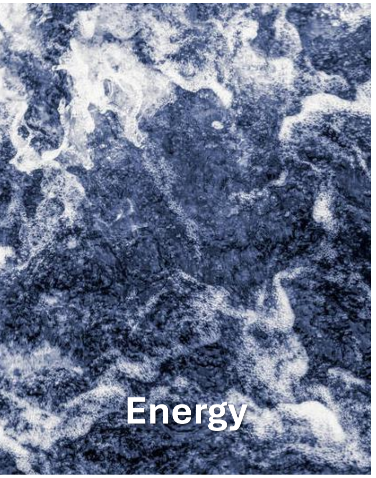
UPM Plywood is presented as discontinued operations

Continuing and discontinued operations, UPM total in the Half year financial report 2026

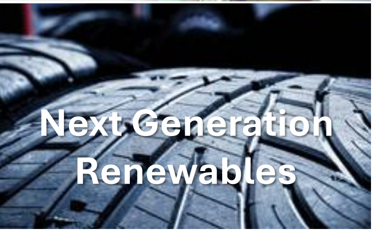
€ million	Q2 2026	Q2 2025	H1 2026	H1 2025	2025
Sales, continuing	**2,355**	**2,341**	**4,781**	**4,914**	**9,392**
Sales, discontinued operations	84	59	164	132	264
Sales, total	**2,440**	**2,400**	**4,945**	**5,046**	**9,656**
Comparable EBITDA, continuing	**356**	**250**	**732**	**659**	**1,254**
% of sales	15.1	10.7	15.3	13.4	13.4
Comparable EBITDA, discontinued operations	20	7	39	19	57
% of sales	23.3	11.9	24.0	14.8	21.5
Comparable EBITDA, total	**376**	**257**	**771**	**678**	**1,311**
% of sales	15.4	10.7	15.6	13.4	13.6
Comparable EBIT, continuing	**212**	**124**	**471**	**404**	**883**
% of sales	9.0	5.3	9.8	8.2	9.4
Comparable EBIT, discontinued operations	18	2	33	9	38
% of sales	21.4	3.2	20.2	6.9	14.4
Comparable EBIT, total	**230**	**126**	**504**	**413**	**921**
% of sales	9.4	5.2	10.2	8.2	9.5

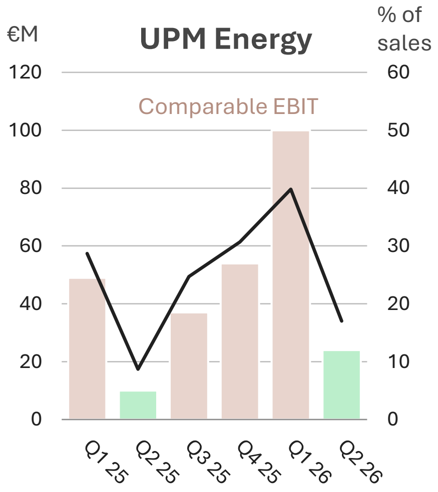
- UPM Plywood is presented as discontinued operations due to the proposed demerger
- The financial information presented for discontinued operations is not representative of the historical or future profitability of the UPM Plywood business area as a stand-alone business

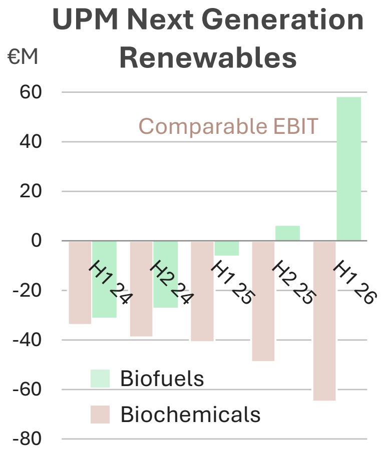
Decarbonization solutions: strong results in Biofuels, ramp-up in Biochemicals, Energy improved y-o-y



	Markets	Actions	Results
Energy	Electricity consumption growth continued in Finland, +5% LTM to May Q2 followed normal seasonality Electrification, data centers and green transition expected to drive significant demand growth	Maximize value in the volatile markets Clean baseload electricity offering for large new demand New renewable energy development pipeline Sites suitable for data centers and other industrial actors	Q2 2026 comparable EBIT €24 million, 17% of sales H1 2026 comparable EBIT €124 million, 32% of sales OL1&2 maintenance shutdowns in Q2
Next Generation Renewables (Biofuels)	Good demand and healthy bio-premiums for advanced renewable fuels Elevated fossil fuel prices in Q2	Capex-efficient debottlenecking Qualification process for SAF Proprietary feedstock technologies development	Biofuels posted strong results, H1 2026 comparable EBIT €58 million, 35% of sales
Next Generation Renewables (Biochemicals)	Robust demand and sales pipeline for biochemicals products	Leuna: deliveries of industrial sugars have reached substantial volumes, deliveries of RFF and other lignin derivatives are expected to start during Q3	Biochemicals ramp-up ongoing, H1 2026 comparable EBIT €-65 million

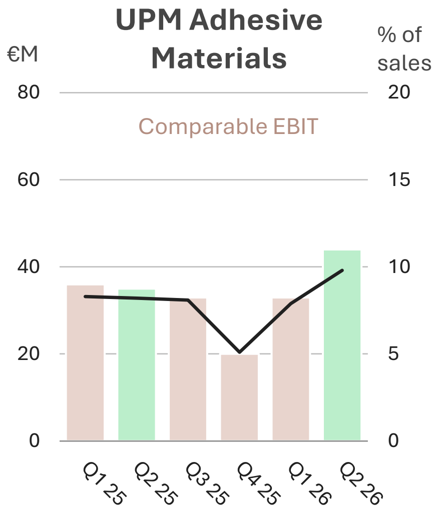


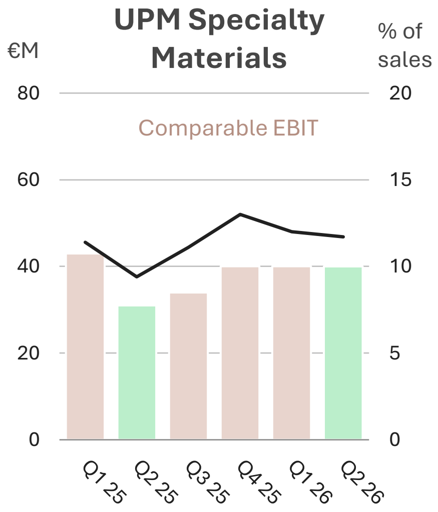




Advanced materials: robust sales growth and results

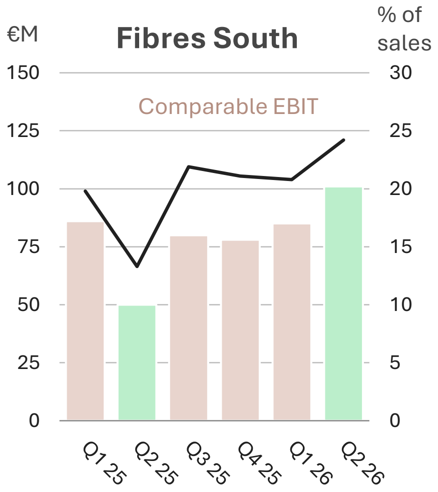
	Markets	Actions	Results
	Strong Q2 label materials demand in Europe (+14% yoy) and Asia Pacific, with some support from stock buying Slower demand growth (+1% yoy) in North America	Actions to sharpen competitiveness Investments to grow in higher-margin products in the U.S. Investments in higher-growth regions, Southeast Asia, India Building position in graphics following recent acquisitions	Q2 2026 sales grew by 5% comparable EBIT €44 million, 10% of sales H1 2026 comparable EBIT €70 million, 9% of sales
	Good Q2 demand for label, release base and packaging papers in Europe The U.S. markets were softer Specialty paper markets in Asia were good, fine paper markets competitive	Barrier papers' product development pipeline strengthened Capacity to grow with low investments	Q2 2026 sales grew by 4%, comparable EBIT €40 million, 12% of sales H1 2026 comparable EBIT €80 million, 12% of sales

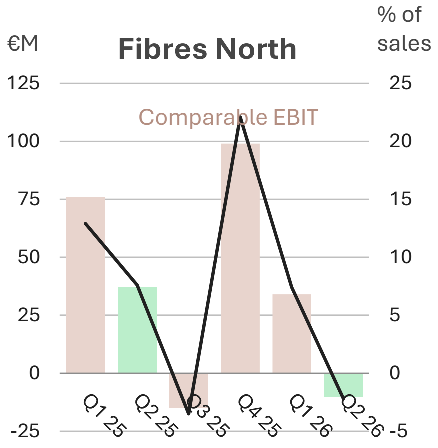


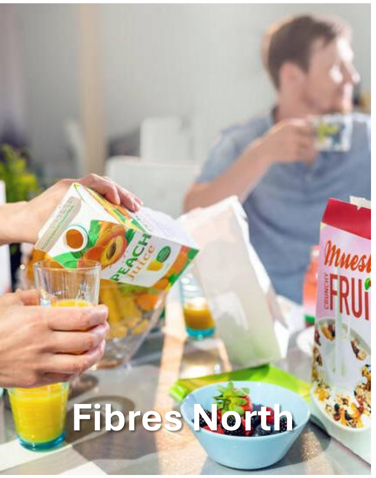


Renewable fibres: further improved results in Fibres South, challenging markets and maintenance in Fibres North

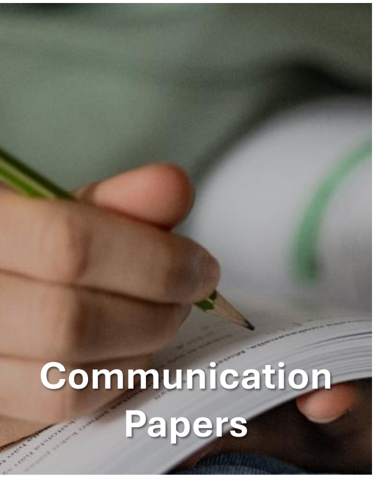
	Markets	Actions	Results
Fibres South	Global hardwood pulp shipments -2% yoy in Apr-May/2026 Hardwood pulp market prices increased gradually	Optimization of wood sourcing and inbound logistics, as the plantations reach maturity Planning capex-efficient debottlenecking	World-class competitiveness Fully offset increases in logistics and other costs Q2 2026 comparable EBIT €101 million, 24% of sales H1 2026 comparable EBIT €187 million, 23% of sales
Fibres North	Global softwood pulp shipments +4% yoy in Apr-May/2026 Low softwood pulp market prices continued Pulpwood market prices in Finland stabilized in H1, at approx. 30% lower yoy	Temporary shut-downs planned for H2 2026 to optimize production and wood sourcing, and ensure profitability	Wood costs decreased, sales prices and currencies weaker UPM Pietarsaari maintenance shutdown in Q2 Q2 2026 comparable EBIT €-10 million H1 2026 comparable EBIT €24 million, 3% of sales

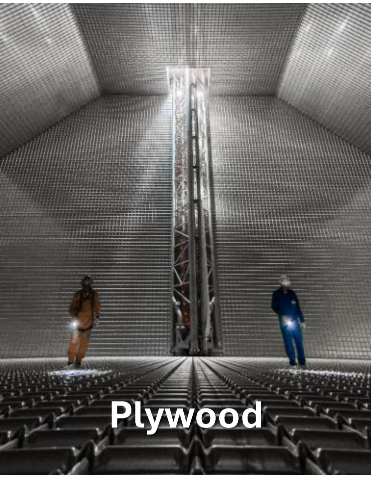






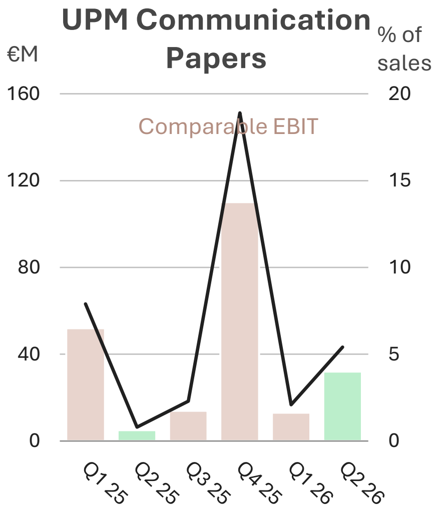
Communication Papers and Plywood: solid Q2 performance, graphic paper Joint Venture, plywood demerger plans progress

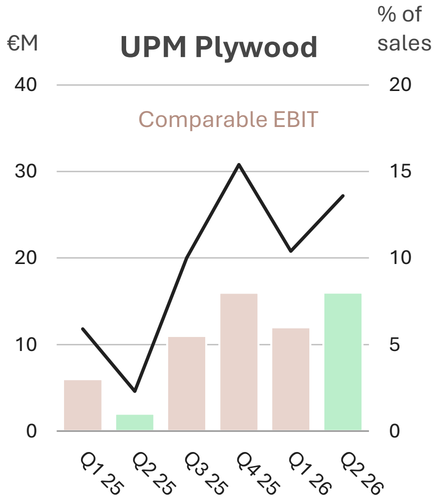




	Markets	Actions	Results
Communication Papers	European demand for graphic papers -3% yoy in Q2 North American demand for magazine and coated wood free papers in April-May flat yoy	UPM and Sappi signed a definitive agreement on the graphic paper Joint Venture Lower fixed costs, following the closures in Q4	Q2 2026 comparable EBIT €32 million, 5% of sales H1 2026 comparable EBIT €45 million, 4% of sales
Plywood	Q2 demand in construction end-uses in Europe was stable at a low level Demand for plywood in industrial end-uses was good Demand for LNG birch plywood was very good	Demerger plan of UPM Plywood announced The EGM to decide on the plan will be held on August 31, 2026	Q2 2026 comparable EBIT €16 million, 14% of sales H1 2026 comparable EBIT €29 million, 12% of sales

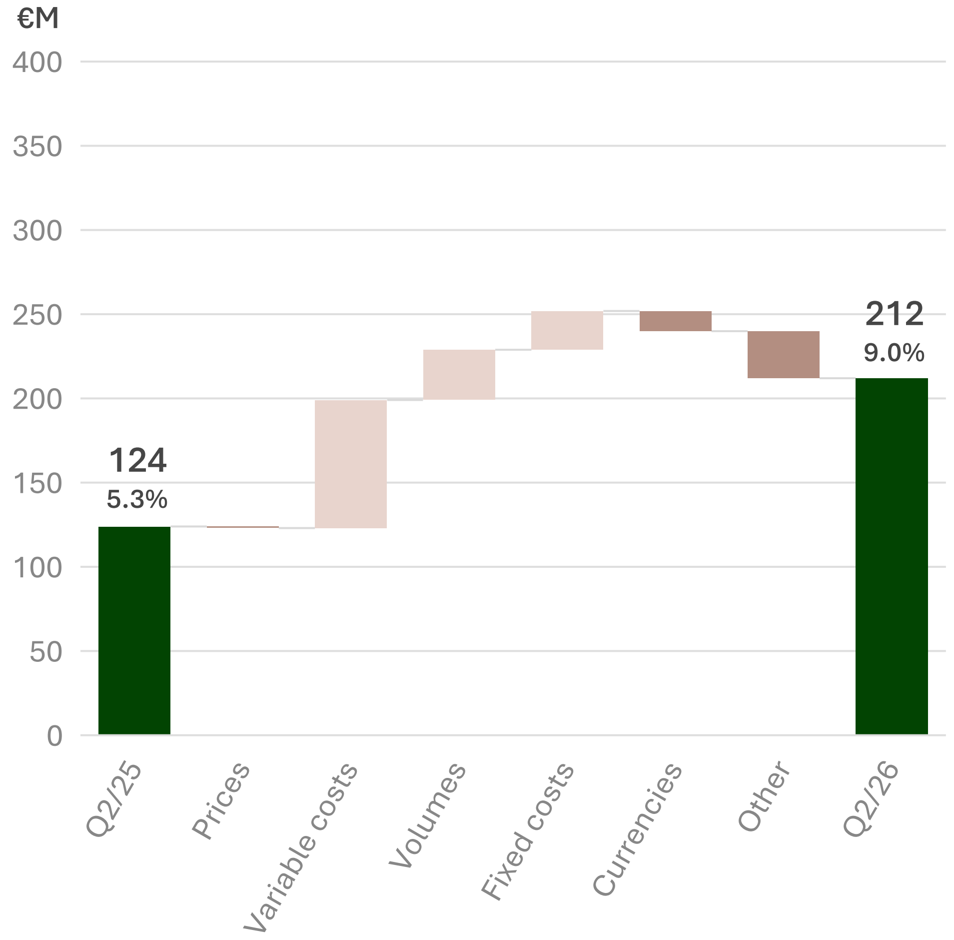
UPM Plywood is presented as discontinued operations



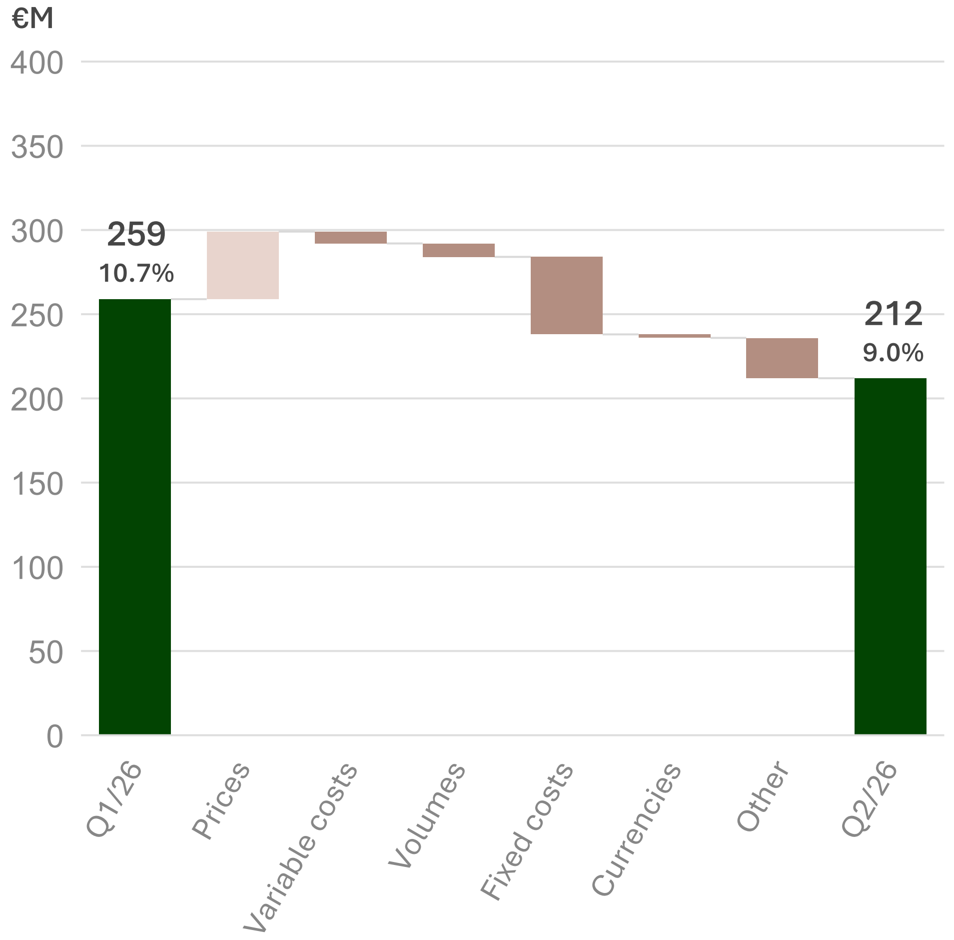


Comparable EBIT in Q2 2026, continuing operations

Q2 2026 vs. Q2 2025



Q2 2026 vs. Q1 2026



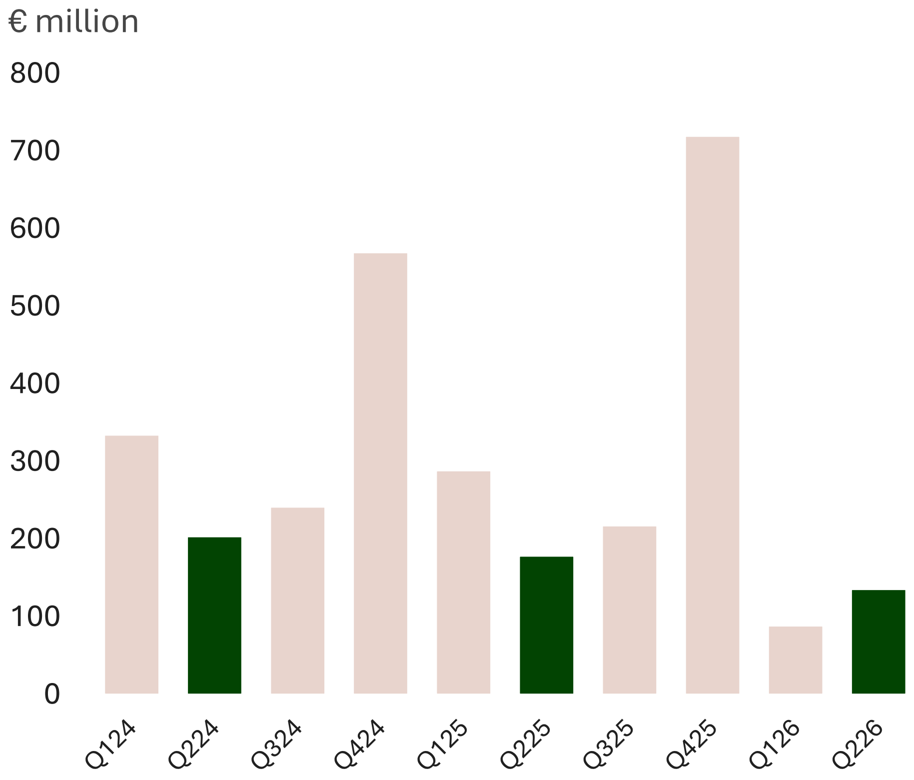
H1 2026 operating cash flow temporarily impacted by working capital, items affecting comparability

Cash flow (1

€ million	Q1-Q2 2026	Change yoy
Comparable EBITDA	**771**	**+93**
Utilised provisions	-67	-16
Other adjustments	5	-73
Change in working capital	-339	-242
Finance costs, taxes	-145	-4
Operating cash flow	**225**	**-242**
Investing cash flow	-115	+191
Free cash flow	**110**	**-51**

Working capital outflow partly seasonal, partly driven by the 7% higher sales achieved from H2 2025 to H1 2026. Significant restructuring in H2 2025 with cash impact now. Other adjustments include items affecting comparability, e.g. related to the transformational projects.

Operating cash flow (1



(1 includes continuing and discontinued operations

Solid financial position

Balance sheet

Net debt [1]

€ million June 30, 2026

3,313

Net debt / EBITDA ratio 2.36

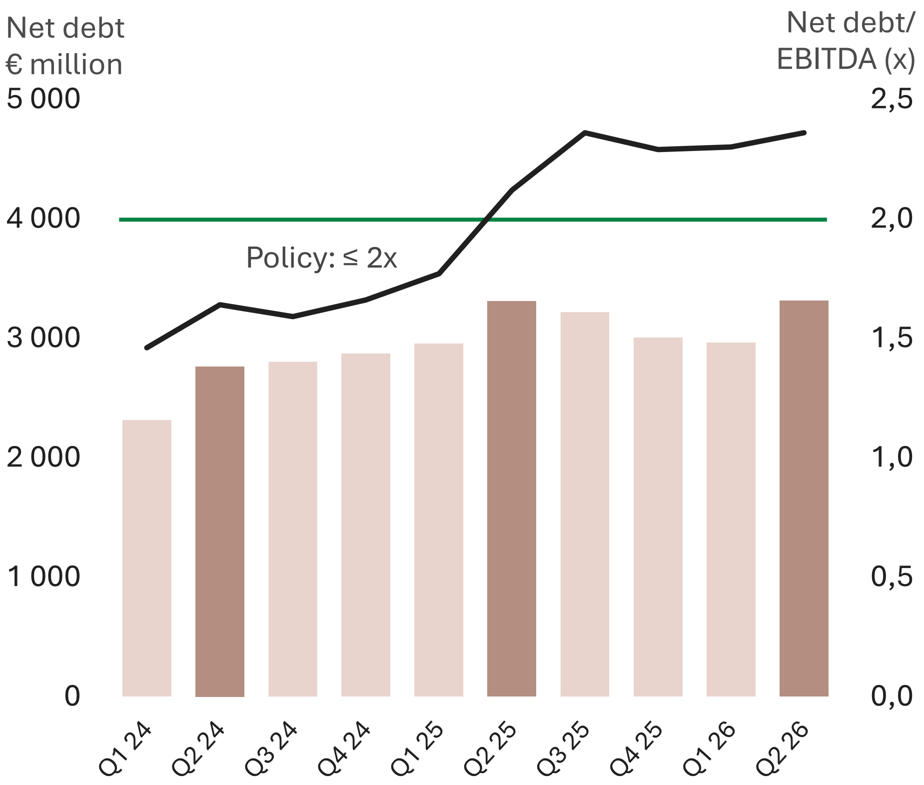
Cash funds

and unused credit facilities, € million

2,300

No financial covenants

Net debt and leverage [1]



[1] includes continuing and discontinued operations

Foreign exchange exposure

Estimated 12-month net currency cash flow at the end of Q2 2026, before hedging, € million

USD	1,380
UYU	-308
GBP	141
JPY	108
CNY	85
Others	113
Total	**1,519**

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 Q2 2026, UPM's estimated net currency cash flows for the next 12 months totaled approximately €1,519 million
- 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

Outlook (*

- **Profit guidance:** UPM's comparable EBIT in H2 2026 from continuing operations is expected to be approximately in the range of €375-575 million (€479 million in H2 2025, and €471 million in H1 2026). These figures exclude UPM Plywood, which is classified as discontinued operations.
- **Outlook:** In H2 2026, compared with H1 2026, UPM's performance is expected to be supported by moderately higher sales prices. Variable costs are expected to increase moderately. Energy refunds are expected to support UPM Communication Papers' result in Q4. Maintenance activity is expected to increase from the comparison period. The production ramp-up at UPM Leuna is expected to increase costs.
- In H2 2026, compared with H2 2025, UPM's performance is expected to benefit from higher sales prices. Variable costs are expected to increase moderately. Fair value change of forest assets is expected to have a significantly smaller impact on comparable EBIT in H2 2026 than in H2 2025 (€131 million). The energy refunds to be booked in UPM Communication Papers in Q4 are anticipated to have a somewhat smaller positive impact than in 2025. Maintenance activity is expected to increase from the comparison period. The production ramp-up at UPM Leuna is expected to increase costs.

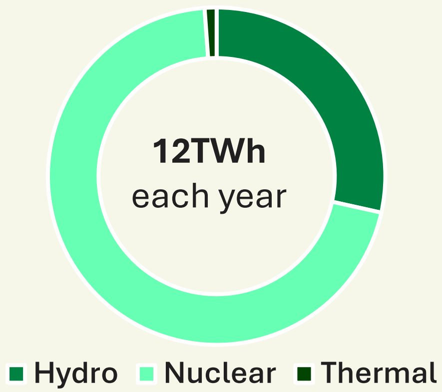
(* see UPM Half Year Financial Report 2026 for the full Guidance, Outlook and sensitivities

Our businesses

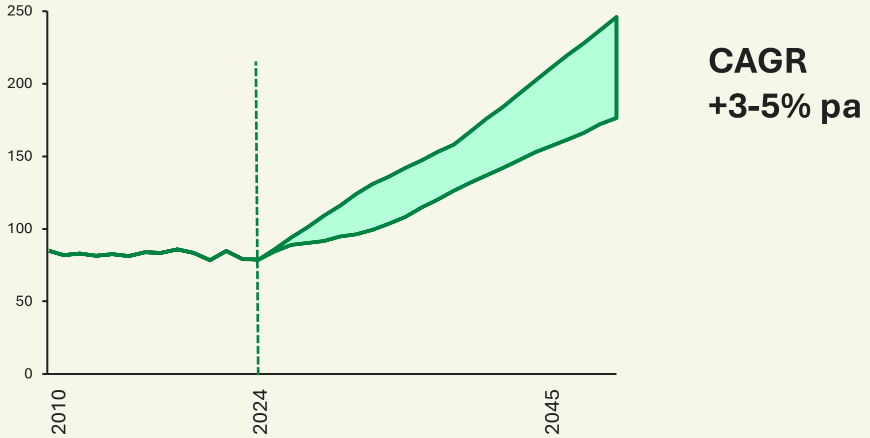
UPM Energy

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

UPM Energy electricity generation is 99% CO_2-free



Electricity demand is expected to grow significantly



UPM Energy

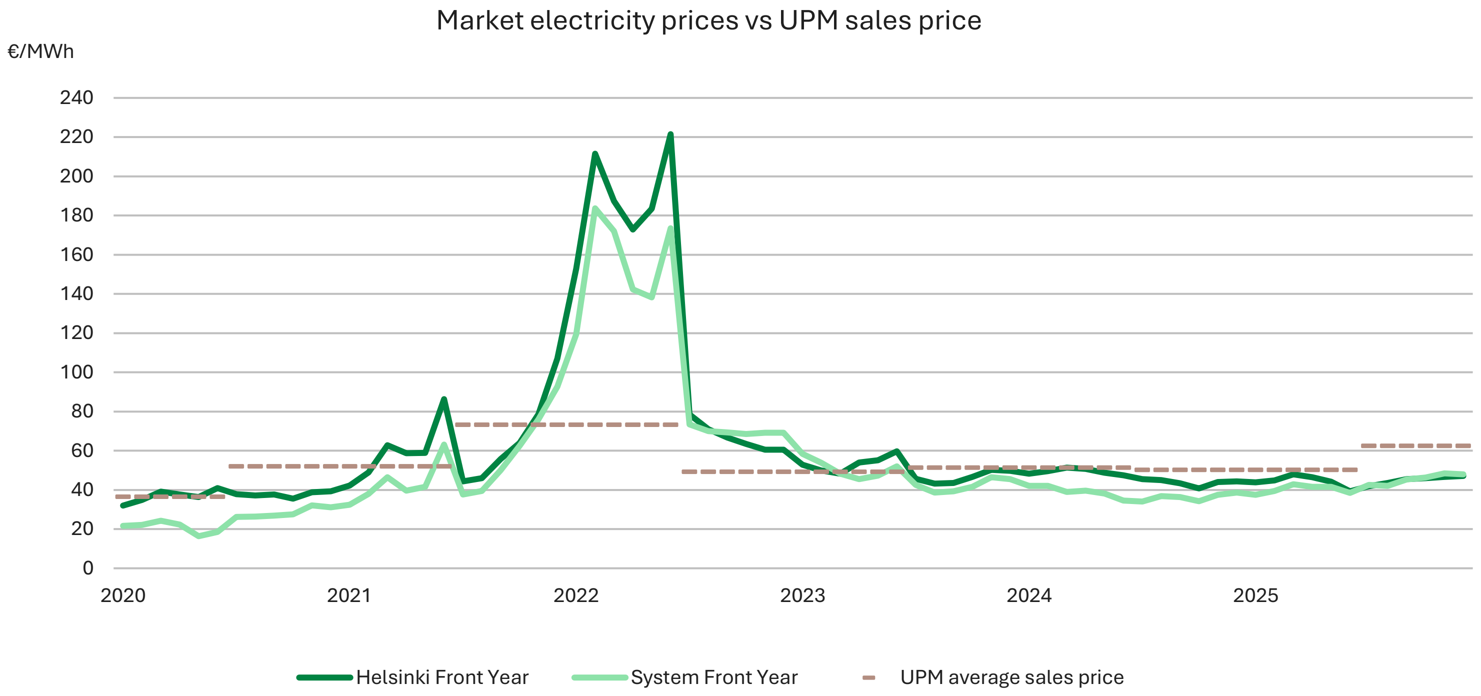
- **Flexible hydro** power crucial to balance the volatile energy system
- **Reliable nuclear** power to support the electrification of the society

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	2021	2022	2023	2024	2025	H1 2026
Comparable EBIT, EURm	270	381	182	181	151	124
% of sales	51.3	52.0	29.0	28.9	24.5	31.7

UPM sharpens its focus on biofuels growth strategy

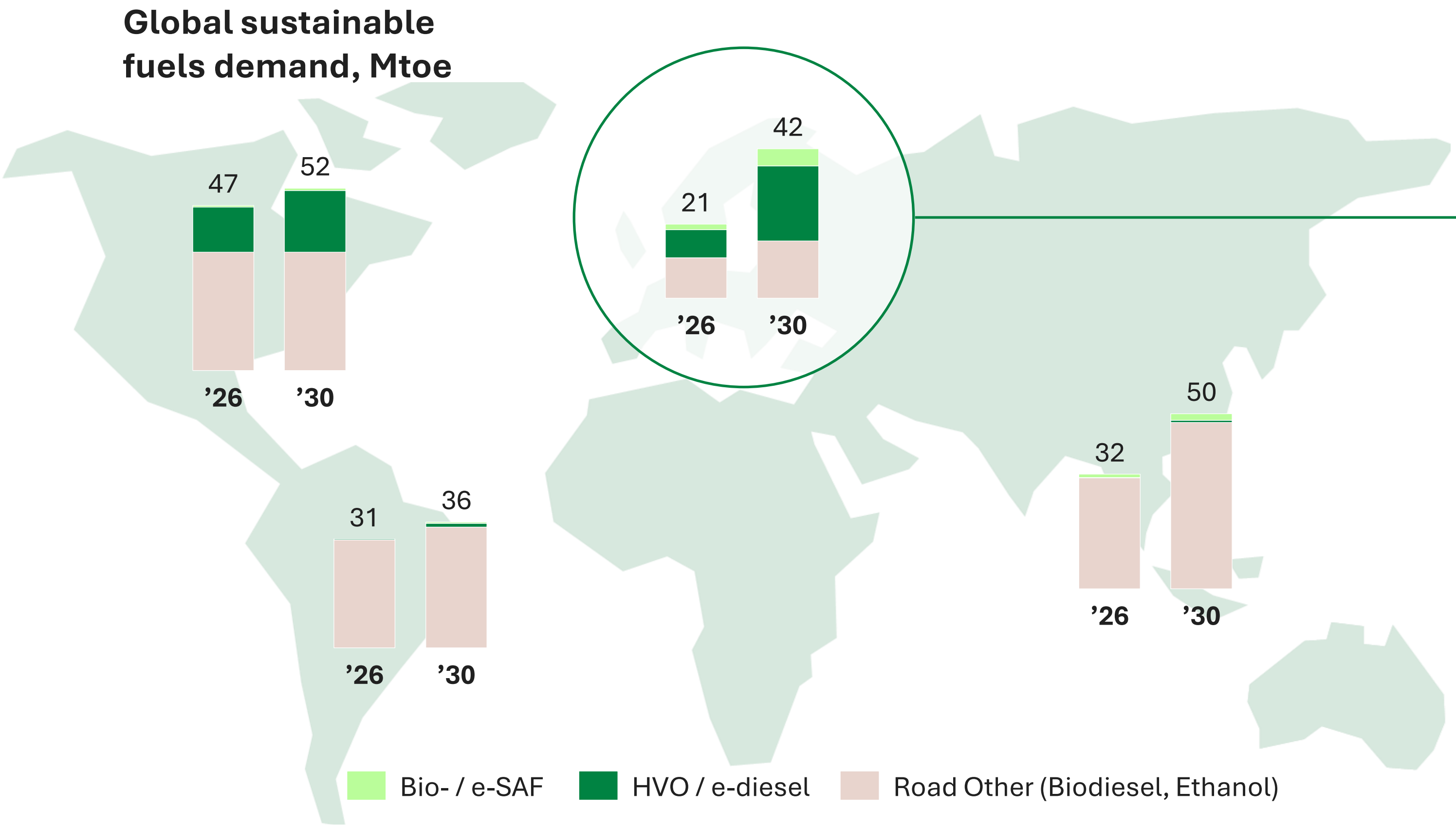
Evaluating the potential to debottleneck the Lappeenranta Biorefinery

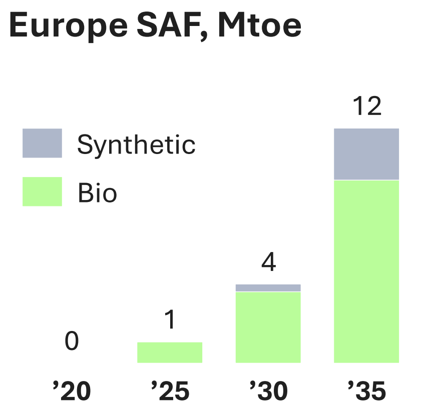
Feedstock technology development to enable the use of additional competitive and sustainable biomass

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

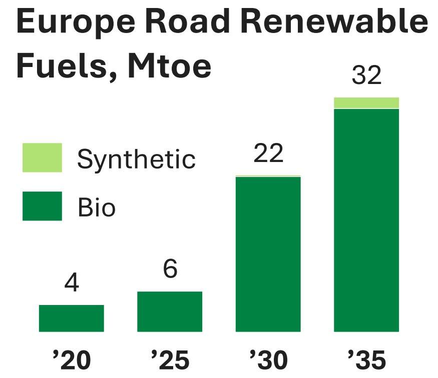
UPM Biofuels

Renewable fuels demand outgrows planned capacity as of 2030





Regulated demand increase accelerating as of 2030



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

Source: UPM Analysis based on external estimates

UPM Biochemicals – multiple end-uses

UPM

Bio-Monoethylene Glycol (Bio-MEG)




Renewable Functional Fillers (RFF)



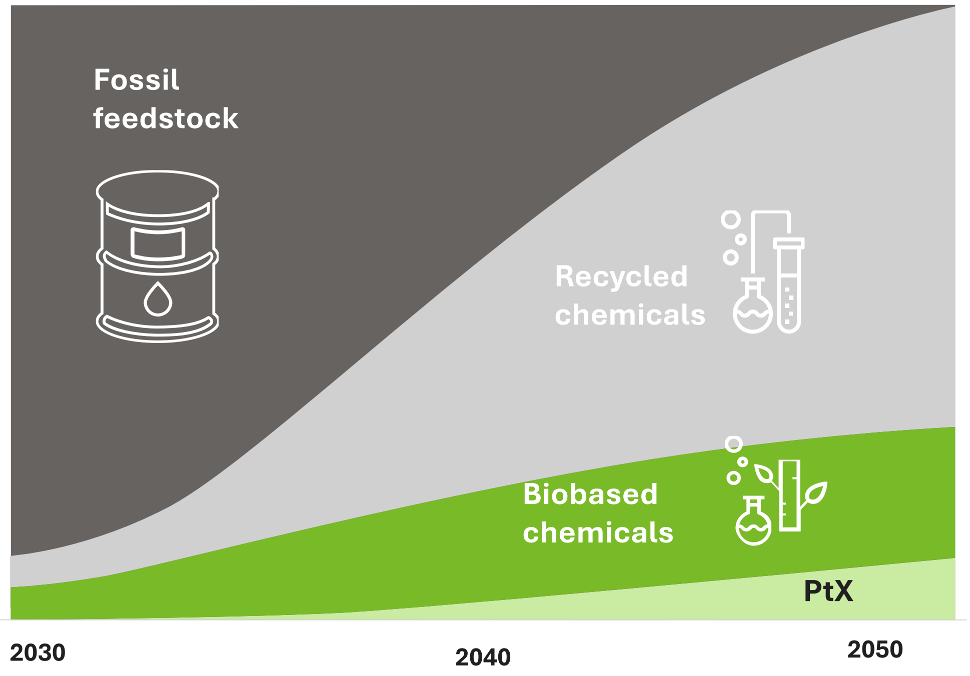

UPM Biochemicals

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

On	**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

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

UPM Biochemicals

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]

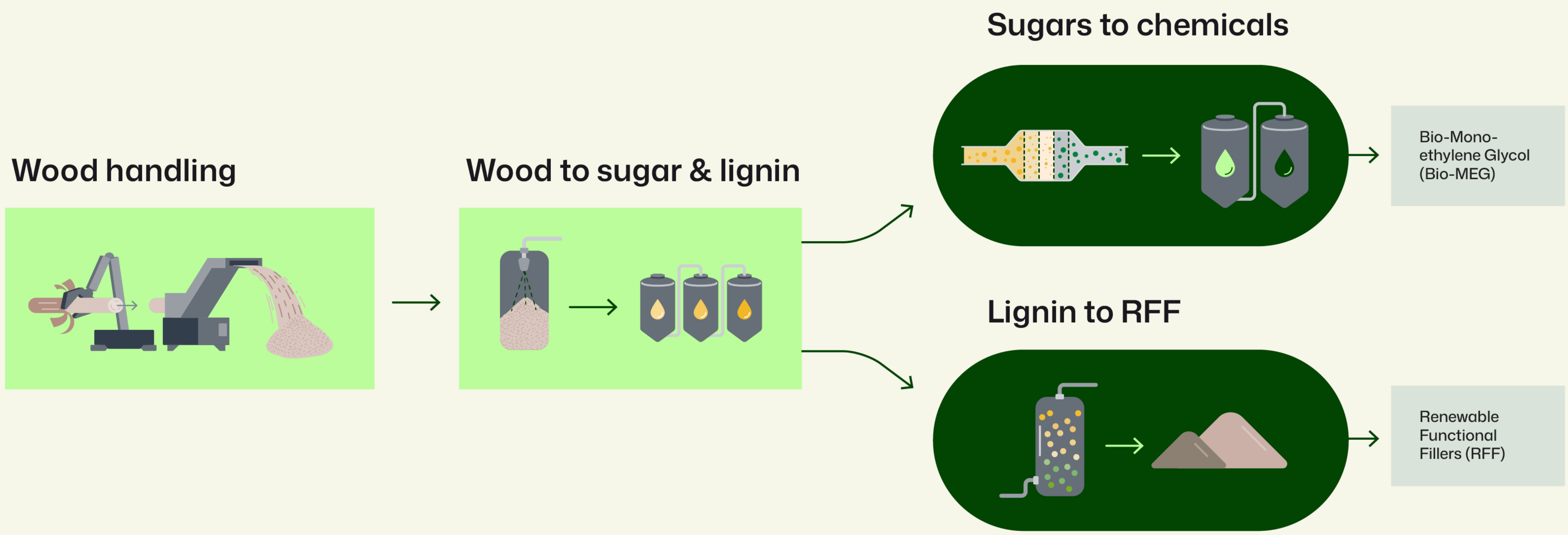
150 kt
renewable/recycled functional filler supply

Valorize 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



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 competitiveness of the Uruguay platform**
- **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

Fibres South: world-class competitiveness

Highly productive plantations

- Continuous development in productivity
- Optimizing inbound logistics

Best available technologies

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

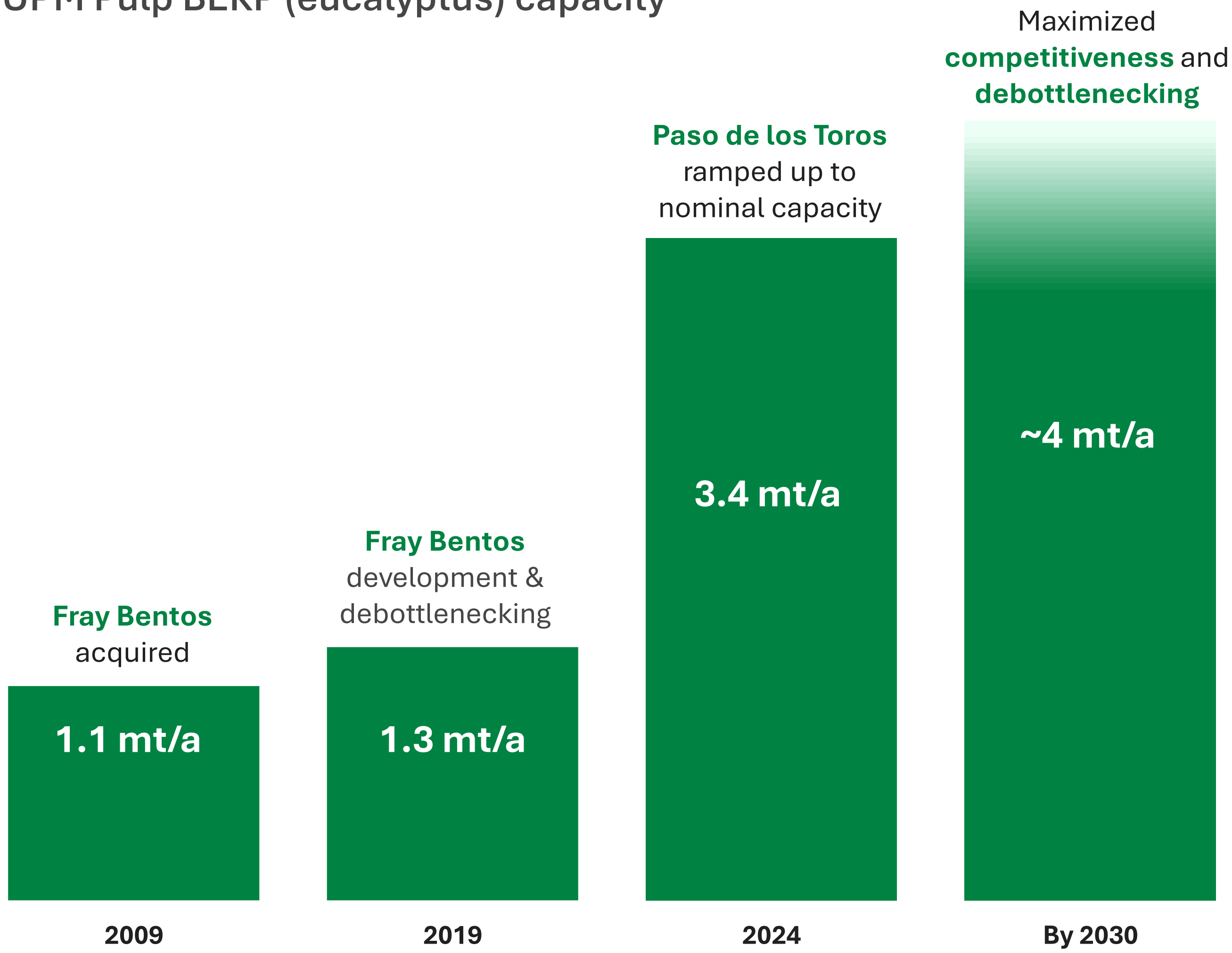
Efficient logistics

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

UPM Fibres

Growth ambition in hardwood pulp

UPM Pulp BEKP (eucalyptus) capacity

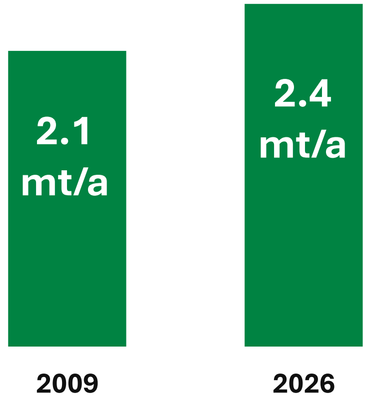


Source: UPM

UPM Fibres

Fibres North: focus on profitability and value maximization

Well-maintained pulp capacity in Finland



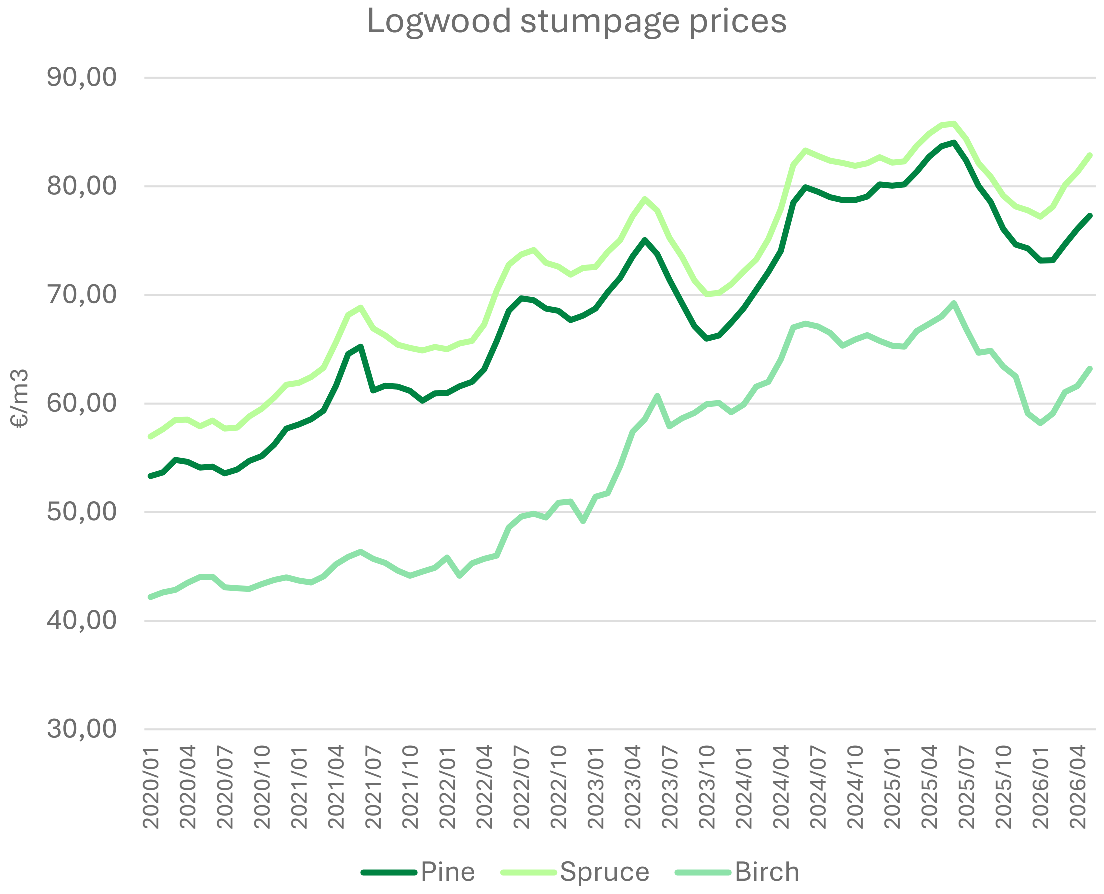
Tight wood market

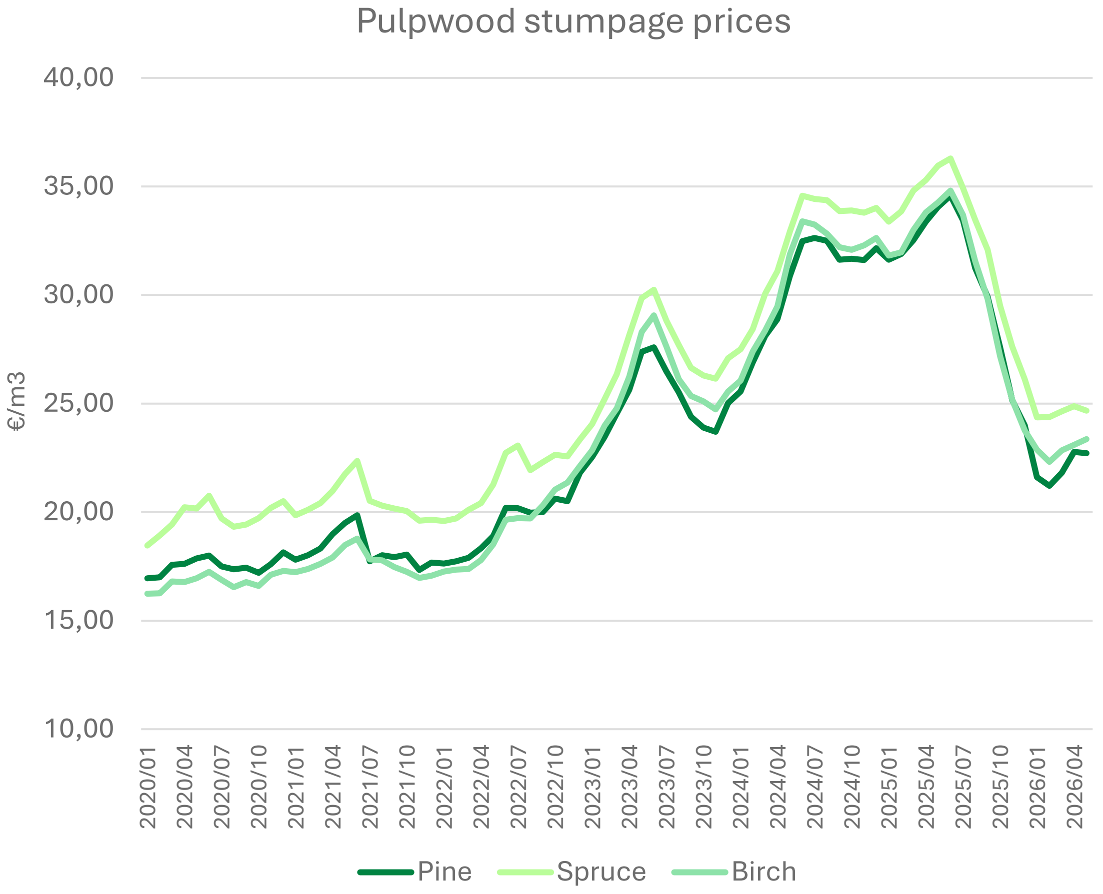
- Nordic forest-based industry is facing tight wood supply and elevated wood costs
- End of Russian wood imports and peers' investments created a structurally tight wood market

Focus on competitiveness

- Competitive business platform and margin management are key
- UPM has a strong track record in business turnaround
- Strategic partnership with Versowood strengthens wood supply

Wood market prices in Finland

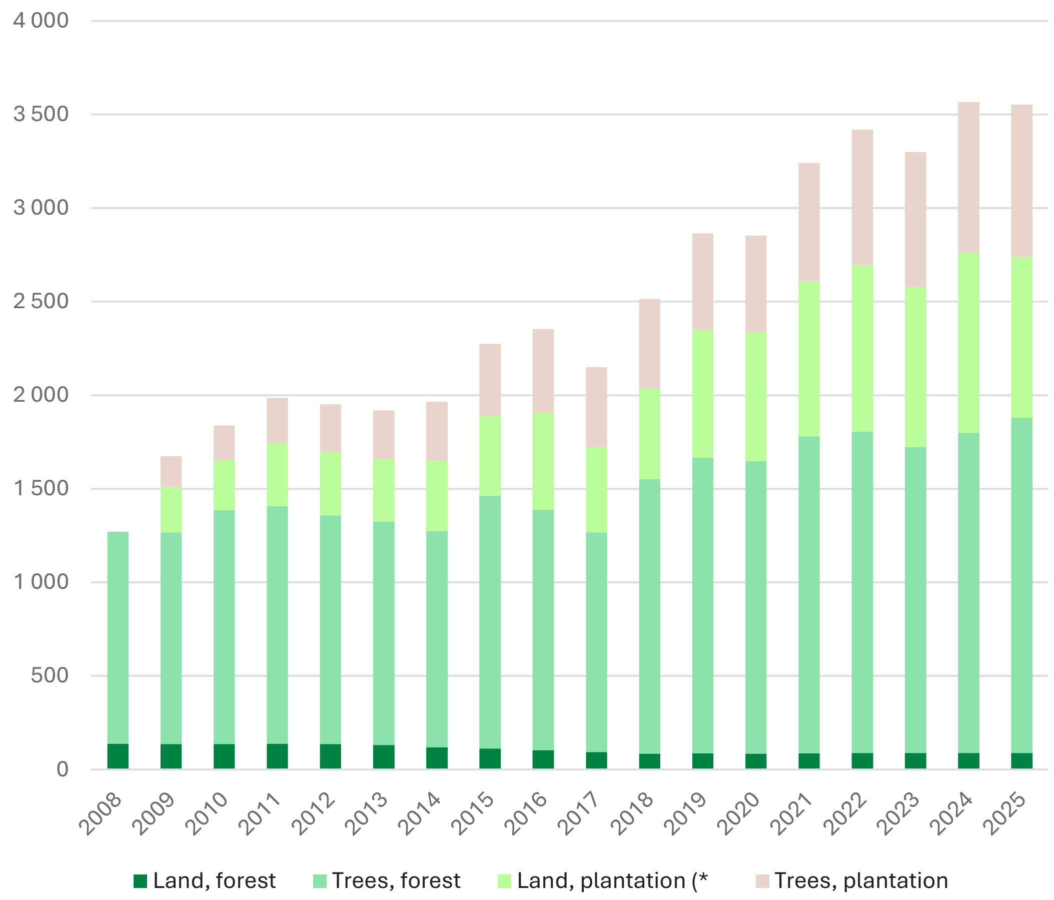




Source: Natural Resources Institute Finland, standing sales

UPM Fibres

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



*) leased land included from 2019

Uruguay plantations

"Fast turnover, low inventory"

- Value €1.7bn
- Continuous productivity improvement (pulp tonnes/ha)
- Investing in strategic forest assets

Finland and other northern forests

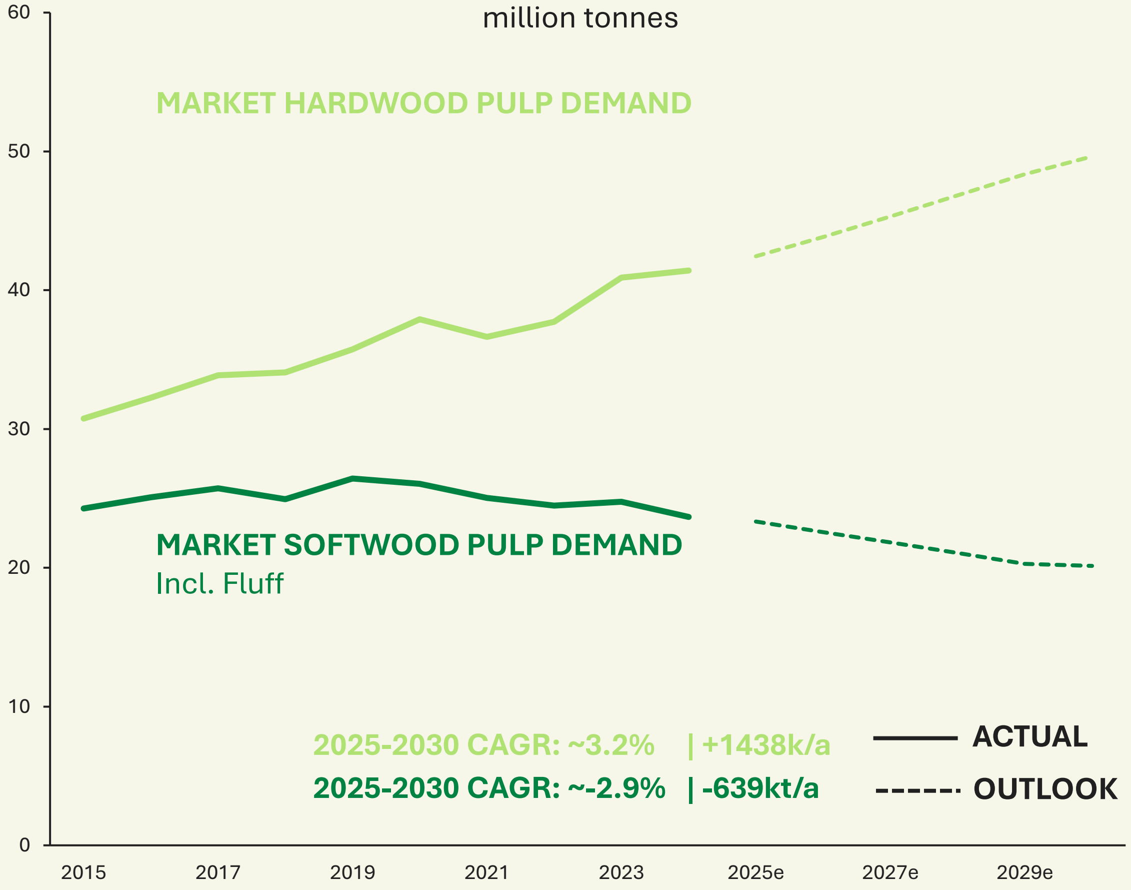
"Slow turnover, high inventory"

- Value €1.9bn (+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)

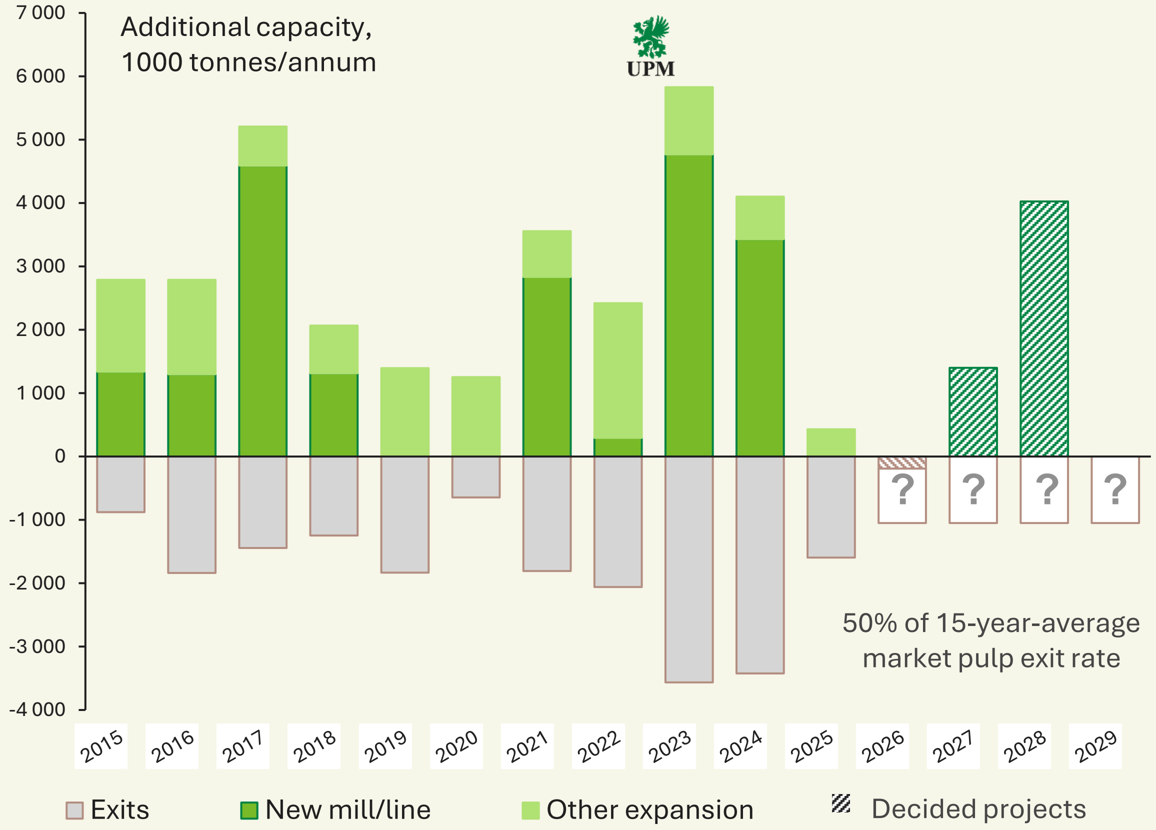
UPM Fibres

Robust demand outlook for market pulp

Market pulp shipments trend



Entry of market bleached pulp capacity

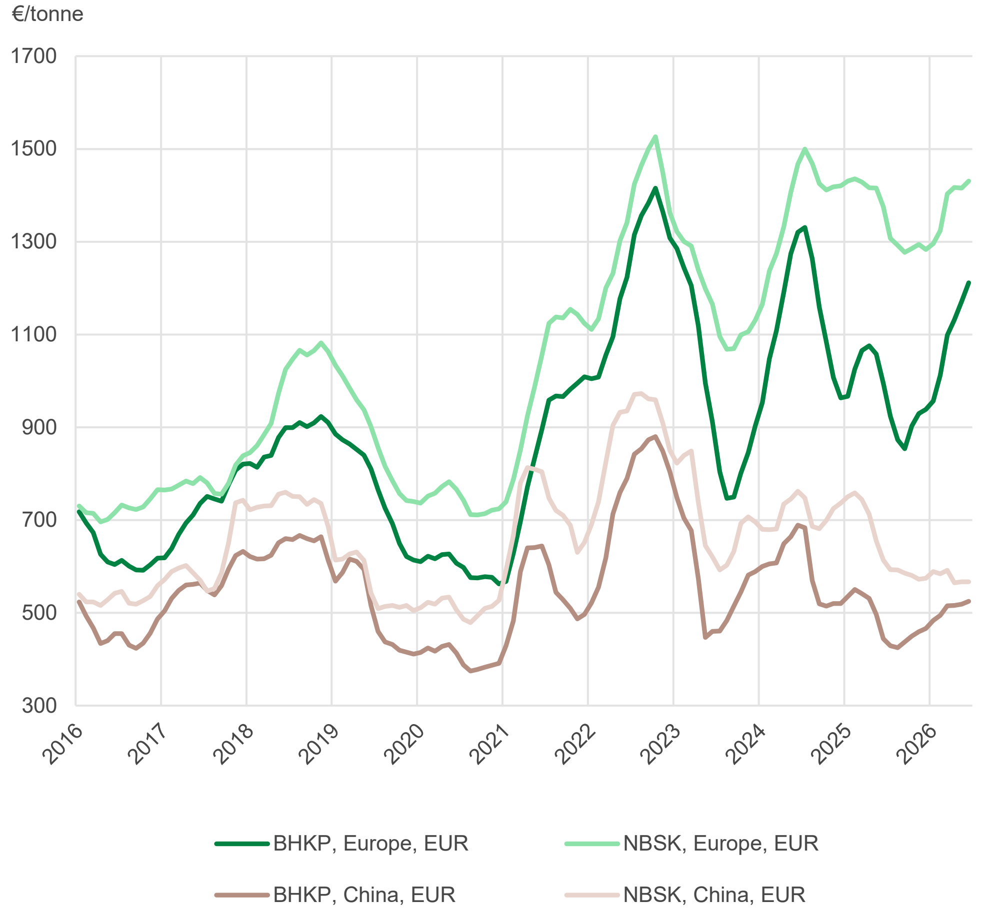


Note: including BHKP, BSKP, excluding fluff and dissolving

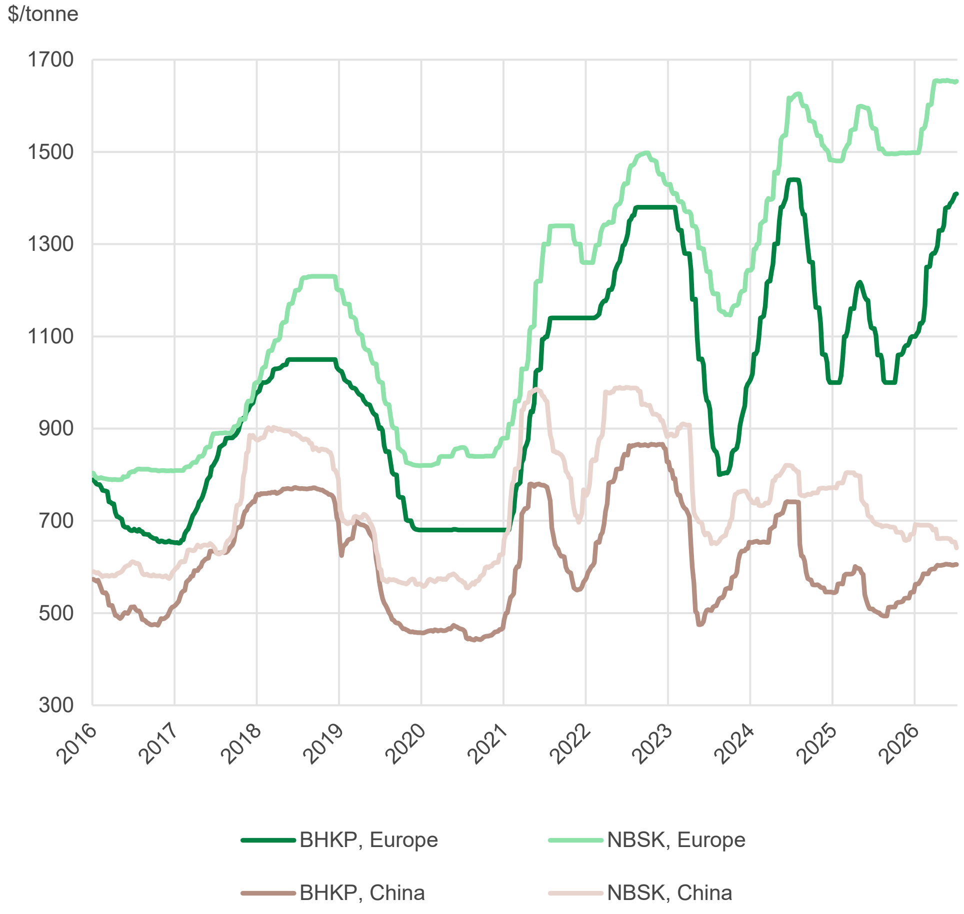
Source: AFRY, PPPC, UPM analysis

UPM Fibres: Chemical pulp market prices

Pulp market prices, euros



Pulp market prices, U.S. dollars



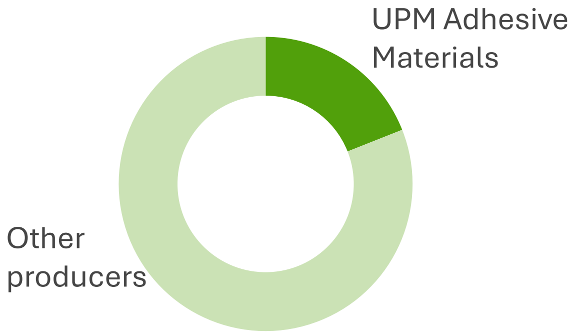
Source: FOEX Indexes Ltd

UPM Adhesive Materials

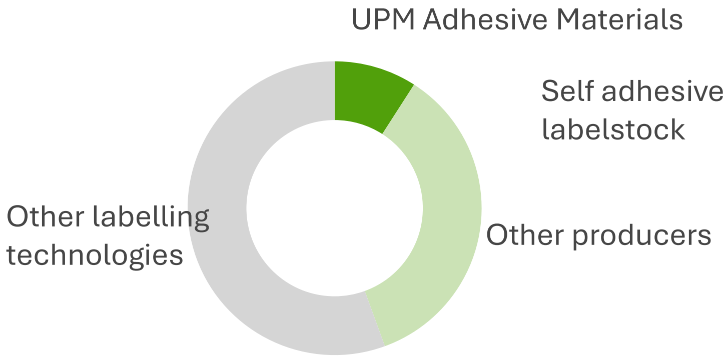
The self-adhesive label stock market

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

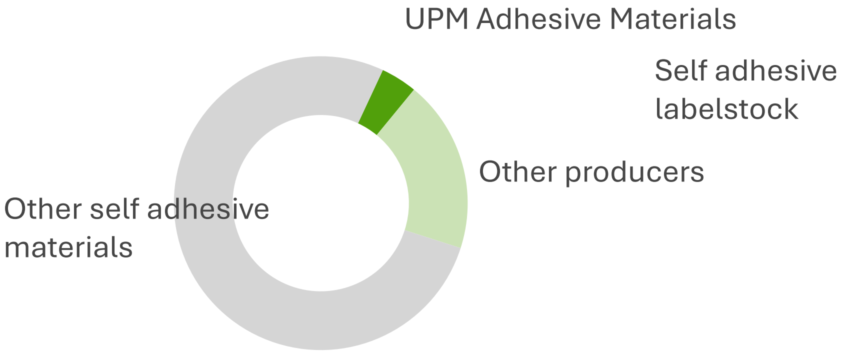
Self-adhesive labelstock market



All labelling technologies



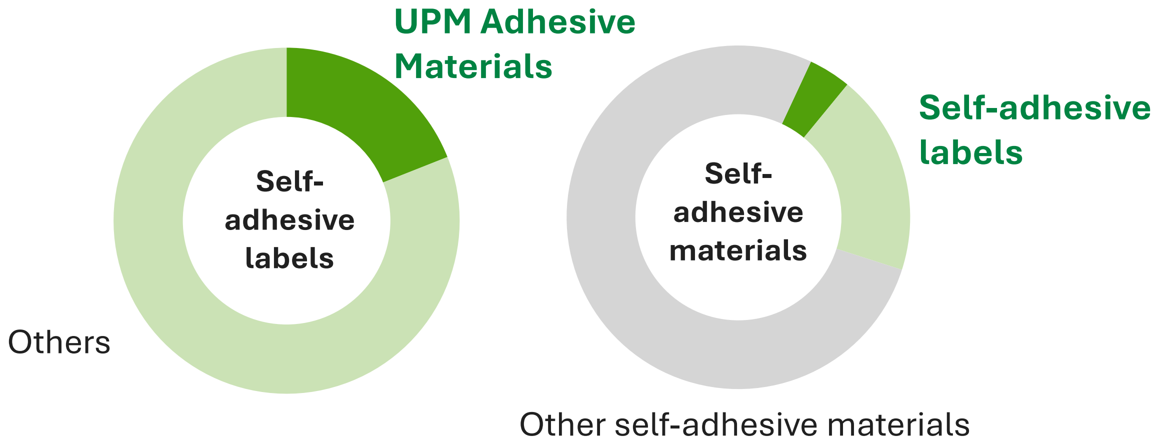
All self adhesive materials



UPM Adhesive Materials

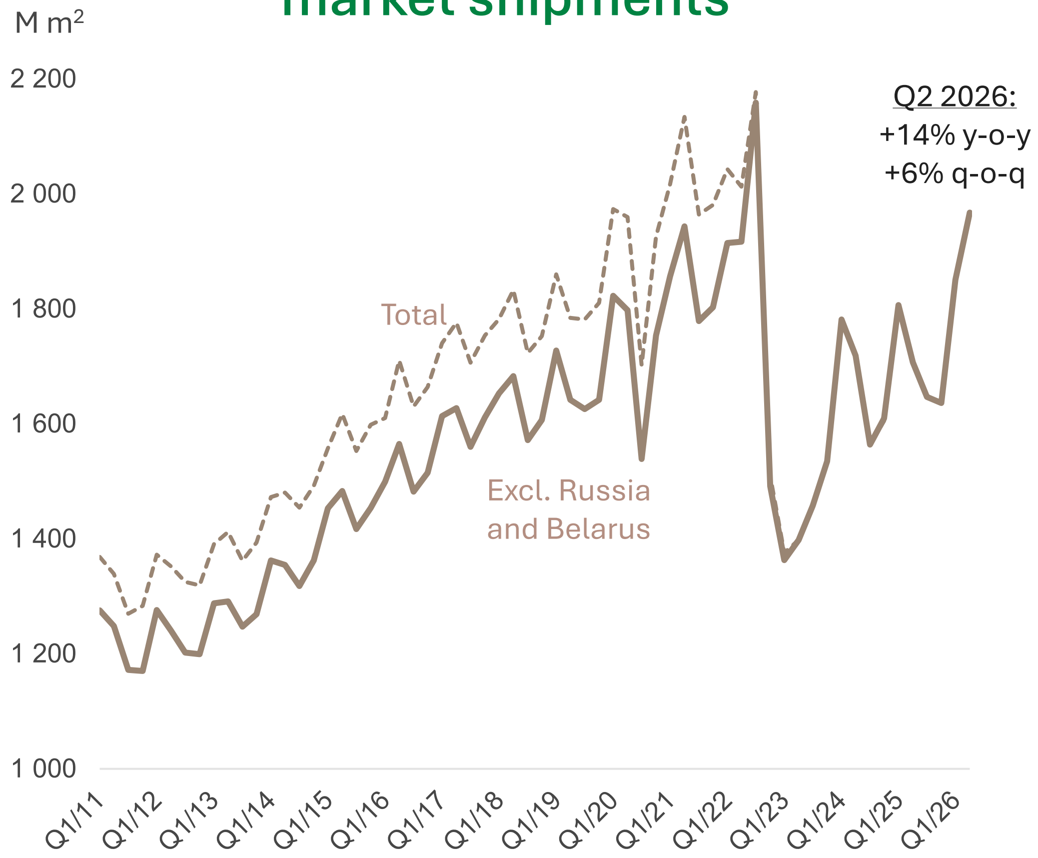
Entering attractive adjacent markets

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



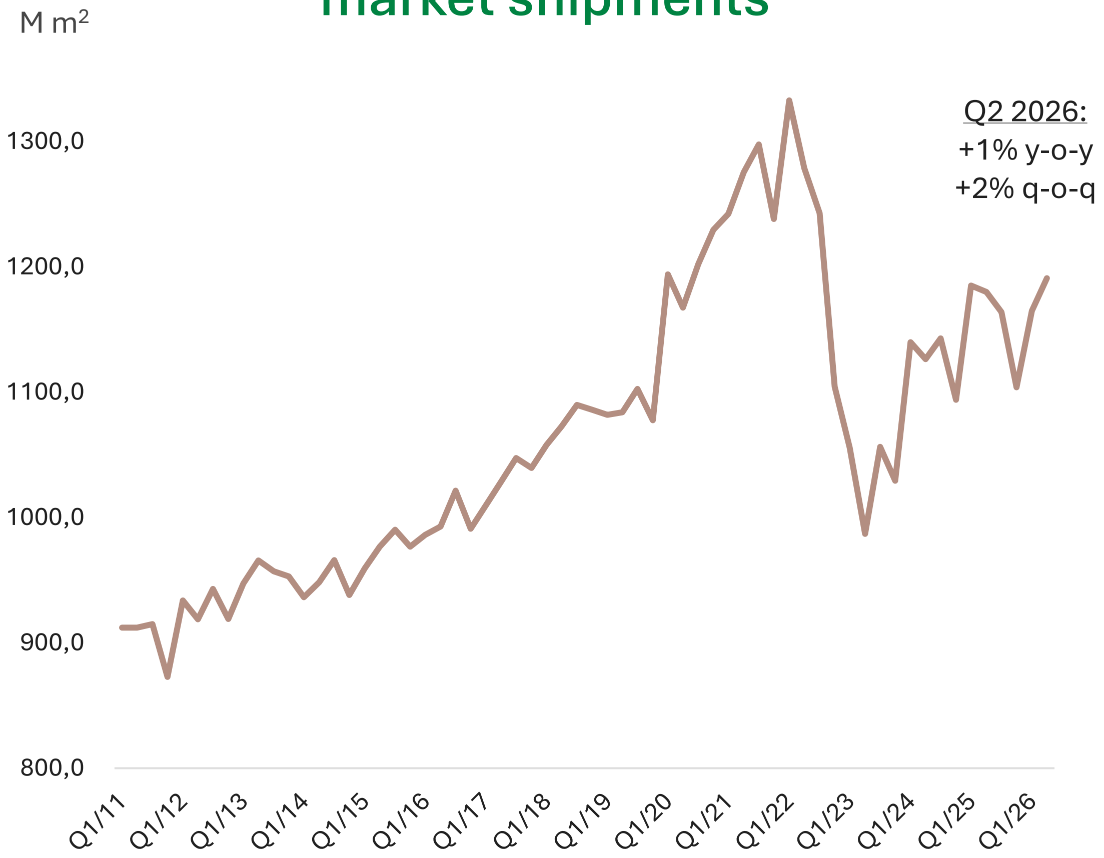
UPM Adhesive Materials: label materials demand

European market shipments



Source: FINAT

North American market shipments



Source: TLMI

UPM Specialty Materials

Renewable, recyclable papers for labeling and packaging

Sales 2025

€ million

1,485

EBITDA 2025

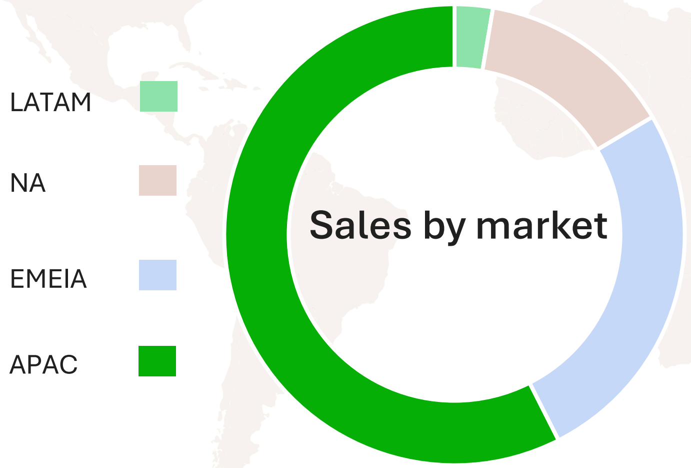
€ million

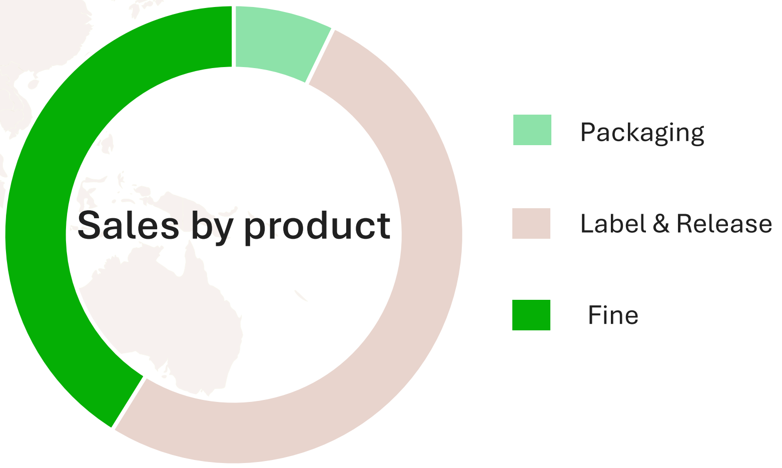
204

ROCE 2025

€ million

20.9%



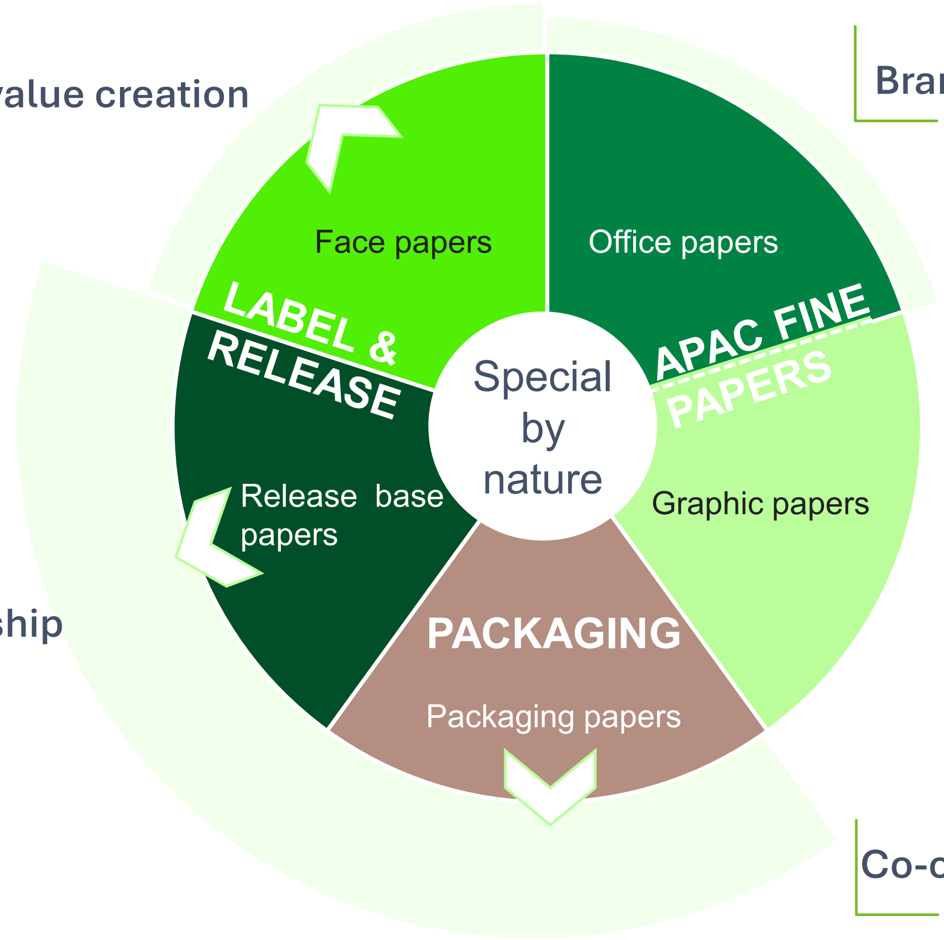


UPM Specialty Materials

UPM Specialty Materials' growth strategy

Committed value creation

Globally recognized leadership



Brand based value

Focused, committed and agile

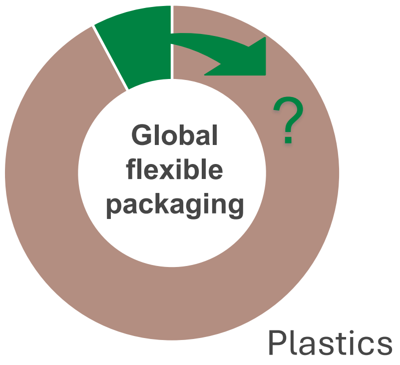
Co-creating remarkable products

UPM Specialty Materials

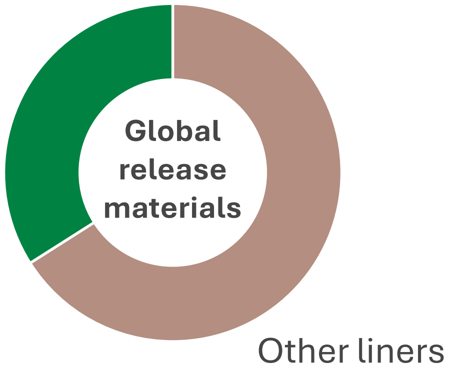
Entering attractive adjacent markets

- Flexible packaging entered through innovation & co-creation
- Robust barrier paper product development pipeline
- Further portfolio expansion in label & release papers

Paper



Glassine



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

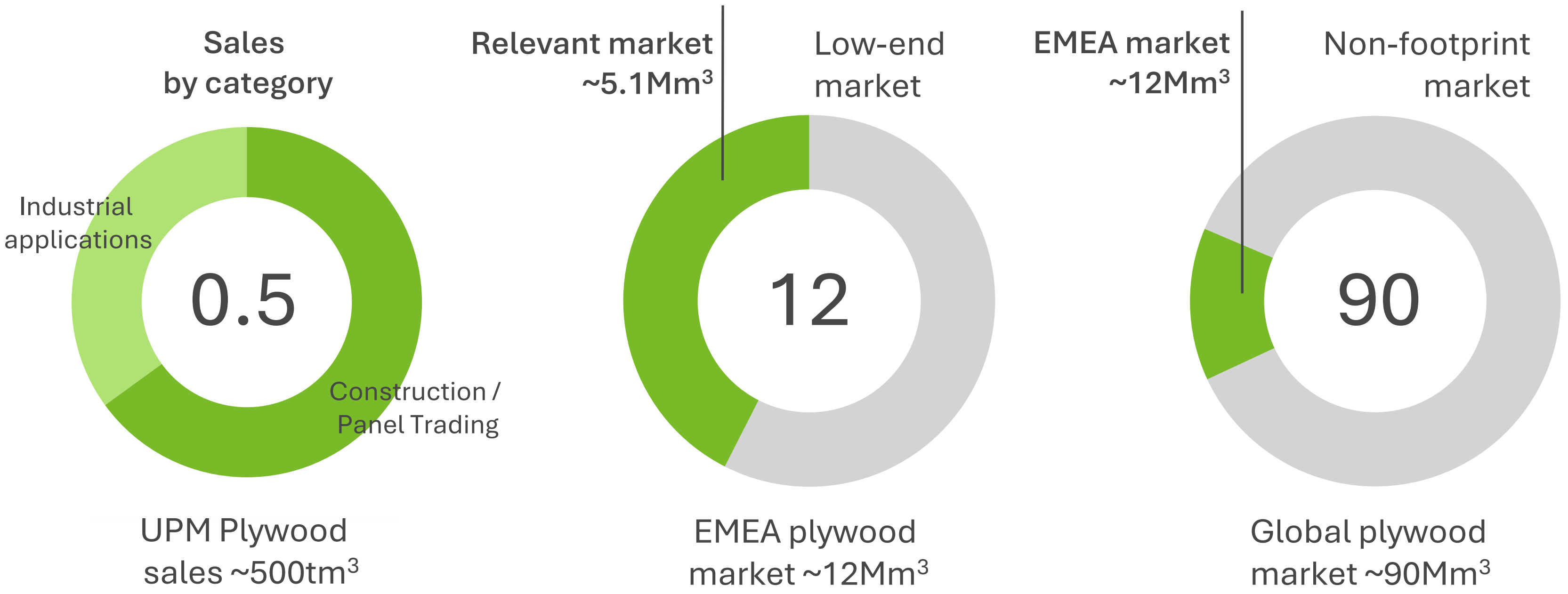
- Leading supplier in LNG plywood
- Competitive edge based on right quality and accurate on-time deliveries
- Long term commitment and benchmark service level
- Focus to secure leading position in LNG carriers and to extend offering into related applications using the same technologies (e.g. land storage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

UPM Plywood

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

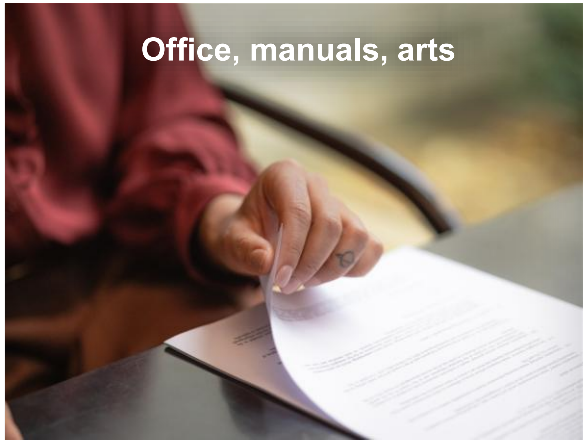
Strategic choices

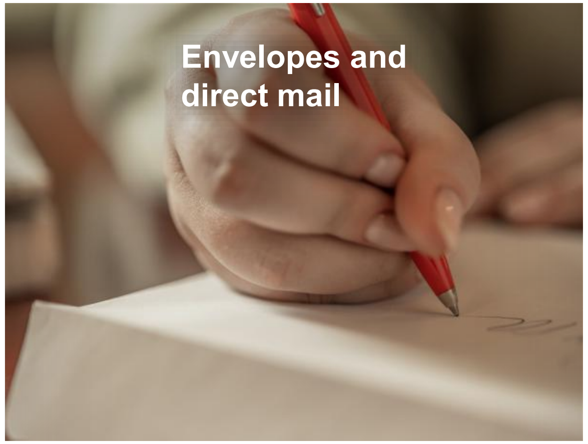
1. Demanding industrial applications
2. High and medium range standard products
3. Selected customers
4. EMEA region and LNG business globally



UPM Communication Papers

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





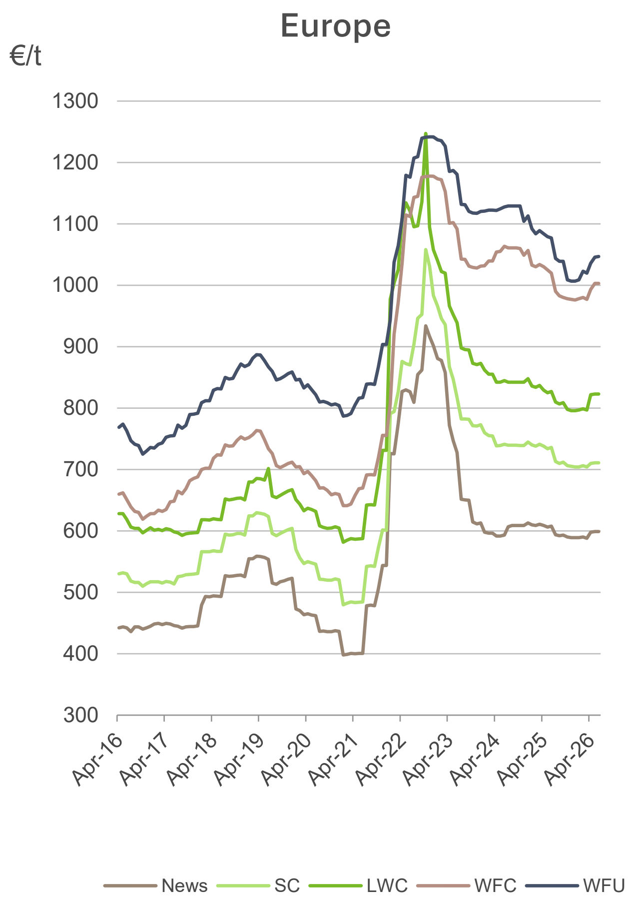
Fine papers

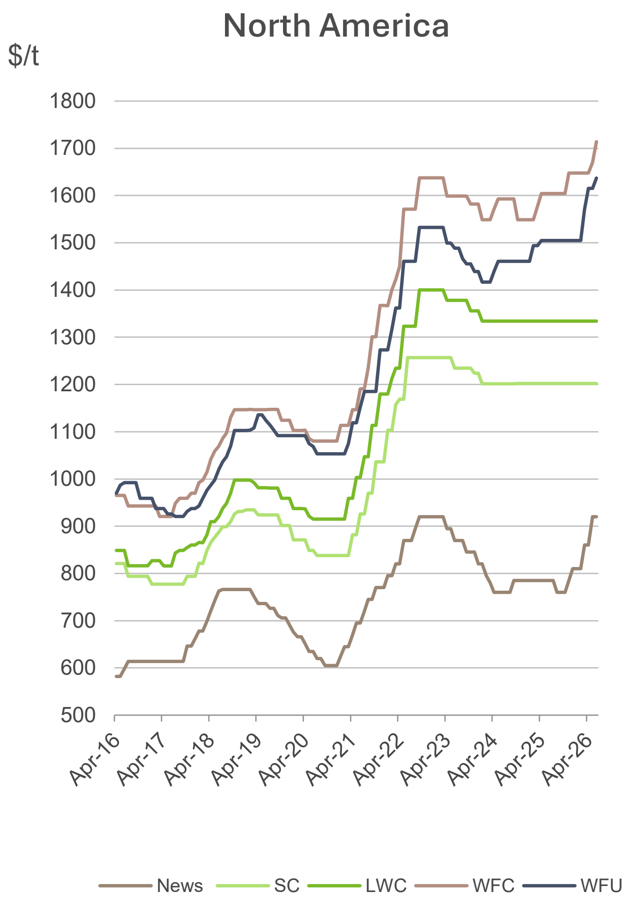
News & UMIO

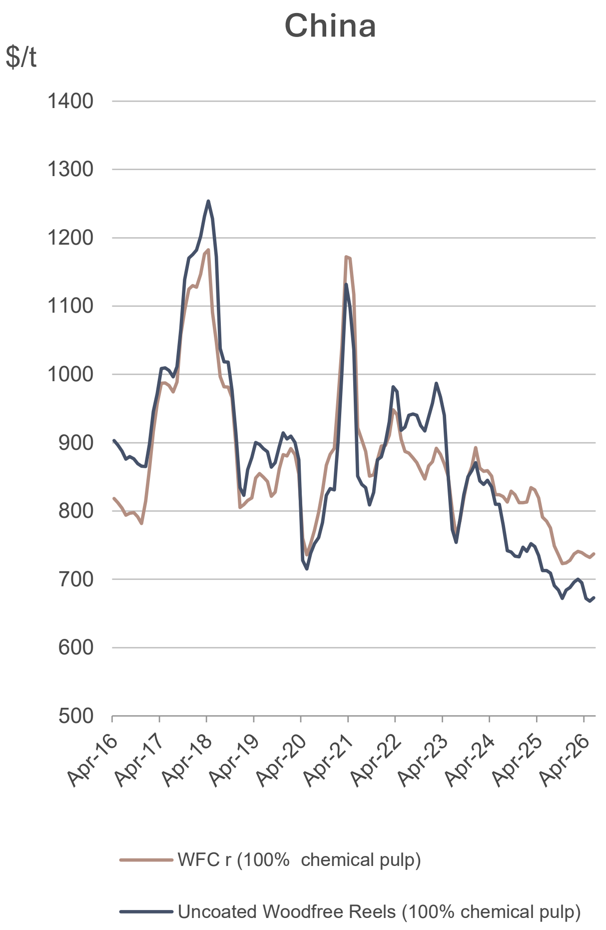
SC

Coated mechanical

UPM Communication Papers: Graphic paper prices

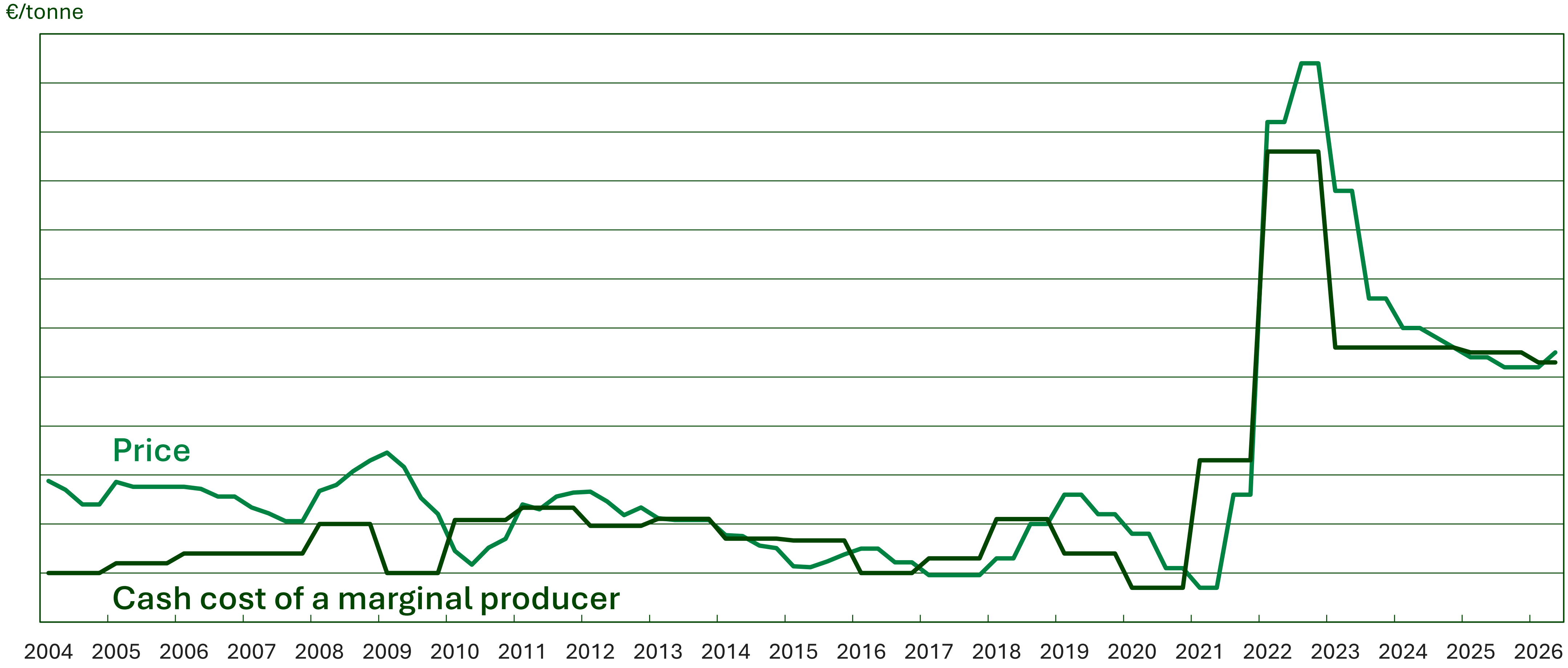






Sources: PPI, RISI

Paper price vs. cash cost of marginal cost producer



Sources: UPM, PPI, Fastmarkets, AFRY

UPM