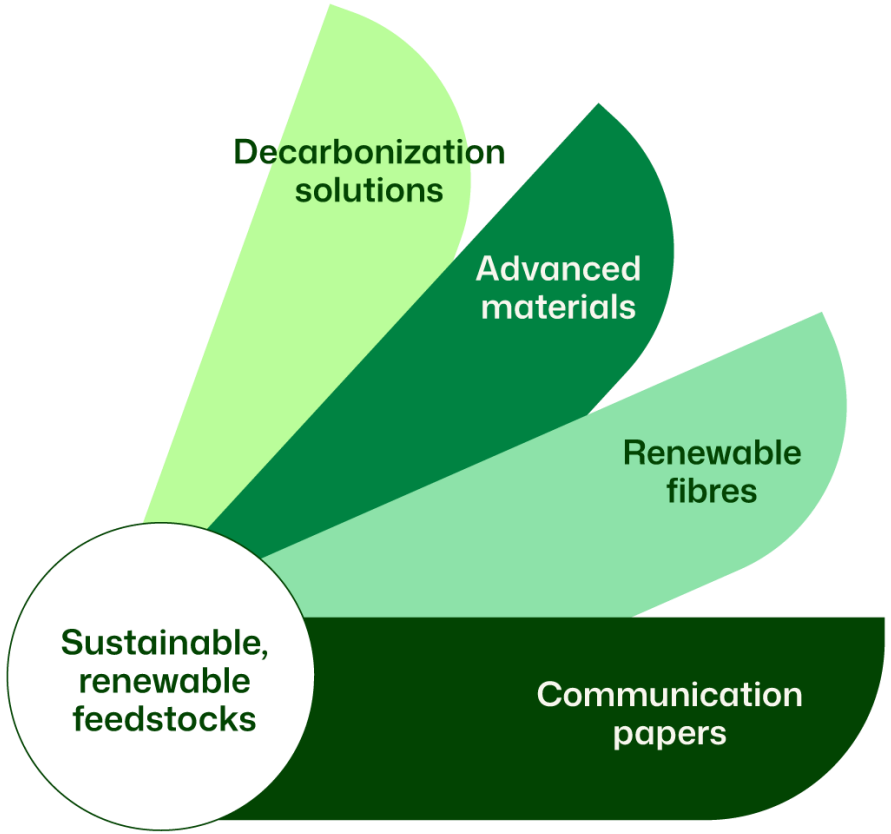
# UPM – we renew the everyday

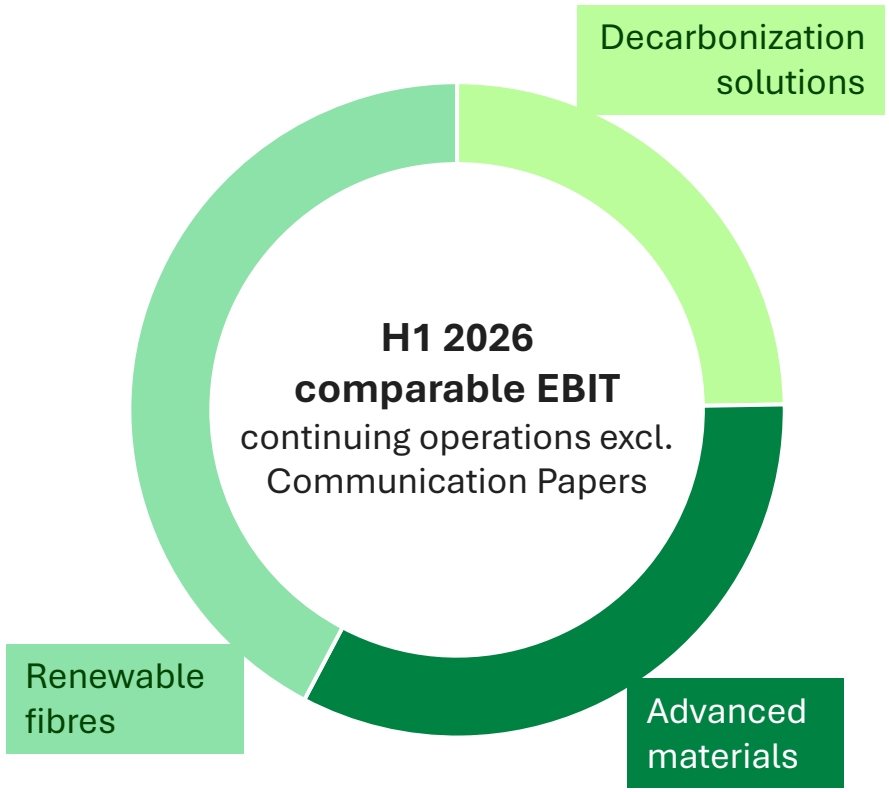
## Investor presentation
## October 2026

# Our portfolio leverages competitive business platforms

- **Decarbonization solutions**
  Biochemicals, biofuels, $CO_2$-free energy
- **Advanced materials**
  Adhesive materials, specialty materials
- **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

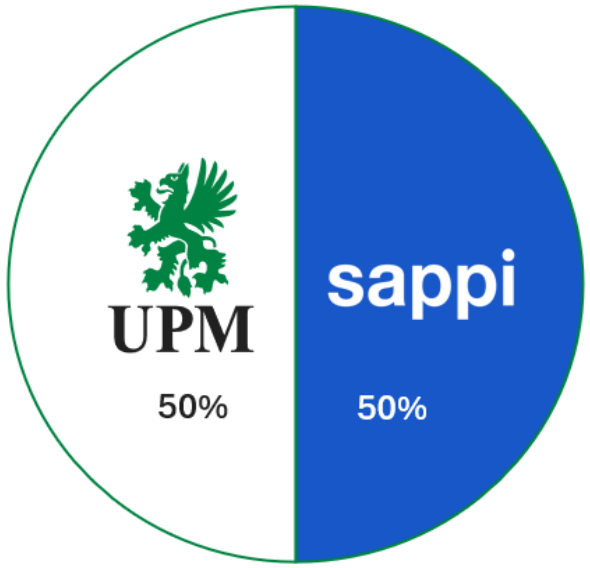
## Healthy, predictable and profitable growth

- 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

# Graphic paper Joint Venture update




**Independent graphic paper company**

**Mills**
UPM + Sappi
**8+4**

**Anticipated synergies**
€ million annually
**100**

- Definitive agreement with Sappi signed
- Financing agreements secured
- Experienced leadership team nominees appointed
- Carve-out preparations proceeding well
- Subject to merger control – most jurisdictions have approved the transaction, incl. China, South Africa and the U.S.
- European Commission restated its serious concerns about the planned Joint Venture on October 5
- The parties have opened discussion for specific remedies, but not divestments
- The European Commission's final decision is expected by year-end or shortly thereafter

# Demerger of Plywood business

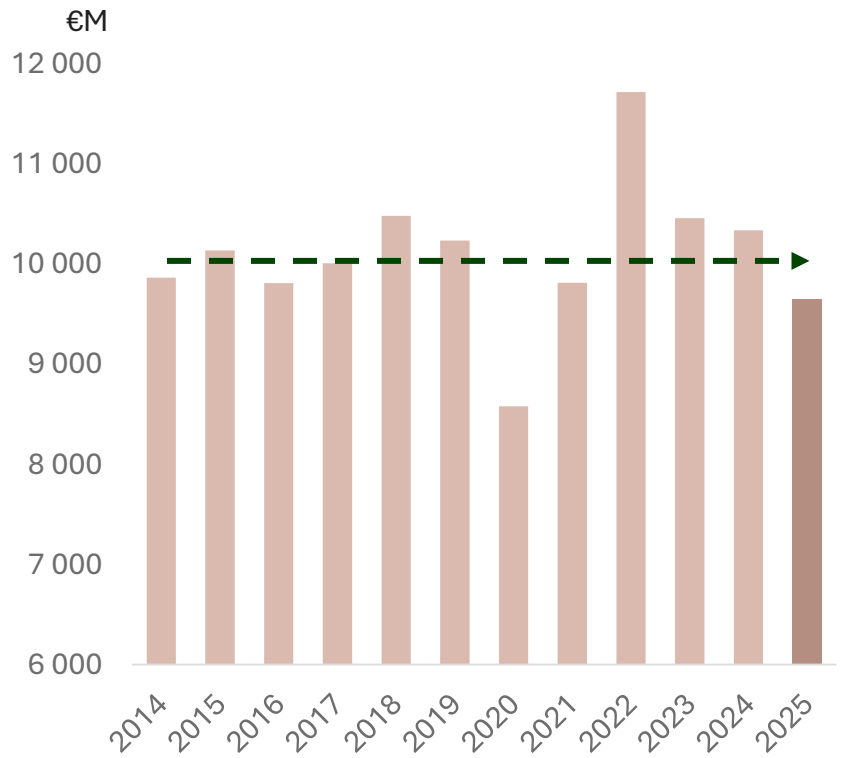
- WISA Group Plc to be established October 31
- Share of WISA planned to start trading November 2
- UPM shareholders will receive one (1) new share of WISA for each share owned in UPM
- No action required from the UPM shareholder
- Improved value creation potential for WISA as an independent company
  - › A leading player in premium categories
  - › Resilient track record through business cycles
  - › Ability to pursue strategic growth opportunities
  - › Increased visibility into key value drivers
  - › Experienced leadership team



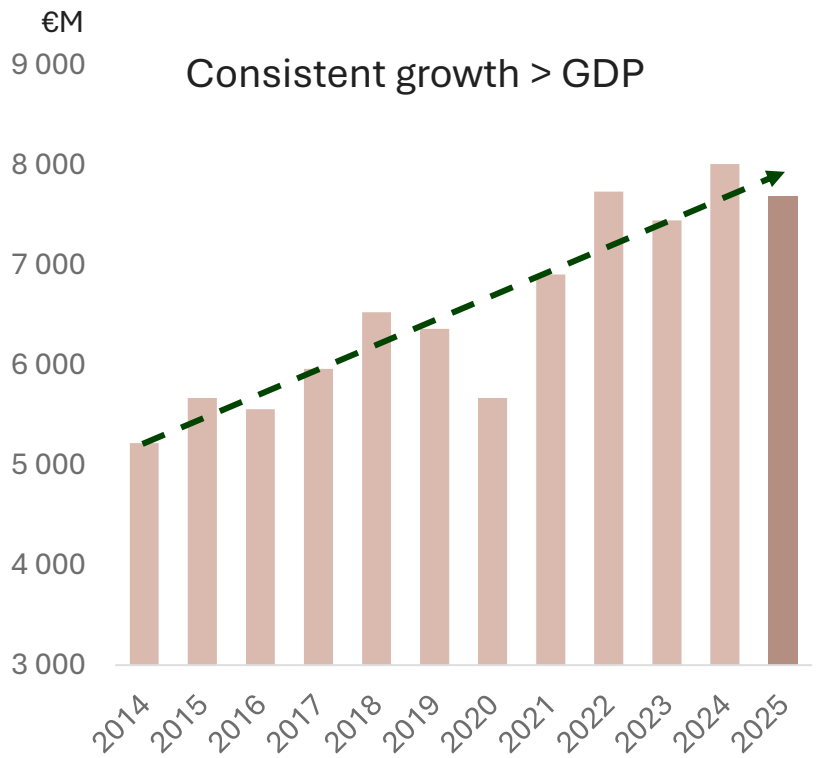

**One of the leading European plywood producers**

# A focused portfolio to enable accelerated growth in the coming years

## UPM sales



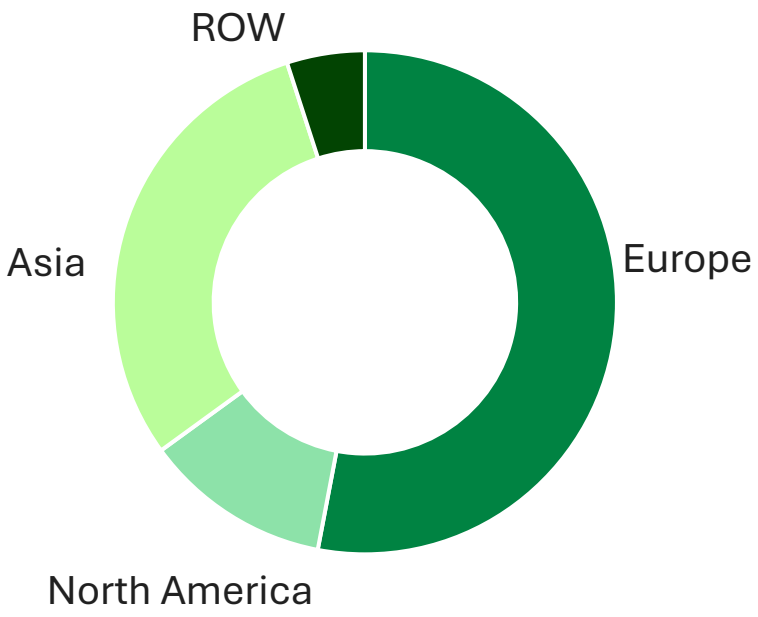

## UPM sales(*, excl. Communication Papers and Plywood



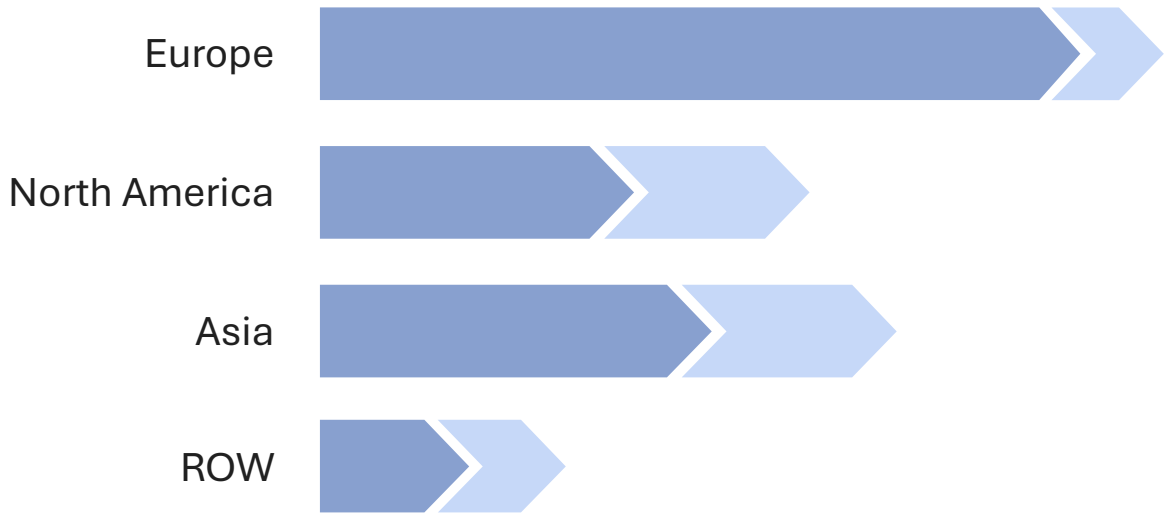

(* unconsolidated

# 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












# 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

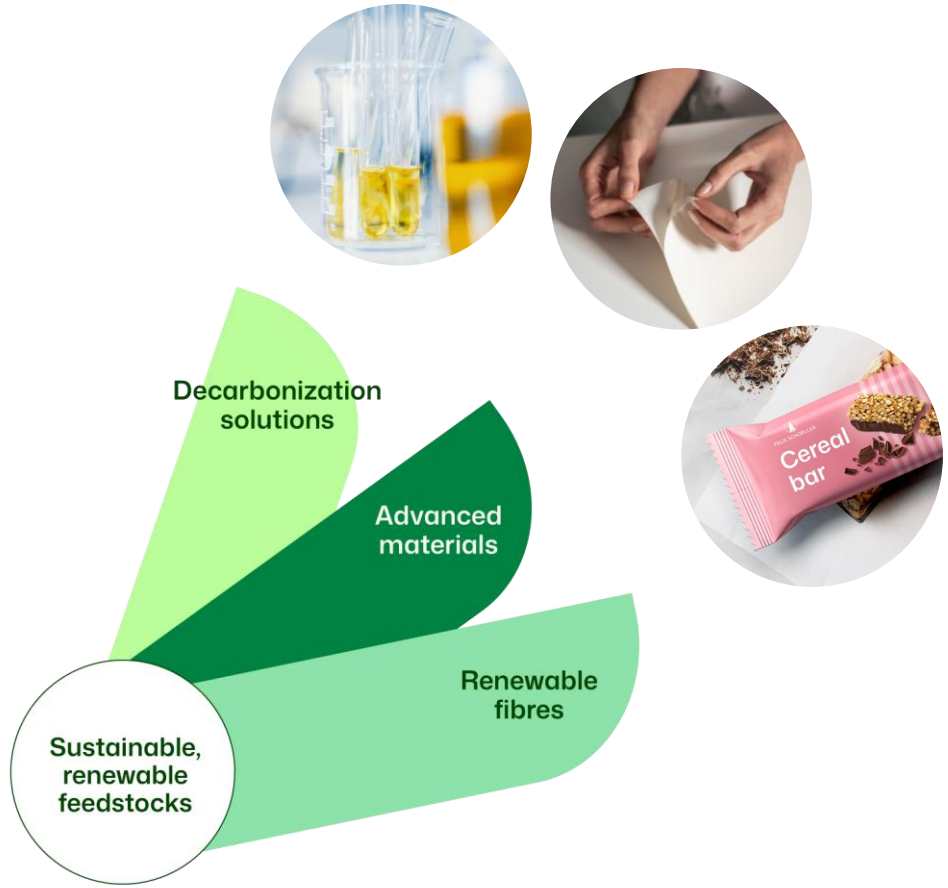
Intellectual property:

Over **5,000** patents

Over **2,000** trademarks

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



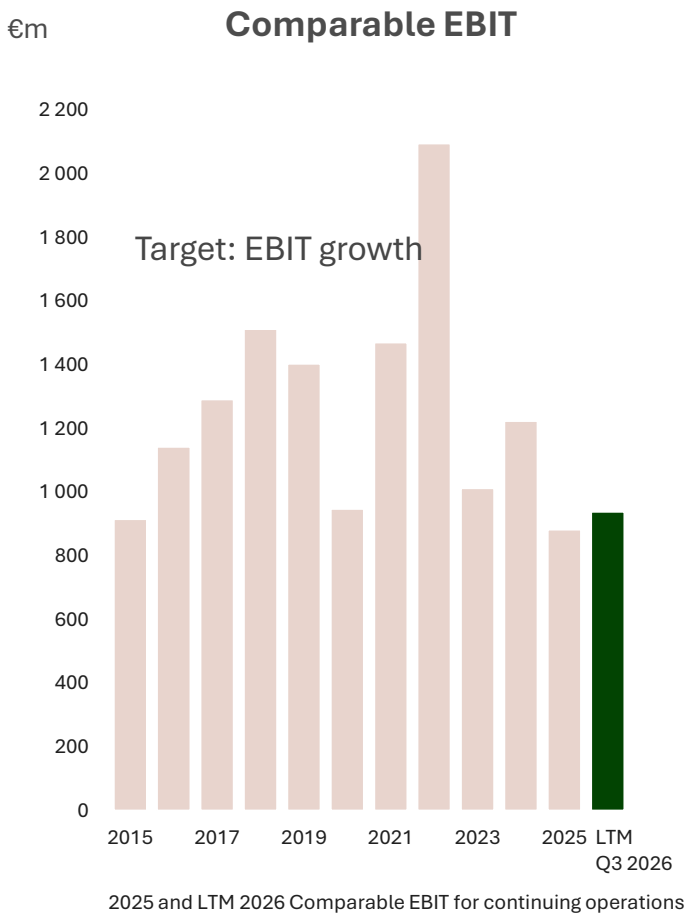
- Operations



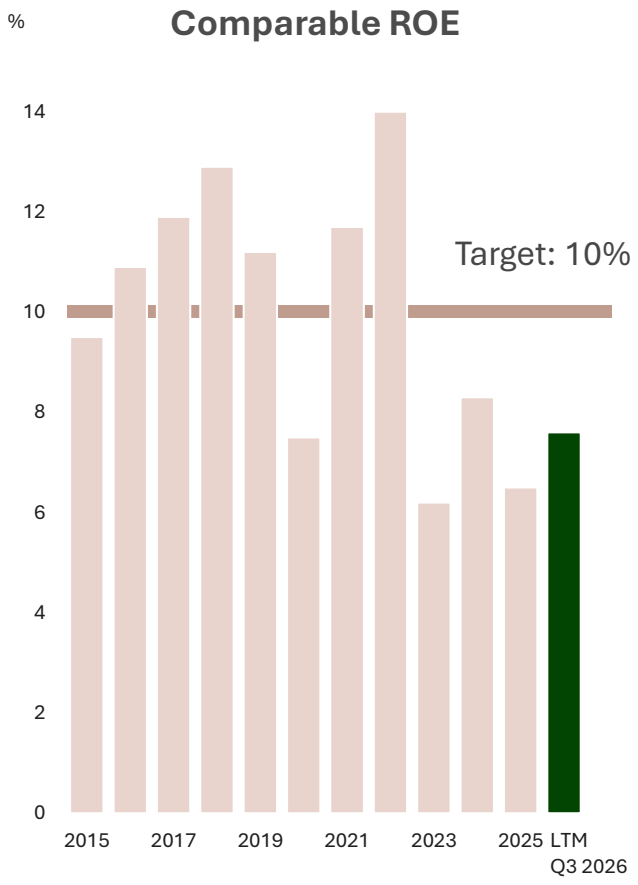
- Forests and plantations

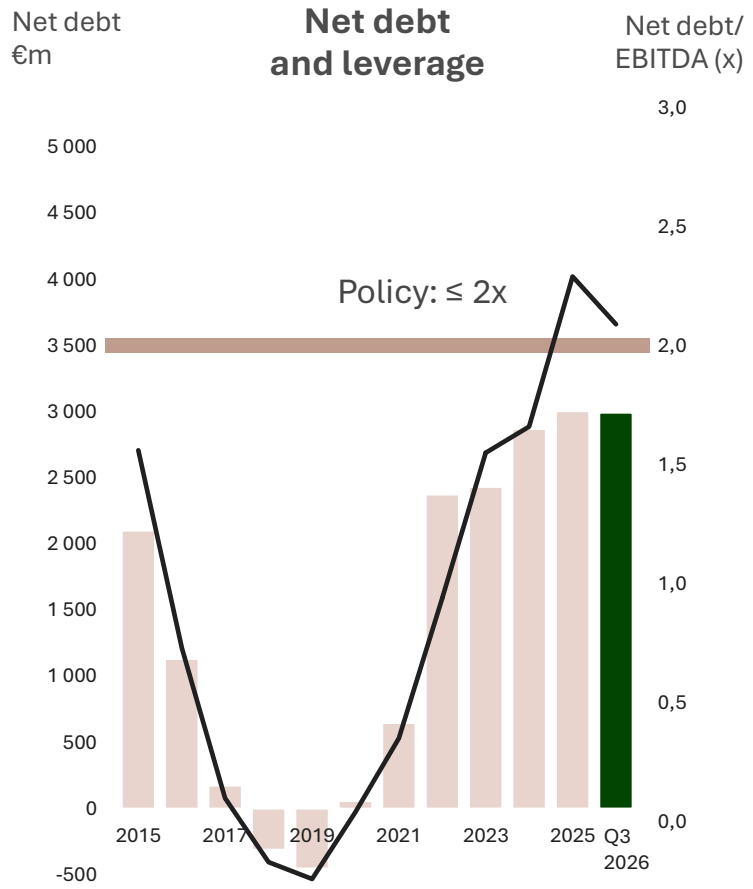


# Group financial performance and targets

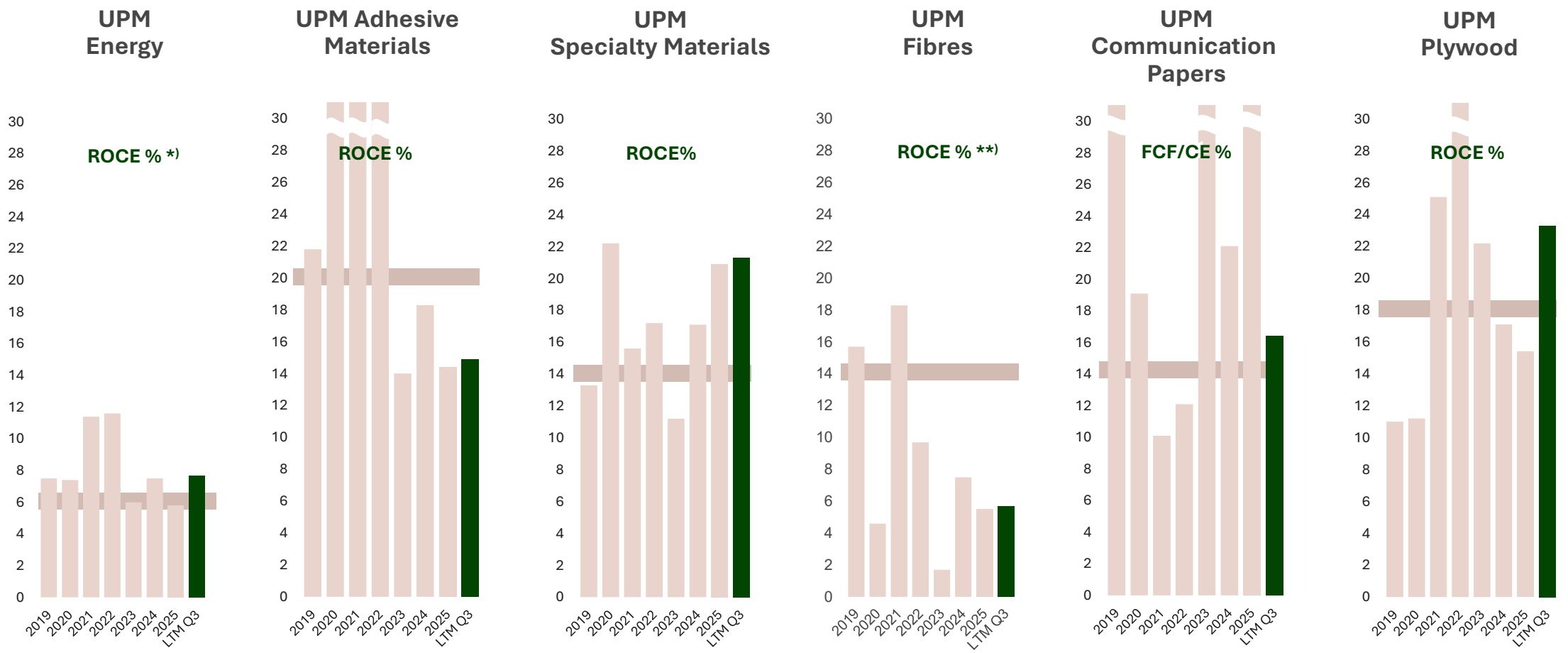



2025 and LTM 2026 Comparable EBIT for continuing operations



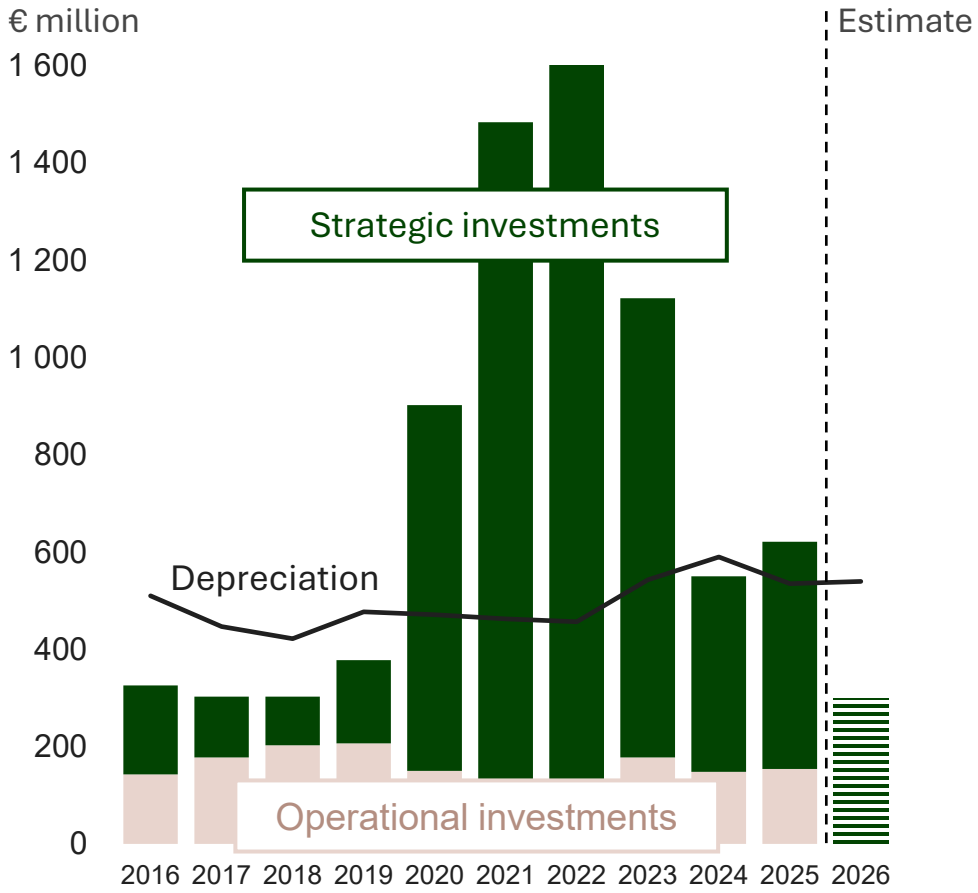



# Business area long-term return targets




*) *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

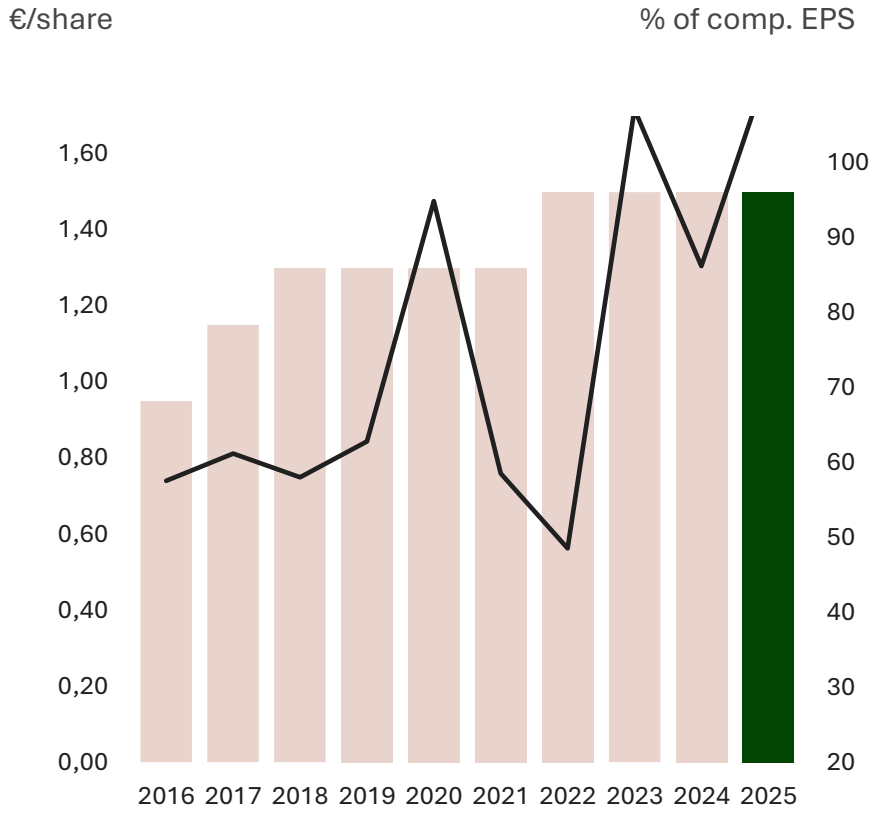
UPM aims to pay attractive dividends, targeting at least half of the comparable earnings per share over time.

### Dividend for the financial year 2025

| € / share | € million |
|---|---|
| 1.50 | 791 |

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

## Dividend 10 years





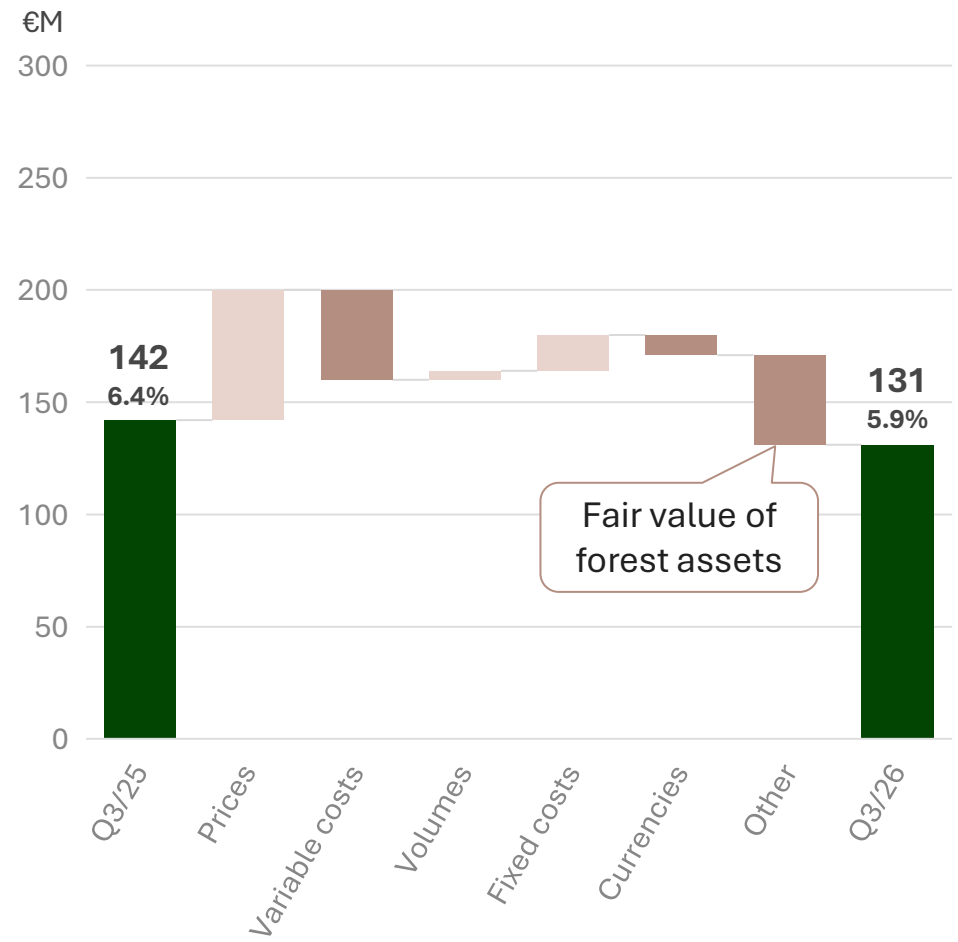
# Q3 2026 – strong cash flow in a challenging quarter amid destocking and cost inflation

- Sales from continuing operations totaled €2,202 million (2,226 million in Q3 2025)
- Comparable EBIT from continuing operations decreased by 8% to €131 million, 5.9% of sales (142 million, 6.4%)
- Q3 performance impacted by lower deliveries during customer destocking, and increased variable costs
- Actions to improve working capital efficiency resulted in strong operating cash flow at € 420 million (218 million)
- Transformative projects continued

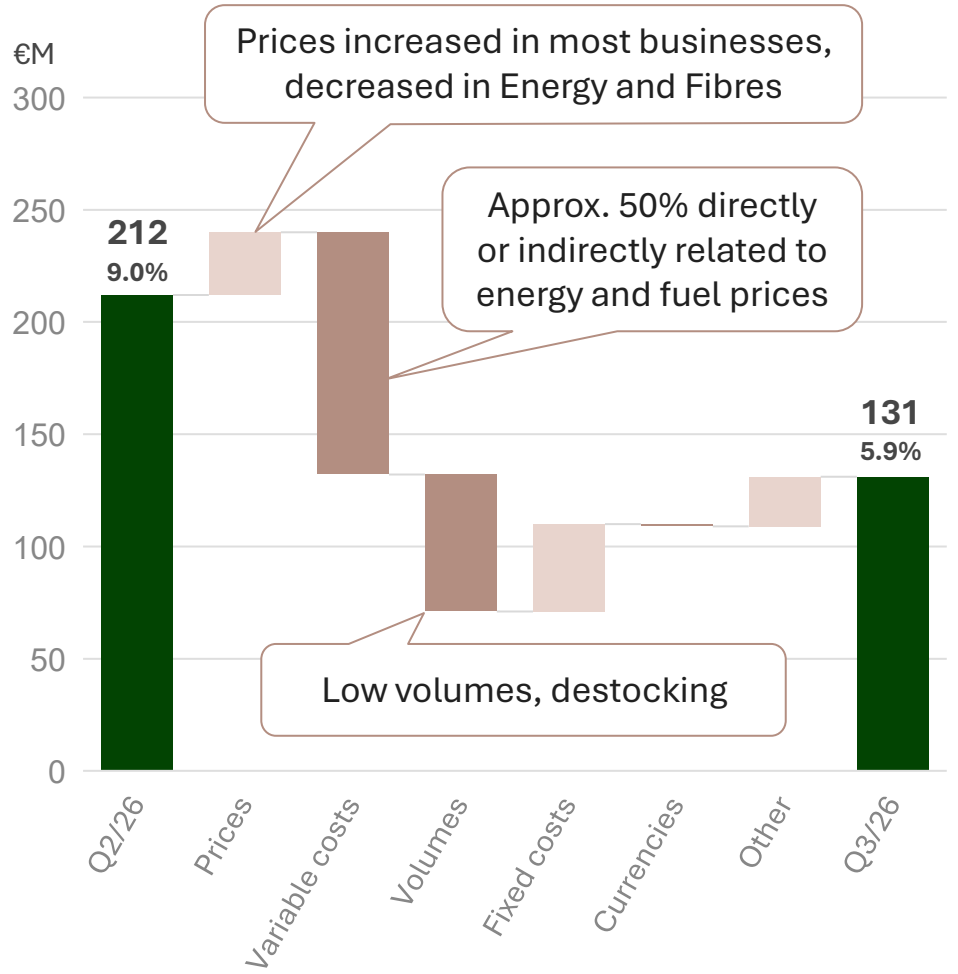
UPM Plywood is presented as discontinued operations

# Comparable EBIT in Q3 2026, continuing operations

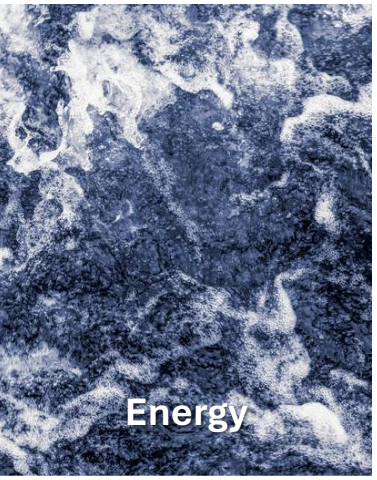
## Q3 2026 vs. Q3 2025

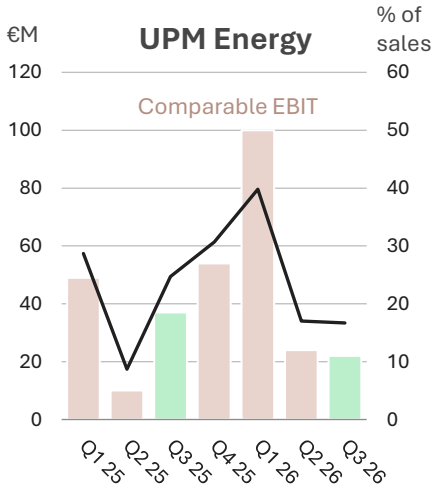



## Q3 2026 vs. Q2 2026



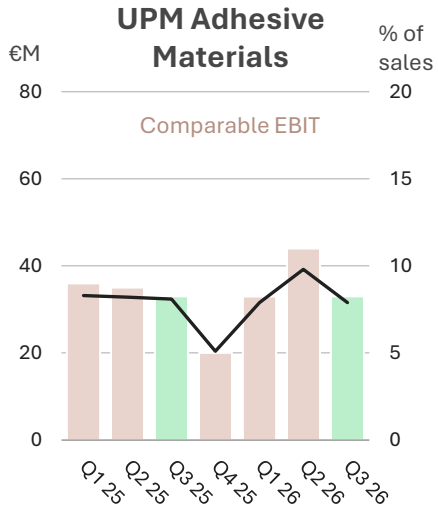
# Decarbonization solutions: strong markets and attractive long-term outlook

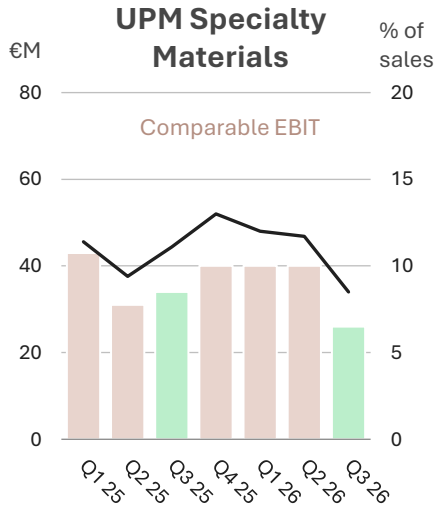
| | Markets | Actions | Results |
|---|---|---|---|
|   | Electricity consumption growth continued in Finland, +5% LTM to September<br><br>Q3 followed normal seasonality<br><br>Electrification, data centers and green transition drive growth<br><br>New data center projects announced in Finland during Q3 | Maximize value in the transforming markets<br><br>12 TWh of clean baseload electricity offering<br><br>~1 GW of new renewable energy development pipeline<br><br>~4 GW of sites suitable for data centers, other industrial actors | Q3 2026 comparable EBIT €22 million, 17% of sales<br><br>9M 2026 comparable EBIT €146 million, 28% of sales<br><br>OL3 maintenance shutdown in September-October |
|  | Good demand and healthy bio-premiums for advanced renewable fuels<br><br>Elevated fossil fuel prices | Capex-efficient debottlenecking Qualification process for SAF<br><br>Proprietary feedstock technologies development | Biofuels posted strong results<br><br>Lappeenranta refinery maintenance in Q3 |
|   | Robust demand and sales pipeline for biochemicals products | Leuna: two of three core processes in production. Third to start in Q2 2027<br><br>Production at nominal capacity to be reached in early 2028 | Biochemicals ramp-up ongoing |



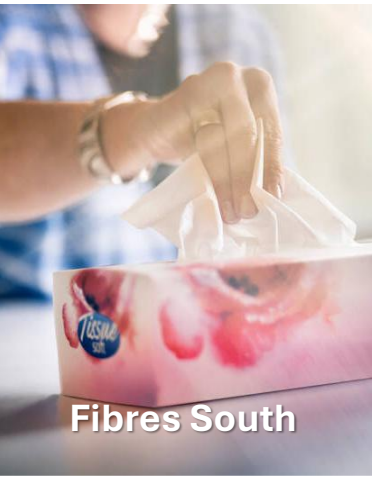
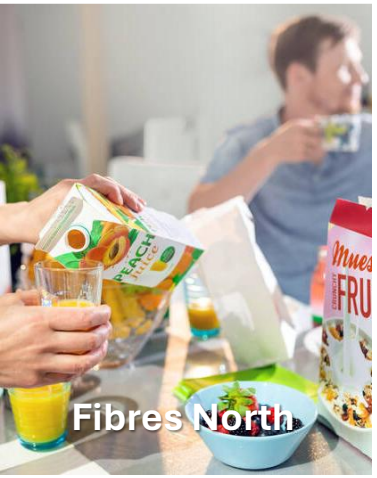
# Advanced materials: significant customer destocking impacted Q3 performance

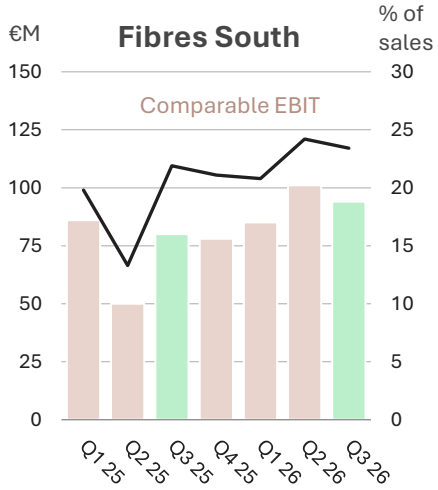
| | Markets | Actions | Results |
|---|---|---|---|
|   | Weak Q3 label materials demand in Europe (-5% yoy), impacted by heavy destocking<br><br>More stable markets in Asia Pacific<br><br>Slow demand (-X% yoy) in North America | Investments to grow in higher-margin products in the U.S.<br><br>Investments in higher-growth regions, Southeast Asia, India<br><br>Building position in graphics following recent acquisitions | Q3 2026 sales grew by 1% comparable EBIT €33 million, 8% of sales<br><br>Q3 performance impacted by lower volumes, amid destocking<br><br>9M 2026 comparable EBIT €109 million, 9% of sales |
|   | Low Q3 demand for label, release base and packaging papers in Europe, impacted by significant destocking<br><br>The U.S. markets were soft<br><br>Specialty paper markets in Asia were good, fine paper markets competitive | Barrier papers' product development continued<br><br>Capacity to grow with low investments | Q3 2026 sales decreased by 3%, comparable EBIT €26 million, 9% of sales<br><br>Q3 performance impacted by lower volumes, amid destocking<br><br>9M 2026 comparable EBIT €105 million, 11% of sales |

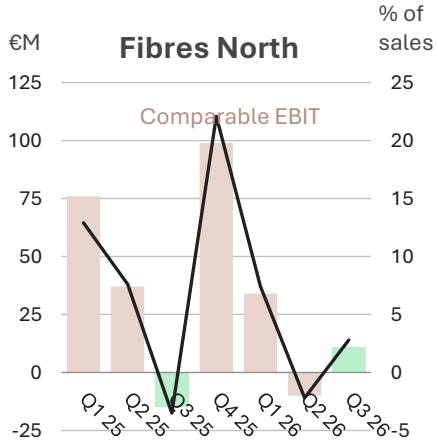


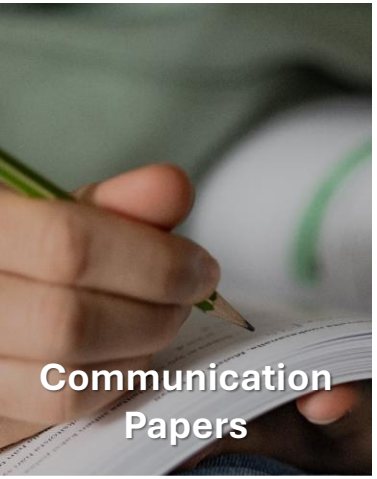
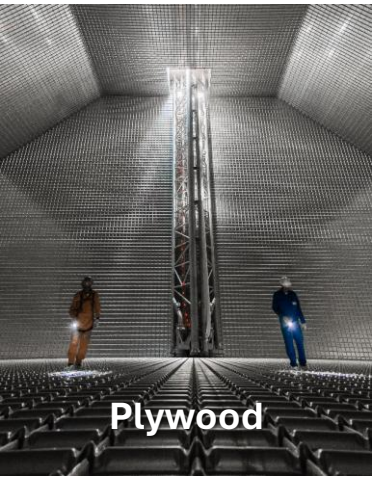
# Renewable fibres: improved performance

| | Markets | Actions | Results |
|---|---|---|---|
|   | Global hardwood pulp shipments -3% yoy in Jan-Aug/2026<br><br>Q3: demand seasonally slow in the summer, improved towards the end of the quarter<br><br>Hardwood pulp market prices decreased slightly in Q3 | Optimization of wood sourcing and inbound logistics, as the plantations reach maturity<br><br>Planning capex-efficient debottlenecking | World-class competitiveness<br><br>Q3 slightly lower sales price vs. Q2, lower deliveries ahead of Paso de los Toros maintenance<br><br>Q3 2026 comparable EBIT €94 million, 23% of sales<br><br>9M 2026 comparable EBIT €281 million, 23% of sales |
|   | Global softwood pulp shipments -2% yoy in Jan-Aug/2026<br><br>Low softwood pulp market prices continued<br><br>Pulpwood market prices in Finland have been broadly stable during 2026, having decreased approx. 30% from H1 2025 | Production curtailments during H2 2026 to optimize production and wood sourcing, and ensure profitability<br><br>8 weeks at the Kaukas mill<br>5 weeks at the Pietarsaari mill | Q3: slightly lower sales price vs. Q2, deliveries lower due to curtailments, no maintenance<br><br>Q3 2026 comparable EBIT €11 million, 3% of sales<br><br>9M 2026 comparable EBIT €35 million, 3% of sales |

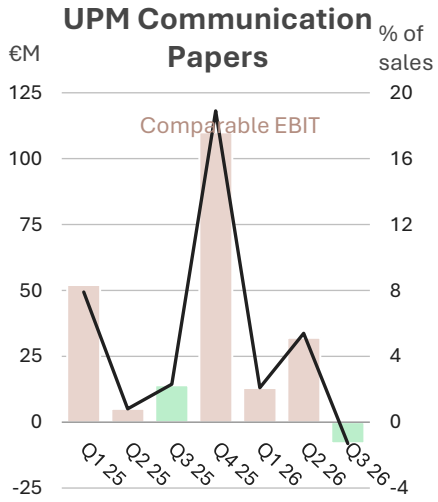


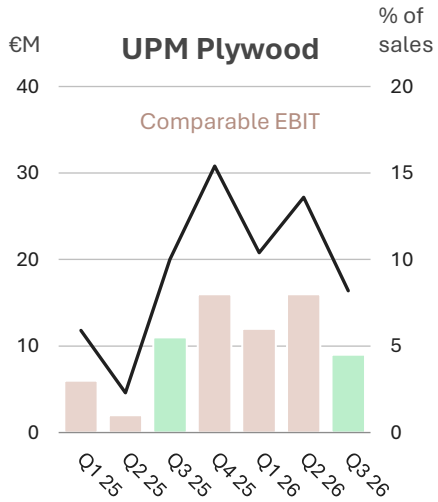



# Communication Papers: slower demand, increased energy-related costs

| | Markets | Actions | Results |
|---|---|---|---|
|   | European demand for graphic papers weakened, -7% yoy in Q3<br><br>North American demand for magazine and coated wood free papers in Q3 was flat yoy | Preparations continue for planned the graphic paper Joint Venture<br><br>The transaction is subject to merger control approvals<br><br>Lower fixed costs, following the closures in Q4 2025 | Q3 sales margin lower due to sharp increase in energy-related costs<br><br>Q3 2026 comparable EBIT €-8 million, -1% of sales<br><br>9M 2026 comparable EBIT €37 million, 2% of sales |
|   | Q3 demand in construction end-uses in Europe slowed down somewhat<br><br>Demand for plywood in industrial end-uses was good<br><br>Demand for LNG birch plywood was strong | EGM decided on the demerger plan on August 31, 2026<br><br>Demerger to be completed on October 31<br><br>WISA Group will start trading on Nasdaq Helsinki on November 2 | Q3 2026 comparable EBIT €9 million, 8% of sales<br><br>9M 2026 comparable EBIT €37 million, 11% of sales |

UPM Plywood is presented as discontinued operations



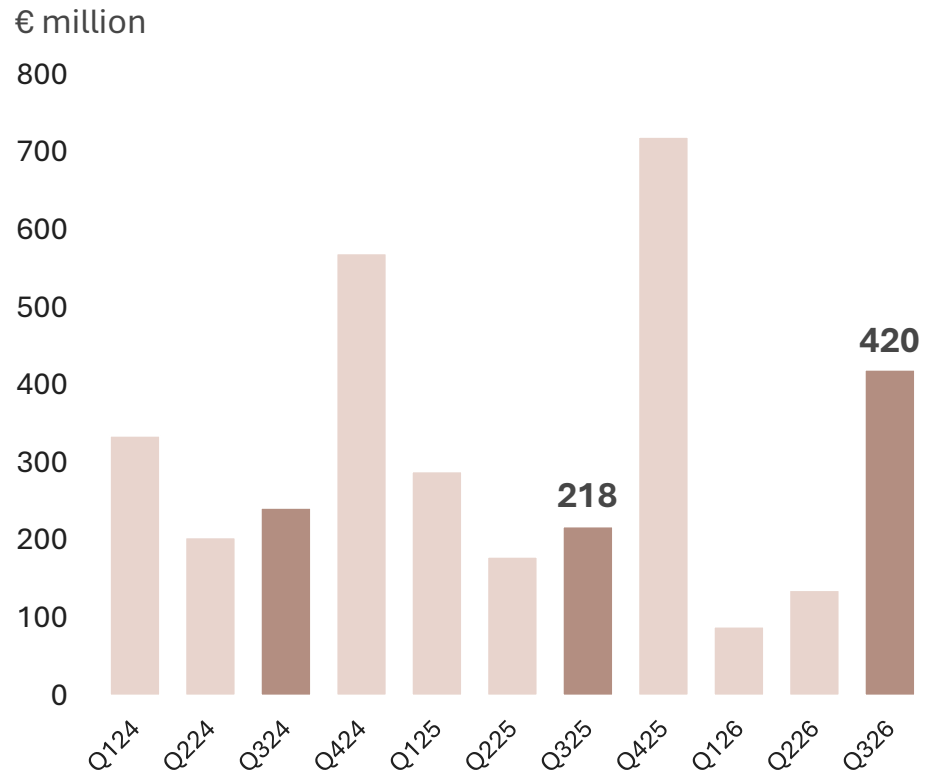



# Q1-Q3 2026 operating cash flow temporarily impacted by seasonal working capital, items affecting comparability

## Cash flow [1]

| € million | Q1-Q3 2026 | Change yoy |
|---|---|---|
| **Comparable EBITDA** | **1,048** | **+119** |
| Utilised provisions | -102 | -33 |
| Other adjustments | -41 | -71 |
| Change in working capital | -63 | -38 |
| Finance costs, taxes | -196 | -16 |
| **Operating cash flow** | **645** | **-40** |
| | | |
| Investing cash flow | -182 | +210 |
| | | |
| **Free cash flow** | **462** | **+170** |

## Operating cash flow [1]




[1 includes continuing and discontinued operations

# Solid financial position

## Balance sheet

### Net debt (1

€ million September 30, 2026

**2,993**

Net debt / EBITDA ratio 2.09

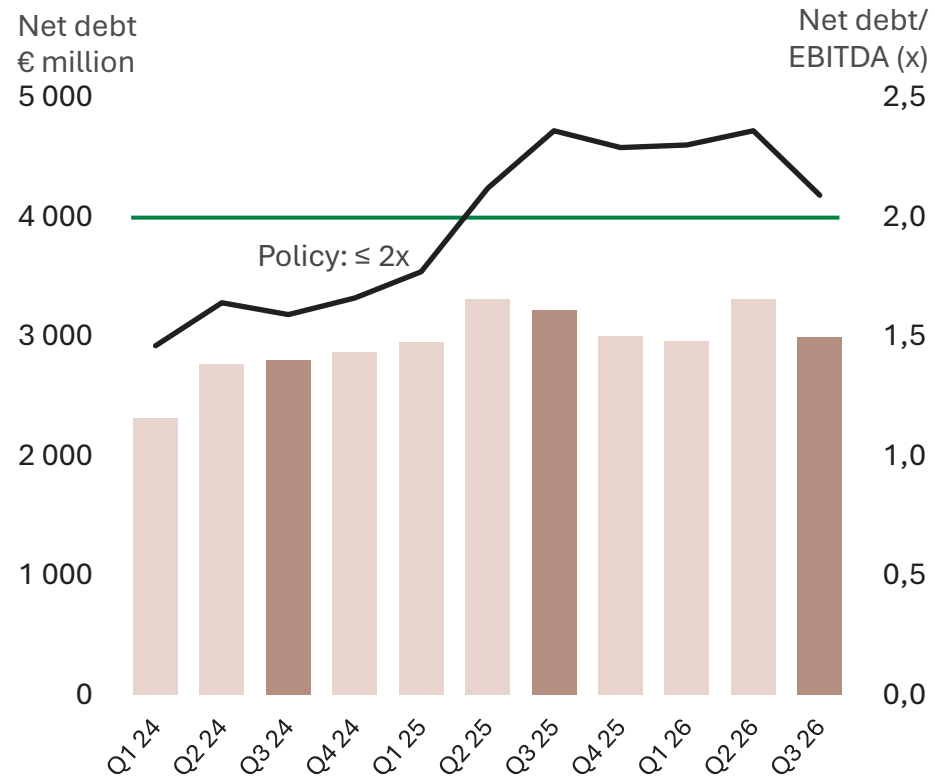
### Cash funds

and unused credit facilities, € million

**2,600**

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 Q3 2026, before hedging, € million**

| | |
|---|---|
| USD | 1,301 |
| UYU | -311 |
| GBP | 128 |
| JPY | 126 |
| CNY | 85 |
| Others | 122 |
| **Total** | **1,453** |

**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 2026, UPM's estimated net currency cash flows for the next 12 months totaled approximately €1,453 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

# Maintenance shutdowns in 2026 and 2027

| Timing | Unit |
|---|---|
| Q2/26 | Olkiluoto nuclear power plant units OL1 and OL2<br>UPM Pietarsaari pulp mill |
| Q3/26 | UPM Lappeenranta biorefinery |
| Q3-Q4/26 | Olkiluoto nuclear power plant unit OL3 |
| Q4/26 | UPM Paso de los Toros pulp mill |
| Q2/27 | Olkiluoto nuclear power plant units OL1 and OL2<br>UPM Fray Bentos pulp mill<br>UPM Kymi pulp mill<br>UPM Lappeenranta biorefinery turnaround |
| Q3/27 | UPM Kaukas pulp mill |

**Maintenance shutdowns have an impact on**

- Maintenance costs
- Production volumes
- Operational efficiency

# Outlook (*

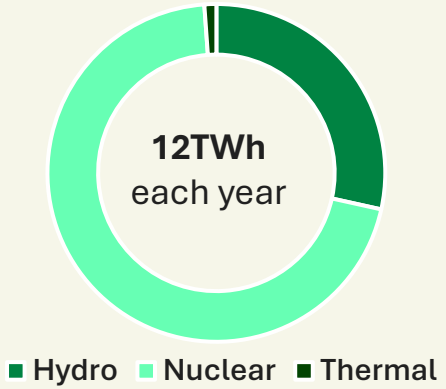
- **Profit guidance:** UPM's comparable EBIT in H2 2026 from continuing operations is expected to be approximately in the range of €375-575 million (€479 million in H2 2025, and €471 million in H1 2026). These figures exclude UPM Plywood, which is classified as discontinued operations.
- **Outlook:** In H2 2026, compared with H1 2026, UPM's delivery volumes are expected to decrease. UPM's performance is expected to be supported by moderately higher sales prices. Variable costs are expected to increase. 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 moderately.
- In H2 2026, compared with H2 2025, UPM's performance is expected to benefit from higher sales prices. Variable costs are expected to increase. 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 Interim Report Q3 2026
for the full Guidance, Outlook and sensitivities

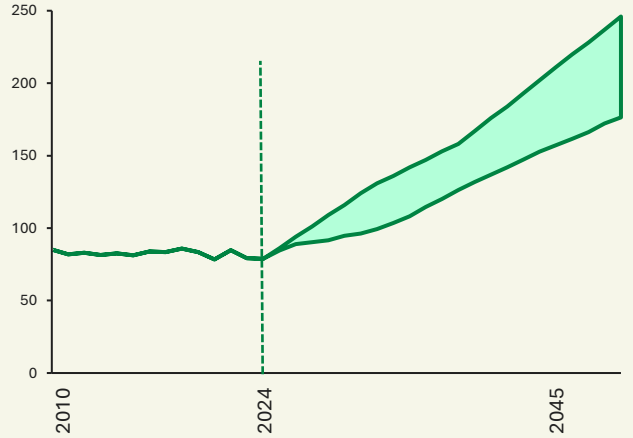
# Our businesses

# 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




**CAGR**
**+3-5% pa**

## 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 is a strong partner for data centers

**12 TWh**

**Reliable $CO_2$-free electricity production, #2 in Finland**

Able to offer long-term power purchase agreements (PPAs)

Trading and balancing services

**~4 GW(***

**Suitable sites for data centers**

Ready to build:

~1 GW within 2 years

~3 GW within 5 years

**~1 GW(***

**Renewables and battery development portfolio**

Ready to build:

within 2 years

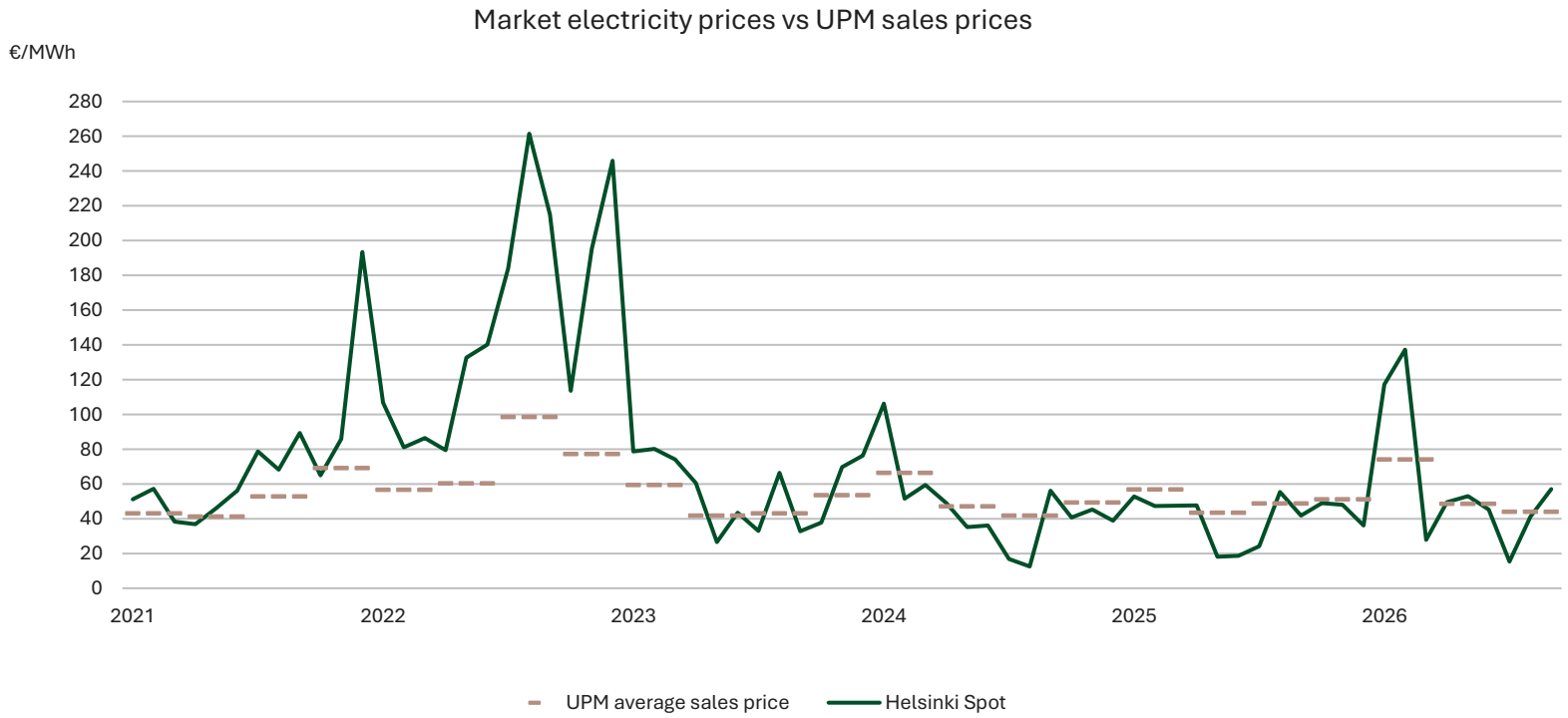
## Reliable and responsible industrial operator

Extensive expertise in permitting and projects in Finland

Finland's second-largest landowner

(* Pending grid allocation and finalization of permitting
Additional longer-term potential for both sites and renewables, depending on grid development

# UPM Energy: Electricity market prices




| UPM Energy profitability | 2021 | 2022 | 2023 | 2024 | 2025 | YTD 2026 |
|---|---|---|---|---|---|---|
| Comparable EBIT, € million | 270 | 381 | 182 | 181 | 151 | 146 |
| % of sales | 51,3 | 52,0 | 29,0 | 28,9 | 24,5 | 27,9 |

UPM Biofuels

# 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

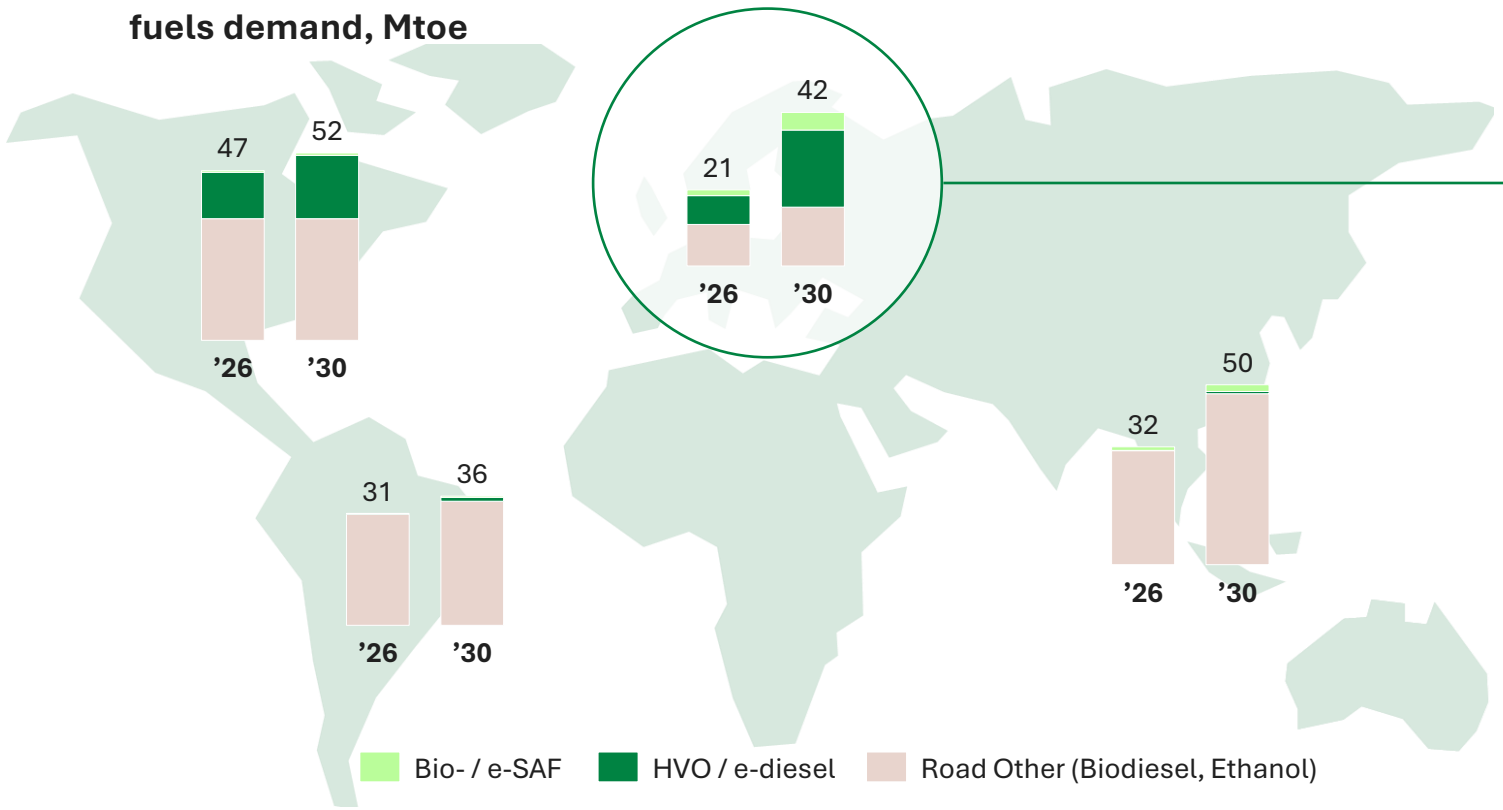
Qualification of CTO-derived UPM biofuels as Sustainable Aviation Fuel (SAF)



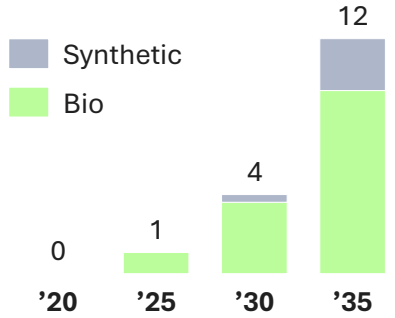
UPM Biofuels

# Renewable fuels demand outgrows planned capacity as of 2030

**Global sustainable fuels demand, Mtoe**

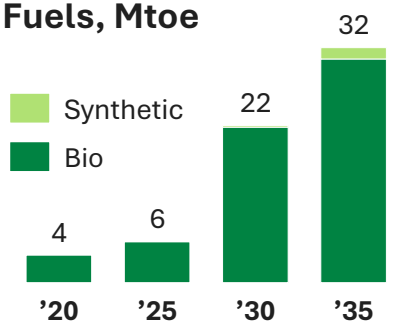



**Europe SAF, Mtoe**




Regulated demand increase accelerating as of 2030

**Europe Road Renewable Fuels, Mtoe**




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

# 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

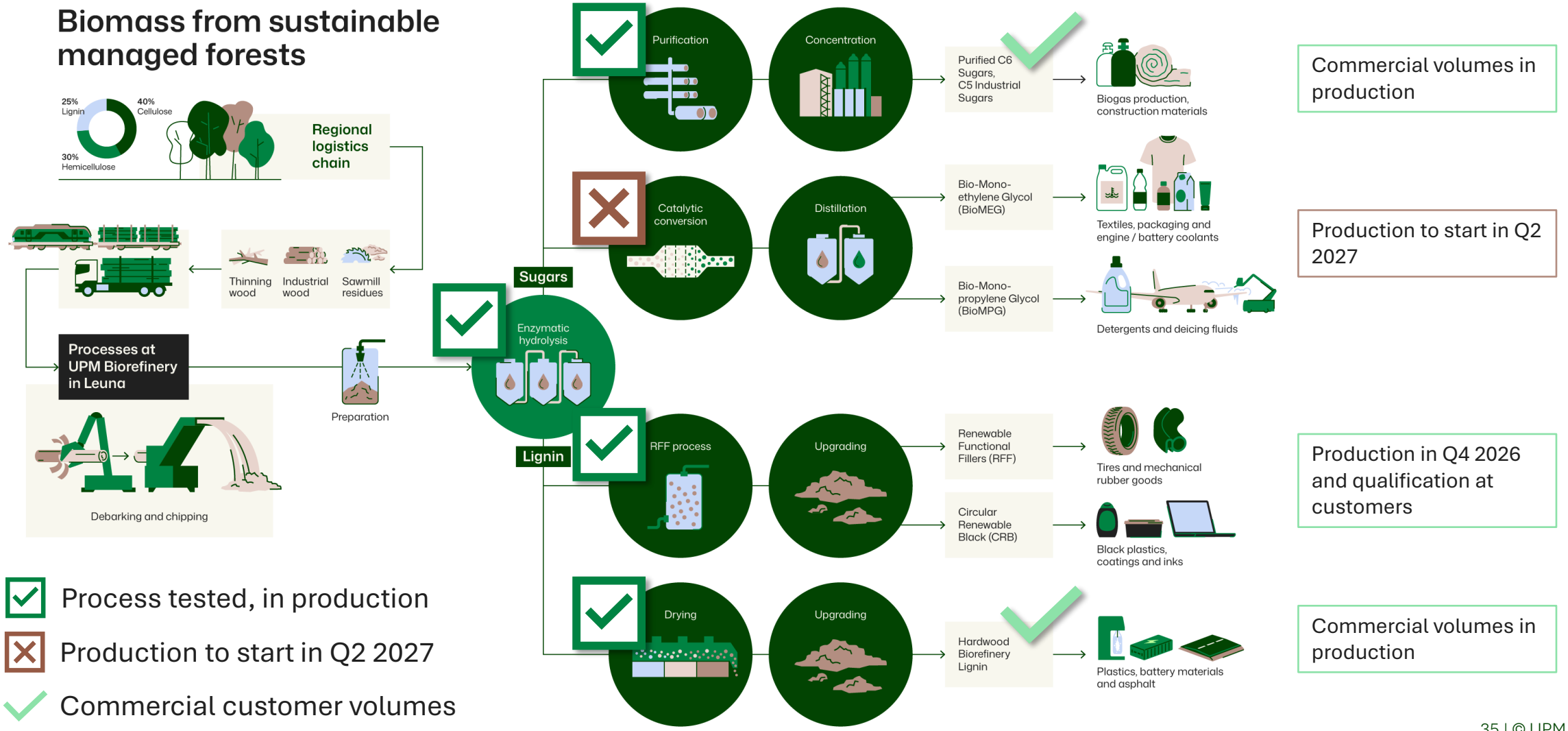


# Biochemicals business ramp-up continues

## Biochemicals long-term business case, including attractive growth and profitability outlook is intact

- Commercial interest in the main products and side-streams is strong
- High-value product range and technology options have been widened further
- At the Leuna refinery, two of three core processes have been tested and are in production
- Third process requires a certain modification, to be completed in Q1 2027
- Integrated production is expected to start in Q2 2027, nominal capacity to be reached in early 2028. This is the prerequisite for EBIT positive operation
- On this basis, the EBIT impact for the full year 2027 is expected to be on broadly similar level as in 2026

# Leuna biorefinery integrated production is expected to start in Q2 2027, nominal capacity to be reached in early part of 2028



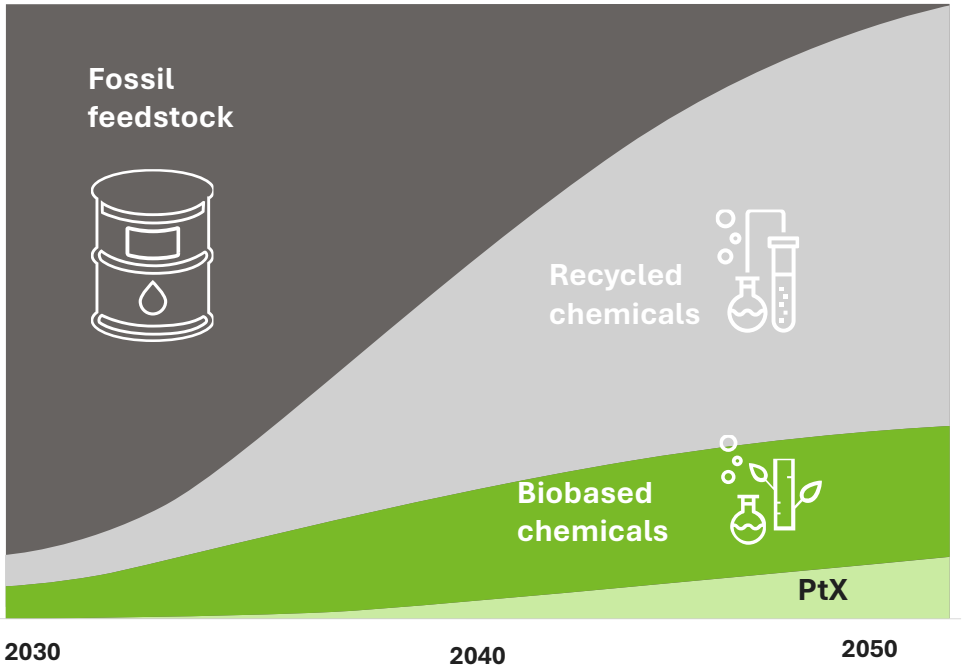
UPM Biochemicals

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

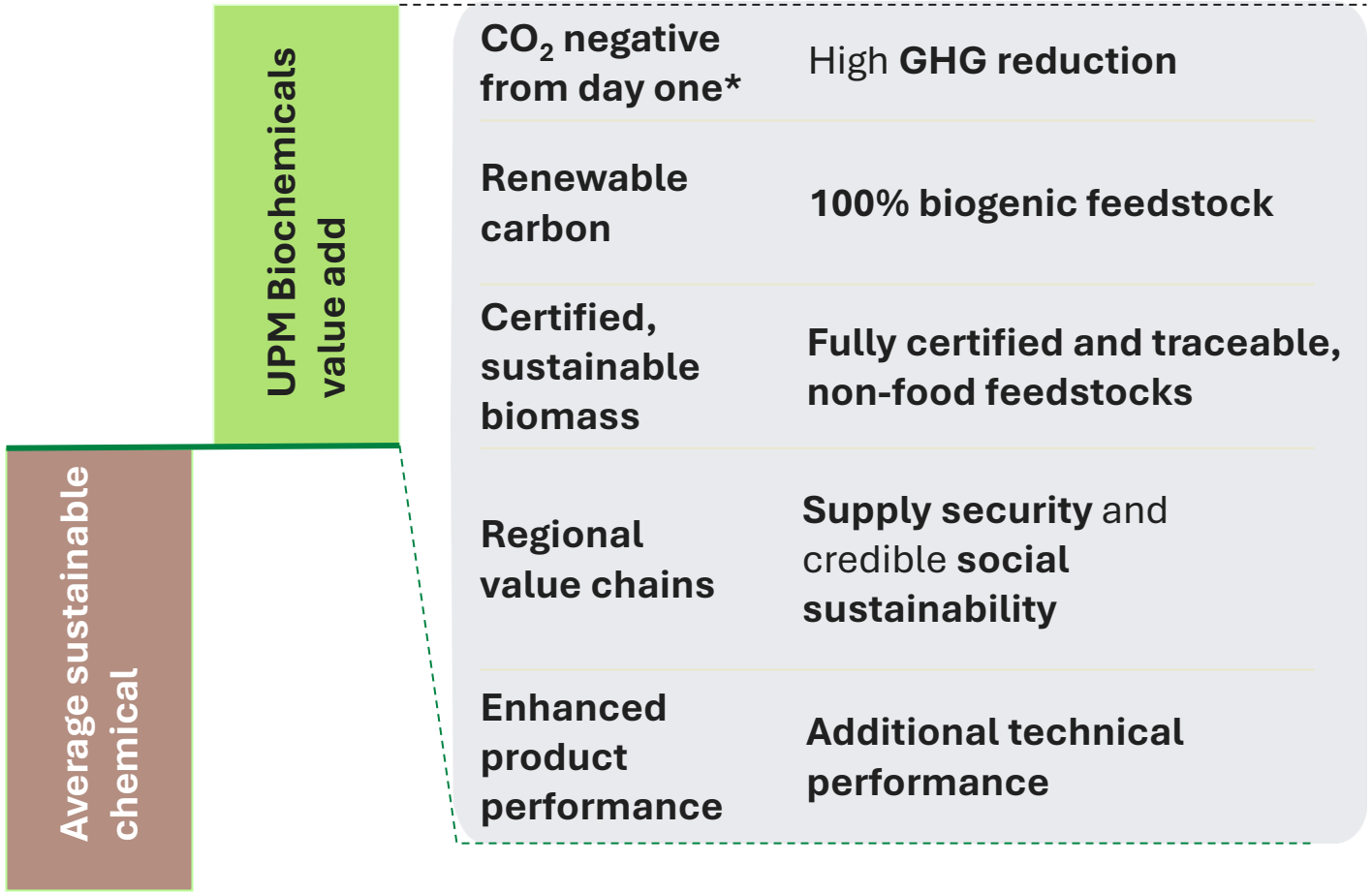
## Net-zero commitments of major global brands will reflect on demand for sustainable chemicals

| | |
|---|---|
| On, Nike, Patagonia | Scope 3: *relative* -55% by 2030<br>Scope 3: -30% by 2030<br>2040 |
| Stellantis, Mercedes-Benz, BYD | 2038<br>2039<br>2060 |
| Coca-Cola, Nestlé, PepsiCo | Scope 3: -25% by 2030<br>2050<br>2040 |
| L'Oréal, Unilever, P&G | 95% non-fossil ingredients by 2030<br>2039<br>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




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

selenis

nokian TYRES

HAERTOL Chemie GmbH

Dongsung CORP.

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

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



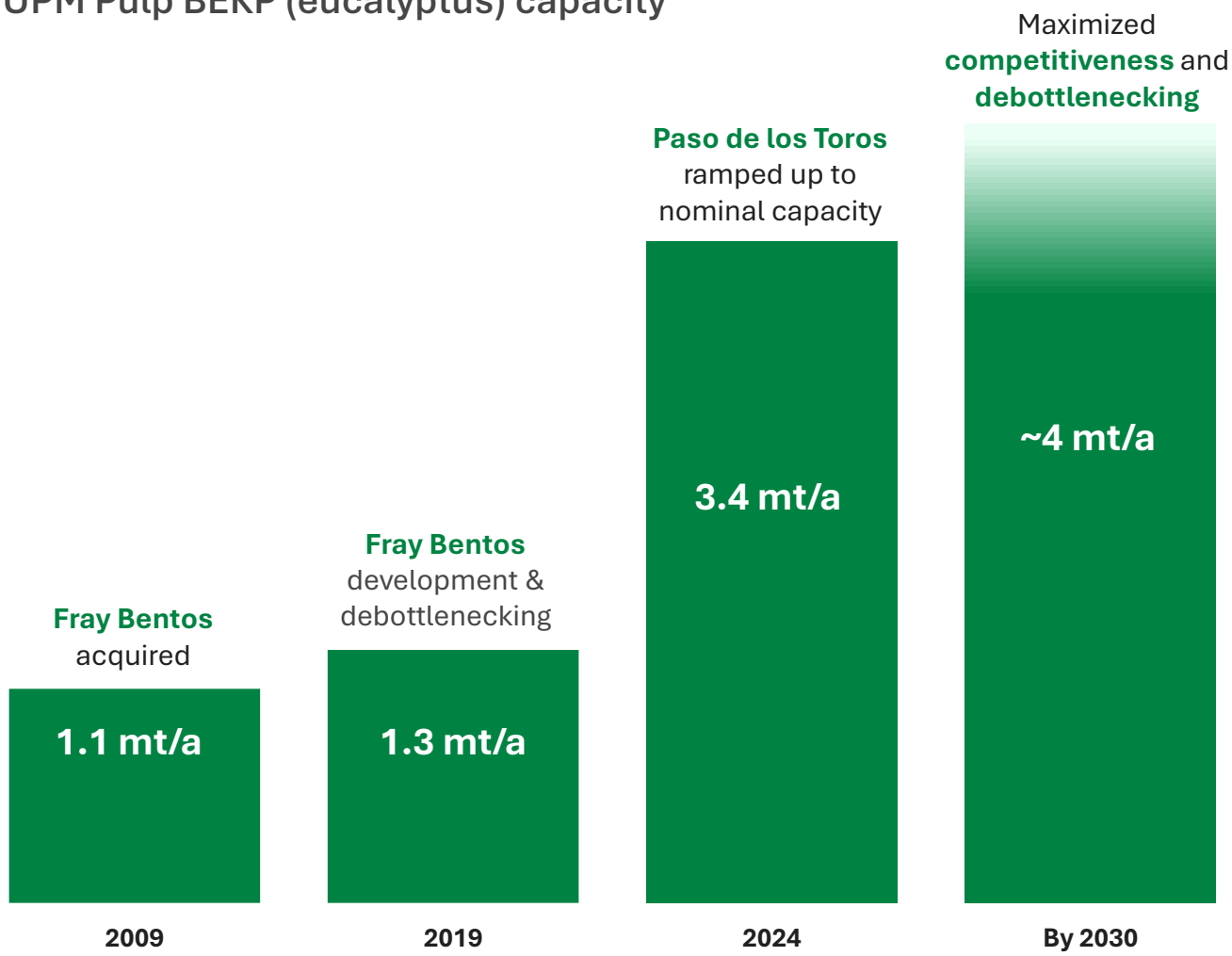
## Efficient logistics

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

UPM Fibres

# Growth ambition in hardwood pulp

## UPM Pulp BEKP (eucalyptus) capacity



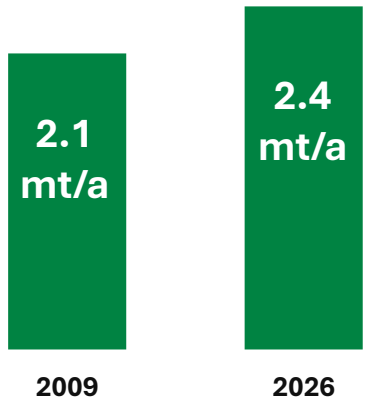

Source: UPM



UPM Fibres

# Fibres North: focus on profitability and value maximization

## Well-maintained pulp capacity in Finland



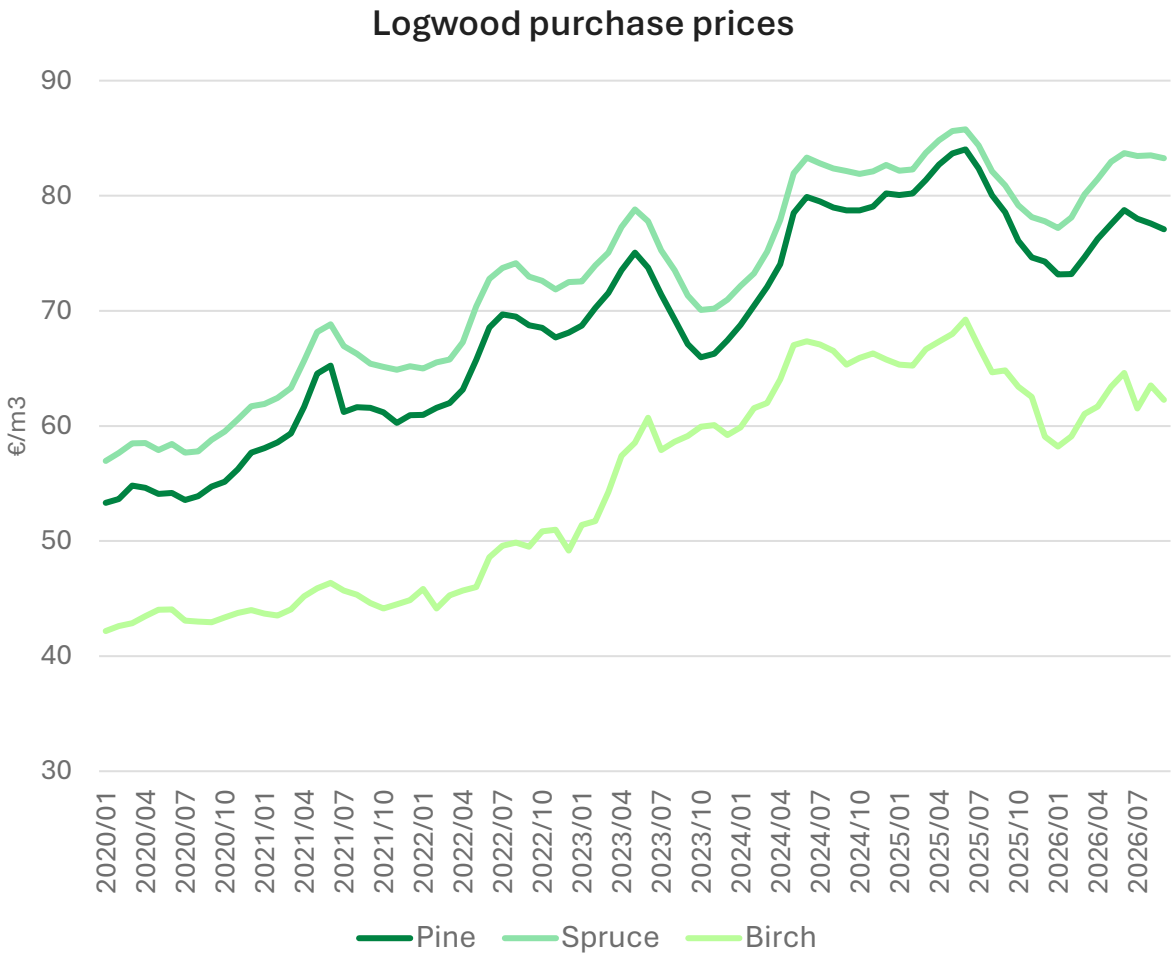

## Tight wood market

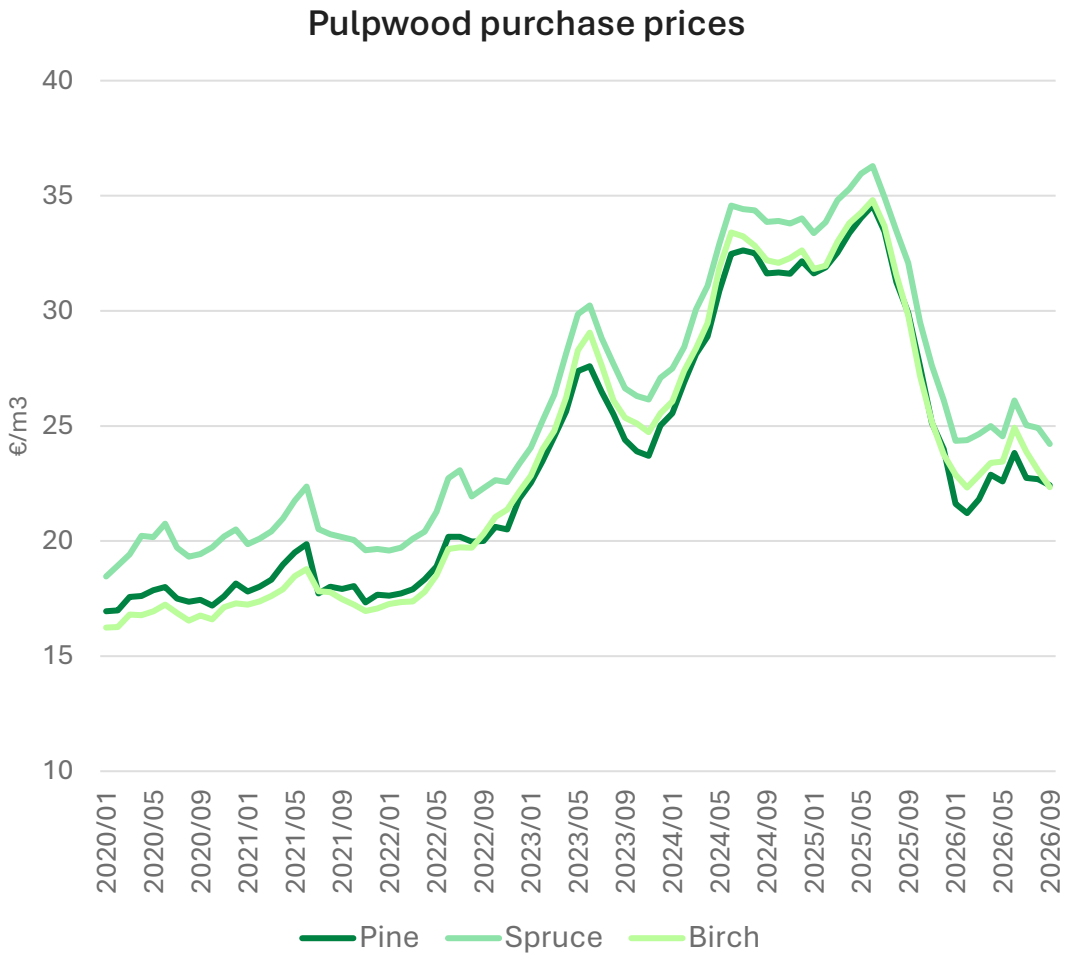
- Nordic forest-based industry is facing tight wood supply and elevated wood costs
- End of Russian wood imports and peers' investments created a structurally tight wood market

## 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

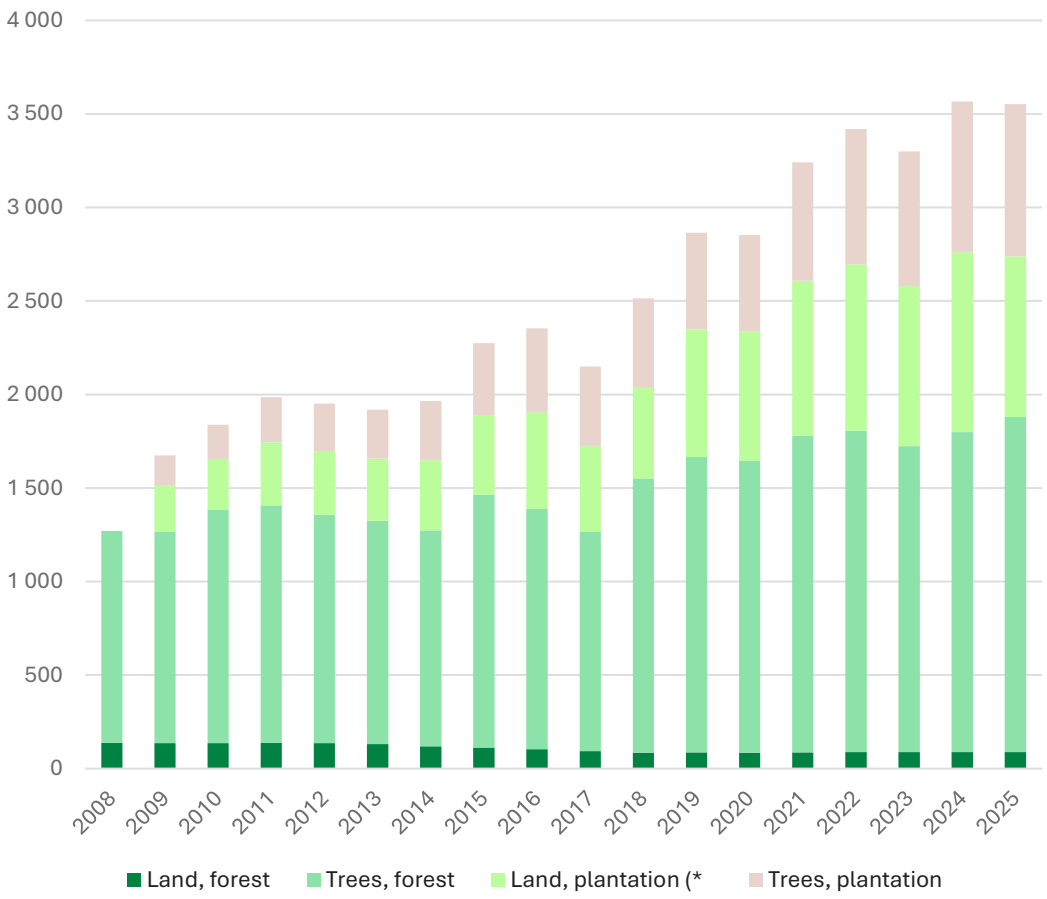
# Wood market prices in Finland 2020–2026




Source: Natural Resources Institute Finland

# 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

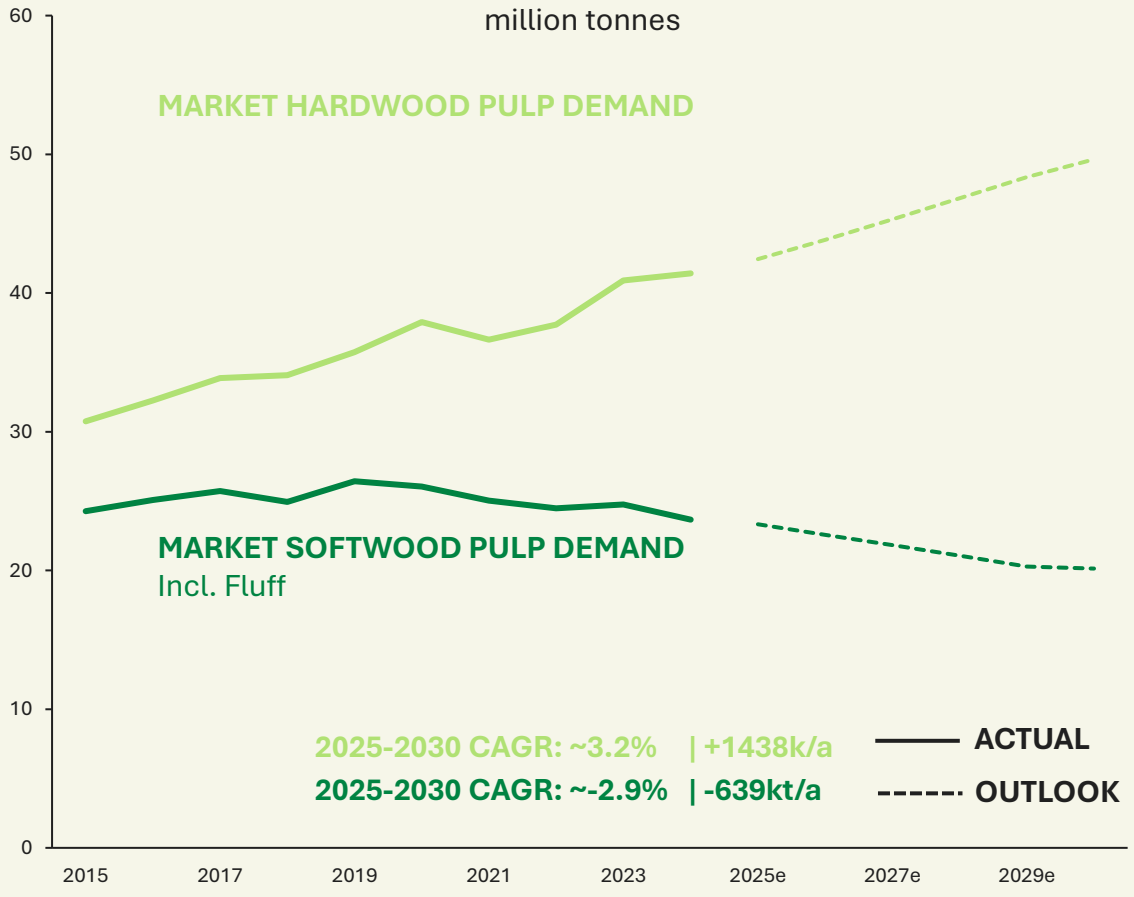
"Slow turnover, high inventory"

- 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/$m^3$)

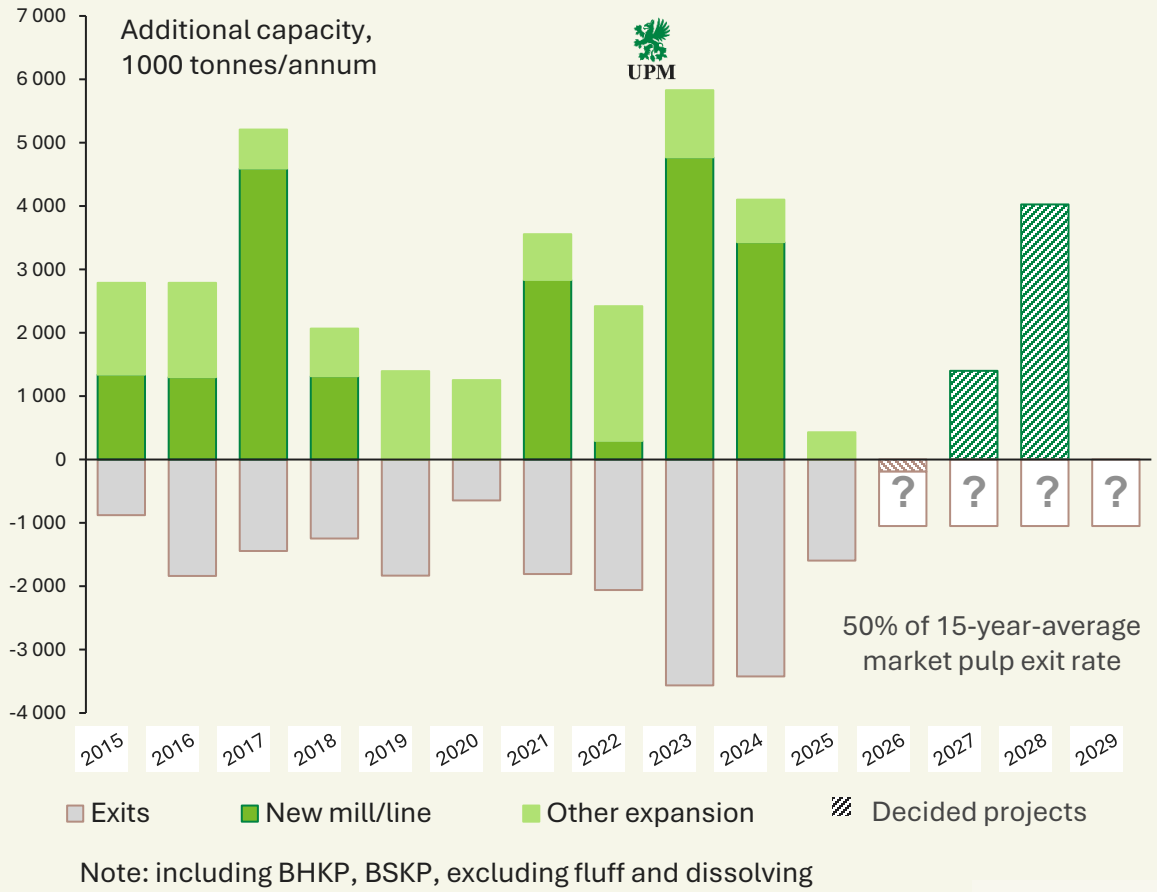
UPM Fibres

# Robust demand outlook for market pulp

## Market pulp shipments trend



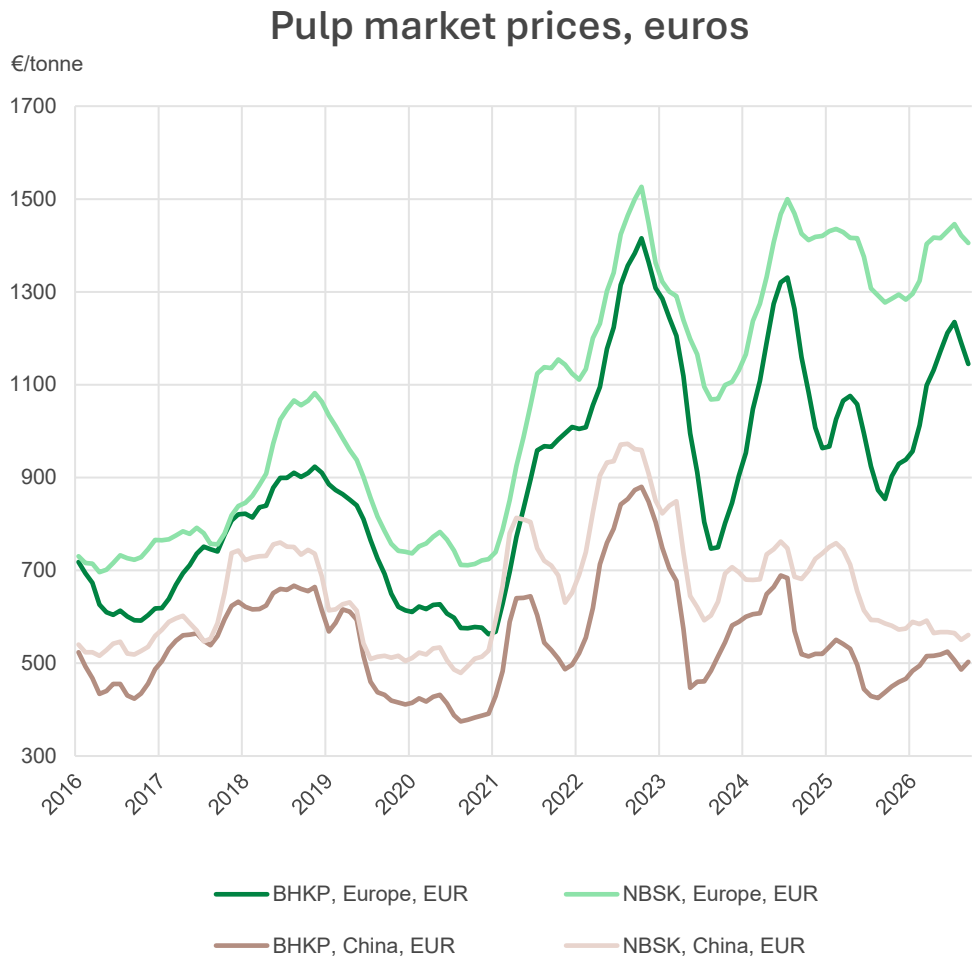

## Entry of market bleached pulp capacity

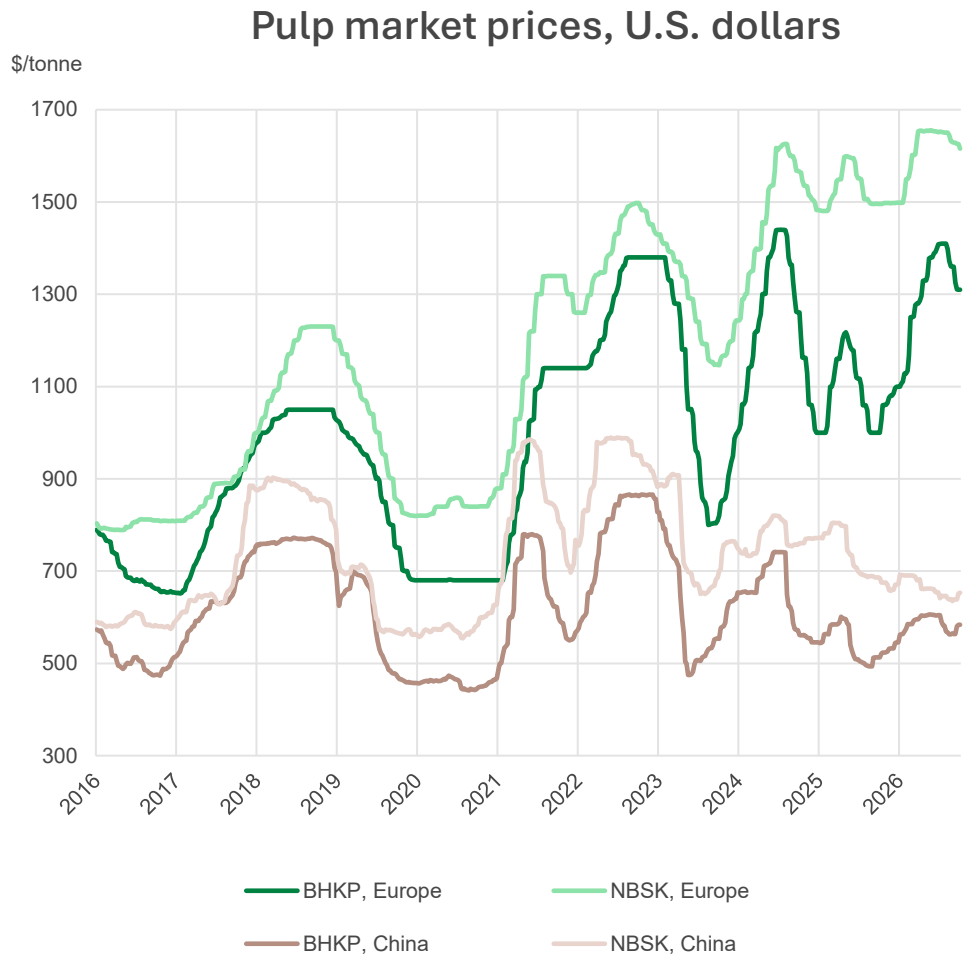



Note: including BHKP, BSKP, excluding fluff and dissolving

Source: AFRY, PPPC, UPM analysis

# UPM Fibres: Chemical  pulp market prices




Source: FOEX Indexes Ltd

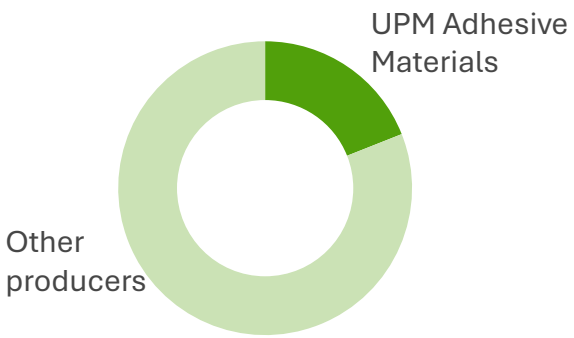
UPM Adhesive Materials

# The self-adhesive label stock market

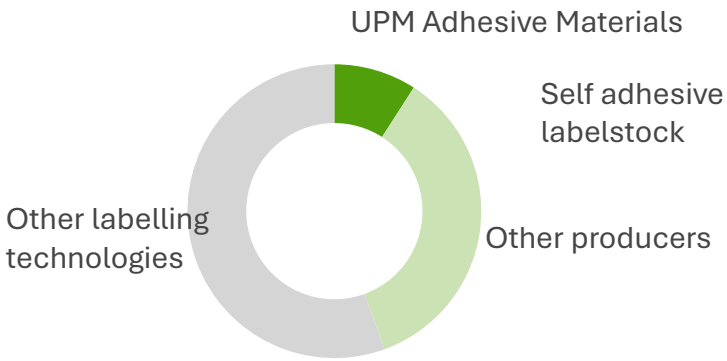
- >EUR 10bn global market
- ~3-4% p.a. growth
- Private consumption driven
- Largest of the labelling technologies
- <25% of total self-adhesive materials markets



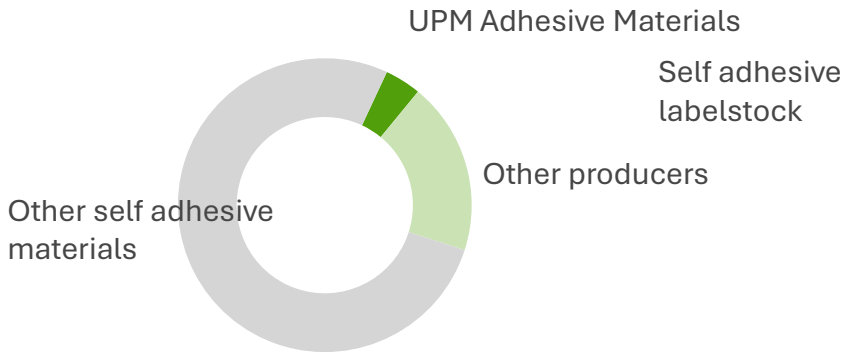

## Self-adhesive labelstock market




## All labelling technologies



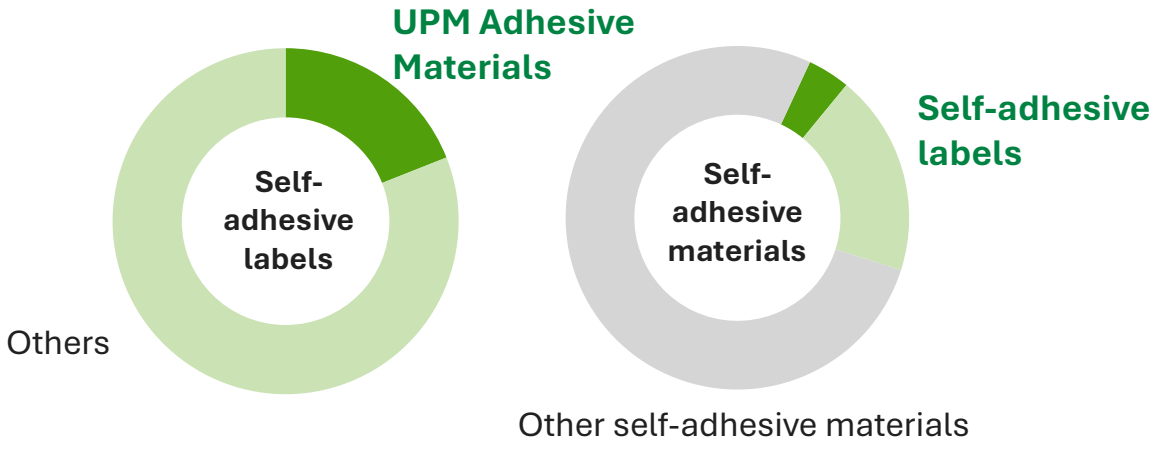

## All self adhesive materials



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



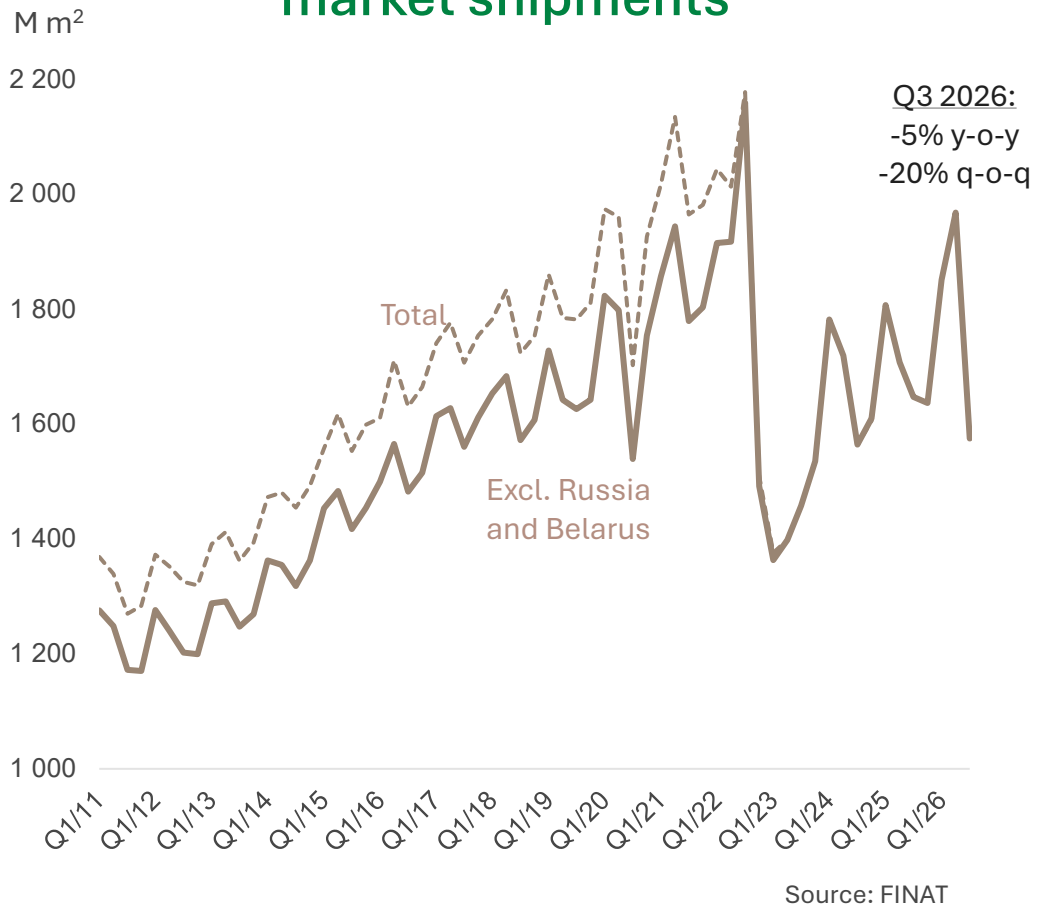






# UPM Adhesive Materials: label materials demand

## European market shipments




Source: FINAT

## North American market shipments




Source: TLMI

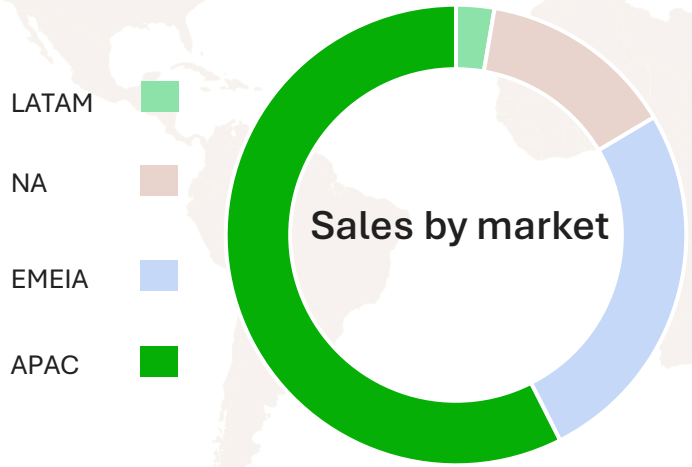
UPM Specialty Materials

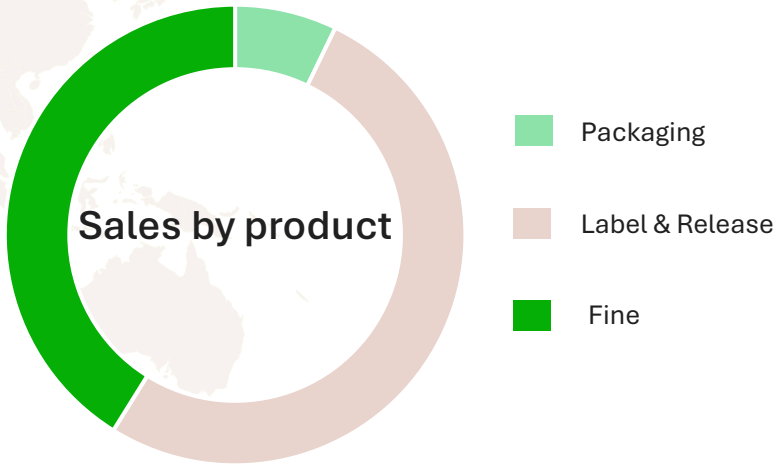
# Renewable, recyclable papers for labeling and packaging

**Sales 2025**
€ million
**1,485**

**EBITDA 2025**
€ million
**204**

**ROCE 2025**
€ million
**20.9%**



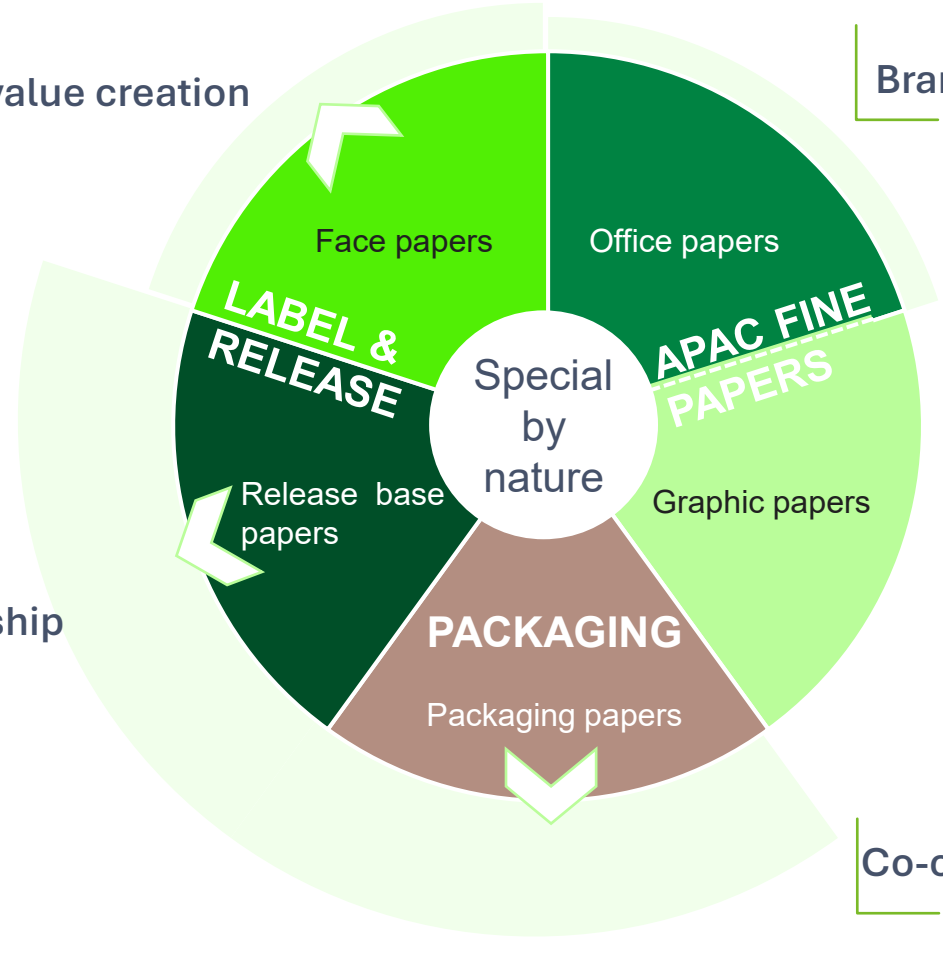
UPM Specialty Materials

# UPM Specialty Materials' growth strategy

Committed value creation



Globally recognized leadership




Brand based value



Focused, committed and agile



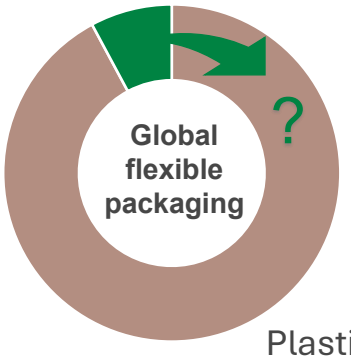
Co-creating remarkable products

UPM Specialty Materials

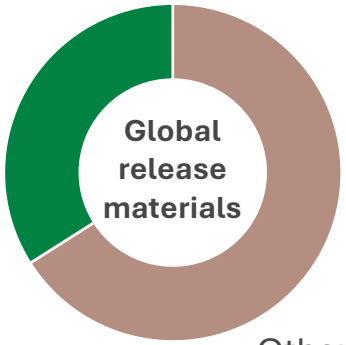
# Entering attractive adjacent markets

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

**Paper**




**Glassine**









UPM Communication Papers

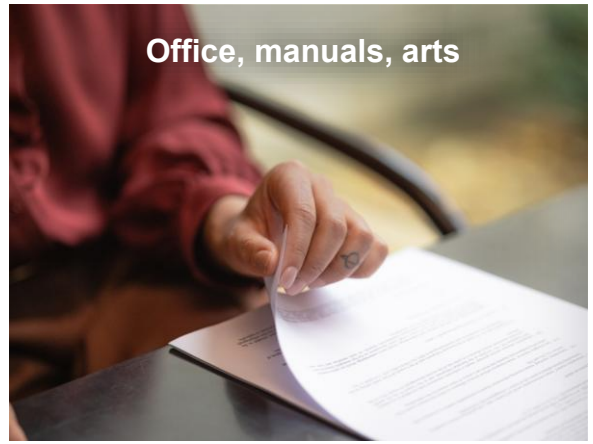
# The market's widest range of graphic papers, for various end-uses and purposes

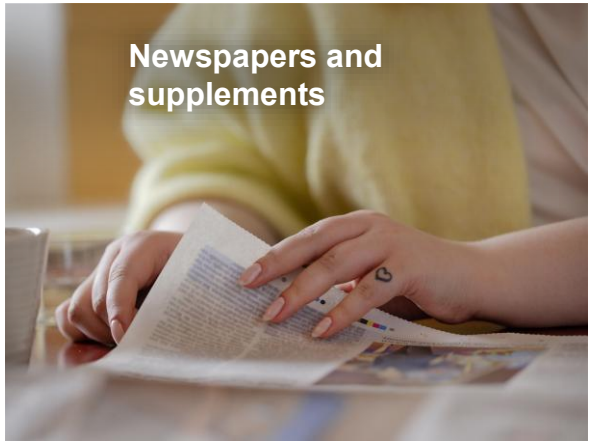






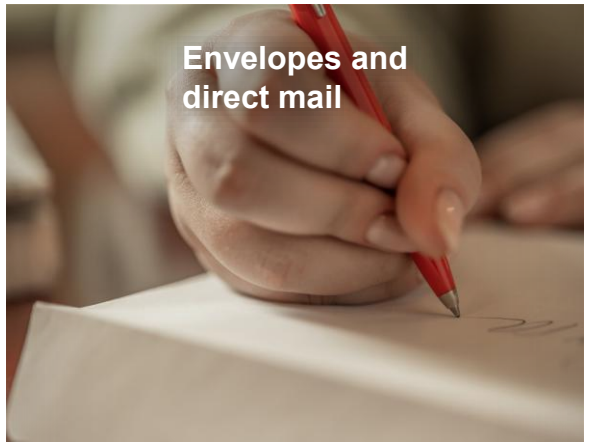









Fine papers

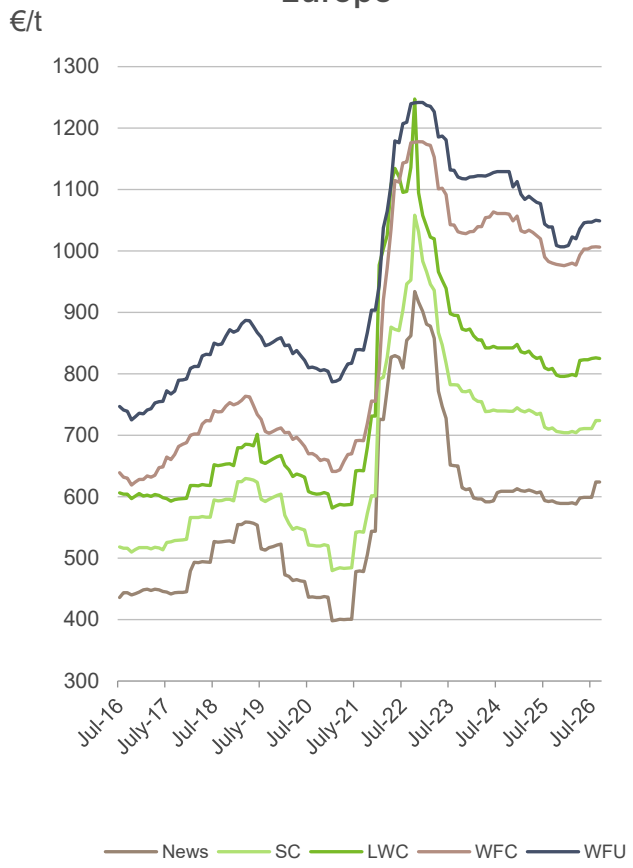
News & UMIO

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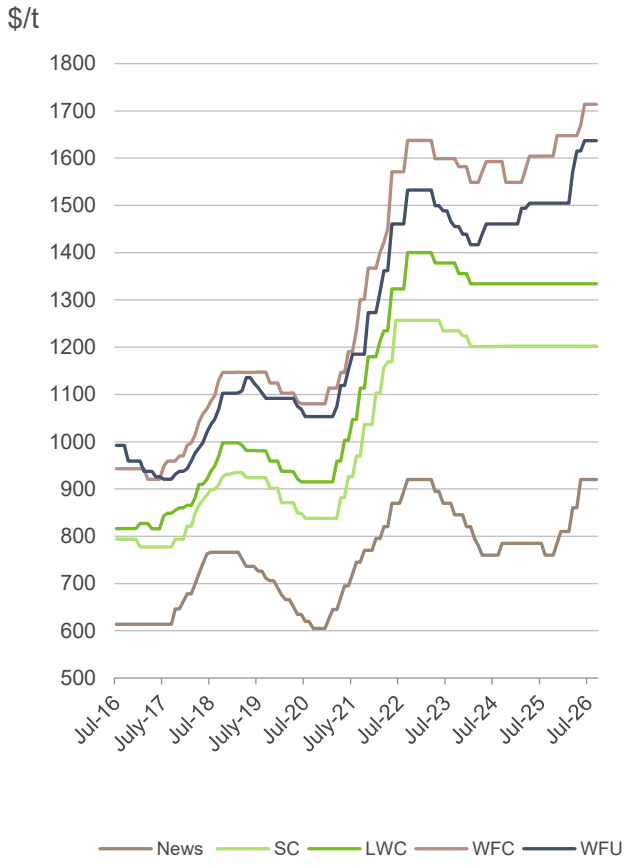
Coated mechanical

# UPM Communication Papers: Graphic paper prices

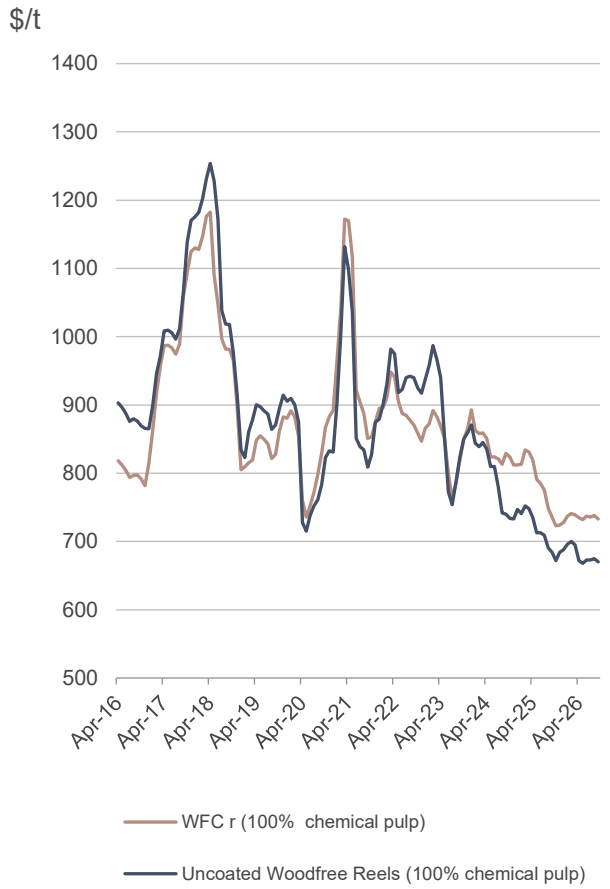
## Europe




## North America




## China




Sources: PPI, RISI


UPM